



AGENDA

SAN RAFAEL CITY COUNCIL – MONDAY, JUNE 7, 2021

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 held virtually using a webinar and streamed through YouTube Live at 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/>.

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CLOSED SESSION AT 5:00 P.M.

Watch on Webinar: <https://tinyurl.com/cs-2021-06-07>

Watch on YouTube: www.youtube.com/cityofsanrafael

Listen by phone: (669) 900-9128

ID: 812-1534-2238#

OPEN SESSION

1. Mayor Kate to announce Closed Session item.

CLOSED SESSION

2. Closed Session:
 - a. Conference with Labor Negotiators - Government Code Section 54957.6
Lead Negotiators: Timothy L. Davis and Stephanie Vollmer (Burke, Williams & Sorensen)
Agency Designated Representatives: Jim Schutz, Cristine Alilovich, Nadine Hade, Thomas Wong, Carmen Valdez, and Sylvia Gonzalez-Shelton
Employee Organization: SEIU - Childcare; San Rafael Police Mid-Management Association; Public Employee Union, Local 1; San Rafael Firefighters' Association; San Rafael Police Association; SEIU Local 1021; Western Council of Engineers; San Rafael Fire Chief Officers' Association; Unrepresented Mid-Management; Unrepresented Executive Management

REGULAR MEETING AT 7:00 P.M.

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ID: 817-3692-0337#

OPEN TIME FOR PUBLIC EXPRESSION

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

CITY MANAGER'S REPORT:

3. City Manager's Report:

COUNCILMEMBER REPORTS:

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

4. Councilmember Reports:

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.

5. Consent Calendar Items:

a. **Approval of Minutes**

Approve Minutes of City Council / Successor Agency Regular Meeting of Monday, May 17, 2021 (CC)

Recommended Action – Approve minutes as submitted

b. **Legal Services Contract**

Resolution Approving and Authorizing the City Manager to Execute an Agreement with Burke, Williams & Sorensen, LLP for Essential Legal Services to Supplement Staff in the City Attorney's Office, in an Amount Not to Exceed \$150,000 (CA)

Recommended Action – Adopt Resolution

c. **Downtown Streets Team**

Resolution Authorizing the City Manager to Execute a Two-Year Agreement with the Downtown Streets Team for Homeless Support Services in Fiscal Years 2021-2022 and 2022-2023 in an Amount Not to Exceed \$200,000 (CM)

Recommended Action – Adopt Resolution

d. **Audit Services**

Resolution Approving and Authorizing the City Manager to Execute an Amendment to the Agreement for Professional Auditing Services Between the City and Maze & Associates Accountancy Corporation, Extending the Term of the Agreement for Auditing Services for the Fiscal Year Ending June 30, 2021, in an Amount Not to Exceed \$86,160 (Fin)

Recommended Action – Adopt Resolution

e. **Annual Adjustment to the Library Parcel Tax**

Report Concerning the Annual Consumer Price Index (CPI) Rate Adjustment for the Special Library Services Parcel Tax for the Fiscal Year July 1, 2021 Through June 30, 2022 as Specified in Voter-Approved Measure D (San Rafael Municipal Code Chapter 3.36) (Fin/Lib)

Recommended Action – Accept Report

f. **City Investment Policy**

Annual Review and Resolution to Approve the City of San Rafael Investment Policy (Fin)

Recommended Action – Accept Report and Adopt Resolution

g. **Parcel Map Lands of BioMarin Pharmaceutical, Inc.**

Resolution Approving the Parcel Map for the “Lands of BioMarin Pharmaceutical, Inc.” at 999 Third Street (PW)

Recommended Action – Adopt Resolution

h. **Special Tax on Properties at Loch Lomond 10 – Mello-Roos District No. 1992-1**

Resolution Setting the Special Tax for Community Facilities District No. 1992-1 (Loch Lomond #10) for Fiscal Year 2021-22 (PW)

Recommended Action – Adopt Resolution

i. **Special Tax on Properties at the Village at Loch Lomond Marina – Mello-Roos District No. 2**

Resolution Setting the Special Tax for City of San Rafael Community Facilities District No. 2 (The Village at Loch Lomond Marina) for Fiscal Year 2021-22 (PW)

Recommended Action – Adopt Resolution

j. **Baypoint Lagoons Assessment District**

Baypoint Lagoons Landscaping and Lighting Assessment District Annual Assessment: (PW)

i. Resolution Directing Filing of Engineer’s Annual Report FY 2021-22

Recommended Action – Adopt Resolution

ii. Resolution Approving Engineer’s Annual Report FY 2021-22

Recommended Action – Adopt Resolution

iii. Resolution of Intention to Order Improvements and Setting a Public Hearing on the Annual Assessment for the City Council Meeting of June 21, 2021

Recommended Action – Adopt Resolution

- k. **Point San Pedro Road Median Landscaping Assessment District**
Point San Pedro Road Median Landscaping Assessment District Annual Assessment: (PW)
 - i. Resolution Directing Filing of Engineer's 2021-22 Annual Report
Recommended Action – Adopt Resolution
 - ii. Resolution Approving Engineer's 2021-22 Annual Report
Recommended Action – Adopt Resolution
 - iii. Resolution of Intention to Order Improvements and Setting a Public Hearing on the Annual Assessment for the City Council Meeting of June 21, 2021
Recommended Action – Adopt Resolution

SPECIAL PRESENTATIONS

- 6. Special Presentations:
 - a. Presentation of LGBTQ+ Pride Month Proclamation (CM)
 - b. Presentation of Juneteenth Proclamation (HR)

PUBLIC HEARINGS

- 7. Public Hearings:
 - a. **"TEFRA" Public Hearing for Tax-Exempt Financing – 855 C Street**
Resolution Approving Issuance of Revenue Bonds By the California Municipal Finance Authority for the Purpose of Providing Financing for a Residential Rental Housing Project Known As Centertown Apartments at 855 C Street, Pursuant to the Tax and Equity Fiscal Responsibility Act of 1982 ("TEFRA") (CD)
Additional call-in phone number for public comment: (844) 854-2222 (Toll Free) Access Code: 920111
Recommended Action – Adopt Resolution

OTHER AGENDA ITEMS

- 8. Other Agenda Items:
 - a. **Homelessness**
Informational Report on Status of Homelessness in San Rafael (CM)
Recommended Action – Accept Report
 - b. **Homelessness Case Management**
Resolution of the San Rafael City Council Authorizing the City Manager to Execute an Agreement with the County of Marin to Provide Funding for Housing First Case Management in an Amount Not to Exceed \$260,000 (CM)
Recommended Action – Adopt Resolution

c. **Preliminary Citywide Budget for Fiscal Year 2021-2022**

Preliminary Citywide Budget, Capital Improvement Program, Goals and Objectives, and Gann Appropriations Limits for Fiscal Year 2021-2022 (Fin)

Recommended Action – Accept report and provide direction to staff to return with the final budget for adoption

d. **Successor Memorandum of Understanding Between the City of San Rafael and San Rafael Police Association**

Discussion and Consideration of a Memorandum of Understanding Pertaining to Compensation and Working Conditions for San Rafael Police Association (July 1, 2021 Through June 30, 2024) (HR)

Recommended Action – Direct staff to return with resolution adopting MOU

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 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 – MONDAY, MAY 17, 2021

CORONAVIRUS (COVID-19) ADVISORY NOTICE

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Present: Mayor Kate
Vice Mayor Bushey
Councilmember Hill
Councilmember Kertz
Councilmember Llorens Gulati

Absent: None

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

CLOSED SESSION AT 5:30 P.M.

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ID: 845-0956-8445#

OPEN SESSION

1. Mayor Kate to announce Closed Session item.

CLOSED SESSION

2. Closed Session:

- a. Conference with Labor Negotiators - Government Code Section 54957.6
Lead Negotiators: Timothy L. Davis and Stephanie Vollmer (Burke, Williams & Sorensen)

Agency Designated Representatives: Jim Schutz, Cristine Alilovich, Nadine Hade, Thomas Wong, Carmen Valdez, and Sylvia Gonzalez-Shelton

Employee Organization: SEIU - Childcare; San Rafael Police Mid-Management Association; Public Employee Union, Local 1; San Rafael Firefighters' Association; San Rafael Police Association; SEIU Local 1021; Western Council of Engineers; San Rafael Fire Chief Officers' Association; Unrepresented Mid-Management; Unrepresented Executive Management

REGULAR MEETING AT 7:00 P.M.

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ID: 899-2635-9885#

Mayor Kate called the meeting to order at 7:04 p.m. and invited City Clerk Lindsay Lara to call the roll. All members of the City Council were present.

City Attorney Robert Epstein announced that no reportable action was taken in the Closed Session held prior to the meeting.

Mayor Kate provided opening remarks, which included our individual humanity and how we can best show up for each other in our community in regards to all the complex issues that we face as a city.

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

OPEN TIME FOR PUBLIC EXPRESSION

Correspondence in real-time through YouTube, Zoom or telephone

- Eva Chrysanthe addressed the City Council regarding her California Public Records Act (CPRA) results
- Salamah Locks, Commission on Aging, addressed the City Council regarding the month of May and announced a Telehealth & Bridging the Digital Health Divide webinar to be held on Thursday, May 27 – 10:00 a.m. - 12:30 p.m.
- Rob Nieset addressed the City Council regarding a homeless encampment at Boyd Memorial Park
- Victoria DeWitt addressed the City Council regarding a vacancy on the Design Review Board
- Kenny Gatlin, Jamie Poirier, Bonnie Groshong, Name withheld, Margaret Stawowy, Marita Garcia, Andrew Thompson, Pam Klein (all City employees) addressed the City Council regarding SEIU Local 1021 labor negotiations
- Brad Gaffney addressed the City Council regarding the homeless encampments under the freeway between 3rd and Mission
- Kaico addressed the City Council regarding the homeless encampments at Boyd Park

City Attorney Rob Epstein provided comments on how Open Time for Public Expression works.

CITY MANAGER'S REPORT:

3. City Manager's Report:

City Manager Jim Schutz announced:

- COVID-19 and the City's response update
- Annual budget process update, including the Governor's "May Revise," American Rescue Plan, homelessness and housing
- Bridging the Digital Divide in a Post-Pandemic Marin on Friday, May 21, 11:30 a.m. - 12:30 p.m.
- Downtown Summer Market every Thursday 5:00 - 8:00 p.m. and Dining Under the Lights every Thursday and Friday 5:00 - 9:00 p.m.

COUNCILMEMBER REPORTS:

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

4. Councilmember Reports:

- Councilmember Bushey reported on Point San Pedro Road Coalition and two Central Marin Sanitation Agency meetings, as well as, a briefing from the Marin Organizing Committee.
- Councilmember Kertz reported on MCCMC Forum on Economic Development, Marin Wildfire Prevention Authority, Homelessness, Age-Friendly, Economic Development Subcommittee and Fire Safe Marin (San Rafael focused) meetings.
- Councilmember Llorens Gulati reported on San Rafael Safe Routes to Schools, Canal Outbreak Response, Canal Policy Working Group, Baypoint neighborhood and (an upcoming) Climate Action Priorities update meetings.
- Councilmember Hill reported on meetings with Police Chief David Spiller, Digital Service & Open Government Director Jessica MacLeod and the West End neighborhood. Also, he noted Measures G & H passed (San Rafael City Schools).
- Mayor Kate reported on SMART, TAM Safe Routes, Homelessness, MCCMC Homelessness, and San Rafael Sanitation meetings, as well as, interviews for the Planning and Fire Commissions and the Commission on Aging

CONSENT CALENDAR:

Mayor Kate invited public comment.

Speakers: Salamah Locks, Jason Sarris

Councilmember Bushey moved and Councilmember Llorens Gulati seconded to approve the Consent Calendar.

5. Consent Calendar Items:

a. **Approval of Minutes**

Approve Minutes of City Council / Successor Agency Regular Meeting of Monday, May 3, 2021 and Special Meetings of Friday, April 30, 2021 and Monday, May 10, 2021 (CC)

Approved minutes as submitted

- b. **Residential Building Resale (RBR) Report
Resolution Adopting an Extension of Temporary Measures for Administering the Residential Building Record Program ("RBR Program") Set Forth in San Rafael Municipal Code Title 12 (Building Regulations), Chapter 12.36 (Report of Residential Building Record) During the High Demand Real Estate Market and COVID-19 Pandemic (CD)**
Resolution 14912 - Resolution Adopting an Extension of Temporary Measures for Administering the Residential Building Record Program ("RBR Program") Set Forth in San Rafael Municipal Code Title 12 (Building Regulations), Chapter 12.36 (Report of Residential Building Record) During the High Demand Real Estate Market and COVID-19 Pandemic
- c. **MIDAS Agreement Fiscal Year 2021-22
Resolution Authorizing the City Manager to Execute a General Services Agreement with Marin Information and Data Access Systems (MIDAS) for Information Technology Services from July 1, 2021 Through June 30, 2022, for An Amount Not to Exceed \$93, 021 (DS)**
Resolution 14913 - Resolution Authorizing the City Manager to Execute a General Services Agreement with Marin Information and Data Access Systems (MIDAS) for Information Technology Services from July 1, 2021 Through June 30, 2022, for An Amount Not to Exceed \$93, 021 (DS)
- d. **Servers and Storage Area Network (SAN) Replacement
Resolution Authorizing the City Manager to Execute a Purchase of Servers and Network Storage Equipment through Xantrion, Inc. at a Cost Not to Exceed \$180,000 (DS)**
Resolution 14914 - Resolution Authorizing the City Manager to Execute a Purchase of Servers and Network Storage Equipment through Xantrion, Inc. at a Cost Not to Exceed \$180,000
- e. **1075 Francisco Boulevard East Parcel Map Approval (Hampton Hotels)
Resolution Approving a Parcel Map for the Merging of Four Lots to Two Lots at 1075 Francisco Boulevard East (PW)**
Resolution 14915 - Resolution Approving a Parcel Map for the Merging of Four Lots to Two Lots at 1075 Francisco Boulevard East
- f. **Temporary Street Closure to Support Vaccination Efforts in the Canal Neighborhood
Resolution Authorizing Saturday Street Closures to Support Canal Alliance's Effort to Provide COVID-19 Vaccinations from Saturday May 1, 2021 Through Saturday July 10, 2021 (PW)**
Resolution 14916 - Resolution Authorizing Saturday Street Closures to Support Canal Alliance's Effort to Provide COVID-19 Vaccinations from Saturday May 1, 2021 Through Saturday July 10, 2021
- g. **IDA Townhomes (West End/IDA Street – 8 Townhomes)**

Resolution Approving Stormwater Facilities Maintenance Agreements and Final Subdivision Map for the IDA Townhomes Subdivision (PW)

Resolution 14917 - Resolution Approving Stormwater Facilities Maintenance Agreements and Final Subdivision Map for the IDA Townhomes Subdivision

**h. Marin History Museum Lease of Boyd Gate House
Final Adoption of Ordinance No. 1993: Ordinance Approving a Lease of Real Property at 1125 B Street (Boyd Gate House), to the Marin History Museum (PW)**

Final Adoption of Ordinance No. 1993

AYES: Councilmembers: Bushey, Hill, Kertz, Llorens Gulati & Mayor Kate

NOES: Councilmembers: None

ABSENT: Councilmembers: None

SPECIAL PRESENTATIONS

6. Special Presentations:

a. Public Works Recognition Week and Appreciation Video

Bill Guerin, Public Works Director introduced the Appreciation Video.

Mayor Kate presented a Proclamation to Bill Guerin, Public Works Director.

Bill Guerin, Public Works Director provided comments.

Mayor Kate invited public comment.

Speakers: Eva Chrysanthe, Jason Sarris

OTHER AGENDA ITEMS

7. Other Agenda Items:

a. **Greenhouse Gas Emissions Report and Climate Action Priorities Update**

i. **San Rafael Greenhouse Gas Inventory Report (CM)**

ii. **2021-2023 Two-Year Work Plan Priorities Report (CM)**

Cory Bytof, Sustainability Program Manager and Christine O'Rourke, Marin Climate and Energy Partnership (MCEP) presented the Staff Report.

Staff responded to questions from Councilmembers.

Mayor Kate invited public comment.

Speakers: Carleen Cullen, Cool the Earth, Eva Chrysanthe, Chris Yalonis, VenturePad, Bill Carney, Sustainable San Rafael, Kiki La Porta, Sustainable San Rafael & Sustainable Marin, Tamara Peters, Resilient Neighborhoods, Belle Cole, Organizing for Action (OFA), Jeffrey

Rhoads, Resilient Shore

Staff responded to public comment.

Councilmembers provided comments.

Councilmember Bushey moved and Councilmember Llorens Gulati seconded to accept the report.

AYES: Councilmembers: Bushey, Hill, Kertz, Llorens Gulati & Mayor Kate
NOES: Councilmembers: None
ABSENT: Councilmembers: None

Accepted Report

Councilmember Llorens Gulati moved and Councilmember Bushey seconded to accept the report.

AYES: Councilmembers: Bushey, Hill, Kertz, Llorens Gulati & Mayor Kate
NOES: Councilmembers: None
ABSENT: Councilmembers: None

Accepted Report

SAN RAFAEL SUCCESSOR AGENCY:

1. Consent Calendar: - None.

ADJOURNMENT:

Mayor Kate adjourned the meeting at 9:21 p.m.

LINDSAY LARA, City Clerk

APPROVED THIS ____ DAY OF _____, 2021

KATE COLIN, Mayor



SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: City Attorney

Prepared by: Lisa Goldfien, Asst. City Attorney

City Manager Approval: _____

TOPIC: LEGAL SERVICES CONTRACT

SUBJECT: RESOLUTION APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH BURKE, WILLIAMS & SORENSEN, LLP FOR ESSENTIAL LEGAL SERVICES TO SUPPLEMENT STAFF IN THE CITY ATTORNEY’S OFFICE, IN AN AMOUNT NOT TO EXCEED \$150,000

RECOMMENDATION:

Adopt resolution approving the legal services agreement.

BACKGROUND:

The Deputy City Attorney II essential position was vacated at the end of May 2019, and staff has determined not to advertise for a new attorney at this time during the economic recovery related to COVID-19. Since June 2019 the City Attorney’s office has had an agreement to obtain “on-call” legal services from the firm of Burke, Williams & Sorensen, LLP, mainly from partner Nira Doherty. The part-time services that Nira and her firm have provided have enabled the office to function without a fulltime deputy city attorney. The current agreement for services expires on June 30, 2021 and staff now wishes to enter into a new agreement for these legal services during fiscal year 2021-22.

ANALYSIS:

Nira Doherty is an experienced city attorney, litigator, and land use expert. Her litigation and transactional practices emphasize general municipal law, land use and development, CEQA, and code enforcement issues. She serves as General Counsel for the Tahoe Transportation District, City Attorney for the City of Menlo Park and Assistant City Attorney for the City of Benicia. Nira advises city councils and staff in all areas of municipal law including complex land use, zoning, and development matters, open meeting laws, the Public Records Act, conflicts of interest, CEQA, elections, initiatives, contracts and torts, and conflicts of interest. She also advises municipal clients throughout the state on issues related to cannabis. Nira has spoken extensively on cannabis issues and has successfully represented municipalities in cannabis-related litigation.

FOR CITY CLERK ONLY

File Number:

Council Meeting:

Disposition:

Staff recommends entering into an agreement with Burke, Williams & Sorensen for general municipal law services during fiscal year 2021-22. Payment would be made at the firm's standard public entity hourly rates, in a total not-to-exceed amount of \$150,000. This would provide approximately 40 hours of legal services per month. City Attorney staff expects that most services would be provided by Nira, but this agreement would also provide the City Attorney's office with the benefit of access to subject-matter experts in the Burke firm when needed. In the past year, Nira and other attorneys at the Burke firm have been providing supplemental City Attorney services on a wide range of municipal issues, including COVID-19-related economic regulations, land use, employment, affordable housing, real estate, and telecommunications.

FISCAL IMPACT:

Funds to cover the recommended contract amount are available due to budget savings from the vacant Deputy City Attorney II essential position. As with the current agreement, staff is proposing to cap the fees for the 12-month term of this agreement at \$150,000. Staff expects this amount to be sufficient; however, if unanticipated events result in a need for additional contract legal services during the fiscal year, staff will return to the City Council for approval of any increase in total contract fees.

OPTIONS:

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

1. Adopt the resolution approving the legal services agreement as recommended.
2. Adopt the resolution with modifications to the agreement.
3. Direct staff to return with more information.
4. Take no action.

RECOMMENDED ACTION:

Adopt the resolution.

ATTACHMENTS:

1. Resolution
2. Proposed Agreement for Legal Services

RESOLUTION NO.

A RESOLUTION OF THE SAN RAFAEL CITY COUNCIL APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH BURKE, WILLIAMS & SORENSEN, LLP FOR ESSENTIAL LEGAL SERVICES TO SUPPLEMENT STAFF IN THE CITY ATTORNEY'S OFFICE, IN AN AMOUNT NOT TO EXCEED \$150,000

WHEREAS, the Deputy City Attorney II essential position was vacated at the end of May 2019; and

WHEREAS, for assistance with overflow work pending the hiring of a new deputy city attorney, the City Attorney's office has had an agreement since June 2019 to obtain "on-call" legal services from the firm of Burke, Williams & Sorensen, LLP (BW&S); and

WHEREAS, the part-time services provided by BW&S have enabled the City Attorney's office to function, on a temporary basis, without a fulltime deputy city attorney; and

WHEREAS, to achieve budget savings, City staff have determined to continue to rely upon contract legal services rather than to fill the Deputy City Attorney II position during Fiscal Year 2021-2022; and

WHEREAS, funds to cover the recommended contract amount are available due to budget savings from the vacant Deputy City Attorney II position;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of San Rafael hereby approves and authorizes the City Manager to execute an Agreement for General Municipal Legal Services with Burke, Williams & Sorensen, LLP for essential legal services to supplement staff in the City Attorney's office during Fiscal Year 2021-2022, in an amount not to exceed \$150,000 and in the form presented in the staff report accompanying 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 Council of said City on Monday, the 7th day of June 2021, by the following vote, to wit:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

LINDSAY LARA, City Clerk

AGREEMENT FOR PROFESSIONAL SERVICES
FOR GENERAL MUNICIPAL SERVICES

This Agreement is made and entered into this _____ day of _____, 20____, by and between the CITY OF SAN RAFAEL (hereinafter "**CITY**"), and BURKE, WILLIAMS & SORENSEN, LLP (hereinafter "**CONTRACTOR**").

AGREEMENT

NOW, THEREFORE, the parties hereby agree as follows:

1. **PROJECT COORDINATION.**

A. **CITY'S Project Manager.** The Assistant City Attorney is hereby designated the PROJECT MANAGER for the **CITY**, and said PROJECT MANAGER shall supervise all aspects of the progress and execution of this Agreement.

B. **CONTRACTOR'S Project Director.** **CONTRACTOR** shall assign a single PROJECT DIRECTOR to have overall responsibility for the progress and execution of this Agreement for **CONTRACTOR**. Nira Doherty is hereby designated as the PROJECT DIRECTOR for **CONTRACTOR**. Should circumstances or conditions subsequent to the execution of this Agreement require a substitute PROJECT DIRECTOR, for any reason, the **CONTRACTOR** shall notify the **CITY** within ten (10) business days of the substitution.

2. **DUTIES OF CONTRACTOR.**

CONTRACTOR shall perform the duties and/or provide services as follows:

- a. Representation and advice regarding general municipal matters for the City Attorney's office and for the City Council, City Manager, Boards and Commissions and City staff as directed and delegated by the City Attorney's office.
- b. Attendance at Council meetings and staff meetings as directed and delegated by the City Attorney's office.
- c. Occasional office hours at City Hall during Assistant City Attorney vacation, in an agreed upon schedule by the parties.

This Agreement shall include all general municipal legal services which includes all legal services with the exception of special counsel services. Special counsel services include:

- Litigation
- Arbitration
- Complex construction

- Eminent domain
- Complex personnel matters including disciplinary actions (routine personnel matters and advice are included within the Agreement.)
- Imposition of fees and taxes pursuant to Props 26 and 218

3. DUTIES OF CITY.

CITY shall pay the compensation as provided in Paragraph 4.

4. COMPENSATION.

For the full performance of the services described herein by **CONTRACTOR**, **CITY** shall pay **CONTRACTOR** on a time and materials basis at **CONTRACTOR's** standard public agency rates as follows:

- \$325/hour - partners
- \$295/hour – associates

In no event shall the compensation payable to **CONTRACTOR** hereunder exceed the sum of \$150,000 except by written amendment to this Agreement.

Payment will be made monthly upon receipt by PROJECT MANAGER of itemized invoices submitted by **CONTRACTOR**.

5. TERM OF AGREEMENT.

The term of this Agreement shall commence on July 1, 2021 and end on June 30, 2022.

6. TERMINATION.

A. **Discretionary.** Either party may terminate this Agreement without cause upon thirty (30) days written notice mailed or personally delivered to the other party.

B. **Cause.** Either party may terminate this Agreement for cause upon fifteen (15) days written notice mailed or personally delivered to the other party, and the notified party's failure to cure or correct the cause of the termination, to the reasonable satisfaction of the party giving such notice, within such fifteen (15) day time period.

C. **Effect of Termination.** Upon receipt of notice of termination, neither party shall incur additional obligations under any provision of this Agreement without the prior written consent of the other.

D. **Return of Documents.** Upon termination, any and all **CITY** documents or

materials provided to **CONTRACTOR** and any and all of **CONTRACTOR's** documents and materials prepared for or relating to the performance of its duties under this Agreement, shall be delivered to **CITY** as soon as possible, but not later than thirty (30) days after termination.

7. OWNERSHIP OF DOCUMENTS.

The written documents and materials prepared by the **CONTRACTOR** in connection with the performance of its duties under this Agreement, shall be the sole property of **CITY**. **CITY** may use said property for any purpose, including projects not contemplated by this Agreement.

8. INSPECTION AND AUDIT.

Upon reasonable notice, **CONTRACTOR** shall make available to **CITY**, or its agent, for inspection and audit, all documents and materials maintained by **CONTRACTOR** in connection with its performance of its duties under this Agreement. **CONTRACTOR** shall fully cooperate with **CITY** or its agent in any such audit or inspection.

9. ASSIGNABILITY.

The parties agree that they shall not assign or transfer any interest in this Agreement nor the performance of any of their respective obligations hereunder, without the prior written consent of the other party, and any attempt to so assign this Agreement or any rights, duties or obligations arising hereunder shall be void and of no effect.

10. INSURANCE.

A. **Scope of Coverage.** During the term of this Agreement, **CONTRACTOR** shall maintain, at no expense to **CITY**, the following insurance policies:

1. A commercial general liability insurance policy in the minimum amount of one million dollars (\$1,000,000) per occurrence/two million dollars (\$2,000,000) aggregate, for death, bodily injury, personal injury, or property damage.

2. An automobile liability (owned, non-owned, and hired vehicles) insurance policy in the minimum amount of one million dollars (\$1,000,000) dollars per occurrence.

3. If any licensed professional performs any of the services required to be performed under this Agreement, a professional liability insurance policy in the minimum amount of one million dollars (\$1,000,000) per occurrence/two million dollars (\$2,000,000) aggregate, to cover any claims arising out of the **CONTRACTOR's** performance of services under this Agreement. Where **CONTRACTOR** is a professional not required to have a professional license, **CITY** reserves the right to require **CONTRACTOR** to provide professional liability insurance pursuant to this section.

4. If it employs any person, **CONTRACTOR** shall maintain worker's compensation insurance, as required by the State of California, with statutory limits, and employer's liability insurance with limits of no less than one million dollars (\$1,000,000) per accident for bodily injury or disease. **CONTRACTOR's** worker's compensation insurance shall be specifically endorsed to waive any right of subrogation against **CITY**.

B. Other Insurance Requirements. The insurance coverage required of the **CONTRACTOR** in subparagraph A of this section above shall also meet the following requirements:

1. Except for professional liability insurance or worker's compensation insurance, the insurance policies shall be specifically endorsed to include the **CITY**, its officers, agents, employees, and volunteers, as additional insureds (for both ongoing and completed operations) under the policies.

2. The additional insured coverage under **CONTRACTOR'S** insurance policies shall be "primary and noncontributory" with respect to any insurance or coverage maintained by **CITY** and shall not call upon **CITY's** insurance or self-insurance coverage for any contribution. The "primary and noncontributory" coverage in **CONTRACTOR'S** policies shall be at least as broad as ISO form CG20 01 04 13.

3. Except for professional liability insurance or worker's compensation insurance, the insurance policies shall include, in their text or by endorsement, coverage for contractual liability and personal injury.

4. By execution of this Agreement, **CONTRACTOR** hereby grants to **CITY** a waiver of any right to subrogation which any insurer of **CONTRACTOR** may acquire against **CITY** by virtue of the payment of any loss under such insurance. **CONTRACTOR** agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not **CITY** has received a waiver of subrogation endorsement from the insurer.

5. If the insurance is written on a Claims Made Form, then, following termination of this Agreement, said insurance coverage shall survive for a period of not less than five years.

6. The insurance policies shall provide for a retroactive date of placement coinciding with the effective date of this Agreement.

7. The limits of insurance required in this Agreement may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and noncontributory basis for the benefit of **CITY** (if agreed to in a written contract or agreement) before **CITY'S** own insurance or self-insurance shall be called upon to protect it as a named insured.

8. It shall be a requirement under this Agreement that any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements and/or limits shall be available to CITY or any other additional insured party. Furthermore, the requirements for coverage and limits shall be: (1) the minimum coverage and limits specified in this Agreement; or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured; whichever is greater. No representation is made that the minimum Insurance requirements of this agreement are sufficient to cover the obligations of the **CONTRACTOR** under this agreement.

C. **Deductibles and SIR's.** Any deductibles or self-insured retentions in **CONTRACTOR's** insurance policies must be declared to and approved by the PROJECT MANAGER and City Attorney, and shall not reduce the limits of liability. Policies containing any self-insured retention (SIR) provision shall provide or be endorsed to provide that the SIR may be satisfied by either the named insured or **CITY** or other additional insured party. At **CITY's** option, the deductibles or self-insured retentions with respect to **CITY** shall be reduced or eliminated to **CITY's** satisfaction, or **CONTRACTOR** shall procure a bond guaranteeing payment of losses and related investigations, claims administration, attorney's fees and defense expenses.

D. **Proof of Insurance.** **CONTRACTOR** shall provide to the PROJECT MANAGER or **CITY'S** City Attorney all of the following: (1) Certificates of Insurance evidencing the insurance coverage required in this Agreement; (2) a copy of the policy declaration page and/or endorsement page listing all policy endorsements for the commercial general liability policy, and (3) excerpts of policy language or specific endorsements evidencing the other insurance requirements set forth in this Agreement. **CITY** reserves the right to obtain a full certified copy of any insurance policy and endorsements from **CONTRACTOR**. Failure to exercise this right shall not constitute a waiver of the right to exercise it later. The insurance shall be approved as to form and sufficiency by PROJECT MANAGER and the City Attorney.

11. INDEMNIFICATION.

A. Except as otherwise provided in Paragraph B., **CONTRACTOR** shall, to the fullest extent permitted by law, indemnify, release, defend with counsel approved by **CITY**, and hold harmless **CITY**, its officers, agents, employees and volunteers (collectively, the "**City Indemnitees**"), from and against any claim, demand, suit, judgment, loss, liability or expense of any kind, including but not limited to attorney's fees, expert fees and all other costs and fees of litigation, (collectively "**CLAIMS**"), arising out of **CONTRACTOR'S** performance of its obligations or conduct of its operations under this Agreement. The **CONTRACTOR's** obligations apply regardless of whether or not a liability is caused or contributed to by the active or passive negligence of the **City Indemnitees**. However, to the extent that liability is caused by the active negligence or willful misconduct of the **City Indemnitees**, the **CONTRACTOR's** indemnification obligation shall be reduced in proportion to the **City Indemnitees'** share

of liability for the active negligence or willful misconduct. In addition, the acceptance or approval of the **CONTRACTOR**'s work or work product by the **CITY** or any of its directors, officers or employees shall not relieve or reduce the **CONTRACTOR**'s indemnification obligations. In the event the **City Indemnitees** are made a party to any action, lawsuit, or other adversarial proceeding arising from **CONTRACTOR**'S performance of or operations under this Agreement, **CONTRACTOR** shall provide a defense to the **City Indemnitees** or at **CITY'S** option reimburse the **City Indemnitees** their costs of defense, including reasonable attorneys' fees, incurred in defense of such claims.

B. Where the services to be provided by **CONTRACTOR** under this Agreement are design professional services to be performed by a design professional as that term is defined under Civil Code Section 2782.8, then, to the extent permitted by law including without limitation, Civil Code sections 2782, 2782.6 and 2782.8, **CONTRACTOR** shall indemnify and hold harmless the **CITY** and its officers, officials, and employees (collectively **City Indemnitees**) from and against damages, liabilities or costs (including incidental damages. Court costs, reasonable attorney's fees as may be determined by the Court, litigation expenses and fees of expert witnesses incurred in connection therewith and costs of investigation) to the extent they are caused by the negligence, recklessness, or willful misconduct of **CONTRACTOR**, or any subconsultants, or subcontractor or anyone directly or indirectly employed by them, or anyone for whom they are legally liable (collectively Liabilities). Such obligation to hold harmless and indemnify any indemnity shall not apply to the extent that such Liabilities are caused in part by the negligence or willful misconduct of such City Indemnitee.

C. The defense and indemnification obligations of this Agreement are undertaken in addition to, and shall not in any way be limited by, the insurance obligations contained in this Agreement, and shall survive the termination or completion of this Agreement for the full period of time allowed by law.

12. NONDISCRIMINATION.

CONTRACTOR shall not discriminate, in any way, against any person on the basis of age, sex, race, color, religion, ancestry, national origin or disability in connection with or related to the performance of its duties and obligations under this Agreement.

13. COMPLIANCE WITH ALL LAWS.

CONTRACTOR shall observe and comply with all applicable federal, state and local laws, ordinances, codes and regulations, in the performance of its duties and obligations under this Agreement. **CONTRACTOR** shall perform all services under this Agreement in accordance with these laws, ordinances, codes and regulations. **CONTRACTOR** shall release, defend, indemnify and hold harmless **CITY**, its officers, agents and employees from any and all damages, liabilities, penalties, fines and all other consequences from any noncompliance or violation of any laws, ordinances, codes or regulations.

14. NO THIRD PARTY BENEFICIARIES.

CITY and **CONTRACTOR** do not intend, by any provision of this Agreement, to create in any third party, any benefit or right owed by one party, under the terms and conditions of this Agreement, to the other party.

15. NOTICES.

All notices and other communications required or permitted to be given under this Agreement, including any notice of change of address, shall be in writing and given by personal delivery, or deposited with the United States Postal Service, postage prepaid, addressed to the parties intended to be notified. Notice shall be deemed given as of the date of personal delivery, or if mailed, upon the date of deposit with the United States Postal Service. Notice shall be given as follows:

TO **CITY**'s Project Manager: Lisa Goldfien
City of San Rafael
1400 Fifth Avenue
San Rafael, CA 94901

TO **CONTRACTOR**'s Project Director: Nira Doherty
Burke, Williams & Sorensen, LLP
181 Third Street
San Rafael, CA 94901

16. INDEPENDENT CONTRACTOR.

For the purposes, and for the duration, of this Agreement, **CONTRACTOR**, its officers, agents and employees shall act in the capacity of an Independent Contractor, and not as employees of the **CITY**. **CONTRACTOR** and **CITY** expressly intend and agree that the status of **CONTRACTOR**, its officers, agents and employees be that of an Independent Contractor and not that of an employee of **CITY**.

17. ENTIRE AGREEMENT -- AMENDMENTS.

A. The terms and conditions of this Agreement, all exhibits attached, and all documents expressly incorporated by reference, represent the entire Agreement of the parties with respect to the subject matter of this Agreement.

B. This written Agreement shall supersede any and all prior agreements, oral or written, regarding the subject matter between the **CONTRACTOR** and the **CITY**.

C. No other agreement, promise or statement, written or oral, relating to the

subject matter of this Agreement, shall be valid or binding, except by way of a written amendment to this Agreement.

D. The terms and conditions of this Agreement shall not be altered or modified except by a written amendment to this Agreement signed by the **CONTRACTOR** and the **CITY**.

E. If any conflicts arise between the terms and conditions of this Agreement, and the terms and conditions of the attached exhibits or the documents expressly incorporated by reference, the terms and conditions of this Agreement shall control.

18. SET-OFF AGAINST DEBTS.

CONTRACTOR agrees that **CITY** may deduct from any payment due to **CONTRACTOR** under this Agreement, any monies which **CONTRACTOR** owes **CITY** under any ordinance, agreement, contract or resolution for any unpaid taxes, fees, licenses, assessments, unpaid checks or other amounts.

19. WAIVERS.

The waiver by either party of any breach or violation of any term, covenant or condition of this Agreement, or of any ordinance, law or regulation, shall not be deemed to be a waiver of any other term, covenant, condition, ordinance, law or regulation, or of any subsequent breach or violation of the same or other term, covenant, condition, ordinance, law or regulation. The subsequent acceptance by either party of any fee, performance, or other consideration which may become due or owing under this Agreement, shall not be deemed to be a waiver of any preceding breach or violation by the other party of any term, condition, covenant of this Agreement or any applicable law, ordinance or regulation.

20. COSTS AND ATTORNEY'S FEES.

The prevailing party in any action brought to enforce the terms and conditions of this Agreement, or arising out of the performance of this Agreement, may recover its reasonable costs (including claims administration) and attorney's fees expended in connection with such action.

21. CITY BUSINESS LICENSE / OTHER TAXES.

CONTRACTOR shall obtain and maintain during the duration of this Agreement, a **CITY** business license as required by the San Rafael Municipal Code **CONTRACTOR** shall pay any and all state and federal taxes and any other applicable taxes. **CITY** shall not be required to pay for any work performed under this Agreement, until **CONTRACTOR** has provided **CITY** with a completed Internal Revenue Service Form W-9 (Request for Taxpayer Identification Number and Certification).

22. SURVIVAL OF TERMS.

Any terms of this Agreement that by their nature extend beyond the term (or termination) of this Agreement shall remain in effect until fulfilled, and shall apply to both Parties' respective successors and assigns.

23. APPLICABLE LAW.

The laws of the State of California shall govern this Agreement.

24. COUNTERPARTS AND ELECTRONIC SIGNATURE.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one document. Counterpart signature pages may be delivered by telecopier, email or other means of electronic transmission.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day, month and year first above written.

CITY OF SAN RAFAEL

CONTRACTOR

By: _____
JIM SCHUTZ, City Manager

By:  _____

Name: Nira F. Doherty

Title: Partner

ATTEST:

[If Contractor is a corporation, add signature of second corporate officer]

LINDSAY LARA, City Clerk

By: _____

APPROVED AS TO FORM:

Name: _____

Title: _____

ROBERT F. EPSTEIN, City Attorney



SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: City Manager’s Office

**Prepared by: Andrew Hening,
Director of Homeless Planning and Outreach**

City Manager Approval: _____

TOPIC: DOWNTOWN STREETS TEAM

SUBJECT: RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A TWO-YEAR AGREEMENT WITH THE DOWNTOWN STREETS TEAM FOR HOMELESS SUPPORT SERVICES IN FISCAL YEARS 2021-2022 and 2022-2023 IN AN AMOUNT NOT TO EXCEED \$200,000

RECOMMENDATION: Adopt a resolution authorizing the City Manager to execute a two-year agreement with the Downtown Streets Team for homeless support services, for the period of July 1, 2021 through June 30, 2023.

BACKGROUND: Downtown Streets Team (DST) is a San Jose-based work experience program that helps people experiencing homelessness regain self-sufficiency while also providing volunteer opportunities to improve and beautify our local community. San Rafael was DST’s first branch outside of Santa Clara County, and the program now operates throughout the Bay Area, including Sacramento and the Central Valley. DST has now been in San Rafael for nearly eight years and is currently in year three of a three-year contract with the City.

To initially launch DST in San Rafael, the City cobbled together a coalition of funders, including the County of Marin, Marin General, Kaiser, Sutter, and Marin Community Foundation. These entities were initially transferring money to the City, and then the City was administering that funding to DST. In initial discussions with DST prior to launching in San Rafael, DST believed it could gradually raise money through earned income contracts (i.e. providing cleanup and other support services for local businesses), thus offsetting the need for ongoing monies from the original funding coalition, including the City itself.

As the original philanthropic partners began to drop off (the County of Marin ultimately created its own contract with DST), DST was able to secure a handful of earned income contracts, but it was not at the level originally envisioned. Moreover, because of increased homelessness issues in the community, the City entered into additional contracts with DST for additional cleanup and outreach services (e.g. Davidson Middle School and the Mahon Creek Trail). All of these efforts were consolidated in Year 5 (FY17-18), with the City paying \$125,000 for “16,000 hours of cleanup work as directed by the City”, as well as “at least 25 Team Members [obtaining] employment”.

FOR CITY CLERK ONLY

File No.:

Council Meeting:

Disposition:

Moving into FY18-19, staff recommended building on what was working – flexible team deployment, high expectations for deliverables, and one contract and scope – while moving away from what was not – the City’s contribution was not going down and annual negotiations made revenue unpredictable for DST.

To that end, the City and DST developed a new contractual framework whereby:

- DST would move to a three-year contract. FY18-19 would continue at \$125k, but in the subsequent two years the contract amount would decrease by \$25k each year (i.e. \$100k in FY19-20 and \$75k in FY20-21).
- The City would benchmark performance outcomes at 17,500 hours of cleanup per year and 25 jobs per year (a total of 75 jobs over three years). This would ensure DST would continue to perform at its FY17-18 level even as funding gradually declined.
- The City created a new requirement for DST to work with the City and the Chamber's East San Rafael Working Group to create a new pilot East San Rafael team.

FY21-22 is the first time the City has revisited this new framework.

ANALYSIS: Since first launching in San Rafael in July 2013, DST has been a critical resource for helping the City accomplish its goals of decreasing the overall number of people experiencing homelessness in San Rafael and improving the quality of life for all residents.

The original contract with DST provided for 12 Team Member slots (Downtown Streets Team estimates that approximately three people move through each slot each year). After significantly exceeding the initial job and volunteer hour targets, each successive year the City raised the bar (see Figure 1 – Downtown Streets Team Performance, FY13-14 through FY17-18).

Figure 1 – Downtown Streets Team Performance, FY13-14 through FY17-18

Contract Requirements	Year 1 (FY13-14)	Year 2 (FY14-15)	Year 3 (FY15-16)	Year 4 (FY16-17)	Year 5 (FY17-18)
Target – Jobs	8	15	20	25	25
Actual – Jobs	23	22	16	18	26
Target – Volunteer Hours	8,700	12,000	12,494	15,988	16,000
Actual – Volunteer Hours	12,458	16,031	14,333	14,774	15,710

Moving into the current three-year contract, DST, like all service providers in Marin County, was significantly impacted by the COVID-19 pandemic. While the team’s traditional metrics around jobs and volunteers have declined to their lowest levels of the past eight years, that does not mean DST has not been hard at work in the community (see Figure 2 – Downtown Streets Team Performance, FY18-19 through FY20-21).

For the first few months of the pandemic, DST was one of the only organizations providing in-the-field outreach. During that time, staff was still engaged with every single Team Member every day. DST called them every day, went to their camps to check on them if they didn't answer or didn't have a phone, and brought resources, including providing basic needs stipends so Team Members didn't have to worry about food insecurity. Staff also increased outreach efforts throughout San Rafael to individuals not on the Team, including leading outreach efforts under the 101 viaduct. DST responded to urgent calls and complaints from community members about encampment debris, after Teams were done for the day, providing an extension to City response capacity. DST also expanded shower capacity to include an additional site in San Rafael, which resulted in San Rafael being the only city in the county with more than one shower site during the pandemic. DST also provided charging stations at showers to help mitigate tampering with electrical outlets in the downtown corridor, and DST also offered food distribution through partnering with SF/Marin Food Bank.

Figure 2 – Downtown Streets Team Performance, FY18-19 through FY20-21

Contract Requirements	Year 6 (FY18-19)	Year 7 (FY19-20)	Year 8 (FY20-21)
Target – Jobs	25	25	25
Actual – Jobs	24	12	5*
Target – Volunteer Hours	17,500	17,500	17,500
Actual – Volunteer Hours	13,308	10,441	7,954*

** FY20-21 includes nine months of data*

Finally, it's worth briefly noting that earlier this year, DST received funding from the Emergency Solutions Coronavirus Grant (ESG-CV) to provide dedicated outreach services in the Canal two days per week (including hiring a staff member who is fluent in Spanish). While this funding is short-term and arose out of the pandemic, it will continue to support DST's expansion into East San Rafael.

Similar to the previous contract scope review three years ago, staff recommends building on what is working while moving away from what has not been working. Specifically, staff is recommending:

- Continuing with a multi-year contract to ensure predictability for the City and DST.
- Continuing to expand DST's service offerings into the Canal neighborhood. The new proposed contract will require DST to maintain a minimum of 20 Team Members at any given time, with half of the team based in Downtown and the other half based in East San Rafael.
- Focusing on the work experience program, employment, and peer-to-peer outreach. Numerous city departments, from Sustainability to Public Works, have endorsed the complementary nature of Team Members' work in the community with some of the core goals and functions of these departments and divisions.

Finally, while DST's San Rafael branch has maintained a strong, positive reputation since its launch eight years ago, in recent years DST as an organization has come under increased scrutiny. For example, in December of 2019, a series of news article alleged former DST employees had been subjected to discrimination, a toxic workplace culture, and that management may have used funding for inappropriate purposes. DST's Board of Directors conducted an investigation and found that many allegations could not be substantiated, yet a number of cities and towns have investigated these allegations, including most recently the City of Sacramento, which recommended requiring that DST:

- Develop a process to ensure all employees, including management, acknowledge the employee handbook annually.
- have a policy in place to address any potential conflicts of interest among staff, particularly among family members, and provide employees with instructions on how to file a complaint or report inappropriate behavior related to these key management employees.
- Reevaluate internal investigative procedure policy to ensure the policy meets best practices on how subsequent complaints will be addressed.

Staff is recommending that these provisions be added to the San Rafael contract as well.

FISCAL IMPACT: The not-to-exceed cost of this agreement is \$200,000, with a cap of \$100,000 per fiscal year. There are sufficient resources appropriated in the Homeless Initiative program within the City's FY21-22 Draft General Fund Operating Budget to support this agreement. Sufficient funding for year two of the contract will be included in the following year's budget.

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

1. Adopt a resolution authorizing the City Manager to enter into an agreement with the Downtown Streets Team.
2. Request changes to the Resolution.
3. Reject the Resolution.

RECOMMENDED ACTION: Adopt Resolution.

ATTACHMENTS:

1. Resolution authorizing the City Manager to execute a two-year agreement with the Downtown Streets Team for homeless support services in fiscal years 2021-2022 and 2022-2023 in an amount not to exceed \$200,000
2. Draft Agreement

RESOLUTION NO.

**RESOLUTION OF THE SAN RAFAEL CITY COUNCIL
AUTHORIZING THE CITY MANAGER TO EXECUTE
A TWO-YEAR AGREEMENT WITH THE DOWNTOWN STREETS
TEAM FOR HOMELESS SUPPORT SERVICES IN FISCAL YEARS 2021-2022 AND
2022-2023 IN AN AMOUNT NOT TO EXCEED \$200,000**

WHEREAS, on February 19, 2013, the San Rafael City Council authorized the City Manager to enter into an agreement with Downtown Streets, Inc. to implement a volunteer work experience program for homeless persons called the “Downtown Streets Team”; and

WHEREAS, the City has renewed the agreement for the operation of the Downtown Streets Team each year since 2013, and desires to continue the program in Fiscal Years 2021-2022 and 2022-2023; and

WHEREAS, there are sufficient funds in the Homeless Initiative Program within the City’s Fiscal Year 2021-2022 General Fund Operating Budget to support the proposed contract;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of San Rafael hereby approves and authorizes the City Manager to execute an Agreement with Downtown Streets, Inc., dba Downtown Streets Team, to provide a two-year volunteer work experience program for people experiencing homelessness, at a cost not to exceed \$200,000, in the form included with the staff report for this Resolution, subject to final approval as to form by the City Attorney; and

BE IT FURTHER RESOLVED, that the City Council hereby waives competitive bidding with respect to this agreement, pursuant to San Rafael Municipal Code Section 2.55.100(C), based upon the prior experience that the Downtown Streets Team has gained in performing similar services for the City since July 1, 2013, their ability to seamlessly continue such services for the City, and the lack of other qualified organizations that could effectively operate a similar program in the City.

I, LINDSAY LARA, Clerk of the City of San Rafael, hereby certify that the foregoing resolution was duly and regularly introduced and adopted at a regular meeting

of the City Council of said City held on Monday the 7th day of June 2021, by the following vote, to wit:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

LINDSAY LARA, City Clerk

AGREEMENT

FOR IMPLEMENTATION AND MANAGEMENT OF A VOLUNTEER WORK PROGRAM SERVING THE HOMELESS (The Downtown Streets Team)

THIS AGREEMENT is made and entered into this 24th day of May 2021, by and between the CITY OF SAN RAFAEL (hereinafter "**CITY**"), and DOWNTOWN STREETS, INC., a 501(c)(3) organization (hereinafter "**CONTRACTOR**").

RECITALS

WHEREAS, the 2019 Marin County Homeless Point-in-Time Count indicated there were 1,034 people experiencing homelessness throughout the County, including 255 people experiencing homelessness in San Rafael; and

WHEREAS, the **CITY**, the Downtown Business Improvement District and other members of the community desire to assist persons experiencing homelessness to rebuild their lives and engage in a meaningful contribution to the San Rafael community; and

WHEREAS, the **CONTRACTOR** has the experience and expertise to implement and manage a volunteer work experience program in partnership with the **CITY**, its business community and local non-profits that serve the homeless; and

WHEREAS, the **CITY** entered into an agreement with the **CONTRACTOR** in June 2013 to implement and manage a volunteer work program for persons experiencing homelessness, called "The Downtown Streets Team"; and

WHEREAS, the **CITY** has in subsequent years entered into successive agreements with the **CONTRACTOR** for management of the Downtown Streets Team program; and

WHEREAS, the **CITY** now desires to enter into an agreement with **CONTRACTOR** to implement and manage the Downtown Streets Team program for fiscal years 2021-2022 and 2022-2023;

AGREEMENT

NOW, THEREFORE, the parties hereby agree as follows:

1. **PROJECT COORDINATION**

A. **CITY**. The City Manager shall be the representative of the **CITY** for all purposes under this Agreement. The **CITY's** homelessness program manager is hereby designated the PROJECT MANAGER for the **CITY**, and said PROJECT MANAGER shall supervise all aspects of the progress and execution of this Agreement.

B. **CONTRACTOR**. **CONTRACTOR** shall assign a single PROJECT DIRECTOR to have overall responsibility for the progress and execution of this Agreement for

CONTRACTOR. Karen Strolia is hereby designated as the PROJECT DIRECTOR for **CONTRACTOR.** Should circumstances or conditions subsequent to the execution of this Agreement require a substitute PROJECT DIRECTOR for any reason; the **CONTRACTOR** shall notify the **CITY** within ten (10) business days of the substitution.

2. DUTIES OF CONTRACTOR

CONTRACTOR shall perform the duties and/or provide services as described in Exhibit "A" attached and incorporated herein.

3. DUTIES OF CITY

CITY shall cooperate with **CONTRACTOR** in the performance of this Agreement and shall compensate **CONTRACTOR** as provided herein.

4. COMPENSATION

For the full performance of the services described herein by **CONTRACTOR**, **CITY** shall pay **CONTRACTOR** an amount NOT to exceed \$100,000 per fiscal year, including reimbursement of the cost of local business license taxes as described in Section 20.

Payment will be made monthly upon receipt by PROJECT MANAGER of itemized invoices submitted by **CONTRACTOR.**

5. TERM OF AGREEMENT

The term of this Agreement shall commence on July 1, 2021 and shall end on June 30, 2023.

6. TERMINATION

A. **Discretionary.** Either party may terminate this Agreement without cause upon thirty (30) days written notice mailed or personally delivered to the other party.

B. **Cause.** Either party may terminate this Agreement for cause upon ten (10) days written notice mailed or personally delivered to the other party, and the notified party's failure to cure or correct the cause of the termination notice, to the reasonable satisfaction of the party giving such notice, within thirty (30) days of the receipt of said notice.

C. **Effect of Termination.** Upon receipt of notice of termination, neither party shall incur additional obligations under any provision of this Agreement without the prior written consent of the other.

D. **Return of Documents.** Upon termination, any and all **CITY** documents or materials provided to **CONTRACTOR** and any and all of **CONTRACTOR's** documents described in paragraph 7 below, shall be delivered to **CITY** as soon as possible, but not later than thirty (30)

days after termination.

7. OWNERSHIP OF DOCUMENTS

The written documents and materials prepared by the **CONTRACTOR** in connection with the performance of its duties under this Agreement, shall be the sole property of **CITY**. **CITY** may use said property for any purpose, including projects not contemplated by this Agreement.

8. INSPECTION AND AUDIT

Upon reasonable notice, **CONTRACTOR** shall make available to **CITY**, or its agent, for inspection and audit, all documents directly related to **CONTRACTOR'S** performance of its duties under this Agreement. **CONTRACTOR** shall fully cooperate with **CITY** or its agent in any such audit or inspection.

9. ASSIGNABILITY

The parties agree that they shall not assign or transfer any interest in this Agreement nor the performance of any of their respective obligations hereunder, without the prior written consent of the other party, and any attempt to so assign this Agreement or any rights, duties or obligations arising hereunder shall be void and of no effect.

10. INSURANCE.

A. **Scope of Coverage.** During the term of this Agreement, **CONTRACTOR** shall maintain, at no expense to **CITY**, the following insurance policies:

1. A commercial general liability insurance policy in the minimum amount of one million dollars (\$1,000,000) per occurrence/two million dollars (\$2,000,000) aggregate, for death, bodily injury, personal injury, or property damage.

2. An automobile liability (owned, non-owned, and hired vehicles) insurance policy in the minimum amount of one million dollars (\$1,000,000) dollars per occurrence.

3. If any licensed professional performs any of the services required to be performed under this Agreement, a professional liability insurance policy in the minimum amount of one million dollars (\$1,000,000) per occurrence/two million dollars (\$2,000,000) aggregate, to cover any claims arising out of the **CONTRACTOR'S** performance of services under this Agreement. Where **CONTRACTOR** is a professional not required to have a professional license, **CITY** reserves the right to require **CONTRACTOR** to provide professional liability insurance pursuant to this section.

4. If it employs any person, **CONTRACTOR** shall maintain worker's compensation insurance, as required by the State of California, with statutory limits, and employer's liability insurance with limits of no less than one million dollars (\$1,000,000) per

accident for bodily injury or disease. **CONTRACTOR's** worker's compensation insurance shall be specifically endorsed to waive any right of subrogation against **CITY**.

B. Other Insurance Requirements. The insurance coverage required of the **CONTRACTOR** in subparagraph A of this section above shall also meet the following requirements:

1. Except for professional liability insurance or worker's compensation insurance, the insurance policies shall be specifically endorsed to include the **CITY**, its officers, agents, employees, and volunteers, as additional insureds (for both ongoing and completed operations) under the policies.

2. The additional insured coverage under **CONTRACTOR'S** insurance policies shall be "primary and noncontributory" with respect to any insurance or coverage maintained by **CITY** and shall not call upon **CITY's** insurance or self-insurance coverage for any contribution. The "primary and noncontributory" coverage in **CONTRACTOR'S** policies shall be at least as broad as ISO form CG20 01 04 13.

3. Except for professional liability insurance or worker's compensation insurance, the insurance policies shall include, in their text or by endorsement, coverage for contractual liability and personal injury.

4. By execution of this Agreement, **CONTRACTOR** hereby grants to **CITY** a waiver of any right to subrogation which any insurer of **CONTRACTOR** may acquire against **CITY** by virtue of the payment of any loss under such insurance. **CONTRACTOR** agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not **CITY** has received a waiver of subrogation endorsement from the insurer.

5. If the insurance is written on a Claims Made Form, then, following termination of this Agreement, said insurance coverage shall survive for a period of not less than five years.

6. The insurance policies shall provide for a retroactive date of placement coinciding with the effective date of this Agreement.

7. The limits of insurance required in this Agreement may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and noncontributory basis for the benefit of **CITY** (if agreed to in a written contract or agreement) before **CITY'S** own insurance or self-insurance shall be called upon to protect it as a named insured.

8. It shall be a requirement under this Agreement that any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements and/or limits shall be available to **CITY** or any other additional insured party. Furthermore, the

requirements for coverage and limits shall be: (1) the minimum coverage and limits specified in this Agreement; or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured; whichever is greater. No representation is made that the minimum Insurance requirements of this agreement are sufficient to cover the obligations of the **CONTRACTOR** under this agreement.

C. **Deductibles and SIR's.** Any deductibles or self-insured retentions in **CONTRACTOR's** insurance policies must be declared to and approved by the PROJECT MANAGER and City Attorney and shall not reduce the limits of liability. Policies containing any self-insured retention (SIR) provision shall provide or be endorsed to provide that the SIR may be satisfied by either the named insured or **CITY** or other additional insured party. At **CITY's** option, the deductibles or self-insured retentions with respect to **CITY** shall be reduced or eliminated to **CITY's** satisfaction, or **CONTRACTOR** shall procure a bond guaranteeing payment of losses and related investigations, claims administration, attorney's fees and defense expenses.

D. **Proof of Insurance.** **CONTRACTOR** shall provide to the PROJECT MANAGER or **CITY'S** City Attorney all of the following: (1) Certificates of Insurance evidencing the insurance coverage required in this Agreement; (2) a copy of the policy declaration page and/or endorsement page listing all policy endorsements for the commercial general liability policy, and (3) excerpts of policy language or specific endorsements evidencing the other insurance requirements set forth in this Agreement. **CITY** reserves the right to obtain a full certified copy of any insurance policy and endorsements from **CONTRACTOR**. Failure to exercise this right shall not constitute a waiver of the right to exercise it later. The insurance shall be approved as to form and sufficiency by PROJECT MANAGER and the City Attorney.

11. INDEMNIFICATION.

A. Except as otherwise provided in Paragraph B., **CONTRACTOR** shall, to the fullest extent permitted by law, indemnify, release, defend with counsel approved by **CITY**, and hold harmless **CITY**, its officers, agents, employees and volunteers (collectively, the "**City Indemnitees**"), from and against any claim, demand, suit, judgment, loss, liability or expense of any kind, including but not limited to attorney's fees, expert fees and all other costs and fees of litigation, (collectively "**CLAIMS**"), arising out of **CONTRACTOR'S** performance of its obligations or conduct of its operations under this Agreement. The **CONTRACTOR's** obligations apply regardless of whether or not a liability is caused or contributed to by the active or passive negligence of the **City Indemnitees**. However, to the extent that liability is caused by the active negligence or willful misconduct of the **City Indemnitees**, the **CONTRACTOR's** indemnification obligation shall be reduced in proportion to the **City Indemnitees'** share of liability for the active negligence or willful misconduct. In addition, the acceptance or approval of the **CONTRACTOR's** work or work product by the **CITY** or any of its directors, officers or employees shall not relieve or reduce the **CONTRACTOR's** indemnification obligations. In the event the **City Indemnitees** are made a party to any action, lawsuit, or other adversarial proceeding arising from **CONTRACTOR'S** performance of or operations under this Agreement, **CONTRACTOR** shall provide a defense to the **City Indemnitees** or at **CITY'S** option reimburse the **City Indemnitees** their costs of defense, including reasonable attorneys' fees, incurred in defense of such claims.

B. The defense and indemnification obligations of this Agreement are undertaken in addition to, and shall not in any way be limited by, the insurance obligations contained in this Agreement, and shall survive the termination or completion of this Agreement for the full period of time allowed by law.

12. NONDISCRIMINATION.

CONTRACTOR shall not discriminate, in any way, against any person on the basis of age, sex, race, color, religion, ancestry, national origin or disability in connection with or related to the performance of its duties and obligations under this Agreement.

13. COMPLIANCE WITH ALL LAWS.

CONTRACTOR shall observe and comply with all applicable federal, state and local laws, ordinances, codes and regulations, in the performance of its duties and obligations under this Agreement. **CONTRACTOR** shall perform all services under this Agreement in accordance with these laws, ordinances, codes and regulations. **CONTRACTOR** shall release, defend, indemnify and hold harmless **CITY**, its officers, agents and employees from any and all damages, liabilities, penalties, fines and all other consequences from any noncompliance or violation of any laws, ordinances, codes or regulations.

14. NO THIRD PARTY BENEFICIARIES.

CITY and **CONTRACTOR** do not intend, by any provision of this Agreement, to create in any third party, any benefit or right owed by one party, under the terms and conditions of this Agreement, to the other party.

15. NOTICES.

All notices and other communications required or permitted to be given under this Agreement, including any notice of change of address, shall be in writing and given by personal delivery, or deposited with the United States Postal Service, postage prepaid, addressed to the parties intended to be notified. Notice shall be deemed given as of the date of personal delivery, or if mailed, upon the date of deposit with the United States Postal Service. Notice shall be given as follows:

TO CITY: Homelessness Program Manager
City of San Rafael
1400 Fifth Avenue
San Rafael CA 94915-1560

TO CONTRACTOR: Eileen Richardson, President & CEO
Downtown Streets Team
1671 The Alameda Suite 306
San Jose, CA 95126

16. INDEPENDENT CONTRACTOR.

For the purposes, and for the duration, of this Agreement, **CONTRACTOR**, its officers, agents and employees shall act in the capacity of an Independent Contractor, and not as employees of the **CITY**. **CONTRACTOR** and **CITY** expressly intend and agree that the status of **CONTRACTOR**, its officers, agents and employees be that of an Independent Contractor and not that of an employee of **CITY**.

17. ENTIRE AGREEMENT -- AMENDMENTS.

A. The terms and conditions of this Agreement, all exhibits attached, and all documents expressly incorporated by reference, represent the entire Agreement of the parties with respect to the subject matter of this Agreement.

B. This written Agreement shall supersede any and all prior agreements, oral or written, regarding the subject matter between the **CONTRACTOR** and the **CITY**.

C. No other agreement, promise or statement, written or oral, relating to the subject matter of this Agreement, shall be valid or binding, except by way of a written amendment to this Agreement.

D. The terms and conditions of this Agreement shall not be altered or modified except by a written amendment to this Agreement signed by the **CONTRACTOR** and the **CITY**.

E. If any conflicts arise between the terms and conditions of this Agreement, and the terms and conditions of the attached exhibits or the documents expressly incorporated by reference, the terms and conditions of this Agreement shall control.

18. SET-OFF AGAINST DEBTS.

CONTRACTOR agrees that **CITY** may deduct from any payment due to **CONTRACTOR** under this Agreement, any monies which **CONTRACTOR** owes **CITY** under any ordinance, agreement, contract or resolution for any unpaid taxes, fees, licenses, assessments, unpaid checks or other amounts.

19. WAIVERS.

The waiver by either party of any breach or violation of any term, covenant or condition of this Agreement, or of any ordinance, law or regulation, shall not be deemed to be a waiver of any other term, covenant, condition, ordinance, law or regulation, or of any subsequent breach or violation of the same or other term, covenant, condition, ordinance, law or regulation. The subsequent acceptance by either party of any fee, performance, or other consideration which may become due or owing under this Agreement, shall not be deemed to be a waiver of any preceding breach or violation by the other party of any term, condition, covenant of this Agreement or any applicable law, ordinance or regulation.

20. COSTS AND ATTORNEY'S FEES.

The prevailing party in any action brought to enforce the terms and conditions of this Agreement, or arising out of the performance of this Agreement, may recover its reasonable costs (including claims administration) and attorney's fees expended in connection with such action.

21. CITY BUSINESS LICENSE / OTHER TAXES.

CONTRACTOR shall obtain and maintain during the duration of this Agreement, a **CITY** business license as required by the San Rafael Municipal Code **CONTRACTOR** shall pay any and all state and federal taxes and any other applicable taxes. **CITY** shall not be required to pay for any work performed under this Agreement, until **CONTRACTOR** has provided **CITY** with a completed Internal Revenue Service Form W-9 (Request for Taxpayer Identification Number and Certification).

22. SURVIVAL OF TERMS.

Any terms of this Agreement that by their nature extend beyond the term (or termination) of this Agreement shall remain in effect until fulfilled and shall apply to both Parties' respective successors and assigns.

23. APPLICABLE LAW.

The laws of the State of California shall govern this Agreement.

24. COUNTERPARTS AND ELECTRONIC SIGNATURE.

This Agreement may be executed by electronic signature and in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one document. Counterpart signature pages may be delivered by telecopier, email or other means of electronic transmission.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day, month and year first above written.

CITY OF SAN RAFAEL

CONTRACTOR

JIM SCHUTZ, City Manager

By: *ERI*
Name: Eileen Richardson
Title: Pres & CEO

[If CONTRACTOR is a corporation, add signature of second corporate officer]

ATTEST:

and

LINDSAY LARA, City Clerk

By: _____

Name: _____

APPROVED AS TO FORM:

Title: _____

ROBERT F. EPSTEIN, City Attorney

EXHIBIT A SCOPE OF SERVICES

Programs and Services covered under this contract:

Operation of San Rafael Downtown Streets Team:

- A. Contractor will continue the Volunteer Work Experience Program and Workforce Development Services launched in 2013 in San Rafael.
- B. The program will serve people experiencing homelessness in San Rafael, including people in emergency shelter, rapid rehousing, and/or other supportive housing programs in San Rafael (hereinafter "Team Members").
- C. Contractor will establish two bases of operation for the Volunteer Work Experience Program, one in Downtown and one in the Canal neighborhood, each with an approximately equal number of Team Members.
- D. Contractor will provide support services to assist Team Members in transitioning to permanent employment. Such services may include: job search classes and personalized job search support, employment development, developing internship placements, developing mentor opportunities, and case management for employment related activities.
- E. Contractor will support Team Members to graduate to other community programs.
- F. Contractor will work closely with case managers at partner agencies including the Ritter Center, the St. Vincent de Paul Society of Marin, Community Action Marin, Homeward Bound of Marin, and the County of Marin to ensure services to individual Team Members are coordinated.
- G. Contractor will conduct outreach to businesses in order to create and expedite employment placements for Team Members.
- H. Contractor will provide monthly progress reports using a template provided by the City.
- I. Contractor will regularly coordinate with the City of San Rafael on program operation, including periodic check-ins with City staff (quarterly or more frequent), as well as joining City meetings such as the Health and Safety Coordinating Committee and/or San Rafael by-name-list meetings (as needed).
- J. Contractor will meet at least once during each fiscal year of this Agreement with a subcommittee of City Councilmembers, the City Manager, and other appropriate City staff for a performance and program review.
- K. Contractor will ensure it is complying with state and federal policies, guidance, and laws regarding Human Resource best practices and requirements for creating a safe and professional workplace for staff members and Team Members.

Downtown Streets Team Program Outcomes & Measures:

1) Employment Outcomes

- a. 25 Team Members will obtain employment in each fiscal year.
- b. 100% of such Team Members will retain employment for at least three (3) months.
- c. 75% of such Team Members retaining employment for at least three (3) months will then retain employment for six (6) months.
- d. 50% such Team Members retaining employment for at least three (3) months will then retain employment for twelve (12) months.

2) Work Experience Outcomes

- a. Team Members will remove blight from areas throughout San Rafael as demonstrated by before and after photos and quantified trash statistics.
- b. Contractor will maintain a minimum team size of 20 Team Members, with at least 10 based in Downtown and 10 based in the Canal neighborhood.

3) Community Relationship Outcomes

- a. Contractor will work to improve business and community perceptions of people experiencing homelessness.

4) Team Member Growth Outcomes

- a. Contractor will conduct quarterly anonymous surveying to collect self-reported data from Team Members.
 - i. 50% of Team Members with a mental health condition will seek out or remain in treatment.
 - ii. 50% of Team Members with a substance abuse issue will seek out or remain in treatment.
 - iii. 50% of Team Members who have had an interaction with law enforcement/the criminal justice system will have reduced or zero interactions after joining the team.
 - iv. 75% of Team Members will feel respected and heard by staff.
 - v. 75% of Team Members will report improved self-esteem and feelings of self-worth.
 - vi. Contractor will provide quarterly housing status data on Team Members
 - vii. Contractor will provide quarterly “time in program” data on Team Members (i.e. 0-3 Months, 4-6 Months, 6-12 months, 1-2 years, longer than 2 years).

5) Organizational Performance

- a. Contractor will develop a process to ensure the employee handbook is reviewed for quality and distributed annually.
- b. Contractor will develop a process to ensure all employees, including management, acknowledge the employee handbook annually.
- c. Contractor will have a policy in place to address any potential conflicts of interest among staff, particularly among family members, and will employees with instructions on how to file a complaint or report inappropriate behavior related to these key management employees.
- d. Contractor will have an investigative procedure policy



SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: Finance

Prepared by: Nadine Atieh Hade,
Finance Director

City Manager Approval: 

TOPIC: AUDIT SERVICES

SUBJECT: RESOLUTION APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE AN AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL AUDITING SERVICES BETWEEN THE CITY AND MAZE & ASSOCIATES ACCOUNTANCY CORPORATION, EXTENDING THE TERM OF THE AGREEMENT FOR AUDITING SERVICES FOR THE FISCAL YEAR ENDING JUNE 30, 2021, IN AN AMOUNT NOT TO EXCEED \$86,160

RECOMMENDATION: Adopt the Resolution.

BACKGROUND: As required by local code, State law and its bond covenants, the City of San Rafael undergoes an annual audit of its financial activities and produces audited financial statements in the form of an annual report. In October 2014, following the completion of the fiscal year 2013-2014 annual audits and financial statement production, the City released a request for proposals (RFP) that was broadly distributed to firms that provide financial audit services to public agencies in California. The RFP assumed a four-year term covering the auditing and reporting for fiscal years 2014-2015 through 2017-2018, with two optional additional years subject to City Manager approval. Ten firms submitted proposals by the November 17, 2014 deadline.

Three firms were then selected to interview with the City Council Finance Committee. These interviews provided an opportunity for these three firms to elaborate on their respective written proposals and present the full depth of experience and services that they offer. The Finance Committee and key City Finance staff were also able to use this information to select one of the firms for recommendation to the full City Council.

The City ultimately selected the accounting firm Maze & Associates Accountancy Corporation to perform the requested services. Maze & Associates have performed all services requested for the first three years of the agreement and for the two additional option years, ending with engagements pertaining to the June 30, 2020 fiscal year end.

ANALYSIS: Due to the impact of the COVID-19 pandemic, Finance was unable to properly engage in a new RFP process for auditing services and are requesting an amendment to allow a one-year extension

FOR CITY CLERK ONLY

Council Meeting:

Disposition:

SAN RAFAEL CITY COUNCIL AGENDA REPORT / Page: 2

of the current agreement before undergoing the effort required to properly evaluate potential firms for the fiscal year ending June 30, 2022 and beyond.

FISCAL IMPACT: Maze & Associates has quoted fees of \$86,160 for auditing services for the fiscal year ending June 30, 2021. This is in line with the contract fee of \$83,820 for the fiscal year 2019-20. There is sufficient funding in all of the affected funds for these services.

	<u>2021</u>
1) Comprehensive Annual Financial Statements	\$57,185
2) Single Audit, Two Programs	9,910
3) Child Development Program Report	6,967
4) Transportation Development Act Programs	2,910
5) Gann Limit Agreed Upon Procedures	1,000
6) SCO report for the City	5,065
7) SCO report for the JPFA	745
8) GASB 75	2,378
9) Web-ready PDF of CAFR	<u>Included</u>
Total	<u>\$86,160</u>

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

1. Adopt the resolution approving a one-year extension of the Maze & Associates contract.
2. Adopt resolution with modifications.
3. Direct staff to return with more information.
4. Take no action.

RECOMMENDATION: Staff recommends that the Council adopt the Resolution as presented.

ATTACHMENTS:

1. Resolution Approving and Authorizing the City Manager to Execute an Amendment to the Agreement for Professional Auditing Services between the City and Maze & Associates Accountancy Corporation, Extending the Term of the Agreement for Auditing Services for the Fiscal Year Ending June 30, 2021
2. Proposed Amendment to Professional Services Agreement, with Exhibit A: Maze & Associates Proposal Letter dated March 8, 2021

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN RAFAEL APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE AN AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL AUDITING SERVICES BETWEEN THE CITY AND MAZE & ASSOCIATES ACCOUNTANCY CORPORATION, EXTENDING THE TERM OF THE AGREEMENT FOR AUDITING SERVICES FOR THE FISCAL YEAR ENDING JUNE 30, 2021, IN AN AMOUNT NOT TO EXCEED \$86,160

WHEREAS, the City of San Rafael entered into a Professional Services Agreement with Maze & Associates Accountancy Corporation (“Maze & Associates”) dated January 14, 2015 to perform professional auditing services for the City for fiscal years ending on June 30, 2015 through June 30, 2020 (the “Agreement”); and

WHEREAS, the City would like to extend the Agreement by one year for Maze & Associates to provide auditing services for the fiscal year ending June 30, 2021; and

WHEREAS, the staff report for this Resolution includes a services proposal and pricing submitted by Maze and Associates to provide the additional services for a not-to-exceed amount of \$86,160;

NOW, THEREFORE, BE IT RESOLVED that the City Council approves and hereby authorizes the City Manager to execute an amendment to the Professional Services Agreement dated January 14, 2015, with Maze & Associates, extending the term of the Agreement to include the auditing services for the fiscal year ending June 30, 2021, in the form included with the staff report, and 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 Council of said City on the 7th day of June 2021, by the following vote, to wit:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

LINDSAY LARA, City Clerk

**AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT
WITH MAZE & ASSOCIATES ACCOUNTANCY CORPORATION
FOR PROFESSIONAL AUDIT SERVICES**

THIS AMENDMENT to the Professional Services Agreement by and between the **CITY OF SAN RAFAEL** (hereinafter “**CITY**”), and **MAZE & ASSOCIATES ACCOUNTANCY CORPORATION** (hereinafter “**CONTRACTOR**”), is made and entered into as of the _____ day of _____, 2021.

RECITALS

WHEREAS, **CITY** and **CONTRACTOR** entered into a Professional Services Agreement dated January 14, 2015 to perform professional auditing services for the City for fiscal years ending on June 30, 2015 through June 30, 2020 (the “Agreement”); and

WHEREAS, the **CITY** requires additional audit services for the fiscal year ending June 30, 2021, and the **CONTRACTOR** is willing to provide such services;

AMENDMENT TO AGREEMENT

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

1. Section 2 of the Agreement, entitled “DUTIES OF CONTRACTOR” is hereby amended to include the additional services set forth in **CONTRACTOR**’s proposal dated March 8, 2021, attached to this First Amendment as Exhibit A and incorporated herein by reference.
2. Section 4 of the Agreement, entitled “COMPENSATION” is hereby amended to include additional compensation payable to **CONTRACTOR** for the services described in Exhibit A to this First Amendment, in accordance with Exhibit A, in a not-to-exceed amount of \$86,160.
3. Section 5 of the Agreement, entitled “TERM OF AGREEMENT” is hereby amended to extend the term by 12 months for auditing the fiscal year ending June 30, 2021.
4. Except as specifically amended herein, all of the other provisions, terms and obligations of the Agreement between the parties shall remain valid and shall be in full force.

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

CITY OF SAN RAFAEL

CONTRACTOR

JIM SCHUTZ, City Manager

By: _____

Name: _____

Title: _____

ATTEST:

[If Contractor is a corporation, add signature of second corporate officer]

LINDSAY LARA, City Clerk

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM:

ROBERT F. EPSTEIN, City Attorney

March 8, 2021

Nadine Atieh Hade
Finance Director
City of San Rafael
1400 Fifth Avenue, Room 204
San Rafael, CA 949415-1560

Dear Nadine:

Pursuant to the City's request, we are pleased to offer to extend our audit contract to include the fiscal year ended June 30, 2021 and we are pleased to confirm our understanding of the services we are to provide for the City of San Rafael for the fiscal year. The services we have been engaged to provide are outlined below, but we are also available to provide additional services at your request:

- 1) Audit of the Basic Financial Statements, assistance with the preparation of the Comprehensive Annual Financial Report, and review of Management Discussion & Analysis.
- 2) Testing two programs for compliance with the Single Audit Act and applicable laws and regulations and issuance of our report thereon.
- 3) Audit of the San Rafael Child Development Program and issuance of our report thereon.
- 4) Testing of compliance for the Transportation Development Act Programs and preparation of required reports. (Assumes no increase in the number of projects).
- 5) Perform procedures and issue agreed upon procedures opinion to comply with Proposition 111 Appropriation Limit increment requirements.
- 6) Preparation of the City's Annual Report of Financial Transactions (Controller's Report) and issuance of a compilation report. (See **Compilation Attachment** for Our Responsibilities and Your Responsibilities related to the compilation report)
- 7) Preparation of the Annual Report of Financial Transactions (Controller's Report) for the JPFA and issuance of a compilation report. (See **Compilation Attachment** for Our Responsibilities and Your Responsibilities related to the compilation report)
- 8) Increase in audit scope due to the effect of Governmental Accounting Standards Board (GASB) Statement No. 75.
- 9) Web-ready CAFR PDF (with bookmarks and TOC hyperlinks).

Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis, to supplement the City's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

If the City's financial statements are accompanied by supplementary information other than RSI, we will subject the supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements.

Other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that information.

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the accompanying supplementary information when considered in relation to the financial statements as a whole. The objective also includes reporting on:

- Internal control over financial reporting and compliance with the provisions of laws, regulations, contracts and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. We will make reference to the auditor of the San Rafael Sanitation District in our reports on your financial statements. Our reports will be addressed to the Council of the City. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with City management in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

Audit Procedures - General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the City or to acts by management or employees acting on behalf of the City. Because the determination of waste and abuse is subjective, *Governmental Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, an unavoidable risk exists that some material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of cash, investments and certain other assets and liabilities by correspondence with selected customers, funding sources, creditors and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill the City for responding to this inquiry. At the conclusion of our audit we will also require certain written representations from management about management's responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures - Internal Control

Our audit will include obtaining an understanding of the City and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and the Council internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures - Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the City has complied with federal statutes, regulations and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each major program. For federal programs that are included in the 2021 Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the 2021 Compliance Supplement, identifies as being subject to audit. The purpose of these procedures will be to express an opinion on the City's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Agreed-Upon Procedures

Our services to apply agreed-upon procedures that were specified and agreed to by the City related to the Appropriations Limit Worksheet (Worksheet) for the year ended June 30, 2021, as suggested by the League of California Cities and presented in their Article XIII B Appropriations Limitation Uniform Guidelines, will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures performed or to be performed is solely the responsibility of those parties specified in the report and we will require an acknowledgement in writing of that responsibility. Consequently, we make no representation regarding the sufficiency of the procedures described in the report either for the purpose for which the agreed-upon procedures report has been requested or for any other purpose.

We reviewed the scope of services in conjunction with the *Government Auditing Standards* and believe that they do not impinge upon our independence. Because the procedures requested do not constitute an examination or review, we will not express an opinion or conclusion on the Worksheet. In addition, we have no obligation to perform any procedures beyond those agreed to.

We will issue a written report upon completion of our engagement that lists the procedures performed and our findings. Our report will be addressed to the City. If, for any reason, we are unable to complete any of the procedures, we will describe in our report any restrictions on the performance of the procedures, or not issue a report and withdraw from this engagement. You understand that the report is intended solely for the information and use of the City, and should not be used by anyone other than these specified parties. Our report will contain a paragraph stating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

An agreed-upon procedures engagement is not designed to detect instances of fraud or noncompliance with laws or regulations; however, we will communicate to you any known and suspected fraud and noncompliance with laws or regulations affecting the Worksheet that come to our attention. In addition, if, in connection with this engagement, matters come to our attention that contradict the Worksheet, we will disclose those matters in our report.

You are responsible for the Worksheet and that it is in accordance with Article XIII B of the California Constitution; and for selecting the criteria and procedures and determining that such criteria and procedures are appropriate for your purposes. You are responsible for, and agree to provide us with, a written assertion about the Worksheet. In addition, you are responsible for providing us with (1) access to all information of which you are aware that is relevant to the performance of the agreed-upon procedures on the subject matter, (2) additional information that we may request for the purpose of performing the agreed-upon procedures, and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain evidence relating to performing those procedures.

At the conclusion of our engagement, we will require certain written representations in the form of a representation letter from management that, among other things, will confirm management's responsibility for the presentation of the Worksheet in accordance with Article XIII B of the California Constitution.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and the related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management's responsibilities.

Management Responsibilities

Management is responsible for (1) designing, implementing, establishing and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. Management is also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Management's responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. Management is also responsible for providing us with (1) access to all information of which management is aware is relevant to the preparation and fair presentation of the financial statements, including identification of all related parties and all related-party relationships and transactions; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. We understand that the City will provide us with the Closing Checklist information required for our audit and that the City is responsible for the accuracy and completeness of that information.

Management's responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

Management is responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the City involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Management's responsibilities include informing us of its knowledge of any allegations of fraud or suspected fraud affecting the City received in communications from employees, former employees, grantors, regulators, or others. In addition, management is responsible for identifying and ensuring that it complies with applicable laws, regulations, contracts, agreements and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts and grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings must be made available for our review.

With regard to including the auditor's report in an exempt offering document, you agree that the aforementioned auditor's report, or reference to Maze & Associates, will not be included in any such offering document without our prior permission or consent. Any agreement to perform work in connection with an exempt offering document, including an agreement to provide permission or consent will be a separate engagement. With regard to an exempt offering document with which Maze & Associates is not involved, you agree to clearly indicate in the exempt offering document that Maze & Associates is not involved with the contents of such offering document.

Management is also responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. Management agrees to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. Management also agrees to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon. Management's responsibilities include acknowledging to us in the written representation letter that: (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

Management is also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. Management agrees to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. Management also agrees to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Management's responsibilities include acknowledging to us in the representation letter that: (1) management is responsible for presentation of the supplementary information in accordance with GAAP; (2) that management believes the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) management has disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining of a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objective section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits or other studies. Management is also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Management agrees to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, related notes, and any other nonaudit services we provide. Management will be required to acknowledge in the management representation letter our assistance with the preparation of the financial statements, schedule of expenditures of federal awards, and related notes and any other nonaudit services we provide and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes and any other nonaudit services we provide prior to their issuance and have accepted responsibility for them. Further, management agrees to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report to you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide copies of our reports to the City; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is our property and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Maze & Associates personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

We will retain audit documentation for this engagement for seven years after the report release date pursuant to state regulations. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit in March 2021 and to issue our reports no later than December 31, 2021. Amy Meyer is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

To ensure that Maze & Associates' independence is not impaired under the AICPA *Code of Professional Conduct*, you agree to inform the engagement partner before entering into any substantive employment discussions with any of our personnel.

Our fees for these services are billed based on our contract with the City. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if the City's account becomes thirty days or more overdue and may not be resumed until the City's account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination.

These fees are based on anticipated cooperation from City personnel, the completion of schedules and data requested on our Checklists by City personnel, preparation of audit confirmations we request by City personnel, location of any documents selected by us for testing, and the assumption that there will be no unexpected increases in work scope, such as new Single Audit Act major programs, new debt issues, etc., or delays which are beyond our control, as discussed on the Fees Attachment to this letter. If significant additional time is necessary, we will discuss it with City management and arrive at a new fee before we incur any additional costs.

We understand you will provide us with basic workspace sufficient to accommodate the audit team assigned to your audit. We understand the basic workspace will be equipped with a telephone and direct Internet access, preferably a temporary network outside of your network, a public IP address and a wired connection. We understand you will also provide us with access to a fax machine and read only access to your general ledger system.

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, or services will continue to be governed by the terms of this engagement letter.

Government Auditing Standards require that we provide the City with a copy of our most recent external peer review report and any subsequent peer review reports received during the period of the contract. Our most recent peer review report accompanies this letter.

We appreciate the opportunity to continue to be of service to the City and believe this letter accurately summarizes the significant terms of our engagement.

If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return the entire copy to us.

Yours very truly,



Maze & Associates

RESPONSE:

This letter correctly sets forth the understanding of the City.

By: _____

Title: _____

Date: _____

**City of San Rafael Engagement Letter
Fees Attachment
For the Year Ended
June 30, 2021**

Our fees for the work described in the attached engagement letter will be as follows, unless they are adjusted for one or more of the items below.

		2021
1)	Comprehensive Annual Financial Statements	\$57,185
2)	Single Audit, Two Programs	9,910
3)	Child Development Program Report	6,967
4)	Transportation Development Act Programs	2,910
5)	Gann Limit Agreed Upon Procedures	1,000
6)	SCO report for the City	5,065
7)	SCO report for the JPFA	745
8)	GASB 75	2,378
9)	Web-ready PDF of CAFR	Included
Total		\$86,160

2021 Extension Year Fees – We have adjusted our fees for items 1-3 and 5 above over the prior year based solely on the estimated change in the consumer price index of 3.00% consistent with our contract with the City dated January 14, 2015. Our fees for items 4, 6, 7 & 8 have been adjusted only for the change in services component of the Bay Area Cost of Living Index for the San Francisco Bay Area of 1.4%.

PDF Copies of Reports – print to PDF copies of the above reports are provided at no charge. These report copies are high quality, but do not include any bookmarks or hyperlinks and the file sizes may be large, depending on the length of the report. If you would like a higher quality PDF file with bookmarks and hyperlinks in the table of contents, we have listed three options below. Please contact us for more information on the specifics of these options. **Please contact us if you would like us to prepare one of the following three options** for your CAFR, or if you'd like a quote for the preparation of a file for another type of report. In addition, should you decide on one of the following options, please let us know at least a week in advance.

1. WEB PDF CAFR - \$785
2. CAMERA READY PDF CAFR - \$1,100
3. INDIVIDUAL PDF CAFR PAGES - \$210

Additional Services - The above fees are for audit and assurance services described in the accompanying engagement letter. They do not include fees for assisting with closing the books nor providing other accounting services. Should the City require assistance beyond audit services we will provide a cost estimate before proceeding.

Report Finalization - Our fee is based on our understanding that all information and materials necessary to finalize all our reports will be provided to us before we complete our year-end fieldwork in your offices. In the case of CAFRs, this includes all the materials and information required to print the CAFR. As in the past, we will provide final drafts of all our reports before we leave your offices. We will schedule a Final Changes Meeting with you for a date no more than two weeks after we complete our fieldwork. At that meeting, we will finalize all reports for printing. After that date, report changes you make and changes required because information was not received timely will be billed at our normal hourly rates.

Post-Closing Client Adjusting Entries - The first step in our year-end audit is the preparation of financial statement drafts from your final closing trial balance. That means any entries you make after handing us your closing trial balance must be handled as audit adjustments, or in extreme cases, by re-inputting the entire trial balance, even if the amounts are immaterial. If you make such entries and the amounts are in fact immaterial, we will bill you for the costs of the adjustments or re-input at our normal hourly rates.

Recurring Audit Adjustments - Each year we include the prior year's adjusting entries as new steps in our Closing Checklist, so that you can incorporate these entries in your closing. If we are required to continue to make these same adjustments as part of this year's audit, we will bill for this service at our normal hourly rates.

CAFR Printing - As a convenience, we can send your CAFR to a printer we use locally. We do not charge for delivering camera-ready print masters to any printer of your choice and delivering the CAFRs or BFS to you. However, we will bill you for any additional time spent on the CAFR printing at our normal hourly rates. This includes changes after the report goes to the printer, obtaining, reviewing and / or delivering printer's proofs, etc.

We can also help with CAFR design, including covers, tabs, dividers, color choices, bindings, organization charts, maps, etc. We will estimate these costs for you before proceeding.

Single Audit Act - Additional programs will each cost \$4,800 in 2021, unless there are other factors which add to that program's cost; in that case, we will provide a cost estimate before proceeding.

Grant Programs Requiring Separate Audit - Grant programs requiring separate audits represent a significant increase in work scope, and fees for these audits vary based on the grant requirements. If you wish us to determine and identify which programs are subject to audit, we will bill you for that time at our normal hourly rates.

Changes in City Personnel - Our experience is that changes and /or reductions in Finance Department staff can have a pronounced impact on costs of performing the audit. If such changes occur, we will meet with you to assess their impact and arrive at a new fee before we begin the next phase of our work. However, we reserve the right to revisit this subject at the conclusion of the audit, based on your actual performance and our actual costs.

**City of San Rafael Engagement Letter
Compilation Attachment
For the Year Ended
June 30, 2021**

The services we have been engaged to provide are outlined below.

- Prepare and Electronically File the following Reports for the City:
 - Annual Report of Financial Transactions for the City
 - Annual Report of Financial Transactions for the JPFA

We will prepare and electronically file the Annual Financial Transactions Report(s) for the year ended June 30, 2021 in accordance with the requirements of Government Code Section 53891 and the California State Controller's Office's Cities or Special Districts, as applicable, Financial Transactions Report Instructions dated 11/19 and perform a compilation engagement with respect to the Financial Transactions Report. City staff will provide us with a detailed trial balance and any supporting general ledger reports or schedules required to prepare the Report(s).

The supplementary information accompanying the Report(s), including the U.S. Bureau of the Census Survey and any others required by the California State Controller's Office, will be presented for purposes of additional analysis. Such supplementary information is the responsibility of management and will not be subject to our compilation engagement.

Our Responsibilities

The objective of our engagement is to-

1. prepare the Report(s) in accordance with the format prescribed by the California State Controller's Office based on information provided by you and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America, and
2. apply accounting and financial reporting expertise to assist you in the presentation of the Report(s) without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the Report(s) in order for them to be in accordance with the format prescribed by the California State Controller's Office.

We will conduct our compilation engagement in accordance with Statements on Standards for Accounting and Review Services (SSARS) promulgated by the Accounting and Review Services Committee of the AICPA and comply with applicable professional standards, including the AICPA's Code of *Professional Conduct*, and its ethical principles of integrity, objectivity, professional competence, and due care, when performing the preparation and electronic filing of the Report(s), and performing the compilation engagement.

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion, a conclusion, nor provide any assurance on the Report(s).

Our engagement cannot be relied upon to identify or disclose any Report misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations.

We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities since taking such action would impair our independence.

Your Responsibilities

The engagement to be performed is conducted on the basis that you acknowledge and understand that our role is to prepare the Report(s) in accordance with the format prescribed by the California State Controller's Office and assist you in the presentation of the Report(s) in accordance with the format prescribed by the California State Controller's Office. You have the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARS:

1. The selection of the format prescribed by the California State Controller's Office as the financial reporting framework to be applied in the preparation of the Report(s).
2. The preparation and fair presentation of the Report(s) in accordance with the format prescribed by the California State Controller's Office.
3. The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Report(s) that are free from material misstatement, whether due to fraud or error.
4. The prevention and detection of fraud.
5. To ensure that the City complies with the laws and regulations applicable to its activities.
6. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement.
7. To provide us with-
 - a. access to all information of which you are aware that is relevant to the fair presentation of the Report(s), such as records, documentation, and other matters.
 - b. additional information that we may request from you for the purpose of the compilation engagement.
 - c. unrestricted access to persons within the entity of whom we determine it necessary to make inquiries.

You are also responsible for all management decisions and responsibilities and for designating an individual with suitable skills, knowledge, and experience to oversee our preparation and electronic filing of your Report(s). You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

Our Report

As part of our engagement, we will issue a report that will state that we did not audit or review the Report(s) and that, accordingly, we do not express an opinion, a conclusion, or provide any assurance on it(them). There may be circumstances in which the Report(s) differ from the expected form and content. If, for any reason, we are unable to complete the compilation of your Report(s), we will not issue a report on such Report(s) as a result of this engagement.

Our report will disclose that the Report(s) are presented in a prescribed form in accordance with the requirements of the California State Controller's Office and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

You agree to include our accountant's compilation report in any document containing the Report(s) that indicates we have performed a compilation engagement on such Report(s) and, prior to inclusion of the report, to obtain our permission to do so.

Grace Zhang is the engagement partner and is responsible for supervising the compilation portion of the engagement and signing the report or authorizing another individual to sign it.



www.CoughlanNapaCPACo.com
Company@CoughlanNapaCPACo.com

Report on the Firm's System of Quality Control

January 31, 2018

To Maze & Associates Accountancy Corporation and the
Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Maze & Associates Accountancy Corporation (the firm) in effect for the year ended May 31, 2017. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Maze & Associates Accountancy Corporation in effect for the year ended May 31, 2017, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Maze & Associates Accountancy Corporation has received a peer review rating of *pass*.

Coughlan Napa CPA Company, Inc.


Coughlan Napa CPA Company, Inc.



Agenda Item No: 5.e
Meeting Date: June 7, 2021

SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: Finance/Library

Prepared by: Nadine Atieh Hade, Finance Director **City Manager Approval:** 

Henry Bankhead, Assistant Library
& Recreation Director/City Librarian

TOPIC: ANNUAL ADJUSTMENT TO THE LIBRARY PARCEL TAX

SUBJECT: REPORT CONCERNING THE ANNUAL CONSUMER PRICE INDEX (CPI) RATE ADJUSTMENT FOR THE SPECIAL LIBRARY SERVICES PARCEL TAX FOR THE FISCAL YEAR JULY 1, 2021 THROUGH JUNE 30, 2022 AS SPECIFIED IN VOTER-APPROVED MEASURE D (SAN RAFAEL MUNICIPAL CODE CHAPTER 3.36)

RECOMMENDATION: Accept report concerning the San Rafael Special Library Services Parcel Tax rate adjustment for Fiscal Year 2021-22, from July 1, 2021 through June 30, 2022, based upon the Consumer Price Index (CPI) as authorized by Section 3.36.030 of the San Rafael Municipal Code.

BACKGROUND: On June 7, 2016 the San Rafael Community voted in favor of Measure D, amending SRMC Chapter 3.36 by extending, revising and increasing the existing Special Library Service Parcel Tax ("Tax") as adopted in Ordinance No. 1942 on [July 18, 2016](#). The approved Measure D Tax Rates were first assessed for the fiscal year July 1, 2017 through June 30, 2018 and levied for a period of nine (9) years. SRMC section 3.36.030, Imposition of the Tax, provides for an annual CPI adjustment commencing with the second year of the Tax.

ANALYSIS: SRMC section 3.36.030, "Imposition of the Tax" stipulates that an annual adjustment to the Tax rate shall be applied commencing in the second year based on the annual percentage increase, if any, in the previous fiscal year to the San Francisco-Oakland-Hayward Price Index for All Urban Consumers ("CPI"). The rate increase cannot exceed three (3) percent annually and the rate cannot be adjusted downward.

Utilizing the Bureau of Labor Statistics - Western CPI Summaries (BLS-WS) for the San Francisco-Oakland-Hayward, CA, All Urban Consumers Index, the April 2020 Index was 298.074 and the April 2021 Index was 309.419 resulting in a twelve (12) month composite Index of 3.81% increase over the previous year's index. The Measure D CPI adjustment cannot exceed 3%.

Adjusting the Library Tax Rate by the calculated 3% CPI for the upcoming fiscal year 2021-22 will increase annual Measure D Tax Revenue by approximately \$32,395.

FOR CITY CLERK ONLY

File No.: _____

Council Meeting: _____

Disposition: _____

Section 3.36.030 Imposition of Tax:

Parcel Rate Types	FY 20-21 Rates	FY 21-22 Rates with CPI Adjustment
Single Family Residential Parcel	\$63.24	\$65.12
Multi-Family Residential or Other Residential Parcel	\$63.24 + \$10.72 per Living unit, in excess of one, up to a maximum of \$1,072.16 per year per parcel	\$65.12 + \$11.04 per Living unit, in excess of one, up to a maximum of \$1,104.32 per year per parcel
Non-Residential Parcel	\$63.24	\$65.12

Any additional funds will be used in accordance with the language of Measure D, to “maintain library hours, equipment, materials, and services for children, teens, and adults.” Additionally, any increase in revenue due to the CPI will help to offset the decrease in revenue seen annually due to the increasing number of Senior Exemptions filed for the tax.

FISCAL IMPACT: The application of the CPI increase will generate an additional \$32,395 in Measure D revenue for the fiscal year 2021-22. These revenues are recorded in the Measure D special revenue fund.

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

1. Accept the report.
2. Direct staff to return with more information.
3. Take no action.

RECOMMENDED ACTION:

Accept report concerning the San Rafael Special Library Services Parcel Tax rate adjustment for Fiscal Year 2021-22, from July 1, 2021 through June 30, 2022, based upon the Consumer Price Index (CPI) as authorized by Section 3.36.030 of the San Rafael Municipal Code.



SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: Finance

Prepared by: Nadine Atieh Hade,
Finance Director

City Manager Approval: _____

TOPIC: CITY INVESTMENT POLICY

SUBJECT: ANNUAL REVIEW AND RESOLUTION TO APPROVE THE CITY OF SAN RAFAEL INVESTMENT POLICY

RECOMMENDATION: Accept report and adopt resolution as presented.

BACKGROUND: Consistent with best public investing practices and the City's investment policy, a review of the content of the investment policy is conducted annually.

The purpose of this report is to provide the City Council with an opportunity to review the City's current cash and investment management policies, changes recommended by the City's investment advisor and staff, and to formally approve the policy.

In January 2005, the City engaged Cutwater Asset Management to manage the long-term portion of the City's investment portfolio (Cutwater Asset Management transitioned to Insight Investment in 2015). These services were suspended in December 2011 because the City did not have sufficient cash to invest long-term under this advisory structure. The growth in fund balances since that time prompted the City to revive its contract with Cutwater beginning in March 2014. One of the services that Cutwater provides is assistance with the annual review of the City's investment policy. The policy was last reviewed on [June 15, 2020](#).

ANALYSIS: The California Government Code limits the types of investments open to local municipalities. The City's investment priorities – in order - are safety, liquidity and yield. The City pursues a fair market return on its investments after considering the security of investment principal, cash flow requirements and current investment portfolio structure.

The Investment Policy for 2022 has one recommended new addition or change from the 2021 Investment Policy. The City added a definition for "Total Portfolio" to include all investments and deposits including funds in any money market accounts and government pools such as LAIF. The sole purpose of this is to allow for concentration limitations to be properly calculated and administered on our fixed income portfolio with Insight Investments.

FOR CITY CLERK ONLY

Council Meeting:

Disposition:

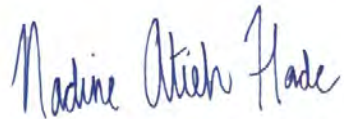
FISCAL IMPACT: There is no direct fiscal impact from accepting the policy as proposed.

RECOMMENDATION: Staff recommends that the Council adopt the resolution approving the investment policy as presented.

ATTACHMENTS:

1. Resolution
2. Exhibit A to Resolution: Investment Policy

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

A handwritten signature in blue ink that reads "Nadine Atieh Hade". The signature is written in a cursive style.

NADINE ATIEH HADE
FINANCE DIRECTOR

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN RAFAEL TO APPROVE THE CITY OF SAN RAFAEL INVESTMENT POLICY

WHEREAS, the City Council of the City of San Rafael takes seriously its stewardship of the City's public resources and City's current cash management practices; and

WHEREAS, the City's Investment Policy requires consideration and approval of the investment policy annually; and

WHEREAS, all funds are invested in accordance with the investment policy and applicable sections of the California Government Code; and

WHEREAS, the investment policy is intended to provide a long-term strategy for prudent care of the City's cash;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of San Rafael hereby adopts the updated Investment Policy that is attached hereto as Exhibit A.

I, **LINDSAY LARA**, Clerk of the City of San Rafael, hereby certify that the foregoing resolution was duly and regularly introduced and adopted at a regular meeting of the City Council of said City held on Monday the 7th day of June 2021, by the following vote, to wit:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

LINDSAY LARA, City Clerk

City of San Rafael Investment Policy

PROPOSED June 7, 2021

The City Council of the City of San Rafael (the City) has adopted this Investment Policy (the Policy) in order to establish the investment scope, objectives, delegation of authority, standards of prudence, reporting requirements, internal controls, eligible investments and transactions, diversification requirements, risk tolerance, and safekeeping and custodial procedures for the investment of the funds of the City. All such funds will be invested in accordance with this Policy and with applicable sections of the California Government Code. This Policy was endorsed and adopted by the City Council on the approved date noted above. It replaces any previous investment policy or investment procedures of the City.

SCOPE

It is intended that this Policy cover all short-term operating funds and investment activities of the City. These funds are accounted for in the annual audit report, and include:

- General Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Projects Funds
- Enterprise Funds
- Internal Service Funds
- Fiduciary Funds

Additional funds that may be created from time to time shall be administered in accordance with the provisions of this Policy.

All cash shall be pooled for investment purposes. The investment income derived from the pooled investment account shall be allocated to the contributing funds based upon the proportion of the respective average balances relative to the total pooled balance in the investment portfolio. Investment income shall be distributed to the individual funds not less than annually.

OBJECTIVES

The City's funds shall be invested in compliance with all applicable City Municipal Codes, California State statutes, and Federal regulations, and in a manner designed to accomplish the following objectives, which are listed in priority order:

1. Preservation of capital and protection of investment principal.
2. Maintenance of sufficient liquidity to meet anticipated cash flows.
3. Attainment of a market value rate of return.
4. Diversification to avoid incurring unreasonable market risks.

DELEGATION OF AUTHORITY

The management responsibility for the City's investment program is delegated annually by the City Council to the Treasurer pursuant to California Government Code Section 53607. The Treasurer may delegate the authority to conduct investment transactions and to manage the operation of the investment portfolio to other specifically authorized staff members. The Treasurer shall maintain a list of persons authorized to transact securities business for the City. No person may engage in an investment transaction except as expressly provided under the terms of this Policy.

The City Manager and the Treasurer jointly shall develop written administrative procedures and internal controls, consistent with this Policy, for the operation of the City's investment program. Such procedures shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, or imprudent actions by employees of the City.

The City may engage the support services of outside investment advisors in regard to its investment program, so long as it can be clearly demonstrated that these services produce a net financial advantage or necessary financial protection of the City's financial resources.

PRUDENCE

The standard of prudence to be used for managing the City's investments shall be California Government Code Section 53600.3, the prudent investor standard which states, "When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency."

The City's overall investment program shall be designed and managed with a degree of professionalism that is worthy of the public trust. The City recognizes that no investment is totally without risk and that the investment activities of the City are a matter of public record. Accordingly, the City recognizes that occasional measured losses may be desirable in a diversified portfolio and shall be considered within the context of the overall portfolio's return, provided that adequate diversification has been implemented and that the sale of a security is in the best long-term interest of the City.

The Treasurer and authorized investment personnel acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that the deviations from expectations are reported in a timely fashion to the City Manager and appropriate action is taken to control adverse developments.

ETHICS AND CONFLICTS OF INTEREST

Elected officials and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or that could impair or create the appearance of an impairment of their ability to make impartial investment decisions. Employees and investment officials shall disclose to the City Manager any business interests they have in financial institutions that conduct business with the City and they shall subordinate their personal investment transactions to those of the City. In addition, the City Manager and the Treasurer shall file a Statement of Economic Interests each year pursuant to California Government Code Section 87203 and regulations of the Fair Political Practices Commission.

AUTHORIZED SECURITIES AND TRANSACTIONS

All investments and deposits of the City shall be made in accordance with California Government Code Sections 16429.1, 53600-53609 and 53630-53686, except that, pursuant to California Government Code Section 5903(e), proceeds of bonds and any moneys set aside or pledged to secure payment of the bonds may be invested in securities or obligations described in the ordinance, resolution, indenture, agreement, or other instrument providing for the issuance of the bonds. Any revisions or extensions of these code sections will be assumed to be part of this Policy immediately upon being enacted. However, in the event that amendments to these sections conflict with this Policy and past City investment practices, the City may delay adherence to the new requirements when it is deemed in the best interest of the City to do so. In such instances, after consultation with the City's attorney, the City Manager and the Treasurer will present a recommended course of action to the City Council for approval. **In accordance with California Government Code listed above, the "Total Portfolio" includes all investments and deposits including funds in any money market accounts and governmental pools such as LAIF. Any percentage limitations are deemed to be calculated on the "Total Portfolio" and are measured based on the cost of the investment at the time of purchase.**

The City has further restricted the eligible types of securities and transactions as follows:

1. United States Treasury bills, notes and bonds with a final maturity not exceeding five years from the date of trade settlement.
2. Federal Agency securities with a final maturity not exceeding five years from the date of trade settlement.
3. Federal Instrumentality (government sponsored enterprise) debentures, discount notes, callable and step-up securities, with a final maturity not exceeding five years from the date of trade settlement.
4. Mortgage and Asset-Backed Obligations: Any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable-pass-through certificate, or consumer receivable-backed bond with a final maturity not exceeding five years from the date of trade settlement. Investments in mortgage and asset-backed obligations shall be

issued by an issuer rated at least “A” or the equivalent by a nationally recognized statistical rating organization (NRSRO) and the security shall be rated at least “AA” or the equivalent by a NRSRO. Purchases of securities authorized by this section may not exceed 20% of the City’s total portfolio.

5. Supranational Securities: United States dollar denominated, senior unsecured and unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum maturity not exceeding five years from the date of trade settlement, and eligible for purchase and sale within the United States. Investments in supranational securities shall be rated at least “AA” or the equivalent by a NRSRO and shall not exceed 15% of the City’s total portfolio.
6. Medium-Term Notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States, with a final maturity not exceeding five years from the date of trade settlement, and rated at least “A” or the equivalent by a NRSRO. No more than 5% of the portfolio shall be invested in medium-term notes of any one issuer, and the aggregate investment in medium-term notes shall not exceed 30% of the City’s total portfolio.
7. Negotiable Certificates of Deposits (CDs) of commercial banks rated at least A-1, or the equivalent, with maturities not exceeding five years from the date of trade settlement. In addition, the City may not invest in the CD of a state or federal credit union where any person with investment decision making authority at the City also serves on the board of directors, or any committee appointed by the board of directors, or the credit committee or the supervisory committee of the state or federal credit union issuing the negotiable certificates of deposit. No more than 5% of the portfolio may be invested in the CDs of any one issuer, and the aggregate investment in CDs shall not exceed 30% of the portfolio.
8. Non-negotiable Certificates of Deposit and savings deposits with a maturity not exceeding five years from the date of trade settlement, in FDIC insured state or nationally chartered banks or savings banks that qualify as a depository of public funds in the State of California as defined in California Government Code Section 53630.5. No more than 5% of the portfolio may be invested in the CDs of any one issuer, and the aggregate investment in CDs shall not exceed 30% of the portfolio.

Deposits in excess of the insured amount shall be secured pursuant to California Government Code Section 53651 and 53652. The City shall comply with and act to secure compliance with the security (collateralization) system specified in the Government Code Section 53649 and 56652.

Deposits may be placed using a private sector entity that assists in the placement of deposits per section 53601.8 and 53635.8 in the Government Code. No more than 5% of the portfolio may be invested through any one private sector entity that assists in the placement of such deposits and the aggregate investment in CDs shall not exceed 30% of the portfolio.

9. Special Assessment District Obligations issued by the City of San Rafael as Limited Obligation Improvement Bonds related to special assessment districts and special tax districts. Investment in such obligations requires the approval of the City Council and maturities may extend to 30 years from the date of trade settlement.
10. Prime Commercial Paper with a maturity not exceeding 270 days from the date of purchase with the highest ranking or of the highest letter and number rating as provided for by a NRSRO. The entity that issues the commercial paper shall meet all of the following conditions in either sub-paragraph A. or sub-paragraph B. below:
 - A. The entity shall (1) be organized and operating in the United States as a general corporation, (2) have total assets in excess of five \$500,000,000 and (3) Have debt other than commercial paper, if any, that is rated "A" or higher by a NRSRO.
 - B. The entity shall (1) be organized within the United States as a special purpose corporation, trust, or limited liability company, (2) have program-wide credit enhancements, including, but not limited to, over collateralization, letters of credit or surety bond and (3) have commercial paper that is rated "A-1" or higher, or the equivalent, by a NRSRO.

Purchases of eligible commercial paper may not represent more than 10% of the outstanding commercial paper of any single corporate issuer. No more than 5% of the City's total portfolio, shall be invested in the commercial paper of any one issuer, and the aggregate investment in commercial paper shall not exceed 25% of the City's total portfolio.

11. Eligible Banker's Acceptances issued by FDIC insured commercial banks, rated at least A-1 or the equivalent by a NRSRO with maturities not exceeding 180 days from the date of purchase. If issuers have senior debt outstanding, it shall be rated at least A or the equivalent by a NRSRO. No more than \$2,000,000 shall be invested in banker's acceptances of any one commercial bank, and the aggregate investment in banker's acceptances shall not exceed 40% of the City's total portfolio.
12. Repurchase Agreements with a final termination date not exceeding one year collateralized by U.S. Treasury obligations, Federal Agency securities, or Federal Instrumentality securities listed in items 1, 2 and 3 above with the maturity of the collateral not exceeding five years. For the purpose of this section, the term collateral shall mean purchased securities under the terms of the City's approved Master Repurchase Agreement. The purchased securities shall have a minimum market value including accrued interest of 102% of the dollar value of the funds borrowed. Collateral shall be held in the City's custodian bank, as safekeeping agent, and the market value of the collateral securities shall be marked-to-the-market daily.

Repurchase Agreements shall be entered into only with broker/dealers who are recognized as Primary Dealers by the Federal Reserve Bank of New York or have a primary dealer within their holding company structure. Repurchase agreement counterparties shall execute a City approved Master Repurchase Agreement with the City.

The Treasurer shall maintain a copy of the City's approved Master Repurchase Agreement along with a list of the broker/dealers who have executed same.

13. State of California's Local Agency Investment Fund (LAIF), pursuant to California Government Code Section 16429.1.
14. Money Market Funds registered under the Investment Company Act of 1940 that (1) are "no-load" (meaning no commission or fee shall be charged on purchases or sales of shares); (2) have a constant daily net asset value per share of \$1.00; (3) invest only in United States Treasury securities, United States Agency securities and Federal Instrumentality securities and (4) have a rating of at least AAA or the equivalent by at least two NRSROs. The aggregate investment in money market funds shall not exceed 10% of the City's total portfolio.

It is the intent of the City that the foregoing list of authorized securities and transactions is strictly interpreted. Any deviation from this list must be preapproved by resolution of the City Council.

PORTFOLIO MATURITIES AND LIQUIDITY

To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities. The City will not invest in securities maturing more than five years from the date of purchase, unless the City Council has by resolution granted authority to make such an investment at least three months prior to the date of investment.

SELECTION OF BROKER/DEALERS

The Treasurer shall maintain a list of broker/dealers authorized for investment purposes, and it shall be the policy of the City to purchase securities only from those authorized firms. To be eligible, a firm must be licensed by the State of California as a broker/dealer as defined in Section 25004 of the California Corporations Code, and:

1. be recognized as a Primary Dealer by the Federal Reserve Bank of New York or have a primary dealer within its holding company structure, or
2. report voluntarily to the Federal Reserve Bank of New York, or
3. qualify under Securities and Exchange Commission (SEC) Rule 15c3-1 (Uniform Net Capital Rule).

The City may engage the services of investment advisory firms to assist in the management of the portfolio and investment advisors may utilize their own list of approved Broker/Dealers. Such Broker/Dealers will comply with the selection criteria above and the list of approved firms shall be provided to the City on an annual basis or upon request.

In the event that an external investment advisor is not used in the process of recommending a particular transaction in the City's portfolio, authorized broker/dealers shall attest in writing that they have received and reviewed a copy of this policy and annually update a City approved Broker/Dealer Information Request form which includes the firm's most recent financial statements. The Treasurer shall maintain a list of the broker/dealers that have been approved by the City, along with each firm's most recent broker/dealer Information Request form.

The City may purchase commercial paper from direct issuers even though they are not on the approved broker/dealer list as long as they meet the criteria outlined in Item 5 of the Authorized Securities and Transactions section of this Policy.

COMPETITIVE TRANSACTIONS

Each investment transaction shall be competitively transacted with authorized broker/dealers. At least three broker/dealers shall be contacted for each transaction and their bid and offering prices shall be recorded.

If the City is offered a security for which there is no other readily available competitive offering, the Treasurer will document quotations for comparable or alternative securities.

SELECTION OF BANKS

The Treasurer shall maintain a list of banks that are approved to provide banking services for the City. To be eligible for authorization, a bank must be a member of the FDIC and shall qualify as a depository of public funds in the State of California as defined in California Government Code Section 53630.5.

SAFEKEEPING AND CUSTODY

The Treasurer shall select one or more banks to provide safekeeping and custodial services for the City, in accordance with the provisions of Section 53608 of the California Government Code. A Safekeeping Agreement approved by the City shall be executed with each custodian bank prior to utilizing that bank's safekeeping services. Custodian banks will be selected on the basis of their ability to provide services for the City's account and the competitive pricing of their safekeeping related services.

The purchase and sale of securities and repurchase agreement transactions shall be settled on a delivery versus payment basis. All securities shall be perfected in the name of the City. Sufficient evidence to title shall be consistent with modern investment, banking and commercial practices.

All investment securities purchased by the City will be delivered by book entry and will be held in third-party safekeeping by a City approved custodian bank, or its Depository Trust Company (DTC) participant account.

The City's custodian shall be required to furnish the City a list of holdings on at least a monthly basis and safekeeping receipts or customer confirmations shall be issued for each transaction.

PORTFOLIO PERFORMANCE

The investment portfolio shall be designed to attain a market rate of return throughout budgetary and economic cycles, taking into account prevailing market conditions, risk constraints for eligible securities, and cash flow requirements. The performance of the City's investments shall be compared to the average yield on the U.S. Treasury security that most closely corresponds to the portfolio's actual weighted average effective maturity. When comparing the performance of the City's portfolio, its rate of return will be computed net of all fees and expenses.

REPORTING

On a quarterly basis, the Treasurer shall submit to the Council a report of the investment earnings and performance results of the City's investment portfolio. The report shall include the following information:

1. Investment type, issuer, date of purchase, purchase price, date of maturity, par value, current rate of interest and dollar amount invested in all securities, and investments and monies held by the City;
2. A description of the funds, investments and programs;
3. A market value as of the date of the report (or the most recent valuation as to assets not valued monthly) and the source of the valuation;
4. Overall portfolio yield based on historical cost;
5. Weighted average final maturity and weighted average effective maturity;
6. A statement of compliance with this Policy or an explanation for not-compliance;
7. A description of any of the City's funds, investments or programs that are under the management of contracted parties, including lending programs; and
8. A statement of the ability to meet expenditure requirements for six months, as well as an explanation of why money will not be available if that is the case.

The Treasurer shall submit to the Council a report of any changes affecting more than 15% of the investment portfolio within 30 days of such change.

POLICY REVIEW

This Investment Policy shall be reviewed and approved by City Council annually to ensure its consistency with the overall objectives of preservation of principal, liquidity, yield and diversification and its relevance to current law and economic trends. Any additional amendments to this Investment Policy shall be submitted to the City Council for approval.



SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: Public Works

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

City Manager Approval: 

File No.: 15.10.560

TOPIC: PARCEL MAP LANDS OF BIOMARIN PHARMACEUTICAL, INC.

SUBJECT: RESOLUTION APPROVING THE PARCEL MAP FOR THE “LANDS OF BIOMARIN PHARMACEUTICAL, INC.” AT 999 THIRD STREET

RECOMMENDED ACTION: Adopt a resolution to approve a parcel map for the “Lands of BioMarin Pharmaceutical, Inc.” subdividing one parcel into two parcels, and authorizing the City Clerk to record the map in the official records of the County of Marin.

BACKGROUND: This parcel map approval request is part of a major Planned Development application by BioMarin Pharmaceutical, Inc. (“BioMarin”) and Vivalon (formerly Whistlestop) at 999 Third Street that was approved by City Council Resolution No. 14776 on March 23, 2020. That Resolution granted approvals required for development of two 72-foot tall, four-story research and development buildings and a 67-unit, 70-foot tall, six-story healthy aging senior center and affordable senior housing building on a 133,099 square foot parcel at 999 Third Street and the adjacent San Rafael Corporate Center. Specifically, Resolution No. 14776 including the following conditional approvals:

- A. Master Use Permit (UP18-034);
- B. Environmental and Design Review Permit (ED18-087);
- C. Small Subdivision (S18-001);
- D. Sign Program Amendment (S18-006).

On April 13, 2020, the City also entered into a Development Agreement with BioMarin that gave BioMarin vested rights to those development approvals and other terms.

Small Subdivision approval S18-001 approved a tentative parcel map for a two-lot subdivision to create a separate 15,000 square foot parcel on the northwestern portion of the 999 Third Street parcel. As a term of the Development Agreement, BioMarin agreed to donate this parcel to Vivalon for the construction of their healthy aging center and affordable housing units for seniors. A complete and detailed Background and Project Description discussion can be found in the January 28, 2020 Planning Commission staff report and the March 23, 2020 City Council staff report. The Planning Commission and City Council meetings can also be viewed on the Meeting Agendas & Videos page, online at: <http://www.cityofsanrafael.org/meetings>. Referenced application materials can also be found online at: <https://www.cityofsanrafael.org/999-3rd>.

FOR CITY CLERK ONLY

Council Meeting:

Disposition:

SAN RAFAEL CITY COUNCIL AGENDA REPORT / Page: 2

BioMarin has now applied for approval of the final parcel map for Small Subdivision S18-001, titled "Lands of BioMarin Pharmaceutical, Inc."

ANALYSIS: Staff has reviewed the detail of the parcel map and verified its accuracy with the help of consulting surveyor BKF Consultants. The parcel map is complete, complies with the tentative parcel map approval and Subdivision Map Act, and is ready for recordation.

The approval of Small Subdivision S18-001 included Condition 3, a standard condition that if BioMarin wished to receive final approval of the parcel map for the subdivision prior to installation of required subdivision improvements such as curbs, sidewalks and drainage, then BioMarin would be required to enter into a subdivision improvement agreement with the City secured by a bond or deposit, to guarantee the timely installation of the required improvements. Somewhat unusually, however, for the BioMarin and Vivalon projects the various improvements typically required as conditions of the subdivision were actually required as conditions of the approved Master Use Permit and other project approvals. The Table attached as Attachment 3 shows the subdivision improvements and which project approval requires them.

Public Works and City Attorney staff carefully reviewed the project approvals in Resolution No. 14776 and the Development Agreement, and have concluded that all required subdivision improvements will need to be installed prior to the issuance of grading and/or building and/or occupancy permits for the BioMarin and Vivalon developments. Therefore, staff recommends that installation of the improvements is adequately secured without the need for a bonded subdivision improvement agreement, and recommends that the City Council waive this requirement.

FISCAL IMPACT: No fiscal impact is associated with this report.

RECOMMENDED ACTION: Adopt a resolution to approve the parcel map for the "Lands of BioMarin Pharmaceutical, Inc." and authorizing the City Clerk to record the parcel map.

ATTACHMENTS:

1. Resolution
2. Approved City Council Resolution No. 14776
3. Parcel Map Lands of BioMarin Pharmaceutical, Inc.
4. Table Showing Governing Approvals Requiring Subdivision Improvements for the Biomarin and Vivalon Development Projects

RESOLUTION NO.

**A RESOLUTION OF THE SAN RAFAEL CITY COUNCIL
APPROVING THE PARCEL MAP FOR THE “LANDS OF BIOMARIN
PHARMACEUTICAL, INC.” AT 999 THIRD STREET**

WHEREAS, on March 23, 2020 the City Council adopted Resolution No. 14776 granting approval to applicants BioMarin Pharmaceutical, Inc. (“BioMarin”) and Whistlestop (now called, and hereafter referred to as “Vivalon”)/Eden Housing for development of two 72-foot tall, four-story research and development buildings and a 67-unit, 70-foot tall, six-story senior center and affordable senior housing building on a 133,099 square foot parcel at 999 Third Street and the adjacent San Rafael Corporate Center, and including the following conditional approvals:

- A. Master Use Permit (UP18-034);
- B. Environmental and Design Review Permit (ED18-087);
- C. Small Subdivision (S18-001);
- D. Sign Program Amendment (S18-006); and

WHEREAS, on April 13, 2020, the City entered into a Development Agreement with California Corporate Center Acquisition, LLC, the parent company of BioMarin, that, among other terms, granted vested rights in the approvals granted by Resolution No. 14776; and

WHEREAS, Small Subdivision S18-001, approved by Resolution No. 14776, is required to accommodate a requirement of the Development Agreement that BioMarin will donate to Vivalon an area of 15,000 square feet at the northwestern corner of the 999 Third Street parcel for the construction of a senior healthy aging campus and affordable senior housing units; and

WHEREAS, BioMarin has now applied for approval of the Parcel Map for Small Subdivision S18-001, dated June 2021 and entitled “Lands of BioMarin Pharmaceutical, Inc.”; and

WHEREAS, Condition of Approval No. 3 of Small Subdivision S18-001 requires that if the installation of subdivision improvements is not completed prior to recordation of a Parcel Map, then BioMarin shall enter into a subdivision improvement agreement with the City secured by a bond or deposit, to guarantee the installation of the required subdivision improvements; and

WHEREAS, City staff has recommended, and substantial evidence in the staff report for this Resolution supports, waiving the requirement for a secured subdivision improvement agreement based on a determination that Resolution No. 14776 and/or the Development Agreement contain sufficient conditions of approval for construction of the development to ensure that all required subdivision improvements will be installed prior to the issuance of grading and/or building and/or occupancy permits for the development; and

WHEREAS, the acting City Engineer and the City’s consultant surveyor have determined that the Parcel Map is correct, and in substantial conformance with the conditions of Resolution No. 14776 and the California Subdivision Map Act;

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

1. The City Council finds that the installation of subdivision improvements for this parcel map are adequately secured by conditions of other development approvals granted to BioMarin and Vivalon for the property, and that the requirement of Resolution No. 14776 that the applicant provide a secured subdivision improvement agreement prior to recordation of the Parcel Map for the “Lands of BioMarin Pharmaceutical, Inc.” should be and hereby is waived.
2. The Parcel Map for the “Lands of BioMarin Pharmaceutical, Inc.” dated March 2021, is approved and the City Clerk is authorized to record the map in the Official Records of the County of Marin, conditioned upon receipt of all other required documents and fees.

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 7th day of June 2021, by the following vote to wit:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

LINDSAY LARA, City Clerk

RESOLUTION NO. 14776

RESOLUTION OF THE SAN RAFAEL CITY COUNCIL APPROVING A MASTER USE PERMIT (UP18-034), ENVIRONMENTAL AND DESIGN REVIEW PERMIT (ED18-087), SMALL SUBDIVISION (S18-001), AND SIGN PROGRAM AMENDMENT (SP18-006) TO ALLOW THE DEVELOPMENT OF TWO 72-FOOT TALL, FOUR-STORY RESEARCH AND DEVELOPMENT BUILDINGS AND A 67-UNIT, 70-FOOT TALL, SIX-STORY SENIOR CENTER AND AFFORDABLE SENIOR HOUSING BUILDING ON A 133,099 SQ. FT. PARCEL AT 999 3rd STREET AND ADJACENT SAN RAFAEL CORPORATE CENTER. (APN's: 011-265-01, 013-012-38 and -39 and 013-021-50, -51, -52 -53, -54, -55)

WHEREAS, in August of 2016, BioMarin Pharmaceutical (BioMarin), in conjunction with Whistlestop/Eden Housing submitted to the City of San Rafael Community Development Department a Pre-Application to allow the City to conduct a technical review by City departments of major code requirements applicable to a proposal by, to develop a 133,099 sq. ft. parcel at 999 3rd Street. Based upon City staff's comments, BioMarin modified its project by reducing the requested total development square feet on 999 3rd Street as well as a requested height bonus; and

WHEREAS, BioMarin and Whistlestop submitted an application for Conceptual Design Review of their proposed development, and this conceptual application was reviewed by the Design Review Board on February 6, 2018 and by the Planning Commission on February 27, 2018. In general, the DRB and the Planning Commission were generally supportive of the proposed project including the design aesthetics, the overall height, and intensity of use. Comments were provided to Whistlestop/Eden Housing requesting the project design meet the requirements for front setbacks and suggested the proposal could include more height (and more units) to compensate for meeting the front setback requirements. Comments regarding parking included understanding the applicant's survey and existing conditions assessment; and

WHEREAS, on October 10, 2018, BioMarin, in conjunction with Whistlestop/Eden Housing, submitted project applications to the Community Development Department for a General Plan Amendment (GPA19-001), Zoning Text Amendment (ZO18-003), Planned Development (PD) Rezoning (ZC18-002), Development Agreement (DA19-001), Master Use Permit (UP18-034), Environmental and Design Review Permit (ED18-087), Small Subdivision (S18-001), and Sign Program Amendment (SP18-006) for the development of two 72-foot tall, four-story laboratory/research and development buildings, totaling 207,000 sq. ft., and a 67-unit, 70-foot tall, six-story senior center and affordable senior housing building on a 133,099 sq. ft. parcel at 999 3rd Street (the "Project"); and

WHEREAS, on March 12, 2019, the Planning Commission held an appropriately noticed public scoping hearing on the Notice of Preparation (NOP) for the preparation of an Environmental Impact Report (EIR) to assess the impacts of the Project. The Planning Commission directed staff to prepare an EIR for the Project pursuant to the California Environmental Quality Act (CEQA) (Pub. Resources Code, § 21000 et seq.) to address the following issues, Aesthetics, Air Quality, Cultural Resources, Energy, Geology and Soils, Greenhouse Gases, Hazards and Hazardous Materials, Hydrology and Water Quality, Land Use and Planning, Noise, Public Services, Recreation, Transportation/Traffic, Utilities, and Cumulative effects and a reasonable range of alternatives; and

WHEREAS, the Planning Commission conducted a public Study Session on May 14, 2019 to understand and evaluate the development program and entitlement requests, and was generally supportive of the project; and

WHEREAS, on June 18, 2019, the San Rafael Design Review Board (DRB) held a duly noticed public meeting to formally review the Project plans and found that the Project design was generally appropriate, including the massing, color, and materials, and continued the Project for a consent calendar review, subject to minor revisions to landscaping and façade treatments; and

WHEREAS, the Draft EIR (DEIR) was prepared and circulated for a 45-day public review period beginning August 9, 2019 and ending September 23, 2019 (SCH # 2019029046). Following this review, on September 24, 2019, the Planning Commission held a duly- noticed public hearing to consider and accept comments on the DEIR. The DEIR concluded that the Project would result in significant, unavoidable impacts associated with Land Use and Planning and Transportation. All other significant impacts identified in the DEIR were identified to be mitigated to less-than-significant levels with implementation of mitigation measures recommended in the DEIR; and

WHEREAS, on August 20, 2019, the DRB conducted a duly noticed public meeting to review the revised Project plans and found that the requested revisions were acceptable, and unanimously voted to recommend approval of the project design to the Planning Commission; and

WHEREAS, based on written and oral comments received from the public on the DEIR and its own review of the DEIR, the Planning Commission directed staff to prepare a Final Environmental Impact Report (FEIR) and respond to comments received on the DEIR; and

WHEREAS, pursuant to Public Resources Code Section 21091(d)(2)(A) and CEQA Guidelines Sections 15088, 15089 and 15132, the City responded to all the environmental comments that were submitted on the DEIR during the public review period and a FEIR was completed; and

WHEREAS, on January 10, 2020, Notice of Availability for the FEIR/Response to Comments was mailed to interested persons and property owners and occupants within 500 feet of the property and written responses to public agency comments were provided to agencies who commented on the DEIR; and

WHEREAS, on January 11, 2020, the Notice of Availability was also published in the Marin Independent Journal newspaper; and

WHEREAS, on January 28, 2020, the Planning Commission considered the responses to comments contained in the FEIR and found that the FEIR complies with the requirement of CEQA; and

WHEREAS, on January 28, 2020, the Planning Commission held a duly noticed public hearing on the Project, Master Use Permit (UP18-034), Environmental and Design Review Permit (ED18-087), Small Subdivision (S18-001), and Sign Program Amendment (SP18-006), and accepted all oral and written public testimony and the written report of the Community Development Department Planning staff; and

WHEREAS, on January 28, 2020, the Planning Commission, through the adoption of separate resolutions, took the following actions:

- a) Adopted Resolution No. 20-01 (5-0, 2 absent), recommending to the City Council certifying the 999 3rd Street BioMarin/Whistlestop/Eden Housing Project Final Environmental Impact Report (FEIR).

- b) Adopted Resolution No. 20-02 (5-0, 2 absent), recommending to the City Council adoption of CEQA Findings, a Statement of Overriding Considerations, and approval of a Mitigation Monitoring and Reporting Program (MMRP).
- c) Adopted Resolution No. 20-03 (5-0, 2 absent), recommending to the City Council approval of General Plan Amendments to establish text and map amendments to: 1) modify Exhibit 6 FAR Maps to add 0.90 FAR for SRCC site and the BioMarin portion of the 999 3rd Street site; and 2) amend Exhibit 10 – Height Bonuses – to create a new 20 ft. height bonus for this site (GPA18-001).
- d) Adopted Resolution No. 20-04 (5-0, 2 absent), recommending to the City Council to approve a Zoning Text Amendment to establish a new height bonus provision for the BioMarin portion of the site for projects which meet specific criteria (ZO18-003).
- e) Adopted Resolution No. 20-05 (5-0, 2 absent), recommending to the City Council approval of a Planned Development (PD) Rezoning to incorporate the BioMarin portion of the 999 3rd Street property into the existing SRCC PD District and update the PD with land use regulations and development standards (ZC18-002).
- f) Adopted Resolution No. 20-06 (5-0, 2 absent), recommending to the City Council approval of a Development Agreement for the BioMarin portion of the site to vest the entitlements for a 10-year period, freeze impact fees at current rates and modify terms of the prior Development Agreement. (DA19-001).
- g) Adopted Resolution No. 20-07 (5-0, 2 absent), recommending to the City Council approval of a Master Use Permit (UP18-034), Environmental and Design Review Permit (ED18-087), Small Subdivision (S18-001), and Sign Program Amendment (SP18-006) for the 999 3rd Street BioMarin/Whistlestop/Eden Housing Project.

WHEREAS, on February 28, 2020, a Notice of Availability for the FEIR/Response to Comments was mailed to interested persons and property owners and occupants within 500 feet of the property and to all responsible, trustee and other public agencies that commented on the DEIR, informing them of the City Council hearing for final action. A Notice of Availability was also published in the Marin Independent Journal on Saturday, February 29, 2020 and the Project site was posted with public hearing signs; and

WHEREAS, on March 23, 2020, the City Council held a duly noticed public hearing to review the 999 3rd Street BioMarin/Whistlestop/EDEN Housing Project and considered all oral and written public testimony and the written report of the Community Development Department; and

WHEREAS, on March 23, 2020, by adoption of two separate resolutions, the City Council certified the FEIR, adopted CEQA findings of fact, adopted a statement of overriding consideration and approved the Mitigation Monitoring and Reporting Program (MMRP); and

WHEREAS, on March 23, 2020, by adoption of a separate resolution, the City Council approved General Plan Amendments to establish text and map amendments to: 1) modify Exhibit 6 FAR Maps to add 0.90 FAR for SRCC site and the BioMarin portion of the 999 3rd Street site; and 2) amend Exhibit 10 – Height Bonuses – to create a new 20 ft. height bonus for this site; and

WHEREAS, on March 23, 2020, the City Council, by adoption of separate Ordinances, approved a Planned Development Rezoning (ZC18-002), Zoning Ordinance Text Amendment (ZO18-003), and Development Agreement (DA19-001); and

WHEREAS, the custodian of documents which constitute the record of proceedings upon which this decision is based, is the Community Development Department;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of San Rafael hereby approves the Use Permit Amendment (UP18-034), Environmental and Design Review Permit (ED18-087), Small Subdivision (S18-001), and Sign Program Amendment (SP18-006) based on the following findings:

**Findings for Use Permit
(UP18-034)**

In accordance with San Rafael Municipal Code (SRMC 14.22.080 (Findings), the City Council makes the following findings for approval of a use permit:

A. As proposed and conditioned, the proposal to develop two, 72-foot tall, four-story laboratory/research and development buildings, totaling 207,000 square feet on a 118,099 sq.ft. portion of the subject property and a 70-foot tall, 6-story, 67-unit senior affordable residential building with 18,000 square feet of healthy aging campus on a 15,000 sq. ft. portion of the property, is in accord with the San Rafael *General Plan 2020*, the objectives of SRMC Title 14 (Zoning Ordinance), and the purposes of the zoning district in which the Project site is located. Detailed discussion of the Project's consistency with the applicable General Plan policies is provided in detail in matrix format in the staff report for this resolution.

The discussion demonstrates that the Project is generally consistent with the following applicable General Plan Policies:

- 1) As proposed, the Project's land uses are consistent with Land Use Element Policies LU-23 (*Land Use Map and Categories*), LU-9 (*Intensity of Nonresidential Development*), LU-10 (*Planned Development*) and LU-14 (*Land Use Compatibility*) in that:
 - a. Laboratory and general office uses are an allowable use in the 2nd/3rd Mixed Use General Plan Land use designation in which the Project site is located;
 - b. The proposed 207,000 sq. ft. buildings on the 118,099 square foot BioMarin portion of the lot at 999 3rd Street would be consistent with the maximum floor area ratio (FAR) limits, as modified through the General Plan amendment separately approved by the City Council, which established a blended FAR maximum of 0.90 for the 999 3rd St site and the San Rafael Corporate Center campus; and
 - c. The BioMarin portion of the project complies with the established height limits, through the provision of a General Plan amendment and Zoning text amendment to create a new height bonus for this site in exchange for certain public benefits. In addition, the Whistlestop component of the project complies with the height limit through a concession allowed under the State Density Bonus law, where the height bonus is necessary to make the project financially feasible and results in identifiable cost reductions.
- 2) As proposed and conditioned, the Project's land uses would be consistent with C-6 (*Proposed Improvements*), C-7 (*Circulation Improvements Funding*) and C-12 (*Transportation Demand Management*), in that:
 - a. The laboratory/office uses would be subject to the adopted citywide traffic mitigation fees, which would be used to fund long-term transportation improvements to maintain Level of Service (LOS) standards as identified in Circulation Policy C-6 and the payment of the

mitigation fees will fund citywide improvements consistent with Circulation Policy C-7. The payment of fees would be in addition to installing the required intersection and pedestrian improvements identified in the EIR. However, the Whistlestop/EDEN affordable housing project is exempt from payment of traffic mitigation fees, per an exemption identified in the City Council Resolution establishing the Traffic Mitigation fee; and

- b. The Project is conditioned to require the preparation and submittal of a Transportation Demand Management (TDM) plan that would implement transportation demand measures such as encouraging employees, through incentives, to carpool and use public transit and other alternative means of transport.
- 3) The City Council has, by separate resolution, made findings to grant an Exception to Level of Service standards to allow for the following Project inconsistencies with Circulation Element Policies C-5 (Traffic Level of Service Standards):
- a. The increase in traffic estimated for the proposed uses would impact and change level of service conditions at local intersections and would warrant new transportation improvements that have been identified in the BioMarin and Whistlestop/Eden Housing Project Final EIR;
 - b. The Certified FEIR for this Project identifies that the additional traffic from the Project creates impacts to current Level of Service (LOS) conditions that cannot feasibly be mitigated to less than significant levels based on conflicts with the following two policies:
 1. Policy LU-2 Development Timing, in that the certified FEIR identifies that the Project would add a significant number of daily vehicle trips to this area of San Rafael, and levels of service at nearby intersections would be degraded. Policy LU-2 specifies that new development should only occur when adequate traffic conditions and circulation improvements are available.
 2. Policy C-5. Traffic Level of Service Standards, in that the FEIR identifies that the Project would impact the level of service (LOS) to the circulation network around the Project area, which would operate at unacceptable levels of service under Project conditions.

As proposed, the Project's land uses would be consistent with Neighborhood Element Policies NH-40(*Second Third Mixed Use District*), NH-41 (*Second Third Mixed Use District Design Considerations*), NH-15 (*Downtown Vision*), NH-16 (*Economic Success*), NH-38 (*Lindero Office District*), NH-8 (*Parking*), in that it would: facilitate additional employment and future economic success in the Downtown San Rafael area; allow compatible land uses that would fill current and long-term projected vacancies in laboratory and general office space; and provide required amount of parking required for the proposed uses; and .

- 4) The Project's land uses would be consistent with the Community Design Element Policy CD-21 (*parking lot landscaping*) in that the uses proposed will have an approved landscaping plan and design that will provide shade cover and adequate screening of vehicles within parking lot areas.
- 5) The Whistlestop proposal to provide 67 affordable housing units would be consistent with H-9 (*Special Needs*), H-13 (*Senior Housing*), H-14 (*Adequate Sites*), H-15 (*Infill Near Transit*) and H-17 (*Regulatory Processes and Incentives for Affordable Housing*), in that:
 - a) The project would provide all 67 of the new units as affordable to seniors, serving the special need for affordable senior housing in the community;
 - b) The new housing would be located new blocks from major transit, including the Bettini Transit Station and downtown SMART station;

- c) The proposal utilizes the density bonus, including a greater density bonus than allowed by the State, which the City can accept if it finds that amount of affordable housing is greater than that required by the inclusionary housing ordinance. In this case, the inclusionary housing ordinance would require 20% of the units to be affordable, while this project proposes that all 67 units are affordable to seniors;
- 6) The Project's land uses would be consistent with the Economic Vitality Element Policy EV-1 (*Economic Health and Quality of Life*) and EV-2 (*Seek, Retain and Promote Businesses that Enhance San Rafael*) in that:
 - a. The development of the residential, laboratory, and general office building would improve the downtown area for San Rafael and Marin County residents;
 - b. The proposed uses would ensure that two of the marquee employers in San Rafael would continue to provide jobs in a location close to freeway access; and
 - c. The development would allow a large pediatric pharmaceutical business and senior services business to remain in San Rafael and continue to serve the City and county at large.
 - 7) The Project's land uses would be consistent with the Sustainability Element Policies SU-1 (*Land Use*) and SU-2 (*Promote Alternative Transportation*), and the adopted Climate Change Action Plan in that: the uses are proposed within a vacant parcel adjacent to an office park that is close to public transit (Bettini Transit Station and Downtown San Rafael SMART rail station).
 - 8) The approval of the Project's land uses would be consistent with the PD-1936 District, as amended by the City Council's separate adoption of the PD Rezoning (ZC18-002), which would will permit the 207,000 sq. ft of BioMarin development to be incorporated into the existing San Rafael Corporate Center.
- B. That the Project's proposed uses, together with the conditions applicable thereto, will not be detrimental to the public health, safety or welfare, or materially injurious to properties or improvements in the vicinity, or to the general welfare of the City in that:
- 1) A FEIR has been prepared and certified for the Project pursuant to the provisions of the California Environmental Quality Act (CEQA), which finds that all potentially significant project impacts related to health and safety can be adequately mitigated to a less-than-significant level with the implemented mitigation measures outlined in the approved Mitigation Monitoring and Reporting Program (MMRP), for which compliance is required by conditions of this approval.
 - 2) A Statement of Overriding Considerations has been approved by separate City Council Resolution to address impacts that could not be mitigated to less than significant levels. The Statement of Overriding Consideration concludes that the totality of the project benefits outweigh the impacts to traffic and level of service standards
 - 3) Additionally, the Project has been reviewed by Community Development Department, the Department of Public Works, and other appropriate City Departments, and the Planning Commission, and conditions have been applied to minimize potential impacts to the public health, safety and welfare.
- C. That the proposed uses, together with the conditions applicable thereto, would comply with each of the applicable provisions of the amended Planned Development (PD) Zoning District contained in the Zoning Ordinance. The 118,099 sq. ft. BioMarin portion of the Project site has, by separate City Council resolution, been removed from the current 2/3MUE Zoning District and rezoned to be included in the current San Rafael Corporate Center PD District (PD-1936) with updated

development standards and land use regulations with which the Project would be consistent. The Project would also comply with other applicable provisions in the Zoning Ordinance. That the proposed Whistlestop/Eden Housing uses together with the conditions applicable thereto, would comply with each of the applicable provisions of the 2/3MUE Districts contained in the Zoning Ordinance.

**Findings for Environmental and Design Review Permit
(ED18-087)**

In accordance with SRMC Section 14.25.090 (Findings), the City Council makes the following findings for approval of an Environmental and Design Review Permit:

- A. That the proposed 999 3rd Street BioMarin/Whistlestop/Eden Housing Project is in accord with the General Plan, the objectives of the Zoning Ordinance, and the purposes of the district in which the site is located. A detailed discussion of the project's consistency with the applicable General Plan policies is provided in Use Permit findings above, and in matrix format in the General Plan Consistency Analysis included in the staff report. Detailed discussion of the Project's consistency with the applicable Zoning criteria is provided in matrix format in the General Plan Consistency Analysis, which is included in the Planning Commission staff report. The discussion demonstrates that the Project is generally consistent with the applicable Zoning criteria.
- B. The proposed Project complies with the design related criteria of SRMC Chapter 14.25-Environmental and Design Review Permits, in that:
 - 1) The Project does not interrupt major views of Mt. Tamalpais and surrounding hills;
 - 2) The site design provides for good vehicular, bicycle and pedestrian circulation and access;
 - 3) The front, north and south side elevations of the proposed buildings have appropriate level of massing and articulation combined with the types and colors of materials to create interest;
 - 4) The main vehicular and pedestrian access between the street and the buildings are oriented toward the building entry thereby creating a sense of entry;
 - 5) The DRB has determined that the proposed design provides appropriate variation in structure placement and height;
 - 6) The proposed landscaping generally conforms.
 - 7) Project architecture with appropriate massing, articulation, building colors and natural materials in earth tone colors with the blue color providing accent to the color palette, is harmoniously integrated in relation to the architecture in the vicinity in terms of colors and materials, scale and building design.
 - 8) The proposed parking requirements for this campus include a requirement for 3.0 parking spaces per 1,000 square feet of gross square feet (GSF) for general office uses, 1.5 parking spaces per 1,000 GSF for laboratory/research and development uses, and 1.0 spaces per 1,000 GSF of amenity uses for the newly expanded San Rafael Corporate Center PD District. The adequacy of the proposed parking standards has been evaluated and demonstrates that they are adequate to support the parking demand from the proposed use.
- C. That the 999 3rd Street BioMarin/Whistlestop/EDEN Housing Project design minimizes adverse environmental impacts in that:

- 1) The City Council has certified the FEIR for the Project pursuant to the provisions of the California Environmental Quality Act (CEQA), which finds that all potentially significant Project impacts related to health and safety can be adequately mitigated to a less-than-significant level with the implemented mitigation measures outlined in the approved Mitigation Monitoring and Reporting Program (MMRP), for which compliance is required by conditions of this approval.
 - 2) That there is a conflict with the San Rafael General Plan 2020 Land Use Element Policy LU-2 (*Development Timing*) and Circulation Element Policy C-5 (*Traffic Level of Service*), because of the significant and unavoidable traffic impacts to the local circulation network, which would result from the proposed project. According to Public Resources Code, Section 21082.2, subdivisions (a) and (e), the lead agency (City) is tasked with determining the significance of impacts and statements in an FEIR are not determinative of significance. As set forth in the CEQA findings for this project, adopted by separate City Council resolution, the City Council has conservatively found that the project will lead to significant and unavoidable impacts related to the potential consistency issue.
 - 3) The City Council has, however, determined that the Project is consistent with all of the pertinent General Plan goals and policies, including Policies LU-2 and C-5. Specifically, Policy C-5 allows the City to approve projects that exceed the level of service (LOS) standards if it finds that the benefits of the project to the community outweigh the resulting traffic impacts. The Project, therefore, meets the traffic standards set forth in the San Rafael General Plan 2020. Further, because the Project meets the traffic standards set forth in Policy C-5, and other infrastructure such as water and sewer is in place, the Project is consistent with Policies LU-2. Per CEQA Guidelines Section 15063, in approving the application to amend the San Rafael General Plan 2020, the City Council has weighed the benefits of the Project against the unavoidable, adverse environmental (traffic) effects of the Project and has adopted a statement of overriding consideration. The City Council has made similar findings as required by San Rafael General Plan 2020 Circulation Element Policy C-5D (Evaluation of Project Merits) and Program C-5c (*Exception Review*), to approve the Project, which exceeds the LOS standards, based on a finding that the Project's benefits to the community outweigh the Project's traffic impacts.
 - 4) By separate Resolution, the City Council has adopted a Statement of Overriding Considerations that concludes that the Project would not be detrimental to public health, welfare or safety, in spite of four potential impacts to land use and transportation associated with the development of the Project, balancing the economic, legal, social, and technological benefits of the Project against its unavoidable environmental impacts, finding that the Project's benefits outweigh its unavoidable adverse environmental effects.
- D. The design of the 999 3rd Street BioMarin/Whistlestop project, together with the conditions applicable thereto, will not be detrimental to the public health, safety or welfare, or materially injurious to properties or improvements in the vicinity, or to the general welfare of the City, given that; an EIR has been prepared for the Project and certified, identifying potential environmental impacts resulting from the Project. All potential adverse environmental impacts have been determined to be either no impact, less-than-significant, or less-than-significant with implementation of mitigation measures, with the exception of the impacts to level of service to the local circulation network. There is no feasible mitigation for impacts to local intersections and the City Council has adopted a Statement of Overriding Considerations to allow the significant unavoidable impact, based on the public benefits of the Project. Further:
- 1) The proposed Project has been reviewed by appropriate City departments. Conditions of approval recommended by other departments have been applied to minimize potential adverse visual, design, and safety impacts to the Project site and adjacent properties; and

- 2) With the City Council's approval of a Planned Development Zoning amendment to add the 118,099 sq. ft. of land area for development of 207,000 sq. ft. of laboratory and general office to the allowable uses under the revised San Rafael Corporate Center Planned Development, the Project is consistent with the "2/3 MU" General Plan land use designation for this site and research and development and general office uses would be consistent with the PD land uses allowances as adopted by the amended PD zoning.

**Findings for Small Subdivision
(S18-001)**

In accordance with SRMC Section 15.03.070(Findings), the City Council makes the following findings for approval of a Small Subdivision:

- A. The proposed map is consistent with the San Rafael General Plan and any applicable, adopted specific plan or neighborhood plan in that it creates two distinct development areas consistent with surrounding development. The proposed map will create a mixed-use district that furthers the development of downtown San Rafael and promotes the "Alive after Five" policy;
- B. The design or improvement of the proposed subdivision is consistent with the San Rafael General Plan and any pertinent, adopted specific plan or neighborhood plan in that the proposed Project is consistent with Neighborhood Element Policy NH-40 (*Second Third Mixed Use District*) and NH-41 (*Second Third Mixed Use District Design Considerations*), by promoting a high-quality mixed-use development in the downtown designated areas and Economic Vitality Element Policies EV-2 (*Seek, Retain and Promote Businesses that Enhance San Rafael*), EV-4 (*Local Economic and Community Impacts*), EV-8 (*Diversity of our Economic Base*), and EV-13 (*Business Areas*) by broadening, with limited application, the uses that are permitted in areas that are designated for general commercial and office land uses;
- C. The property subject to subdivision is physically suitable for the type or density of development that is proposed in that the proposed Project is similar in size and scope to the neighboring San Rafael Corporate Center and includes much needed senior affordable housing in the downtown area;
- D. The property subject to subdivision is physically suitable for the density of development that is proposed in that the proposed Project will be consistent with the density and type of development occurring in the San Rafael Corporate Center, and provides senior affordable housing near existing infrastructure and public transit;
- E. The design of the subdivision or the proposed improvements are not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat in that an FEIR has been prepared and certified to assess potential environmental impacts and most potential impacts can be reduced to less than significant levels with recommended mitigation measures. Through adoption of a separate statement of overriding considerations to four potential impacts to land use and transportation associated with the development of the project, the City Council has determined that the Project has balanced the economic, legal, social, and technological benefits of the proposed Project against its unavoidable environmental impacts, and that the Project benefits outweigh the unavoidable adverse environmental effects and are considered "acceptable." A statement of overriding considerations has been adopted and supported by substantial evidence in the record. The Final EIR for the proposed Project does not identify any potential impact areas related to fish or wildlife habitat;

- F. The design of the subdivision or the type of proposed improvements is not likely to cause serious health problems in that the proposed Project would provide desired public benefits and amenities as described in the adopted modified General Plan Exhibit 10, including: Affordable housing (67 senior affordable units), a privately-owned public plaza (approximately 6,000 sq. ft.), a community facility (18,000 sq. ft. senior center), pedestrian crossing safety improvements at adjacent intersections, and donation of funds for development of bike lanes. These public benefits would be consistent with other public benefit requirements for height bonuses for developments in the downtown area; and
- G. The design of the subdivision or the type of proposed improvements will not conflict with easements, acquired by the public at large, for access through or use of, property within the proposed subdivision. In this connection, the City Council may approve the map if it is determined that alternative easements, for access or for use, will be provided, and that these will be substantially equivalent to ones previously acquired or secured for public use.

**Findings for Sign Program Amendment
(SP18-006)**

In accordance with SRMC Section 14.19.046 (Findings), the City Council makes the following findings for approval of a Sign Program Amendment Permit:

- A. The signs contained in the amended BioMarin/Whistlestop/Eden Housing Sign program have common design elements placement, colors, architecture, materials, illumination, type, shape, letter size and letter type as the existing Sign Program for the San Rafael Corporate Center that governs the existing BioMarin campus;
- B. All of the signs contained in the program are in harmony and scale with the materials, architecture, and other design features of the buildings and property improvements they identify, and the program is consistent with the general design standards specified in Section 14.19.054; and
- C. The amount and placement of signage contained in the program is in scale with the subject property and improvements, as well as the immediately surrounding area.

Density Bonus /Concessions/Waivers Findings

- A. The Whistlestop component of the Project complies with the City's affordable housing requirement, pursuant to SRMC Section 14.16.030, by providing 100% of the 67 units as "affordable" or Below-Market-Rate (BMR) units, and one unit reserved for an on-site manager. All 67 of the affordable units would be affordable at Low or Very Low-income levels.
- B. By meeting the City's affordable housing requirement of 20%, the Project is eligible for up to a 35% density bonus, or 9 units, above the maximum of 25 units allowed on the 15,000 sq. ft. site. In addition, the Project is eligible for up to 3 concessions and unlimited waivers under the State Density Bonus law.
- C. By also meeting the City's affordable housing requirement, the Project is automatically eligible for a twelve-foot (12') height bonus under both the General Plan and SRMC Section 14.16.190, from 54' to 66'.
- D. The Project proposes two (2) discretionary concessions/waivers:

- 1) To achieve the proposed 67 units, a Concession is requested for proposed density above the base” total of 34 units (including the 35 percent density bonus).
 - 2) To achieve the proposed 70-foot height a Concession is requested for proposed height increase from maximum height of 66 ft (based on 54-ft base height, plus 12-ft bonus).
- E. The additional density above the 35% and the 4 additional feet above the 12 ft. established height bonus are considered major concessions (SRMC 14.16.030.H.3.b.v) and therefore are subject to approval of the City Council and require that the applicant demonstrate through a financial pro forma that the concessions are needed to make the Project financially feasible. The applicant has complied with this requirement.
- F. Pursuant to SRMC Section 14.16.030.H.2, the City may, at its sole discretion, grant a density bonus exceeding the state minimum requirements where the applicant agrees to construct a greater number of affordable housing units than required pursuant to subsection (B)(2) of that section and necessary to qualify for the density bonus under that section. If such additional density bonus is granted by the City and accepted by the applicant, the additional density bonus shall be considered an additional concession or incentive for purposes of California Government Code Section 65915. Given that the project proposes 100% of the 67 units as affordable for seniors, the City finds that the 100% affordability provides a significant public benefit.
- G. Based on the fact that the project provides all 67 of the 67 units as affordable units to low and very low income households and supported by the financial pro forma that demonstrates that the additional density and concessions are necessary to make the 100% affordable housing project feasible, the City hereby grants the additional density above the 35% density bonus to allow 67 units on the site and the concessions/waivers (proposed density bonus and proposed height bonus) as requested by the project.

BE IT FURTHER RESOLVED, that City Council approves Use Permit (UP18-034), Environmental and Design Review Permit (ED18-087), Small Subdivision (S18-001), and Sign Program Amendment (SP18-001) for the 999 3rd Street BioMarin/Whistlestop/EDEN Housing Project subject to the following conditions of approval:

**Master Use Permit (UP18-034)
Conditions of Approval**

Community Development Department, Planning Division

1. This Master Use Permit for the San Rafael Corporate Center approves a maximum of 715,519 sq. ft. of building area within eight (8) office buildings, which is composed of four areas:
 - a. Western Parcels - 775 Lindaro St parking garage (APN 013-012-38) and 755 Lindaro St parking lot and future office and Research and Development building (APN 013-012-39);
 - b. Central Parcels -750 Lindaro St office building (APN 013-021-53), 770 Lindaro St office building (APN 013-021-54), 770 Lindaro St office building (APN 013-021-55), 781 Lincoln Ave office building (APN 013-021-52), 791 Lincoln Ave office building (APN 013-021-51);
 - c. Eastern Parcel – 788 Lincoln Ave parking garage (APN 013-021-50);
 - d. Northern Parcel – 999 3rd St office and research and development buildings (APN portion of 011-265-01).
2. The approved uses within this campus include administrative office, general office and

research/development uses and ancillary uses, as follows.

- a. Administrative and General Office Use. These uses are defined by the San Rafael Municipal Code, Title 14 (Zoning);
- b. Research and Development Use. Research and Development use is defined as a use engaged in scientific, medical or technological research with limited product testing and production. This use excludes full production industrial-type manufacturing and generally operates similar to and characteristic of low-intensity, general office use. Medical laboratories established for research (as opposed to labs providing testing services for patients/visitors) would be considered a research and development use. As research and development use is similar to and generally less intensive than general office use, it does not require the payment of any traffic mitigation fees or any provisions for additional on-site parking (over and above that approved for general and administrative office use).
- c. Ancillary Uses - Uses determined to be incidental or accessory to the above-listed land uses shall be permitted, as determined to be appropriate by the Community Development Director, including such uses as lobbies, conference rooms, employee spaces for gathering and or food consumption, gyms, amphitheaters, and other non-permanent general office spaces.

Residential and day care land uses are prohibited on the San Rafael Corporate Center campus by a recorded property deed restriction, described in condition 3, below.

3. The Use Permit approves the continued occupancy of the five (5) existing buildings and two (2) existing parking garages. In addition, the Use Permit approves the development and occupancy of three new buildings (two (2) new buildings at 999 3rd St and one (1) new building at 755 Lindaro St) and an expansion to the Lincoln Ave parking garage as follows:
 - 1) Two new buildings at 999 3rd St are allowed up to a total of 207,000 sq. ft.
 - 2) The new building at 755 Lindaro St is allowed to be up to 73,396 sq. ft.
 - 3) A six story expansion to the southern end of the existing six (6) Lincoln Ave parking garage (composed of 256 spaces) and creation of 41 surface parking spaces around the base of the parking structure
4. The Master Use Permit approves the existing uses and building on the San Rafael Corporate Center campus and the development of the three new buildings in accordance with the terms of the Development Agreement (DA19-001). The Development Agreement establishes a term of **10 years** from the effective date of the DA for the 999 Third St., 755 Lindaro St. and Lincoln Parking Structure expansion provided:
 - a) If BioMarin has not commenced construction of the first building at 999 Third St. by the 6th anniversary of the effective date of the DA, then BioMarin shall construct the Class II Bike lane along Lindaro from 3rd to Anderson as described in new obligation #12.e and the improvements to the 2nd and Lindaro intersection per new obligation #12.h, below;
 - b) If BioMarin has not commenced construction of second building at 999 Third Street by the 8th anniversary of the effective date of the DA, the vesting of the entitlements for the development of 755 Lindaro Street will expire;

- c) Annually, on request by the City, BioMarin will report to the City on the status of its development plans related to the DA.

The effective date for this use permit shall be the effective date of the Ordinance adopted for the Planned Development (PD) District Zoning.

5. The Master Use Permit approves 185 surface parking spaces on the Western Parcel (south of Second Street, west of Lindaro Street) and surface parking and a six story addition to the 788 Lincoln Avenue parking garage on the Eastern Parcel (south of Second Street, east of Lincoln Avenue) totaling 297 spaces (256 structured spaces and 41 surface). These parcels are restricted to parking use and landscaping only. As required by the subdivision map for the San Rafael Corporate Center (RM 2002-185, recorded September 2002), a restrictive covenant has been recorded on the subdivision map to encumber the Western and Eastern Parcels, ensuring that any conveyance of these parcels shall include a reservation or grant of easement to the benefit of the Central Parcel (office park described in condition 1 above) to provide parking required by this Use Permit and the San Rafael Corporate Center Environmental and Design Review Permit (ED97-24).
6. Use of the Western, Central and Northern Parcels are subject to the Covenant of Deed Restriction, recorded on August 10, 1989. This covenant restricts the uses that are permitted on these properties and requires continued maintenance and monitoring of on-site groundwater conditions. The Master Use Permit and the Covenant of Deed Restriction recognize that the Western and Central Parcels contain utilities and groundwater remediation improvements that are to remain on these sites in perpetuity.

A portion of the 999 3rd St site (northern parcel) is proposed to be subdivided and transferred to Whistlestop/EDEN Housing for development of a healthy aging campus and senior housing. The new lot to be transferred to Whistlestop/EDEN Housing is neither part of the Master Use Permit nor the Planned Development (PD) District. Furthermore, that entire northern parcel is currently undergoing soils remediation with the intention to have the deed restriction prohibiting residential or day care uses removed.

7. This Master Use Permit approves a 20-foot height bonus (General Plan Exhibit 10 height Bonus) for the two new buildings on the 118,099 square foot portion of 999 3rd Street. The height bonus is granted based on the criteria in Exhibit 10 of the General Plan by providing the following benefits:
- Donation of land for 67 units of Affordable housing
 - Privately owned public plaza (6,000 sq. ft.)
 - The provision of a Community facility (e.g. senior center, 18,000 sq. ft. or more in size)
 - Pedestrian crossing safety improvements at adjacent intersections
 - Donation of funds for development of bike lanes
8. This Master Use Permit reaffirms the previously granted height bonus for development of four of the existing office buildings: 750 Lindaro St, 770 Lindaro St, 790 Lindaro St and 791 Lincoln Ave) on the Central Parcel. These public benefits include:
- a. Provision of permanent, public access, use and availability of the landscaped park area located on the south side of the office campus (south of and between 750 Lindaro St

and 781 Lincoln Ave, bordered on the south by Mahon Creek). The park area shall be owned, in-fee, and permanently maintained by the property owner and/or the association of owners within the office park. A permanent public access easement has been recorded over the park area as part of the San Rafael Corporate Center subdivision map (RM 2002-185).

- b. Provision of a 2,500 sq. ft. conference/meeting space that is currently in 750 Lindaro St for use by public, subject to terms and regulations.
- c. The public use of this park area and conference/meeting space shall be subject to the conditions set forth below.

1. General Park Use

- A. For day-to-day general use, the park area shall be permanently accessible to the public, year-round (365 days) and during the daylight hours (dawn to dusk).
- B. The property owners and/or the association of owners within the office park shall be responsible for daytime and evening security of the park area.
- C. Fencing and security gates shall be provided and permanently maintained at both the Lindaro St and Lincoln Ave entrances to the park area (south of 750 Lindaro St and 791 Lincoln Ave). The security gates shall be left open during the daylight hours and closed after dark. Signage shall be installed at these entrance gates identifying the park and hours for public access.

2. Special Events and Activities

- A. Public use of the park area, and the 2,500 square foot conference/meeting room space (currently in 750 Lindaro St, but may be moved to any other building on campus). for special events and activities shall be scheduled by appointment, made through the property owner and/or association of owners within the office park. The property owner and/or association of owners shall designate a property manager to oversee the management and scheduling of special events and activities.
- B. The facilities shall be available for community use at minimum, as follows:
 - i. 5:00 PM to 10:00 PM, Monday through Friday.
 - ii. 8:00 AM to 6:00 PM, Saturdays and Sundays.
- C. First priority for use of the park area and the 2,500 square foot conference/meeting room space (currently provided in 750 Lindaro St, but may be moved to any other building on the campus) for special events shall be given to not-for-profit organizations, homeowners associations and neighborhood groups/associations within the City of San Rafael, schools within the City of San Rafael, and the City of San Rafael. No user fee shall be charged for the qualified users for special event use of the park area and/or the 2,500 square-foot conference/meeting room space, except deposit fees required for clean-up and security.
- D. Use of the park area for special events and activities shall include public access to restrooms and water fountains located within 750 Lindaro St and 781 Lincoln Ave. If these facilities are not available, portable restrooms shall be provided in the park area at no cost to the user
- E. Users of the park area and the 2,500 sq. ft. conference/meeting room space (currently provided in 750 Lindaro, but may be moved to any other building on the campus) for special events and activities shall be subject to compliance with specific rules, regulations and guidelines, which are to be maintained by and provided to the user by

the property owner and/or the association of owners of the office park development. These rules, regulations and guidelines have been approved by City staff and the Park and Recreation Commission. The approved rules, regulations and guidelines are based on the public facility use regulations currently implemented by the City. The final, approved rules, regulations and guidelines shall be maintained on file with this Use Permit.

- F. The 2,500 sq. ft. conference/meeting room space available for public use is currently located in 750 Lindaro St, but may be moved to any other building within the campus, as long as the size, functionality, and amenities are consistent with the current conference/meeting room and consistent with the rules identified above

- 9. This Use Permit approves a parking ratio of:
 - a. 3.0 parking spaces per 1,000 square feet of gross office building area,
 - b. 1.5 parking spaces per 1,000 square feet of gross laboratory/research and development building area, and
 - c. 1.0 parking spaces per 1,000 square feet of gross amenities and administrative building area development uses.
- 10. Within 60 days of the approval of the Use Permit, BioMarin will incorporate the following provisions into an enforceable deed restriction for the campus (Western, Central parcels, Eastern Parcel and Northern Parcels), except the portion transferred to Whistlestop/EDEN Housing):
 - a. Changes in tenancy or use (change to multiple tenant occupancy, rather than single tenant), expansion of use(s), or expansion of floor area that create a parking demand that is more than five percent (5%) greater than the number of required parking spaces approved under the current Planned Development (PD) District shall provide additional automobile parking, bicycle parking, and loading space as required by this Planned Development (PD) District and/or demonstrate to the satisfaction of the City that an enhanced Transportation Demand Management Program will meet the increased parking demand.
 - b. Existing parking shall be maintained but may be replaced in a reconstructed parking facility.
 - c. A change in occupancy is not considered a change in use if the parking demand of the new occupant is essentially the same as that for the occupant approved with the Planned Development (PD) District).
- 11. As required by the previously executed Development Agreement (DA11-001), all surface parking lots within the greater San Rafael Corporate Center Campus shall be made available to the public from midnight to 6:00am and from 6:00pm to midnight on Monday through Friday and all hours on Saturday and Sundays. A permanent sign shall be posted and maintained at the vehicle entrances to all surface parking lots stating the public parking hours. The property owner shall not charge for public parking without the approval of the City. Approval of a charge for parking shall not be unreasonable withheld, provided that the proposed charges are not substantially and materially higher than the amounts charged by the City for City-owned parking facilities in the Downtown San Rafael.
- 12. As required by the current Development Agreement executed for this project (DA19-001), the following public benefits have been or shall be provided and maintained (where applicable):
 - a. Provide Whistlestop the portion of 999 Third St. for senior housing development through a land swap for the Lindaro corporation yard, which due to the delta in value of the two properties results in BioMarin's donation of \$1.2M to support the development of the healthy aging center

and affordable senior housing.

- b. Contribute, \$400,000 to the City of San Rafael for purposes of implementing a first mile/last mile shuttle service or for other traffic/circulation/parking improvement measures as determined by the City. This shall be payable by \$100,000 each year (commencing on the first anniversary of the effective date of the Development Agreement) for 4 years.
 - c. Remediate a brownfield in the heart of downtown San Rafael, resulting in BioMarin out of pocket costs of over \$2M and total remediation costs of over \$16M.
 - d. Contribute \$500,000 to the City of San Rafael towards the synchronization of traffic lights along the 2nd and 3rd Street corridors to improve traffic flow or for other traffic/circulation/parking improvement measures as determined by the City. This shall be payable by \$125,000 each year (commencing on the first anniversary of the effective date of the Development Agreement) for 4 years.
 - e. Add Class II Bike lane along Lindero from 3rd to Anderson with completion of Phase I.
 - f. Provide a 6,000 sf Public Plaza "Front Porch" to follow the same rules as the park available for public use listed above.
 - g. Provide 3,500 sf Retail open to public during regular business hours.
 - h. Improve intersection of 2nd & Lindero with completion of Phase I.
 - i. Allow the City to utilize up to 70% of the 999 Third Street parcel (the exact layout to be reasonably negotiated so as to maximize the utility of each portion) retained by BioMarin for public parking and ancillary uses (such as food truck market, etc.) until such time as commencement of construction activities for either building on the parcel, so long as City is responsible for all liability related to the public's use of the parcel, including, without limitation, all security, sanitation and janitorial.
13. BioMarin, or any successive owner or lessor of the site, shall continue and expand the implementation of a Transportation Demand Management (TDM) program that focuses on reducing vehicle trips and improving traffic flow.
- a. BioMarin, or any successive owner or lessor of the site, shall generate at least 15 percent fewer vehicle trips on a daily, AM peak hour, and PM peak hour basis (i.e., 1,584 daily, 173 AM peak hour, and 162 PM peak hour trips) as compared to those in the Transportation Impact Study for BioMarin 888 3rd St San Rafael Campus Expansion Revised.
 - b. BioMarin and any successive owner or lessor of the site shall monitor, on an annual basis, all traffic generated at the site, including single-occupant vehicles, carpools, pedestrian and bicycle trips, and public transit use, to gauge success and promote appropriate measures to retain vehicle trip rates at, or below, the current trip rates.
 - c. BioMarin, or any successive owner or lessor of the site, shall submit an annual TDM monitoring report to the City of San Rafael for City review.
 - d. This mitigation measure shall continue in perpetuity. After three consecutive years demonstrating successful 15% reduction, the monitoring shall be done every three years to ensure maintenance of the 15% reduction unless a violation occurs, or a new owner/lessor of the site applies. At that time, the annual monitoring shall start anew to ensure successful 15% reduction for three consecutive years. **(MM TRANS-1)**

**Environmental and Design Review Permit (ED18-087)
Conditions of Approval**

General and On-Going

Community Development Department, Planning Division

1. The building techniques, colors, materials, elevations and appearance of the project, as presented to the Planning Commission at their January 28, 2020 hearing, labeled **999 3rd Street BioMarin/Whistlestop/Eden Housing project**, and on file with the Community Development Department, Planning Division, shall be the same as required for issuance of all building and grading permits, subject to these conditions. Minor modifications or revisions to the project shall be subject to review and approval of the Community Development Department, Planning Division. Further modifications deemed not minor by the Community Development Director shall require review and approval by the original decision-making body, the Planning Commission, and may require review and recommendation by the City's Design Review Board. (Applies to both components of project)
2. The approved colors for the project are on file with the Community Development Department, Planning Division. Any future modification to the color palette shall be subject to review and approval by the Planning Division and those modifications not deemed minor shall be referred to the Design Review Board for review and recommendation prior to approval by the Planning Division. (Applies to both components of project)
3. Within five (5) days of project approval, the project sponsor shall remit payment of the State Fish and Game fees in order for staff to file a Notice of Determination with the County Clerk within 5 days of project approval. The current fee amounts are \$3,343.25 payable to the State Fish and Game and \$50.00 payable to the Marin County Clerk and are subject to increase. (Applies to both components of project)
4. The project sponsor shall be responsible for implementing all mitigation measures presented in the Project's Final Environmental Impact Report (FEIR), on file with the Community Development Department, including any mitigation measures that may not have been incorporated into the Project conditions of approval. A deposit for Mitigation Monitoring shall be paid as required herein. (Applies to both components of project)
5. All required mitigation measures are identified in the Mitigation Monitoring and Reporting Program (MMRP) as recommend for adopted by separate Resolution and included as conditions of approval. (Applies to both components of project)
6. BioMarin/Whistlestop/Eden Housing agree to defend, indemnify, release and hold harmless the City, its agents, officers, attorneys, employees, boards and commissions from any claim, action or proceeding brought against any of the foregoing individuals or entities ("indemnities"), the purpose of which is to attack, set aside, void or annul the approval of this application or the certification of any environmental document which accompanies it. This indemnification shall include, but not be limited to, damages, costs, expenses, attorney fees or expert witness fees that may be asserted or incurred by any person or entity, including the applicant, third parties and the indemnities, arising out of or in connection with the approval of this application, whether or not there is concurrent, passive or active negligence on the part of the indemnities. (Applies to both components of project)

7. In the event that any claim, action or proceeding as described above is brought, the City shall promptly notify BioMarin/Whistlestop/Eden Housing of any such claim, action or proceeding, and the City will cooperate fully in the defense of such claim, action, or proceeding. In the event BioMarin/Whistlestop/Eden Housing is required to defend the City in connection with any said claim, action or proceeding, the City shall retain the right to: 1) approve the counsel to so defend the City; 2) approve all significant decisions concerning the manner in which the defense is conducted; and 3) approve any and all settlements, which approval shall not be unreasonably withheld. Nothing herein shall prohibit the City from participating in the defense of any claim, action or proceeding, provided that if the City chooses to have counsel of its own to defend any claim, action or proceeding where BioMarin/Whistlestop/Eden Housing already has retained counsel to defend the City in such matters, the fees and the expenses of the counsel selected by the City shall be paid by the City. (Applies to both components of project)
8. As a condition of this application, BioMarin/Whistlestop/Eden Housing agrees to be responsible for the payment of all City Attorney expenses and costs, both for City staff attorneys and outside attorney consultants retained by the City, associated with the reviewing, process and implementing of the land use approval and related conditions of such approval. City Attorney expenses shall be based on the rates established from time to time by the City Finance Director to cover staff attorney salaries, benefits, and overhead, plus the actual fees and expenses of any attorney consultants retained by the City. Applicant shall reimburse City for City Attorney expenses and costs within 30 days following billing of same by the City. (Applies to both components of project)
9. All site improvements, including but not limited to, site lighting, fencing, landscape islands and paving striping shall be maintained in good, undamaged condition at all times. Any damaged improvements shall be replaced in a timely manner. (Applies to both components of project)
10. All fencing shall be installed and maintained in a good, undamaged condition. Any damaged portions shall be replaced in a timely manner. (Applies to both components of project)
11. The Project site shall be kept free of litter and garbage. Any trash, junk or damaged materials that are accumulated on the site shall be removed and disposed of in a timely manner. BioMarin/Whistlestop/Eden Housing shall institute a program to provide regular cleanup of the parking lot, parking structure and the site facility, as well as all other areas immediately around the new parking structure and office building (Applies to both components of project)
12. The project and this Environmental and Design Review Permit (ED18-087) shall be subject to all terms and obligations and benefits of the Development Agreement (DA19-001), adopted by separate Resolution.
13. The previously approved Design Review Permit (ED14-097 and ED17-057) for the design of the new building at 755 Lindaro St, on a portion of the Lindaro St surface parking lot, is included as part of the Development Agreement and the term of the approvals of ED14-097 and ED17-057 are hereby extended to match the approval of this Design Review Permit, which shall be consistent with the term of the Development Agreement.
 - a. The design for 755 Lindaro St and the six story expansion of the Lincoln Ave parking garage shall remain as was approved by ED14-097-ED17-057 and all prior conditions of approval, except as modified by these approvals, shall remain in effect.

14. All new landscaping shall be irrigated with an automatic drip system and maintained in a healthy and thriving condition, free of weeds and debris, at all times. Any dying or dead landscaping shall be replaced in a timely fashion. (Applies to both components of project)
15. The project applicant shall maintain landscaping at project driveways to avoid sight distance conflicts. Shrubs shall not be higher than 30 inches and tree canopies shall be at least 7 feet from the ground. **(MM TRANS-7a)** (Applies to both components of project)
16. The City of San Rafael shall prohibit parking at least 20 feet in advance and 20 feet behind each of the project's six driveways. **(MM TRANS-7b)** (Applies to both components of project)
17. This Environmental and Design Review Permit shall run with the land and shall remain valid regardless of any change of ownership of the project site, subject to these conditions, provided that a building/grading permit is issued and construction commenced or a time extension request is submitted to the City's Community Development Department, Planning Division, within the term of the Development Agreement, and subject to the terms and conditions of the Development Agreement. Failure to obtain a building permit or grading permit and construction or grading activities commenced, or failure to obtain a time extension within the two-year period will result in the expiration of this Environmental and Design Review Permit.
18. This Environmental and Design Review Permit (ED18-087) shall run concurrently with the Master Use Permit (UP18-034), Small Subdivision (S18-001) and Sign Program Amendment (SP18-006) approvals. If either entitlement expires, this Environmental and Design Review Permit approving the Project, as depicted on Project plans, shall also expire and become invalid.

Prior to Issuance of Grading/Building Permits

Community Development Department, Planning Division

19. BioMarin/Whistlestop/Eden Housing shall be responsible for all costs associated with mitigation monitoring and shall remit an initial deposit in the amount of \$5,000.00 for mitigation monitoring and condition compliance. Staff shall bill time against this deposit amount during Project review and implementation of the Project and monitoring of Project conditions, to assure compliance with conditions and mitigation measures has been achieved. (Applies to both components of project)
20. The design of the front "porch" of the BioMarin Building at 999 3rd St shall be modified per the recommendation of the Design Review Board at its meeting of August 20, 2020, which included widening the entry staircase to the front porch public space to 10 feet. (Applies to BioMarin component of project)
21. The design of the Whistlestop/EDEN Housing building at 999 3rd St shall be modified per the recommendation of the Design Review Board at its meeting of August 20, 2020, which included: 1) returning the upper story bay window feature previously shown on the plans to the building facades; and 2) lower the window sill height on the windows proposed for the ground floor lobby area. (Applies to Whistlestop component of project)
22. Any outstanding Planning Division application processing fees, including payment of EIR consultant and contract planner, shall be paid prior to issuance of the first construction permit. (Applies to both components of project).
23. Final landscape and irrigation plans for the Project shall comply with the provisions of Marin Municipal Water District's (MMWD) most recent water conservation ordinance. Construction plans

submitted for issuance of building/grading permit shall be pre-approved by MMWD and stamped as approved by MMWD or include a letter from MMWD approving the final landscape and irrigation plans. Modifications to the final landscape and irrigation plans, as required by MMWD, shall be subject to review and approval of the Community Development Department, Planning Division. (Applies to both components of project)

20. A Construction Management Plan (CMP) shall be prepared and submitted to the Planning Division for review and approval by the Planning Division and Department of Public Works. The CMP shall include (Applies to both components of project):

:

- a. Projected schedule of work
- b. Projected daily construction truck trips
- c. Proposed construction truck route, including where trucks will stage if they arrive prior to the allowable hours of construction
- d. Location of material staging areas
- e. Include all limitations, conditions of approval or mitigation measures that are required during construction
- f. Identify location of construction trailers and of construction worker parking
- g. Dust control program
- h. Statement that the project shall conform to the City's Noise Ordinance (Chapter 8.13 of the San Rafael Municipal Code) as modified by Condition #113 (ED18-034) above which limits the days and hours of all grading and construction activities,
- i. Statement that no construction truck traffic shall encroach into any of the surrounding residential neighborhood streets at any time,
- j. Statement that the existing roadway conditions on 2nd and 3rd Streets shall be memorialized on digital recording format prior to the start of construction and that the project sponsor shall be required to repair any roadway damage created by the additional construction truck traffic.
- k. Identify the name, phone number and contact information for an on-site construction manager who is responsible to implement the CMP
- l. In the event that the CMP is conflicting with any conditions imposed by the grading permit for the project, the more restrictive language or conditions shall prevail.
- m. It is the responsibility of the owner/applicant to ensure that the final and approved CMP be included as a requirement in the construction contract with contractors and subcontractors, bid documents and distributed to contractors (Applies to both components of project)
- n. Truck routes shall be reviewed and approved by the City Department of Public Works. Hauling shall be limited to one truck in and one truck out per 15 minutes during the AM and PM peak unless otherwise permitted by the Department of Public Works.

24. All mechanical equipment (i.e., air conditioning units, meters and transformers) and appurtenances not entirely enclosed within the structures (on side of building or roof) shall be screened from public view. The method used to accomplish the screening shall be indicated on the building plans and approved by the Planning Division. (Applies to both components of project)

25. The project shall mitigate potential air quality impacts associated with construction and grading activities by preparing and submitting a Dust Control Plan to the City of San Rafael Community Development Department for review and approval, prior to issuance of a grading permit. **(MM AIR-1)** (Applies to both components of project)

26. The project shall reduce the potential exposure by the public to hazardous materials such as asbestos or lead during proposed demolition activities, by preparing a hazardous material remediation plan. Submit the plan to the City of San Rafael Community Development Department

for review and approval prior to issuance of a demolition permit. **(MM HAZ-1)** (Applies to both components of project)

27. The project shall mitigate operational noise by incorporating sound-rated OITC24 windows along and near the 2nd Street façade and standard double-paned windows at all other facades into the construction drawings. Further, all habitable rooms with exterior noise exposures greater than 60 Ldn will require alternative ventilation per Title 24. A post-construction Acoustical Analysis, by a qualified Acoustic Engineer, shall confirm that the project complies with maximum interior noise exposure limits of 45 Ldn and shall be submitted to the Community Development Department. **(MM NOISE-1)** (Whistlestop component of the project)
28. Prior to issuance of a building permit, or any construction permit for development of the Whistlestop component of the project on the 15,000 sq ft portion of the site, the applicant/property owner shall submit proof of rescission of the deed restriction currently recorded on the Whistlestop portion of the property by the Department of Toxic and Substance Control (DTSC) which restricts residential uses on the 999 3rd St site. Once it has been demonstrated that the deed restriction has been rescinded, construction permits may be issued (subject to other conditions and requirements for issuance of a permit). (Applies to Whistlestop component of project)
29. The project has requested and received a density bonus in excess of the 35% maximum allowed by the State, by providing 100% of the units as affordable to seniors at low and very low income levels. Prior to issuance of a building permit, the property owner shall record a BMR agreement on the property, deed-restricting the income level for occupancy of the affordable units. (Applies to Whistlestop component of the project)
30. Prior to the approval of building permits, the applicant shall provide the City of San Rafael with a letter from the Department of Toxic Substances Control (DTSC) indicating that the infiltration proposed by the post-construction stormwater management plans would not lead to the spread of existing groundwater contamination or interference with the effectiveness of the groundwater extraction and treatment system located adjacent to the south and southeast of the project site. If DTSC indicates that restrictions to infiltration are necessary, then the post-construction stormwater management plan shall be modified, as appropriate, to limit infiltration. For example, the pervious pavements and bioretention facilities could be underlain by a low permeability liner that would limit infiltration to the subsurface. Any changes to the post-construction stormwater management plan must be approved by DTSC and the City Engineer prior to approval of building permits. **(MM HYDRO-1)** (Applies to both components of project)
31. The project applicant shall incorporate the recommendations of the preliminary hydrology study into the project design and shall complete a final hydrology study based on the final design of the proposed project. The final hydrology study shall verify that peak flows to individual points of drainage around the project site would be limited to at or below existing levels under the final project design or shall provide recommendations to achieve these limits. The project applicants shall implement all of the recommendation of the final hydrology study. Prior to the issuance of a grading permit and building permit, the applicants shall demonstrate to the satisfaction of the City Engineer that the recommendations of the final hydrology and hydraulic study have been incorporated into the project grading plans and building plans. **(MM HYDRO-2)** (Applies to both components of project)
32. Project construction shall abide by the City of San Rafael's provisions regarding transportation and parking management during construction activities. In addition, the project applicants shall develop a demolition construction traffic management plan defining hours of operation, specified truck

routes, and construction parking provisions. This plan shall be prepared by the applicants and approved prior to issuance of a building permit by the City of San Rafael Department of Public Works. The project applicants shall ensure that any parking losses associated with construction vehicles do not affect parking availability on downtown streets. **(MM TRANS-5)** (Applies to both components of project)

33. SRMC Section 14.16.030.I.2 prescribes the process and standards and also allows the Community Development Director to determine the number of affordable employees based on comparable employee densities. Therefore, based on the employment densities proposed in these new buildings, the standard used to determine the number of affordable units is 0.01625/1,000 sq. ft. of gross floor area. For this particular project, that would result in the requirement for 3.36 affordable units to be provided by the 207,000 sq. ft. of new building ($207 * .01625 = 3.36$ affordable units). The current in-lieu fee for one affordable unit is \$343,969.47, therefore the in-lieu fee amount that would be required is \$1,155,737.42. This fee shall be paid prior to the issuance of the building permit for the 1st BioMarin building. (BioMarin component of project)
 - a. The Development Agreement (DA) approved for this project vests the affordable housing in lieu fee amount at the current rate of \$343,969.47 for the 10-year term of the DA.
34. All submitted building permit plan sets shall include a plan sheet incorporating these conditions of approval. (Applies to both components of the project)
35. If reclaimed water for landscaping purposes is made available, BioMarin/Whistlestop/Eden Housing shall upgrade its water system and install any and all required facilities to use reclaimed water for all site landscaping purposes. (Applies to both components of the project)
36. The project applicant shall improve the pavement sections of the roadways peripheral to the project site to a condition acceptable to the City Engineer. The applicants shall complete a “pre-construction” study, followed by a “post-construction” survey to determine what road improvements would be the responsibility of the applicants. These studies shall be submitted to the City Engineer for approval. **(MM TRANS-6)** (Applies to both components of the project)

Public Works Department

37. Frontage improvements shall include: street lighting, conduit for City facilities, accessible curb ramp pairs, drainage facilities, street trees, sidewalk, curb and gutter.
38. A separate photometric for street lighting shall be required in order to determine the precise locations for street lighting.
39. All improvements shall be coordinated with City projects. For example, the City is anticipating improvements on Third St. and circulation modification downtown. Due to the timeline for these projects, infrastructure installation may need to be installed earlier than the construction of the BioMarin portion of the development, unless an alternative is agreed upon by the City.
40. The project applicant shall implement all of the recommendations of the design-level geotechnical investigation, including design criteria, plan review, and construction period monitoring recommendations. Prior to the issuance of a grading permit and building permit, the applicants shall demonstrate to the satisfaction of the City Engineer that the recommendations of the design-level geotechnical investigation have been incorporated into the project grading plans and building plans. **(MM GEO-1/GEO-2)** (Applies to both components of project).

41. The site is a former Manufactured Gas Plant, which had undergone environmental remediation activities. Should the need arise, the generator (responsible party) of the previous contamination may require access to certain areas. It is our understanding that the applicant has assessed this aspect and designed accordingly. (Applies to both components of project).
42. Prior to issuance of a building permit, the applicant shall submit improvement plans and obtain an encroachment permit for any work within the Right-of-Way, from the Department of Public Works located at 111 Morphew St., for design and construction of the following:
- a. Curb ramp improvements at all corners of the following intersections 3rd Street and Lindaro Street, 3rd Street and Brooks Street, 2nd Street and Brooks Street, and 2nd Street and Lindaro Street. **(MM TRANS-8)** (Applies to both components of the project).
 - b. Curb ramps shall be directional as determined by the Department of Public Works.
 - c. Only the frontage improvements along the frontage for each component of the project shall be required during their phase of development
 - d. Crosswalk across the western leg of the 3rd Street and Lindaro Street intersection. These improvements shall include, but not be limited to, curb and roadway infrastructure work, as well as traffic and pedestrian signal modifications. They may include revisions to or removal of the driveway on the north side of the intersection. The design of these improvements would be approved by the City Engineer. **(MM TRANS-9)** (BioMarin component of project)
 - e. Pedestrian Hybrid Beacon, or other pedestrian crossing enhancements as deemed appropriate by the City of San Rafael Department of Public Works, at the 3rd Street and Brooks Street intersection. These improvements could include, but not be limited to, curb and roadway infrastructure work, as well as traffic and pedestrian signal modifications. **(MM TRANS-10)** (Whistlestop component of project)
 - f. Vehicle travel on Brooks Street at 2nd Street shall be limited to one-way northbound/outbound only. Brooks Street at 3rd Street shall allow both inbound and outbound traffic to the driveway just south of the Whistlestop/EDEN Housing project. The project applicants shall modify the project, as needed, to enable sufficient sight distance between westbound motorists on 3rd Street and northbound motorists, stopped behind a future marked crosswalk, on Brooks Street. Modifications may include, but not be limited to, building design changes, roadway curb extensions, or revisions to proposed hardscaping and/or landscaping. Any changes shall be approved by the City of San Rafael Department of Public Works. **(MM TRANS-11)** (Whistlestop component of project)
 - g. The project applicant shall install systems that provide vehicle-activated audible and visual warnings for vehicles egressing the driveways on Brooks Street. **(MM TRANS-12)** (Applies to both components of the project).
 - h. Please note that Brooks, Lindaro and Second Streets are currently moratorium streets and full width resurfacing is required for street cuts. Non-moratorium streets shall require resurfacing for approximately 50% of the width along the frontage, depending on the location of utility work, and intersection and crosswalk improvements. The extents shall be reviewed at the time of encroachment permit.
 - i. Restriping of public streets shall be of thermoplastic, as approved by the Department of Public Works. Signage and striping shall be reviewed and approved by the City Traffic Engineer.
43. Third party peer review of geotechnical and engineering reports and inspection throughout construction shall be required, paid for by the project sponsor and contracted by the City. A proposed project schedule for the duration of work is required prior to submittal for a grading or

building permit, so that an estimate may be prepared for the required deposit amount. (Applies to both components of the project)

44. A construction vehicle impact fee shall be required at the time of building permit issuance; which is calculated at 1% of the valuation, with the first \$10,000 of valuation exempt. (Applies to both components of the project)
45. Off-site improvements shall be bonded and included upon an improvement agreement or completed prior to a parcel map. Provide an engineer's estimate for the improvements for review and incorporation to the agreement. (Applies to both components of the project)
 - a. All improvements along Brooks St and the Whistlestop frontage shall be completed prior to occupancy, with a subdivision improvement agreement. (Applies to Whistlestop component of the project)
 - b. All other subdivision improvements along the remainder of the BioMarin frontage shall be installed prior to occupancy of the first phase of the buildings, if not earlier. (Applies to BioMarin component of the project)
 - c. Bonds shall be required for the complete improvements, prior to recordation of a map or occupancy of a portion of the project. (Applies to both components of the project)
46. The traffic mitigation fee is estimated at 203 AM and 191 PM trips based on the transportation impact study (Table 20). This applies to the BioMarin Facility. Separately, the trip generation estimated for the Whistlestop housing may be considered exempt from the traffic mitigation fee on the condition that it is restricted to affordable housing.
 - a. BioMarin component results 394 total peak hour trips at \$4,246/trip, for a mitigation fee of \$1,672,924 (203 am + 191pm trips). The Development Agreement (DA) approved for this project vests the traffic mitigation fee amount at the current rate of \$4,246/trip for the 10-year term of the DA.
 - b. Whistlestop Component results in 78 total peak hour trips at \$4,246/trip for a mitigation fee of \$331,188. However, the Whistlestop component of the project is exempt from the payment of traffic mitigation fees, based on City Council Resolution No's 11668 and 13364, which exempts affordable housing projects from payment of traffic mitigation fees
47. All plans, reports, monitoring, inspection and testing for the proposed project will be reviewed by an independent Geotechnical Engineer and/or Engineering Geologist retained by the City, at the expense of the project sponsor. This third-party consultant will review all plans, reports, monitoring, inspection and testing data prior to appropriate approvals and/or certifications. A letter report summarizing findings and recommendations shall be submitted by the geotechnical engineer to the City Engineer for review and approval, as well as incorporation into grading plans. (Applies to both components of the project)
48. Final grading and foundation techniques shall be developed by a certified geotechnical engineer or engineering geologist and reviewed and approved by the City. (Applies to both components of the project)
49. In order to limit residual migration of contaminants, alternative stormwater treatment may be required by the Department of Public Works, such as filtration planters (non-infiltrating), or mechanical filtration combined with retention.

50. A final drainage plan shall be prepared and submitted for review and approval with the final improvement plans. The plan shall be prepared by a registered civil or hydrologic engineer and shall include hydrologic and hydraulic calculations as well as details of the proposed improvement and stormwater treatment facilities. The final drainage plan shall be subject to review and approval by the City Engineer. The final drainage plan shall address the following:
- a) The plans shall show the existing drainage facilities
 - b) Runoff shall not be increased, leaving the project boundary
 - c) Filtration shall be required for particles equal to or larger than 5mm, so they do not enter into the City's storm drainage system
 - d) Placards (medallions) shall be installed on all new drainage inlets to prohibit dumping of pollutants. These are available from the City or MCSTOPPP
 - e) A stormwater facilities maintenance agreement shall be required
 - f) How the project's drainage system shall be maintained, whether separate for each site or together along with the other development improvements.
 - g) The drainage plan shall be developed in consideration with the site history of contamination.

Provide the final hydrologic analysis of the detailed drainage system and conformance with the mitigation measures required by the EIR for the 100-year event with regard to the City's infrastructure receiving flow, as well as any potential impact to the flood zone for FEMA requirements. (Applies to both components of the project)

51. Utility improvements shall be required as per the individual utilities. In general, undergrounding, housing utilities in vaults, and repair of City infrastructure shall be required. This shall be reviewed and approved by the Department of Public Works with the detailed utility and subdivision improvement plans and more precisely with the encroachment permit.

Community Development Department, Building Division

52. The design and construction of all site alterations shall comply with the California Building Code (CBC), California Plumbing Code (CPC), California Electrical Code (CEC), California Mechanical Code CCMC), California Fire Code (CFC), California Energy Code, California Green Building Standards Code and City of San Rafael Ordinances and Amendments that are in effect at the time of building permit submittal
53. A building permit is required for the proposed work. Applications shall be accompanied by four (4) complete sets of construction drawings to include:
- a. Architectural plans
 - b. Structural plans
 - c. Electrical plans
 - d. Plumbing plans
 - e. Mechanical plans
 - f. Site/civil plans (clearly identifying grade plane and height of the building)
 - g. Structural Calculations
 - h. Truss Calculations
 - i. Soils reports
 - j. Green Building documentation
 - k. Title-24 energy documentation
54. The occupancy classification, construction type and square footage of each building shall be specified on the plans. In mixed occupancies, each portion of the building shall be individually classified.

55. Building areas are limited by CBC Table 506.2. On plan justify the proposed building area.
56. The maximum area of unprotected and protected openings permitted in the exterior wall in any story of a building shall not exceed the percentages specified in CBC Table 705.8 "Maximum Area of Exterior Wall Openings Based on Fire Separation Distance and Degree of Opening Protection." To calculate the maximum area of exterior wall openings you must provide the building setback distance from the property lines and then justify the percentage of proposed wall openings and include whether the opening is unprotected or protected.
57. For buildings located four or more stories above grade plane, one stairwell must extend to the roof, unless the roof slope exceeds an angle of four vertical to 12 horizontal CBC 1011.12. (Applies to both components of project)
58. Each building must have address identification placed in a position that is plainly legible and visible from the street or road fronting the property. Numbers painted on the curb do not satisfy this requirement. In new construction and substantial remodels, the address must be internally or externally illuminated and remain illuminated at all hours of darkness. Numbers must be a minimum 4 inches in height with $\frac{1}{2}$ inch stroke for residential occupancies and a minimum 6 inches in height with $\frac{1}{2}$ inch stroke for commercial applications. The address must be contrasting in color to their background SMC 12.12.20. (Applies to both components of project)
59. School fees will be required for the project. Calculations are done by the San Rafael City Schools, and those fees are paid directly to them prior to issuance of the building permit. (Applies to both components of project)
60. Regarding any grading or site remediation, soils export, import and placement; provide a detailed soils report prepared by a qualified engineer to address these procedures. The report should address the import and placement and compaction of soils at future building pad locations and should be based on an assumed foundation design. This information should be provided to Building Division and Department of Public Works for review and comments prior to any such activities taking place. (Applies to both components of project)
61. Prior to building permit issuance for the construction of each building, geotechnical and civil pad certifications are to be submitted. (Applies to both components of project)
62. Based on the distance to the property line (and/or adjacent buildings on the same parcel), the building elements shall have a fire resistive rating not less than that specified in CBC Table 601 and exterior walls shall have a fire resistive rating not less than that specified in CBC Table 602. (Applies to both components of project)
63. Cornices, eaves overhangs, exterior balconies and similar projections extending beyond the floor area shall conform to the requirements of CBC 705.2. Projections shall not extend beyond the distance determined by the following two methods, whichever results in the lesser projection (Applies to both components of project):
 - a. A point one-third the distance from the exterior face of the wall to the lot line where protected openings or a combination of protected openings and unprotected openings are required in the exterior wall.

- b. A point one-half the distance from the exterior face of the wall to the lot line where all openings in the exterior wall are permitted to be unprotected or the building is equipped throughout with an automatic sprinkler system.
 - c. More than 12 inches into areas where openings are prohibited.
64. Ventilation area required, the minimum openable area to the outdoors is 4 percent of the floor area being ventilated CBC 1203.5.1 or mechanical ventilation in accordance with the California Mechanical Code. (Applies to both components of project)
65. Natural light, the minimum net glazed area shall not be less than 8 percent of the floor area of the room served CBC 1205.2 or shall provide artificial light in accordance with CBC 1205.3. (Applies to both components of project)
66. Walls separating purposed tenant space from existing neighboring tenant spaces must be a minimum of 1-hour construction. (Applies to both components of project)
67. All site signage as well as wall signs require a separate permit and application (excluding address numbering). (Applies to both components of project)
68. The Whistlestop/EDEN Housing building must apply for a new address for this building from the Building Division.
69. In the parking garage, mechanical ventilation will be required capable of exhausting a minimum of .75 cubic feet per minute per square foot of gross floor area CMC Table 4-4. (Applies to Whistlestop component of project)
70. In the parking structure, in areas where motor vehicles are stored, floor surfaces shall be of noncombustible, nonabsorbent materials. Floors shall drain to an approved oil separator or trap discharging to sewers in accordance with the Plumbing Code and SWIPP. (Applies to Whistlestop component of project)
71. Minimum elevator car size (interior dimension) 60" wide by 30" deep with an entrance opening of at least 60" or a car size of 42" wide by 48" deep with an entrance opening of 36" or a car size of 60" wide by 36" deep with an entrance opening of at least 36". (Applies to both components of project)
72. All buildings with one or more elevators shall be provided with not less than one medical emergency service elevator. The medical emergency service elevator shall accommodate the loading and transport of an ambulance gurney or stretcher. The elevator car size shall have a minimum clear distance between walls and door excluding return panels not less than 80 inches by 54 inches and a minimum distance from wall to return panel not less than 51 inches with a 42-inch side slide door. (Applies to both components of project)
73. In the service areas, mechanical ventilation will be required capable of exhausting a minimum of 1.5 cubic feet per minute per square foot of gross floor area. Connecting offices, waiting rooms, restrooms, and retail areas shall be supplied with conditioned air under positive pressure. (Applies to both components of project)
74. The proposed facility shall be designed to provide access to the physically disabled. For existing buildings and facilities when alterations, structural repairs or additions are made, accessibility improvements for persons with disabilities shall be required unless CASP report states compliant.

Improvements shall be made, but are not limited to, the following accessible features (Applies to both components of project):

- a. Path of travel from public transportation point of arrival
- b. Routes of travel between buildings
- c. Accessible parking
- d. Ramps
- e. Primary entrances
- f. Sanitary facilities (restrooms)
- g. Drinking fountains & Public telephones (when provided)
- h. Accessible features per specific occupancy requirements
- g. Accessible special features, i.e., ATM's point of sale machines, etc.

75. The site development of items such as common sidewalks, parking areas, stairs, ramps, common facilities, etc. are subject to compliance with the accessibility. Pedestrian access provisions should provide a minimum 48" wide unobstructed paved surface to and along all accessible routes. Items such as signs, meter pedestals, light standards, trash receptacles, etc., shall not encroach on this 4' minimum width. Also, note that sidewalk slopes and side slopes shall not exceed published minimums. The civil, grading and landscape plans shall address these requirements to the extent possible. (Applies to both components of project)

76. The parking garage ceiling height shall have a minimum vertical clearance of 8' 2" where required for accessible parking. (Applies to Whistlestop component of project)

77. Multistory apartment or condominium on the ground floor in buildings with no elevator at least 10 percent but no less than one of the multistory dwellings in apartment buildings with three or more and condos with four or more dwellings shall comply with the following (Applies to Whistlestop component of project):

- a. The primary entry to the dwelling unit shall be on an accessible route unless exempted by site impracticality tests in CBC Section 1150A.
- b. At least one powder room or bathroom shall be located on the primary entry level, served by an accessible route.
- c. All rooms or spaces located on the primary entry level shall be served by an accessible route. Rooms and spaces located on the primary entry level and subject to this chapter may include but are not limited to kitchens, powder rooms, bathrooms, living rooms, bedrooms or hallways.

78. Multifamily dwelling and apartment accessible parking spaces shall be provided at a minimum rate of 2 percent of the covered multifamily dwelling units. At least one space of each type of parking facility shall be made accessible even if the total number exceeds 2 percent. (Applies to Whistlestop component of project)

79. Public accommodation disabled parking spaces must be provided according the following table and must be uniformly distributed throughout the site. (Applies to both components of project)

Total Number of Parking Spaces Provided	Minimum Required Number of H/C Spaces
1 to 25	1
26 to 50	2
51 to 75	3
76 to 100	4

101 to 150	5
151 to 200	6
201 to 300	7
301 to 400	8
401 to 500	9
501 to 1,000	Two percent of total
1,001 and over	Twenty, plus one for each 100 or fraction thereof over 1,001

80. At least one disabled parking space must be van accessible; 9 feet wide parking space and 8 feet wide off- load area. Additionally, one in every eight required handicap spaces must be van accessible. (Applies to both components of project)

San Rafael Sanitation District

81. The applicant shall submit complete civil engineering plans, including plan and profile of the sewer lateral connections to the existing sewer system. The drawings will also need to show any existing sewer laterals which are being abandoned. The drawings shall comply with the most recent version of San Rafael Sanitation District Standards. (Applies to both components of project)

82. The applicant shall submit detailed flow calculations showing normal and peak flow rates. Based on the results of the flow calculations, the project sponsor may be required to replace or up-size sewer lines in the vicinity of the project to accommodate the increased flows. (Applies to both components of project)

83. The sewer lateral connection for BioMarin shall be made to the 27" VCP mainline on 2nd not the 12" VCP on 3rd Street. The Whistlestop component of the project shall be made to the 12" VCP on 3rd Street (Applies to both components of project)

84. The Sewer Connection fees will be required prior to issuance of the Building Permit. Applicant must submit civil/utility plans indicating all the proposed new fixtures so the District staff can calculate the final amount. (Applies to both components of project)

85. In order for the applicant to request credit for the existing fixtures on the buildings, the applicant must submit civil/utility plans including a full inventory of the existing fixtures (if necessary, accompanied by photos) to request any adjustment of these fees. (Applies to both components of project)

San Rafael Fire Department, Fire Prevention Bureau

86. The sliding gates at the 3rd Street driveway and the southern Brooks Street driveway shall be approved by the City of San Rafael Fire and Police Departments and shall enable access by emergency service providers. **(MM TRANS-13)** (Applies to both components of project)

87. The design and construction of all site alterations shall comply with the 2016 California Fire Code and City of San Rafael Ordinances and Amendments. (Applies to both components of project)

88. Deferred Submittals for the following fire protection systems shall be submitted to the Fire Prevention Bureau for approval and permitting prior to installation of the systems (Applies to both components of project):

- a. Fire Sprinkler plans (Deferred Submittal to the Fire Prevention Bureau).
- b. Fire Standpipe plans (Deferred Submittal to the Fire Prevention Bureau).

- c. Fire Underground plans (Deferred Submittal to the Fire Prevention Bureau).
 - d. Fire Alarm plans (Deferred Submittal to the Fire Prevention Bureau).
 - e. Kitchen Hood Automatic Fire-Extinguishing System plans (Deferred Submittal to the Fire Prevention Bureau) if applicable. (Applies to both components of project)
89. A fire apparatus access plan shall be prepared for this project. Fire apparatus plan shall show the location the following (Applies to both components of project):
- a. Designated fire apparatus access roads.
 - b. Red curbs and no parking fire lane signs.
 - c. Fire hydrants.
 - d. Fire Department Connections (FDC).
 - e. Double detector check valves.
 - f. Street address signs.
 - g. Recessed Knox Boxes
 - h. Fire Alarm annunciator panels.
 - i. NFPA 704 placards.
 - j. Provide a note on the plan, as follows: The designated fire apparatus access roads and fire hydrants shall be installed and approved by the Fire Prevention Bureau prior construction of the building. (Applies to both components of project)
90. Plans of the high-piled combustible storage area, drawn to scale, shall be submitted with the Fire Sprinkler Plans to the Fire Prevention Bureau. The high piled plans shall include at least the following:
- a. Floor plan of the building showing locations and dimensions of high-piled storage areas.
 - b. Usable height for each storage area.
 - c. Number of tiers within each rack, if applicable.
 - d. Commodity clearance between top of storage and the sprinkler deflector for each storage arrangement.
 - e. Aisle dimensions between each storage array.
 - f. Maximum pile volume for each storage array.
 - g. Location and classification of commodities in accordance with CFC Section 2303.
 - h. Location of commodities which are banded or encapsulated.
 - i. Location of all required fire department access doors.
 - j. Type of fire suppression and fire detection systems.
 - k. Location of valves controlling the water supply of ceiling and in-rack sprinklers.
 - l. Type, location and specifications of smoke removal and curtain board systems.
 - m. Additional information regarding required design features, commodities, storage arrangement and fire protection features within the high-piled storage area shall be provided at the time of permit, when required by the fire code official. (Applies to both components of project)
91. Knox Key Boxes are required at the primary point of first response to the building. (Applies to both components of project).
92. A Knox Box is required at the primary points of first response to the building. A recessed mounted Knox Box # 3275 Series is required for this project; the Knox Box shall be clearly visible upon approach to the main entrance from the fire lane. Note the Knox Box must be installed from 72" to 78" above finish grade; show the location on the plans. (Applies to both components of project)

93. On site fire hydrants could be required. (Applies to both components of project)
94. When a building is fully sprinklered all portions of the exterior building perimeter must be located within 250-feet of an approved fire apparatus access road.
- a. The minimum width of the fire apparatus access road is 20-feet.
 - b. The minimum inside turning radius for a fire apparatus access road is 28 feet.
 - c. The fire apparatus access road serving this building is more than 150-feet in length; provide an approved turn-around. Contact the Fire Prevention Bureau for specific details. (Applies to both components of project)
95. If the building is over 30 feet in height, an aerial fire apparatus access roadway is required parallel to one entire side of the building. a. The Aerial apparatus access roadway shall be located within a minimum 15 feet and a maximum of 30 feet from the building.
- a. The minimum unobstructed width for an aerial fire apparatus access road is 26-feet.
 - b. Overhead utility and power lines shall not be located within the aerial fire apparatus access roadway, or between the roadway and the building. (Applies to both components of project)
96. Fire lanes must be designated; painted red with contrasting white lettering stating “No Parking Fire Lane” A sign shall be posted in accordance with the CFC Section 503.3. (Applies to both components of project)
97. Building address numbers and directories must be to Fire Department standards. (Applies to both components of project)
98. Hazardous Materials Placard shall be installed in accordance with NFPA 704. (Applies to both components of project)
99. Provide a Hazardous Materials Management Plan to be submitted to Marin County Department of Public Works, CUPA (Applies to both components of project)
100. Contact the Marin Municipal Water District (MMWD) to make arrangements for the water supply serving the fire protection system. (Applies to both components of project)

Marin Municipal Water District

101. District records indicate that the property’s current annual water entitlement is insufficient to meet the water demand for the project and the purchase of additional water entitlement will be required. Additional water entitlement will be available upon request and fulfillment of the following requirements:
- a. Complete a High Pressure Water Service Application
 - b. Submit a copy of the building permit.
 - c. Pay appropriate fees and charges.
 - d. Complete the structures foundation within 120 days of the date of application
 - e. Comply with the District’s rules and regulations in effect at the time service is requested.
 - f. Comply with all indoor and outdoor requirements of District Code Title 13 – Water Conservation. This may include verification of specific indoor fixture efficiency compliance. If you are pursuing a landscaping project subject to review by your local planning department and / or subject to a city permit, please contact the district water conservation department at 415-945-1497 or email to plancheck@marinwater.org. More information about district water

conservation requirements can be found on line at www.marinwater.org. (Applies to both components of project)

102. Comply with the backflow prevention requirements, if upon the Districts review backflow protection is warranted, including installation, testing and maintenance. Questions regarding backflow requirements should be directed to the Backflow Prevention Program Coordinator at (415) 945-1558. (Applies to both components of project)
103. Use of recycled water is required, where available, for all approved uses, including irrigation and the flushing of toilets and urinals. Questions regarding the use of recycled water should be directed to Dewey Sorensen at (415) 945-1558. (Applies to both components of project)
104. Comply with Ordinance No. 429 requiring the installation of gray water recycling systems when practicable for all projects required to install new water service and existing structures undergoing "substantial remodel" that necessitates an enlarged water service. (Applies to both components of project)

Pacific Gas & Electric

105. Electric and gas service to the project site will be provided in accordance with the applicable extension rules, which are available on PG&E's website at <http://www.pge.com/myhome/customerservice/other/newconstruction> or contact (800) PGE-5000. It is highly recommended that PG&E be contacted as soon as possible so that there is adequate time to engineer all required improvements and to schedule any site work. (Applies to both components of project)
106. The cost of relocating any existing PG&E facilities or conversion of existing overhead facilities to underground shall be the sole responsibility of the applicant or property owner. (Applies to both components of project)

During Construction

Department of Public Works – Land Development

107. All mass grading shall be limited to April 15 through October 15, unless otherwise approved in writing by the Department of Public Works. A grading permit shall be obtained for all grading and site improvement work. Trucking trips during peak hours may be limited. (Applies to both components of project)
108. All public streets and sidewalks and on-site streets which are privately owned that are impacted by the grading and construction operation for the Project shall be kept clean and free of debris at all times. The general contractor shall sweep the nearest street and sidewalk adjacent to the site on a daily basis unless conditions require greater frequency of sweeping. (Applies to both components of project)
109. Prior to the start excavation or construction, the general contractor shall call Underground Service Alert (USA) at (800) 227-2600 to have the location of any existing underground facilities marked in the field. (Applies to both components of project)

Community Development Department, Planning Division

110. Should an archaeological deposit be encountered during project subsurface construction activities, all ground-disturbing activities within 25 feet shall be redirected and a qualified archaeologist meeting the Secretary of the Interior's Professional Qualifications Standards for

Archeology contacted to assess the situation, determine if the deposit qualifies as a historical resource, consult with agencies as appropriate, and make recommendations for the treatment of the discovery. If the deposit is found to be significant (i.e., eligible for listing in the California Register of Historical Resources), the applicant shall be responsible for funding and implementing appropriate mitigation measures. Mitigation measures may include recordation of the archaeological deposit, data recovery and analysis, and public outreach regarding the scientific and cultural importance of the discovery. Upon completion of the selected mitigations, a report documenting methods, findings, and recommendations shall be prepared and submitted to the City for review, and the final report shall be submitted to the Northwest Information Center at Sonoma State University. Significant archaeological materials shall be submitted to an appropriate curation facility and used for public interpretive displays, as appropriate and in coordination with a local Native American tribal representative.

The applicant shall inform its contractor(s) of the sensitivity of the project area for archaeological deposits and shall verify that the following directive has been included in the appropriate contract documents:

“The subsurface of the construction site may be sensitive for Native American archaeological deposits. If archaeological deposits are encountered during project subsurface construction, all ground-disturbing activities within 25 feet shall be redirected and a qualified archaeologist contacted to assess the situation, determine if the deposit qualifies as a historical resource, consult with agencies as appropriate, and make recommendations for the treatment of the discovery. Project personnel shall not collect or move any archaeological materials. Archaeological deposits can include shellfish remains; bones; flakes of, and tools made from, obsidian, chert, and basalt; and mortars and pestles. Contractor acknowledges and understands that excavation or removal of archaeological material is prohibited by law and constitutes a misdemeanor under California Public Resources Code, Section 5097.5.” **(MM CULT-1/CULT-2)**
(Applies to both components of project)

111. Should paleontological resources be encountered during project subsurface construction activities located in previously undisturbed soil and bedrock, all ground-disturbing activities within 25 feet shall be halted and a qualified paleontologist contacted to assess the situation, consult with agencies as appropriate, and make recommendations for the treatment of the discovery. For purposes of this mitigation, a “qualified paleontologist” shall be an individual with the following qualifications: 1) a graduate degree in paleontology or geology and/or a person with a demonstrated publication record in peer-reviewed paleontological journals; 2) at least two years of professional experience related to paleontology; 3) proficiency in recognizing fossils in the field and determining their significance; 4) expertise in local geology, stratigraphy, and biostratigraphy; and 5) experience collecting vertebrate fossils in the field.

If the paleontological resources are found to be significant and project activities cannot avoid them, measures shall be implemented to ensure that the project does not cause a substantial adverse change in the significance of the paleontological resource. Measures may include monitoring, recording the fossil locality, data recovery and analysis, a final report, and accessioning the fossil material and technical report to a paleontological repository. Upon completion of the assessment, a report documenting methods, findings, and recommendations shall be prepared and submitted to the City for review. If paleontological materials are recovered, this report also shall be submitted to a paleontological repository such as the University of California Museum of Paleontology, along with significant paleontological materials. Public educational outreach may also be appropriate.

The project applicants shall inform its contractor(s) of the sensitivity of the project site for paleontological resources and shall verify that the following directive has been included in the appropriate contract specification documents:

“The subsurface of the construction site may contain fossils. If fossils are encountered during project subsurface construction, all ground-disturbing activities within 25 feet shall be halted and a qualified paleontologist contacted to assess the situation, consult with agencies as appropriate, and make recommendations for the treatment of the discovery. Project personnel shall not collect or move any paleontological materials. Fossils can include plants and animals, and such trace fossil evidence of past life as tracks or plant imprints. Marine sediments may contain invertebrate fossils such as snails, clam and oyster shells, sponges, and protozoa; and vertebrate fossils such as fish, whale, and sea lion bones. Vertebrate land mammals may include bones of mammoth, camel, saber tooth cat, horse, and bison. Contractor acknowledges and understands that excavation or removal of paleontological material is prohibited by law and constitutes a misdemeanor under California Public Resources Code, Section 5097.5.” (**MM GEO-3**): (Applies to both components of project)

112. During project construction, the contractor shall implement a dust control program that includes the following measures recommended by the BAAQMD (**MM AIR-1**) (Applies to both components of project)
 - a. All exposed surfaces (e.g., parking areas, staging areas, soil piles, graded areas, and unpaved access roads) shall be watered two times per day.
 - b. All haul trucks transporting soil, sand, or other loose material off-site shall be covered.
 - c. All visible mud or dirt track-out onto adjacent public roads shall be removed using wet power vacuum street sweepers at least once per day. The use of dry power sweeping is prohibited.
 - d. All vehicle speeds on unpaved roads shall be limited to 15 miles per hour.
 - e. All roadways, driveways, and sidewalks to be paved shall be completed as soon as possible. Building pads shall be laid as soon as possible after grading unless seeding or soil binders are used.
 - f. A publicly visible sign shall be posted with the telephone number and person to contact at the lead agency regarding dust complaints. This person shall respond and take corrective action within 48 hours. The Bay Area Air Quality Management District (BAAQMD) phone number shall also be visible to ensure compliance with applicable regulations.
113. The project shall implement the City of San Rafael Noise Ordinance construction noise requirements to minimize noise impacts during construction. Construction noise related to demolition and grading work done within 15 feet of the west property line could exceed the Ordinance requirements. Neighbors shall be informed before any construction activities and any input they have on construction scheduling shall be incorporated to the extent feasible, and the work should be conducted as quickly as possible to minimize exposure time. (**MM NOISE-2**) (Applies to both components of project)
114. The BioMarin project applicant shall require use of noise-reducing measures that may include the following and that shall be described and included in applicable contract specifications: After the Whistlestop/EDEN Housing project is completed and housing residents, require that the construction contractor for BioMarin Building A and BioMarin Building B not operate more than one piece of noise-generating equipment (listed in Table 4.10-10) within 40 feet of the Whistlestop/Eden Housing project. This would ensure that the 90 dBA Lmax is not exceeded at the Whistlestop/Eden Housing project. (**MM NOISE-1a**) (Applies to BioMarin component of project)

115. The BioMarin and Whistlestop/Eden Housing project applicants shall require use of noise-reducing measures that may include the following and that shall be described and included in applicable contract specifications (Applies to both components of project):
- a. Equip internal combustion engine-driven equipment with intake and exhaust mufflers that are in good condition and are appropriate for the equipment.
 - b. Locate all stationary noise-generating equipment, such as air compressors and portable power generators, as far away as possible from noise-sensitive land uses. Muffle the stationary equipment, and enclose within temporary sheds or surround by insulation barriers, if feasible.
 - c. To the extent feasible, establish construction staging areas at locations that would create the greatest distance between the construction-related noise sources and noise-sensitive receptors during all project construction.
 - d. Use "quiet" air compressors and other stationary noise sources where technology exists.
 - e. Construct or use temporary noise barriers, as needed, to shield on-site construction and demolition noise from noise-sensitive areas to the extent feasible. To be most effective, the barrier should be placed as close as possible to the noise source or the sensitive receptor. Examples of barriers include portable acoustically lined enclosure/housing for specific equipment (e.g., jackhammer and pneumatic-air tools, which generate the loudest noise), temporary noise barriers (e.g., solid plywood fences or portable panel systems, minimum 8 feet in height), and/or acoustical blankets, as feasible.
 - f. Control noise levels from workers' amplified music so that sounds are not audible to sensitive receptors in the vicinity.
 - g. Prohibit all unnecessary idling of internal combustion engines.
(MM NOISE-1b)
116. The BioMarin and Whistlestop/Eden Housing construction contractors shall develop a set of procedures that are described and included in applicable contract specifications for tracking and responding to complaints received pertaining to construction vibration and noise, and shall implement the procedures during construction. At a minimum, the procedures shall include (Applies to both components of project):
- a. Designation of an on-site construction complaint and enforcement manager for the project.
 - b. Protocols specific to on-site and off-site receptors for receiving, responding to, and tracking received complaints. The construction complaint and enforcement manager shall promptly respond to any complaints and work cooperatively with affected receptors to ensure that the source of the noise- or vibration-generating activity is discontinued or determine an acceptable schedule to resume the activity when the receptor is not present in the residence.
 - c. Maintenance of a complaint log that records what complaints were received and how these complaints were addressed.
(MM NOISE-1c)
117. Nearby residents shall be informed by posting informational notices on the fence line of the construction site. The notice shall state the date of planned construction activity and include the contact information of the construction complaint and disturbance coordinator identified in Mitigation Measure NOISE-1b. **(MM NOISE-1d)** (Applies to both components of project)
118. The project applicant shall use mechanical equipment selection and acoustical shielding to ensure that noise levels from the installation of mechanical equipment do not exceed the exterior noise standards of 60 dBA Lmax/50 dBA Leq during daytime or 50 dBA Lmax/40 dBA Leq during nighttime at the nearest residential land uses, and do not exceed the exterior noise standards of 65 dBA Lmax/55 dBA Leq during both daytime and nighttime at the nearest commercial land

uses. Controls that would typically be incorporated to attain this outcome include locating equipment in less noise-sensitive areas, when feasible; selecting quiet equipment; and providing sound attenuators on fans, sound attenuator packages for cooling towers and emergency generators, acoustical screen walls, and equipment enclosures. **(MM NOISE-2)** (BioMarin portion of the project)

Prior to Occupancy

Community Development Department, Planning Division

119. Final inspection of the project by the Community Development Department, Planning Division, is required. The applicant shall contact the Planning Division to request a final inspection upon completion of the project. The final inspection shall require a minimum of 48-hour advance notice. (Applies to both components of project)
120. All landscaping and irrigation shall be installed prior to occupancy. In the alternative, the applicant or property owner shall post a bond with the City in the amount of the estimated landscaping/irrigation installed cost. In the event that a bond is posted, all areas proposed for landscaping shall be covered with bark or a substitute material approved by the Planning Division prior to occupancy. Deferred landscaping through a bond shall not exceed 3 months past occupancy. (Applies to both components of project)
121. The landscape architect for the project shall submit a letter to the Planning Division, confirming the landscaping has been installed in compliance with the approved project plans and the irrigation is fully functioning. (Applies to both components of project)
122. All ground- and rooftop-mounted mechanical equipment shall be fully screened from public view. (Applies to both components of project)
123. All trash enclosures shall be screened by a combination of fencing with privacy slats and landscaping. (Applies to both components of project)

Public Works Department

124. The project shall install signs at the driveway exit to alert drivers to look for pedestrians on the sidewalk. (Applies to both components of project)
125. Regulatory agency approval shall be required for the mitigations to be implemented for the various occupancy types of each of the buildings, prior to occupancy. (Applies to both components of project)
126. Prior to occupancy, the project applicant shall install all required (Applies to both components of project)
 - a) Curb ramp improvements at all corners of the following intersections: 3rd Street and Lindaro Street, 3rd Street and Brooks Street, 2nd Street and Brooks Street, and 2nd Street and Lindaro Street. **(MM TRANS-8)** (Applies to both components of the project).
 - b) Crosswalk across the western leg of the 3rd Street and Lindaro Street intersection. These improvements shall include, but not be limited to, curb and roadway infrastructure work, as well as traffic and pedestrian signal modifications. They may include revisions to or removal of the driveway on the north side of the intersection. The design of these improvements would be approved by the City Engineer. **(MM TRANS-9)** (BioMarin component of project)

- c) Pedestrian Hybrid Beacon, or other pedestrian crossing enhancements as deemed appropriate by the City of San Rafael Department of Public Works, at the 3rd Street and Brooks Street intersection. These improvements could include, but not be limited to, curb and roadway infrastructure work, as well as traffic and pedestrian signal modifications. (**MM TRANS-10**) (Whistlestop component of project)
- d) Vehicle travel on Brooks Street at 2nd Street shall be limited to one-way northbound/outbound only. Brooks Street at 3rd Street shall allow both inbound and outbound traffic to the driveway just south of the Whistlestop/Eden Housing project. The project applicants shall modify the project, as needed, to enable sufficient sight distance between westbound motorists on 3rd Street and northbound motorists, stopped behind a future marked crosswalk, on Brooks Street. Modifications may include, but not be limited to, building design changes, roadway curb extensions, or revisions to proposed hardscaping and/or landscaping. Any changes shall be approved by the City of San Rafael Department of Public Works. (**MM TRANS-11**) (Whistlestop component of project)
- e) Install systems that provide vehicle-activated audible and visual warnings for vehicles egressing the driveways on Brooks Street. (**MM TRANS-12**) (Applies to both components of the project).

After Occupancy

Community Development Department, Planning Division

127. Following the issuance of a Certificate of Occupancy, all new exterior lighting shall be subject to a 90-day lighting level review period by the City to ensure that all lighting sources provide safety for the building occupants while not creating a glare or hazard on adjacent streets or be annoying to adjacent residents. During this lighting review period, the City may require adjustments in the direction or intensity of the lighting, if necessary. All exterior lighting shall include a master photoelectric cell with an automatic timer system, where the intensity of illumination shall be turned off during daylight. (Applies to both components of project)

**Small Subdivision (S18-001)
Conditions of Approval**

Community Development Department of Public Works

1. This Small Subdivision (S18-001) shall run with the land and shall remain valid regardless of any change of ownership of the project site, subject to these conditions, provided that a Parcel Map is recorded or a time extension request is submitted to the City's Community Development Department, Planning Division, within **the term of the Development Agreement**, and subject to the terms and conditions of the Development Agreement. Failure to record a Parcel Map, or failure to obtain a time extension within the two-year period will result in the expiration of this Small Subdivision (S18-001). (Applies to BioMarin component of project)

Department of Public Works

2. A Parcel Map shall be required. A copy of the recent title report, legal description, and closure calculations is required. The map shall be reviewed by the City Surveyor and City Engineer. Please see Title 15 of the Municipal Code for Parcel Map requirements. (Applies to BioMarin component of project)

3. If the installation of subdivision improvements is not completed prior to recordation of a Parcel Map, a subdivision improvement agreement and security, such as a bond or deposit shall be required. (Applies to BioMarin component of project)
4. A title report for the site is required to show the source information for lot lines on the tentative map. The referenced Record of Survey 2016 RS 131 notes that the Right-of-Way for Second Street could not be determined from the information provided. This area has been occupied by a sidewalk and in use by the public. The proposed project keeps this area clear, with allows for continued use as a sidewalk. (Applies to BioMarin component of project)
5. Prior to approval of the Tentative Map, the portion of the sidewalk shall be dedicated as public Right-of-Way, or at minimum a Public Access Easement and Public Utility Easement. (Applies to BioMarin component of project)
6. A portion of the traffic signal equipment at the corner of Lindaro St and Second St may extend on-site. The Tentative Map may include this area in an easement, or the public facilities shall be relocated off-site as part of the subdivision improvements. (Applies to BioMarin component of project)

**Sign Program Amendment (SP18-006)
Conditions of Approval**

Community Development Department, Planning Division

1. The sign program and appearance and location of all approved signage, as presented to the Design Review Board at its June 18, 2019 hearing, labeled *BioMarin/Whistlestop/Eden Housing Project*, and on file with the Community Development Department, Planning Division, shall be the same as required for issuance of all building permits, subject to these conditions. Minor modifications or revisions to the signage shall be subject to review and approval of the Community Development Department, Planning Division. Further modifications deemed not minor by the Community Development Director shall require an amendment to the Sign Program. (Applies to BioMarin component of project)
2. This Sign Program Amendment (SP18-006) shall run with the land and shall remain valid regardless of any change of ownership of the Project site, subject to these conditions, provided that a building permit is issued and installation of signs commenced or a time extension request is submitted to the City's Community Development Department, Planning Division, within **the term of the Development Agreement**, and subject to the terms and conditions of the Development Agreement. Failure to obtain a building permit and construction activities commenced, or failure to obtain a time extension within the two-year period will result in the expiration of this Sign Program Amendments. (Applies to BioMarin component of project)
3. This Sign Program Amendment (SP18-006) approving revised site and building signage shall run concurrently with the approved Environmental and Design Review Permit (ED18-087) and Master Use Permit (UP18-034). If either entitlement expires, this Sign Program Amendment shall also expire and become invalid.
4. Future changes to the signage shall require a Sign Permit to review and confirm changes are consistent with the Sign Program.
5. If future signage changes do not meet the Sign Program, the signage shall be revised to meet the approved Program or a Sign Program amendment will need to be applied for and approved

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 the City of San Rafael, held on Monday, the 23rd of March 2020, by the following vote, to wit:

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

NOES: COUNCILMEMBERS None

ABSENT: COUNCILMEMBERS None



LINDSAY LARA, City Clerk

OWNER'S STATEMENT

THE UNDERSIGNED ARE THE ONLY PERSONS HAVING ANY RECORD TITLE INTEREST IN THE LAND SUBDIVIDED AND SHOWN ON THIS MAP, DO HEREBY CONSENT TO THE PREPARATION AND RECORDATION OF THIS PARCEL MAP, AND ARE ALL WHO ARE NECESSARY TO PASS CLEAR TITLE TO THE LAND SUBDIVIDED AND SHOWN HEREON.

THE UNDERSIGNED HEREBY RESERVES TO ITSELF, THE AREA DESIGNATED AS A 5' RESTRICTIVE COVENANT RESTRICTING IMPROVEMENTS OTHER THAN SIDEWALKS, PAVEMENT, LANDSCAPING, AND FENCING AS SHOWN ON SHEET 2.

THE UNDERSIGNED HEREBY OFFERS FOR DEDICATION TO THE CITY OF SAN RAFAEL PARCEL C IN FEE FOR PUBLIC STREET PURPOSES.

THE UNDERSIGNED HEREBY OFFERS PUBLIC ACCESS AND UTILITY EASEMENT 1 (PAUE 1) AND PUBLIC ACCESS AND UTILITY EASEMENT 2 (PAUE 2) TO THE CITY OF SAN RAFAEL, BOTH OF WHICH ARE SHOWN ON DETAIL 'A' ON SHEET 2 OF 2.

OWNER: BIOMARIN PHARMACEUTICAL COMPANY, INC.

NAME SIGNATURE

TITLE
OWNER'S ACKNOWLEDGEMENT

A NOTARY OF PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VARIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA, COUNTY OF _____

ON _____ BEFORE ME, _____ A NOTARY PUBLIC

PERSONALLY APPEARED _____, WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON (S) WHOSE NAME (S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY (IES), AND THAT BY HIS/HER/THEIR SIGNATURES (S) ON THE INSTRUMENT THE PERSON (S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON (S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND AND OFFICIAL SEAL.

SIGNATURE _____ (SEAL)

TRUSTEE'S STATEMENT

CHICAGO TITLE COMPANY, TRUSTEE UNDER DEED OF TRUST, RECORDED IN THE OFFICIAL RECORDS OF THE COUNTY OF MARIN ON OCTOBER 5, 2015 IN DOCUMENT NUMBER 2015-0047612, AGAINST THE TRACT OF LAND SHOWN HEREON, HEREBY CONSENTS TO THE PREPARATION AND RECORDATION OF THIS PARCEL MAP.

CHICAGO TITLE COMPANY

NAME SIGNATURE

TITLE
TRUSTEE'S ACKNOWLEDGEMENT

A NOTARY OF PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VARIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA, COUNTY OF _____

ON _____ BEFORE ME, _____ A NOTARY PUBLIC

PERSONALLY APPEARED _____, WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON (S) WHOSE NAME (S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY (IES), AND THAT BY HIS/HER/THEIR SIGNATURES (S) ON THE INSTRUMENT THE PERSON (S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON (S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND AND OFFICIAL SEAL.

SIGNATURE _____ (SEAL)

CLERK OF THE BOARD OF SUPERVISORS' STATEMENT

I, THE UNDERSIGNED, CLERK OF THE BOARD OF SUPERVISORS OF THE COUNTY OF MARIN, STATE OF CALIFORNIA, DO HEREBY STATE THAT A GOOD AND SUFFICIENT BOND APPROVED BY AND IN THE AMOUNT FIXED BY SAID BOARD OF SUPERVISORS HAS BEEN FILED WITH SAID BOARD AND THAT SAID BOND BY ITS TERMS IS MADE TO INURE TO THE BENEFIT OF SAID COUNTY OF MARIN AND IS CONDITIONED FOR THE PAYMENT OF ALL TAXES, WHICH MAY BE AT THE TIME OF RECORDING OF THIS MAP A LIEN AGAINST THE TRACT OR SUBDIVISION OF LAND SHOWN HEREON OR ANY PART THEREOF, BUT NOT YET PAYABLE.

WITNESS MY HAND AND SEAL ON THIS _____ DAY OF _____, 20____.

SIGNED _____
CLERK OF THE BOARD OF SUPERVISORS OF THE COUNTY OF MARIN
STATE OF CALIFORNIA

COUNTY TAX COLLECTOR'S STATEMENT

I, THE UNDERSIGNED, ON BEHALF OF THE TAX COLLECTOR OF THE COUNTY OF MARIN AND CITIES THEREIN, STATE OF CALIFORNIA, HEREBY STATE THAT THERE ARE NO LIENS FOR UNPAID TAXES, COUNTY OR CITY, OR SPECIAL ASSESSMENTS COLLECTED AS TAXES, EXCEPT TAXES OR SPECIAL ASSESSMENTS NOT YET PAYABLE AGAINST THE TRACT OR SUBDIVISION OF LAND SHOWN HEREON OR ANY PART THEREOF.

SIGNED THIS _____ DAY OF _____, 20____.

TAX COLLECTOR
COUNTY OF MARIN AND CITIES THEREIN, STATE OF CALIFORNIA

DEPUTY
CITY CLERK'S STATEMENT

I, _____, THE UNDERSIGNED CLERK OF THE CITY COUNCIL OF THE CITY OF SAN RAFAEL, COUNTY OF MARIN, STATE OF CALIFORNIA, HEREBY STATE THAT DURING THE COURSE OF ITS MEETINGS OF THE _____ DAY OF _____, 20____, SAID CITY COUNCIL, BY ITS ADOPTION OF RESOLUTION NO. _____, APPROVED THIS PARCEL MAP ENTITLED "PARCEL MAP LANDS OF BIOMARIN PHARMACEUTICAL, INC".

WITNESS MY HAND AND SEAL THIS _____ DAY OF _____, 20____.

RECORD TITLE INTEREST

SIGNATURES OF THE OWNERS OF THE FOLLOWING EASEMENTS HAVE BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436 OF THE SUBDIVISION MAP ACT. THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN IN TO A FEE TITLE AND SUCH SIGNATURES ARE NOT REQUIRED BY THE GOVERNING BODY

OWNER OF INTEREST DOCUMENT NUMBER TYPE OF EASEMENT
PACIFIC BELL 89-05602 TELEPHONE

COUNTY RECORDER'S STATEMENT

FILED THIS _____ DAY OF _____, 20____ AT _____ M

IN BOOK _____ OF MAPS AT PAGE _____ AT THE REQUEST OF THE CITY OF NOVATO

SERIAL NO. _____ FEE _____

RICHARD N. BENSON DEPUTY
COUNTY RECORDER
MARIN COUNTY RECORDER,
STATE OF CALIFORNIA

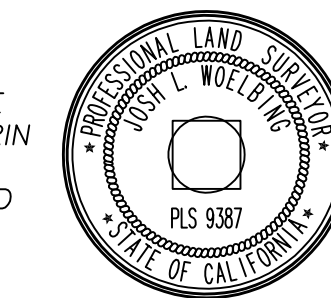
SURVEYOR'S STATEMENT

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF BIOMARIN PHARMACEUTICAL, IN JULY OF 2018. I HEREBY STATE THAT THIS MAP SUBSTANTIALLY CONFORMS TO THE APPROVED OR CONDITIONALLY APPROVED VESTING TENTATIVE MAP.

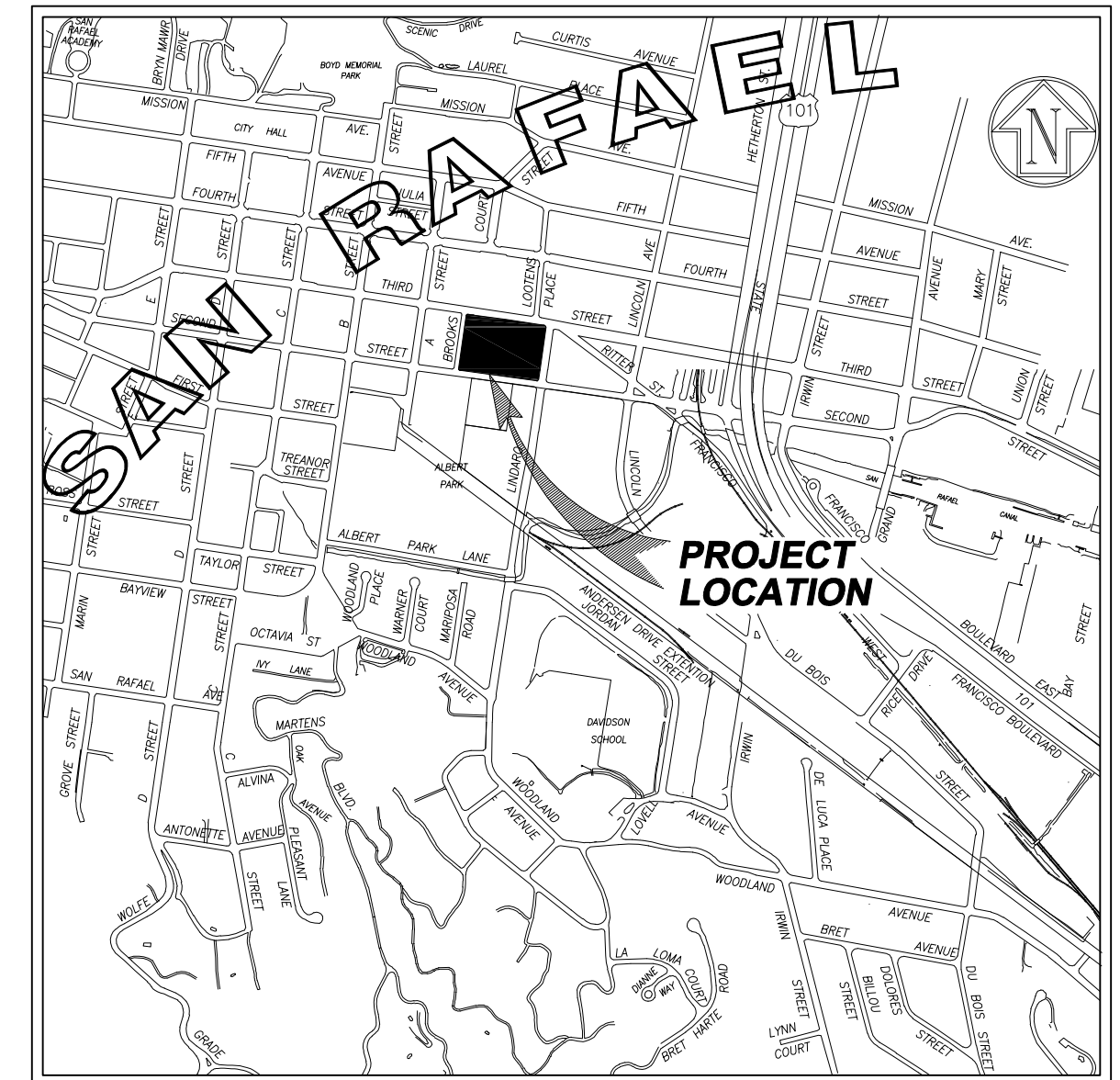
ALL MONUMENTS ARE OF THE CHARACTER AND OCCUPY THE POSITIONS SHOWN ON THIS MAP OR THAT THEY WILL BE SET IN THOSE POSITIONS WITHIN ONE YEAR OF THE RECORDATION OF THIS MAP AND ARE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED.

SIGNED AND SEALED THIS _____ DAY OF _____, 20____.

JOSH WOELBING, P.L.S. #9387



A.P.N. 011-265-01



VICINITY

PLANNING COMMISSION'S STATEMENT:

I, _____ COMMUNITY DEVELOPMENT DIRECTOR OF THE CITY OF SAN RAFAEL, CALIFORNIA, DO HEREBY CERTIFY THAT THE CITY OF SAN RAFAEL PLANNING COMMISSION APPROVED THE SUBDIVISION OF THESE LANDS IN THE MANNER THEREIN DELINEATED.

SIGNED THIS _____ DAY OF _____, 20____.

SIGNED _____
COMMUNITY DEVELOPMENT DIRECTOR, CITY OF SAN RAFAEL

CITY ENGINEER'S STATEMENT

I, APRIL MILLER, HEREBY STATE THAT THE MAP OF THIS PARCEL HAS BEEN EXAMINED BY ME, AND THAT THE SUBDIVISION AS SHOWN HEREON IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE VESTING TENTATIVE MAP, IF ANY AND ANY APPROVED ALTERATIONS THEREOF; THAT ALL PROVISIONS OF CHAPTER 2 OF THE SUBDIVISION MAP ACT AND ANY LOCAL ORDINANCES.

ON BEHALF OF THE CITY OF SAN RAFAEL I HEREBY ACCEPT THE OFFER OF DEDICATION OF PARCEL C IN FEE AND THE PUBLIC UTILITY AND ACCESS EASEMENT 1 (PUAE 1) AND THE PUBLIC UTILITY AND ACCESS EASEMENT 2 (PUAE 2).

APRIL MILLER, PE CIVIL #70853 DATE _____
CITY ENGINEER, CITY OF SAN RAFAEL
STATE OF CALIFORNIA



CONSULTING SURVEYOR'S STATEMENT

I, JASON KIRCHMANN, CONSULTING SURVEYOR FOR THE CITY OF SAN RAFAEL, STATE OF CALIFORNIA, HEREBY STATE THAT I HAVE EXAMINED THIS MAP ON BEHALF OF THE CITY OF SAN RAFAEL, AND THAT I AM SATISFIED THAT THIS MAP IS TECHNICALLY CORRECT

JASON KIRCHMANN, PLS 8806 DATED _____



**PARCEL MAP
LANDS OF BIOMARIN
PHARMACEUTICAL, INC.**

AS DESCRIBED IN DOCUMENT NUMBER 2015-0047611 AND AS SHOWN ON RECORD OF SURVEY FILED IN BOOK 2016 OF MAPS, PAGE 131, MARIN COUNTY RECORDS.

CITY OF SAN RAFAEL, COUNTY OF MARIN,
STATE OF CALIFORNIA

JOB #569232

JUNE 2021

SHEET 1 OF 2

CSW | ST 2
CSW/Stuber-Stroeh Engineering Group, Inc.
Civil & Structural Engineers | Surveying & Mapping | Environmental Planning
Land Planning | Construction Management
45 Leveroni Court Novato, CA 94949 tel: 415.883.9850 fax: 415.883.9835
http://www.cswst2.com © 2011

NOTES

- DISTANCES SHOWN ARE IN FEET AND DECIMALS THEREOF.
- LINES OF OCCUPATION PER [6] WERE HELD AS WELL AS FOUND AND CALCULATED MONUMENTS PER [2][3] AS BEST AVAILABLE EVIDENCE OF BLOCK LOCATION.
- TITLE REPORT WAS PREPARED BY FIDELITY NATIONAL TITLE COMPANY, POLICY NUMBER FMNA-MT01401192, DATED OCTOBER 5, 2015. ADDITIONAL EASEMENTS MAY EXIST THAT WERE NOT DISCLOSED IN TITLE REPORT OR SHOWN HEREON.
- DISTANCES SHOWN ARE MEASURED PERPENDICULARLY UNLESS NOTED OTHERWISE.
- AN EASEMENT FOR PACIFIC BELL IN THE DOCUMENT RECORDED 89-05602 IS NOT PLOTTED HEREON. EXACT LOCATION NOT DISCERNABLE FROM RECORD INFORMATION.

REFERENCES

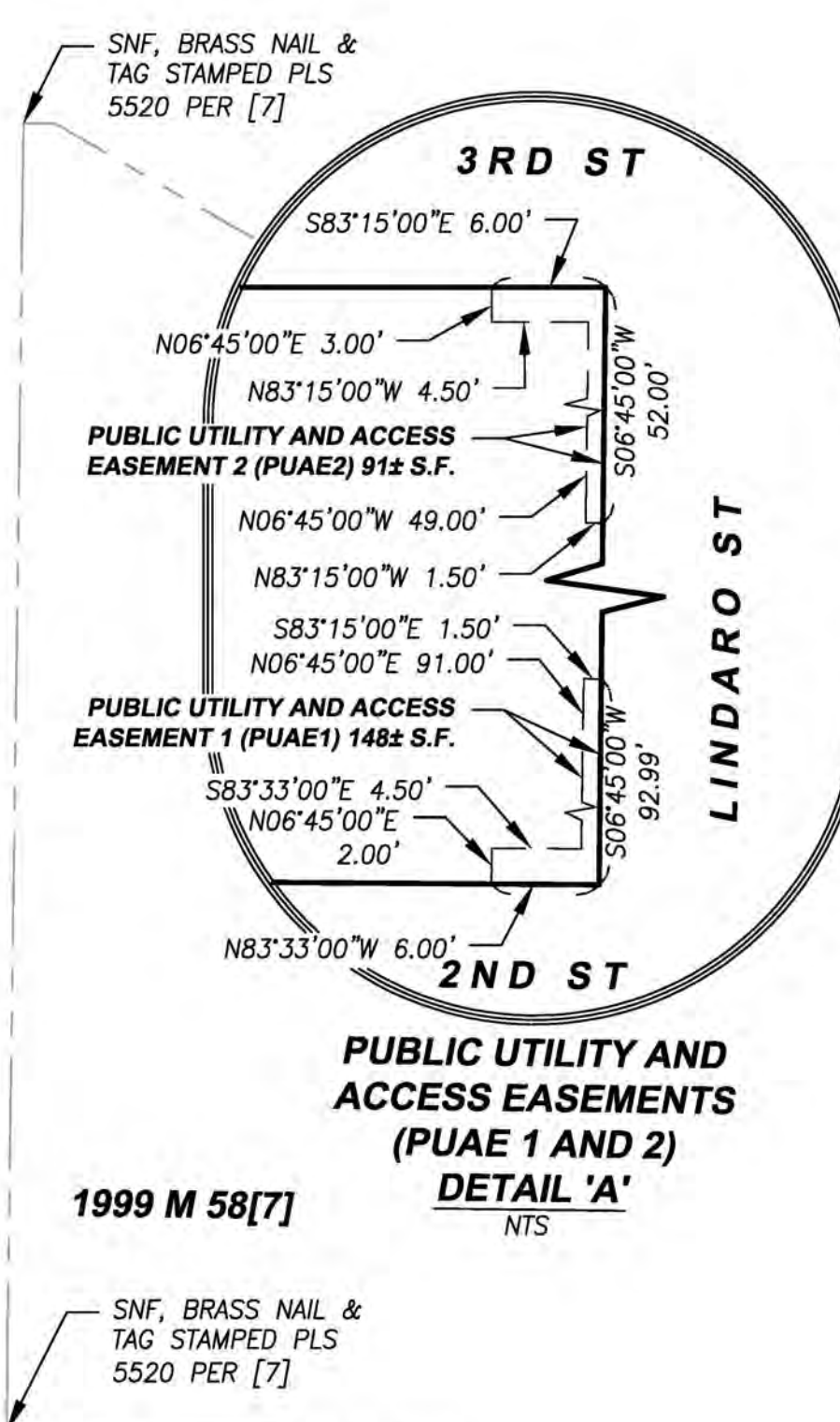
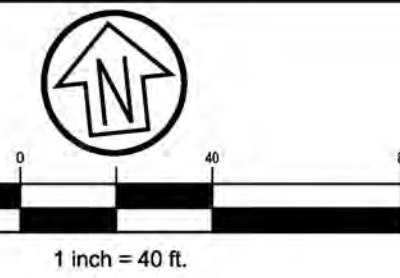
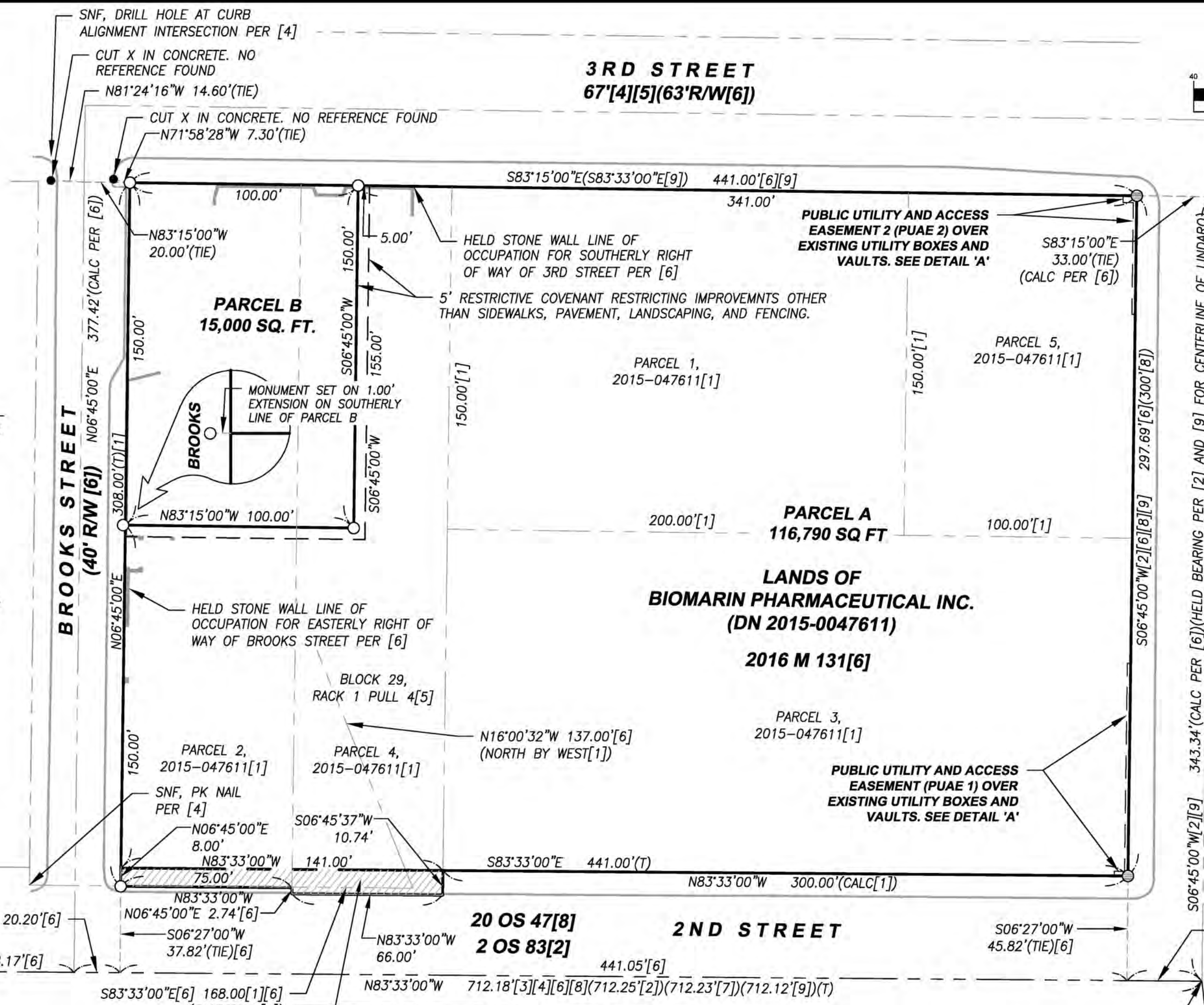
- 2015-0047611, GRANT DEED FROM PACIFIC GAS & ELECTRIC (GRANTOR) TO BIOMARIN PHARMACEUTICAL INC. (GRANTEE)
- 2 OS 83, RECORD OF SURVEY MAP OF A PORTION OF LINDARO STREET.
- 2002 M 185, TS97-1 FINAL MAP, SUBDIVISION OF THE LANDS OF SAN RAFAEL CORPORATE CENTER, LLC.
- 24 OS 55, RECORD OF SURVEY
- RACK 1, PULL 4, PLAT OF THE TOWN SITE OF THE TOWN OF SAN RAFAEL
- 2016 M 131, RECORD OF SURVEY LANDS OF BIOMARIN PHARMACEUTICAL, INC.
- 1998 M 58, AMENDED RECORD OF SURVEY OF LOT LINE ADJUSTMENT
- 20 OS 47, RECORD OF SURVEY
- ALTA LAND TITLE SURVEY TO PACIFIC GAS AND ELECTRIC COMPANY BY ROBERT BEIN, WILLIAM FROST & ASSOCIATES (RBF), DATED JANUARY 1999 ON FILE AT THE OFFICE OF CSW/STUBER-STROEH.

LEGEND

—	BOUNDARY
- - -	BOUNDARY ADJACENT
- · - · -	BOUNDARY TIES
—	MONUMENT LINE
- - -	PARCEL LINES PER [1]
- - -	5' RESTRICTED ZONE
- - -	DEDICATION AREA
(T)	TOTAL
[#]	REFERENCE MAP OR DEED
●	FOUND MONUMENT
○	AS NOTED
●	FOUND STREET MONUMENT AS NOTED
SNF	SEARCHED NOT FOUND
OS	OF SURVEYS
CALC	CALCULATED
NTS	NOT TO SCALE
○	SET NAIL AND TAG MARKED PLS 9387

BASIS OF BEARINGS

THE BASIS OF BEARINGS FOR THIS MAP IS S06°38'05"W BETWEEN STREET MONUMENTS IN LINDARO STREET PER [3] AND AS SHOWN ON [6].



**PARCEL MAP
LANDS OF BIOMARIN
PHARMACEUTICAL, INC.**

AS DESCRIBED IN DOCUMENT NUMBER 2015-0047611 AND AS SHOWN ON RECORD OF SURVEY FILED IN BOOK 2016 OF MAPS, PAGE 131, MARIN COUNTY RECORDS.

CITY OF SAN RAFAEL, COUNTY OF MARIN, STATE OF CALIFORNIA
JUNE 2021

CSW ST2
CSW/Stubler-Stroeh Engineering Group, Inc.
 Civil & Structural Engineers | Surveying & Mapping | Environmental Planning
 Land Planning | Construction Management
 45 Leveroni Court
 Novato, CA 94949
 tel: 415.883.9850
 fax: 415.883.9835
 http://www.cswst2.com © 2011

ATTACHMENT 3

TABLE SHOWING GOVERNING APPROVALS REQUIRING SUBDIVISION IMPROVEMENTS FOR THE BIOMARIN AND VIVALON DEVELOPMENT PROJECTS

ABBREVIATIONS:

- DA – Development Agreement Condition obligation
- MUP COA -- Master Use Permit Condition of Approval (Res. No. 14776)
- ED COA -- Environmental and Design Review Permit Condition of Approval (Res. No. 14776)
- SS COA – Small Subdivision Condition of Approval (Res. No. 14776)

Capitalized terms shall have the meaning provided in the Development Agreement.

SUBDIVISION IMPROVEMENT	WHEN REQUIRED
DA §4.5: Stripe bike lane from Third Street to Andersen Drive along Lindaro or up to one mile of an equivalent section of roadway in San Rafael	At time of issuance of the first certificate of occupancy of Building A or B, or if construction hasn't commenced by 6 th anniversary of DA per DA §4.11.1 (applies to BioMarin)
DA §4.6: Restripe 3 rd and Lindaro Intersection	At time of issuance of the first certificate of occupancy of Building A or B, or if construction hasn't commenced by 6 th anniversary of DA per DA §4.11.1
DA §4.7: Traffic light synchronization contribution	\$500,000 contribution (payable over four annual installments of \$125,000/year), irrespective of progress by BioMarin NOTE: BioMarin has submitted the first installment payment
DA §4.8: Shuttle service/traffic improvement measures contribution	\$400,000 contribution (payable over four annual installments of \$100,000/year), irrespective of progress by BioMarin (applies to BioMarin) NOTE: BioMarin has submitted the first installment payment
MUP COA 12(h): Improve intersection of 2 nd and Lindaro by improving the sidewalk and crosswalk design and curb ramp improvements.	With completion of Phase I (applies to BioMarin)
ED COA 14 & 15: Maintain landscaping	When installed
ED COA 37 & 39: Construct frontage improvements including streetlights, conduit for City facilities, accessible ramps, drainage facilities, street trees, sidewalks, curbs and gutters	Prior to issuance of grading/building permits or if necessary to coordinate with City improvement work on 3 rd Street (applies to both BioMarin (for frontage along the R&D Development Property) and Whistlestop/Vivalon (for frontage along the Northwestern Portion) as needed, as determined by City)

ATTACHMENT 3

SUBDIVISION IMPROVEMENT	WHEN REQUIRED
ED COA 42 (a), (b): Construction of curb ramps (directional if required by DPW) at corners of 3 rd and Lindaro, 3 rd and Brooks, 2 nd and Brooks, and 2 nd and Lindaro	Prior to issuance of building permit (applies to BioMarin for the corners adjacent to the R&D Development Property and Whistlestop/Vivalon for the corner adjacent to the Northwestern Portion)
ED COA 42 (c): Frontage improvement only required at time of that portion of the development.	Prior to issuance of building permit for each phase of the R & D Development Property and the Northwestern Portion (applies to both BioMarin and Whistlestop/Vivalon independently for each of their components)
ED COA 42 (d): Add crosswalk and curb/sidewalk improvements western leg of Third and Lindaro	Prior to issuance of building permit (applies to BioMarin)
ED COA 42 (e): Install hybrid beacon at 3 rd and Brooks	Prior to issuance of building permit (applies to Whistlestop/Vivalon)
ED COA 42 (f): Improve Brooks to one way	Prior to issuance of building permit (applies to Whistlestop/Vivalon)
ED COA 42 (g): Install audible warnings at driveways on Brooks Street	Prior to issuance of building permit (applies to both BioMarin and Whistlestop/Vivalon independently for each of their respective driveways on Brooks Street)
ED COA 42 (h): Full width resurfacing required for any street cuts (on Brooks, Lindaro and Second)	Prior to issuance of encroachment permit, as necessary (applies to both BioMarin and Whistlestop/Vivalon independently for any street cuts each party may perform)
ED COA 42 (i): Any street Restriping shall be thermoplastic to meet City's requirements	As restriping activities are performed.
ED COA 45 (a): Improvements at Brooks and Whistlestop Frontage	Prior to occupancy (applies to Whistlestop/Vivalon)



SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: Public Works

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

City Manager Approval: 

TOPIC: SPECIAL TAX ON PROPERTIES AT LOCH LOMOND 10 - MELLO-ROOS DISTRICT NO. 1992-1

SUBJECT: RESOLUTION SETTING THE SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 1992-1 (LOCH LOMOND #10) FOR FISCAL YEAR 2021-22

RECOMMENDATION:

Adopt a resolution setting the special tax rates for Fiscal Year 2021-22 for Community Facilities District No. 1992-1 (Loch Lomond 10).

BACKGROUND: Loch Lomond 10 is a community facilities district (commonly referred to as a “Mello-Roos”) located on the Pt. San Pedro Peninsula, north of Point San Pedro Road. The community facilities district comprises 28 home parcels, and one open space parcel which borders China Camp State Park open space.



The community facilities district was formed in the early 1990s when the area was developed. The District was formed, in part, to provide funding to mitigate the drainage impacts and concerns of the development on the surrounding Loch Lomond community. This was extensively documented in the EIR documents, comments, and subsequent approvals for the original subdivision. The final conditional approval of Loch Lomond 10 required the District to be formed. The District was created to have three funds of money with which to maintain and operate the storm drain system and insure against damage from potential landslides. These functions were defined in the formation of Community Facilities District No. 1992-1 and passed by resolution #8839 by the City Council on March 1,

1993. The three funds and purposes are as follows:

FOR CITY CLERK ONLY

Council Meeting:

Disposition:

SAN RAFAEL CITY COUNCIL AGENDA REPORT / Page: 2

1. **Self-Insurance Fund:** Provides a fund balance of \$500,000 plus accumulated interest to cover the deductible amount of the City’s insurance should a landslide occur in the watershed above the District
2. **Sinking Fund:** Provides for long term capital replacement of drainage infrastructure and facilities as the original may fall into disrepair
3. **Maintenance Fund:** Provides for maintaining drainage facilities within the Loch Lomond 10 boundary to include annual cleaning of drainage structures, monitoring structures during storm events, and cleaning facilities as required during storm events

Since the early 1990s, the Finance Department has brought forward the levying of this annual special tax to City Council in the spring. The annual special tax collected is divided in the three distinct tranches; a portion of the special tax went to the Self-Insurance Fund, the Sinking Fund, and the Maintenance Fund. The Self-Insurance fund portion of the special tax was \$1,852 per parcel annually until the \$500,000 balance was achieved in FY 2004-05, and thereafter, the annual special tax for the Self-Insurance fund was \$0.

An overview of recent assessments for the district are as follows:

		Self- Insurance Fund	Sinking Fund	Maintenance Fund
FY 2016-17*	Assessment	\$0	\$143	\$435
	Total revenue	\$0	\$3,861	\$11,745
FY 2017-18*	Assessment	\$0	\$143	\$435
	Total revenue	\$0	\$3,861	\$11,745
FY 2018-19**	Assessment	\$0	\$0	\$0
	Total revenue	\$0	\$0	\$0
FY 2019-20	Assessment	\$0	\$171	\$622
	Total revenue	\$0	\$3,538	\$16,791
FY 2020-21	Assessment	\$0	\$174	\$661
	Total revenue	\$0	\$4,701	\$17,857
FY 2021-22 (proposed)	Assessment	\$0	\$178	\$709
	Total revenue	\$1,916	\$4,795	\$19,148

**While the Sinking Fund and Maintenance Fund have an allowable annual inflationary factor (increase), the rates of \$143 and \$435 were held flat from FY 2011-12 to FY 2017-18.*

***In late 2017, the Homeowners Association Board of Loch Lomond Highlands requested the City review historical expenditures and provide an accounting of the finances of the Loch Lomond 10 community facilities district, as well as conduct a thorough review of the purpose and allowable expenditures of the three district funds. Due to the ongoing nature of the research at the time FY 2018-19 assessments would have been levied, it was decided that there would be no special tax levied in spring 2018 for FY 2018-19.*

Applying the allowable 2% inflationary factor to the Sinking Fund Assessment brings the FY 2021-22 Assessment from \$174.10 to \$177.58. The Maintenance Fund Assessment shall be increased from \$661.38 to \$709.19, after applying the allowable increase of the greater of the CPI for the San Francisco Bay Area or personal income growth in the State of California. See Attachment 2 for Sinking Fund and Maintenance Fund calculations.

SAN RAFAEL CITY COUNCIL AGENDA REPORT / Page: 3

In late 2017, the Homeowners Association Board of Loch Lomond Highlands requested that the City review historical expenditures and provide an accounting of the finances of the Loch Lomond 10 community facilities district, as well as conduct a thorough review of the purpose and allowable expenditures of the three district funds.

Since that time, the City and homeowners have worked together on a Maintenance Manual and annual maintenance plan for the district. The City sends the Homeowners Association regular reports and updates on maintenance activities in the district, and the HOA provides the City feedback and direction on where they would like maintenance activities directed.

ANALYSIS: In FY 2020-21, the district generated \$17,857.20 in funds to be utilized for allowable maintenance purposes within the Loch Lomond #10 Maintenance District. The funds were utilized as follows:

FY 2020-21 Maintenance Activity	Amount
County Admin Fee	\$54.00
Contractor vegetation management – <i>Forster & Kroeger</i>	\$9,968.00
DPW Staff Time (<i>remaining avail. maintenance budget</i>)	\$7,835.20
Total	\$17,857.20

The \$7,835.20 in DPW Salary costs represents only a portion of the actual cost of Public Works Streets Maintenance staff maintaining the district during FY 2021-22. In addition to the typical pre-storm inspection and clearing of catch basins, staff spent several days in August with Ad-Lite Craning Services clearing debris from the upper and lower Las Casas drainage basins within the district, removing nearly 50 tons of debris. Throughout the storm season DPW staff patrolled, inspected and cleared drainage basins within the district to ensure the system continued to flow properly to the downhill drainage infrastructure.

It is important to note the City may only seek reimbursement for staff time from the special district based on what is available in the Maintenance Fund after the contracted costs are paid for. Annually, the Loch Lomond #10 Maintenance Fund, fund balance ends the year at \$0. The City's General Fund is subsidizing the additional DPW Staff Time beyond the available Loch Lomond #10 maintenance funding.

For FY 2021-22, the City plans to utilize 100% of available maintenance funds (\$19,148.13). The Maintenance Activities for the coming year are anticipated as follows:

FY 2021-22 Maintenance Activity	Amount
County Admin Fee	\$54.00
Contractual Services	\$12,000.00
DPW Staff Time (<i>remaining avail. maintenance budget</i>)	\$7,094.13
Total	\$19,148.13

FISCAL IMPACT: All district financial activities are within Fund #236. Public Works intends to utilize the full amount of Maintenance funds available each year for contracted maintenance activities and the remainder to reimburse DPW staff time within the allowable and intended use of District funds.

The Sinking Fund shall be used to cover larger, capital costs, though with a current fund balance of \$36,336.42, it will take many more years to build up the fund to a significant amount to cover the rebuilding of any capital infrastructure in the District.

The Loch Lomond 10 Self-Insurance Fund shall remain reserved for its intended purpose of use for a claim within the District that would otherwise be covered by the City's excess liability insurance to pay the City-required self-insured retention under this coverage. The FY 2021-22 Year End fund balance for the Self-Insurance Fund is projected to be \$723,484.20 and represents the \$500,000 balance, plus all accumulated interest over time.

OPTIONS:

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

1. Adopt the resolution as presented, levying the full special tax for Loch Lomond 10 – Mello-Roos District No. 1992-1 for FY 2021-22.
2. Do not adopt the resolution as presented. Provide direction to staff to make changes on recommended future actions.

RECOMENDED ACTION: Adopt a resolution setting the special tax rates for FY 2021-22.

ATTACHMENTS:

1. Resolution setting the District Tax for FY 2021-22 at \$886.77 per parcel
2. Loch Lomond #10 Assessment Roll and Calculations (based on prior year's Engineer's Report)

RESOLUTION NO.

**A RESOLUTION OF THE SAN RAFAEL CITY COUNCIL
SETTING THE SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT
NO. 1992-1 (LOCH LOMOND #10) FOR FISCAL YEAR 2021-22**

WHEREAS, the City Council of the City of San Rafael by Resolution No. 8839 formed “Community Facilities District No. 1992-1, (Loch Lomond #10), City of San Rafael, County of Marin, State of California,” (hereafter “CFD 1992-1”); and

WHEREAS, the landowners of CFD 1992-1 voted in a mail ballot election called by the City Council by Resolution No. 8840, and unanimously approved the imposition of a special district tax, as declared in Resolution No. 8841; and

WHEREAS, on March 9, 1993, the City of San Rafael prepared and caused to be recorded a “Notice of Special Tax Lien” for all of the parcels within CFD 1992-1, which included the facilities and services to be funded by the tax, and method for establishing a rate and calculating the apportionment of the tax; and

WHEREAS, on July 17, 1995 the City Council adopted Ordinance No. 1683 levying special taxes within CFD 1992-1; and

WHEREAS, Ordinance No. 1683 provides that the special tax rate will be set annually by resolution subject to the maximum authorized by Resolution No. 8839; and

WHEREAS, the Department of Public Works is recommending the amount of the special taxes to be assessed in FY 2021-22 as \$177.58 for the Sinking Fund and \$709.19 in the Maintenance Fund – totaling \$886.77; and

WHEREAS, the City Council wishes to set the specific tax rate to be imposed on the parcels within CFD 1992-1 in fiscal year 2021-22;

NOW THEREFORE BE IT RESOLVED that the City Council of San Rafael hereby sets the special tax for Community Facilities District No. 1992-1 (Loch Lomond #10) at \$886.77 per parcel for FY 2021-22 (\$177.58 towards the Sinking Fund and \$709.19 towards the Maintenance Fund), excepting exempt Assessor Parcel Nos. 16-330-12,13,14, as provided in the Assessment Roll for fiscal year 2021-22 on file with the City Clerk and incorporated herein by reference.

I, LINDSAY LARA, Clerk of the City of San Rafael, hereby certify that the foregoing resolution was duly and regularly introduced and adopted at a regular meeting of the City Council of said City held on Monday the 7th day of June 2021, by the following vote, to wit:

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

LINDSAY LARA, City Clerk

ASSESSMENT ROLL
(Please Refer to Part A – Method of Apportionment of Assessment
for a Summary of Changes to Assessment Roll)

SPECIAL ASSESSMENT NUMBER	AMOUNT OF ASSESSMENT (Fiscal Year 2021-2022)	PROPERTY DESCRIPTION Loch Lomond #10 Assessment District	ASSESSOR'S PARCEL NUMBER
1	\$886.77	1	016-330-01
2	\$886.77	2	016-330-02
3	\$886.77	3	016-330-03
4	\$886.77	4	016-330-04
5	\$886.77	5	016-330-05
6	\$886.77	6	016-330-06
7	\$886.77	7	016-330-07
8	\$886.77	8	016-330-08
9-1	\$0.00	Portion of 9	016-330-12
9-2	\$0.00	Portion of 9	016-330-13
9-3	\$0.00	Portion of 9	016-330-14
10	\$886.77	10	016-330-10
11	\$886.77	11	016-330-11
12	\$886.77	12	016-321-04
13	\$886.77	13	016-321-03
14	\$886.77	14	016-321-05
15	\$886.77	15	016-321-01
16	\$886.77	16	016-321-02
17	\$886.77	17	016-321-06
18	\$886.77	18	016-321-07
19	\$886.77	19	016-321-08
20-1	\$886.77	20	016-321-09
21	\$886.77	21	016-321-10
22	\$886.77	22	016-322-01
23	\$886.77	23	016-322-02
24	\$886.77	24	016-322-03

ASSESSMENT ROLL
 (Please Refer to Part A – Method of Apportionment of Assessment
 for a Summary of Changes to Assessment Roll)

SPECIAL ASSESSMENT NUMBER	AMOUNT OF ASSESSMENT (Fiscal Year 2021-2022)	PROPERTY DESCRIPTION Loch Lomond #10 Assessment District	ASSESSOR'S PARCEL NUMBER
25	\$886.77	25	016-322-04
26	\$886.77	26	016-322-05
27	\$886.77	27	016-322-06
28	\$886.77	28	016-322-07
29	\$0.00	Parcel A	186-520-19
30	\$0.00	Parcel B	186-520-20
TOTAL ASSESSMENT	\$23,942.90	(For Twenty-Eighth Year)	

Each parcel is as shown on the maps of the County Assessor of the County of Marin at Book 16, Pages 32 and 33 and Book 186, Page 52.

Property descriptions are lot or parcel numbers as shown on the recorded final maps of Loch Lomond #10, recorded in Book 21 of Maps at Page 21, Marin County Records.

PART A
METHOD OF APPORTIONMENT OF ASSESSMENT
AND ALLOWABLE INCREASES

ORIGINAL APPORTIONMENT

There are 27 single family dwelling units and 3 below market rate units that were a further tax division of lot 9 in the original subdivision existing within the Community Facilities District boundary.

Each of the single family dwelling unit lots are assessed for equal portions of the total assessment. And Lot 9 is assessed zero.

This assessment is exempt from the procedures and requirements of the (recently enacted Proposition 218) California Constitution, Article 13D, Section 4 pursuant to the exemption contained in Article 13D, Section 5(d) [*previously majority voter approval or*] Section 5(b) [*petition signed by persons owning all the property*]. The benefits are entirely special benefits and there are no general benefits. Additionally, the proposed assessment is within the limits of that allowed by the annual increases.

Assessment Parcels 1 through 8, 10 through 28, are each assessed 1/27 of the total assessment.

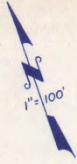
Assessment Parcel 9-1, 9-2, 9-3, 29, and 30 each have zero (\$0.00) assessment.

The following changes were made to the Assessment Rolls and Assessment Diagram in 1993, although do not appear to have been noted in the Annual Engineer's Reports. Mapping Changes at the Marin County Assessor's Office are noted as follows:

Our office contacted the Marin County Assessor's Office due to obvious changes to the Assessor's Parcel Maps for the Loch Lomond #10 development. According to information received from Mapping Department staff, in calendar year 1993 a change was made to Parcel 9 splitting it into 3 APNs to accommodate the special status of the ownership of that lot. (see map below)

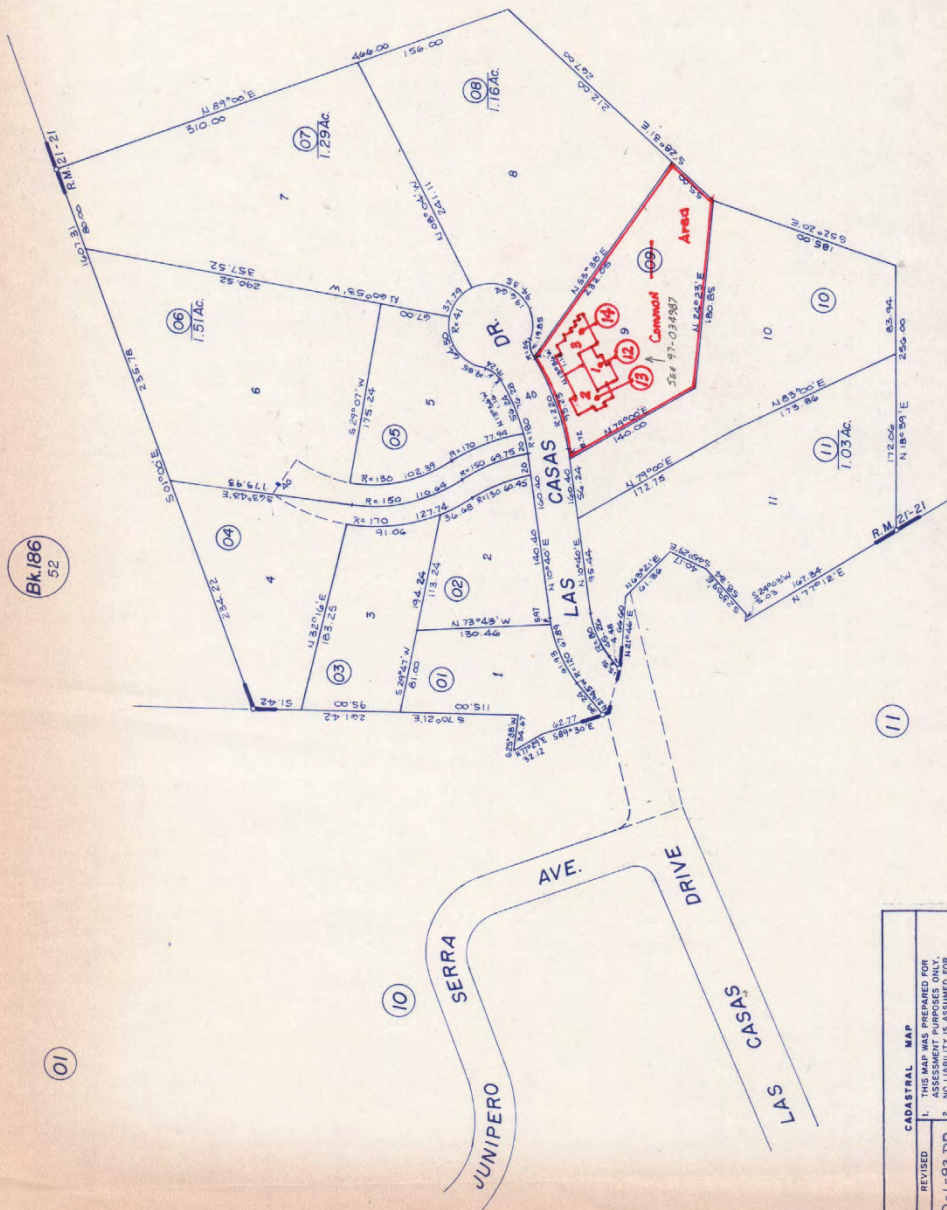
PART A METHOD OF APPORTIONMENT OF ASSESSMENT AND ALLOWABLE INCREASES

Tax Rate Area
8-000
16-33



Bk.186
52

CITY OF SAN RAFAEL
Assessor's Map Bk.16-Pg.33
County of Marin, Calif.



Loch Lomond Unit 10, R.M. Bk. 21 - Pg. 21

CADASTRAL MAP	
REVISED	10-1-93 DP
1. THIS MAP IS FOR INFORMATION ONLY. 2. NO LIABILITY IS ASSUMED FOR ASSESSMENT PURPOSES ONLY. 3. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT-SPLIT OR BUILDING SITE ORDINANCES.	

PART A
METHOD OF APPORTIONMENT OF ASSESSMENT
AND ALLOWABLE INCREASES

2021-2022 ASSESSMENT CALCULATIONS

Applying the method outlined the following increases are allowed:

Maintenance:

Original Assessment \$225/unit

Personal Income Index 1992 (January) \$22,678

Personal Income Index 2020 (January) \$71,480

Factor $\$71,480 / \$22,678 = 3.1520^*$

CPI: San Francisco-Oakland-Hayward 1992 (July) 143.600

CPI: San Francisco-Oakland-Hayward 2020 (July) 301.059

Factor $301.059 / 143.600 = 2.0965$

****Greater of the two factors***

2021-2022 Maintenance Assessment (**3.1520**) x \$225 = \$709.19

Sinking Fund:

Original Assessment \$100/unit

29 years at 2%, current assessment \$177.58

TOTAL PROPOSED ASSESSMENT 2021-22 \$886.77 per unit

Total Available Funds (27 units) \$23,942.90

ASSESSMENT ROLL
 (Please Refer to Part A – Method of Apportionment of Assessment
 for a Summary of Changes to Assessment Roll)

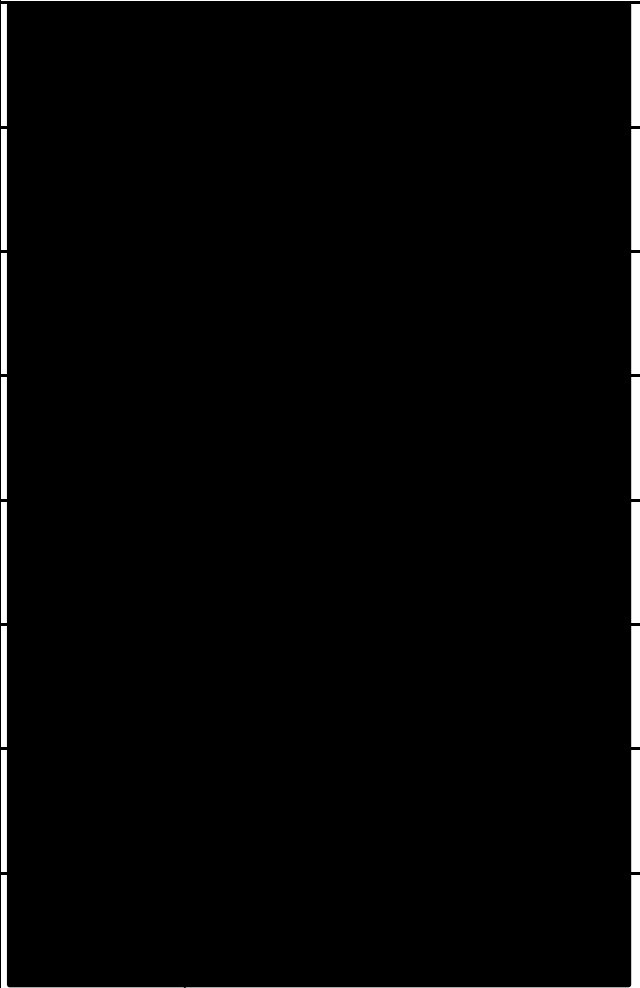
ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER	NAME AND ADDRESS
1	016-330-01	
2	016-330-02	
3	016-330-03	
4	016-330-04	
5	016-330-05	
6	016-330-06	
7	016-330-07	
8	016-330-08	
9-1	016-330-12	
9-2	016-330-13	
9-3	016-330-14	
10	016-330-10	

ASSESSMENT ROLL
(Please Refer to Part A – Method of Apportionment of Assessment
for a Summary of Changes to Assessment Roll)

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER	NAME AND ADDRESS
11	016-330-11	
12	016-321-04	
13	016-321-03	
14	016-321-05	
15	016-321-01	
16	016-321-02	
17	016-321-06	
18	016-321-07	
19	016-321-08	
20	016-321-09	
21	016-321-10	
22	016-322-01	

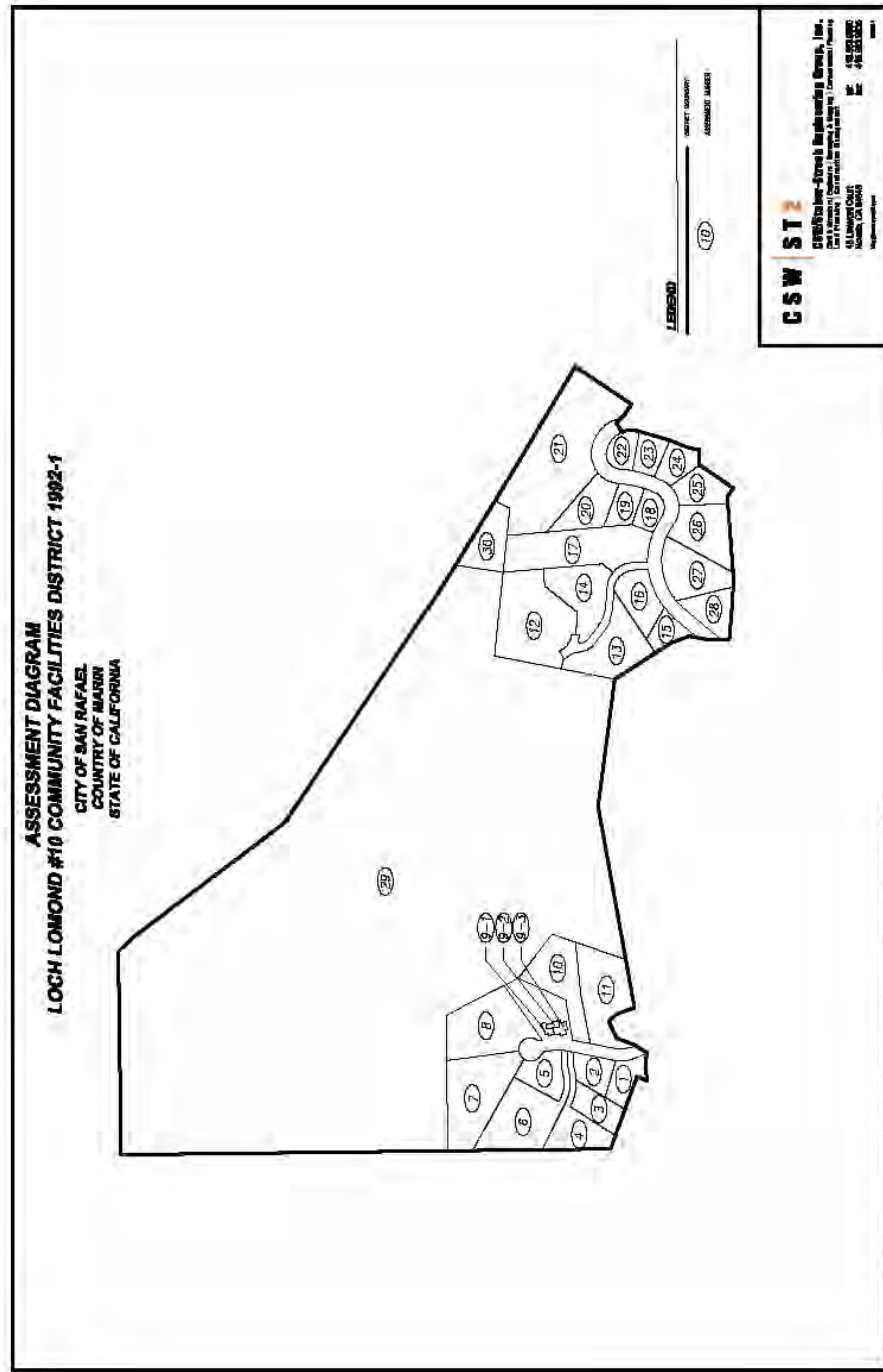
ASSESSMENT ROLL

(Please Refer to Part A – Method of Apportionment of Assessment
for a Summary of Changes to Assessment Roll)

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER	NAME AND ADDRESS
23	016-322-02	
24	016-322-03	
25	016-322-04	
26	016-322-05	
27	016-322-06	
28	016-322-07	
29	186-520-19	
30	186-520-20	

PART B ASSESSMENT DIAGRAM

The original Assessment Diagram is no longer available in the City's files. The following represents the current District Engineer's best re-creation of the Assessment Diagram likely used to form the District. It is based on the Record Map of Loch Lomond #10 prepared by Oberkamper & Associates Map Recorded May 27, 1993, in Book 21 of Maps, at Page 21 and the Assessment Diagram used for the Pt. San Pedro Road Median Landscaping Assessment District.





SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: Public Works

Prepared by: Bill Guerin, Public Works Director **City Manager Approval:** _____ 

TOPIC: THE VILLAGE AT LOCH LOMOND MARINA – MELLO-ROOS DISTRICT NO. 2

SUBJECT: RESOLUTION SETTING THE SPECIAL TAX FOR CITY OF SAN RAFAEL COMMUNITY FACILITIES DISTRICT NO. 2 (THE VILLAGE AT LOCH LOMOND MARINA) FOR FISCAL YEAR 2021-22

RECOMMENDATION:

Adopt a resolution setting the special tax rates for Fiscal Year 2021-22 for Community Facilities District No. 2 – the Village at Loch Lomond Marina.

BACKGROUND: In August 2007, the City granted land use and subdivision approvals for the Village at Loch Lomond Marina development. The Loch Lomond development project is a mixed-use development which includes the construction of single-family homes, flats, townhomes, and commercial facilities and the existing marina. The project originally included the approval of 81 residential units, 17 of which were below-market units. In 2020, the developer and City reached an agreement on an in-lieu fee for six of the below-market units, leaving 11 below-market units in the district at present.



Loch Lomond Marina Community Facilities District No. 2 Boundaries

As one condition of approving the Project, the City required the developer to provide certain park and recreation improvements and to impose a special tax on homes in the development in order to pay for the maintenance of the landscaping, streets, sidewalks and wetland monitoring.

By adoption of [Resolution No. 13014](#) on July 19, 2010, the City Council officially formed the community facilities district, which included all the parcels within the Village at Loch Lomond Marina Subdivision, as “City of San Rafael Community Facilities District No. 2”, pursuant to the Mello-Roos Community Facilities Act of 1982 ([Government Code sections 53311 - 53368.3](#)). It should be noted that the residential Below Market Rate (BMR) units within the district are exempt from the annual special tax.

FOR CITY CLERK ONLY

Council Meeting:

Disposition:

The facilities to be maintained by the Loch Lomond #2 CFD include:

- The Marina Green and Boardwalk
- Kayak Launch
- Park Play Equipment and Area
- Pedestrian pathways along the west jetty/spit and east jetty/spit
- Viewing areas along the west jetty/spit, east jetty/spit
- Public restrooms (2), one on the east jetty/spit and one at the entrance to the breakwater
- Fishing cleaning station located near the entrance to the breakwater
- Park and informational signs within these areas
- Lawn/turf, shrubs and ground cover, irrigation systems, storm water drainage inlets within the boundaries of the area, lighting pole standards, and fixtures above the foundation, benches, trash receptacles and bicycle racks
- Conservation/seasonal wetland area
- Roadways and sidewalks

While some of these facilities require regular maintenance (e.g. landscaping and restroom maintenance), others will need to build up reserves over a longer period of time in order to fund future repairs or reconstruction (e.g. playground structure, roads, pedestrian pathways).

The special tax has two components:

1. Capital Reserve

A portion of the assessment annually is set aside to fund larger, long-term capital improvements such as the eventual replacement of pavement, curb and gutter, roadway and other improvements that were constructed as a part of the development. At the end of the useful life of these large-scale public improvements, enough funds need to have been accumulated to replace them – e.g. resurfacing the access road, etc.

As of June 30, 2021, the Capital Reserve Fund is projected to have a fund balance of \$223,124.

2. Annual Maintenance

The other portion of the annual special tax is to fund the regular and annual maintenance activities required to regularly maintain the district's public facilities such as landscaping of medians and pathways, garbage service, restroom maintenance and the semi-annual monitoring of wetland habitats.

As of June 30, 2021, the Annual Maintenance Fund is projected to have a fund balance of \$193,949.

The special tax was first levied during the FY 2017-18 fiscal year, based on upon the progress being made on construction of the subdivision improvements. It was imperative that funds were available for annual maintenance once the public improvements were turned over to the City.

However, various construction delays resulted in the developer, Marina Village Associates, LLC not finishing the improvements that year as anticipated. In order to incentivize the developer to complete construction of the public improvements in a timelier manner, in 2018 the City provided the developer with a specific final punch list of items that must be completed in order for the City to accept the improvements.

In June 2019 the developer completed the City’s punch list. However, it was noted that at high tides and during winter storms, the playground and the park of the breakwater were regularly flooded. Therefore, the City imposed the condition on the developer that they raise both of these publicly accessible areas, at the developer’s cost, prior to final acceptance of the improvements by the City.

On [April 20, 2020](#), the City Council voted to accept the partial completion of the infrastructure, and approved a Subdivision Improvement Agreement which provided for the completion of the remaining work including the flooding repairs, completion of the kayak dock, and other small improvements.

In the past year, ownership of the residential development portion of the property has been transferred from Marina Village Associates to Trumark Homes. Trumark Homes plans to complete the building of the remaining residential units this coming year.

In anticipation of acceptance of the public facilities, the City solicited proposals for maintenance contractors (groundskeeping) for the Loch Lomond Marina village area in fall 2020. The [contract was awarded to Forster & Kroeger](#) in March 2021 for an annual amount of \$38,500. Since the City’s responsibility for the area has not begun, the HOA is currently engaging with Forster & Kroeger to maintain the facilities until the City’s accepts them.

ANALYSIS: Since the first year assessments were levied in FY 2017-18, the history of assessments has been as followed:

		<i>Residential (per unit)</i>	<i>Non-Residential (per sq ft)</i>	<i>Marina (lump sum)</i>
FY 2017-18	Max. allowable	\$1,948	\$0.92	\$59,260
	Actual	\$1,948	\$0.92	\$59,260
FY 2018-19	Max. allowable	\$2,439	\$1.15	\$74,216
	Actual	\$760	\$0.36	\$23,112
FY 2019-20	Max. allowable	\$3,152	\$1.49	\$95,927
	Actual	\$760	\$0.36	\$23,112
FY 2020-21	Max. allowable	\$3,193	\$1.51	\$97,155
	Actual	\$1,597	\$0.75	\$48,576
FY 2021-22	Max. allowable	\$3,315	\$1.57	\$100,857
	Actual (proposed)	\$1,916	\$0.90	\$58,291

As previously referenced, the annual assessment has two portions: the capital reserve to save for long-term replacement of major infrastructure, and the annual maintenance costs.

Since the maintenance portion has yet to be utilized seeing as the improvements have not been accepted by the City, this portion of the annual assessment fund continues to build. However, the capital reserve fund continues to build as it was designed to in order to generate sufficient funds in a number of years to resurface the roadways, replace pathways, etc.

The FY 2021-22 Engineer’s Report recommends the District assess properties in the District an amount of \$1,915.81 per residential unit. Since City maintenance of the public facilities has not yet begun seeing as the facilities have not been given to the City, there is available fund balance to use towards the annual maintenance costs for FY 2021-22 and therefore the maximum assessment

does not need to be levied. However, an assessment which goes towards the capital reserve fund still must be levied at the full amount since the facilities must be eventually replaced based on their anticipated useful life since originally constructed.

Adjustments to Maximum Allowable Assessment reflect an increase in inflation from the base year of June 2010. The increases are based on the Consumer Price Index (CPI) for the San Francisco-Oakland-Hayward region.

The FY 2021-22 assessment will generate \$212,495 in revenues, of which \$115,000 will be applied towards the Capital Reserve Fund, as consistent with the capital reserve set-aside policies in the Engineer’s Report. The remaining \$136,295 will go towards the Annual Maintenance Fund with planned maintenance expenditures as follows (the difference in the total cost of annual maintenance of \$193,530 will be made up with fund balance):

Annual Maintenance Fund

Maintenance	
Groundskeeping services + \$25,000 contingency	\$61,000
Supplies	\$4,500
Storm Drains	\$10,000
Street Sweeping	\$10,000
Lighting Repairs	\$9,000
Utilities (Refuse, Water, Sewer & Electrical)	\$80,000
Wetlands Management	\$13,000
Annual Engineer’s Report	\$5,900
County Administration Fee	\$130
	<u>\$193,530</u>

Annual Capital Reserve Fund Contribution \$115,000

Total Loch Lomond CFD #2 FY 2021-22 Expenditures **\$308,530**

The special tax is not term-based, nor does it sunset. The special tax will continue to be levied in perpetuity as specified in the formation documents.

Staff has prepared a resolution for the City Council to adopt to impose the required special tax for FY 2021-22. The special taxes will be included on the County property tax bills and will be collected by the County of Marin.

FISCAL IMPACT: The FY 2021-22 assessment will generate \$212,495 in revenue required to support maintenance and capital reserves towards the new City facilities in Community Facilities District No. 2. All special tax revenues and expenditures related to the district will be maintained in the Loch Lomond Marina Assessment District Fund (fund no. 237).

OPTIONS:

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

1. Adopt the resolution as presented setting the special tax rates for FY 2021-22.
2. Adopt the resolution with modifications.

3. Direct staff to return with more information.
4. Take no action.

RECOMMENDED ACTION:

Adopt a resolution setting the Mello-Roos Special Tax for City of San Rafael Community Facilities District No. 2 for Fiscal Year 2021-22.

ATTACHMENTS:

1. Resolution Setting the Mello-Roos Special Tax for City of San Rafael Community Facilities District No. 2 for Fiscal Year 2021-22
2. Annual Engineers Report for Loch Lomond CFD No. 2

RESOLUTION NO.

A RESOLUTION OF THE SAN RAFAEL CITY COUNCIL SETTING THE SPECIAL TAX FOR CITY OF SAN RAFAEL COMMUNITY FACILITIES DISTRICT NO. 2 (THE VILLAGE AT LOCH LOMOND MARINA) FOR FISCAL YEAR 2021-22

WHEREAS, on July 19, 2010, the San Rafael City Council by Resolution No. 13014 formed the City of San Rafael Community Facilities District No. 2 (hereafter "CFD No. 2"); and

WHEREAS, the landowners of CFD No. 2 voted in a mail ballot election called by the City Council by Resolution No. 13015, and unanimously approved the imposition of a special district tax; and

WHEREAS, on August 16, 2010, the City Council adopted Ordinance No. 1886 levying special taxes within CFD No. 2; and

WHEREAS, on or about August 16, 2010, the City of San Rafael prepared and caused to be recorded a "Notice of Special Tax Lien" for all of the parcels within CFD No. 2, which specified the facilities and services to be funded by the tax and the approved method for establishing a rate and calculating the apportionment of the tax; and

WHEREAS, at the request of the Director of Public Works, CSW/Stuber-Stroeh Engineering Group, Inc., has prepared an Engineer's Annual Report for Community Facilities District No. 2 for Fiscal Year 2021-22 recommending the amount of the special taxes to be assessed; and

WHEREAS, the City Council wishes to set the specific tax rate to be imposed on the parcels within CFD No. 2 in Fiscal Year 2021-22;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of San Rafael hereby sets the amount of the special tax to be imposed on all nonexempt parcels within CFD No. 2 for Fiscal Year 2021-22, as set forth in the Engineer's Annual Report for fiscal year 2021-22 on file with the City Clerk and incorporated herein by reference.

I, LINDSAY LARA, City Clerk of the City of San Rafael, hereby certify that the foregoing Resolution was duly and regularly introduced and adopted at a regular meeting of the City Council of said City held on Monday, the 7th day of June 2021, by the following vote, to wit:

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

LINDSAY LARA, City Clerk

ENGINEER'S ANNUAL REPORT
FOR
COMMUNITY FACILITIES DISTRICT
LOCH LOMOND #2

2021-2022

FOR THE CITY OF SAN RAFAEL

CALIFORNIA

COUNCIL MEETING

JUNE 7, 2021

Prepared By:
CSW/Stuber-Stroeh Engineering Group, Inc.
45 Leveroni Court
Novato, CA 94949

**ENGINEER'S ANNUAL REPORT
2021-2022**

COMMUNITY FACILITIES DISTRICT LOCH LOMOND #2
CITY OF SAN RAFAEL, MARIN COUNTY, CALIFORNIA
(Mello-Roos Community Facilities Act of 1982)

The undersigned respectfully submits the enclosed annual report as directed by the City Council.

DATED: _____, 2021.



CSW/STUBER-STROEH ENGINEERING GROUP, INC.

Engineer of Work

By Alan G. Cornwell

Alan G. Cornwell

I HEREBY CERTIFY that the enclosed Engineer's Annual Report, together with Assessment and Assessment Diagram thereto attached, was filed with me on the _____ day of _____, 2021.

LINDSAY LARA, City Clerk, City of San Rafael, Marin County,
California

By _____

I HEREBY CERTIFY that the enclosed Engineer's Annual Report, together with Assessment and Assessment Diagram thereto attached, was approved on _____, 2020 and confirmed by the City Council of the City of San Rafael, Marin County, California, on the _____ day of _____, 2021.

LINDSAY LARA, City Clerk, City of San Rafael, Marin County,
California

By _____

I HEREBY CERTIFY that the enclosed Engineer's Annual Report, together with Assessment and Assessment Diagram thereto attached, was filed with the County Auditor of the County of Marin on the _____ day of _____, 2021.

LINDSAY LARA, City Clerk, City of San Rafael, Marin County,
California

By _____

**ENGINEER'S ANNUAL REPORT
2021-2022**

COMMUNITY FACILITIES DISTRICT LOCH LOMOND #2
CITY OF SAN RAFAEL, MARIN COUNTY, CALIFORNIA
(Mello-Roos Community Facilities Act of 1982)

CSW/Stuber-Stroeh Engineering Group, Inc., Engineer of Work for the Community Facilities District Loch Lomond #2, City of San Rafael, Marin County, California, makes this annual report, as directed by the City Council, by its Resolution No. _____, adopted _____, 2021.

The improvements which are the subject of this report are briefly described as follows:

Maintenance of Improvements including streets, curbs, gutter, sidewalks, storm drain, storm inlets, street surfaces, Landscaping, street furniture, lighting, pathways, restrooms, park play equipment, picnic tables, fish cleaning stations, signage, and parking. The maintenance includes providing irrigation, paying water and utility bills as well as oversight. The improvements are also anticipated to need major capital funding in future years and a capital improvement allowance is included as part of the Community Finance District.

This report consists of six parts, as follows:

PART A – Plans for the improvements are filed with the City Clerk. Although separately bound, the plans and specifications are a part of this report and are included in it by reference.

PART B - An Estimated Cost of the Assessment District.

PART C - Assessment Roll - An assessment of the estimated cost of the improvement on each benefited parcel of land within the assessment district.

PART D – Rate and Method of Apportionment of Special Taxes - A statement of the method by which the undersigned has determined the amount proposed to be assessed against each parcel.

PART E - List of Property Owners - A list of the names and addresses of the owners of real property within this assessment district, as shown on the last equalized assessment roll for taxes, or as known to the Clerk. The list is keyed to Part "C" by assessment number.

PART F - Assessment Diagram - A diagram showing all of the parcels of real property within this assessment district. The diagram is keyed to Part "C" by assessment number.

Respectfully submitted,
CSW/Stuber-Stroeh Engineering Group, Inc.

By 

Alan G. Cornwell, Engineer of Work

PART A

INTRODUCTION AND BACKGROUND INFORMATION

The Loch Lomond Project

The Loch Lomond development project (the “Project”) is a mixed-use development which will include the construction of single-family homes, flats, townhomes and commercial facilities and will include the existing marina, which is located in San Francisco Bay. The Project is located in the City of San Rafael (“City”), off of Point San Pedro Road. It was approved by the San Rafael City Council (“City Council”) of the City in 2007, by means of a series of approvals, including Resolution 12332 (“the Approval Resolution”). As one condition of approving the Project, the City required the developer to provide certain park and recreation improvements and to provide for their maintenance by means of a special tax to be imposed by means of a Mello-Roos Community Facilities District (“CFD”). Since the approval of the Project, the developer has determined that it would be more beneficial to the homeowners and more cost-efficient if the maintenance of certain additional facilities, consisting of landscaping and street and sidewalk improvements, as well as wetland monitoring, could also be financed by means of the CFD. Collectively, the park and recreation improvements, landscaping, streets, and sidewalks and these additional facilities are referred to herein as the “Facilities.”

On June 7, 2010, the City Council adopted a Resolution of Intention to form a CFD (the “Resolution of Intention”) in accordance with the Mello-Roos Community Facilities District Act of 1982 (the “Act”). The Resolution of Intention indicated that the maintenance of the Facilities would be financed by means of a special tax imposed pursuant to the Act. The Resolution of Intention requested the preparation of this Report, directing that the report describe the facilities to be maintained and an estimate of the cost of maintaining those facilities.

For purposes of imposing a special tax to fund the maintenance of the Facilities, the development will be split into four tax categories: Residential; Non-residential; Mixed-use and Marina. As approved, the Project features 81 residential units, of which 76 units will be located in the Residential tax category and 5 units will be in the Mixed-use category, as they will be located above commercial space. Of these residential units, 17 will be below-market units, 15 located in the residential category area and 2 located in the mixed-use category. There is expected to be 22,500 square feet in the Non-residential category, which will be devoted to neighborhood commercial restaurant and marina-support facilities. The Marina category will contain areas serving the existing marina area, including the yacht club.

The Mello-Roos Community Facilities Act of 1982

In the Approval Resolution, the City Council determined that the Act would be an effective tool for funding the maintenance of the park and recreation improvements and conservation area. The Act provides substantial flexibility as to the range of facilities and services that can be funded and the method by which their cost can be allocated. As the financing mechanism is a special tax, and not an assessment, the costs can be allocated according to any method that is reasonable, without the need to make a specific finding of benefit to each property. The Act permits the City Council to form the CFD and allows for the owners of the property, if it is uninhabited, to vote to approve the special tax (which requires a two-thirds majority).

Purpose of the CFD Report

PART A

As directed in the Resolution of Intention, this CFD Report has been prepared and is being submitted pursuant to Section 53321.5 of the Act. The Act requires that this report describe the facilities to be maintained (see “Description of Facilities to be Maintained” below)

Formation of the CFD

On June 7, 2010, the City Council adopted the Resolution of Intention. A map identifying the boundaries is attached as Exhibit A to this work.

On July 19, 2010 the City Council held a public hearing, as required by the Act, to hear any protests to the formation of the CFD and to consider this report. Following the public hearing, the Council adopted a Resolution of Formation and called an election to allow the qualified electors to consider the special tax to fund the services described herein. With at least two-thirds of the votes cast in favor of the special tax, the CFD was formed and the levy of the special tax was authorized.

Description of Facilities to be Maintained

The facilities to be maintained include those specifically described in Condition 45 of the Approval Resolution:

- The Marina Green and Boardwalk
- Kayak Launch
- Park Play Equipment and Area
- Pedestrian pathways along the west jetty/spit and east jetty/spit
- Viewing areas along the west jetty/spit, east jetty/spit
- Public restrooms (2), one on the east jetty/spit and one at the entrance to the breakwater
- Fishing cleaning station located near the entrance to the breakwater
- Park and informational signs within these areas
- Lawn/turf, shrubs and ground cover, irrigation systems, storm water drainage inlets within the boundaries of the area, lighting pole standards, and fixtures above the foundation, benches, trash receptacles and bicycle racks
- Conservation/seasonal wetland area
- Roads, streets, sidewalks, and stormwater infrastructure
- Parkway strip along Point San Pedro Road frontage of the commercial and residential properties (This is added in the 2021-2022 Engineer’s Report to reflect the responsibility of the Master Association and its various sub-associations.)

In addition, the CFD will also maintain the common access road shown on the map attached as Exhibit D, its landscaping, lighting and sidewalk areas.

In July 2017, the San Rafael City Council approved levying the first assessment for Community Facilities District No. 2 (“CFD-2”) at the Village at Loch Lomond Marina. The CFD activity during Fiscal Year 2017-2018 was very minimal. After a number of assurances in 2017, the developer, Marina Village Associates, LLC (“MVA”) did not finish the work to a point where the City could accept a portion of the improvements as anticipated in the beginning of Fiscal Year 2017-2018. On June 1, 2018, the City received a letter from MVA requesting an extension of the Subdivision Improvement Agreements through December 31, 2019 and, by implication, acceptance of a portion of the improvements. The City answered this letter on June 20, 2018, including a final punch list

PART A

which the letter directed the developer to complete prior to August 1, 2018. The successful completion of the punch list would set the process in motion to accept the improvements, begin the warranty period, and provide a partial reduction in bond amount for the improvements.

June 2018 Status and Actions

For Fiscal Year 2017-2018 the District received payments based on the first year assessments anticipating that the District would be taking over maintenance during the year. As noted above, this did not occur. The District had a positive account balance to pay for maintenance, fund capital replacement, and pay for City administration.

Since the District holds unused maintenance funds from the previous year, there was no reason to tax the homeowners for Fiscal Year 2019-2020 for the maintenance, utilities and operational aspect of the District. However, the capital fund and City oversight are continuing expenses and needed to be funded for Fiscal Year 2019-2020. The fiscal year assessment remained the same as 2018-2019 to cover only the capital fund, City oversight, and contingencies totaling \$79,737.22. The breakdown of these costs can be found in Part B below.

June 2019 Status and Actions

The developer had completed the punch list and had been in the process of finalizing the remaining work, including a map showing the remaining work to be done and the corresponding cost estimates to complete the remaining work. We anticipated that this will be complete within the next 60 to 90 days. The City had requested quotes from landscape maintenance contractors to maintain the public areas, once accepted. For these reasons the City anticipated paying for maintenance during the 2019-2020 year.

As the developer has been finalizing improvements, it has been noted that at high tides and during storms two of the public areas are unusable. The first is the connection between the end of the parking/paved area to the breakwater. The second is the play equipment and park on the central jetty. Both of these areas will be improved by the developer prior to acceptance by the City. The capital cost of these improvements will be paid by the developer. However, once these improvements are accepted by the City, their maintenance and ultimate replacement at the end of their usable life will be the responsibility of the CFD-2. It was anticipated that during fiscal year 2019-2020 the District would ask the assessed properties in the District for an additional assessment to be added to the capital fund to provide monies to pay for this work in the future. This action will require a public hearing and vote of the assessed properties.

June 2020 Status and Actions

The developer has completed most of the improvements for the Phase 1 "Backbone" infrastructure. On April 20, 2020, the City Council voted to accept the partial completion of the infrastructure, and authorize the City Manager and Mayor to enter into a combined Subdivision Improvement Agreement which covers the remaining work to be completed as well as the flooding repairs, described above, kayak dock and other small improvements that will, when completed become part of the maintenance responsibility of CFD-2. In anticipation of the City accepting the improvements the City will be soliciting proposals from Landscape Maintenance firms to begin maintaining the CFD-2 facilities in fiscal year 2020-2021.

PART A

At the writing of this report, the City has prepared and delivered to the developer an combined Subdivision Improvement Agreement (SIA) and is waiting for the developer to execute, provide bonds, and complete the Memorandum of Understanding and BMR buyout agreements which parallel the combined SIA.

The current assessments cover three areas: Capital Reserve Fund, Annual Maintenance Fund, and a Contingency.

Capital Reserve Fund: As discussed above a contribution to the Capital Reserve Fund will need to be annually in order for the District to have funds available to replace pavements, curb and gutter and other improvements in the future as the useful life expires. The amount of the Capital Reserve currently stands as \$164,124.00 and another \$59,000.00 will be added this year.

Annual Maintenance: Since the Maintenance portion has yet to be tapped, if no increase in assessments for 2020-2021 are made, the District would enter the 2021-2022 fiscal year with minimal reserves. In addition, a significant increase in assessment would be required. The Engineer recommends that the District increase the assessment for 2020-2021 as calculated in Part D below and as follows:

Proposed Assessments for the year 2020-2021:

Residential	\$1,596.51	per residential unit
Non-Residential	\$0.75	per square foot of non-residential area
Marina	\$48,575.80	Lump Sum
	\$172,100.92	Total Anticipated Revenue for the year 2020-2021

It should be noted that the District will be again increasing the assessment next year to levels similar to the assessments levied in the first year of the district. This is based on the District now fulfilling its function of maintaining the landscaping and other improvements within the District.

The maintenance can be separated into three components. First, will be weekly or more often (depending on the time of year) landscape maintenance consisting of mowing, trash collection, dog waste control, pruning and other items. Second, will be the monthly, quarterly, or semi-annual inspections of equipment and structural facilities to confirm that they can be safely used. Third, will be the cost of the water to provide irrigation to keep the landscaping grass, plants, shrubs, and trees in a healthy condition.

The District will be assuming these costs from the developer upon final acceptance. The District has reviewed the costs that the developer has incurred in the past 18 months for maintenance. The developer has stated that these costs include areas of maintenance that will not be assumed by the District. A review of those costs and making some reduction for areas the District will not maintain were compared with the original budgets established for the District when formed in 2010 to determine a probable budget for 2020-2021.

Contingency: As noted in the financial summary in Part B, the District carries a contingency for unforeseen circumstances. The contingency is large this year in anticipation of the District assuming the maintenance responsibilities.

PART A

June 2021 Status and Actions

The Developer has taken major actions with respect to ownership during FY 20-21. However, while the City Council has voted to accept the partial completion (April 2020), the developer has yet to complete the punch list and continues to maintain the landscaping.

The major actions included transferring ownership of the Marina Property to Safe Harbor Marinas and transferring the ownership of the second phase of the residential development to Trumark Homes. In addition, Trumark Homes has an option to purchase the Mixed-use building.

The developer also requested to “buy-out” the remaining BMR units and pay an in-lieu fee to do so. This action was also approved by the City Council and has been executed by both the Developer and the City. For the CFD this will provide 6 additional units to assess going forward, since the original District did not include assessments on BMR units. It is the Engineers recommendation that these additional units be assessed at the same rates as the other residential properties, providing a nominal increase in total revenue for the District.

The District collects assessments to cover three areas of funding: Capital Reserve Fund, Annual Maintenance Fund and a Contingency. The 2021 status of these funds are discussed below.

Capital Reserve Fund: The Capital Reserve Fund needs to be collected annually in order for the District to have funds available to replace pavements, curb and gutter and other improvements in the future as the infrastructure approaches the end of its useful life. The amount of the Capital Reserve currently stands at \$223,124 and an additional \$115,000 (including the assessments for the former BMR units) will be added this year. As shown below the Capital Reserve Fund, June 30, 2022, is anticipated to be \$338,124 before unforeseen distributions in 2021-2022.

Annual Maintenance: Since the Maintenance portion has yet to be tapped, this fund continues to build. Nevertheless, the Engineer recommends the District continue to assess properties in the District on the schedule suggested in the 2020-2021 Report. This will provide a graduated “bump” in assessments to meet the rate needed to cover all the expenses once the City accepts the improvements from the developer. The Engineer recommends that the District increase the assessment for 2021-2022 as calculated in Part D and noted as follows:

Proposed Assessments for the year 2021-2022:

Residential	\$1,915.81	per residential unit
Non-Residential	\$0.90	per square foot of non-residential area
Marina	\$58,290.96	Lump Sum
	\$228,108.03	Total Anticipated Revenue for the year 2021-2022

Currently the District is carrying \$223,670.00 in un-allocated maintenance since the developer has yet to complete the improvements for the City to accept and the CFD to begin maintaining. If this continues for FY 2021-2022, the maintenance fund would add an additional \$160,000 and the District will re-evaluate the assessments. However, this is unlikely. Should this occur, the anticipated funds available for maintenance would be \$383,670.00 without any expenses.

It should be noted that the increase next year may need to be made to bring the assessment funding in line with the max assessments allowed in the District formation documents and further increase would be only based on the index allowed for the District.

PART A

The District will be assuming all costs from the developer upon final acceptance. Since the District will be accepting infrastructure that is several years old, the Engineer recommends that any monies not used in District maintenance be allocated to repair infrastructure under the Capital Reserve Fund.

Contingency: As noted in the financial summary in Part B, the District carries a contingency for unforeseen circumstances. The contingency remains relatively large in anticipation of the District assuming the maintenance responsibilities and completing minor maintenance such as resealing the asphalt pavement.

PART B
ESTIMATE OF COSTS

FIRST YEAR EXPENDITURES 2017-2018

2017-2018 County Administration Fee	\$ 130.00
First Year Capital Contribution Fund	\$ 52,075.30
2017-2018 Surplus	\$ 142,248.30
Annual Adjustment June 22 – July 1, 2018	\$ 11,112.40

SURPLUS & RESERVE FUND TO CARRY FORWARD

Available Funds on July 1, 2018 \$ 205,566.00

SECOND YEAR EXPENDITURES 2018-2019

2018-2019 Revenue	\$ 7,552.67	\$ 198,013.33
Assessment Proceeds 2018-2019	\$ 75,750.34	
Interest	\$ <u>957.90</u>	
	\$ 76,708.24	

SURPLUS & RESERVE FUND TO CARRY FORWARD

Available Funds on July 1, 2019 \$ 282,719.1

THIRD YEAR EXPENDITURES 2019-2020

Projected Available Funds on July 1, 2020		\$ 358,073.41
Adjustment to match actual funds available July 1, 2020		\$ 6,826.59
2019-2020 County Administration Fee	\$ (97.50)	
2019-2020 Annual Engineer's Report	\$ (4,949.45)	
Assessment Proceeds 2019-2020	\$ 75,710.21	
Interest	\$ <u>4,690.99</u>	

Available Funds on July 1, 2020 \$ 364,900.00

FOURTH YEAR EXPENDITURES 2020-2021

2020-2021 County Administration Fee	\$ (130.00)
2020-2021 Annual Engineer's Report	\$ (5,152.54)
Assessment Proceeds 2020-2021	\$ 159,031.83
Interest	\$ <u>653.72</u>

Available (Estimated) Funds on July 1, 2021 \$ 519,303.01

2021-2022 ESTIMATED EXPENSES

Uncollected Assessments (2020-2021) at 8%	\$ 17,448.64
Maintenance Supplies	\$ 4,500.00
Lighting Repairs	\$ 9,000.00
Street Sweeping	\$ 10,000.00
Storm Drain Maintenance	\$ 10,000.00
Groundskeeping services (includes \$25,000 contingency)	\$ 61,000.00
Wetlands Maintenance	\$ 13,000.00
Utility Costs (Refuse, Water, Sewer and Electrical)	\$ 80,000.00
Annual Engineer's Report	\$ 5,900.00
County/City Administrative Fee	\$ <u>130.00</u>
	\$ 210,530.00

PART B
ESTIMATE OF COSTS

Capital Reserve Fund (Held 2021-2022)	\$ 223,124.00	
Capital Reserve Contribution	<u>\$ 115,000.00</u>	
Anticipated Capital Reserve Fund June 30, 2022	\$ 338,124.00	
 Total Allocated Funds 2021-2022	 \$ 548,654.00	
 Contingencies (Future Additional Capital Reserve and Maintenance Takeover Costs)	 <u>\$ 183,143.64</u>	
 TOTAL ANTICIPATED FOURTH YEAR EXPENSES AND ALLOCATIONS:	 <u>\$ 731,797.64</u>	
 FIFTH YEAR ASSESSMENT FUNDING		<u>\$ 212,494.63</u>
Total estimated Fifth Year Available Funds:		<u>\$ 731,797.64</u>

**PART C
ASSESSMENT ROLL**

(Please Refer to Part D – Method of Apportionment of Assessment
for a Summary of Changes to Part C – Assessment Roll

SPECIAL ASSESSMENT NUMBER	AMOUNT OF ASSESSMENT Fiscal Year 2021-2022	PROPERTY DESCRIPTION Loch Lomond	ASSESSOR'S PARCEL NUMBER
2	\$15,309.45	Lot 2	016-070-14
3	\$12,082.95	Lot 3	016-070-16
4	\$2,283.62	Lot 4	016-070-17
5	\$58,290.96	Lot 5	016-070-09
A	\$0.00	Lot A	016-070-12
B	\$0.00	Lot B	016-070-10
C	\$0.00	Lot C	016-070-13
D	\$0.00	Lot D	016-070-19
E	\$0.00	Lot E	016-070-15
F	\$0.00	Lot F	016-070-18
G	\$0.00	Lot G	016-070-21
H	\$0.00	Lot H	016-070-22
I	\$0.00	Lot I	016-070-20
1-1	\$0.00	1	016-341-01
1-2	\$1,915.81	2	016-341-02
1-3	\$0.00	3	016-341-03
1-4	\$1,915.81	4	016-341-04
1-5	\$1,915.81	5	016-341-05
1-6	\$1,915.81	6	016-341-06
1-7	\$1,915.81	7	016-341-07
1-8	\$1,915.81	8	016-341-08
1-9	\$1,915.81	9	016-341-09
1-10	\$1,915.81	10	016-341-10
1-11	\$1,915.81	11	016-341-11
1-12	\$1,915.81	12	016-341-12
1-13	\$1,915.81	13	016-341-13

**PART C
ASSESSMENT ROLL**

(Please Refer to Part D – Method of Apportionment of Assessment
for a Summary of Changes to Part C – Assessment Roll)

SPECIAL ASSESSMENT NUMBER	AMOUNT OF ASSESSMENT Fiscal Year 2021-2022	PROPERTY DESCRIPTION Loch Lomond	ASSESSOR'S PARCEL NUMBER
1-14	\$1,915.81	14	016-341-14
1-15	\$1,915.81	15	016-341-15
1-16	\$1,915.81	16	016-341-16
1-17	\$1,915.81	17	016-341-17
1-18	\$1,915.81	18	016-341-18
1-19	\$1,915.81	19	016-341-19
1-20	\$1,915.81	20	016-341-20
1-21	\$1,915.81	21	016-341-21
1-22	\$1,915.81	22	016-341-22
1-23	\$1,915.81	23	016-341-23
1-24	\$1,915.81	24	016-341-24
1-25	\$1,915.81	25	016-341-25
1-26	\$1,915.81	26	016-341-26
1-27	\$1,915.81	27	016-341-27
1-28	\$1,915.81	28	016-341-28
1-29	\$1,915.81	29	016-341-29
1-30	\$1,915.81	30	016-341-30
1-31	\$1,915.81	31	016-341-31
1-32	\$1,915.81	32	016-341-32
1-33	\$1,915.81	33	016-341-33
1-34	\$1,915.81	34	016-341-34
1-35	\$1,915.81	35	016-341-35
1-36	\$0.00	36	016-341-36
1-37	\$1,915.81	37	016-341-37
1-38	\$0.00	38	016-341-38
1-39	\$1,915.81	39	016-341-39

**PART C
ASSESSMENT ROLL**

(Please Refer to Part D – Method of Apportionment of Assessment
for a Summary of Changes to Part C – Assessment Roll)

SPECIAL ASSESSMENT NUMBER	AMOUNT OF ASSESSMENT Fiscal Year 2021-2022	PROPERTY DESCRIPTION Loch Lomond	ASSESSOR'S PARCEL NUMBER
1-40	\$1,915.81	40	016-341-40
1-41	\$0.00	41	016-341-41
1-42	\$1,915.81	42	016-341-42
1-43	\$0.00	43	016-341-43
1-44	\$1,915.81	44	016-341-44
1-45	\$1,915.81	45	016-341-45
1-46	\$0.00	46	016-341-46
1-47	\$1,915.81	47	016-341-47
1-48	\$0.00	48	016-341-48
1-49	\$1,915.81	49	016-341-49
1-50	\$1,915.81	50	016-341-50
1-51	\$0.00	51	016-341-51
1-52	\$1,915.81	52	016-341-52
1-53	\$1,915.81	53	016-341-53
1-54	\$1,915.81	54	016-341-54
1-55	\$1,915.81	55	016-341-55
1-56	\$1,915.81	56	016-341-56
1-57	\$0.00	57	016-341-57
1-58	\$1,915.81	58	016-341-58
1-59	\$1,915.81	59	016-341-59
1-60	\$0.00	60	016-341-60
1-61	\$1,915.81	61	016-341-61
1-62	\$1,915.81	62	016-341-62
1-63	\$1,915.81	63	016-341-63
1-64	\$1,915.81	64	016-341-64
1-65	\$1,915.81	65	016-341-65

**PART C
ASSESSMENT ROLL**

(Please Refer to Part D – Method of Apportionment of Assessment
for a Summary of Changes to Part C – Assessment Roll)

SPECIAL ASSESSMENT NUMBER	AMOUNT OF ASSESSMENT Fiscal Year 2021-2022	PROPERTY DESCRIPTION Loch Lomond	ASSESSOR'S PARCEL NUMBER
1-66	\$1,915.81	66	016-341-66
1-67	\$1,915.81	67	016-341-67
1-68	\$1,915.81	68	016-341-68
1-69	\$1,915.81	69	016-341-69
1-70	\$1,915.81	70	016-341-70
1-71	\$1,915.81	71	016-341-71
1-72	\$1,915.81	72	016-341-72
1-73	\$1,915.81	73	016-341-73
1-74	\$1,915.81	74	016-341-74
1-75	\$1,915.81	75	016-341-75
1-76	\$1,915.81	76	016-341-76
1-77	\$0.00	K	016-341-77
1-78	\$0.00	L	016-341-78
1-79	\$0.00	M	016-341-79
1-80	\$0.00	D	016-341-80
1-81	\$0.00	N	016-341-81
1-82	\$0.00	E	016-341-82
1-83	\$0.00	O	016-341-83
1-84	\$0.00	F	016-341-84
1-85	\$0.00	P	016-341-85
1-86	\$0.00	H	016-341-86
1-87	\$0.00	A	016-341-87
1-88	\$0.00	I	016-341-88
1-89	\$0.00	B	016-341-89
1-90	\$0.00	J	016-341-90
1-91	\$0.00	C	016-341-91

**PART C
ASSESSMENT ROLL**

(Please Refer to Part D – Method of Apportionment of Assessment
for a Summary of Changes to Part C – Assessment Roll)

SPECIAL ASSESSMENT NUMBER	AMOUNT OF ASSESSMENT Fiscal Year 2021-2022	PROPERTY DESCRIPTION Loch Lomond	ASSESSOR'S PARCEL NUMBER
1-92	\$0.00	G	016-341-92
TOTAL ASSESSMENT	\$212,494.63	(For 2021-2022 Fiscal Year)	

The lines and dimensions of each parcel are as shown on the maps of the County Assessor of the County of Marin.

Property descriptions are lot or parcel numbers as shown on the recorded final maps of Loch Lomond, recorded:

PART D
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES

I. INTRODUCTION

A special tax authorized under the Mello-Roos Community Facilities Act of 1982, as amended (“Act”) shall be levied on each Parcel of land within Community Facilities District No. 2 of the City of San Rafael (“CFD No. 2”), and collected according to the Special Tax Liability determined by the City, the City of San Rafael)”City”), through the application of the following procedures. The Special Tax is being levied for the purpose of providing and guaranteeing long-term funding and maintenance of park and recreation improvements that are approved for public use, and an adjacent conservation area (seasonal wetland) as more particularly described in the Approval Resolution, as well as appurtenant roadways, sidewalk and landscaping areas.

All of the property within CFD No. 2, unless otherwise exempted by law or the express provisions of the rate and method of apportionment expressed below, shall be taxed to the extent and in the manner provided below.

It is intended that all special taxes applicable to Parcels be collected in the same manner and at the same time as ordinary ad valorem property taxes, and that special taxes so levied will be subject to the same penalties and procedures, sale and lien priority in case of delinquency as is provided for ad valorem taxes.

II. DEFINITIONS

Act means the Mello-Roos Community Facilities Act of 1982, as amended, Sections 53311 *et seq.* of the California Government Code.

Approval Resolution means Resolution No. 12332, adopted on August 6, 2007 by the City Council of the City of San Rafael.

Area of Use means the area falling within a single tax category of a Parcel devoted to multiple uses.

Base Year means the Fiscal Year commencing July 1, 2011.

BMR Unit means a Dwelling Unit that is classified as “low or moderate income housing” pursuant to that certain agreement among San Rafael Marina, LLC, the City of San Rafael, and the Housing Authority of the County of Marin, dated July 1, 2008 and recorded as document 2008-0038363 in the Official Records of the County of Marin on August 14, 2008.

Building Floor Area means a measurement of the area contained within the perimeter of each non-residential structure on a given Parcel, which can be or has been developed on that Parcel based on a building permit. If a building permit is not available, the amount shall be based on the Master Use Permit, or other planning approval. This figure shall be determined in accordance with the standard practice of the City in calculating structural parameters. The figure includes the square footage of each floor of any multi-floor building.

CFD No. 2 means the Community Facilities District No. 2 of the City of San Rafael.

PART D
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES

City means the City of San Rafael.

Dwelling Unit means each separate building, or housing unit within a common building, used to provide living accommodations which are intended, design, or legally required to be occupied by a single family unit. For Parcels which have not yet been subdivided into the number of lots shown on the Tentative Map, the number of Dwelling Units shall be the number of lots shown on the Tentative Map within the limits of that Parcel. BMR Units do not count as Dwelling Units. For Parcels with mixed uses, the number of Dwelling Units shall be the number of residential units allowed under the Master Use Permit, not counting any BMR Units.

Fiscal Year means the period starting on July 1, and ending the following June 30.

Master Use Permit means that certain Master Use Permit as approved by the City Council of the City of San Rafael by means of Resolution No. 12332, adopted on August 6, 2007.

Maximum Special Tax means the greatest amount of Special Tax that can be levied against a Parcel in any Fiscal Year. The Maximum Special Tax for each Category of Taxable Property is established in Section III.

Parcel means any County Assessor's Parcel or that portion thereof that is within the boundaries of CFD No. 2 based on the equalized tax rolls of the County as of March 1 of each Fiscal Year. Parcels referred to by a specific number indicate the parcels shown on the Tentative Map.

Service Annual Cost(s) means for each Fiscal Year, the total of 1) the estimated cost of providing and guaranteeing long-term funding and maintenance of park and recreation improvements that are approved for public use and an adjacent conservation area (seasonal wetland) as more particularly described in Vesting Tentative Map Condition No. 45 in the Approval Resolution (the "Improvements"); 2) the estimate costs of providing additional landscaping and maintenance costs; and 3) any amounts needed to cure actual or estimated delinquencies in Special Taxes for the current or previous Fiscal Year.

Special Tax Escalation Factor means the annual percentage increase in the Consumer Price Index for the San Francisco-Oakland-San Jose area as published in "Consumer Price Indexes – Pacific Cities and U.S. City Average" from the U.S. Department of Labor, Bureau of Labor Statistics or, in the event such index ceases to be published, by a comparable index designated by the City Council.

Tax Categories are those categories set forth in the body hereof.

Taxable Property means Parcels that are not in public ownership, but excludes privately-held Parcels used solely for vehicular and pedestrian access, utilities, or as common areas. Such areas include Parcels A through W, inclusive, as shown on the Tentative Map. However, Taxable Properties that are acquired by a public agency after the CFD is formed or subsequent Final Subdivision Maps are recorded will remain subject to the applicable Special Tax.

Tentative Map means that certain tentative map as approved by the City Council of the City of San Rafael by means of Resolution 12332, adopted on August 6, 2007.

PART D
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES

III. CATEGORIES OF SPECIAL TAX AND DESIGNATION OF MAXIMUM SPECIAL TAX

A. **RESIDENTIAL CATEGORY:** The Residential Category includes each Parcel of developed Taxable Property within CFD No. 2 that is zoned or permitted to be used for residential purposes. This consists of Parcels 2 through 76, inclusive, as well as the second floor residential use permitted on Parcel 78, all as shown on the Tentative Map. The Maximum Special Tax that may be levied annually on Taxable Property within the Residential Category during the Base Year is \$2,439.22 per Dwelling Unit.

B. **MARINA CATEGORY:** The Marina includes that Parcel of Taxable Property within CFD No. 2 that is designated as Parcels 80 and 82 on the Tentative Map. The Maximum Special Tax that may be levied annually on Taxable Property within the Marina Category during the Base Year is \$74,216.22. In the event that Parcel 80 is subdivided, the Maximum Special Tax shall be allocated to the subdivided Parcels in proportion to the number of marina slips contained in each subdivided Parcel within the Marina Category. In the event that Parcel 82 is subdivided from the other property within the Marina Category, it shall be taxed on the same rate and basis (per square foot) as property within the Non-Residential Category and the Maximum Special Tax for the remainder of the Marina Category shall be the amount calculated above, less the tax for Parcel 82.

C. **NON-RESIDENTIAL CATEGORY:** The Non-Residential Category includes each Parcel of developed Taxable Property within CFD No. 2 which has been zoned or is permitted to be used for non-residential uses (including office, retail, industrial, and other commercial uses) but not property within the Marina Category. These Parcels consist of Parcels 79, and 81 shown on the Tentative Map, as well as portions of Lot 78 devoted to Non-Residential Uses. The Maximum Special Tax that may be levied annually on Taxable Property in the Non-Residential Category during the Base Year is \$1.15 per square foot of Building Floor Area.

D. **MIXED USE CATEGORY:** Parcels within CFD No. 2 which are zoned or permitted to be used for uses which fall in more than one of the above Categories shall be taxed for each category of use. The calculation of the Maximum Special Tax shall be performed separately for each Area of Use. For example, the Special Tax Liability for a Parcel featuring two Dwelling Units and 10,000 square feet of Non-Residential Use shall be the sum of the Special Tax for the two Dwelling Units at the rate applied to all Dwelling Units in the CFD and for the Non-Residential tax rate per square foot times 10,000. The Maximum Special Tax for Parcels in the Mixed Use Category shall be calculated accordingly.

E. **ADJUSTMENTS TO MAXIMUM SPECIAL TAX:** The Maximum Special Tax for all Categories shall increase each Fiscal Year as determined annually by the City Council by the Consumer Price Index for the San Francisco-Oakland-San Jose area, All Urban Consumers/All Items, as published by the U.S. Department of Labor, Bureau of Labor Statistics, or, in the event such index ceases to be published, by a comparable index designated by the City Council.

PART D
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES

IV. SETTING THE ANNUAL SPECIAL TAX LIABILITY FOR TAXABLE PROPERTIES

On or about July 1 of each year, but in an event in sufficient time to include the levy of the special taxes on the County's secured tax roll, the City shall determine the Category or Categories representing each Parcel of land within CFD No. 2. Parcels subject to levy and their respective Tax Category shall be determined based upon the records of the County Assessor as of the March 1 preceding such July.

For each Fiscal Year, the City shall determine the Special Tax Liability for each Parcel for the Fiscal Year. The City shall make available for review by the general public information regarding the Category to which each Parcel is assigned and the information used to calculate the Special Tax Liability for each Parcel.

Attachment 1 shows the Base Year Maximum Special Tax rates. Each Fiscal Year following the Base Year, the Maximum Special Tax rate shall be increased in accordance with the Special Tax Escalation Factor.

To determine the Maximum Special Tax in each Fiscal Year, multiply the number of Dwelling Units for each residential Parcel times the applicable Maximum Special Tax rates shown in Attachment 1 as adjusted by the Special Tax Escalation Factor. For the Mixed Use Category, take the sum of those two products.

The City shall calculate the Special Tax Liability for each Taxable Property for each fiscal year as follows:

- A. **STEP ONE:** Determine if the Improvements have been inspect and accepted by the City. If not, the Special Tax Liability shall be zero for that fiscal year.
- B. **STEP TWO:** As noted above the District is allowed to increase assessments based on the CPI for the San Francisco-Oakland Hayward region. The CPI index for April 2021 (latest available) is 309.419. This is an increase of 3.81% from April, 2020 (309.419/298.074).

Based on this information, the Maximum Allowable Assessment for the 2021-2022 year would be:

Residential	\$3,193.14 x 1.0381	=	\$3,314.80 per residential unit
Non-Residential	\$1.51 x 1.0381	=	\$1.57 per Sq Ft of non-residential area
Marina	\$97,155.10 x 1.0381	=	\$100,856.71 Lump Sum

Since the District (and the City) have not accepted the improvements for the CFD to maintain, not all of this funding is required at this time. Nevertheless, the Engineer recommends an increase in funding in anticipation of accepting the improvements and recognizing that due to the age of the improvements and the use to which they have been subject since opening to the public. A 20% increase is recommended, yielding the following assessments for 2021-2022:

Residential	\$1,915.81 per residential unit
-------------	---------------------------------

PART D
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES

Non-Residential	\$0.90	per square foot of non-residential area
Marina	\$58,290.96	Lump Sum

Setting the amount in 2021-2022 does not preclude future increases in future years to the maximum allowable assessment based on the CPI.

C. **STEP THREE:** Calculate the Special Tax Liability for each Parcel of Taxable Property by the following steps:

Step 1: Compute the potential Maximum Special Tax revenue for all Parcels in the CFD by summing the Maximum Special Tax assigned to each Parcel for that Fiscal Year.

Step 2: Compare the Service Annual Costs with the potential maximum Special Tax revenue calculated in the previous step.

Step 3: If the Service Annual Costs are less than the Maximum Special Tax revenue from Step 1, decrease proportionately the Maximum Special Tax amount for each Parcel until the total Special Tax revenue equals the Service Annual Cost. These amounts will be that year's Special Tax Liability for each Parcel.

Step 4: If the Service Annual Costs are great than or equal to the potential Maximum, Special Tax revenue calculated in Step 1, the amount of the Special Tax Liability for each Taxable Property shall be the Maximum Special Tax assigned to each Parcel in II above.

D. **STEP FOUR:** After the Special Tax Liability for each Parcel has been calculated, consult Section V of this Rate and Method in order to prepare the Tax Collection Schedule.

V. PREPARATION OF TAX COLLECTION SCHEDULE

Prepare the Tax Collection Schedule listing the Special Tax Liability for each Parcel of Taxable Property and send it to the County Auditor, requesting that it be placed on the general, secured property tax roll for the Fiscal Year. The Tax Collection Schedule shall not be sent later than the date required by the Auditor for such inclusion.

The City shall make every effort to correctly calculate the Special Tax Liability for each Parcel. It shall be the burden of the taxpayer to correct any errors in the determination of the Parcels subject to the tax and the Special Tax Liability assigned to them. The City will maintain a file available for public inspection of each current County Assessor's Parcel Number within the CFD, its Maximum Special Tax, and the Maximum Special Tax for all Parcels within the CFD.

VI. 2021-2022 ALLOWABLE AND ACTUAL ASSESSMENTS

As noted in part III E. above, Adjustments to Maximum Special Tax, the City anticipated increases in the special tax up to a maximum amount to allow for normal inflation based increases in the costs to make capital improvements and continue maintenance. The increases were to be based

PART D
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES

on the Consumer Price Index (CPI) for the San Francisco-Oakland-Hayward region. The Maximum Allowable assessment for the 2021-2022 year for each category is calculated as follows:

Base Year 2011:

Residential	\$ 2,439.22	per residential unit
Non-Residential	\$ 1.15	per square foot of non-residential area
Marina	\$ 74,216.22	lump sum

Base Year June, 2010, CPI = 227.697

CPI, April, 2021 (Latest available data) = 309.419

Allowable increase $309.419/298.074 = 1.359$

Maximum Allowable Assessment 2021-2022 year:

Residential	$\$3,193.14 \times 1.0381 =$	$\$3,314.80$	per residential unit
Non-Residential	$\$1.51 \times 1.0381 =$	$\$1.57$	per square foot of non-residential area
Marina	$\$97,155.10 \times 1.0381 =$	$\$100,856.71$	Lump Sum

The Actual assessments for 2020-2021 will be based on the partial needs of the District as outlined elsewhere in this report and be increased for the year 2021-2022 as shown below.

Assessments for the year 2021-2022:

Residential	\$1,915.81	per residential unit
Non-Residential	\$0.90	per square foot of non-residential area
Marina	\$58,290.96	Lump Sum

Setting the amount in 2021-2022 does not preclude future increases to the maximum allowable based on the CPI in future years.

**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
2	016-070-14
3	016-070-16
4	016-070-17
5	016-070-09
A	016-070-12
B	016-070-10
C	016-070-13
D	016-070-19
E	016-070-15
F	016-070-18
G	016-070-21

**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
H	016-070-22
I	016-070-20
1-1	016-341-01
1-2	016-341-02
1-3	016-341-03
1-4	016-341-04
1-5	016-341-05
1-6	016-341-06
1-7	016-341-07
1-8	016-341-08

**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
1-9	016-341-09
1-10	016-341-10
1-11	016-341-11
1-12	016-341-12
1-13	016-341-13
1-14	016-341-14
1-15	016-341-15
1-16	016-341-16
1-17	016-341-17

**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
1-18	016-341-18
1-19	016-341-19
1-20	016-341-20
1-21	016-341-21
1-22	016-341-22
1-23	016-341-23
1-24	016-341-24
1-25	016-341-25
1-26	016-341-26
1-27	016-341-27
1-28	016-341-28

**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
1-29	016-341-29
1-30	016-341-30
1-31	016-341-31
1-32	016-341-32
1-33	016-341-33
1-34	016-341-34
1-35	016-341-35
1-36	016-341-36
1-37	016-341-37
1-38	016-341-38
1-39	016-341-39
1-40	016-341-40

**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
1-41	016-341-41
1-42	016-341-42
1-43	016-341-43
1-44	016-341-44
1-45	016-341-45
1-46	016-341-46
1-47	016-341-47
1-48	016-341-48
1-49	016-341-49
1-50	016-341-50
1-51	016-341-51
1-52	016-341-52

**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
1-53	016-341-53
1-54	016-341-54
1-55	016-341-55
1-56	016-341-56
1-57	016-341-57
1-58	016-341-58
1-59	016-341-59
1-60	016-341-60
1-61	016-341-61
1-62	016-341-62
1-63	016-341-63
1-64	016-341-64

**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
1-65	016-341-65
1-66	016-341-66
1-67	016-341-67
1-68	016-341-68
1-69	016-341-69
1-70	016-341-70
1-71	016-341-71
1-72	016-341-72
1-73	016-341-73

**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
1-74	016-341-74
1-75	016-341-75
1-76	016-341-76
1-77	016-341-77
1-78	016-341-78
1-79	016-341-79
1-80	016-341-80
1-81	016-341-81
1-82	016-341-82
1-83	016-341-83
1-84	016-341-84

**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
1-85	016-341-85
1-86	016-341-86
1-87	016-341-87
1-88	016-341-88
1-89	016-341-89
1-90	016-341-90
1-91	016-341-91
1-92	016-341-92

PART F
ASSESSMENT DIAGRAM

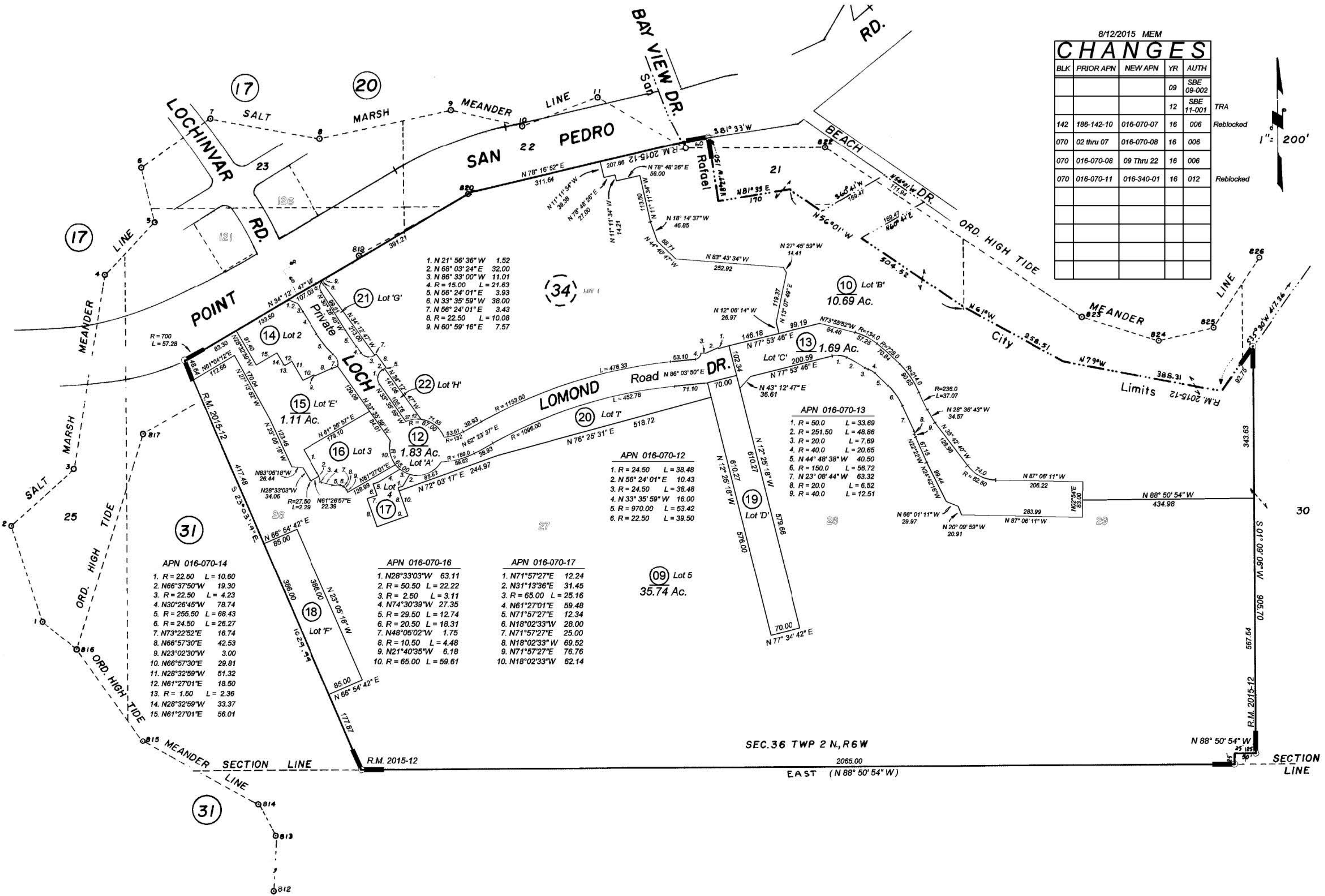
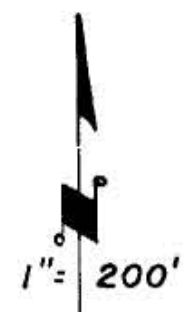
See sheets 1 through 2 in attached packet.

THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE DATA SHOWN. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL SUBDIVISION OR BUILDING ORDINANCES.

8/12/2015 MEM

CHANGES

BLK	PRIOR APN	NEW APN	YR	AUTH	
			09	SBE 09-002	
			12	SBE 11-001	TRA
142	186-142-10	016-070-07	16	006	Reblocked
070	02 thru 07	016-070-08	16	006	
070	016-070-08	09 Thru 22	16	006	
070	016-070-11	016-340-01	16	012	Reblocked



1. N 21° 56' 36" W 1.52
2. N 68° 03' 24" E 32.00
3. N 86° 33' 00" W 11.01
4. R = 15.00 L = 21.83
5. N 56° 24' 01" E 3.93
6. N 33° 35' 59" W 38.00
7. N 56° 24' 01" E 3.43
8. R = 22.50 L = 10.08
9. N 60° 59' 16" E 7.57

- APN 016-070-12
1. R = 24.50 L = 38.48
 2. N 56° 24' 01" E 10.43
 3. R = 24.50 L = 38.48
 4. N 33° 35' 59" W 16.00
 5. R = 970.00 L = 53.42
 6. R = 22.50 L = 39.50

- APN 016-070-13
1. R = 50.0 L = 33.69
 2. R = 251.50 L = 48.86
 3. R = 20.0 L = 7.69
 4. R = 40.0 L = 20.65
 5. N 44° 48' 38" W 40.50
 6. R = 150.0 L = 56.72
 7. N 23° 08' 44" W 63.32
 8. R = 20.0 L = 6.52
 9. R = 40.0 L = 12.51

- APN 016-070-14
1. R = 22.50 L = 10.60
 2. N 66° 37' 50" W 19.30
 3. R = 22.50 L = 4.23
 4. N 30° 26' 45" W 78.74
 5. R = 255.50 L = 68.43
 6. R = 24.50 L = 26.27
 7. N 73° 22' 52" E 16.74
 8. N 66° 57' 30" E 42.53
 9. N 23° 02' 30" W 3.00
 10. N 66° 57' 30" E 29.81
 11. N 28° 32' 59" W 51.32
 12. N 61° 27' 01" E 18.50
 13. R = 1.50 L = 2.36
 14. N 28° 32' 59" W 33.37
 15. N 61° 27' 01" E 56.01

- APN 016-070-16
1. N 28° 33' 03" W 63.11
 2. R = 50.50 L = 22.22
 3. R = 2.50 L = 3.11
 4. N 74° 30' 39" W 27.35
 5. R = 29.50 L = 12.74
 6. R = 20.50 L = 18.31
 7. N 48° 05' 02" W 1.75
 8. R = 10.50 L = 4.48
 9. N 21° 40' 35" W 6.18
 10. R = 65.00 L = 59.61

- APN 016-070-17
1. N 71° 57' 27" E 12.24
 2. N 31° 13' 36" E 31.45
 3. R = 65.00 L = 25.16
 4. N 61° 27' 01" E 59.48
 5. N 71° 57' 27" E 12.34
 6. N 18° 02' 33" W 28.00
 7. N 71° 57' 27" E 25.00
 8. N 18° 02' 33" W 69.52
 9. N 71° 57' 27" E 76.76
 10. N 18° 02' 33" W 62.14

SEC. 36 TWP 2 N., R 6 W
2065.00
EAST (N 88° 50' 54" W)

N 88° 50' 54" W
25.185
SECTION LINE



SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: Public Works

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

City Manager Approval: 

TOPIC: BAYPOINT LAGOONS ASSESSMENT DISTRICT

SUBJECT: BAYPOINT LAGOONS LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT ANNUAL ASSESSMENT:

1. RESOLUTION DIRECTING FILING OF ENGINEER'S ANNUAL REPORT FY 2021-22
2. RESOLUTION APPROVING ENGINEER'S ANNUAL REPORT FY 2021-22
3. RESOLUTION OF INTENTION TO ORDER IMPROVEMENTS AND SETTING A PUBLIC HEARING ON THE ANNUAL ASSESSMENT FOR THE CITY COUNCIL MEETING OF JUNE 21, 2021.

RECOMMENDATION: Staff recommends that the City Council approve the following items:

1. Adopt a resolution directing filing of Engineer's FY 2021-22 Annual Report.
2. Adopt a resolution approving Engineer's FY 2021-22 Annual Report.
3. Adopt a resolution of intention to order improvements and setting a public hearing on the annual assessment for the City Council meeting of June 21, 2021.

BACKGROUND: To comply with provisions of the Landscaping and Lighting Act of 1972, which governs this type of assessment district, the City Council must approve an Engineer's report on an annual basis. Assessments to be collected by the District must be allocated and levied annually after an appropriate public hearing, to be held this year on June 21, 2021.



Assessment District boundaries in East San Rafael

FOR CITY CLERK ONLY

Council Meeting:

Disposition:

The Baypoint Lagoons Landscaping and Lighting District (Assessment District) was formed in 1990 to protect and enhance wildlife habitat and water quality in the Baypoint (Spinnaker) Lagoons, the adjacent ponds, and diked salt marsh. There are four total ponds/lagoons located within the Assessment District. Primarily, maintenance provided by this district has historically included mowing around the lagoon, replanting areas with native vegetation, and eradicating exotic plants such as cattails.

Since the mid-2000's, the Baypoint Lagoons Homeowners Association (HOA) has taken a more active role in the landscaping of the lagoon areas. The HOA, as opposed to the Assessment District, has funded landscaping and biannual mowing of the grass around the lagoon in recent years.

In 2015, with the landscaping and eradication of non-native species moved to a manageable maintenance level, the HOA approached the City with two major concerns: the odor nuisance seasonally emitted from the lagoons and the related need for improvements to the nearby Cayes Stormwater Pump Station. The homeowners agreed Assessment District funds could be used towards these priorities.

The Assessment District has three dedicated Funds:

1. Eradication of Exotic Plants Fund

As noted, the HOA took over the maintenance of the waterfront around the lagoon in the mid-2000's. Since that time, the City has performed occasional maintenance of the vegetation within the lagoon and on the islands.

The Eradication of Exotic Plants Fund balance as of June 30, 2021 is anticipated to be \$44,985.88.

2. Environmental Monitoring Fund

This fund was set up to address the homeowners concern over the odor emitted from the lagoons in the summer months. While the salt pond (the major source of the odor) falls within the boundary of the Assessment District, the pond itself is on private property and therefore is not within the Assessment District's responsibility to maintain. However, due to their proximity to the pond and the odor emitted from the main lagoon as well, members of the Assessment District approached the City in 2014 requesting that funds from the District be allocated to further study odor control options for all lagoons.

Since that time, the City completed a comprehensive study of lagoon health and options for odor control with Siegel Environmental. In 2017, the City also applied for a grant to the San Francisco Bay Restoration Authority Measure AA grant for the restoration of Spinnaker Marsh and Shoreline Flood Protection measures. The project would aim to not only reinforce the levee, but resolve long-time odor issues resulting from the seasonal drying of the marsh. However, the 2017 grant application was ultimately turned down and there was some homeowner opposition to the proposed levee.

The City reapplied for the same grant in the fall of 2019 after extensive outreach by the HOA. While the grant application was accompanied by over 100 support letters, more than a dozen neighbors remained opposed to the project. In March 2020, the grant application was turned down once again with the granting agency, the San Francisco Bay Restoration Authority, noting that the remaining resident opposition to the project may inhibit CEQA compliance.

The Environmental Monitoring Fund balance as of June 30, 2021 is anticipated to be \$46,736.52.

3. Cayes Stormwater Pump Station Improvements Fund

Though the Cayes Pump Station is located just outside the Assessment District, the station serves as the key drainage facility and its regular pumping action keeps it as the odor regulator for the district's lagoon. The Assessment District is concerned with improving the functionality and remote operability of the 50-year old pump station, and since 2006 has set aside money every year to fund control system improvements. Bringing the control system up to date would allow for a more automated control of the water level to reduce the potential odors caused by hot weather and algae growth

The Cayes Stormwater Pump Station Improvements Fund balance as of June 30, 2021 is anticipated to be \$85,050.

ANALYSIS: On behalf of the homeowners and the District, the City has undergone two major efforts this past year to advance the goals of the district and homeowners. The first is the engineering and design of the reconstruction of Cayes Pump Station. The design contract was awarded to Cammisa + Wipf in the amount of \$74,100.

The second is with the environmental consultants Foth and Van Dyke to design an aeration system to both monitor and maintain water quality; but chiefly to reduce the odor from the lagoon.

The activities for the Assessment District Fund during FY 2020-21 were as follows:

July 1, 2020 Fund Balance	\$209,692.00
Revenues	
Assessments	\$24,099.53
Interest	\$316.68
Total Revenues	\$24,416.21
YTD Expenditures	
County Admin Fee	\$386.00
Engineer's report	\$6,815.19
Environmental Monitoring Fund <i>Foth and Van Dyke study</i>	\$10,192.12
Pump Station Improvements Fund <i>Cammisa + Wipf design</i>	\$37,942.00
<i>PG&E utility hook up</i>	\$2,000.00
Total Expenditures (proj.)	\$57,335.31
Projected June 30, 2021 Fund Balance	\$176,772.90

The attached resolutions provide for filing and approval of the Engineer's 2021-22 Annual Report for the District and setting the public hearing on the assessments.

FISCAL IMPACT: All revenues and expenses are generated by the Assessment District and are contained within the Baypoint Lagoons Assessment District Fund (Fund No. 235). The proposed FY 2021-22 assessment is \$131.44 per parcel, which has remained unchanged since 1996. The City does incur indirect General Fund costs as it relates to staff time spent monitoring and adjusting the lagoon water level, as well as managing the capital improvements at the Cayes Stormwater Pump Station. The District pays for all direct contracted costs.

OPTIONS:

The City Council has the following options to consider relating to this item:

1. Adopt the three resolutions as presented.
2. Provide direction to staff to modify any or all of the resolutions and return to the City Council with additional information.
3. Do not adopt the resolutions. If the resolutions are not adopted by the Council, the public hearing will not take place and the City will be unable to levy the annual assessment against property owners within the Assessment District.

RECOMMENDED ACTION:

1. Adopt resolution directing filing of Engineer's FY 2021-22 Annual Report.
2. Adopt resolution approving Engineer's FY 2021-22 Annual Report.
3. Adopt resolution of intention to order improvements and setting a public hearing on the annual assessment for the City Council meeting of June 21, 2021.

ATTACHMENTS:

1. Resolution directing filing of Engineer's 2021-22 Annual Report
2. Resolution Approving Engineer's 2021-22 Annual Report
3. Resolution of intention to order improvements and setting a Public Hearing on the Annual Assessment for the City Council meeting of June 21, 2021
4. CSW/Stuber-Stroeh Engineer's 2021-22 Annual Report

ENGINEER'S ANNUAL REPORT
FOR
BAYPOINT LAGOONS LANDSCAPING
AND LIGHTING DISTRICT

2021 - 2022

FOR THE CITY OF SAN RAFAEL

CALIFORNIA

COUNCIL MEETING

JUNE 7, 2021

First Meeting

JUNE 21, 2021

Second Meeting

Prepared By:
CSW/Stuber-Stroeh Engineering Group, Inc.
45 Leveroni Court
Novato, CA 94949

**ENGINEER'S ANNUAL REPORT
2021-2022**

BAYPOINT LAGOONS LANDSCAPING AND LIGHTING DISTRICT
CITY OF SAN RAFAEL, MARIN COUNTY, CALIFORNIA
(Pursuant to the Landscaping and Lighting Act of 1972)

The undersigned respectfully submits the enclosed annual report as directed by the City Council.

DATED: _____, 2021



CSW/STUBER-STROEH ENGINEERING GROUP, INC.
Engineer of Work

By Alan G. Cornwell
Alan G. Cornwell

I HEREBY CERTIFY that the enclosed Engineer's Annual Report, together with Assessment and Assessment Diagram thereto attached, was filed with me on the _____ day of _____, 2021.

LINDSAY LARA, City Clerk, City of San Rafael, Marin County,
California

By _____

I HEREBY CERTIFY that the enclosed Engineer's Annual Report, together with Assessment and Assessment Diagram thereto attached, was approved on _____, 2020 and confirmed by the City Council of the City of San Rafael, Marin County, California, on the _____ day of _____, 2021.

LINDSAY LARA, City Clerk, City of San Rafael, Marin County,
California

By _____

I HEREBY CERTIFY that the enclosed Engineer's Annual Report, together with Assessment and Assessment Diagram thereto attached, was filed with the County Auditor of the County of Marin on the _____ day of _____, 2021.

LINDSAY LARA, City Clerk, City of San Rafael, Marin County,
California

By _____

**ENGINEER'S ANNUAL REPORT
2021-2022**

BAYPOINT LAGOONS LANDSCAPING AND LIGHTING DISTRICT
CITY OF SAN RAFAEL, MARIN COUNTY, CALIFORNIA
(Pursuant to the Landscaping and Lighting Act of 1972)

CSW/Stuber-Stroeh Engineering Group, Inc., Engineer of Work for Baypoint Lagoons Landscaping and Lighting District, City of San Rafael, Marin County, California, makes this annual report, as directed by the City Council, by its Resolution No. _____, adopted _____, 2021.

The improvements which are the subject of this report are briefly described as follows:

Creating, maintaining, and monitoring open space habitat. Each year for the foreseeable future, cattail removal will be undertaken to enhance the habitat. After at least five years of cattail eradication, a monitoring assessment will be completed to document the effectiveness of the removal effort. The monitoring will be done in accordance with the proposal for SPINNAKER LAGOON MANAGEMENT, as prepared by Resource Management International, Inc. previously known as Western Ecological Services Company, Inc., dated February 25, 1998, and the letter dated November 28, 1999 by Wetlands Research Associates. The future Report will reflect anticipated costs to provide funds for the monitoring program necessary to demonstrate the contingent viability of the diked marsh area. Future monitoring is the best way to demonstrate to interested agencies the success of the mitigation program that is the responsibility of the district.

This report consists of six parts, as follows:

PART A - Plans (SPINNAKER LAGOON MANAGEMENT PLAN, WETLAND RESEARCH ASSOCIATES LETTER, and PACIFIC OPEN SPACE, INC. LETTER) for the improvements are filed with the City Clerk. Although separately bound, the plans and specifications are a part of this report and are included in it by reference.

PART B - An Amended Estimated Cost of the Assessment District.


PART C - Assessment Roll - An assessment of the estimated cost of the improvement on each benefited parcel of land within the assessment district.

PART D - Method of Apportionment of Assessment - A statement of the method by which the undersigned has determined the amount proposed to be assessed against each parcel.

PART E - List of Property Owners - A list of the names and addresses of the owners of real property within this assessment district, as shown on the last equalized assessment roll for taxes, or as known to the Clerk. The list is keyed to Exhibit "C" by assessment number.

PART F - Assessment Diagram - A diagram showing all of the parcels of real property within this assessment district. The diagram is keyed to Part "C" by assessment number.

Respectfully submitted,
CSW/Stuber-Stroeh Engineering Group, Inc.

By 

Alan G. Cornwell, Engineer of Work

PART A

Plans for the maintenance and improvement of the lagoon are the monitoring portions of the report prepared by Western Ecological Services Company, Inc., dated May 31, 1996 and titled REVISED PROPOSAL FOR 1998 and 1999 BUDGET FOR SPINNAKER LAGOON MANAGEMENT, the Letter Report prepared November 28, 1999 by Wetlands Research Associates, Inc., the Letter Proposal prepared by Pacific OpenSpace dated August 9, 1999, and subsequent documents and contracts between Pacific OpenSpace and the City of San Rafael. These documents have been filed previously with the clerk of the legislative body and are incorporated in this report by reference.

The actual eradication of the cattails has been handled directly through a City contract. Several years ago, the City obtained a number of preliminary proposals to completely eliminate the cattails from the entire lagoon. At that time, the estimated cost to do this work was \$90,000. Since the Assessment District was not able to fund the amount from a single annual assessment, the City developed a program to complete a portion of the eradication each year on an on-going basis, thereby arresting future expansion of the cattail area and slowly reclaiming the lagoon from the emerging cattail areas. In addition, the City also began replanting some areas with native vegetation. The fund to eradicate exotic plants has remained constant with no additional allocation. The fund value is currently \$55,000.00.

In past years, additional weed abatement was performed by Pacific OpenSpace, Inc. under the direction of the City. The Pacific OpenSpace maintenance crew performed weed control in the form of mowing at Baypoint Lagoon during 2005. The major focus of their work was the eradication of broadleaf perennials, such as bristly ox-tongue (*Picris echioides*) and fennel (*Foeniculum vulgare*), as well as perennial weeds such as Harding grass (*Phalaris aquatica*). The most recent maintenance mowing by Pacific OpenSpace took place on March 21, 2006 followed by spraying of broadleaf weeds on May 15, 2006. In 2006 the contract between the City and Pacific OpenSpace lapsed, and the second mowing was not completed with Assessment District funds. No mowing using Assessment District funds occurred during the 2016-2017 fiscal year.

The Homeowners Association has continued to take an active role in managing and directing the Assessment District. Representatives from the Homeowners Association have met on numerous occasions with the District Engineer, the City's engineering staff and the City's maintenance staff regarding the management and operations of the lagoon and surrounding open area. These meetings started a number of years ago and have continued, allowing the homeowners to gain expertise and insight into the original intentions of the Assessment District and develop ideas and plans to make the best use of the Assessment District funds. The most recent discussion took place in May 2017.

Based on the active role that the homeowners have taken, much of the annual landscape control maintenance work that had previously been completed by the District is being paid for directly by the Homeowners Association. This includes the annual or bi-annual mowing around the lagoon.

In early 2015, the Baypoint homeowners approached Nader Mansourian, then Director of Public Works, with two concerns relative to the assessment district. The first concern was the seemingly hopeless task of obtaining adequate funds to replace and upgrade the City of San Rafael's Cayes Storm Water Pump Station, and the second, the more immediate need, to address the odor nuisance from the Lagoon.

PART A

First Concern:

Since 2006, the Assessment District has set aside money every year to fund improvements to the Cayes Storm Water Pump Station. The amount of set aside started small, \$5,000.00, and has increased to approximately \$15,000.00 annually. However, in Fiscal Year 2018-2019 maintenance to clean the pump station and outfall was undertaken which reduced Cayes Pump Fund (see below). The amount set aside is designated to fund the control improvements to the pump station to bring the control system up to date and allow a more automated control of the water level to reduce the potential for hot weather odors and algae growth. This fund now stands at \$157,000.00. The cost of the controls system has increased steadily over the years, and there has never been a formal assessment of the specific control system improvements needed to automate the system. The Homeowners Association would like to work with the City to use District funds to undertake a formal study to determine the feasibility, cost, and potential benefit of enhancing the control systems at the Cayes Storm Water Pump Station, with specific emphasis on alleviating the unpleasant odors which emanate from the lagoon. As noted below, this more pressing need (odor control) has been the focus of the homeowners, and the funds normally anticipated to be added to the fund from 2015-2016 and 2016-2017 assessments have been used for other benefits. Nevertheless, an additional \$10,000 allocation from the 2020-2021 assessments is suggested for the coming year.

Second Concern:

In the summer of 2014, the odor complaints continued to get worse, and the funding for the improvements to the Cayes Storm Water Pump Station continued to be short of what was needed to fund the pump station improvements. Members of the Assessment District approached the City and requested that funds from the district be allocated to further study options to control the odor. In January, 2015, the City Council, acting on the request from the members of the Assessment District, authorized the Public Works Director to engage Siegel Environmental to study the problem and suggest solutions to the odor problems that might be accomplished without changing the controls at the pump station. The cost of the study was \$35,485.00, and the members of the Assessment District agreed to fund this out of the set aside funds available in the district. The study was completed in February, 2016, and the District paid the appropriate invoices.

The result of this work reduced the overall funds available. Since the work was environmentally driven, the District paid for the study from the set-asides allocated as the Environmental Monitoring Fund. This reduced the Environmental monitoring fund to \$31,515.00. For the subsequent two years the set-aside from the District has continued to grow this balance. Based on the contribution since 2016, the fund is \$51,515. No additional funds will be added for 2020-2021.

Environmental Monitoring: It is anticipated that a complete monitoring of the environmental health of the lagoon will be required at some time in the future. This year no additional allocation is being recommended for the 2020-2021 expenditures. The fund will remain at \$51,515.00 in June, 2021.

Cayes Storm Water Pump Station: The homeowners continue to desire to add motor controls to better regulate the level of the lagoon. This would require that additional control devices be integrated into the Cayes Storm Water Pump Station. The District is allocating \$10,000.00 of next year's expenditures toward further analysis of the Cayes Storm Water Pump Station controls. The fund is projected to hold \$167,000.00 in June, 2021.

PART A

Eradication of Exotic Plants: This fund has remained the same for many years, anticipating removal of invasive and exotic plants and debris. In earlier years, the District removed grass and cattails along with mowing the waterfront. As noted above, the Home Owners Association took over the maintenance of the water front around 2006. Since that time the City has performed sporadic maintenance on the vegetation within the lagoon which is difficult to reach from the shoreline. Until the 2019-2020 fiscal year, the City did this with its own maintenance staff and did not charge the district for the work. The fund will remain at 39,178.00 in June 2021.

Additional Activities for the Fiscal Year 2017-2018: During Fiscal Year 2017-2018 the City, on behalf of the District, has made several inquiries into obtaining additional funding for restoration of the Lagoon. In the fall of 2017, the City made a grant application to the San Francisco Bay Restoration Authority under the Authority's First Round of Measure AA Funding. Unfortunately, the City's project was not chosen. In addition, the City has continued to work with Mr. Stuart Siegel (Siegel Environmental and Adjunct Professor at San Francisco State University to try and persuade the San Francisco Bay Joint Venture to accept the project in order to demonstrate to the Restoration Authority that the project has been "vetted" and has support from the environmental community. These efforts are on-going. As with many grant applications, final approval may be several years in the future.

2018 – 2019 Activities

During Fiscal Year 2018-2019 the City contracted with Ghilotti Construction to clean the pump station and outlet pipes to improve flow. The cost of the work was \$32,111.00. This was paid out of the Pump Station Fund, reducing it to \$103,899. (\$136,000 - \$32,111 = \$103,899)

2019 – 2020 Activities

During Fiscal Year 2019-2020 the Homeowners Association requested that the City provide maintenance to remove non-native vegetation which had be a growing concern to the viability of the lagoon. The City completed two tasks relating to long-term maintenance on the lagoon and two others on the pump station. The first was to improve the maintenance operation on the pump station. This included the annual cleaning and debris removal before the beginning of the rainy season. The City included this work as part of the routine maintenance required for the pump station and did not charge the District for that work. The second task was to upgrade the controls and improve their responsiveness and long term viability. The City contracted this work through the City's Stormwater Maintenance Fund and expects the District to reimburse the fund. This will reduce the Pump Station Control Fund.

A discussion of the two maintenance tasks follow:

The first task was algae removal and was performed by Solitude Lake Management, LLC. This work was completed in the fall of 2019. The work included having a pontoon watercraft fitted with a skimmer remove the surface algae from the pond and place it along the shoreline. The City's maintenance staff then removed the algae from the site. The outside (Solitude Lake Management, LLC) cost for this work was \$11,550. The City did not assess the District for the work done by City staff and equipment.

The second effort removed the cattail vegetation from the pond and pampas grass and debris from the islands, some of which was hampering the operations of the gate and pipe connection at the

PART A

outlet to San Rafael Bay. The City first lowered the level in the lagoon to allow better access to the cattails. Then the City contracted Forster and Kroeger Landscape to hand cut the cattails below the lowered waterline and remove them from the site. The cost of the cattail removal was \$4,272 and again the City did not charge the District for the City's staff and equipment.

The total cost of the work was \$15,822 (\$11,550 + \$4,272). This was paid out of the Eradication of Exotic Plants Fund reducing it to \$39,178 (\$55,000 - \$15,822). Since this type of work will be likely be needed at regular intervals in the future we are allocating \$16,000 of the 2020-2021 assessment budget to the Eradication of Exotic Plants Fund replacing that spent in the 2019-2020 year.

The cost of the upgrades to the controls of the Cayes Pump Station was \$42,007.50. The expenses below shown a reduction in the Pump Station Control Fund of this amount reducing the Fund from \$156,000 to \$114,992.50. These reductions are reflected in Part B below.

2020 – 2021 Activities

At the request of the Homeowners and noted in the 2020-2021 Report, the City is coordinating an effort to help reduce odors and better manage both the water levels in the lagoon and the lagoon itself. On behalf of the homeowners and the District, the City has entered into two contracts, one with Cammissa + Wipf and another Foth and Van Dyke to provide various improvements. Cammissa + Wipf is designing a control system for the Cayes Pump Station and Foth and Van Dyke is designing an aeration system in addition to monitoring water quality.

The City contracted with Cammissa + Wipf to design lagoon control improvements to better manage the water levels in the lagoon. Cammissa + Wipf is currently designing those controls. The Cammissa + Wipf contract is for \$74,100 and Cammissa + Wipf are approximately 50% complete as of April 2021. The cost to upgrade and rehabilitate the pump station is estimated to be in the range of \$400,000 to \$500,000. The City will be including that amount in future Capital Improvement Budgets to supplement the contribution from the District. The District will continue to make an allocation of 2021-2022 assessment proceeds to the Pump Station Control Fund (\$10,000). The Pump Station Control Fund is expected to have a balance of \$60,892.50 (\$124,992.50 - \$74,100.00 + \$10,000) on June 30, 2022.

The City entered into a contract with Foth and Van Dyke on April 15, 2021 to provide various services including monthly monitoring and reporting, water quality control enzyme applications, water quality testing, improving water circulation and installing equipment. The Contract covers the entire Spinnaker Point Lagoon. Since the Lagoon is only approximately half within the frontage of the Bay Point Lagoons Assessment District, the District is only responsible for half of the contract. The contract will run through 2022 and has a not-to-exceed amount of \$51,242 (\$25,621 assigned to the District). Using the funds available from the Eradication of Exotic Plants, the District will be able to cover these costs. No contribution from the 2021-2022 proceeds is available for the Eradication Fund. The Eradication Fund is expected to have a balance of \$25,001.50 (\$55,178.00 - \$25,621.00 - \$4,555.50) on June 30, 2022.

Together, both of these contracts total \$125,342. In addition, Foth and Van Dyke suggests the City allow a budget of \$37,000 to \$45,000 for the installation of the equipment. This amount will be funded through the Monitoring and Status Report Fund. This will mostly deplete this fund, although future assessment revenue may be assigned to this fund to re-build it when needed for

PART A

further improvements. The Monitoring and Status Report Fund is expected to have a balance of \$6,515.00 (\$51,515.00 - \$ 45,000.00) on June 30, 2022.

PART B
ESTIMATE OF COSTS

First Year Expenditures 1993-1994, Phase II Program	\$ 27,017.00
Assessment Proceeds, Plus 1992-1993 Surplus	<u>\$ 27,208.36</u>
Surplus to Carry Forward	\$ 191.36
Second Year Expenditures 1994-1995, Phase II Program	\$ 25,340.05
Assessment Proceeds, Plus 1993-1994 Surplus	<u>\$ 25,385.36</u>
Surplus to Carry Forward	\$ 45.31
Third Year Expenditures 1995-1996, Phase II Program	\$ 19,990.88
Assessment Proceeds, Plus 1994-1995 Surplus	<u>\$ 27,253.67</u>
Surplus to Carry Forward	\$ 7,262.79
Fourth Year Expenditures 1996-1997, Phase II Program	\$ 22,116.76
Assessment Proceeds, Plus 1995-1996 Surplus	<u>\$ 34,471.15</u>
SURPLUS & RESERVE FUND TO CARRY FORWARD	\$ 12,354.39
Fifth Year Expenditures 1997-1998, Phase II Program	\$ 29,681.42
Assessment Proceeds, Plus 1996-1997 Surplus	<u>\$ 39,644.38</u>
SURPLUS & RESERVE FUND TO CARRY FORWARD	\$ 9,962.96
Sixth Year Expenditures 1998-1999, Phase II Program	\$ 26,646.72
Assessment Proceeds, Plus 1997-1998 Surplus	<u>\$ 37,171.32</u>
SURPLUS & RESERVE FUND TO CARRY FORWARD	\$ 10,524.60
Seventh Year Expenditures 1999-2000, Phase II Program	\$ 12,350.00
Assessment Proceeds, Plus 1998-1999 Surplus	<u>\$ 37,647.13</u>
SURPLUS & RESERVE FUND TO CARRY FORWARD	\$ 25,297.13
Eighth Year Expenditures 2000-2001, Phase II Program	\$ 45,079.76
Assessment Proceeds, Plus 1999-2000 Surplus	<u>\$ 75,205.08</u>
SURPLUS & RESERVE FUND TO CARRY FORWARD	\$ 30,125.32
Ninth Year Expenditures 2001-2002, Phase II Program	\$ 20,386.00
Assessment Proceeds, Plus 2000-2001 Surplus	<u>\$ 55,382.83</u>
SURPLUS & RESERVE FUND TO CARRY FORWARD	\$ 34,996.83
Tenth Year Expenditures 2002-2003, Phase II Program	\$ 25,944.08
Assessment Proceeds, Plus 2001-2002 Surplus	<u>\$ 60,097.87</u>
SURPLUS & RESERVE FUND TO CARRY FORWARD	\$ 34,153.79
Eleventh Year Expenditures 2003-2004, Phase II Program	\$ 28,333.58
Assessment Proceeds, Plus 2002-2003 Surplus	<u>\$ 63,743.79</u>
SURPLUS & RESERVE FUND TO CARRY FORWARD	\$ 35,410.21
Twelfth Year Expenditures 2004-2005, Phase II Program	\$ 28,041.08
Assessment Proceeds, Plus 2004-2005 Surplus	<u>\$ 59,634.21</u>
SURPLUS & RESERVE FUND TO CARRY FORWARD	\$ 31,593.13
Thirteenth Year Expenditures 2005-2006 Phase II Program	\$ 12,669.63
Assessment Proceeds, Plus 2005-2006 Surplus	<u>\$ 56,078.66</u>
SURPLUS & RESERVE FUND TO CARRY FORWARD	\$ 43,409.03

PART B
ESTIMATE OF COSTS

Fourteenth Year Expenditures 2006-2007 Phase II Program	\$ 10,566.59	
Assessment Proceeds, Plus 2006-2007 Surplus	<u>\$ 68,278.56</u>	
SURPLUS & RESERVE FUND TO CARRY FORWARD	\$ 57,711.97	
Fifteenth Year Expenditures 2007-2008 Phase II Program	\$ 386.00	
Assessment Proceeds, Plus 2007-2008 Surplus	<u>\$ 86,473.89</u>	
SURPLUS & RESERVE FUND TO CARRY FORWARD	\$ 86,087.89	
Sixteenth Year Expenditures 2008-2009 Phase II Program	\$ 4,896.06	
Assessment Proceeds, Plus 2008-2009 Surplus	<u>\$ 111,250.42</u>	
SURPLUS & RESERVE FUND TO CARRY FORWARD	\$ 106,354.36	
Seventeenth Year Expenditures 2009-2010 Phase II Program	\$ 5,079.22	
Assessment Proceeds, Plus 2009-2010 Surplus	<u>\$ 133,546.22</u>	
SURPLUS & RESERVE FUND TO CARRY FORWARD	\$ 128,467.00	
Eighteenth Year Expenditures 2010-2011 Phase II Program	\$ 4,344.03	
Assessment Proceeds, Plus 2010-2011 Surplus	<u>\$ 153,053.53</u>	
SURPLUS & RESERVE FUND TO CARRY FORWARD	\$ 148,709.50	
Nineteenth Year Expenditures 2011-2012 Phase II Program	\$ 4,391.16	
Assessment Proceeds, Plus 2011-2012 Surplus	<u>\$ 173,033.03</u>	
SURPLUS & RESERVE FUND TO CARRY FORWARD	\$ 168,641.87	
Twentieth Year Expenditures 2012-2013 Phase II Program	\$ 4,338.60	
Assessment Proceeds, Plus 2012-2013 Surplus	<u>\$ 192,959.40</u>	
SURPLUS & RESERVE FUND TO CARRY FORWARD	188,620.80	
Twenty-First Year Expenditures 2013-2014 Phase II Program	\$ 4,881.03	
Assessment Proceeds, Plus 2013-2014 Surplus	<u>\$ 214,106.83</u>	
SURPLUS & RESERVE FUND TO CARRY FORWARD	209,225.80	
Twenty-Second Year Expenditures 2014-2015 Phase II Program including, Conceptual Enhancement and Measurement Report*	\$ 23,503.31	
Assessment Proceeds, Plus 2014-2015 Surplus	<u>\$ 233,684.33</u>	
SURPLUS & RESERVE FUND TO CARRY FORWARD	\$ 210,181.02	
Twenty-Third Year Expenditures 2015-2016 Phase II Program including, Conceptual Enhancement and Measurement Report**	\$ 22,516.31	
Assessment Proceeds, Plus 2015-2016 Surplus	<u>\$ 212,712.63</u>	
SURPLUS & RESERVE FUND TO CARRY FORWARD	\$ 190,196.32	
Twenty-Third through Twenty-Fourth Year Adjustment***	<u>\$ 27,723.68</u>	
Available Funds on July 1, 2016	\$ 217,920.00	
Twenty-Fourth Year Expenditures 2016-2017 Phase II Program including, Assessment Proceeds, Plus 2016-2017 Surplus	\$ 5,721.61	
	<u>\$ 244,047.24</u>	
SURPLUS & RESERVE FUND TO CARRY FORWARD		
Available Funds on July 1, 2017***		\$ 238,325.63
Twenty-Fifth Year Expenditures 2017-2018 Phase II Program including, Assessment Proceeds, Plus 2017-2018 Surplus	\$ 5,487.25	
	<u>\$ 263,384.52</u>	
SURPLUS & RESERVE FUND TO CARRY FORWARD		

PART B
ESTIMATE OF COSTS

Available Funds on June 1, 2018 (2018-2019 Report)		\$ 257,897.27
Unallocated Contingencies from City Finance Department		<u>\$ 2,219.73</u>
Available Funds on June 1, 2018 (per City Finance Department)		\$ 260,117.00
Twenty-Sixth Year Expenditures 2018-2019 Phase II Program	\$ (37,930.63)	
Including Pump Station Clean-out (used Pump Station Control Fund)		
and Assessment Proceeds Plus 2018-2019 /surplus	\$ 285,332.00	
SURPLUS & RESERVE FUND TO CARRY FORWARD		
Available Funds on June 1, 2020		\$ 247,401.37
Unallocated Contingencies from City Finance Department		<u>\$ 5,013.08</u>
Available Funds on June 30, 2020 (per City Finance Department)		\$ 252,414.45
Twenty-Seventh Year Expenditures 2019-2020 Phase II Program	\$ (5,028.00)	
Vegetation Removal (used Eradication of Exotic Plant Fund)	\$ (15,822.00)	
Cayes Pump Station Controller Upgrade	\$ (42,007.50)	
Assessment Proceeds 2019-2020	\$ 24,099.53	
Interest	<u>\$ 2,390.00</u>	
SURPLUS & RESERVE FUND TO CARRY FORWARD		
Available (Estimated) Funds on June 1, 2020		\$ 216,052.48
Unallocated Contingencies from City Finance Department		\$ (6,360.48)
Available Funds on June 30, 2020 (per City Finance Department)		\$ 209,692.00
Twenty-Eighth Year Expenditures 2020-2021 Phase II Program		
Water Quality Program (Foth and Van Dyke)	\$ (10,192.12)	
Cayes Pump Station Electrical Upgrade (Cammisa + Wipf)	\$ (37,942.00)	
PG&E Utility Hook-Up	\$ (2,000.00)	
Marin County fee	\$ (386.00)	
2020-2021 Engineer's Report	\$ (6,815.19)	
Assessment Proceeds 2020-2021	\$ 24,099.53	
Interest	<u>\$ 316.68</u>	
SURPLUS & RESERVE FUND TO CARRY FORWARD		
Available (Estimated) Funds on June 1, 2021		\$ 176,772.40
Twenty-Ninth Year, Phase II Program (2021-2022)		
Monitoring and Status Report Fund	\$ 85,050.00	
Pump Station Control Fund	\$ 44,985.88	
Eradication of Exotic Plants	<u>\$ 46,736.52</u>	
Total Funds available for Phase II Monitoring,		
Pump Station Fund & Eradication	<u>\$ 176,772.40</u>	
Anticipated 2021-2022 Expenses		
Water Quality monitoring and Improvements (Foth)	\$ 15,428.88	
Pump Station Electrical and Control Design (Cammisa + Wipf)	\$ 36,158.00	
Aeration Control pump and installation (construction)	\$ 45,000.00	
Total Anticipated 2021-2022 Expenses	\$ 96,586.88	
Incidental Expenses		
Uncollected Assessments (2021-2022)	\$ 0.00	
Engineer's Report (2021-2022)	\$ 6,800.00	

PART B
ESTIMATE OF COSTS

Pump Station Control Fund FY 21-22 Contribution		\$ 10,000.00
Eradication of Exotic Plants Fund FY 21-22 Contribution		\$ 14,099.00
County Administrative Fees	\$ 400.00	
Total Cost of Incidental Expenses	<u>\$ 7,200.00</u>	
 Contingencies	 <u>\$ 00.0</u>	
 TOTAL ANTICIPATED TWENTY-NINTH YEAR EXPENSES AND ALLOCATIONS:	 <u>\$ 97,085.05</u>	
TWENTY-NINTH YEAR ASSESSMENT:		<u>\$ 24,099.53</u>
Total Twenty-Ninth Year Available Funds:		<u>\$ 97,085.05</u>

*2014-2015 expenses were not fully available at the time the 2014-2015 report was prepared. The 2015 expense for Siegel Environmental of \$18,110.00 should be added, reducing the 2014-2015 allocation (\$5,000.00) to the environmental and monitoring fund to zero (\$0.00) and using a portion of the reserves in that fund to pay for the study (\$13,110.00).

**2015-2016 expenses include the payments to Siegel Environmental to complete the Conceptual Enhancements and Management Report, \$17,375.00. This does not allow any contribution to the Environmental and Monitoring Fund as previously noted and reduces the Environmental and Monitoring Fund to (\$67,000.00-\$35,485.00) \$31,515.

***Based on a complete reconciliation of revenue and expenses from years 1 – 23, the City’s ledger shows the May 6, 2016 balance of \$205,748.13, \$15,551.81 (\$27,723.68 using July 1, 2016 fund balance of \$217,920.00) greater than the balance which has been carried by the Assessment District; this balance has been building gradually over the years since the Homeowners Association elected to take on the maintenance and District projections of expenses have been purposely conservative. This was further updated in 2017-2018 year to reflect fund balances at fiscal year-end as of July 1, 2016 and 2017.

****For 2019-2020, prior contingencies were used to pay, in part, for the Pump Station clean-out.

**PART C
ASSESSMENT ROLL**

(Please Refer to Part D – Method of Apportionment of Assessment
for a Summary of Changes to Part C – Assessment Roll

SPECIAL ASSESSMENT NUMBER	AMOUNT OF ASSESSMENT (Fiscal Year 2021-2022)	PROPERTY DESCRIPTION Baypoint Lagoons	ASSESSOR'S PARCEL NUMBER
1	\$131.44	1	009-361-06
2	\$131.44	2	009-361-05
3	\$131.44	3	009-361-04
4	\$131.44	4	009-361-03
5	\$131.44	5	009-361-02
6	\$131.44	6	009-361-08
7	\$131.44	7	009-361-09
8	\$131.44	8	009-361-10
9	\$131.44	9	009-361-11
10	\$131.44	10	009-361-12
11	\$131.44	11	009-361-17
12	\$131.44	12	009-361-16
13	\$131.44	13	009-361-15
14	\$131.44	14	009-361-14
15	\$131.44	15	009-361-13
16	\$131.44	16	009-361-19
17	\$131.44	17	009-361-20
18	\$131.44	18	009-361-21
19	\$131.44	19	009-361-22
20-1	\$0.00	20	009-371-02
20-2	\$0.00	Portion of 20	009-371-03
21	\$131.44	21	009-372-01
22	\$131.44	22	009-372-02
23	\$131.44	23	009-372-03
24	\$131.44	24	009-372-04
25	\$131.44	25	009-372-05

**PART C
ASSESSMENT ROLL**

(Please Refer to Part D – Method of Apportionment of Assessment
for a Summary of Changes to Part C – Assessment Roll)

SPECIAL ASSESSMENT NUMBER	AMOUNT OF ASSESSMENT (Fiscal Year 2021-2022)	PROPERTY DESCRIPTION Baypoint Lagoons	ASSESSOR'S PARCEL NUMBER
26	\$131.44	26	009-372-06
27	\$131.44	27	009-372-07
28	\$131.44	28	009-372-08
29	\$131.44	29	009-372-09
30	\$131.44	30	009-372-10
31	\$131.44	31	009-372-11
32	\$131.44	32	009-372-12
33	\$131.44	33	009-372-13
34	\$131.44	34	009-372-14
35	\$131.44	35	009-372-15
36	\$131.44	36	009-372-26
37	\$131.44	37	009-372-27
38	\$131.44	38	009-372-25
39	\$131.44	39	009-372-24
40	\$131.44	40	009-372-23
41	\$131.44	41	009-372-22
42	\$131.44	42	009-372-21
43	\$131.44	43	009-372-20
44	\$131.44	44	009-372-18
45	\$131.44	45	009-372-19
46	\$131.44	46	009-362-03
47	\$131.44	47	009-362-04
48	\$131.44	48	009-362-05
49	\$131.44	49	009-362-13
50	\$131.44	50	009-362-12
51	\$131.44	51	009-362-14

**PART C
ASSESSMENT ROLL**

(Please Refer to Part D – Method of Apportionment of Assessment
for a Summary of Changes to Part C – Assessment Roll)

SPECIAL ASSESSMENT NUMBER	AMOUNT OF ASSESSMENT (Fiscal Year 2021-2022)	PROPERTY DESCRIPTION Baypoint Lagoons	ASSESSOR'S PARCEL NUMBER
52	\$131.44	52	009-362-15
53	\$131.44	53	009-362-16
54	\$131.44	54	009-362-17
55	\$131.44	55	009-362-18
56	\$131.44	56	009-362-19
57	\$131.44	57	009-362-20
58	\$131.44	58	009-362-21
59	\$131.44	59	009-362-10
60	\$131.44	60	009-362-09
61	\$131.44	61	009-362-06
62	\$131.44	62	009-362-22
63	\$131.44	63	009-362-25
64	\$131.44	64	009-362-26
65	\$131.44	65	009-362-30
66	\$131.44	66	009-362-31
67	\$131.44	67	009-362-32
68	\$131.44	68	009-362-33
69	\$131.44	69	009-362-34
70	\$131.44	70	009-362-29
71	\$131.44	71	009-362-35
72	\$131.44	72	009-362-38
73	\$131.44	73	009-362-39
74	\$131.44	74	009-362-42
75	\$131.44	75	009-362-43
76	\$131.44	76	009-362-46
77	\$131.44	77	009-373-11

**PART C
ASSESSMENT ROLL**

(Please Refer to Part D – Method of Apportionment of Assessment
for a Summary of Changes to Part C – Assessment Roll)

SPECIAL ASSESSMENT NUMBER	AMOUNT OF ASSESSMENT (Fiscal Year 2021-2022)	PROPERTY DESCRIPTION Baypoint Lagoons	ASSESSOR'S PARCEL NUMBER
78	\$131.44	78	009-373-14
79	\$131.44	79	009-373-15
80	\$131.44	80	009-373-18
81	\$131.44	81	009-373-19
82	\$131.44	82	009-373-01
83	\$131.44	83	009-373-02
84	\$131.44	84	009-373-03
85	\$131.44	85	009-373-04
86	\$131.44	86	009-373-08
87	\$131.44	87	009-373-07
88	\$131.44	88	009-373-06
89	\$131.44	89	009-373-05
90	\$0.00	Portion of Parcel A (Shoreline Park)	009-010-34
91-1	\$0.00	Parcels B, F, L & M	009-361-24
92-1	\$0.00	Parcel C & Lots L46, L61, L60, L62, L63, L64, L70, L71, L72, L73, L74, L75 & L76	009-362-49
93	\$0.00	Parcel D	009-362-11
94-1	\$0.00	Parcel E	009-362-47
94-2	\$0.00	Portion of Parcel E	009-373-22
96-1	\$0.00	Parcels G, H & I & Lots L77, L78, L79, L80 & L81	009-373-23
99-1	\$0.00	Parcels C, J & K	009-372-28
103	\$0.00	Parcel N	009-010-31
104-1	\$0.00	Parcel A	009-390-01
104-3	\$131.44	94	009-390-03
104-4	\$131.44	95	009-390-04

**PART C
ASSESSMENT ROLL**

(Please Refer to Part D – Method of Apportionment of Assessment
for a Summary of Changes to Part C – Assessment Roll)

SPECIAL ASSESSMENT NUMBER	AMOUNT OF ASSESSMENT (Fiscal Year 2021-2022)	PROPERTY DESCRIPTION Baypoint Lagoons	ASSESSOR'S PARCEL NUMBER
104-5	\$131.44	96	009-390-05
104-6	\$131.44	97	009-390-06
104-7	\$131.44	98	009-390-07
104-8	\$131.44	99	009-390-08
104-9	\$131.44	100	009-390-09
104-10	\$131.44	101	009-390-10
104-11-1	\$131.44	102	009-390-66
104-12	\$131.44	103	009-390-12
104-13	\$131.44	104	009-390-13
104-14	\$131.44	105	009-390-14
104-15	\$131.44	106	009-390-15
104-16	\$131.44	107	009-390-16
104-17	\$131.44	108	009-390-17
104-18	\$131.44	109	009-390-61
104-19	\$131.44	110	009-390-19
104-20	\$131.44	111	009-390-20
104-21	\$131.44	112	009-390-21
104-22	\$131.44	113	009-390-22
104-23	\$131.44	114	009-390-23
104-24	\$131.44	115	009-390-24
104-25	\$131.44	116	009-390-25
104-26	\$131.44	117	009-390-26
104-27	\$131.44	118	009-390-27
104-28	\$131.44	119	009-390-28
104-29	\$131.44	120	009-390-29
104-30	\$131.44	121	009-390-30

**PART C
ASSESSMENT ROLL**

(Please Refer to Part D – Method of Apportionment of Assessment
for a Summary of Changes to Part C – Assessment Roll)

SPECIAL ASSESSMENT NUMBER	AMOUNT OF ASSESSMENT (Fiscal Year 2021-2022)	PROPERTY DESCRIPTION Baypoint Lagoons	ASSESSOR'S PARCEL NUMBER
104-31	\$131.44	122	009-390-31
104-32	\$131.44	123	009-390-63
104-33	\$131.44	124	009-390-51
104-34	\$131.44	125	009-390-34
104-35	\$131.44	126	009-390-35
104-36	\$131.44	127	009-390-36
104-37	\$131.44	128	009-390-37
104-38-1	\$0.00	Parcel B & Lots 128E, 129E, 132E, 133E & 134E	009-390-64
104-39	\$131.44	129	009-390-39
104-41	\$131.44	130	009-390-41
104-42	\$131.44	131	009-390-42
104-43	\$131.44	132	009-390-43
104-45-1	\$131.44	133	009-390-65
104-47-1	\$131.44	134	009-390-59
104-49	\$0.00	Parcel D	009-390-49
104-51-1	\$131.44	135	009-411-01
104-51-2	\$131.44	136	009-411-02
104-51-3	\$131.44	137	009-411-03
104-51-4	\$131.44	138	009-411-04
104-51-5	\$131.44	139	009-411-05
104-51-6	\$131.44	140	009-411-06
104-51-7	\$131.44	141	009-411-07
104-51-8	\$131.44	142	009-411-08
104-51-9	\$131.44	143	009-411-09
104-51-10	\$131.44	144	009-411-10
104-51-11	\$131.44	145	009-411-11

**PART C
ASSESSMENT ROLL**

(Please Refer to Part D – Method of Apportionment of Assessment
for a Summary of Changes to Part C – Assessment Roll)

SPECIAL ASSESSMENT NUMBER	AMOUNT OF ASSESSMENT (Fiscal Year 2021-2022)	PROPERTY DESCRIPTION Baypoint Lagoons	ASSESSOR'S PARCEL NUMBER
104-51-12	\$131.44	146	009-411-12
104-51-13	\$0.00	Parcel F	009-411-13
104-51-14	\$131.44	147	009-412-01
104-51-15-1	\$0.00	Lots 147E, 148E, 149E, 150E, 151E, 152E & 155E	009-412-20
104-51-16	\$131.44	148	009-412-03
104-51-18	\$131.44	149	009-412-05
104-51-20	\$131.44	150	009-412-07
104-51-22	\$131.44	151	009-412-09
104-51-24	\$131.44	152	009-412-11
104-51-26	\$131.44	153	009-412-13
104-51-27	\$131.44	154	009-412-14
104-51-28	\$131.44	155	009-412-15
104-51-30	\$131.44	156	009-412-17
104-51-31	\$0.00	156E	009-412-18
104-51-32	\$0.00	Parcel G	009-412-19
104-51-33	\$0.00	Portion of Parcel O	009-400-03
104-51-34-1	\$131.44	157	009-420-45
104-51-34-2	\$0.00	157E	009-420-46
104-51-35-1	\$131.44	158	009-420-47
104-51-35-2	\$0.00	158E	009-420-48
104-51-36-1	\$131.44	159	009-420-49
104-51-36-2	\$0.00	159E	009-420-50
104-51-37-1	\$131.44	160	009-420-51
104-51-37-2	\$0.00	160E	009-420-52
104-51-38-1	\$131.44	161	009-420-53
104-51-38-2	\$0.00	161E	009-420-54

**PART C
ASSESSMENT ROLL**

(Please Refer to Part D – Method of Apportionment of Assessment
for a Summary of Changes to Part C – Assessment Roll)

SPECIAL ASSESSMENT NUMBER	AMOUNT OF ASSESSMENT (Fiscal Year 2021-2022)	PROPERTY DESCRIPTION Baypoint Lagoons	ASSESSOR'S PARCEL NUMBER
104-51-39-1	\$131.44	162	009-420-55
104-51-39-2	\$0.00	162E	009-420-56
104-51-40-1	\$0.00	Parcels H & I & Lots 163E, 164E, 167E, 168E, 169E, 170E & 171E	009-420-71
104-51-41-1	\$131.44	163	009-420-57
104-51-42-1	\$131.44	164	009-420-59
104-51-43	\$131.44	165	009-420-10
104-51-44	\$131.44	166	009-420-11
104-51-45-1	\$131.44	167	009-420-61
104-51-46-1	\$131.44	168	009-420-63
104-51-47-1	\$131.44	169	009-420-65
104-51-48-1	\$131.44	170	009-420-67
104-51-49-1	\$131.44	171	009-420-69
104-51-51	\$131.44	172	009-420-17
104-51-52	\$131.44	173	009-420-18
104-51-53	\$131.44	174	009-420-19
104-51-54	\$131.44	175	009-420-20
104-51-55	\$131.44	176	009-420-21
104-51-56	\$131.44	177	009-420-22
104-51-57	\$131.44	178	009-420-23
104-51-58	\$131.44	179	009-420-24
104-51-59	\$131.44	180	009-420-25
104-51-60	\$131.44	181	009-420-26
104-51-61	\$131.44	182	009-420-27
104-51-62	\$131.44	183	009-420-28
104-51-63	\$131.44	184	009-420-29

**PART C
ASSESSMENT ROLL**

(Please Refer to Part D – Method of Apportionment of Assessment
for a Summary of Changes to Part C – Assessment Roll)

SPECIAL ASSESSMENT NUMBER	AMOUNT OF ASSESSMENT (Fiscal Year 2021-2022)	PROPERTY DESCRIPTION Baypoint Lagoons	ASSESSOR'S PARCEL NUMBER
104-51-64	\$131.44	185	009-420-30
104-51-65	\$131.44	186	009-420-31
104-51-66	\$131.44	187	009-420-32
104-51-67	\$131.44	188	009-420-33
104-51-68	\$131.44	189	009-420-34
104-51-69	\$131.44	190	009-420-35
104-51-70	\$131.44	191	009-420-36
104-51-71	\$131.44	192	009-420-37
104-51-72	\$131.44	193	009-420-38
104-51-73	\$131.44	194	009-420-39
104-51-74	\$131.44	195	009-420-40
104-51-75	\$131.44	196	009-420-41
104-51-76	\$131.44	197	009-420-42
104-51-77	\$131.44	198	009-420-43
105	\$0.00	Parcel P	009-010-34
106	\$0.00	Parcel Q	009-010-35
TOTAL ASSESSMENT	\$25,367.92	(For Twenty-Sixth Year)	

The lines and dimensions of each parcel are as shown on the maps of the County Assessor of the County of Marin.

Property descriptions are lot or parcel numbers as shown on the recorded final maps of Baypoint Lagoons, recorded: in Book 20 of Maps at Page 80, and Book 21 of Maps at Page 34, Book 21 of Maps at Page 55, and Record Maps Book 1998 at Page 99, Marin County Records.

PART D
METHOD OF APPORTIONMENT OF ASSESSMENT

There are 193 single family dwelling units existing within the Assessment District boundary.

(NOTE: This is a reduction from 207 originally included. The reduction is based on the actual number of lots recorded and is appropriate.)

Subdivision Phase I consists of 89 lots, of which lot 20 anticipates low cost housing (not single family) and lots 1 through 19 and 21 through 89 anticipates one single family dwelling unit each. Subdivision Phase II consists of 41 lots and anticipates one single family dwelling unit each.

Subdivision IIIa consists of 22 lots and anticipates one single family dwelling unit each.

Subdivision IIIb consists of an additional 42 units, one single family dwelling unit each.

The “Remaining” 12 lots were not created and have been removed from the assessment.

The number of single family dwelling units is:

Phase I.....	88
Phase II.....	41
Phase IIIa.....	22
Phase IIIb	<u>42</u>
TOTAL:.....	193

Each of the single family dwelling unit lots are assessed for equal portions of the total assessment.

This assessment is exempt from the procedures and requirements of the (recently enacted Proposition 218) California Constitution, Article 13D, Section 4 pursuant to the exemption contained in Article 13D, Section 5(d) [*previously majority voter approval or*] Section 5(b) [*petition signed by persons owning all the property*]. The benefits are entirely special benefits and there are no general benefits. Additionally, the proposed assessment is the same assessment as last year.

Assessment Parcels 1 through 19, 21 through 89, 104-3 through 104-11-1, 104-12 through 104-37, 104-39 through 104-47-1, 104-51-1 through 104-51-12, 104-51-14, 104-51-16, 104-51-18, 104-51-20, 104-51-22, 104-51-24, 104-51-26 through 104-51-28, 104-51-30, 104-51-34-1, 104-51-35-1, 104-51-36-1, 104-51-37-1, 104-51-38-1, 104-51-39-1, 104-51-41-1 through 104-51-77 are each assessed 1/193 of the total assessment.

Assessment Parcels 20-1 and 20-2, 90 through 104-1, 104-38-1, 104-49, 104-51-13, 104-51-15-1, 104-51-31 through 104-51-33, 104-51-34-2, 104-51-35-2, 104-51-36-2, 104-51-37-2, 104-51-38-2, 104-51-39-2, 104-51-40-1, 105 and 106 each have zero (\$0.00) assessment.

The following changes were made to the Assessment Rolls and Assessment Diagram in the 2004-2005 Baypoint Lagoons Annual Engineer’s Report due to Mapping Changes at the Marin County Assessor’s Office:

On May 6, 2005 our office contacted the Marin County Assessor's Office due to obvious changes to the Assessor's Parcel Maps for the Baypoint Lagoons development. According to information

PART D
METHOD OF APPORTIONMENT OF ASSESSMENT

received from Mapping Department staff, in calendar year 2004 several Applications for Parcel Merger were received by the County of Marin from representatives of Baypoint Lagoons Homeowners Association. The following parcels were affected by the Parcel Merger Applications:

Assessment Numbers 91, 95, 101 and 102, all zero (\$0.00) assessment parcels, were merged into a single parcel assigned APN 009-361-24 by the Marin County Assessor's Office. Assessment Number 91 has been changed to 91-1 and reflects the new APN. Assessment Numbers 95, 101 and 102 have been removed from Parts C and E of this Report.

Assessment Numbers 92, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118 and 119, all zero (\$0.00) assessment parcels, were merged into a single parcel assigned APN 009-362-49 by the Marin County Assessor's Office. Assessment Number 92 has been changed to 92-1 and reflects the new APN. Assessment Numbers 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118 and 119 have been removed from Parts C and E of this Report.

Assessment Numbers 96, 97, 98, 120, 121, 122, 123 and 124, all zero (\$0.00) assessment parcels, were merged into a single parcel assigned APN 009-362-23 by the Marin County Assessor's Office. Assessment Number 96 has been changed to 96-1 and reflects the new APN. Assessment Numbers 97, 98, 120, 121, 122, 123 and 124 have been removed from Parts C and E of this Report.

Assessment Numbers 99, 100 and 104-2, all zero (\$0.00) assessment parcels, were merged into a single parcel assigned APN 009-372-28 by the Marin County Assessor's Office. Assessment Number 99 has been changed to 99-1 and reflects the new APN. Assessment Numbers 100 and 104-2 have been removed from Parts C and E of this Report.

Assessment Numbers 104-38, 104-40, 104-44, 104-46, 104-47-2, 104-48, 104-48-1 and 104-50, all zero (\$0.00) assessment parcels, were merged into a single parcel assigned APN 009-390-64 by the Marin County Assessor's Office. Assessment Number 104-38 has been changed to 104-38-1 and reflects the new APN. Assessment Numbers 104-40, 104-44, 104-46, 104-47-2, 104-48 and 104-50 have been removed from Parts C and E of this Report.

Assessment Numbers 104-51-15, 104-51-17, 104-51-19, 104-51-21, 104-51-23, 104-51-25 and 104-51-29, all zero (\$0.00) assessment parcels, were merged into a single parcel assigned APN 009-412-20 by the Marin County Assessor's Office. Assessment Number 104-51-15 has been changed to 104-51-15-1 and reflects the new APN. Assessment Numbers 104-51-17, 104-51-19, 104-51-21, 104-51-23, 104-51-25 and 104-51-29 have been removed from Parts C and E of this Report.

Assessment Numbers 104-51-40, 104-51-41-2, 104-51-42-2, 104-51-45-2, 104-51-46-2, 104-51-47-2, 104-51-48-2, 104-51-49-2 and 104-51-50, all zero (\$0.00) assessment parcels, were merged into a single parcel assigned APN 009-420-71 by the Marin County Assessor's Office. Assessment Number 104-51-40 has been changed to 104-51-40-1 and reflects the new APN. Assessment Numbers 104-51-41-2, 104-51-42-2, 104-51-45-2, 104-51-46-2, 104-51-47-2, 104-51-48-2, 104-51-49-2 and 104-51-50 have been removed from Parts C and E of this Report.

**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to I

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
1	009-361-06
2	009-361-05
3	009-361-04
4	009-361-03
5	009-361-02
6	009-361-08
7	009-361-09
8	009-361-10
9	009-361-11
10	009-361-12
11	009-361-17
12	009-361-16

**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to I

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
13	009-361-15
14	009-361-14
15	009-361-13
16	009-361-19
17	009-361-20
18	009-361-21
19	009-361-22
20-1	009-371-02
20-2	009-371-03
21	009-372-01
22	009-372-02

**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to I

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
23	009-372-03
24	009-372-04
25	009-372-05
26	009-372-06
27	009-372-07
28	009-372-08
29	009-372-09
30	009-372-10
31	009-372-11
32	009-372-12
33	009-372-13
34	009-372-14

**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to I

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
35	009-372-15
36	009-372-26
37	009-372-27
38	009-372-25
39	009-372-24
40	009-372-23
41	009-372-22
42	009-372-21
43	009-372-20
44	009-372-18
45	009-372-19
46	009-362-03

**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to I

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
47	009-362-04
48	009-362-05
49	009-362-13
50	009-362-12
51	009-362-14
52	009-362-15
53	009-362-16
54	009-362-17
55	009-362-18
56	009-362-19
57	009-362-20
58	009-362-21

**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to I

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
59	009-362-10
60	009-362-09
61	009-362-06
62	009-362-22
63	009-362-25
64	009-362-26
65	009-362-30
66	009-362-31
67	009-362-32
68	009-362-33
69	009-362-34
70	009-362-29

**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to I

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
71	009-362-35
72	009-362-38
73	009-362-39
74	009-362-42
75	009-362-43
76	009-362-46
77	009-373-11
78	009-373-14
79	009-373-15
80	009-373-18
81	009-373-19
82	009-373-01

**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to I

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
83	009-373-02
84	009-373-03
85	009-373-04
86	009-373-08
87	009-373-07
88	009-373-06
89	009-373-05
90	009-010-34
91-1	009-361-24
92-1	009-362-49
93	009-362-11
94-1	009-362-47

**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to I

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
94-2	009-373-22
96-1	009-373-23
99-1	009-372-28
103	009-010-31
104-1	009-390-01
104-3	009-390-03
104-4	009-390-04
104-5	009-390-05
104-6	009-390-06
104-7	009-390-07
104-8	009-390-08

**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to I

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
104-9	009-390-09
104-10	009-390-10
104-11-1	009-390-66
104-12	009-390-12
104-13	009-390-13
104-14	009-390-14
104-15	009-390-15
104-16	009-390-16
104-17	009-390-17
104-18	009-390-61
104-19	009-390-19
104-20	009-390-20

**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to I

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
104-21	009-390-21
104-22	009-390-22
104-23	009-390-23
104-24	009-390-24
104-25	009-390-25
104-26	009-390-26
104-27	009-390-27
104-28	009-390-28
104-29	009-390-29
104-30	009-390-30
104-31	009-390-31
104-32	009-390-63

**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to I

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
104-33	009-390-51
104-34	009-390-34
104-35	009-390-35
104-36	009-390-36
104-37	009-390-37
104-38-1	009-390-64
104-39	009-390-39
104-41	009-390-41
104-42	009-390-42
104-43	009-390-43
104-45-1	009-390-65
104-47-1	009-390-59

**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to I

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
104-49	009-390-49
104-51-1	009-411-01
104-51-2	009-411-02
104-51-3	009-411-03
104-51-4	009-411-04
104-51-5	009-411-05
104-51-6	009-411-06
104-51-7	009-411-07
104-51-8	009-411-08
104-51-9	009-411-09
104-51-10	009-411-10
104-51-11	009-411-11

**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to I

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
104-51-12	009-411-12
104-51-13	009-411-13
104-51-14	009-412-01
104-51-15-1	009-412-20
104-51-16	009-412-03
104-51-18	009-412-05
104-51-20	009-412-07
104-51-22	009-412-09
104-51-24	009-412-11
104-51-26	009-412-13
104-51-27	009-412-14
104-51-28	009-412-15

**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to I

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
104-51-30	009-412-17
104-51-31	009-412-18
104-51-32	009-412-19
104-51-33	009-400-03
104-51-34-1	009-420-45
104-51-34-2	009-420-46
104-51-35-1	009-420-47
104-51-35-2	009-420-48
104-51-36-1	009-420-49
104-51-36-2	009-420-50
104-51-37-1	009-420-51
104-51-37-2	009-420-52

**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to I

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
104-51-38-1	009-420-53
104-51-38-2	009-420-54
104-51-39-1	009-420-55
104-51-39-2	009-420-56
104-51-40-1	009-420-71
104-51-41-1	009-420-57
104-51-42-1	009-420-59
104-51-43	009-420-10
104-51-44	009-420-11
104-51-45-1	009-420-61
104-51-46-1	009-420-63
104-51-47-1	009-420-65

**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to I

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
104-51-48-1	009-420-67
104-51-49-1	009-420-69
104-51-51	009-420-17
104-51-52	009-420-18
104-51-53	009-420-19
104-51-54	009-420-20
104-51-55	009-420-21
104-51-56	009-420-22
104-51-57	009-420-23
104-51-58	009-420-24
104-51-59	009-420-25
104-51-60	009-420-26

**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to I

ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
104-51-61	009-420-27
104-51-62	009-420-28
104-51-63	009-420-29
104-51-64	009-420-30
104-51-65	009-420-31
104-51-66	009-420-32
104-51-67	009-420-33
104-51-68	009-420-34
104-51-69	009-420-35
104-51-70	009-420-36
104-51-71	009-420-37
104-51-72	009-420-38

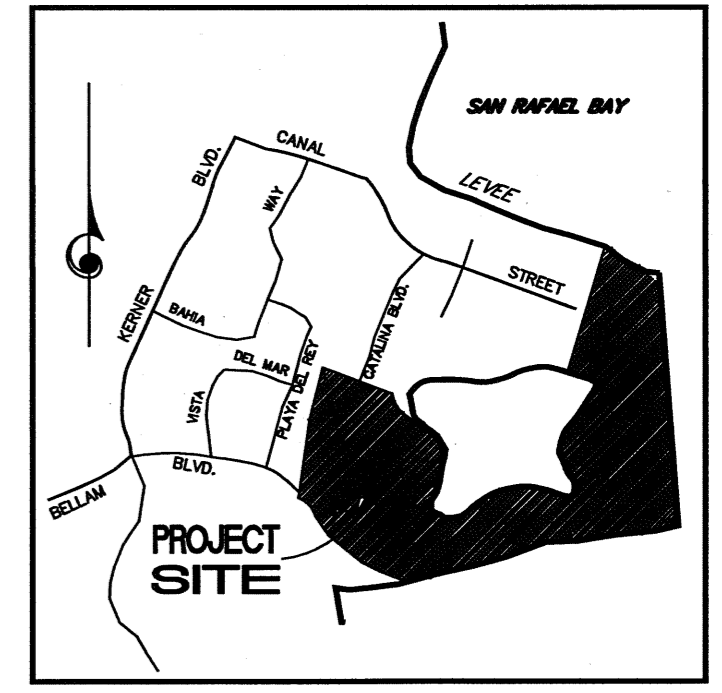
**PART
ASSESSMENT**

(Please Refer to Part D – Method of
for a Summary of Changes to I

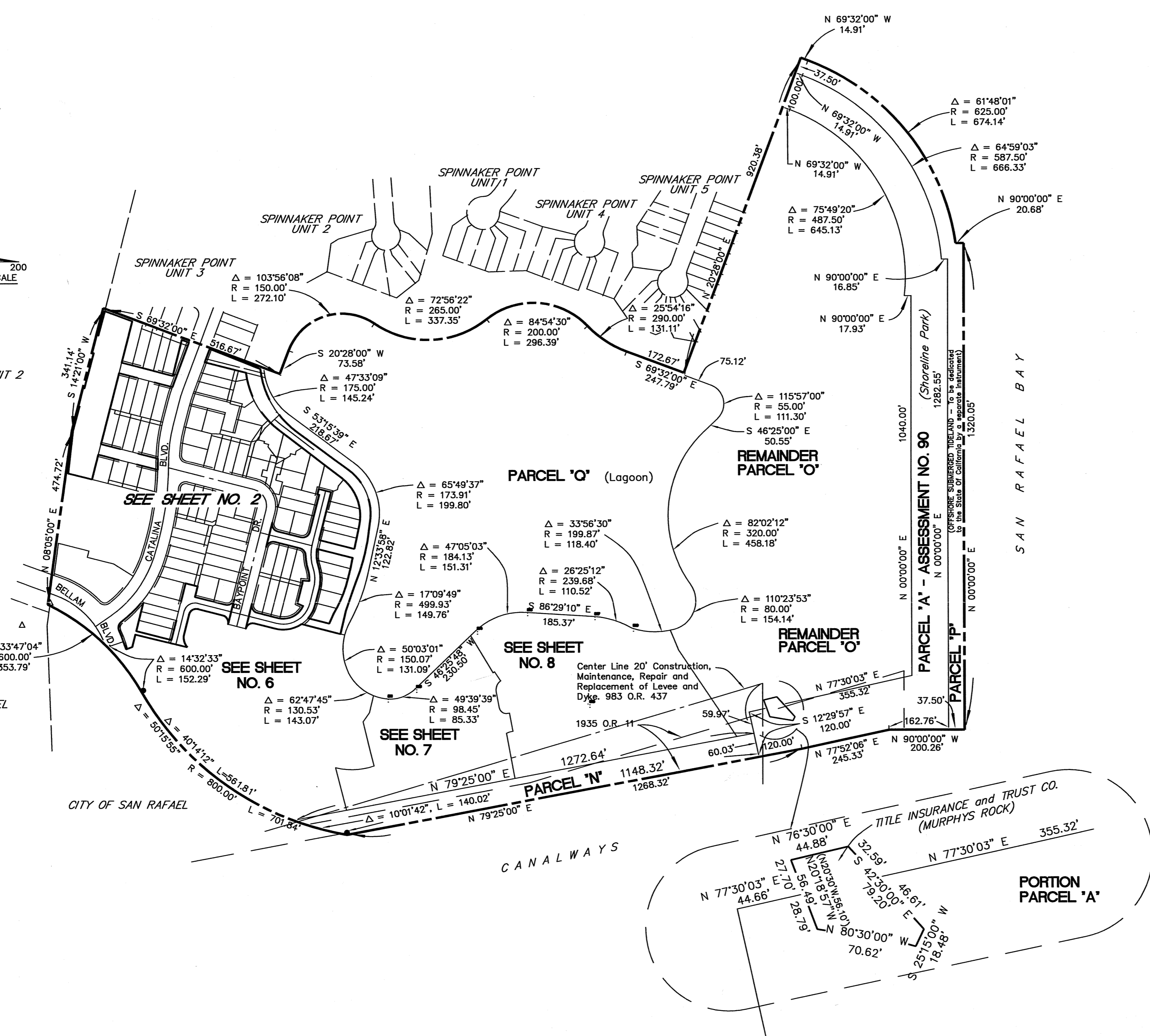
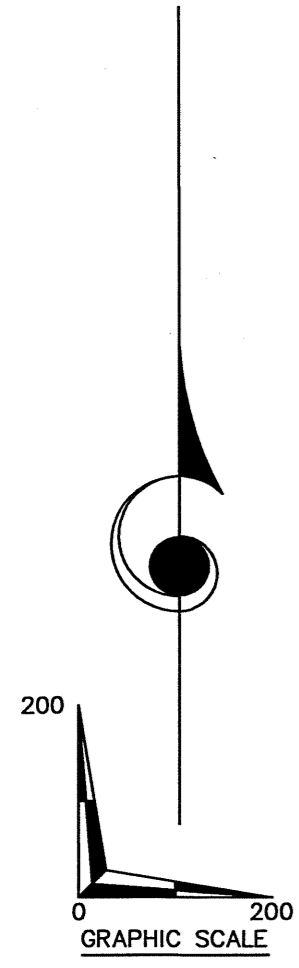
ASSESSMENT NUMBER	ASSESSOR'S PARCEL NUMBER
104-51-73	009-420-39
104-51-74	009-420-40
104-51-75	009-420-41
104-51-76	009-420-42
104-51-77	009-420-43
106	009-010-35

PART F
ASSESSMENT DIAGRAM

See sheets 1 through 8 which follow.



LOCATION MAP
NO SCALE



LEGEND :
ASSESSMENT DISTRICT BOUNDARY

- REVISED 5/05: REVISIONS TO ASSESSOR'S MAP BOOK PAGES: 009-01, 009-36, 009-37, 009-39, 009-41 & 009-42
- REVISED 6/99: SEGREGATION OF PORTION OF PARCEL "O" ADDED SHEET 8.
- REVISED 6/97: SEGREGATION OF PORTION OF PARCEL "O" ADDED SHEET 7.
- REVISED 6/95: SEGREGATION OF PORTION OF PARCEL "O" ADDED SHEET 6.

**ASSESSMENT DIAGRAM
BAYPOINT LAGOONS
ASSESSMENT DISTRICT**

LANDS OF SPINNAKER POINT DEVELOPMENT, INC.
A CALIFORNIA CORPORATION
DOCUMENT NO. 89-60702

CITY OF SAN RAFAEL
MARIN COUNTY CALIFORNIA
SCALE : 1" = 200'
REVISED MAY 2005

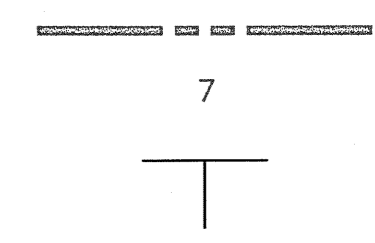
CSW
[St]² CSW/STUBER-STROEH
ENGINEERING GROUP, INC.
CONSULTING ENGINEERS
45 Leveroni Court, Novato, California 94949
(415) 892-4763 FAX (415) 892-4502

CURVE TABLE

CURVE	RADIUS	LENGTH	DELTA
1	40.00'	38.50'	55°09'00"
2	20.00'	31.42'	90°00'00"
3	20.00'	31.42'	90°00'00"
4	20.00'	31.42'	90°00'00"
5	640.00'	21.94'	01°57'52"

LEGEND :

- ASSESSMENT DISTRICT BOUNDARY
- LOT NUMBER
- PARCEL LINE



NOTE: Common Area means those portions of the subdivision owned or controlled by the Bay Point Lagoons Association for the use and enjoyment of the owners. Exclusive Use Common Area shall be for the exclusive use of the Owner of the designated Lot and shall be appurtenant to that Lot. Each owner shall have the exclusive right to use the Exclusive Use Common Areas that have been allocated to Owner's Lot in this Subdivision.

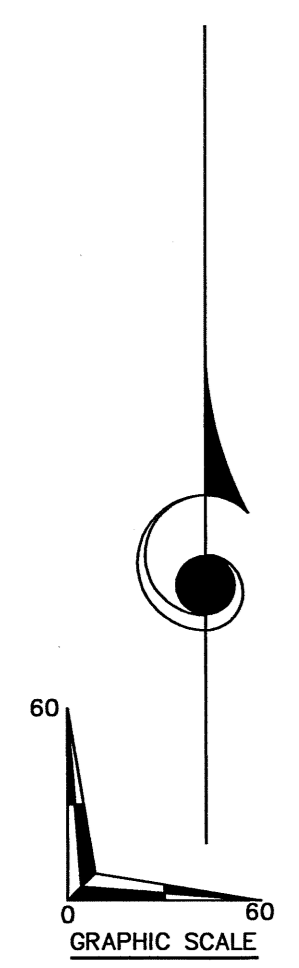
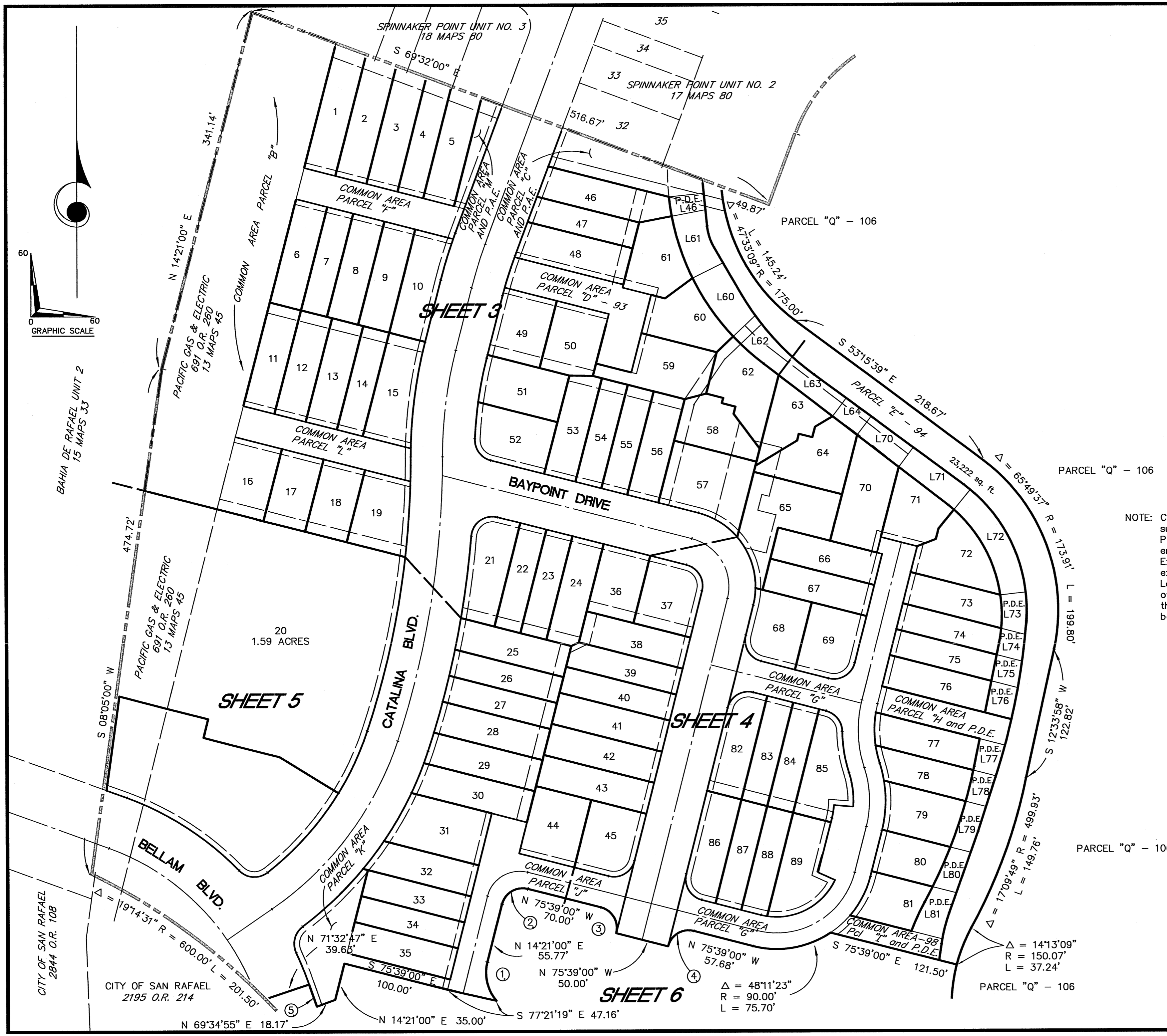
- REVISED 5/05: REVISIONS TO ASSESSOR'S MAP BOOK PAGES: 009-01, 009-36, 009-37, 009-39, 009-41 & 009-42
- REVISED 6/97: SEGREGATION OF PORTION OF PARCEL "O" ADDED SHEET 7.
- REVISED 6/95: SEGREGATION OF PORTION OF PARCEL "O" ADDED SHEET 6.

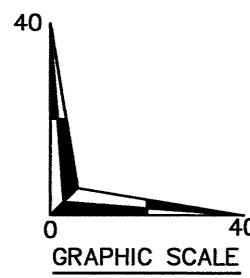
**ASSESSMENT DIAGRAM
BAYPOINT LAGOONS
ASSESSMENT DISTRICT**

LANDS OF SPINNAKER POINT DEVELOPMENT, INC.
A CALIFORNIA CORPORATION
DOCUMENT NO. 89-60702

CITY OF SAN RAFAEL
MARIN COUNTY CALIFORNIA
SCALE : 1" = 60'
REVISED JUNE 2018

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ENGINEERING GROUP, INC.
CONSULTING ENGINEERS
45 Leveroni Court, Novato, California 94949 Sheet 2 of 8



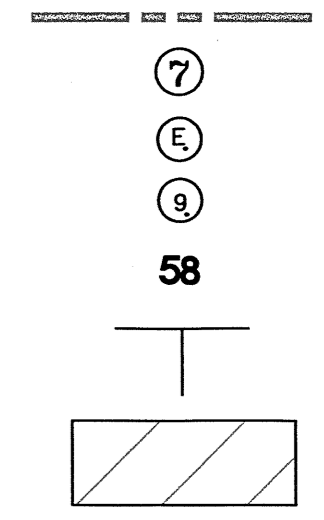


CURVE	RADIUS	LENGTH	DELTA
1	71.00'	111.53'	90°00'00"
2	46.00'	72.26'	90°00'00"
3	830.00'	17.41'	01°12'07"
4	370.00'	39.50'	06°07'00"
5	400.00'	42.70'	06°07'00"
6	430.00'	45.91'	06°07'00"
7	50.00'	21.27'	24°22'44"
8	255.00'	26.36'	05°55'19"
9	225.00'	18.25'	04°38'51"
10	430.00'	8.15'	01°05'10"

LINE	DIRECTION	DISTANCE
B	N 36°44'21" E	21.37'
C	S 14°21'00" W	4.98'
D	N 14°21'00" E	7.02'
F	S 75°39'00" E	16.53'
F	S 75°39'00" E	13.17'
G	S 52°24'51" E	17.35'

LEGEND :

- ASSESSMENT DISTRICT BOUNDARY
- ASSESSOR'S PARCEL NUMBER
- LINE TABLE REFERENCE
- CURVE TABLE REFERENCE
- ASSESSMENT & LOT NUMBER
- PARCEL LINE
- MERGED COMMON AREA PARCELS



REVISED 5/05: REVISIONS TO ASSESSOR'S MAP BOOK PAGES: 009-01, 009-36, 009-37, 009-39, 009-41 & 009-42 - MERGED COMMON AREA PARCELS

REVISED 6/97: SEGREGATION OF PORTION OF PARCEL "0" ADDED SHEET 7.

REVISED 6/95: SEGREGATION OF PORTION OF PARCEL "0" ADDED SHEET 6.

ASSESSMENT DIAGRAM BAYPOINT LAGOONS ASSESSMENT DISTRICT

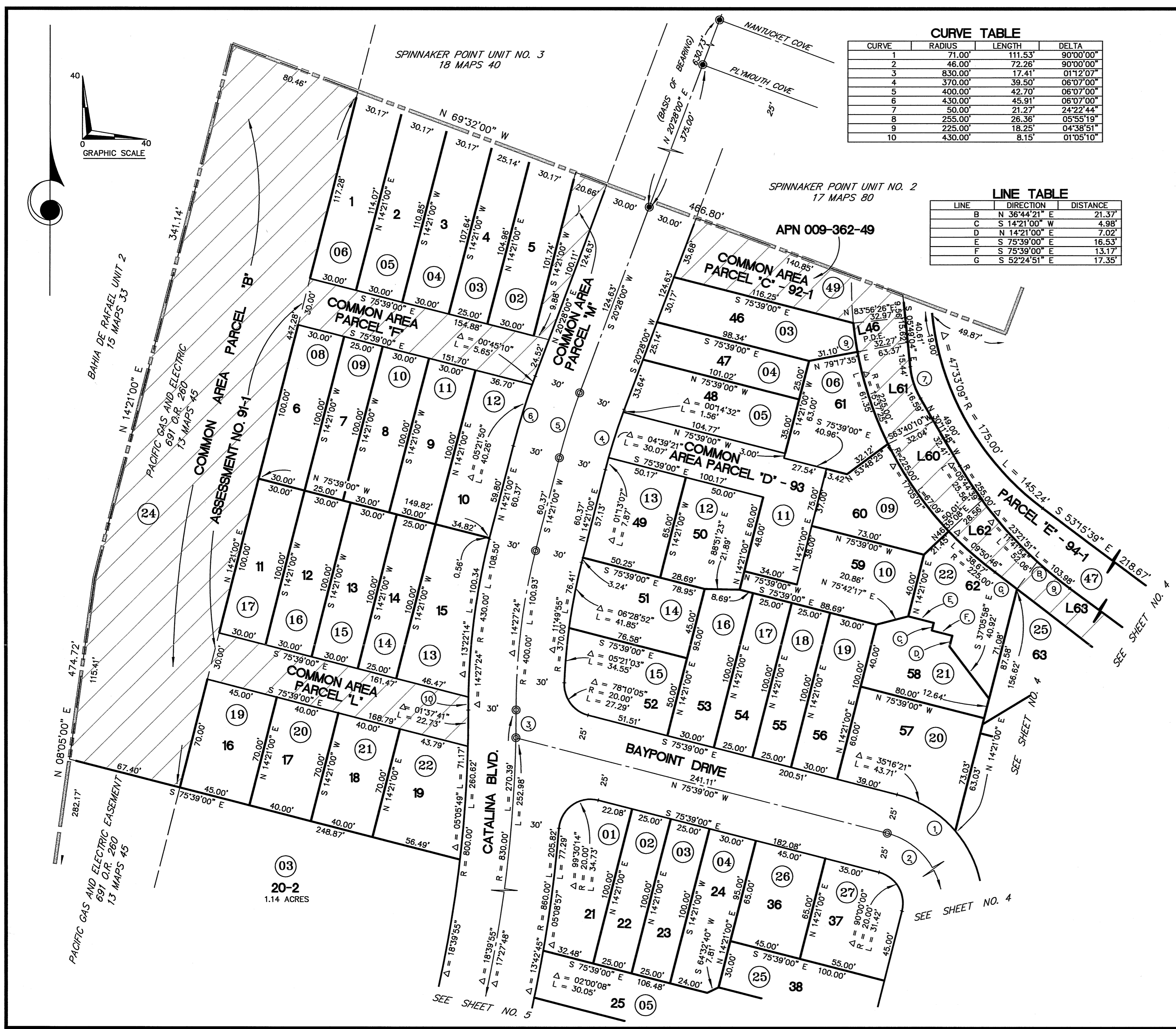
LANDS OF SPINNAKER POINT DEVELOPMENT, INC.
A CALIFORNIA CORPORATION
DOCUMENT NO. 89-60702

CITY OF SAN RAFAEL

MARIN COUNTY CALIFORNIA
SCALE : 1" = 40'
REVISED MAY 2005

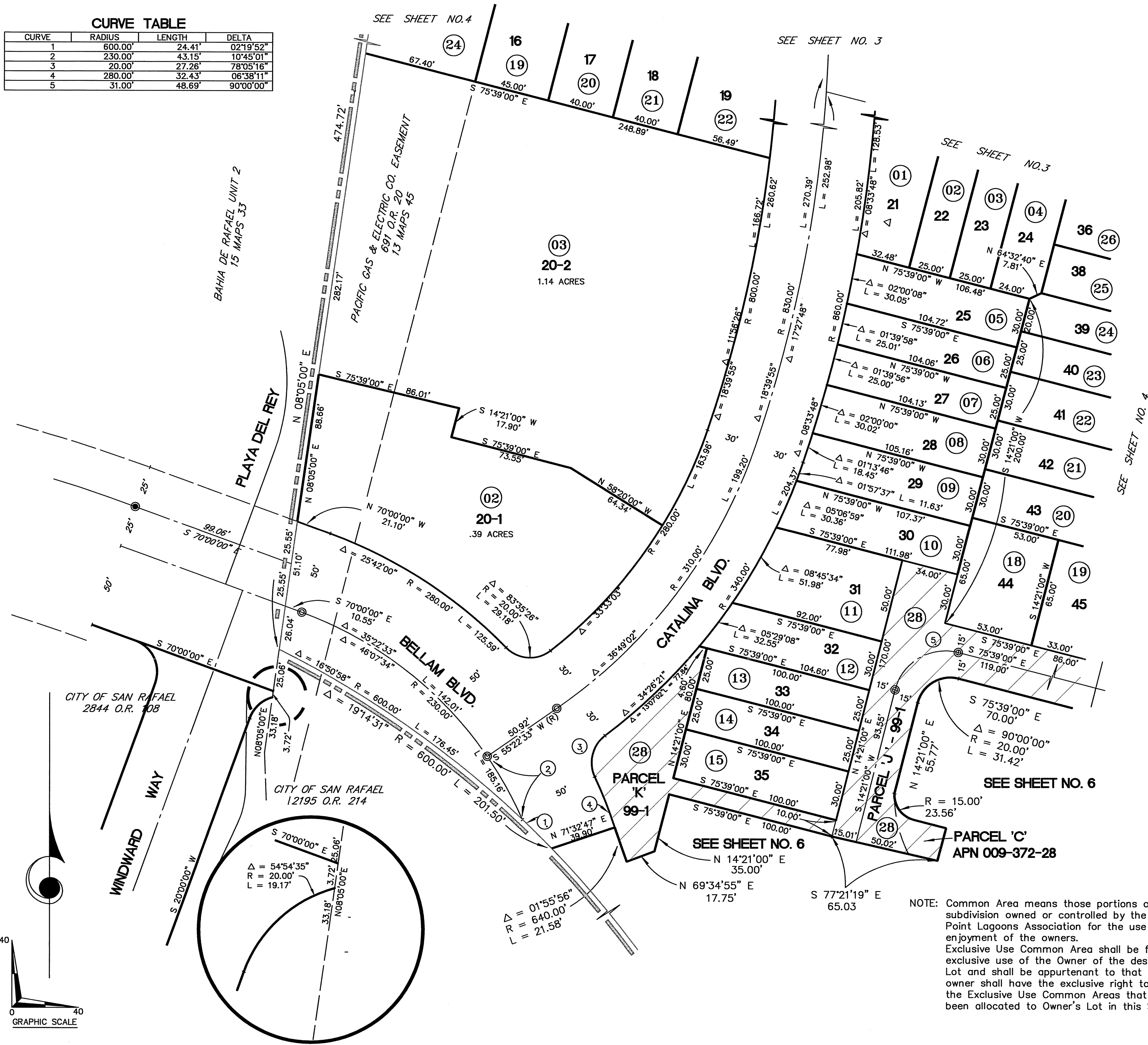
CSW
[St]² **CSW/STUBER-STROEH**
ENGINEERING GROUP, INC.
CONSULTING ENGINEERS

45 Leveroni Court, Novato, California 94949 Sheet 3 of 8



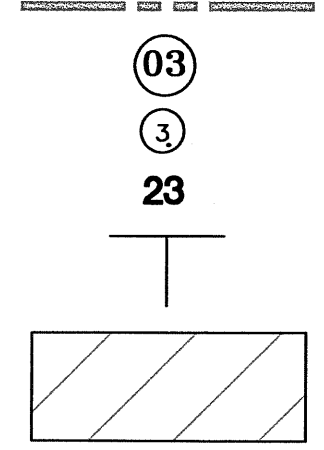
CURVE TABLE

CURVE	RADIUS	LENGTH	DELTA
1	600.00'	24.41'	02°19'52"
2	230.00'	43.15'	10°45'01"
3	20.00'	27.26'	78°05'16"
4	280.00'	32.43'	06°38'11"
5	31.00'	48.69'	90°00'00"



LEGEND :

- ASSESSMENT DISTRICT BOUNDARY
- ASSESSOR'S PARCEL NUMBER
- CURVE TABLE REFERENCE
- ASSESSMENT & LOT NUMBER
- PARCEL LINE
- MERGED COMMON AREA PARCELS



REVISED 5/05: REVISIONS TO ASSESSOR'S MAP BOOK PAGES: 009-01, 009-36, 009-37, 009-39, 009-41 & 009-42 - MERGED COMMON AREA PARCELS
 REVISED 6/97: SEGREGATION OF PORTION OF PARCEL "O" ADDED SHEET 7.
 REVISED 6/95: SEGREGATION OF PORTION OF PARCEL "O" ADDED SHEET 6.

**ASSESSMENT DIAGRAM
 BAYPOINT LAGOONS
 ASSESSMENT DISTRICT**

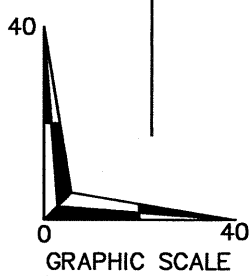
LANDS OF SPINNAKER POINT DEVELOPMENT, INC.
 A CALIFORNIA CORPORATION
 DOCUMENT NO. 89-60702

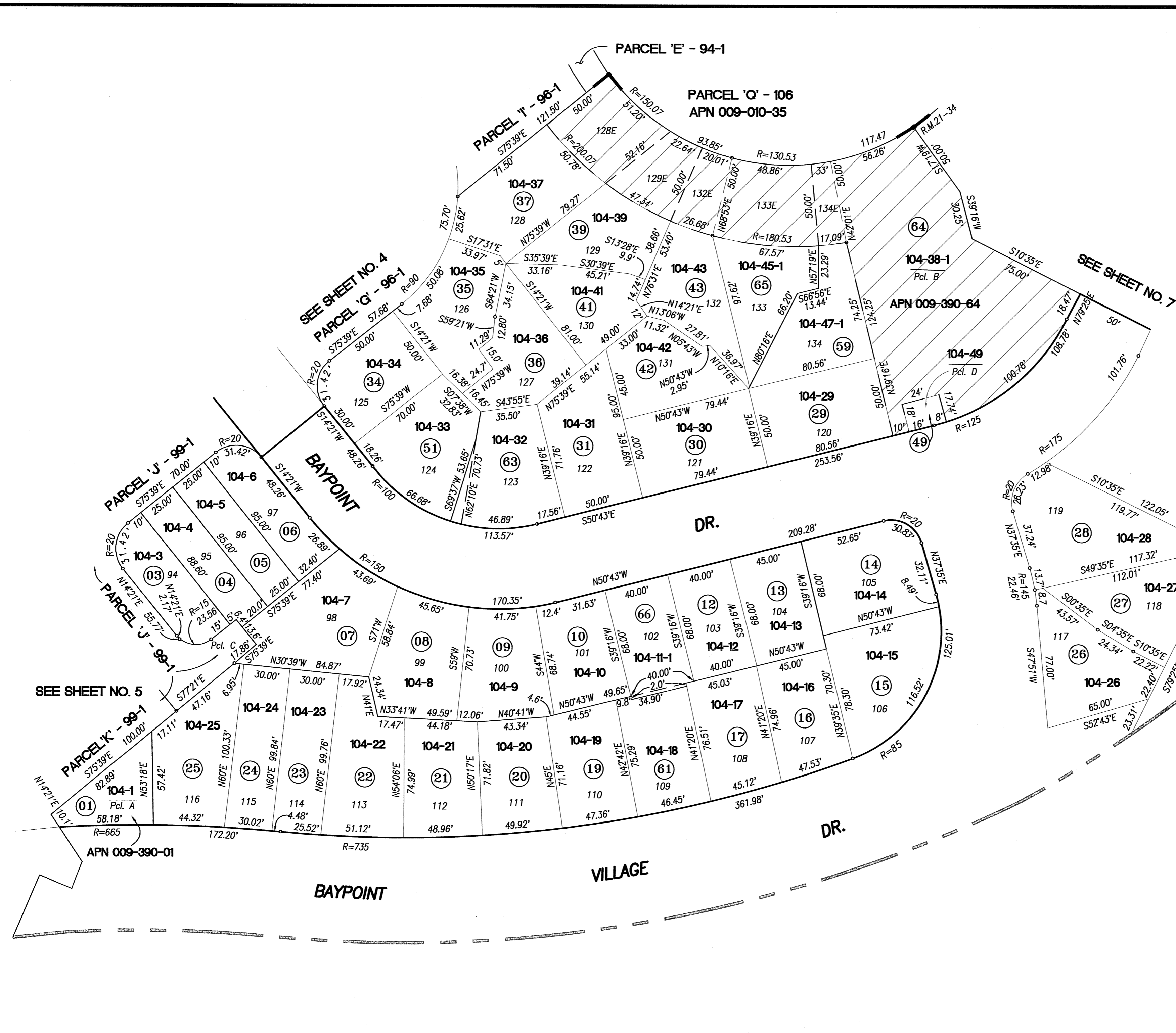
CITY OF SAN RAFAEL
 MARIN COUNTY CALIFORNIA
 SCALE : 1" = 40'
 REVISED MAY 2005

CSW
[St]² CSW/STUBER-STROEH
 ENGINEERING GROUP, INC.
 CONSULTING ENGINEERS

45 Leveroni Court, Novato, California 94949 Sheet 5 of 8

NOTE: Common Area means those portions of the subdivision owned or controlled by the Bay Point Lagoons Association for the use and enjoyment of the owners. Exclusive Use Common Area shall be for the exclusive use of the Owner of the designated Lot and shall be appurtenant to that Lot. Each owner shall have the exclusive right to use the Exclusive Use Common Areas that have been allocated to Owner's Lot in this Subdivision.





LEGEND :

- ASSESSMENT DISTRICT BOUNDARY
- ASSESSOR'S PARCEL NUMBER
- ASSESSMENT NUMBER
- LOT NUMBER
- PARCEL LINE
- MERGED COMMON AREA PARCELS

REVISED 6/18: REVISIONS TO ASSESSOR'S MAP BOOK PAGE: 009-39

REVISED 5/05: REVISIONS TO ASSESSOR'S MAP BOOK PAGES: 009-01, 009-36, 009-37, 009-39, 009-41 & 009-42

REVISED 6/97: SEGREGATION OF PORTION OF PARCEL "O" ADDED SHEET 7.

REVISED 6/95: SEGREGATION OF PORTION OF PARCEL "O" ADDED SHEET 6.

**ASSESSMENT DIAGRAM
BAYPOINT LAGOONS
ASSESSMENT DISTRICT**

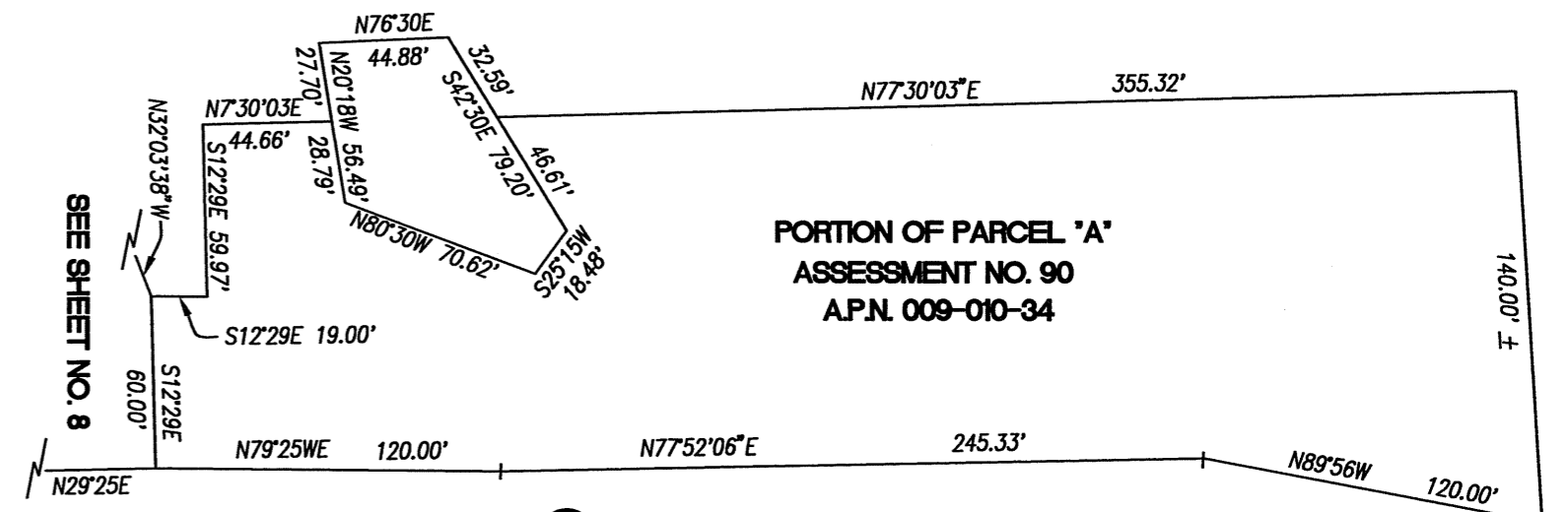
LANDS OF SPINNAKER POINT DEVELOPMENT, INC.
A CALIFORNIA CORPORATION
DOCUMENT NO. 89-60702

CITY OF SAN RAFAEL

MARIN COUNTY CALIFORNIA
SCALE : 1" = 40' REVISED JUNE 2018

CSW
[St]² **CSW/STUBER-STROEH
ENGINEERING GROUP, INC.**
CONSULTING ENGINEERS
45 Leveroni Court, Novato, California 94949 Sheet 6 of 8

CURVE	RADIUS	LENGTH	DELTA
1	125.0000	4.3112	01°58'34"
2	20.0000	32.1057	91°58'34"
3	30.0000	34.5329	65°57'11"
4	60.0000	9.7785	09°20'16"
5	60.0000	15.9104	15°11'36"
6	60.0000	9.3992	08°58'32"
7	60.0000	25.7614	24°36'01"
8	60.0000	8.2164	07°50'46"
9	20.0000	21.1288	60°31'46"
10	75.0000	38.3587	29°18'14"
11	75.0000	18.6928	14°16'49"
12	75.0000	21.4715	16°24'11"
13	148.4500	13.0370	05°01'54"
14	148.3251	40.5957	15°40'53"
15	148.4500	45.2613	17°28'09"
16	148.9539	29.7739	11°27'10"
17	180.4921	11.4044	03°37'13"
18	180.5300	23.9814	07°36'40"
19	130.5300	17.3397	07°36'40"
20	130.5300	8.2456	03°37'10"
21	99.0195	19.7455	11°25'31"
22	98.4500	8.6460	05°01'54"
23	121.1492	10.5753	05°00'05"
24	75.0000	10.9343	08°21'12"
25	98.6563	30.0173	17°25'58"
26	98.4500	26.9226	15°40'06"



LEGEND :

- ASSESSMENT DISTRICT BOUNDARY
- ASSESSOR'S PARCEL NUMBER
- CURVE TABLE REFERENCE
- ASSESSMENT NUMBER
- LOT NUMBER
- PARCEL LINE
- MERGED COMMON AREA PARCELS

REVISED 5/05: REVISIONS TO ASSESSOR'S MAP BOOK PAGES: 009-01, 009-36, 009-37, 009-39, 009-41 & 009-42 - MERGED COMMON AREA PARCELS

REVISED 6/97: SEGREGATION OF PORTION OF PARCEL "O" ADDED SHEET 7.

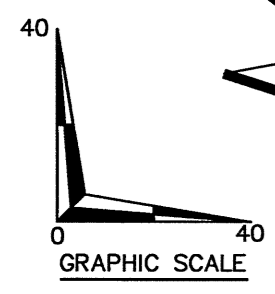
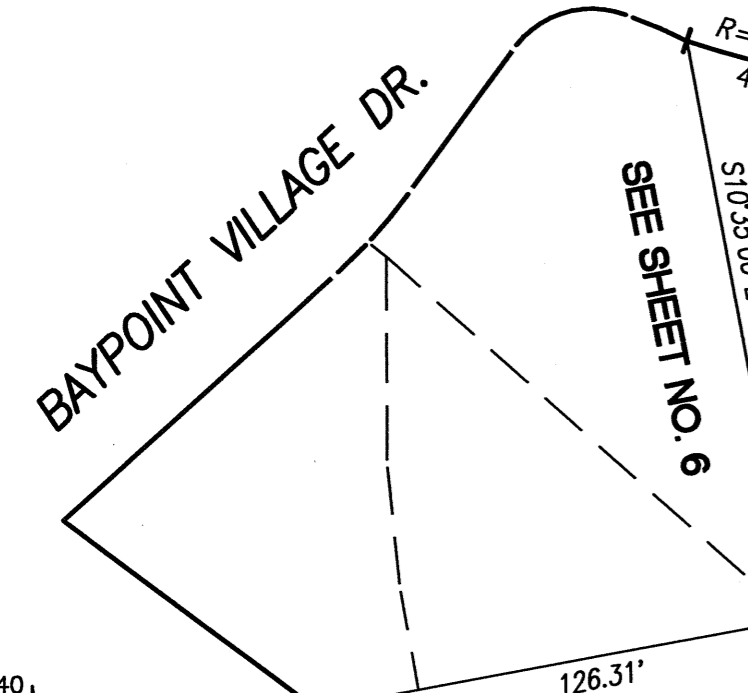
REVISED 6/95: SEGREGATION OF PORTION OF PARCEL "O" ADDED SHEET 6.

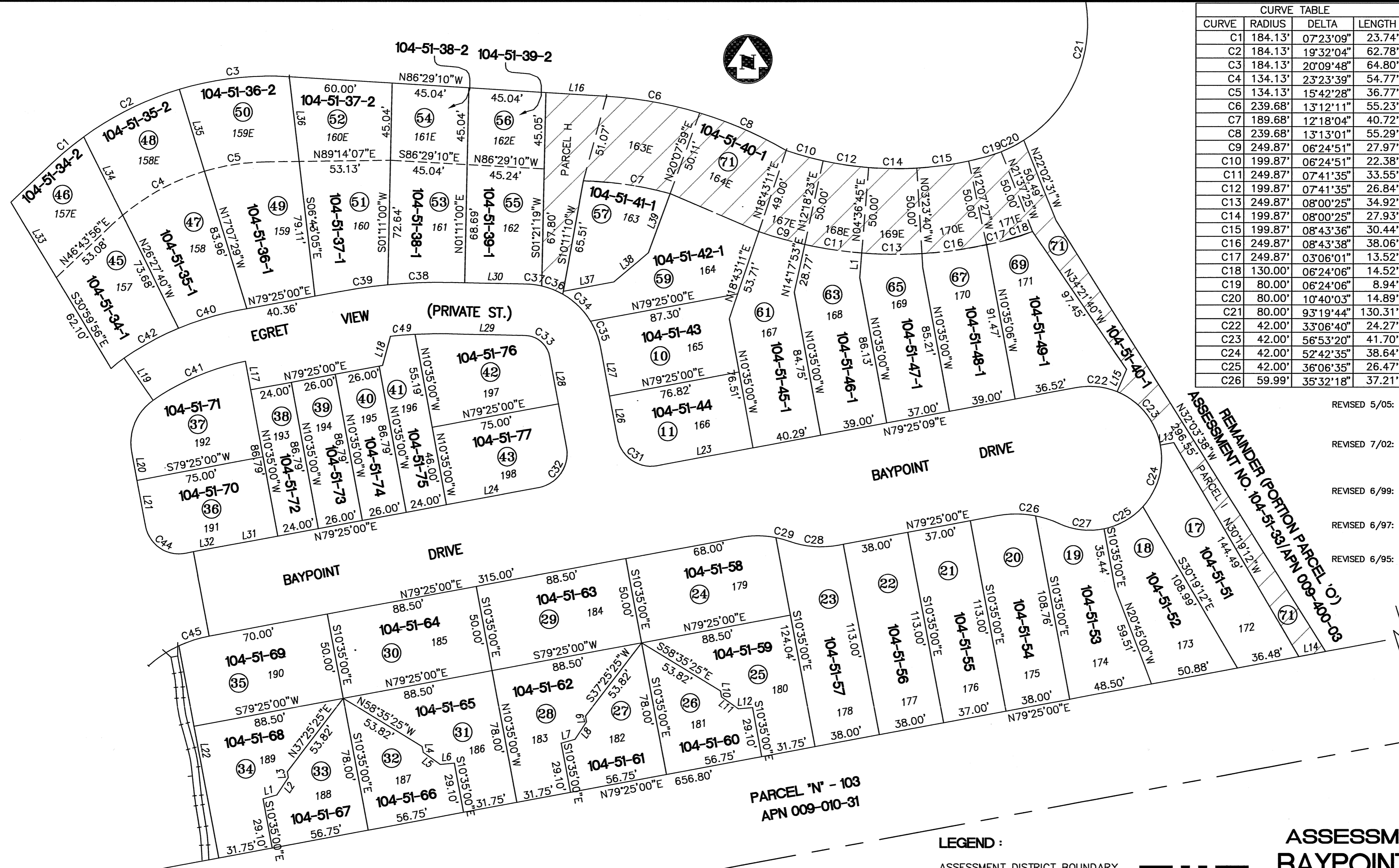
ASSESSMENT DIAGRAM BAYPOINT LAGOONS ASSESSMENT DISTRICT

LANDS OF SPINNAKER POINT DEVELOPMENT, INC.
A CALIFORNIA CORPORATION
DOCUMENT NO. 89-60702

CITY OF SAN RAFAEL
MARIN COUNTY CALIFORNIA
SCALE : 1" = 40' REVISED MAY 2005

CSW [St]² CSW/STUBER-STROEH
ENGINEERING GROUP, INC.
CONSULTING ENGINEERS
45 Leveroni Court, Novato, California 94949 Sheet 7 of 8





CURVE TABLE			
CURVE	RADIUS	DELTA	LENGTH
C1	184.13'	07°23'09"	23.74'
C2	184.13'	19°32'04"	62.78'
C3	184.13'	20°09'48"	64.80'
C4	134.13'	23°23'39"	54.77'
C5	134.13'	15°42'28"	36.77'
C6	239.68'	13°12'11"	55.23'
C7	189.68'	12°18'04"	40.72'
C8	239.68'	13°13'01"	55.29'
C9	249.87'	06°24'51"	27.97'
C10	199.87'	06°24'51"	22.38'
C11	249.87'	07°41'35"	33.55'
C12	199.87'	07°41'35"	26.84'
C13	249.87'	08°00'25"	34.92'
C14	199.87'	08°00'25"	27.93'
C15	199.87'	08°43'36"	30.44'
C16	249.87'	08°43'38"	38.06'
C17	249.87'	03°06'01"	13.52'
C18	130.00'	06°24'06"	14.52'
C19	80.00'	06°24'06"	8.94'
C20	80.00'	10°40'03"	14.89'
C21	80.00'	93°19'44"	130.31'
C22	42.00'	33°06'40"	24.27'
C23	42.00'	56°53'20"	41.70'
C24	42.00'	52°42'35"	38.64'
C25	42.00'	36°06'35"	26.47'
C26	59.99'	35°32'18"	37.21'

C27	42.00'	36°43'33"	26.92'
C28	55.00'	30°16'22"	29.06'
C29	55.00'	08°23'19"	8.05'
C30	55.00'	21°53'02"	21.01'
C31	20.00'	90°00'00"	31.42'
C32	20.00'	90°00'00"	31.42'
C33	15.00'	78°14'00"	20.48'
C34	45.00'	28°57'29"	22.74'
C35	45.00'	20°42'16"	16.26'
C36	45.00'	16°46'35"	13.18'
C37	45.00'	11°47'40"	9.26'
C38	315.00'	06°39'41"	36.62'
C39	315.00'	05°06'19"	28.07'
C40	175.00'	12°06'27"	36.98'
C41	145.00'	23°18'42"	59.00'
C42	175.00'	11°56'23"	36.47'
C43	30.00'	65°57'11"	34.53'
C44	20.00'	91°58'34"	32.11'
C45	75.00'	14°16'49"	18.69'

REMAINDER (PORTION PARCEL 'O')
ASSESSMENT NO. 104-51-38 APRN 009-400-03

- REVISED 5/05: REVISIONS TO ASSESSOR'S MAP BOOK PAGES: 009-01, 009-36, 009-37, 009-39, 009-41 & 009-42 - MERGED COMMON AREA PARCELS
- REVISED 7/02: SEGREGATION OF PARCELS 104-51-34 THROUGH 104-51-39, 104-51-42, AND 104-51-45 THROUGH 104-51-49
- REVISED 6/99: SEGREGATION OF PORTION OF PARCEL "O" ADDED SHEET 8.
- REVISED 6/97: SEGREGATION OF PORTION OF PARCEL "O" ADDED SHEET 7.
- REVISED 6/95: SEGREGATION OF PORTION OF PARCEL "O" ADDED SHEET 6.

LINE TABLE		
LINE	LENGTH	BEARING
L1	8.38	N74°10'43"E
L2	12.08	S33°32'01"W
L3	3.47	S10°35'00"E
L4	3.47	S10°35'00"E
L5	12.08	S54°42'01"E
L6	8.38	S84°39'17"W
L7	8.38	N74°10'43"E
L8	12.08	S33°32'01"W
L9	3.47	S10°35'00"E
L10	3.47	S10°35'00"E

L11	12.08	S54°42'01"E
L12	8.38	S84°39'17"W
L13	7.93	N79°25'00"E
L14	15.94	N79°25'00"E
L15	14.11	N22°31'40"E
L16	35.31	S86°29'10"E
L17	16.99	S10°35'00"E
L18	17.73	S15°06'13"W
L19	30.00	N34°37'49"W
L20	16.81	S10°35'00"E
L21	27.09	S10°35'00"E
L22	125.69	S10°35'00"E

L23	56.82	N79°25'00"E
L24	55.00	N79°25'00"E
L25	26.00	N10°35'00"W
L26	25.00	N10°35'00"W
L27	29.09	N10°35'00"W
L28	28.09	N10°35'00"W
L29	44.26	N88°49'00"W
L30	35.80	N88°49'00"W
L31	32.66	N79°25'00"E
L32	17.34	N79°25'00"E
L33	51.23	S30°59'56"E

L34	51.01	N26°27'40"W
L35	50.00	N17°07'29"W
L36	49.76	S06°43'05"E
L37	29.81	S79°25'00"W
L38	26.38	S49°40'00"W
L39	36.71	N20°07'59"E

LEGEND :

- ASSESSMENT DISTRICT BOUNDARY
- ASSESSOR'S PARCEL NUMBER
- LINE TABLE REFERENCE
- CURVE TABLE REFERENCE
- ASSESSMENT NUMBER
- LOT NUMBER
- PARCEL LINE
- MERGED COMMON AREA PARCELS

**ASSESSMENT DIAGRAM
BAYPOINT LAGOONS
ASSESSMENT DISTRICT**

LANDS OF SPINNAKER POINT DEVELOPMENT, INC.
A CALIFORNIA CORPORATION
DOCUMENT NO. 89-60702
CITY OF SAN RAFAEL
MARIN COUNTY CALIFORNIA
SCALE : 1" = 40'
REVISED MAY 2005

CSW [St]² CSW/STUBER-STROEHL
ENGINEERING GROUP, INC.
CONSULTING ENGINEERS
45 Leveroni Court, Novato, California 94949 Sheet 8 of 8

B-1608.08

RESOLUTION NO.

**RESOLUTION OF THE SAN RAFAEL CITY COUNCIL DIRECTING
FILING OF ENGINEER'S ANNUAL REPORT FY 2021-22**

**BAYPOINT LAGOONS LANDSCAPING AND LIGHTING DISTRICT
(Pursuant to the Landscaping and Lighting Act of 1972)**

THE CITY COUNCIL OF THE CITY OF SAN RAFAEL RESOLVES that:

1. CSW/Stuber-Stroeh Engineering Group, Inc. is designated by this Council as the Engineer of Work for Baypoint Lagoons Landscaping and Lighting District, City of San Rafael, Marin County, California, and is hereby directed to file with the City Clerk an annual report for fiscal year 2021-22 in accordance with the provisions of the Landscaping and Lighting Act of 1972.

2. This resolution is adopted pursuant to Section 22622 of the Streets and Highways Code.

I, **LINDSAY LARA**, Clerk of the City of San Rafael, hereby certify that the foregoing resolution was duly and regularly introduced and adopted at a regular meeting of the Council of said City on the 7th day of June 2021, by the following vote, to wit:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

LINDSAY LARA, City Clerk

RESOLUTION NO.

**RESOLUTION OF THE SAN RAFAEL CITY COUNCIL APPROVING
ENGINEER'S ANNUAL REPORT FY 2021-22**

**BAYPOINT LAGOONS LANDSCAPING AND LIGHTING DISTRICT
(Pursuant to the Landscaping and Lighting Act of 1972)**

THE CITY COUNCIL OF THE CITY OF SAN RAFAEL RESOLVES that:

1. CSW/Stuber-Stroeh Engineering Group, Inc. as designated Engineer of Work for Baypoint Lagoons Landscaping and Lighting District has filed with the City Clerk an Engineer's Annual Report for fiscal year 2021-22 in accordance with the provisions of the Landscaping and Lighting Act of 1972.

2. The aforementioned Engineer's Annual Report, on file with the City Clerk, is approved as filed.

I, **LINDSAY LARA**, Clerk of the City of San Rafael, hereby certify that the foregoing resolution was duly and regularly introduced and adopted at a regular meeting of the Council of said City on the 7th day of June 2021, by the following vote, to wit:

AYES: **COUNCILMEMBERS:**

NOES: **COUNCILMEMBERS:**

ABSENT: **COUNCILMEMBERS:**

LINDSAY LARA, City Clerk

RESOLUTION NO.

**SAN RAFAEL CITY COUNCIL RESOLUTION OF INTENTION TO ORDER
IMPROVEMENTS AND SETTING A PUBLIC HEARING ON THE ANNUAL
ASSESSMENT FOR THE CITY COUNCIL MEETING OF JUNE 21, 2021**

**BAYPOINT LAGOONS LANDSCAPING AND LIGHTING DISTRICT
(Pursuant to the Landscaping and Lighting Act of 1972)**

THE CITY COUNCIL OF THE CITY OF SAN RAFAEL RESOLVES that:

1. The City Council intends to levy and collect assessments within the Baypoint Lagoons Landscaping and Lighting District, City of San Rafael, Marin County, California, during the fiscal year 2021-22. The area of land to be assessed is located in the City of San Rafael, Marin County.

2. In accordance with this Council's resolution directing the filing of an Engineer's Annual Report, CSW/Stuber-Stroeh Engineering Group, Inc., Engineer of Work, has filed with the City Clerk the report required by the Landscaping and Lighting Act of 1972. All interested persons are referred to that report for a full and detailed description of the improvements, the boundaries of the assessment district and the proposed assessments upon assessable lots and parcels of land within the assessment district.

3. The proposed assessment does not increase the assessment from the previous year.

4. On Monday, the 21st of June, 2021 at the hour of 7:00 o'clock P.M., the City Council will conduct a public hearing on the question of the levy of the proposed annual assessment. The hearing will be held virtually through Zoom at the webinar

location listed on the agenda online at <https://www.cityofsanrafael.org/departments/public-meetings/>, as well as being streamed to YouTube at www.youtube.com/cityofsanrafael.

5. The City Clerk is authorized and directed to give the notice of hearing required by the Landscaping and Lighting Act of 1972 by publishing a copy of this resolution once in the Marin Independent Journal, publication to be completed not less than ten (10) days before June 21, 2021.

I, **LINDSAY LARA**, Clerk of the City of San Rafael, hereby certify that the foregoing resolution was duly and regularly introduced and adopted at a regular meeting of the Council of said City on the 7th day of June 2021, by the following vote, to wit:

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

LINDSAY LARA, City Clerk



SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: Public Works

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

City Manager Approval: 

TOPIC: POINT SAN PEDRO ROAD MEDIAN LANDSCAPING ASSESSMENT DISTRICT

SUBJECT: POINT SAN PEDRO ROAD MEDIAN LANDSCAPING ASSESSMENT DISTRICT ANNUAL ASSESSMENT:

- 1. RESOLUTION DIRECTING FILING OF ENGINEER'S 2021-22 ANNUAL REPORT**
- 2. RESOLUTION APPROVING ENGINEER'S 2021-22 ANNUAL REPORT**
- 3. RESOLUTION OF INTENTION TO ORDER IMPROVEMENTS AND SETTING A PUBLIC HEARING ON THE ANNUAL ASSESSMENT FOR THE CITY COUNCIL MEETING OF JUNE 21, 2021.**

RECOMMENDATION: Staff recommends that the City Council approve the following:

1. Adopt a resolution directing filing of Engineer's FY 2021-22 Annual Report.
2. Adopt a resolution approving Engineer's FY 2021-22 Annual Report.
3. Adopt a resolution of intention to order improvement and setting a public hearing on the annual assessment for the City Council meeting of June 21, 2021.

BACKGROUND: In order to comply with provisions of the Landscaping and Lighting Act of 1972, which governs this assessment district, the City Council must approve an Engineer's report for the Point San Pedro Median Landscaping Assessment District on an annual basis. Assessments to be collected by the District will be allocated and levied annually after a public hearing, to be held this year on June 21, 2021.

In 2011, the Point San Pedro Road Median Landscaping District was formed to generate revenue to reconstruct, repair, and maintain the 29 median islands along Point San Pedro Road, from Union Street to Biscayne Drive. While the medians themselves are located within the San Rafael City limits, there are pockets of unincorporated County of Marin regions served by Point San Pedro Road, and therefore both the City and the County have a vested interest and responsibility

FOR CITY CLERK ONLY

File No.:

Council Meeting:

Disposition:

in the medians. The original medians were constructed half a century ago, but over time their infrastructure eventually decayed to the point of needing replacement. Moreover, due to significant staffing and budgetary cut-backs, landscaping maintenance for the medians prior to the formation of the assessment district had been reduced to vegetation trimming to control overgrowth. Over time, existing plants and irrigation infrastructure had deteriorated significantly to the point that very little of the original landscaping remained, other than some of the trees and vegetation that were able to survive with little water.

As a result, a group of property owners in close proximity to Point San Pedro Road (both within the City limits of the City of San Rafael and in the immediate contiguous unincorporated area of the County of Marin) organized an effort to form an assessment district to fund the capital costs associated with re-construction and restoration of the landscaping within the Point San Pedro Road medians, as well as the ongoing maintenance and operation of those improvements. As a part of the formation of the assessment district, the City of San Rafael and unincorporated portions of the County of Marin entered into a Memorandum of Understanding (MOU) in which the City of San Rafael was designated as the lead agency.

Since the formation of the district, the City has worked closely with several community members on the Point San Pedro Road Coalition's Roadway Committee who have assisted not only in recommendations and oversight of the medians, but have served as key community liaisons between the City and the residents within the Assessment District. These community members have served as the "citizen's oversight" committee for the district. The City routinely meets with these representatives and provides updates on maintenance of the medians and takes in feedback from the residents in the area. The City also works closely with those community members on key decisions on financial planning for the assessment district.

ANALYSIS: The annual assessment has two components:

1. Capital debt service assessment

This amount is to finance the debt service associated with the large capital costs of re-constructing the medians in 2014. The total project cost was \$1,703,245, which included expenditures for design, construction, and construction management. The total amount bonded for the capital portion of the district was \$1,750,000.

The total annual debt service payment for the assessment district is outlined in the 20-year debt service schedule in the Annual Engineer's Report. The average annual debt service is \$144,942. When the district was formed, residents were given the option to pre-pay the capital portion of the assessment, and some residents chose this option.

2. Operations and maintenance assessment

This portion of the assessment is intended to fund the annual operations and maintenance portion of the assessment district. Operations and maintenance costs include:

- Monthly contractual maintenance for all 29 medians
- Landscaping repairs and plant replacement
- Irrigation system maintenance and repairs
- Utilities (water and electricity)
- Financial services for administration of assessment district (Engineer's report)
- Annual fee charged by County of Marin Assessors' Office for collection of assessments

SAN RAFAEL CITY COUNCIL AGENDA REPORT / Page: 3

Total operation and maintenance costs for FY 2021-22 is projected to be \$185,200.

The Assessment District therefore has **two** funds: An Operation and Maintenance Reserve Fund and a Capital & Debt Service Reserve Fund. The estimated Year End Fund balances are as follows:

Fund	6-30-21 Fund Balance (Projected)
Operation and Maintenance Reserve Fund #234	\$119,501.08
Capital & Debt Service Reserve Fund #714	\$275,000.00

The fund balance in the Operations and Maintenance Reserve Fund #234 may be used for regular maintenance activities and for broader improvements. The Capital and Debt Service Reserve Fund #714 is restricted for capital improvements related to the initial reconstruction of the medians.

From FY 2013-14 to FY 2017-18, the total annual assessment stayed flat at \$79.48. While the assessment stayed flat, the revenue generated did not keep up with the actual operations and maintenance costs for the 29 medians. The revenue generated under the \$79.48 assessment for operation and maintenance costs was \$82,814 while the actual operational cost was closer to \$110,150. Year after year, the difference was made up by steady use of a modest Operation and Maintenance Fund balance. Though there was the ability to increase the total assessment by 3% each year, the City did not elect to bring forward an increase in prior years, due to input from the citizen’s oversight committee. The City and committee agreed to first get a better handle on issues and actual costs associated with maintaining the relatively new medians to a standard that meets the community’s expectations, prior to pursuing an increase.

In recent years, the City and the Roadway Committee have made considerable progress on resolving community concerns regarding maintenance expectations of the medians. Since FY 2018-19, the City and Roadway Committee have agreed on the need to raise the assessment annually up to the maximum allowable rate in order to bring the revenues generated from the annual assessment closer to the actual annual maintenance costs for the 29 medians.

While the District has reduced the gap between the revenue generated and expenses, there remains a shortfall. Therefore, once again the City and Roadway Committee are recommending the maximum rate increase (3%) once again be applied for FY 2021-22.

The assessment proposed for FY 2021-22 is the maximum allowable rate of **\$102.78** (considering the allowed increase of the greater of local area CPI or 3% each year). The assessment district does not need to return to the voters of the assessment district for approval of the increase per Proposition 218.

The FY 2021-22 assessment is composed of:

Debt Service Assessment (Not Prepaid)**	\$52.79 per EBU*
Non-Bonded Assessment (annual Operation and Maintenance costs)	\$49.99 per EBU*
Total FY 2021-22 Assessment	\$102.78 per EBU*

SAN RAFAEL CITY COUNCIL AGENDA REPORT / Page: 4

**EBU = Equivalent Benefit Unit method of assessment apportionment establishes a basic unit (base value) of benefit and then calculates the benefit derived by each assessed parcel as a multiple (or a fraction) of the basic unit. Details for how the EBU applies to other land uses, such as apartments and businesses, is outlined in the Engineer’s Report.*

*** When the assessment district was first established property owners were allowed to pay a pre-payment for the improvement cost. Parcels that have prepaid or paid off their full assessment lien (bonded obligation) are no longer levied for the Debt Service Assessment, but will continue to pay their proportionate share of the Non-Bonded Operation and Maintenance Assessment.*

A four-year history of assessments is as follows:

	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22 (proposed)
Total Assessment	\$79.48	\$83.98	\$96.88	\$99.79	\$102.78
% Increase over prior year	0%	6%**	15%**	3%	3%
Operations & Maintenance Revenue Generated*	\$76,492	\$124,284	\$129,551	\$138,613	\$150,107

**Each year about 4% of assessments are uncollected, and therefore annual revenues are always slightly lower than anticipated*

***The increases in FY 2018-19 and FY 2019-20 assessments were greater than 3% due to “catch up” increases allowed from prior years when the assessment was not increased.*

The total proposed increase over last year’s rate is \$2.99. The revenue generated from this increase will be used entirely to support operation and maintenance costs of the district.

Operations and Maintenance Budget FY 2021-22

Monthly contractual maintenance	\$80,500
Landscaping Rehabilitation/Repair	\$10,200
Irrigation repairs	\$10,200
Utilities (Water + Electricity)	\$65,000
Engineer’s Report	\$10,300
County Fee	\$9,000
Total	<u>\$185,200</u>

This table and others can be found in the attached Engineer’s report. It is important to note that all Point San Pedro Road Median Landscaping Assessment District fees collected are legally restricted for use on the Point San Pedro medians and cannot be used for any other purpose.

It should also be noted that the budget for irrigation has been increased significantly for FY 2021-22. MMWD has notified the City that due to current drought conditions, the utility costs of irrigation, especially for high-water needs landscaping like that in place in the Pt. San Pedro medians, is going to be greatly increasing. Additionally, the irrigation system in place for the medians is extensive in length and highly complex – and has been prone to leaks since the construction of them was completed in 2014. The financial cost associated with any leaking irrigation infrastructure will also be much higher this coming year due to the drought than in prior years.

Knowing the shifting climate conditions, and that future drought years are likely, the Roadway Committee is going to be working closely with the City Parks department to plan for strategic

replacement of high-water needs plants with more drought-tolerant landscaping. As replanting is needed and funds are available, the Roadway Committee will assist in selecting drought resist vegetation consistent with the comprehensive landscaping plans for the medians.

FISCAL IMPACT: All operation and maintenance reserve fund revenues and expenses are contained within the Point San Pedro Road Median Assessment District Fund (fund no. 234). All debt service revenues and expenses are contained within the Point San Pedro Road Median Assessment District Fund #714.

The Public Works Department does incur General Fund staff costs for personnel who execute and manage the landscaping maintenance contract. There are also staff costs associated with budgetary and financial management of the assessment district and coordination with the consultant who prepares the annual Engineer's report. Per the MOU from 2011, the City has agreed to offset the City staff time associated with maintaining the assessment district as a City contribution to the assessment district. The County makes an annual financial payment to the Assessment district as their contribution to the cross-jurisdictional district. For FY 2021-22, the County payment will be \$7,906, which will be deposited into the district's Operations and Maintenance fund.

COMMUNITY OUTREACH: The City continues to work closely with several community representatives of the district on the Point San Pedro Road Coalition Roadway Committee who have served as the Citizen's Oversight committee for the district.

The Committee is in frequent and direct communication with the Parks Supervisor who manages the medians landscaping contractor. The Committee has been a great partner to the City; serving as the liaison to the community in relaying concerns and reporting issues when they arise, as community members are often the first eyes on issues with the medians. The Roadway Committee also receives a weekly report from the maintenance contractor of work done on the medians, and routinely utilizes it to respond to inquiries from residents.

Each spring, the City meets with Committee members specifically to review the financials of the district and discuss various strategies to ensure that the district remains financially solvent over time.

After this meeting, the Committee members post an annual note to the community via NextDoor and the [Pt San Pedro Road Coalition website](#) updating residents on the district's financial situation and maintenance priorities.

OPTIONS:

The City Council has the following options to consider relating to this item:

1. Adopt the three resolutions as presented.
2. Provide direction to staff to modify any or all of the resolutions.
3. Do not adopt the resolutions. If the resolutions are not adopted by the City Council, the public hearing will not take place and the City will be unable to levy the annual assessment against property owners within the Assessment District.

RECOMMENDED ACTION:

1. Adopt a resolution directing filing of Engineer's FY 2021-22 Annual Report.
2. Adopt a resolution approving Engineer's FY 2021-22 Annual Report.

3. Adopt a resolution of intention to order improvement and setting a public hearing on the annual assessment for the City Council meeting of June 21, 2021.

ATTACHMENTS:

1. Resolution Directing Filing of Engineer's Annual report FY 2021-22
2. Resolution Approving Engineer's Annual Report FY 2021-22
3. Resolution of Intention to Order Improvements and Setting a Public Hearing on the Annual Assessment for the City Council meeting of June 21, 2021
4. [Engineer's Annual Report FY 2021-22](#) (hyperlinked)

RESOLUTION NO.

**RESOLUTION OF THE SAN RAFAEL CITY COUNCIL DIRECTING
FILING OF ENGINEER'S ANNUAL REPORT FY 2021-22**

**POINT SAN PEDRO ROAD MEDIAN LANDSCAPING ASSESSMENT DISTRICT
(Pursuant to the Landscaping and Lighting Act of 1972)**

THE CITY COUNCIL OF THE CITY OF SAN RAFAEL RESOLVES that:

1. CSW/Stuber-Stroeh Engineering Group, Inc. is designated by this Council as the Engineer of Work for the Point San Pedro Road Median Landscaping Assessment District, City of San Rafael, Marin County, California, and is hereby directed to file with the City Clerk an annual report for fiscal year 2021-22 in accordance with the provisions of the Landscaping and Lighting Act of 1972.

2. This resolution is adopted pursuant to Section 22622 of the Streets and Highways Code.

I, LINDSAY LARA, Clerk of the City of San Rafael, hereby certify that the foregoing resolution was duly and regularly introduced and adopted at a regular meeting of the Council of said City on the 7th day of June, by the following vote, to wit:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

LINDSAY LARA, City Clerk

RESOLUTION NO.

**RESOLUTION OF THE SAN RAFAEL CITY COUNCIL APPROVING
ENGINEER'S ANNUAL LEVY REPORT FY 2021-22**

**POINT SAN PEDRO ROAD MEDIAN LANDSCAPING ASSESSMENT DISTRICT
(Pursuant to the Landscaping and Lighting Act of 1972)**

THE CITY COUNCIL OF THE CITY OF SAN RAFAEL RESOLVES that:

1. CSW/Stuber-Stroeh Engineering Group, Inc., as designated Engineer of Work for Point San Pedro Road Median Landscaping Assessment District, has filed with the City Clerk an Engineer's Annual Levy Report for fiscal year 2021-22 in accordance with the provisions of the Landscaping and Lighting Act of 1972.

2. The aforementioned Engineer's Annual Levy Report, on file with the City Clerk, is approved as filed.

I, **LINDSAY LARA**, Clerk of the City of San Rafael, hereby certify that the foregoing resolution was duly and regularly introduced and adopted at a regular meeting of the Council of said City on the 7th day of June 2021, by the following vote, to wit:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

LINDSAY LARA, City Clerk

RESOLUTION NO.

**SAN RAFAEL CITY COUNCIL RESOLUTION OF INTENTION TO ORDER
IMPROVEMENTS AND SETTING A PUBLIC HEARING ON THE ANNUAL
ASSESSMENT FOR THE CITY COUNCIL MEETING OF JUNE 21st, 2021**

**POINT SAN PEDRO ROAD MEDIAN LANDSCAPING ASSESSMENT DISTRICT
(Pursuant to the Landscaping and Lighting Act of 1972)**

THE CITY COUNCIL OF THE CITY OF SAN RAFAEL RESOLVES that:

1. The City Council intends to levy and collect assessments within the Point San Pedro Road Median Landscaping Assessment District, City of San Rafael, Marin County, California, during the fiscal year 2021-22. The area of land to be assessed is located in the City of San Rafael, Marin County.

2. In accordance with this Council's resolution directing the filing of an Engineer's Annual Report, CSW/Stuber-Stroeh Engineering Group, Inc., Engineer of Work, has filed with the City Clerk the report required by the Landscaping and Lighting Act of 1972. All interested persons are referred to that report for a full and detailed description of the improvements, the boundaries of the assessment district and the proposed assessments upon assessable lots and parcels of land within the assessment district.

3. The proposed assessment increases the assessment \$2.99 from the previous year, from \$99.79 to \$102.78 per EBU (Equivalent Benefit Unit), which is the maximum allowable assessment amount for FY 2021-22.

4. On Monday, the 21st of June, 2021 at the hour of 7:00 o'clock P.M., the City Council will conduct a public hearing on the question of the levy of the proposed annual assessment. The hearing will be held virtually through Zoom at the webinar location listed on the agenda online at

<https://www.cityofsanrafael.org/departments/public-meetings/>, as well as being streamed to YouTube at www.youtube.com/cityofsanrafael.

5. The City Clerk is authorized and directed to give the notice of hearing required by the Landscaping and Lighting Act of 1972 by publishing a copy of this resolution once in the Marin Independent Journal, publication to be completed not less than ten (10) days before June 21, 2021.

I, **LINDSAY LARA**, Clerk of the City of San Rafael, hereby certify that the foregoing resolution was duly and regularly introduced and adopted at a regular meeting of the Council of said City on the 7th day of June 2021, by the following vote, to wit:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

LINDSAY LARA, City Clerk

City of San Rafael

Proclamation Recognizing

June as Lesbian, Gay, Bisexual, Transgender, Queer+ (LGBTQ+) Pride Month

- WHEREAS, the City of San Rafael recognizes and proclaims the month of June 2021 as "Lesbian, Gay, Bisexual, Transgender, Queer+ (LGBTQ+) Pride Month"; and
- WHEREAS, in honor of the 1969 Stonewall Uprising in Manhattan and the subsequent first Pride march in New York City in June 1970, each June, Americans come together to celebrate LGBTQ+ people; and
- WHEREAS, the City of San Rafael has a diverse LGBTQ+ community and is committed to supporting visibility, dignity, and equity for all people in the community; and
- WHEREAS, the City of San Rafael observes June as a time to celebrate our dynamic LGBTQ+ community, raise awareness of quality services, and foster a dialogue to promote healthy, safe, and prosperous school climates and communities for all; and
- WHEREAS, in the 2020 Marin County Suicide Prevention Strategic Plan, community survey respondents that identified as LGBTQ+ reported being affected by suicide at a higher rate than any other demographic subset: 52% of LGBTQ+ respondents have seriously contemplated suicide, and 28% have attempted suicide; and
- WHEREAS, LGBTQ+ people and people living with and affected by HIV make vital contributions to and enhance the social and economic fabric of San Rafael in the fields of education, law, health, business, science, research, economic development, architecture, fashion, sports, government, music, film, technology, literature, civil rights, politics, and more; and
- WHEREAS, because of the acts of courage of the millions who came out and spoke out to demand justice, and of those who quietly toiled and pushed for progress, our country has made great strides in recognizing what these brave individuals long knew to be true in their hearts - that no person should be judged by anything but the content of their character.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and City Council of the City of San Rafael recognizes June as "Lesbian, Gay, Bisexual, Transgender, Queer+ (LGBTQ+) Pride Month" in the City of San Rafael to inspire equity, create alliances, celebrate diversity, and establish safe environments in our schools and communities throughout the City.

BE IT FURTHER RESOLVED, that the City Council of the City of San Rafael fully supports the rights, freedoms, and equal treatment of lesbian, gay, bisexual, transgender, and queer people; and to unequivocally show this support, directs staff to fly the Progress Pride Flag at City Hall from the 8th to the 30th day of June, in the year two thousand and twenty-one.

BE IT FURTHER RESOLVED, that the City Council of the City of San Rafael, directs staff to update the existing Flag Protocol Policy to incorporate new guidelines regarding the flying of ceremonial flags.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of San Rafael to be affixed this 7th day of June, in the year two thousand and twenty-one.



Kate Colin
Mayor

City of San Rafael
Proclamation Commemorating
Juneteenth

- WHEREAS, Juneteenth is the oldest nationally celebrated commemoration of the ending of slavery in the United States; and
- WHEREAS, from its Galveston, Texas origin in 1865, the observance of June 19th as the African American Emancipation Day has spread across the United States and beyond, and today Juneteenth commemorates African American freedom and emphasizes education and achievement; and
- WHEREAS, it is a day, a week, and in some areas a month marked with celebrations, speakers, picnics, and family gatherings. It is also a time for reflection and rejoicing; a time for assessment, self-improvement and for planning the future; and
- WHEREAS, we find ourselves in a critical moment of reckoning as it pertains to the lives, liberties, and dreams of African American families locally, nationally, and globally. We understand this moment to be one where we must invest in, support, and respect African American lives; and
- WHEREAS, in cities across the country people of all races, nationalities, and religions are joining hands to truthfully acknowledge a period in our history that has shaped and continues to influence the current state of our nation and society; and
- WHEREAS, the Emancipation Proclamation which ended slavery greatly influenced migration patterns across the United States and shaped the culture of the Bay Area and Marin County, adding great depth, vibrancy, and value to this diverse region and the State of California; and
- WHEREAS, we acknowledge that this vibrancy, depth, and value has often been marginalized and underserved, and that we utilize this moment to commit to the implementation and valuation of racial equity in the City of San Rafael; and
- WHEREAS, in the tradition of Juneteenth, we honor the experience of those who came before us and acknowledge the importance of bearing witness to the sacrifices of our ancestors and elders; and
- WHEREAS, while Juneteenth was widely celebrated following the Civil War, it experienced decline and repression in the 20th century until the Civil Rights movement of the 1960s, and we support it in the spirit of civil rights for ourselves and for all; and
- WHEREAS, the promise of Juneteenth remains elusive for African Americans as seen most recently in the deaths of George Floyd, Breonna Taylor, Ahmaud Arbery, Sandra Bland and countless others; and
- WHEREAS, we honor the memory of enslaved persons, freemen, passengers and supporters of the Underground Railroad and all those who have tirelessly pursued freedom and self-determination; and
- WHEREAS, we call to mind those who continue to suffer in various forms of slavery across the globe even today and reject the tyranny and inhumanity of such bondage; and
- WHEREAS, we affirm that when people are sensitized to the conditions and experiences of others, only then can we make significant and lasting improvements in our society; and
- WHEREAS, we call upon the people of the City of San Rafael to eliminate prejudice, and to celebrate the great diversity of the American people and the extraordinary contributions of African Americans; to look upon the current state of our nation as an opportunity for change that brings about racial equity through the work of radical imagination, intention, purpose, and continued work towards the eradication of prejudice, racism, and injustice.

NOW, THEREFORE, BE IT RESOLVED, that every June 19th is recognized annually in the City of San Rafael as a celebration of the emancipation of enslaved persons in the United States and the City reaffirms its commitment to safeguard the civil rights, safety, and dignity of African Americans.




Kate Colin
Mayor



SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: Community Development

Prepared by: Alicia Giudice,
Community Development Director
Lisa Goldfien, Asst. City Attorney

City Manager Approval: _____ 

TOPIC: "TEFRA" PUBLIC HEARING FOR TAX-EXEMPT FINANCING – 855 C STREET

SUBJECT: PUBLIC HEARING AND CONSIDERATION OF RESOLUTION APPROVING ISSUANCE OF REVENUE BONDS BY THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY FOR THE PURPOSE OF PROVIDING FINANCING FOR A RESIDENTIAL RENTAL HOUSING PROJECT KNOWN AS CENTERTOWN APARTMENTS AT 855 C STREET, PURSUANT TO THE TAX AND EQUITY FISCAL RESPONSIBILITY ACT OF 1982 (“TEFRA”); CASE NO. P21-009

RECOMMENDATION:

Hold a public hearing and adopt a resolution approving the issuance of revenue bonds to provide financing for the Centertown Apartments.

BACKGROUND:

The Centertown Apartments is a 60-unit multi-family residential rental development that is located at 855 C Street. Constructed in 1992, the 60 units are contained in one, four-story building constructed over parking. The 60 apartment units include 17 one-bedroom units, 28 two-bedroom units, and 15 three-bedroom units. The 0.98-acre property is also developed with surface parking and perimeter landscaping. One hundred percent (100%) of the units in the Centertown Apartments are affordable to households qualifying in the low-income and extremely low-income categories. The average household income of Centertown residents is about 32% of the Marin County Areawide Median Income (AMI).

The property is owned by the City of San Rafael, as successor housing agency to the former San Rafael Redevelopment Agency, and is leased to Centertown II, LLC a California non-profit benefit corporation operated by BRIDGE Housing Corporation. BRIDGE Housing Corporation owns many affordable housing projects throughout California. In 2020, the City approved the execution of an “option to lease” agreement with Centertown II, LLC which granted an option to enter into a replacement lease on new terms. Since this action, staff has been working with BRIDGE Housing Corporation to structure a lease. Consistent with the option approved by the City Council, the terms of the lease will include, among others: a) a lease term of 99 years; b) an \$83,000 upfront ground lease payment (based on a 2020 property

FOR CITY CLERK ONLY

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Disposition: _____

appraisal) to the City; and c) payment of \$5,000 per year for a City monitoring fee, which can escalate at 3% per year after permanent financing is in place.

BRIDGE Housing Corporation has applied to the California Municipal Finance Authority (CMFA) to be its issuer for tax-exempt financing for this property. CMFA was created in 2004 to promote economic, cultural and community development through the financing of economic development and charitable activities in California. CMFA was formed to assist local jurisdictions with the issuance of taxable and tax-exempt bonds aimed at improving the standard of living in California. San Rafael is a member of CMFA.

The Centertown Apartments project application to CMFA is expected to be financed in an amount not-to-exceed \$20,000,000 in the form of tax-exempt revenue bonds. The proceeds of the bonds will be used by BRIDGE Housing Corporation to finance a project to rehabilitate the Centertown Apartments. The financing will be used to address the property's immediate physical needs, as well as to establish reserves and a cash flow to address future maintenance needs as they arise. The immediate need is to remedy construction issues related to water intrusion. The cost for this improvement is estimated at \$10,000,000, which includes a 10% hard cost contingency that is common for rehabilitation of older properties.

TEFRA HEARING:

For all or a portion of the bonds to qualify as tax-exempt revenue bonds, Internal Revenue Code section 147(f), enacted by the Tax and Equity Fiscal Responsibility Act of 1982 ("TEFRA") requires that a public hearing be conducted and the bond issuance approved by an "applicable elected representative" of a governmental unit, the boundaries of which include the site at which the project is located. The San Rafael City Council is an "applicable elected representative" for purposes of holding such hearing and approving the issuance of the bonds and has been requested to do so by CMFA. A proposed resolution has been prepared and is attached for City Council consideration.

ANALYSIS:

The public "TEFRA" hearing would fulfill the requirements of the federal law and the requirements of CMFA. The City Council's role to conduct the public hearing and act on the attached resolution has no direct impact on the City of San Rafael or the subject property in that:

1. The bonds will not constitute a debt or liability to the City. The bond payments will be made by the borrower using income generated by the project.
2. As noted above, for all or a portion of the bonds to qualify as tax-exempt bonds, the City must conduct the public hearing as an accommodation to the CMFA. The City will not be the issuer of the bonds, nor will it be responsible for interest payments on the bonds. Therefore, the City's role in conducting the public hearing is perfunctory.
3. The issuance of the bonds will have no impact on, nor would it change the current affordability status of the 60 residential units. Rather, the issuance of the bonds will foster a pay-down of the outstanding debt and would be used to finance needed capital improvements to the subject property.
4. The action on this request qualifies for an Exemption from the provisions of the California Environmental Quality Act (CEQA) Guidelines pursuant to Section 15061(b). This CEQA provision states that as a "general rule," CEQA applies only to projects and actions which have the potential to cause a significant, physical environmental effect on the environment.

After holding the TEFRA hearing and adopting the required resolution, no other participation or activity will be required of the City with respect to issuance of the bonds.

COMMUNITY OUTREACH:

A required notice of this public hearing was published in the Marin Independent Journal 10 days prior to the hearing. A copy of the notice is attached (Attachment 2).

FISCAL IMPACT:

The City's review and action on this request has no fiscal impact on the City of San Rafael. As discussed above, the issuance of the tax-exempt revenue bonds for financing will not constitute a debt or liability of the City.

The Board of Directors of the California Foundation for Stronger Communities, a California non-profit public benefit corporation, acts as the Board of Directors for CMFA. Through its conduit issuance activities, CMFA shares a portion of the issuance fees it receives with member communities and donates its portion of the issuance fees for support of local charities. With respect to the City, it is expected that a portion of the issuance fees attributed to the City will be granted by CMFA to the general fund of the City. Such grant may be used for any lawful purpose by the City.

OPTIONS:

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

1. Adopt the attached resolution as recommended by staff;
2. Adopt resolution with modifications;
3. Continue the matter and direct staff to return with more information; or
4. Deny the request.

RECOMMENDED ACTION:

Adopt resolution approving the issuance of revenue bonds for financing of the Centertown Apartments

ATTACHMENTS:

1. Resolution Approving the Issuance of Revenue Bonds by the California Municipal Finance Authority for the Purpose of Providing Financing for a Residential Rental Housing Facility Known as Centertown Apartments Located at 855 C Street, Pursuant to the Tax and Equity Fiscal Responsibility Act of 1982 ("TEFRA")
2. Public Hearing Notice

RESOLUTION NO.

A RESOLUTION OF THE SAN RAFAEL CITY COUNCIL APPROVING ISSUANCE OF REVENUE BONDS BY THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY FOR THE PURPOSE OF PROVIDING FINANCING FOR A RESIDENTIAL RENTAL HOUSING PROJECT KNOWN AS CENTERTOWN APARTMENTS AT 855 C STREET, PURSUANT TO THE TAX AND EQUITY FISCAL RESPONSIBILITY ACT OF 1982 (“TEFRA”) (CASE NO. P21-009)

WHEREAS, pursuant Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, certain public agencies (the “Members”) have entered into a Joint Exercise of Powers Agreement Relating to the California Municipal Finance Authority, dated as of January 1, 2004 (the “Agreement”) in order to form the California Municipal Finance Authority (the “Authority”), for the purpose of promoting economic, cultural and community development, and in order to exercise any powers common to the Members, including the issuance of bonds, notes or other evidences of indebtedness;

WHEREAS, the City of San Rafael (the “City”) is a member of the Authority; and

WHEREAS, the Authority is authorized to issue and sell revenue bonds for the purpose, among others, of financing or refinancing the acquisition and rehabilitation of multifamily residential rental housing facilities; and

WHEREAS, BRIDGE Housing Corporation, a California nonprofit public benefit corporation (“BRIDGE”), has requested that the Authority consider the issuance and sale of tax-exempt revenue bonds (the “Bonds”) in an amount not to exceed \$20,000,000, and to use proceeds of the Bonds to make a loan to a California limited partnership (the “Borrower”) to be formed by BRIDGE or by an affiliate of BRIDGE, to finance the acquisition and rehabilitation by the Borrower of a 60 unit multifamily rental housing facility currently known as Centertown Apartments (the “Housing Facility”) located at 855 C Street in the City, to be owned by the Borrower; and

WHEREAS, for the interest on the Bonds to be tax-exempt, section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), requires that an “applicable elected representative” of a governmental unit, the boundaries of which include the site at which the Housing Facility is located, hold a public hearing on the issuance of the Bonds and approve the issuance of the Bonds following such hearing; and

WHEREAS, the Authority has determined that the City Council of the City is an “applicable elected representative” for purposes of holding such hearing; and

WHEREAS, the Authority has requested that the City Council of the City approve the issuance of the Bonds by the Authority, following the conduct of the public hearing, in order to satisfy the public approval requirement of section 147(f) of the Code and the requirements of section 4 of the Agreement; and

WHEREAS, notice of such public hearing has been duly given as required by the Code, and the City Council has heretofore held such public hearing at which all interested persons were given an opportunity to be heard on all matters relative to the location, financing and nature of the Housing Facility and the Authority’s issuance of the Bonds therefor; and

WHEREAS, it is in the public interest and for the public benefit that the City Council approve the issuance of the Bonds by the Authority for the aforesaid purposes.

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

Section 1. The City Council hereby approves the issuance of the Bonds by the Authority. It is the purpose and intent of the City Council that this Resolution constitute approval of the issuance of the Bonds (a) by the “applicable elected representative” in accordance with section 147(f) of the Code, and (b) by the City Council in accordance with section 4 of the Agreement.

Section 2. The issuance of the Bonds shall be subject to the approval of the Authority of all financing documents relating thereto to which the Authority is a party. The City shall have no responsibility or liability whatsoever with respect to the repayment or administration of the Bonds.

Section 3. The adoption of this Resolution shall not obligate the City or any department thereof to (i) provide any financing for the Housing Facility; (ii) approve any application or request for or take any other action in connection with any planning approval, permit or other action necessary for the acquisition, rehabilitation or operation of the Housing Facility; (iii) make any contribution or advance any funds whatsoever to the Authority; or (iv) take any further action with respect to the Authority or its membership therein.

Section 4. The Mayor, the City Manager, the Finance Director, the City Clerk and all other proper officers and officials of the City are hereby authorized and directed to execute such other documents and certificates, and to perform such other acts, as may be necessary or convenient to affect the purposes of this Resolution and the issuance of the Bonds hereby approved.

Section 5. This Resolution shall take effect immediately upon its adoption.

I, LINDSAY LARA, City Clerk of the City of San Rafael, hereby certify that the foregoing Resolution was duly and regularly introduced and adopted at a regular meeting of the City Council of said City held on Monday, the 7th day of June, 2021, by the following vote, to wit:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

LINDSAY LARA, City Clerk

**CITY OF SAN RAFAEL
NOTICE OF PUBLIC HEARING**

Notice is hereby given that the San Rafael City Council will hold a public hearing on the following project:

MEETING DATE/TIME/LOCATION: **Monday, June 7, 2021 7:00 p.m. COVID-19 ADVISORY NOTICE** Consistent with Executive Orders No.-25-20 and No. N-29-20 from the Executive Department of the State of California and the Marin County March 16, 2020 Shelter in Place Order, the San Rafael City Council meeting of June 7, 2021 will not be physically open to the public and the meeting will be streamed live to YouTube at <https://www.youtube.com/cityofsanrafael> and through Zoom. Instructions on how to participate online, will be available on the YouTube channel.

PROJECT DESCRIPTION: **CENTERTOWN APARTMENTS – 855 C STREET.** NOTICE IS HEREBY GIVEN that as required by Section 147(f) of the Internal Revenue Code of 1986, a public hearing will be held by the City Council of the City of San Rafael, with respect to the proposed issuance by the California Municipal Finance Authority (the “Authority”) of its revenue bonds in one or more series in an amount of approximately \$20,000,000 (the “Bonds”).

The proceeds of the Bonds will be used to: (1) finance the acquisition and rehabilitation of the Centertown Apartments, a 60-unit multifamily rental housing facility located at 855 C Street; and (2) pay certain expenses incurred in connection with the issuance of the Bonds. The facility to be financed is to be owned by a California limited partnership (the “Borrower”) to be formed by BRIDGE Housing Corporation (“BRIDGE”) or an affiliate of BRIDGE. All or a portion of the rental units in the Project will be rented to persons and families of low or very low income.

The Bonds and the obligation to pay principal of and interest thereon and any redemption premium with respect thereto will not constitute an indebtedness or an obligation of the Authority, the City, the State of California or any political subdivision thereof, within the meaning of any constitutional or statutory debt limitation, or a charge against the general credit or taxing powers of any of them, but will be payable solely from certain revenues duly pledged therefor and generally representing amounts paid by the Borrower. Case No.: P21-009

WHAT WILL HAPPEN AND HOW TO PARTICIPATE AND COMMENT: You may comment on the issuance of the Bonds or on the nature and location of the Project online or via conference call. The City Council will consider all public testimony and decide whether to approve the issuance by CMFA of the Bonds. Options for meeting participation and providing comments:
YouTube - <https://www.youtube.com/cityofsanrafael> and through Zoom
Watch Webinar - <https://tinyurl.com/cc-2021-06-07> ID: 817-3692-0337#
Provide comments by phone: (844) 854-2222 (Toll Free); Access Code: 920111

IF YOU CANNOT PARTICIPATE: You may send a letter to Lindsay Lara, City Clerk by email to Lindsay.Lara@cityofsanrafael.org.

FOR MORE INFORMATION: Contact **Sara White**, Project Manager, BRIDGE Housing Corporation, at (415) 321-4074, or swhite@bridgehousing.com. You can also view the staff report after 5:00 p.m. on the Friday before the meeting at <http://www.cityofsanrafael.org/meetings>.

SAN RAFAEL CITY COUNCIL
/s/ Lindsay Lara
Lindsay Lara
CITY CLERK



SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: City Manager

**Prepared by: Andrew Hening
Director of Homeless Planning and Outreach**

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 results 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 disruptive public intoxication and untreated mental illness. As the City, County, and local providers began to focus on these issues, it became clear that these behaviors were not being generated uniformly across every person experiencing homelessness. Instead, a small number of very vulnerable, physically and/or mentally ill people were generating a hugely outsized impact in the community. Ironically, our providers knew all these people by name. In some cases, they had been serving these individuals for decades. In short, although we didn't have the language at the time, we realized our number one challenge was chronic homelessness.

FOR CITY CLERK ONLY

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Chronic homelessness describes people who have experienced homelessness for at least a year — or repeatedly over a number of years — who also struggle with a disabling condition such as a serious mental illness, substance use disorder, trauma brain injury, and/or physical disability. Making up just 10-30% of the overall homelessness population at any given community, these individuals tend to generate significant public complaints, as well as substantial systemic costs. One [study](#) at that time, which focused specifically on homeless chronic inebriates, found that these high-needs individuals were costing the community \$60,000+ per year in public services (e.g. emergency room visits, EMS transports, criminal justice interventions).

Importantly, at the same time that people experiencing chronic homelessness are generating a significant community impact, these are 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 begin to serve this population, a team of local leaders, co-led by the City of San Rafael, 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 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 San Rafael.

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 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 with the resources they needed to serve individuals who were high utilizers of the healthcare system. Because of the new vouchers and service dollars, our community was able to launch “Housing First” at scale.

[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 330+ 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 in Mill Valley, Corte Madera, San Anselmo, Novato, and Inverness.

In addition to the City’s strategic efforts around chronic homelessness, over the last five years there have also been a number of tactical changes that have also gone into effect in San Rafael to mitigate the impacts of homelessness in our community.

- First and foremost is providing permanent housing. In 2020, Homeward Bound of Marin started construction on 32 new units of permanent supportive housing at their Mill Street Center. The City of San Rafael contributed \$750,000 through the Affordable Housing Trust Fund. Additionally, in November of last year, the City Council [approved allocating funding](#) from the Affordable Housing Trust Fund in the amount of \$1.54 million to support the County’s purchase of 3301 Kerner Boulevard through the State of California’s Project Homekey initiative. This will produce another 44 units of permanent supportive housing (3301 Kerner is currently being used as the temporary Mill Street Shelter as Homeward Bound finishes work at their current site). In total, the City of San Rafael has provided over \$2.2 million in funding to these homelessness-related sites. Additionally, the City allocated \$800,000 from the Affordable Housing Trust Fund

to the 67-unit Vivalon (former Whistlestop) senior housing project downtown (Eden Housing) which will be 100% affordable units.

- In 2017, based on a Memorandum of Understanding between the City of San Rafael and the Ritter Center, the Ritter Center stopped providing general mail services. The City now funds Ritter (\$10,000 per year) to administer PO Boxes at the San Rafael Post Office on Bellam Blvd, and the Ritter Center is still able to provide mail for people who would otherwise be unable to utilize this service (e.g. clients with significant disabilities).
- In 2018, based on the same Memorandum of Understanding, Ritter stopped providing shower services Downtown. This closure was coordinated 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. Given that over 70% of Marin's homeless community is located *outside* of San Rafael, this service has been able to help people who otherwise would not have any such hygiene support.
- Through continued leadership from the City, every city and town in Marin has been 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](#), 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 is currently considering a new contract with Downtown Streets Team for FY21-22 and FY22-23, which would not exceed \$100,000 per year.
- 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:

The last year has raised many new challenges and concerns in our community about homelessness, and it is yet again requiring a fresh look at the way the City and its partners address this complex issue.

The conventional benchmark for evaluating homeless services is the Homeless Point-in-Time Count, which is conducted in every odd year in January. Because of COVID-19 public health guidelines, communities could opt out of conducting the PIT in 2021, and that's what Marin County decided to do. However, in its place, the County coordinated [a dedicated vehicle count](#). It is commonly believed that people who are living in their vehicles are more recently homeless (i.e. if a person loses their housing, they are more likely to transition to their vehicle, if they have one, than directly to the street). From 2019 to 2021, there was a 91% countywide increase in the number of people living in vehicles, including a 119% increase in San Rafael specifically (58 vehicles to 127). Of note, the number of people experiencing homelessness in San Rafael remains less than 30% of the countywide total population, yet again showing the countywide nature of this problem.

Even while the number of people experiencing homelessness while living in their vehicles has risen substantially, the majority of the public feedback and commentary over the last year has arisen out of community frustration about growing encampments, most notably under the central San Rafael 101 viaduct and in Boyd Park, though staff is aware that there are encampments throughout the entire city.

Despite their outsized visibility and impacts, encampments remain relatively rare overall. Based on the best data we have (the 2019 Homeless Point-in-Time Count), just 15% of people experiencing homelessness in Marin County reside in tent encampments. It's also worth noting that, at least in San Rafael, it appears that upwards of 90% of people residing in encampments are in fact chronically homeless. Therefore, we again see a nexus with needing to provide support and services for the most vulnerable people in our community.

One of the biggest challenges over the last 12 months is that a number of evolving factors have been impacting local communities' ability to respond to these growing encampments, which has contributed to them growing in size and visibility:

- **Public Health Guidance:** At the start of the pandemic, when very little was known about the COVID-19 virus, the Centers for Disease Control (CDC) put out guidance to communities across the country regarding how to support people experiencing homelessness. Those guidelines specifically called out encampments. "If individual housing options are not available, allow people who are living unsheltered or in encampments to remain where they are. Clearing encampments can cause people to disperse throughout the community and break connections with service providers. This increases the potential for infectious disease spread."
- **Legal Guidance:** In recent years a court case called *Martin v. Boise* gradually worked its way through the federal courts, ultimately resulting in a decision by the 9th Circuit Court of Appeals holding that it is unconstitutional to impose criminal penalties on people experiencing homelessness for sitting, sleeping, or lying outside on public property if there is not sufficient shelter for those individuals. The Supreme Court declined to take up the case, and the original 9th Circuit precedent remains in place. When the 9th Circuit ruling was appealed to the US Supreme Court, a key question was sleep. The original ruling centered around sleep being a basic human right. It is cruel to wake people up or move them along if they're not doing anything wrong, especially if they have nowhere else to go. In the wake of this ruling, however, there is a serious question about the intersection of sleep and informal shelter. Are encampments – which essentially become permanent structures, a place for gathering during waking hours, and a location for storage and other personal belongings – the same thing as sleep? As Bay Area cities like Santa Cruz have been learning, over the past few months, as more litigation around encampments has been arising, rather than further refining the *Martin v. Boise* precedent, local judges have been focused on public health concerns (i.e. the CDC's guidance).
- **Jurisdictional Boundaries:** Both of these issues are further complicated by the intersection of public agency jurisdictional boundaries. For example, the San Rafael Viaduct Encampment is on State property controlled by Caltrans and monitored by the California Highway Patrol. Thus, the City must work with these agencies and navigate their interpretation of the factors above.

Given this new environment, the City of San Rafael and its partners have been working to mitigate the impacts of these encampments while continuing to focus on our core strategy of permanently housing the most vulnerable people in our community.

- City Elected Officials and staff have been meeting with Senator Mike McGuire, Caltrans, and the County of Marin since September to develop new approaches.
- Nonprofit providers including Downtown Streets Team, Community Action Marin, and the Ritter Center have been conducting regular outreach, as well as Lynn Murphy, the City's Mental Health Outreach Liaison.
- All of this outreach is ultimately about housing. The County, City, and local service providers are meeting weekly to case-conference the individual housing needs of the people living in the city's largest encampments.
- The City's Department of Public Works continues to assist with regular trash pickups.

- Marin Sanitary is now servicing trashcans that have been deployed throughout the park and ride.
- The City and County have deployed handwashing stations and bathrooms throughout the city.

To put it plainly, the scale of these challenges is beyond anything the City of San Rafael on its own can respond to. Compared to the County of Marin, as well as other larger cities in the Bay Area and California, the City of San Rafael does not have funding or capacity to provide health, human, and social service functions on any acceptable scale. While the City has played a leadership role in helping to shape local policy around homelessness, the City is ultimately dependent on the resources of other partner agencies to fully implement these strategies. Fortunately, in the wake of the COVID-19 pandemic, the State and Federal government are beginning to step up to offer unprecedented resources for local communities.

For example, based on the State of California's FY21-22 May Budget Revise, the State wants cities and counties to move away from strategies that just manage homelessness and instead focus on true systems-level solutions that prevent and end homelessness. New state funding in the coming year is expected to include:

- \$2.75 billion to cities and counties for additional Homekey acquisitions over two years, for a combined \$3.5 billion in total Homekey funding
- \$1.75 billion to support shovel-ready affordable housing projects, and another \$300 million for preservation of affordable housing units with expiring affordability covenants
- \$475 million to expand the CalWORKs Housing Support Program, which provides rental assistance, moving costs, and landlord recruitment activities to rapidly rehouse families
- \$150 million to support transitioning Project Roomkey participants into permanent housing
- \$50 million for an encampment strategy with grants to local governments to assist people in moving out of unsafe, unhealthy encampments

At a federal level, in addition to significant state and local government stimulus funding, the Biden Administration recently announced the rollout of 70,000 new housing vouchers for people experiencing homelessness, over 100 of which will come to Marin.

Given the urgency of the community's concerns, the health and safety of the people currently living in encampments, and the impending infusion of new financial resources, staff is recommending a three phased approach:

Phase 1 – Immediate. Facilitate using Project Roomkey and Project Homekey existing beds to house people and match them with case management.

There are currently 40 hotel room beds through Project Roomkey in San Rafael that the County of Marin is funding (and seeking full reimbursement through the State for the room cost) and is being operated by Catholic Charities. There are also beds that come available at our Project Homekey site in San Rafael on Kerner Boulevard that is being operated as a transitional facility while Homeward Bound's new project on Mill Street is under construction. The City would actively work with our homeless community to fill existing beds and also seek to expand the number of Project Roomkey beds through working with the County of Marin. As shown above, the State may be providing \$150 million to support transitioning Project Roomkey participants into permanent housing. It is unclear yet if that would allow an expansion of additional hotel rooms and how much would be available in Marin County. Staff could return with a recommendation to use additional American Rescue Plan Act (ARPA) funding if needed to facilitate a Project Roomkey expansion.

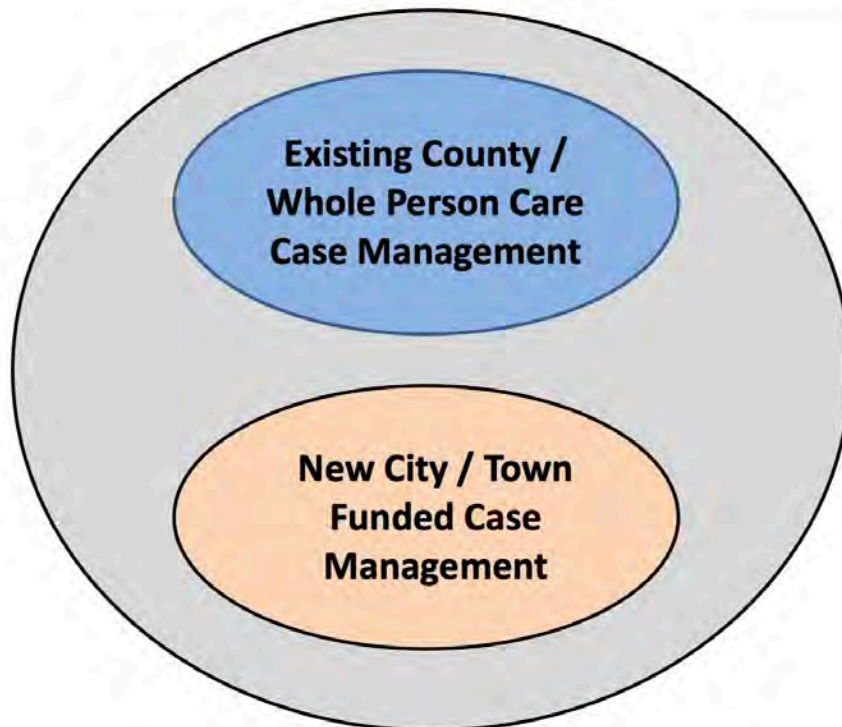
Phase 2 – Leverage one-time stimulus monies to supercharge our existing Coordinated Entry system while also mitigating current health and safety concerns (beginning June 2021, subject to ability hire and operationalize case management capacity)

As of May 2021, the number of people experiencing chronic homelessness throughout Marin County has dropped below 400 people. For people in this group, over the past few years the County has done an incredible job cobbling together different funding streams to create new case management capacity, most notably for medically fragile people. This new funding would create another subset of case management to help accelerate our progress (see Figure 1).

In order to ensure stability for any person entering housing, staff is recommending new Housing First-level case management capacity be funded for a 3-5 year period. Housing First case management typically requires one case manager to not have a caseload larger than 17 clients. The approximate all-in cost for a housing first case manager (i.e. salary, benefits, management) is \$100,000 per year. Staff is recommending that the cities and towns pool their resources to create such a program. Eight case managers, for example, would be able to provide services for 136 people throughout Marin County.

Figure 1.

Countywide Chronic Homeless Community



This case management will allow local cities and towns to continue to support high-needs, chronically homeless individuals with transitioning back into permanent housing. At the same time, it is also critical for the City to continue to address the immediate health and safety concerns among people experiencing unsheltered homelessness.

Therefore, at the same time that the City, County, and local partners are scaling up increased case management, staff recommends that the City immediately launch a pilot safe-camping program. Communities throughout the state and country have been launching similar programs that create a designated area for people experiencing homelessness where they can have access to clean camping facilities, restrooms, and storage.

To address public health and safety hazards that are frequently associated with homeless encampments, City staff is studying possible City code amendments to restrict encampments in high fire risk areas and in certain critical use facilities. The Fire Chief already exercises his discretion under City codes to close City open space to public use and encampments during fire season due to extreme wildfire risk, but staff has noted a dramatic increase in fires and other hazardous activities or conditions stemming from encampments in other significant public use areas, such as City parking garages. Staff is looking at code amendments that would give City officials more power to restrict camping or related activities in such City facilities or in other highly sensitive public areas.

Phase 3 – Leverage new housing monies to create additional permanent supportive housing (beginning summer 2021)

The City of San Rafael has been a countywide leader on permanent supportive housing. As stated earlier, in 2020 Homeward Bound of Marin started construction on 32 new units of permanent supportive housing at their Mill Street Center. Additionally, in November of last year, the City Council [approved allocating funding](#) from the Affordable Housing Trust Fund to support the County's purchase of 3301 Kerner Boulevard through the State of California's Project Homekey initiative. This will produce another 44 units of permanent supportive housing.

The City of San Rafael has also been a supporter of the State's Project Roomkey program which provided funding (in our case, to the County of Marin) to rent hotel rooms for people experiencing homelessness and then provide services to seek more permanent housing. To the extent the State of California continues to provide Project Roomkey funding, the City supports participation with location(s) in San Rafael or other jurisdictions as it is one step towards getting people permanently housed.

Also, as stated above, the State of California is planning to allocate billions of new dollars to a possible Homekey 2.0. To the extent possible, staff recommends that the City of San Rafael pursue a second Homekey 2.0 project in San Rafael, while simultaneously supporting other community partners in creating a broad and robust countywide portfolio. Homekey 1.0 created 63 new units of housing. There is no reason that Homekey 2.0 could not create, 100, 200, even 300 new units of housing. Given the expedited timing of Homekey and the requirement that units be occupied within 90 days of acquisition, even on an interim basis, Homekey 2.0 could create hundreds of new housing opportunities over the next 6-12 months.

Notably, the County of Marin is expected to set aside an additional \$5 million for Homekey 2.0 and supportive services for such projects. This will help make Homekey 2.0 a reality in Marin County.

Based on Homekey's flexibility, staff also recommends that the City and its partners consider innovative housing models, including tiny home villages, modular construction, pallet shelters, and other creative housing units. Many communities are pursuing these models for interim housing, but as we've found, the fastest way to end someone's homelessness, particularly someone who is chronically homeless, is to create a permanent unit.

In conclusion, the City of San Rafael's new City Council is inheriting a strong foundation of strategies, tactics, and partnerships that have historically been driving measurable improvements to homelessness, and these proposed modifications could further accelerate our progress.

FISCAL IMPACT:

There is no fiscal impact associated with this report.

RECOMMENDATION:

Accept Informational Report and provide direction to staff.



SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: City Manager

**Prepared by: Andrew Hening,
Director of Homeless Planning and Outreach**

City Manager Approval: _____

TOPIC: HOMELESSNESS CASE MANAGEMENT

SUBJECT: RESOLUTION OF THE SAN RAFAEL CITY COUNCIL AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH THE COUNTY OF MARIN TO PROVIDE FUNDING FOR HOUSING FIRST CASE MANAGEMENT IN AN AMOUNT NOT TO EXCEED \$260,000

RECOMMENDATION: Adopt a resolution of the San Rafael City Council Authorizing the City Manager to execute an agreement with the County of Marin to provide funding for Housing First Case Management in an amount not to exceed \$260,000.

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 results were not an accident. Over the last five years the City of San Rafael has been partnering closely with the County of Marin and local nonprofit partners to implement services and housing for people experiencing homelessness.

In 2016, the City and its partners launched the Homeless Outreach Team (HOT), which from March of 2016 through September of 2017, housed 23 of the most visible and vulnerable people experiencing chronic homelessness in Downtown San Rafael. HOT has subsequently been named a statewide best practice by the League of California Cities.

This success helped inform the launch of Coordinated Entry (CE), which officially kicked off on October 1, 2017. Since the implementation of CE, countywide over 330 of the most vulnerable people experiencing chronic homelessness have been housed (and over 90% remain housed). Today, our data suggests there are less than 400 people still experiencing chronic homelessness in Marin County.

FOR CITY CLERK ONLY

File No.: _____

Council Meeting: _____

Disposition: _____

These housing placements have been the result of strategically pairing local housing subsidies (e.g. Section 8 housing vouchers) with intensive “Housing First” case management. [Housing First](#) is an evidence-based best practice for housing people experiencing chronic homelessness that prioritizes getting back inside and then working on the underlying issues that might have caused a person’s homelessness.

ANALYSIS:

Despite this impact, the last year has raised many new challenges and concerns in our community about homelessness, and it is yet again requiring a fresh look at the way the City and its partners address this complex issue. While objectively there has been tremendous success over the last five years, subjectively, over the last year in particular, the rise of large homeless encampments (e.g. Lee Gerner Park in Novato, the Central San Rafael viaduct and Boyd Park in San Rafael, Dunphy Park in Sausalito) has suggested just the opposite.

What’s important to remember is that despite their outsized visibility and impacts, encampments remain relatively rare overall. Based on the best data we have (the 2019 Homeless Point-in-Time Count), just 15% of people experiencing homelessness in Marin County reside in tent encampments. Moreover, at least in San Rafael, upwards of 90% of people residing in encampments are in fact chronically homeless. Thus, continued progress around our core housing first strategy for people experiencing chronic homelessness will ultimately also result in a reduction in encampments.

Due to the fallout of COVID-19, the federal government is making even more resources available for people experiencing homelessness. For example, the Biden Administration recently announced the rollout of 70,000 new housing vouchers for people experiencing homelessness, over 100 of which will come to Marin. However, as we have learned over the last few years, people only have success with housing if they also have wraparound support services. Fortunately, thanks to federal stimulus funding coming to local communities, there are now resources that have never existed before.

To that end, staff is recommending that the City Council authorize the City Manager to enter into an agreement with the County of Marin, in a form to be approved by the City Attorney, agreeing to provide up to \$260,000 for the hiring of additional housing first case managers.

The goal is ultimately for cities and towns in Marin to contribute to this effort, which will help dramatically expand local service capacity. Through regional meetings, there has been discussion of setting aside approximately \$2 million countywide towards additional case management tied to the new emergency housing vouchers. Using a population-based formula, San Rafael’s share is approximately \$260,000.

This program is scalable because it is employing case managers to work with people experiencing homelessness and matched up with a housing voucher. For example, the Marin Housing Authority has said they will make approximately half of the new vouchers available in July, so this program would be able to get up and running fairly quickly. Each voucher will need to be matched with a willing landlord. Additional funding, such as through the State budget or additional federal funds, would allow expanding the program to have a larger reach and assist more people. Staff is working on an initial program that manages the funding sources to flex up case management services for a period of 3-5 years.

FISCAL IMPACT:

Staff is recommending that the City set aside up to \$260,000 for this program. This amount would be made possible through San Rafael’s allocation of American Rescue Plan Act (ARPA) dollars. While the guidance for those funds is not yet finalized, there are sufficient funds available using either ARPA

funds or the funds that are released due to ARPA coving reimbursable expenses. It's important to remember that this funding will be highly leveraged by allowing our community to utilize more Section 8 housing vouchers.

OPTIONS:

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

1. Adopt the resolution as proposed by staff.
2. Adopt the resolution with modifications.
3. Direct staff to return with more information.
4. Take no action.

RECOMMENDATION:

Adopt Resolution.

ATTACHMENTS:

1. Resolution Authorizing the City Manager to Enter Into an Agreement with the County of Marin to Provide Funding for Housing First Case Management in an Amount Not to Exceed \$260,000

RESOLUTION NO.

**RESOLUTION OF THE SAN RAFAEL CITY COUNCIL
AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT
WITH THE COUNTY OF MARIN TO PROVIDE FUNDING FOR HOUSING FIRST
CASE MANAGEMENT IN AN AMOUNT NOT TO EXCEED \$260,000**

WHEREAS, on October 1, 2017, the County of Marin and local homeless service providers launched a “Coordinated Entry System” for providing people experiencing homelessness with housing and services; and

WHEREAS, since the launch of the Coordinated Entry System, approximately 330 people who had been experiencing chronic homelessness have been housed; and

WHEREAS, over 90% of the chronically homeless persons housed through Coordinated Entry have remained housed; and

WHEREAS, there are still people experiencing chronic homelessness in San Rafael and the rest of Marin County who would greatly benefit from supportive housing and services; and

WHEREAS, with new economic resources becoming available for services to assist people experiencing homelessness, the County of Marin and local cities and towns have been discussing the possibility of pooling local city and town resources to create a new “city-funded case management” option, that would provide additional case management support for people experiencing chronic homelessness and would allow our community to prioritize more of the most high-needs people for permanent supportive housing;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of San Rafael hereby approves and authorizes the City Manager to negotiate and enter into an

Agreement with the County of Marin and/or with other local jurisdictions, in a form to be approved by the City Attorney, to contribute funding for a Housing First case management program, in an amount not to exceed \$260,000.

I, **LINDSAY LARA**, Clerk of the City of San Rafael, hereby certify that the foregoing resolution was duly and regularly introduced and adopted at a regular meeting of the City Council of said City held on Monday the 7th day of June 2021, by the following vote, to wit:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

LINDSAY LARA, City Clerk



SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: Finance

Prepared by: Nadine Atieh Hade,
Finance Director

Bill Guerin,
Director of Public Works

City Manager Approval: _____ 

TOPIC: PRELIMINARY CITYWIDE BUDGET FOR FISCAL YEAR 2021-2022

SUBJECT: PRELIMINARY CITYWIDE BUDGET, CAPITAL IMPROVEMENT PROGRAM, GOALS AND OBJECTIVES, AND GANN APPROPRIATIONS LIMITS FOR FISCAL YEAR 2021-2022

RECOMMENDATION:

Accept report and provide direction to staff to return with the final budget for adoption.

SUMMARY: This report presents the final proposed citywide budget for Fiscal Year (FY) 2021-22, beginning July 1, 2021 and ending June 30, 2022.

For the FY 2021-22 budget, ongoing General Fund operational expenditures are supported by current period revenues and the spending plans of all other funds are supported by projected revenues and accumulated resources in their respective funds. Proposed appropriations citywide total \$127,789,398 and are within the legal spending limit.

BACKGROUND:

This report will focus on the following:

1. Brief status of FY 2020-21 budget performance
2. Proposed Goals and Objectives for FY 2021-22
3. Proposed operating and capital budget presented for all City funds for FY 2021-22
4. FY 2021-22 Appropriations Limit

FOR CITY CLERK ONLY

Council Meeting:

Disposition:

BUDGET ACTION

The purpose of this report is to provide the City Council and community with the preliminary proposed citywide budget for FY 2021-22 which has been prepared for public comment at the June 7, 2021 City Council meeting and adoption at the June 21, 2021 City Council meeting. The Goal and Objectives draft document was presented to the City Council at its public study session meeting on April 30, 2021. The preliminary Capital Improvement Program was presented to the City Council at the [May 3, 2021](#) City Council meeting for public comment.

The budget is both a spending plan for the City's available financial resources and the legal authority for City departments to spend these resources for public purposes. Through these resources, services are provided to meet the needs of the community. The City Council and City staff respond to the community's needs in part through the budget, which is intended to balance not only revenues and costs, but also community priorities.

Consistent with the direction provided by the City Council in [May 2014](#), the additional one-quarter percent sales tax revenues provided by Measure E, effective April 1, 2014 through March 31, 2034, are dedicated to funding major construction and improvements to public safety facilities (also referred to as the [San Rafael Essential Facilities](#) project).

"GANN" APPROPRIATIONS LIMIT

Article XIIB of the California Constitution (enacted with the passage of Proposition 4 in 1979 – the Gann initiative – with modifications under Proposition 111 passed in June 1990, and implemented by California Government Code sections 7900, and following) provides the basis for the Gann appropriation limitation. The City's appropriation growth rate is limited to changes in population and either the change in California per capita income or the change in the local assessment roll due to new, non-residential construction.

ANALYSIS:

UPDATE ON CURRENT BUDGET/FISCAL YEAR 2020-21

General Fund

Revenues: The original FY 2020-21 budget, adopted on [June 15, 2020](#), projected \$75,483,680 in revenues. This was based on the soundest information available at the time as economists and revenue experts forecasted reductions in revenue based on the pandemic. The City worked with two revenue consulting companies (HdL and Management Partners) and other local agencies to project losses for FY 2020-21. Fortunately for the state of California, the federal aid (stimulus checks and extra unemployment dollars) has played a significant role and revenues are not as impacted as originally expected. The mid-year budget review (updated budget) presented on [March 1, 2021](#), revenues were increased by \$5,500,000 for a projected balance of \$80,983,680 based on higher than anticipated sales and use tax receipts as well as the passage of Measure R and receipt of CARES Act funds. Current revenues are projected to be \$83,429,224, which is \$2,445,544, or 3% above the updated budget, based on activity through April which is the most up to date information available. This is due to an estimated increase in property transfer tax of approximately \$366,000, higher than anticipated Educational Revenue Augmentation Fund (ERAF) payments received from the County of \$367,970 and continuing increases in sales tax revenues estimated at approximately \$1,711,500.

Expenditures: As part of the approved FY 2020-21 budget, expenses were reduced by \$6,686,000 as the City was preparing for projected revenue losses associated with the COVID-19 pandemic and acted

SAN RAFAEL CITY COUNCIL AGENDA REPORT / Page: 3

immediately to reduce expenses. During the fiscal year, an effort by all departments was made to keep to the original budget except for one request to increase appropriations during the mid-year budget update for the Public Safety Center total utility and janitorial service costs in the amount of \$275,000.

The impacts of COVID-19 have caused a revenue strain on several of the City’s other funds such as Parking, Childcare, and Recreation. At this point, most funds continue to be self-sufficient by using available fund balances. However, due to starting the year with no available fund balance and with having to endure the year with significantly reduced program activity while still utilizing staff for other activities such as disaster service workers, the Recreation fund will need an additional transfer of an estimated \$500,000 from the General Fund. The Recreation fund receives an annual subsidy of approximately \$2 million each year from the General Fund as approved in the original budget. With this additional request, the total transfer from the General Fund to the Recreation fund amounts to \$2,500,000 for FY 2020-21.

Operating results: The proposed increase to revenues of \$2,445,544, in addition to the proposed increase in expenses (transfers out to the Recreation fund) of \$500,000 changes the updated budget estimated positive net result of \$3,042,072 to \$4,987,616 for FY 2020-21. With the replenishment to the Emergency reserve fund in the amount of \$499,248 (in order to maintain the 10% per City Council policy), net unassigned funds, (otherwise known as surplus), are forecasted to be \$4,488,368 at year-end. See Table 1 for additional details.

Due to the concerted city-wide effort to stay within the originally budgeted expenditures, the City is estimating a surplus of which Staff recommend be allocated towards several competing needs such as starting to right-size employee compensation to comparable agencies, vehicle maintenance, the maintenance of City owned parks and buildings, infrastructure needs, and the City’s policy focus areas outlined in the Goals and Objectives section.

Table 1

General Fund	Adopted Budget FY 2020-21	Approved Changes	Current Budget	Proposed Changes	Revised Budget
Revenues	75,483,680	5,500,000	80,983,680	2,445,544	83,429,224
Transfers in	3,914,620		3,914,620	-	3,914,620
FY20-21 Resources	79,398,300	5,500,000	84,898,300	2,445,544	87,343,844
FY19-20 P.O. reserve	-	-	-	-	-
Total Resources	79,398,300	5,500,000	84,898,300	2,445,544	87,343,844
Expenditures	79,581,228	266,557	79,847,785	-	79,847,785
P.O. Rollover	-	-	-	-	-
Operating Transfer out	2,000,000	8,443	2,008,443	500,000	2,508,443
Total Appropriations	81,581,228	275,000	81,856,228	500,000	82,356,228
Net Result	(2,182,928)	5,225,000	3,042,072	1,945,544	4,987,616
Allocations					
Use/(Source) of Emergency Reserves	2,182,928	-	2,182,928	(2,682,176)	(499,248)
Unassigned Funds Available	-	5,225,000	5,225,000	(736,632)	4,488,368

Other Funds

The evaluation of other funds will continue with the year-end close. Any required adjustments will be presented to the City Council as part of the year-end update which staff will present to the City Council in September 2021.

GOALS AND OBJECTIVES

Each year, the City Council establishes a set of goals, objectives, and key implementation tasks ([Goals and Objectives](#)) that guide decision-making. This year, the City created four new Policy Focus areas to highlight overarching policy priorities while retaining five City Service areas to highlight operational efforts that will be of particular focus in FY 2021-22. The four Policy Focus areas and five City Service areas are listed below:

Policy Focus Areas

- **Economic Recovery:** Building back our economy stronger and more resilient than before.
- **Housing & Homelessness:** Creating new housing, keeping people in their homes, and use a “Housing First” model.
- **Racial Equity:** Working to achieve racial equity and advance opportunities for all.
- **Sustainability, Climate Change & Disasters:** Reducing greenhouse gas emissions while mitigating and adapting to climate change.

City Service Areas

A. Neighborhood and Economic Vitality: Create and preserve a healthy economy and sustain vibrant neighborhoods, Downtown, and other business areas.

B. Quality of Life: Serve and strengthen community relationships by providing literary, artistic, recreational, and cultural experiences for all residents and improving resident engagement and governmental transparency.

C. Public Safety: Prevent and respond to emergencies through essential facility improvements and community and organizational emergency readiness.

D. Public Assets: Improve and preserve public assets by sustaining effective levels of core infrastructure while reducing traffic congestion by expanding bicycle, pedestrian, and transit options.

E. Foundational Services: Sustain organizational viability and exemplary service through short and long-term financial success, organizational excellence and succession planning, and technology to improve efficiency and service levels.

Each Policy Focus and City Service area has a set of objectives, each of which, has a subset of key implementation tasks. These objectives and key implementation tasks provide a basis for making resource allocation decisions during the budget process and serve as a focal point for assessing and coordinating the City’s various short and long-term strategic planning. The resources required to perform each objective and task are summarized in the Time and Intensity graphic within the Goals and Objectives. Additionally, the Policy and City areas address the community’s needs and priorities, as well as reflect an evaluation of community condition and the government’s operating environment.

After a collaborative process that included all City departments, City staff presented the draft Goals and Objectives for FY 2021-22 to the City Council at its study session on April 30, 2021. The feedback provided in that discussion were incorporated into the [Goals and Objectives document hyperlinked here](#) (Attachment 1) for the consideration by the City Council.

PROPOSED FISCAL YEAR 2021-22 CITYWIDE BUDGET

HIGHLIGHTS

- ❖ **Citywide Budget:** The total proposed FY 2021-22 expenditure budget for the City is \$127,789,398 (Attachment 2, Exhibit I). This sum reflects all funds and operations for the City, including active capital projects. The Capital Improvement Program has planned expenditures of \$22 million for the year, of which staff reports will be submitted for approval of major projects and their associated funding source. Appropriations are supported by FY 2021-22 revenue and other sources projected at \$123,850,111, as well as by fund balances retained from previous periods for capital projects.
- ❖ **General Fund Budget:** The proposed General Fund expenditure budget comprises \$89,562,734 for operations, an increase of approximately \$7.2 million over the prior year adjusted budget, supported by revenues, transfers in, and reserves, projected at \$89,616,102, resulting in a surplus before allocations of \$53,368.
- ❖ **State Budget Impacts:** On May 14, 2021, Governor Gavin Newsom signed the May revision to the FY 2021-22 state budget, which totals approximately \$203 billion in spending. The May revision projects a \$75.7 billion surplus, contrasting against a projected \$54 billion deficit in the prior year's budget. City staff will look for any opportunities to pursue additional assistance and available funding.
 - **COVID-19:** In recognition of the disproportionate impact the COVID-19 Pandemic has had on low-income Californians and small businesses, the Budget proposes \$3 billion of pandemic relief for immediate action in January of 2021. Included in the package is \$2.4 billion for Golden State Stimulus (a \$600 payment to low-income workers), an additional \$2 billion for grants to small businesses bringing the total to over \$2.5 billion, as well as fee relief for impacted industries such as restaurants and personal services.
 - **Housing:** In January 2021 the COVID-19 Tenant Relief Act was signed, creating the California COVID-19 Rent Relief Program providing up to \$2.6 billion in federal assistance to those facing financial hardships as a result of the pandemic. The federal American Rescue Plan Act in March of 2021 provides an additional \$2.6 billion for a total of \$5.2 billion in federal rental relief aid. The May Revision also proposes \$1.75 billion to help support affordable housing projects.
 - **Homelessness:** The budget extends project Homekey, an effort to acquire motels for homeless housing, with \$2.75 billion in one-time funds to purchase additional motels, develop short-term community mental health facilities, and purchase or preserve housing dedicated to seniors. The revision adds \$40 million in one-time funds for the Homeless Coordinating Financing Council to provide grants and technical assistance to local jurisdictions to develop action plan that will address family homelessness.
 - **Transportation:** President Biden's proposed American Jobs Plan is set to provide a massive investment in broad infrastructure improvements. The May Revision proposes investing an additional \$11 billion in the transportation system and related zero-emission vehicle efforts. Included is \$2 billion through 2028 to advance State Highway Operation and Protection Program projects, Interregional Transportation Program projects, and local road and bridge investments.
 - **Emergency Preparedness and Response:** The Revision proposes \$98.4 million and 224 positions for Cal OES to address disasters across the state as well as an additional \$133.9

million for California Disaster Assistance Act funding, a Southern Regional Emergency Operations Center, and Wildfire Forecast and Threat Intelligence Center. The revision also includes \$38.9 million to augment CAL FIRE's resources for the 2021 fire season.

- Environmental Quality: The budget proposes a \$1.5 billion comprehensive strategy to achieve the state's zero-emission vehicle goals by 2035 and 2045. An additional \$1 billion is proposed to support a coordinated forest health and fire prevention strategy that maximizes technology and science-based approaches to protect state forestlands. The budget also includes \$500 million in one-time funds for toxic site cleanup and investigations.
- Public Safety: At the local level, the May Revision includes \$9 million in ongoing funding and \$100 million one-time funding for the CalVIP program providing grants to cities and community-based organizations to support services such as community education, diversion programs, outreach to at-risk transitional age youth, and violence reduction models.

❖ **American Rescue Plan Act**: On March 11, 2021, President Biden signed into law the American Rescue Plan Act (ARPA). The ARPA provided \$65.1 billion in direct aid to every city, town, and village across the country to help stabilize communities. The City of San Rafael has been allocated an amount of \$16,088,886. Of this one-time money, the first 50% of the allocation has been received and the second 50% will be distributed a year from now. Jurisdictions have until December 31, 2024 to spend the funding. On May 17th, the Treasury Department issued an [Interim Final Rule](#) document that provides guidance on what the funds may be used for. However, this document is not final and will be open for public comment through July 16, 2021. At this point, staff does not recommend bringing an ARPA Funding Plan to the City Council for approval since there are many eligibility and reporting questions pending that need to be addressed by the Treasury Department. However, in preparation for the utilization of the funds, staff proposes to prioritize allocations on unfunded initiatives and projects related to the City's policy focus areas that are one-time in nature. Staff has prepared a list of high priority needs below that address Economic Recovery, Housing & Homelessness, Racial Equity and Sustainability, Climate Change & Disasters. To provide an order of magnitude, a dollar symbol is placed after each item with one (\$) representing an estimated cost of under \$500,000, two (\$\$) a cost over \$500,000 and under \$1,000,000, three (\$\$\$) a cost over \$1,000,000 and under \$3,000,000 and 4 (\$\$\$\$) a cost over \$3,000,000.

- Economic recovery for small businesses including action items that result from the Economic Development Strategic Plan or other special initiatives (\$)
- Dedicate resources that keep racial equity work at the forefront of everything we do (\$\$\$)
- Support housing and homelessness initiatives including new homelessness programs and the facilitation of new housing (\$\$\$)
- Support climate change, sustainability and adaptation projects to reduce greenhouse emissions while mitigating and adapting to climate change (\$\$\$\$)
- Fund key community infrastructure projects such as a synthetic turf at the Pickleweed play fields and replacing pump stations (\$\$\$\$)
- Fund key technology infrastructure to replace and update outdated software systems (\$\$\$\$)

Lastly, projects where the use of ARPA funds is eligible will be brought to the City Council for approval prior to commencement. Staff recommends that ARPA funding received by the City and any expenditures thereof be separately tracked and accounted for to ensure allocation in accordance with the requirements and limitations on expenditures of those funds as required by the Act.

General Fund

The City's General Fund accounts for most of the major services to residents and businesses (such as police, fire suppression and prevention, planning, building, library, parks, streets, engineering, traffic enforcement and management, and cultural programs). The General Fund operating-related appropriations for FY 2021-22 total approximately \$89.6 million. These appropriations comprise \$87.6 million of operating expenditures and \$2 million of transfers to community services in support of the Recreation Fund.

The appropriations are supported by \$87.9 million in projected revenues and \$1.8 million of transfers from other funds. The transfers include a \$635 thousand reimbursement from Gas Tax for support of street maintenance salaries; \$683 thousand from the Employee Retirement internal service fund for debt service on the outstanding pension obligation bonds; and \$436 thousand from the Parking Services Enterprise Fund for administrative support.

The following table (Table 2) summarizes the detailed information provided in Exhibit II and presents the proposed FY 2021-22 budget with a comparison to the projected FY 2020-21 budget.

Revenues available for operations are projected to be \$4.4 million, or 5.3% higher than those of the FY 2020-21 year. This is mainly due to the receipt of Measure R funds for the entire year versus one quarter in FY20-21 and an increase in transient occupancy tax of approximately 20%. Other revenue items are budgeted for modest gains above FY20-21 projections, for example a 2% increase is budgeted in property tax revenues and 1% in sales tax revenues.

Expenditures are projected to increase by \$7.7 million, or 9.7% over those of the FY 2020-21 projected budget. Increases to the FY 2021-22 expense budget include approximately \$6.1 million in personnel expenses as the furloughs lapse (\$700,000), frozen positions became unfrozen and funded (\$1,300,000), and wages increase as part of labor negotiations and as the City works to meet compensation goal needs (\$2,200,000). Respectively, pension expenses determined by MCERA also increased as the composite rate for the City of San Rafael will be 62.57 percent, a 1.8 percent increase from the current rate of 60.77 percent (\$1,900,000). Other increases in the budget of approximately \$1,900,000 are to support the City's goals and objectives, primarily focused on the policy focus areas.

Table 2

General Fund	Projected FY 2020-21	Proposed FY 2021-22	\$ Change from previous year	% Change from previous year
Revenues	\$ 83,429,224	\$ 87,861,080	\$ 4,431,856	5.3%
Transfers in	3,914,620	1,755,022		
Total Resources	\$ 87,343,844	\$ 89,616,102	\$ 2,272,258	2.6%
Expenditures	\$ 79,847,785	\$ 87,562,734	\$ 7,714,949	9.7%
Transfers out – operating	2,508,443	2,000,000		
Total Operating Uses	\$ 82,356,228	\$ 89,562,734	\$ 7,206,506	8.8%
Net Results before Allocations	\$ 4,987,616	\$ 53,368		
(Source) / Use of reserved funds				
Emergency reserve	(499,248)	(720,651)		
Total Results	\$ 4,488,368	\$ (667,283)		
Allocation of unassigned funds	-	667,283		
Net After Allocations	\$ 4,488,368	\$ 3,821,085		

Revenue Trends and Assumptions:

Sales and Transaction & Use Tax:

The COVID-19 pandemic has not caused the severity in recessionary impact many had feared in Sales and Use tax remittances. Low interest rates have buoyed construction and auto sales as well as the timely passage of the Wayfair ruling dramatically increased remittances from the County pool from online transactions, now accounting for the City’s largest Major Industry Group for tax remittances. Growth in auto sales and building and construction is projected to slow in FY 2021-22 where restaurants and hotels and fuel and service stations are projected to grow 23.9% and 15.5%, respectively, as we project to recover from the pandemic.

With the assistance of HdL Companies, the City’s sales tax consultant, recurring sales tax revenues are estimated to increase slightly from \$22.3 million as currently proposed in the FY 2020-21 budget, to \$22.5 million in FY 2021-22, an increase of approximately 1 percent. Sales taxes account for approximately 26% of the City’s General Fund revenues.

Revenues from the Measure E Transactions & Use tax, which applies to most local retail sales, are estimated to rise from \$12.5 million as currently proposed in the FY 2020-21 budget, to \$12.8 million in FY 2021-22, an increase of 2 percent. One-third of these funds are allocated to service debt related to the 2018 Lease Revenue Bonds. Measure E revenues account for about 15% of the City’s General Fund

revenues. Revenues from the new Measure R Transactions & Use tax are projected to generate \$4.3 million in its first full year of implementation.

The State recently informed San Rafael and other local agencies that a taxpayer, which allocates the majority of its tax revenue through the countywide use tax pools, may be reporting incorrectly. The State said in their communication that they are looking into the matter and depending on their ultimate determination, some portion of this taxpayer's revenue will shift outside of the Marin pool. This would have the result of dampening some of the growth in revenue allocations that San Rafael would have otherwise received from this use-tax pool. The amount of any potential shift, however, is unknown. This change in taxpayer filing is expected to begin sometime in 2021. In their most recent sales tax forecast HdL calculated an estimated loss of San Rafael's pool allocations for calendar year 2021. Staff will continue to update City Council on any material shifts.

Property Tax:

Property taxes are currently projected to modestly increase by 2% over the prior year for a total of \$22.6 million. Property tax makes up 26% of the City's General Fund revenues.

Other General Fund Revenues:

Other revenues (including business tax, transient occupancy tax, development fees, permits, and charges for services) are expected to show a modest increase of 3% when compared to the prior year's budget. These revenues account for 29% of the City's General Fund revenues.

Expenditure Trends and Assumptions:

As we look forward to the recovery from the pandemic, we are projecting general fund expenditures to grow by 9.7% in FY 2021-22. The growth in expenditures incorporates increases in personnel costs as we increase compensation based on collective bargaining contract commitments. General Fund budgeted contributions to the Marin County Employees Retirement Association (MCERA) are projected to increase by \$2.3 million, or 14% when compared to the previous year. The increase is attributable to unfreezing positions as well as increased compensation coupled with an increase of 1.8% in the City's net contribution rate. Pension expenses represent approximately 16.7% of total citywide expenditures, and approximately \$18.6 million, or 20.7%, of an \$89.6 million general fund budget.

Capital Spending and Other Funds

Capital Improvement Program (CIP)

The CIP is a multi-year planning tool used to identify and implement the City's capital needs over the upcoming three-year period: FY 2021-22 through FY 2023-24. The CIP document summarizes the City's planned capital and infrastructure improvement projects, including their funding sources, and prioritizes projects after analysis and coordination with other City departments to ensure that all department needs are represented. Project selection and priority is based on recommendations by a Working Group representing various City departments to accommodate high priority needs, which focused on life/safety, maintenance and repair, public and City Council input, and other factors. The CIP is intended to provide a comprehensive three-year project list for the City's known capital and infrastructure needs.

The general categories within the CIP are as follows:

- **City-Owned Properties:** City facilities including buildings, parking garages and lots
- **Drainage:** Stormwater systems including roadway drainage and the City’s 12 stormwater pump stations
- **Parks:** Park infrastructure and facilities including playgrounds, recreation equipment, and restrooms
- **Streets/Transportation:** Roadway improvements including construction, resurfacing, and maintenance of existing bicycle and pedestrian facilities including sidewalks and bike lanes.
- **Transportation:** Transportation projects are separated out from Streets/Transportation projects. Transportation projects include traffic and signal improvements that increase traffic flow and capacity, as well as any circulation improvements that expand bicycle/pedestrian thoroughfare beyond the existing facilities in place. For example, new multi-use pathways and the expansion of existing sidewalk.

On [May 3, 2021](#), Public Works presented the preliminary three-year CIP for Fiscal Year (FY) 2021-22 through FY 2023-24 for discussion and review by the City Council. The purpose of the presentation was to provide the community members and the City Council an opportunity to participate in reviewing and sharing feedback relating to the CIP.

Major new projects/studies identified in the FY 2021-22 to FY 2023-24 CIP include:

- 20 Meyer Road Slide Repair
- North San Pedro Medians at SMART Railroad Crossing
- Center Street Resurfacing – Phases I and II
- Francisco Blvd West at Irwin St: Trash Rack
- Sun Valley Park Playground Improvements
- Grand Ave (Second St to Fourth St) Class IV Cycle Track
- Bike & Ped Master Plan 2022 Update

There are currently twelve major annual funding sources for the CIP:

Figure 2

Fund #	Fund Name	Description
205	Stormwater Fund	Established to fund stormwater maintenance, programs, and improvements throughout the City. Fund #205 receives annual revenues from the City’s Stormwater Activity fee (Municipal Code Chapter 9.40).
206	Gas Tax; Measure AA; Senate Bill 1 Funds	The Gas Tax is revenue collected and subsequently distributed by the State of California based on a percentage tax on each gallon of gas purchased in San Rafael. Gas Tax may be used for capital projects or maintenance on local streets, roads, traffic, and bicycle/pedestrian facilities. Additionally, local sales tax, passed by voters in 2018 as Measure AA, contributes to a portion of this fund for roadway improvement projects.
208	Childcare Fund	Projects identified in the CIP as utilizing Childcare Funds are restricted to facility improvements at the City’s childcare centers.

235	Baypoint Lagoon Assessment District	The Baypoint Lagoons Lighting and Landscape District was formed to protect and enhance wildlife habitat and water quality in Baypoint (Spinnaker) Lagoon and the adjacent diked salt marsh.
236	Loch Lomond Assessment District	The Loch Lomond (Melo-Roos) Assessment District was established in 1992 to pay for the repair and maintenance of the stormwater system infrastructure in the District.
240	Parkland Dedication	This fund was established to account for long-term developer deposits used to acquire and increase capacity of the City’s park infrastructure.
241	Measure A	Measure A is a nine-year ¼ percent transactions and use tax managed by the County of Marin. The tax is restricted to care for parks and open spaces. The Department of Library and Recreation, in consultation with the Parks and Recreation Commission, provides input each year as to which parks projects should be prioritized to receive Measure A funding.
246	Traffic Mitigation Fee	Traffic Mitigation Fees are an impact fee charged to a developer in connection with the approval of a private land development project with the purpose of offsetting or subsidizing public improvements made necessary by the private development. The City utilizes Traffic Mitigation Fees for circulation-related projects identified in the General Plan.
420	Measure E	Measure E was passed by San Rafael voters in November 2013 extending an existing 0.5% sales tax for 20 years and adding 0.25% (25 cents on a \$100 purchase). In February 2014, the City Council directed staff to set aside the revenues from the added quarter percent to fund public safety facilities improvements.
501	Parking Services	Projects identified in the CIP as utilizing Parking Services Funds are restricted to parking-related projects, including maintenance and upgrades at City parking garages and parking lots.
603	Building Maintenance	The Building Maintenance Fund supports routine maintenance and capital projects associated with the City’s buildings, parks and other facilities. The Building Maintenance Fund is an internal revenue fund, which means General Fund monies are the sole source of revenue.
	Grants (various)	The City actively seeks grant funding for capital projects and programs. Grant funding is available from regional, state, and federal agencies for safety, transportation, emergency response, and other types of projects.

While some CIP projects are grant-funded, most are not and are paid for through Funds 205 (Stormwater), 206 (Gas Tax), 246 (Traffic Mitigation), and 603 (Building Maintenance). Within each fund type is an Operating Budget which consists of expenses related to maintenance of infrastructure, equipment purchasing, miscellaneous contractual services, Annual Programs, and other non-project related work. Additionally, after deducting the Operating Budget from the total available funding in each fund type, staff allocated a 15-percent contingency of the remaining funds to provide a buffer for unanticipated expenses which may arise mid-year.

Beginning in March 2020, the COVID-19 pandemic created financial burdens for the City, its residents and businesses. Inevitably, the economic downturn resulted in a reduction of the City's revenues, impacting CIP funding revenues in Funds 206 (Gas Tax), 208 (Childcare), 241 (Measure A-Parks), and 501 (Parking Services). The CIP for fiscal year 2020-21 assumed a 30-percent reduction in gas tax revenues as many sectors of the economy closed and the community sheltered in place. Staff are pleased to report that gas tax revenues were better than forecasted with an additional \$600,000 received above what was anticipated. Unfortunately, this trend did not continue for the other mentioned City funds.

Staff are not anticipating any revenue reductions in Funds 206 (Gas Tax) or 246 (Traffic Mitigation) this fiscal year and have budgeted accordingly when recommending projects in the CIP. The two funds that continue to be impacted are Funds 208 (Childcare) and 501 (Parking Services). The Library and Recreation Department as well as Parking Services had to suspend or postpone planned CIP projects last fiscal year and will again do the same until revenues return to appropriate levels.

As has been noted in prior year CIPs, the long-term capital and infrastructure improvement needs for City-owned property, parks, and drainage far exceed the available revenues each year. Therefore, a considerable number of projects are identified as real capital and infrastructure needs (and maintained on the CIP project list) but are categorized as "Unfunded".

Historically, staff transfers a flat amount each year from the Gas Tax to the General Fund to support personnel costs of Streets Maintenance staff, which we propose to do again this year in the amount of \$635,000. Personnel costs of employees performing street and road maintenance and repairs total over \$2M annually in the General Fund and are an allowable use of State gas tax monies.

The complete, [final draft of the CIP is hyperlinked here](#) (Attachment 3).

Capital Project Funds

These funds are dedicated to the tracking and reporting of capital projects. The most significant capital project activity is the Public Safety Essential Facilities program, for which in the last year has completed projects such as the construction of the new Public Safety Center and the rehabilitation of Fire Stations 52 and 57. This project has been funded from the following sources: (1) direct use of designated Measure E general tax funds; (2) Lease Revenue Bonds, Series 2018, which will be repaid from designated Measure E general tax funds; and (3) allocations from the paramedic tax used to fund capital projects. In FY 2021-22, the City expects to start construction on the rehabilitation of Fire Stations 54 and 55.

Special Revenue and Grant Funds

These funds have restricted uses, based on their respective sources. One significant fund in this group is the Emergency Medical Services/Paramedic Fund (EMS). The fund has planned expenditures of \$8.6 million for the upcoming fiscal year, of which \$5.1 million, or 60%, comes from the Paramedic Tax. The balance of the funding of this activity comes primarily from third-party recovery for emergency medical response and transport services. The spending plan requires no change in the level of support from taxpayers in San Rafael, County Services Area #13, and County Services Area #19, and Marinwood Community Services District.

The EMS fund is projected to retain \$801,476 in unallocated fund balance on June 30, 2022. This balance serves as an operational reserve equal to ten percent of expenditures. Funds not needed for the operations reserve are used to fund capital improvements that directly support the delivery of emergency medical transport services (e.g., Phase II essential public facilities projects, such as Fire Stations 54 and 55). The tax rate for fiscal year 2021-22 remains unchanged from the prior year, however, expenditure

growth is projected to outpace revenue growth in future periods and further increases to the San Rafael tax rate may be necessary to support the program in the future.

The City's Cannabis Business Tax is also reported in a special revenue fund. San Rafael has several licensees in active commerce. The City anticipates the receipt of \$500,000 in excise tax revenues for the FY 2021-22 year in which the fund will incur \$500,000 in qualifying expenses. The program is expected to generate revenues of approximately \$640,000 as it is forecasted to generate associated sales tax and licensing fees of \$140,000 received by the General Fund.

The Measure A Open Space Program is in its ninth year. Funding for this activity is primarily provided by a nine-year, county-wide sales tax that is managed by the County of Marin, with the City providing discretionary contributions as needed. The focus for FY 2021-22, for which \$472 thousand in revenues is projected, remains on park capital improvements and open-space enjoyment and safety. The FY 2021-22 Measure A – Open Space Workplan was presented and approved separately at the City Council meeting of May 3, 2021.

Measure D, the successor Library parcel tax to Measure C, is entering its fifth year. This special revenue source has successfully expanded service levels, relative to those established under Measure C (previous Library parcel tax). The purpose of the tax is to “augment the capacity of the City of San Rafael to provide quality library services to its residents.” Measure D provides for expanded book and periodical purchases, including e-books; funds events and classes for all ages, and provides for supplementary technology supplies. Capital reserves were established under Measure C (previous Library parcel tax) for facility-related uses.

The Recreation and Childcare Funds are anticipating spending plans of \$4 million and \$4.2 million, respectively. Revenue projections will depend on the reopening which, although underway, could see setbacks should coronavirus case rates rise again. Management will keep the City Council apprised of any events affecting the performance of these funds.

Measure C, a historic wildfire prevention measure is entering its second year. Funding for this activity is provided by a ten-year parcel tax and is managed by the Marin Wildfire Prevention Authority, a Joint Powers Authority. The City of San Rafael is expected to receive \$1,826,000 in revenues to support coordinated wildfire prevention including early detection, warning and alerts; reducing vegetation; ensuring defensible space around homes, neighborhoods and critical infrastructure; and improving disaster evacuation routes/procedures.

Other significant funds in this category include Gas Tax and Storm Water Funds. The spending plans for these funds were developed in conjunction with the Capital Improvement Program described previously. Costs for new CIP projects are not included in the budget until they are brought to Council for approval at time of commencement.

Parking Fund

The Parking Fund is a self-sustaining enterprise fund whose revenues are dedicated to parking services. Currently, parking operations are funded via parking fees and fines, and fund balance is the only resource with which to cover capital improvements. The parking structures and lots have deferred maintenance issues that will need to be addressed in the coming years. In 2014, the Public Works Department engaged an engineering firm to evaluate current conditions of the garage structures and provide recommendations

for repair and maintenance items. The study determined that the four city-owned structures (3rd/Lootens, 3rd/A, 3rd/C, 5th/C parking structures) require significant structural repairs due to deferred maintenance. The FY 2021-22 operating budget for this fund is \$4.9 million, inclusive of operating transfers.

Internal Service Funds and Capital Replacement Funds

These funds are used to manage services that are delivered within the organization. For example, computer replacement, employee benefits, workers compensation, general liability, capital replacement, technology replacement and vehicle replacement are funded via internal charges to the funds that utilize these respective services.

Successor Agency

Prior to the state-initiated dissolution of the Redevelopment Agency in January 2012, the City Council met as the Redevelopment Agency and approved its annual budget as part of the citywide budget process. Under the current legislation, the Successor Agency is not required to prepare an annual budget. Funding for the Successor Agency follows a different process specified in the new law: funding must be approved by the Successor Agency's Oversight Board and the California Department of Finance for six-month periods. The economic development-related functions of the former Redevelopment Agency have been fully transferred to the City Manager's Office. The San Rafael Successor Agency Oversight Board has approved allowable administrative expenses of \$144,000 in FY 2021-22 for City staff time and other costs associated with the dissolution of the former Redevelopment Agency, although this amount is expected to be reduced, and eventually eliminated, in future years.

Status of Pension Funding

The City's [Pension Funding Policy](#) requires that the Finance Director and City Manager report on the status of pension funding as part of the annual budget adoption process.

The most recent pension actuarial valuation was prepared as of June 30, 2020 and approved by the MCERA Board on February 10, 2021. This valuation was used to determine the contribution rates for FY 2021-22. The composite rate for the City of San Rafael will be 62.57 percent, a 1.8 percent increase from the current rate of 60.77 percent. The budgeted pension contribution for FY 2021-22 provides full funding for the required contribution. The valuation also reported an unfunded actuarial liability of \$148.2 million for the City, representing a funded ratio of 76.2%.

MCERA's investment target (discount rate) was updated from 7.00% to 6.75% during the measurement period. The City has dedicated a portion of its employee retirement reserve to buffer the impact of unexpected increases. This reserve, which currently totals \$2.8 million, is also used to accumulate payments for debt service on the \$4.5 million pension obligation bonds issued in 2010; and for optional, supplementary payments to MCERA.

Status of Other Postemployment Benefit (OPEB) Funding (Retiree Healthcare)

The City's OPEB Funding Policy was adopted on [September 18, 2017](#). The Policy cites the City's goal of fully funding the Actuarially Determined Contribution (ADC) each year. The budgeted OPEB contribution for FY 2020-21 provides full funding for the required contribution. The contribution is based on an investment target (discount rate) of 6.75%. The most recent actuarial valuation, as of June 30,

2019, reports \$21.8 million in plan assets offset by \$48.3 million in actuarially accrued liabilities, leaving an unfunded actuarial liability of \$26.5 million. The City's ADC for FY 2021-22 is \$3.1 million.

General Fund Balance and Reserves

Under the proposed FY 2021-22 budget, all funds are projected to have a positive fund balance as of July 1, 2021, as well as at June 30, 2022.

General Fund Emergency Reserves are projected to increase from \$8.3 million to \$9 million, or 10% of General Fund expenditures, maintaining the minimum target reserve levels. There are sufficient funds retained in the general liability and workers compensation reserves to fund projected claims in those respective areas.

GANN APPROPRIATIONS LIMIT

The Appropriations Limit for each year is based on the prior year Appropriations Limit, adjusted by factors that incorporate changes in cost of living and population. For FY 2021-22, the City is using a 5.73 percent increase in California's per capita personal income from January 1, 2020 to January 1, 2021 (this figure is provided by the California Department of Finance). For the change in population, the City is using negative 0.43 percent – representing the change in population for Marin County, which is higher than San Rafael's figure of negative 0.62 percent for the period January 1, 2020 to January 1, 2021 (provided by the State of California Department of Finance).

The attached Exhibit A establishes the new Appropriations Limit for FY 2021-22, which has been calculated to be \$150,770,339. The actual budget subject to the limitation excludes self-supporting funds, capital improvement funds, capital outlay grant funds, and specific exclusions such as the Gas Tax Fund. The FY 2021-22 appropriations subject to the GANN Limit is \$82,522,271 (Attachment 4, Exhibit B). Therefore, the portion of the City's budget appropriation that is restricted by the GANN limit is \$68,248,068 under the legal limit.

STAFFING

For FY 2021-22, all departments are focused on finding ways to maximize the capacity of our current staff by re-examining the way our teams are currently organized, and by creatively implementing process improvements cross departmentally. This is especially important as the City reopens and reimagines the way it provides services with the goal of equity amongst all that we do.

In the last quarter of the FY 2019-20, in preparation for the unknown financial repercussions of the COVID-19 pandemic, the City froze vacant positions and offered a Voluntary Separation Retirement program. The savings of these actions were presented in the FY 2020-21 budget and were adhered to throughout the year which successfully decreased expenses by more than \$1,200,000. For FY 2021-22, staff recommends the frozen positions to be reinstated and reviewed for hiring on a per position basis. Additionally, a furlough was implemented for FY 2020-21 which will not be carried into FY 2021-22.

The Department of Public Works is proposing to convert one job classification into a new job classification in order to meet the current service needs. With the additions of the 40,000 ft² Public Safety Center, Fire Station 52 and 57, there is an increased workload for the City's facility maintenance

team. The staffing needs associated with maintaining these new facilities are not currently adequate. Therefore, the department proposes to convert the vacant Public Works Dispatcher position to a Facilities Maintenance Worker position. The cost of this change will be offset by the reduced facility maintenance professional services costs. The proposed changes have been discussed with the labor representatives of the affected bargaining units.

The City's current approved level of staffing for FY 2020-21 is 411.73 which is six more positions than what had been approved at the original budget in June of 2020. The six positions approved throughout the year are all funded through non-general fund operations and consist of one San Rafael Sanitary District position which does not come from City funds and the other five positions are fixed term wildfire specialists funded through Measure C, the Wildfire Prevention program.

The history and detail for the 411.73 FTE/positions being proposed for FY 2021-22 are presented in Attachment 2, Exhibit III. In summary, the FY2021-22 personnel proposal ends with 411.73 full-time employees which remains the same as the current FTE. There are no requests for additional positions at this time.

FISCAL IMPACT: The preliminary fiscal year 2021-22 budget has been prepared for all funds. Funding sources are sufficient to support the preliminary spending plans presented. There is no fiscal impact associated to the acceptance of this report.

RECOMMENDATION: Accept the report and direct staff to return on June 21, 2021 with a final citywide budget incorporating any modifications or changes discussed at the Council Meeting.

ATTACHMENTS:

1. [Preliminary FY 2021-22 City Council Goals & Objectives](#)
2. Budget Exhibits I, II and III
3. [Capital Improvement Program: FY 2021-22 through 2023-24](#)
4. Gann Appropriations Limit, and Exhibits A and B

Attachment 1

Preliminary FY 2021-22 City Council Goals & Objectives

<https://storage.googleapis.com/proudcity/sanrafaelca/uploads/2021/06/1.-Attachment-1-Draft-Goals-Objectives-2021-2022.pdf>

CITY OF SAN RAFAEL
CONSOLIDATED FUNDS

FY 2021-22 PROJECTED BUDGET		June 30, 2021	Total			Total			June 30, 2022
FUND NAME	Projected Balance	Operating and Capital Revenue	Transfers In	Total Resources	Operating and Capital Budget	Transfers to Other Funds	Total Appropriations	Projected Balance	
GENERAL OPERATING FUNDS:									
001	General Fund Available Balance	4,488,368	\$87,861,080	\$1,755,022	\$89,616,102	87,562,734	\$2,000,000	\$89,562,734	\$4,541,737
218	General Plan Special Revenue Fund	1,015,042	1,136,203		1,136,203	928,586		928,586	1,222,659
SPECIAL REVENUE & GRANT FUNDS:									
205	Storm Water Fund	729,468	834,456		834,456	1,145,725		1,145,725	418,199
206	Gas Tax	3,456,912	5,528,495	-	5,528,495	4,201,062	635,000	4,836,062	4,149,345
207	Development Services	1,224	225		225	-		-	1,449
208	Child Care	128,153	4,201,219		4,201,219	4,242,239		4,242,239	87,133
210	Paramedic/EMS	787,219	8,575,845		8,575,845	8,561,588	-	8,561,588	801,476
216	Cannabis	325,973	500,000		500,000	500,000		500,000	325,973
217	State Lands Fund	298,182	37,576		37,576	-		-	335,758
222	Recreation Revolving	276,445	1,887,462	2,000,000	3,887,462	4,028,762		4,028,762	135,145
223	Household Haz. Waste Fund	386,675	184,443		184,443	176,919		176,919	394,199
228	Hazardous Materials Fund	55,251			-			-	55,251
234	Pt. San Pedro A.D. Maintenance Portion	129,302	158,013		158,013	185,200		185,200	102,115
235	Baypoint Lagoons L & L Assessment District	209,692	24,533		24,533	229,378		229,378	4,847
236	Loch Lomond CFD #10	781,403	25,598		25,598	19,148		19,148	787,853
237	Loch Lomond Marina CFD #2	505,900	80,851		80,851	131,210		131,210	455,541
240	Parkland Dedication	332,985	671		671	-		-	333,656
241	Measure A Open Space	500,203	472,679		472,679	723,350		723,350	249,532
242	Measure C Wildfire Prevention	88,882	1,826,452		1,826,452	1,817,118		1,817,118	98,216
495	Low and moderate Income Housing Fund	979,696	2,454		2,454	95,000		95,000	887,150
LIBRARY AND FALKIRK:									
214	Library Revolving	135,438	8,293		8,293	40,000		40,000	103,731
215	Library Special Assessment Fund	1,107,221	1,101,828		1,101,828	1,224,045		1,224,045	985,004
	Library Fund	1,242,659	1,110,120	-	1,110,120	1,264,045	-	1,264,045	1,088,734
PUBLIC SAFETY:									
200	Abandoned Vehicle	26,315	75,000	85,000	160,000	171,465		171,465	14,850
202	Asset Seizure	1,637			-	-		-	1,637
204	Crime Prevention	4,473			-	-		-	4,473
230	Youth Services - Police	88,474	15,000		15,000	25,005		25,005	78,469
	Public Safety Fund	120,900	90,000	85,000	175,000	196,470	-	196,470	99,430
TRAFFIC AND HOUSING:									
243	Affordable Housing in lieu	4,389,137	869,881		869,881			-	5,259,017
245	Housing & Parking In-lieu	362,413	708		708			-	363,121
246	East S.R. Traffic Mitigation	1,797,944	2,975		2,975	308,837		308,837	1,492,082
	Traffic & Housing Mitigation Funds	6,549,494	873,564	-	873,564	308,837	-	308,837	7,114,221
GRANT:									
201	A.D.A.. Access Projects	-	-		-	-		-	-
260	Pickleweed Childcare Grant	220,934	386,352		386,352	434,398		434,398	172,888
281	Public Safety Grants	489,790	400,000		400,000	721,200		721,200	168,590
283	Grant-Other	143,267	99,250		99,250	120,005		120,005	122,512
	Grant Funds	853,990	885,602	-	885,602	1,275,603	-	1,275,603	463,990
SPECIAL REVENUE & GRANT FUND TOTAL		18,740,607	27,300,258	2,085,000	29,385,258	29,101,654	635,000	29,736,654	18,389,211

CITY OF SAN RAFAEL
CONSOLIDATED FUNDS

FY 2021-22 PROJECTED BUDGET FUND NAME	June 30, 2021 Projected Balance	Total			Total			June 30, 2022 Projected Balance
		Operating and Capital Revenue	Transfers In	Total Resources	Operating and Capital Budget	Transfers to Other Funds	Total Appropriations	
ASSESSMENT DISTRICTS:								
302	Financing Authority 1997 Bonds	151,695	-	-	-	-	-	151,695
304	Peacock Gap Assessment District	2,875	-	-	-	-	-	2,875
306	Mariposa Assessment District	16,573	-	-	-	-	-	16,573
Var.	Assessment District Projects	302,890	-	-	-	-	-	302,890
ASSESSMENT DISTRICT TOTAL		474,033	-	-	-	-	-	474,033
CAPITAL PROJECT FUNDS:								
401	Capital Improvement	1,768,229	9,850	9,850	1,393,886	-	1,393,886	384,193
405	Open Space Acquisition	121,120	257	257	-	-	-	121,377
406	Bedroom Tax	103,107	220	220	-	-	-	103,327
407	Parks Capital Projects	17,224	-	-	-	-	-	17,224
420	Measure E - Public Safety Facilities	3,578,097	17,695	17,695	103,931	-	103,931	3,491,861
CAPITAL PROJECT FUND TOTAL		5,587,777	28,023	28,023	1,497,817	-	1,497,817	4,117,983
ENTERPRISE FUND:								
501	Parking Services-Cash Beg.Bal	1,937,545	3,341,546	3,341,546	4,363,215	521,209	4,884,424	394,667
ENTERPRISE FUND TOTAL		1,937,545	3,341,546	-	3,341,546	4,363,215	521,209	4,884,424
INTERNAL SERVICE FUNDS:								
227	Sewer Maintenance	-	3,128,628	3,128,628	3,128,624	-	3,128,624	4
600	Vehicle Replacement-Cash Beg.Bal	2,026,019	1,205,434	1,205,434	1,200,000	-	1,200,000	2,031,453
601	P.C. Replacement	1,129,269	2,002,102	2,002,102	2,146,105	-	2,146,105	985,266
602	Fire Equipment Replacement	977,707	133,047	133,047	131,000	-	131,000	979,754
603	Building Improvement-Cash Beg.Bal	873,812	1,001,652	1,001,652	540,098	-	540,098	1,335,366
604	Employee Benefits	293,517	703,492	703,492	991,759	-	991,759	5,250
605	Liability Insurance	1,024,412	1,775,494	1,775,494	2,528,985	-	2,528,985	270,921
606	Workers Compensation Insurance	928,602	2,402,621	2,402,621	2,017,859	-	2,017,859	1,313,364
607	Dental Insurance	254,276	499,136	499,136	495,000	-	495,000	258,412
608	Radio Replacement	4,366	713,526	713,526	748,499	-	748,499	(30,607)
609	Telephone/Internet	161,390	484,163	484,163	487,735	-	487,735	157,818
611	Employee Retirement	2,695,390	6,708	6,708	4,000	683,813	687,813	2,014,285
612	Retiree Health Benefit OPEB-Cash Beg.bal	359,213	4,259,187	4,259,187	3,960,000	-	3,960,000	658,400
613	Police Equipment Replacement Fund	251,286	37,033	37,033	130,000	-	130,000	158,319
INTERNAL SERVICE FUND TOTAL		10,979,259	18,352,224	-	18,352,224	683,813	19,193,477	10,138,006
TRUST AND AGENCY FUNDS:								
712	Library Fiduciary	2,347,402	5,051	5,051	-	-	-	2,352,453
TRUST & AGENCY FUND TOTAL		2,347,402	5,051	-	5,051	-	-	2,352,453
COMBINED FUNDS TOTAL		45,570,034	138,024,384	3,840,022	141,864,406	3,840,022	145,803,692	41,630,749
LESS: INTERFUND TRANSFER				(3,840,022)	(3,840,022)	(3,840,022)	(3,840,022)	
LESS: INTERNAL SERVICE CHARGES			(14,174,272)		(14,174,272)	(14,174,272)	(14,174,272)	
NET TOTALS FY 2020-2021		45,570,034	123,850,112	-	123,850,113	127,789,398	127,789,398	41,630,749

**GENERAL FUND
PROPOSED BUDGET FY 2021-2022**

EXHIBIT II

**GENERAL FUND
REVENUES & OTHER OPERATIONAL SOURCES**

Taxes

Property Tax and related	\$ 22,606,360
Sales Tax	22,494,401
Sales Tax -Measure E	12,826,295
Sales Tax -Measure R	4,274,765
Franchise Tax	4,133,700
Business Tax	2,640,000
Transient Occupancy Tax	2,400,000

Other Agencies

CSA #19 Fire Service	2,328,422
VLF Backfill	6,350,000
Other Agencies (Prop 172, Owner Prop Tax, State Mandate, Other agencies)	1,296,725

Other Revenues

Permits & Licenses (building, electrical, encroachment, use, alarm)	2,902,778
Fine & Forfeitures (traffic, vehicle, etc.)	182,100
Interest & Rents (investment earnings, rents, etc.)	273,800
Charges for Services (includes dev't fees and plan review)	2,372,983
Other Revenue (damage reimbursements, misc income)	778,750

Sub-total: Revenues **\$ 87,861,080**

TRANSFERS IN

Assessment District reimbursements	
from Gas Tax	550,000
from Parking Services Fund - Admin. cost	521,209
from Measure E for 2018 Lease Revenue Bond	
from Employee Retirement Fund - POB debt payment	683,813

Sub-total: Transfers In **\$ 1,755,022**

TOTAL SOURCES **\$ 89,616,102**

EXPENDITURES AND OTHER OPERATIONAL USES

Expenditures by Department

Finance	7,098,718
Non-Departmental	3,788,776
City Manager/City Council	2,850,879
City Clerk	590,334
Digital Services	1,465,798
Mgt Serv: Adm,HR	512,363
City Attorney	1,175,877
Community Development	5,472,187
Police	25,675,569
Fire	21,385,526
Public Works	13,767,228
Library	3,084,017
Economic Development	695,462

Sub-total: Expenditures **\$ 87,562,734**

OPERATIONAL TRANSFERS OUT

to Recreation Fund - Operating support	2,000,000
--	-----------

Sub-total: Transfers Out **\$ 2,000,000**

TOTAL USES **\$ 89,562,734**

NET OPERATING RESULTS **\$ 53,368**

**CITY OF SAN RAFAEL
Authorized Positions**

EXHIBIT III

Departments	Final 2010-2011	Final 2011-2012	Final 2012-2013	Final 2013-2014	Final 2014-2015	Final 2015-2016	Final 2016-2017	Final 2017-2018	Final 2018-2019	Final 2019-2020	Adopted 2020-2021	Mid-Year Changes 2020-2021	Final 2020-2021	Proposed 2021-2022
Regular														
Community Development	20.75	18.25	18.25	17.80	17.80	19.80	20.00	21.00	21.00	21.75	21.75	-	21.75	21.75
Community Services	61.16	59.82	59.02	60.25	60.82	60.84	60.94	60.94	60.94	56.41	56.41	-	56.41	56.41
City Attorney	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	-	3.50	3.50
City Clerk	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	-	2.00	2.00
City Manager/Council	7.70	8.50	8.50	9.56	9.56	11.56	13.56	13.56	13.56	12.56	12.56	-	12.56	12.56
Economic Development (former RDA)	5.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	2.00	2.00	-	2.00	2.00
Finance	10.00	10.00	10.00	10.00	11.72	12.72	12.72	11.72	11.72	11.72	11.72	-	11.72	11.72
Fire	76.00	75.00	76.00	79.00	81.75	81.75	81.75	82.35	82.35	82.00	82.00	5.00	87.00	87.00
Library	26.68	21.74	21.74	23.41	23.41	23.41	23.41	23.41	23.41	21.66	21.66	-	21.66	21.66
Management Services	31.15	28.23	26.23	26.33	27.33	27.83	27.33	29.33	29.33	30.33	29.63	-	29.63	29.63
Police	90.00	87.00	87.00	89.00	90.00	92.00	92.80	92.00	92.00	93.30	94.50	-	94.50	94.50
Public Works	62.80	62.00	60.00	61.00	62.00	62.00	63.00	66.67	66.67	68.00	68.00	1.00	69.00	69.00
Sub - Total Regular Positions	396.74	379.04	375.24	384.85	392.89	400.41	404.01	409.48	409.48	405.23	405.73	6.00	411.73	411.73
Change from previous year	7.97		(3.80)	9.61	8.04	7.52	3.60	5.47	-	(2.50)	0.50	5.50	6.00	-
Authorized, unbudgeted - extended absence/no cost					1.00	2.00	2.00	1.00	1.00	-	-	-	-	-
Total Authorized Positions	399.72	379.04	375.24	384.85	393.89	402.41	406.01	410.48	410.48	405.23	405.73	6.00	411.73	411.73

General Notes:

The above-authorized positions are presented as full-time equivalent employees (FTE's) based on various workweek hours as negotiated in employee agreements. The totals by department reflect a combination of full-time or permanent part-time, or fixed term positions that are entitled to all or pro-rated benefits in accordance with the negotiated agreements for employees or individuals who are under contract. The totals reflected above, or in the detail department program sections, do not include temporary or seasonal employees that are utilized for short-term or specific reasons during the year.

Attachment 3

Capital Improvement Program: FY 2021-
22 through 2023-24

<https://storage.googleapis.com/proudcity/sanrafaelca/uploads/2021/06/5.-Attachment-3-Draft-FY-2021-22-CIP.pdf>

GANN LIMITATION CALCULATION
Fiscal Year 2021-22

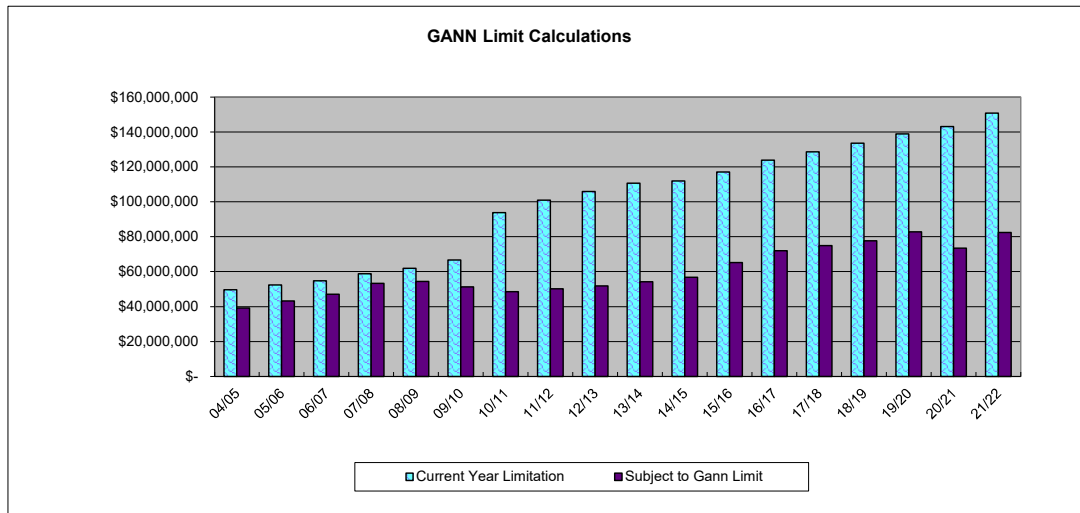
Fiscal Year	(A) Cost of Living		(B) Change in Population		Factor (Highest B X Highest A)	Prior Year Limitation	Current Year Limitation	Subject to Gann Limit	Variance Gann 'gap'
	California Per Capita Personal Income (Source: State)	Change in Assessment Roll for Nonresidential Construction (Source: County)	Change in Population for San Rafael (Source: State)	Change in Population for Marin County (Source: State)					
94/95							\$ 24,635,128		
95/96	4.72		0.60	1.22	1.060000	x \$ 24,635,128 =	\$ 26,113,235		
96/97	4.67	5.50	1.37	1.43	1.070000	x \$ 26,113,235 =	\$ 27,941,557		
97/98	4.67	5.40	2.17	1.64	1.080000	x \$ 27,941,557 =	\$ 30,176,882		
98/99	4.15	6.80	1.42	1.56	1.080000	x \$ 30,176,882 =	\$ 32,591,032		
99/00	4.53	6.26	1.47	1.62	1.079800	x \$ 32,591,032 =	\$ 35,192,257		
00/01	4.91	9.27	1.50	1.82	1.112600	x \$ 35,192,257 =	\$ 39,154,905		
01/02	7.82	6.67	0.53	0.72	1.086000	x \$ 39,154,905 =	\$ 42,522,227		
02/03	-1.27	5.15	0.69	0.81	1.060000	x \$ 42,522,227 =	\$ 45,073,561		
03/04	2.31	2.43	1.45	0.77	1.039152	x \$ 45,073,561 =	\$ 46,838,297		
04/05	3.28	2.06	-0.16	2.53	1.058900	x \$ 46,838,297 =	\$ 49,597,072	\$ 39,274,542	\$ 10,322,530
05/06	5.26	1.59	0.07	0.33	1.056100	x \$ 49,597,072 =	\$ 52,379,468	\$ 43,215,534	\$ 9,163,934
06/07	3.96	0.57	0.49	0.74	1.047300	x \$ 52,379,468 =	\$ 54,857,017	\$ 47,167,477	\$ 7,689,540
07/08	4.42	2.09	0.97	0.97	1.054300	x \$ 54,857,017 =	\$ 58,867,753	\$ 53,279,474	\$ 5,588,279
08/09	4.29	2.63	0.68	0.93	1.052600	x \$ 58,867,753 =	\$ 61,964,197	\$ 54,394,753	\$ 7,569,444
09/10	0.62	6.65	0.57	0.81	1.075100	x \$ 61,964,197 =	\$ 66,617,708	\$ 51,368,817	\$ 15,248,891
10/11	-2.54	39.62	0.79	0.93	1.409200	x \$ 66,617,708 =	\$ 93,877,675	\$ 48,469,424	\$ 45,408,251
11/12	2.51	-34.13	0.81	0.90	1.034300	x \$ 93,877,675 =	\$ 100,987,679	\$ 50,180,413	\$ 50,807,266
12/13	3.77	0.12	0.92	1.05	1.048600	x \$ 100,987,679 =	\$ 105,895,680	\$ 51,825,702	\$ 54,069,978
13/14	5.12	2.09	0.34	0.42	1.055600	x \$ 105,895,680 =	\$ 110,641,157	\$ 54,313,859	\$ 56,327,297
14/15	-0.23	0.85	0.39	0.42	1.012700	x \$ 110,641,157 =	\$ 112,046,300	\$ 56,717,201	\$ 55,329,098
15/16	3.82	7.99	0.60	0.73	1.087800	x \$ 112,046,300 =	\$ 117,140,576	\$ 65,177,999	\$ 51,962,576
16/17	5.37	0.68	0.12	0.33	1.057200	x \$ 117,140,576 =	\$ 123,841,017	\$ 71,967,785	\$ 51,873,231
17/18	3.69	0.11	0.25	0.18	1.039500	x \$ 123,841,017 =	\$ 128,732,737	\$ 74,893,075	\$ 53,839,661
18/19	3.67	0.06	-0.02	0.17	1.038500	x \$ 128,732,737 =	\$ 133,688,947	\$ 77,599,200	\$ 56,089,748
19/20	3.85	0.26	0.04	-0.01	1.038900	x \$ 133,688,947 =	\$ 138,889,447	\$ 82,867,376	\$ 56,022,071
20/21	3.73	1.91	-0.66	-0.60	1.031100	x \$ 138,889,447 =	\$ 143,208,909	\$ 73,554,079	\$ 69,654,830
21/22	5.73	1.00	-0.62	-0.43	1.052800	x \$ 143,208,909 =	\$ 150,770,339	\$ 82,522,271	\$ 68,248,068

= Value selected for Factor calculation

- (a) Includes increase for Paramedic Tax Revenue Generated by Measure P
- (b) Includes increase for Paramedic Tax Revenue Generated by Measure I
- (c) Reduce the limit by \$1,142,323 to reflect the amount associated with Measure P at the time the limit was increased in fiscal year 2011-2012 for Measure I
- (d) 2015-16 - The Limit is reduced by \$4,743,389 for the Paramedic Tax - Measure I for the increase of \$3,890,000 added in 2011 - 2012 that "Sunset" or Expired after 4 years at the end of 2015.
- (e) 2020-21 - Appropriations subject to the limit declined due to both the reduction in budgeted revenues as a result of the COVID-19 pandemic as well as the exclusion of debt service on the 2018 bonds beginning in FY21.

<https://www.dof.ca.gov/Forecasting/Demographics/Estimates/documents/PriceandPopulatio>

Note: County assessment roll factor for FY10/11 is an outlier. Reclaculate using State per capita income factor for FY10/11 to ensure that the city falls below the Gann limit under each scenario for conservatism.



**City of San Rafael
Appropriation Limit Analysis
FY 2021-22**

Total Appropriations	Fund #	2020-2021 Adopted Budget	Less Exempt Expenditures	Less Non-Tax Revenues	2021-2022 Appropriations Subject to Gann Limit
General Fund	001	\$ 84,463,804	\$ 879,154	\$ 13,412,359	\$ 70,172,291
Abandoned Vehicle Abatement Fund	200	171,465	1,365	160,000	10,100
Storm Water Fund	205	1,145,725	-	834,456	311,269
Emergency Medical Services Fund	210	8,561,588	116,922	3,431,100	5,013,566
Library Fund	214	40,000	-	8,293	31,707
Library Special Assessment Fund	215	1,224,045	11,964	-	1,212,081
Measure G - Cannabis	216	500,000	963	-	499,037
General Plan Special Revenue Fund	218	928,586	2,688	1,136,203	-
Recreation Revolving Fund	222	4,028,762	53,353	1,887,462	2,087,947
Police Youth Service fund	230	25,005	5	15,000	10,000
Measure A Open Space Fund	241	723,350	-	-	723,350
Measure C Wildfire Prevention Parcel Tax	242	1,817,118	49,008	-	1,768,110
Open Space Fund	405	-	-	-	-
LongTerm Capital Outlay (Excess of \$100K & 10yr Life)	N/A	-	-	-	-
General Fund Debt Service - Capital Outlays	N/A	5,098,930	4,416,117	-	682,813
Total Appropriations		\$ 108,728,378	\$ 5,531,539	\$ 20,884,873	\$ 82,522,271
					\$ 150,770,339
					Available Room Under Appropriation Limit
					\$ 68,248,068



SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: Human Resources

Prepared by: Sylvia Gonzalez-Shelton,
Human Resources Operations Manager

City Manager Approval: _____

TOPIC: SUCCESSOR MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF SAN RAFAEL AND SAN RAFAEL POLICE ASSOCIATION

SUBJECT: DISCUSSION AND CONSIDERATION OF A MEMORANDUM OF UNDERSTANDING PERTAINING TO COMPENSATION AND WORKING CONDITIONS FOR SAN RAFAEL POLICE ASSOCIATION (JULY 1, 2021 THROUGH JUNE 30, 2024)

RECOMMENDATION:

Direct staff to return with a Resolution seeking approval of a successor Memorandum of Understanding between the City of San Rafael and San Rafael Police Association.

BACKGROUND:

The San Rafael Police Association ("SRPA") currently represents 86 full-time equivalent positions in the San Rafael Police Department, including safety and non-safety classifications. The most recent Memorandum of Understanding ("MOU") for SRPA expired on June 30, 2020 and was extended by side letter through June 30, 2021. Over the past several months, representatives of the City and SRPA have met in good faith and worked diligently to negotiate the terms of a successor MOU. The City and SRPA reached a tentative agreement on May 6, 2021, for a three-year successor MOU and SRPA membership subsequently ratified the tentative agreement.

ANALYSIS:

The following are the highlights that reflect the terms and significant economic items included in the tentative agreement between the City and SRPA. In addition to the economic items, some operational items were also addressed in the tentative agreements, all of which can be found in the attached draft successor MOU.

- 1. Term of the Agreement:** July 1, 2021 through June 30, 2024
- 2. Salary Increase:** Individual classification salary increase percentages may be lower or higher than the percentages listed below, based on the amount of labor market adjustment agreed to for each position in the bargaining unit. The salary schedule included in the attached draft successor MOU authorizes the proposed new salary for each position.

FOR CITY CLERK ONLY

Council Meeting:

Disposition:

- a. Year 1: Value of a 3.5% base wage increase for the bargaining group, effective July 1, 2021
- b. Year 2: Value of a 4% base wage increase for the bargaining group, effective July 1, 2022
- c. Year 3: Value of a 4% base wage increase for the bargaining group, effective July 1, 2023

3. Non-Economic Items: In addition to items discussed above, tentative agreement was reached on other proposals, which reflect minor changes to existing provisions with no additional cost. The attached draft MOU includes all of the changes agreed to by the parties. A brief overview of these negotiated MOU sections includes:

- Retirees Health Insurance (4.2.2B): For the annual July 1 conversion of sick leave to fund an employee’s retiree health care trust, the remaining sick leave balance requirement will be increased to 250 hours.
- Sick Leave (Section 5.1.3): Update familial relationships under definition of “immediate family” to be more in line with definition under California Paid Family Leave.
- Vacation Rate of Accrual (Section 5.2.2): Clean up language to remove reference to days and reflect only accrued hours based on the existing and unchanged Vacation Accrual chart and existing practice.
- Overtime (Section 6.2.1 and 6.2.2): Employees may use up to 120 hours of comp time each calendar year. Employees may take an additional 80 hours of comp time for the remainder of the year under the single day vacation guidelines.
- City Manager and Arbitration (section 7.3.3): Update language to allow the mutually acceptable Arbitrator to provide an alternative recommendation for disciplinary action in addition to the ability to affirm or reject the City’s form of discipline.

FISCAL IMPACT:

The current total annual salary and benefit cost to the City for the 86 FTE positions represented by SRPA is \$ \$17,555,496. The additional ongoing incremental cost of the successor MOU beyond the FY 20/21 budget is:

	<u>Incremental FY 2021-22</u>	<u>Incremental FY 2022-23</u>	<u>Incremental FY 2023-24</u>
Wages:			
Base Salary (COLA)	\$150,790	\$156,023	\$162,065
Labor market adjustments	\$176,330	\$221,589	\$231,560
Other costs:			
Pension*	\$201,636	\$233,033	\$242,969
Taxes (Medicare, W/C)	<u>\$ 32,918</u>	<u>\$ 38,368</u>	<u>\$ 40,066</u>
Total Incremental Cost:	\$561,674	\$649,013	\$676,660

**This incremental pension cost results only from the negotiated wage increase and does not include the cost of associated MCERA rate changes. The terms and conditions of the pension benefit plan remain unchanged.*

While the incremental cost is \$561,674 for fiscal year 2021-2022, \$649,013 for fiscal year 2022-2023, and \$676,660 for fiscal year 2023-2024, the increases are compounding and therefore the projected total salary and benefit cost increase for the items specified above is \$3,659,708 for the three-year term. The increase in compensation included in this resolution is in line with the City's current budget projections. Funding for these positions is provided for in the City's General Fund.

OPTIONS:

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

- Direct staff to return at the next meeting with a resolution seeking approval of the successor MOU between the City of San Rafael and San Rafael Police Association.
- Direct staff to return with more information.

RECOMMENDED ACTION:

Staff recommends that the City Council take public comment, and direct staff to return at the next meeting with a resolution seeking approval of the Memorandum of Understanding between the City of San Rafael and San Rafael Police Association pertaining to compensation and working conditions (July 1, 2021 through June 30, 2024).

ATTACHMENTS:

- Draft MOU (with track changes) between City of San Rafael and San Rafael Police Association for July 1, 2021 to June 30, 2024 (and all attachments).

MEMORANDUM OF UNDERSTANDING

between

CITY OF SAN RAFAEL

and

SAN RAFAEL POLICE ASSOCIATION

JULY 1, 20~~18~~¹⁸ - JUNE 30, 202~~40~~⁴⁰

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LIST OF EXHIBITS

Exhibit A	Salary Schedule for July 1, 20 21 ¹⁸ – June 30, 20 21 ⁴⁰
Exhibit B	Canine Program Side Letter

MEMORANDUM OF UNDERSTANDING
between
CITY OF SAN RAFAEL
and
SAN RAFAEL POLICE ASSOCIATION

The parties have met and conferred in good faith regarding wages, hours and other terms and conditions of employment for the employees in said representative unit, have freely exchanged information, opinions and proposals, and have reached agreement on all matters relating to the employment conditions and employer-employee relations of such employees.

This Memorandum of Understanding shall be presented to the City Council of the City of San Rafael as the joint recommendation of the undersigned parties for salary and employee benefit adjustments for the period commencing July 1, 20~~21~~¹⁸ and ending June 30, 20~~21~~⁴⁰.

1 GENERAL PROVISIONS

1.1. INTRODUCTION

1.1.1. Scope of Agreement

The salaries, hours, fringe benefits, and working conditions set forth have been mutually agreed upon by the designated bargaining representatives of the City of San Rafael (herein-after called "CITY") and the San Rafael Police Association (herein-after called "ASSOCIATION") and shall apply to all employees of the City working in the classifications and bargaining unit set forth herein.

In accepting employment with the City of San Rafael, each employee agrees to be governed by and to comply with the Personnel Ordinance, Rules and Regulations, Administrative Procedures, and regulations and directives of the Police Department.

1.1.2. Term of MOU

This agreement shall be in effect from July 1, 20~~21~~¹⁸ through June 30, 20~~21~~⁴⁰.

1.2. RECOGNITION

1.2.1. Bargaining Unit

The City hereby recognizes the Association as the bargaining representative for the purpose of establishing salaries, hours, fringe benefits and working conditions for all employees within the San Rafael Police Association Bargaining Unit (as referenced in Exhibit A attached).

New classifications developed by the City and determined to be appropriately included in the Bargaining Unit, shall be assigned a wage scale by the City. The City will forward to the Association the new classification and wage scale. The wage scale for the new classification shall then be subject to the meet and confer process.

1.3. NON-DISCRIMINATION

1.3.1. In General

The parties to this contract agree that they shall not, in any manner, discriminate against any person whatsoever because of race, color, age, religion, ancestry, national origin, sex, sexual preference, marital status, medical condition or disability.

Any employee who believes they are being discriminated against should refer to the City of San Rafael's Harassment Policy for the process of receiving an internal administrative review of their complaint. This administrative procedure shall be used as the internal complaint procedure in lieu of

the grievance procedure outlined in this MOU (Article 7.4). Nothing contained in this subsection shall limit an employee's rights under the Police Officer Bill of Rights and/or the disciplinary review and appeal procedure outlined in this MOU.

1.3.2. Bargaining Unit Discrimination

No member, official, or representative of the Association shall in any way suffer any type of discrimination in connection with continued employment, promotion, or otherwise by virtue of membership in or representation of Association.

1.4. INSPECTION OF MEMORANDUM OF UNDERSTANDING

Both the City and the Association agree to keep duplicate originals of this agreement on file in a readily accessible location available for inspection by any City employee, or member of the public, upon request.

1.5. EXISTING LAWS, REGULATIONS & POLICIES

This MOU is subject to all applicable laws.

The City agrees to meet and confer with the Association on proposed changes to policies or procedures that impact bargaining rights.

1.6. STRIKES & LOCKOUTS

During the term of this MOU, the City agrees that it will not lock out employees, and the Association agrees that it will not encourage or approve any strike or slowdown growing out of any dispute relating to the terms of this Agreement. The Association will take whatever lawful steps are necessary to prevent any interruption of work in violation of this Agreement, recognizing with the City that all matters of controversy within the scope of this Agreement shall be settled by established procedures set forth in the City's charter, ordinances, and regulations, as may be amended from time to time.

1.7. SEVERABILITY

If any article, paragraph or section of this MOU shall be held to be invalid by operation of law, or by any tribunal of competent jurisdiction, or if compliance with or any enforcement of any provision hereof be restrained by such tribunal, the remainder of this MOU shall not be affected thereby, and the parties shall enter into meet and confer sessions for the sole purpose of arriving at a mutually satisfactory replacement for such article, paragraph or section

1.8. PREVAILING RIGHTS

All matters within the scope of meeting and conferring which have previously been adopted through rules, regulations, ordinance or resolution, which are not specifically superseded by this MOU, shall remain in full force and effect throughout the term of this Agreement.

1.9. FULL UNDERSTANDING, MODIFICATION, WAIVER

1.9.1. Understanding

The parties jointly represent to the City Council that this MOU sets forth the full and entire understanding of the parties regarding the matters set forth herein.

1.9.2. Waiver & Modification

Except as specifically otherwise provided herein, it is agreed and understood that each party hereto voluntarily and unqualifiedly waives its right, and agrees that the other shall not be required, to meet and confer with respect to any subject or matter covered herein during the period of the term of this MOU. The foregoing shall not preclude the parties hereto from meeting and conferring at any time during the term of this Agreement with respect to any subject matter within the scope to meeting and conferring for a proposed MOU between the parties to be effective on or after July 1, 2024.

2.1. BARGAINING UNIT RIGHTS

2.1.1. Bargaining Unit Stewards Designation

The Association shall, by written notice to the City Manager, designate certain of its members as Employee Representatives. Association representatives who are official representatives of the Association shall be given reasonable time off with pay to attend meetings with management representatives, or to be present at hearings where matters within the scope of representation, collective bargaining, or grievances are being considered. The use of official time for this purpose shall be reasonable and shall not interfere with the performance of City services. Such employee representatives shall submit through the Police Department chain of command a written request for excused absence to the Police Chief at least forty-eight (48) hours prior to the scheduled meeting whenever possible. Except by mutual agreement, the number of employees excused for such purposes shall not exceed three (3).

2.1.2. Release Time

Two hundred (200) hours per calendar year shall be provided for union release time, apart from MMB activity, with ten days advance notice and approval of the Police Chief. Any additional hours shall be granted only with ten days advance notice and approval of the Police Chief

2.1.3. Association Orientation of New Employees

Whenever the City hires an employee within any classification covered by this Memorandum of Understanding and represented by the Association, the City will provide the new employee with a copy of the current Memorandum of Understanding. The City shall make available two hours, at a mutually agreeable time, during the initial thirty (30) days of employment for new employee orientation by the Association. In addition, the City will also provide reasonable advance notice to the Association of all employee orientations conducted by the City.

2.1.4. Employee Information

The City shall provide the Association with the name, job title, department, work location, work, home and personal cell phone numbers, home address and personal email address on file with the City for all employees within the Association every 120 days. In addition, a report with similar information of each Association new hire will be provided to the Association within 30 days of the hire date.

2.2. DUES DEDUCTION

2.2.1. Collection of Dues

City agrees, upon written consent of the employee involved, to deduct dues, as established by the Association, from the salaries of its members. The sums so withheld shall be remitted by City along with a list of employees who have had said dues deducted.

2.2.2. Dues Collection during Separation from Employment

The provisions specified in this section shall not apply during periods of separation from the representative Unit by any such employee but shall reapply to such employee commencing with the next full pay period following the return of the employee to the representative Unit. The term separation includes transfer out of the Unit, layoff, and leave without pay absences with duration of more than 30 calendar days.

2.3. MANAGEMENT RIGHTS

The City reserves, retains, and is vested with, solely and exclusively, all rights of management which have not been expressly abridged by specific provision of this Memorandum of Understanding or by law to manage the City, as such rights existed prior to the execution of this Memorandum of Understanding. The sole and exclusive rights of management, as they are not abridged by this Agreement or by law, shall include, but not be limited to, the following rights:

1. To manage the City generally and to determine the issues of policy.
2. To determine the existence or non-existence of facts which are the basis of the management decision.
3. To determine the necessity of organization or any service or activity conducted by the City and expand or diminish services.
4. To determine the nature, manner, means technology, and extent of services to be provided to the public.
5. Methods of financing.
6. Types of equipment or technology to be used.
7. To determine and/or change the facilities, methods, technology, means and size of the work force by which the City operations are to be conducted.
8. To determine and change the number of locations, re-locations and types of operations, processes and materials to be used in carrying out all City functions including, but not limited to, the right to contract for or subcontract any work or operation of the City.
9. To assign work to and schedule employees in accordance with requirements as determined by the City, and to establish and change work schedules and assignments.
10. To relieve employees from duties for lack of work or similar non-disciplinary reasons.
11. To establish and modify productivity and performance programs and standards.
12. To discharge, suspend, demote or otherwise discipline employees for proper cause in accordance with the provisions and procedures set forth in City Personnel Rules and Regulations.
13. To determine job classifications and to reclassify employees.
14. To hire, transfer, promote and demote employees for non-disciplinary reasons in accordance with this Memorandum of Understanding and the City's Personnel Rules and Regulations.
15. To determine policies, procedures and standards for selection, training, and promotion of employees.
16. To establish employee performance standards including, but not limited to quality and quantity standards; and to require compliance therewith.
17. To maintain order and efficiency in it facilities and operations.
18. To establish and promulgate and/or modify rules and regulations to maintain order and safety in the City which are not in contravention with this Agreement.
19. To take any and all necessary action to carry out the mission of the City in emergencies.

The City and the Association agree and understand that if, in the exercise of rights set forth above, the effect of said exercise of rights by the City impacts an area within the scope of representation as set forth in the Meyers-/Miliias-/Brown Act and case law interpreting said Act; or Federal law, the City shall have the duty to meet and confer with the Association regarding the impact of its decision/exercise of rights.

2.4. COMMENCEMENT OF NEGOTIATIONS

It is mutually agreed to begin the Meet and Confer process no later than the first Monday in February, regarding the terms and conditions applicable to successor MOUs. The process will be initiated by the San Rafael Police Association through the submittal of upcoming contract requests it wishes to be considered.

3 COMPENSATION

3.1. GENERAL WAGES AND COMPENSATION

3.1.1. Pay Dates

City employees are paid twice per month on the 15th and the last working day of the month. When a holiday falls on a pay day, the pay day will be transferred to the previous day of regular business unless the Finance Division is unable to complete the payroll by that work day, in which case the pay day will be the day following the holiday. The method of the distributing payroll shall be established by the Finance Division.

During the term of this Agreement, the City may institute a change of the payroll schedule from 24 pay cycles per year to 26 pay cycles per year, providing the City gives the association six months' notice.

3.1.2. General Wage Increases

Base salary increase shall be defined as an increase to general wages, excluding any benefit increases. Salary increases for all bargaining unit positions are established based on the base hourly rates set forth in the table attached as Exhibit A and included as part of this MOU. For the term of this agreement, the following base salary increases shall be applied on the identified effective date:

~~Effective the first full pay period following City Council ratification of a new MOU, the City will increase base wages for all employees by 2.0%. Effective the pay period including July 1, 2019, the City will increase base wages for all employees by 2.0%.~~

- Effective the first full pay period including July 1, 2021 or the first full pay period following City Council ratification of a new MOU, whichever occurs later:
 - A 1.6% base wage increase for all non-sworn ("miscellaneous") classifications;
 - A 4.0% base wage increase for sworn ("safety") classifications to include Police Officer, Police Corporal and Police Sergeant. The base wage increase for sworn classifications includes a 2.4% equity adjustment.
- Effective July 1, 2022:
 - A 1.6% base wage increase for all non-sworn ("miscellaneous") classifications;
 - A 4.5% base wage increase for sworn ("safety") classifications to include Police Officer, Police Corporal and Police Sergeant. The base wage increase for sworn classifications includes a 2.9% equity adjustment.
- Effective July 1, 2023:
 - A 1.6% base wage increase for all non-sworn ("miscellaneous") classifications;
 - A 4.5% base wage increase for sworn ("safety") classifications to include Police Officer, Police Corporal and Police Sergeant. The base wage increase for sworn classifications includes a 2.9% equity adjustment.

~~3.1.3. One-Time Payments~~

~~The following one-time, non-pensionable payments are limited to the two years cited in this agreement and are not scheduled to recur in the future.~~

~~Employees represented by the bargaining group will receive a one-time, non-pensionable payment of \$8,000 split as follows:~~

- ~~1. Effective the pay period including January 1, 2019, a one-time, non-pensionable payment of \$5,000 in exchange for the elimination of section 3.4, Revenue Sharing. This payment will not contribute to Classic or PEPRA employees' pensions and is subject to normal payroll taxation; and~~

- ~~2. Effective the pay period including January 1, 2020, a one-time payment of \$3,000 in exchange for the elimination of section 3.4, Revenue Sharing. This payment will not contribute to Classic or PEPPA employees' pensions and is subject to normal payroll taxation.~~

~~The one-time payments for part-time employees will be prorated based on the full-time equivalent (FTE) of the position. For example, an employee filling a half-time or 0.5 FTE position will receive a \$2,500 one-time, non-pensionable payment in the pay period including January 1, 2019, minus applicable taxes and a \$1,500 one-time, non-pensionable payment in the pay period including January 1, 2020. This payment will not contribute to Classic or PEPPA employees' pensions.~~

3.1.4.3.1.3. Definitions

Total Compensation shall be defined as: Top step salary (excluding longevity pay steps), educational incentive pay, holiday pay, uniform allowance, employer paid deferred compensation (except for such portion that may be part of employee cafeteria plan), employer's contribution towards employees' share of retirement, employer paid contributions toward insurance premiums for health, life, long term disability, dental and vision plans, and employer paid cafeteria/flexible spending accounts.

Either Party may prepare total compensation surveys in support of labor negotiations. The City will prepare total compensation surveys both with and without the employer's retirement contribution included in the computation. The City and the Association shall review the benchmark and related survey data for accuracy and completeness.

3.1.5.3.1.4. Compensation Plan

The Compensation Plan adopted by the City Council shall provide for salary schedules, base hourly rates, ranges, steps and any other special circumstances or items related to the total compensation paid employees. Each position within the classified services shall be allocated to its appropriate class in the classification plan on the basis of duties and responsibilities. Each class shall be assigned a salary range or a rate established in the salary plan. All persons entering the classified service shall be compensated in accordance with the salary plan then in effect.

3.1.6.3.1.5. Fair Labor Standards Act

The Parties shall continue to discuss changes to ensure the City's compliance with the FLSA. The Parties understand that the City has the management right to administer its payroll system in compliance with the law and also understand that all impacts of any resulting changes to employee compensation must be negotiated with SRPA. The City does not believe that any changes will lead to wage reductions for employees and the City will provide an offset if that occurs.

3.2. STEP INCREASES

3.2.1. Entry Level Step

~~Beginning July 1, 2018, a~~All initial employment shall be at the entry level step for the base hourly pay rate as indicated in Attachment A. The City Manager or his/her designee may authorize, upon the recommendation of the Police Chief, a position at an appropriate higher salary when, in his/her opinion, it is necessary in order to obtain qualified personnel or when it appears that the education or experience of a proposed employee is substantially superior to the minimum requirements of the class and justifies beginning salary in excess of the first step. Initial employment appointments above Step C will require City Manager Approval.

3.2.2. Consideration for Step Increases

An employee may be considered for a step increase in accordance with their anniversary date and the parameters of the base hourly pay rate schedule. Advancement to a higher base hourly rate within the schedule may be granted for continued improvements and efficient and effective service by the employee

in the performance of his/her duties. Base hourly rate advancement shall be made only upon the recommendation of the Police Chief, with the approval of the City Manager or their designee, and are not automatic, but based on acceptable work performance.

Accelerated merit performance step increases of five percent (5%) may be granted an employee based upon the recommendation of the Police Chief and approval of the City Manager.

3.2.3. *Merit Increases*

Employees at the maximum step of their base hourly pay rate may be granted a merit pay award of up to five percent (5%) above and beyond their base hourly pay rate. A merit pay award may be effective for up to one (1) year. A merit pay award when expired is not a disciplinary action and is not appealable. Merit pay awards may be granted in recognition of meritorious performance beyond the scope of regular duties and in response to extraordinary conditions.

3.3. **ADDITIONAL PAY**

3.3.1. *Shift Differential Pay*

A three percent (3%) shift differential shall be paid for all represented employees regularly scheduled to work fifty percent (50%) or more of their shift after 1500 hours.

A five percent (5%) shift differential shall be paid for all represented employee regularly scheduled to work fifty percent (50%) or more of their shift after 2200 hours.

Employees assigned to work the swing or graveyard shift time periods on overtime or in accordance with Article 6.3, Shift Changes, are excluded from shift differential pay for those time periods.

Shift differential shall not be considered an additional percentage on salary for personnel involved but shall apply only to hours actually worked; e.g., differential does not apply to sick leave, vacation or compensatory time, but does include overtime for employees regularly assigned to the swing or graveyard shifts. The current operational policies and provisions for shift rotation and assignment remain in effect.

3.3.2. *Court Pay*

If a police employee receives a subpoena requiring them, in the course and scope of their official employment, to appear in court or other official hearing other than during their regular tour of duty or shift of hours, they shall receive a minimum of two (2) hours pay at the overtime rate. "Other than during their regular tour of duty or shift hours" shall include vacation and compensatory time off.

The employee shall submit the required documentation (copy of subpoena and overtime slip) for all related court pay on or immediately after the actual court appearance or after date of cancellation.

If such appearance commences during the employee's regular tour of duty or shift of hours and continues beyond the normal completion time of the employee's regular tour of duty or shift of hours, then the employee will be compensated at the overtime rate for the actual time spent beyond the normal completion time of said tour/shift.

If an employee receives more than one subpoena for the same scheduled time, he/she will receive the minimum time frame rate only once.

The Police Department will provide appearance information for police employees. The department will be responsible for having such information available, when known, by 1800 hours. If the matter is not canceled by 1800 hours, on the court day preceding the appearance date, an employee shall receive one (1) hour pay at the overtime rate. Time spent at the appearance shall be compensated at the overtime rate.

Nothing in the provision shall be construed to mean that the Association agrees in any way to any method of "flex scheduling."

3.3.3. Call Back Pay

Call-back pay shall be provided at one and one-half times the regular rate with a three (3) hour minimum whenever required by the Department and with the expectation that the full three (3) hours will be worked. At no time will the minimum compensation overlap with a regularly scheduled work assignment.

3.3.4. Educational Expense Reimbursement

The Educational Expense Reimbursement Program shall apply to all employees of the Police Department represented by this contract who have completed a total of two (2) or more continuous years of full-time service with the San Rafael Police Department. The Educational Expense Reimbursement Program shall relate to the completion of college credits while off-duty for job-related courses, awarded from an accredited community college or an accredited college or an accredited university. Job-related courses are defined as those which contribute to current job performance or prepare the employee for other City positions, including but not limited to obtaining bilingual skills.

An eligible employee who takes a job-related course during off-duty hours at an accredited institution of learning (see above) shall be eligible to receive reimbursement for the costs of tuition, fees, and course materials, up to a maximum of \$1,500 per fiscal year. The employee will be eligible for this reimbursement upon the successful completion of the course and upon the employee having achieved a grade of "Pass" or "C" or better.

In order for the eligible employee to qualify for reimbursement, the employee must:

- a. Chief of Police or Designee Approval – Prior to enrollment, the employee must receive the written approval of the ~~department director~~ Chief of Police (the "Chief") or designee concerning the particular course. The decision of the ~~department director~~ Chief shall be final. To be approved by the ~~department director~~ Chief, the ~~department director~~ Chief must find that the course is job-related after reviewing the request, which briefly describes why the employee believes the course to be job-related.
- b. Reimbursement Request – Provided that the Chief of Police finds that the course is job-related and approves the employee's request, the employee shall submit a request for reimbursement to the ~~City Manager~~ Chief or designee that includes a copy of the employee's course grade, the receipts for all course expenses, and a total amount requested for reimbursement.
- c. ~~City Manager or designee Approval~~ – ~~The City Manager or designee shall approve the employee's request for reimbursement provided that the employee has prepared the request in compliance with this program.~~

To ensure that the City receives adequate benefit from the increased education of the educational expense reimbursement recipients, the following table of time worked after completion of course work shall apply to all recipients who terminate employment with the City of their own volition.

Time between receiving reimbursement and termination of employment	Percentage of tuition reimbursement to be repaid to the City
Up to 12 months	100%
Between 12 months and 18 months	50%
Over 18 months	0%

3.3.5. Certificate Incentive

The Certification Incentive Program for all employees of the Police Department offers monthly payment for POST Certification as follows:

Effective January 1, 2007 the payment for POST Intermediate or Advance Certification to Police Officer, Police Corporal or Police Sergeant shall be:

<i>Intermediate Certificate</i>	<i>3.0% increase to base hourly pay rate</i>
<i>Advanced Certificate</i>	<i>5.0% increase to base hourly pay rate</i>

Effective with the pay period start date of January 1, 2007 the payment for POST certificates for Communication Dispatcher, Dispatch Supervisor or Civilian Supervisor shall be:

<i>Public Safety Dispatcher Certificate</i>	<i>3.0% increase to base hourly pay rate</i>
<i>Records Supervisory Certificate</i>	<i>5.0% increase to base hourly pay rate</i>

3.3.6. Bilingual Pay

Expert Fluency Program. A ten percent (10%) pay incentive shall be paid to up to ten (10) designated bilingual employees (sworn or non-sworn).

Full Fluency Program. A five percent (5%) bilingual pay incentive shall be paid to up to ten (10) designated bilingual employees (sworn or non-sworn).

Conversational Fluency Program. Effective July 1, 2006, a two and one-half percent (2.5%) pay incentive shall be paid to up to thirty-five (35) designated bilingual employees (sworn and non-sworn).

Within the limits established in the first three paragraphs of this section, to qualify for the Expert or Full or Conversational Programs, employees must be certified as proficient in a language deemed to be of work-related value to the Police Department as determined by the Police Chief and approved by the City Manager by established standards. It is agreed that the City will meet and confer with the Association in order to establish standards for the Expert Fluency Program with the understanding that the standards will focus on external testing and/or certification satisfactory to the Police Chief. Full or conversational proficiency certification may be obtained by passing a standardized departmental test (to be developed by the department) or a Fluency Certification of Completion from a departmental conversational test, or obtaining a conversational certification issued by an agency or other vendor approved by the Police Chief.

Fluency in more than one foreign language does not entitle an employee to more than one of the bilingual pay categories. Both parties agree to re-certification of proficiency every three (3) years at the department's expense and discretion to continue eligibility for the bilingual differential. The City shall provide initial certification testing and testing to advance to a higher program level each year if there are candidates who are both interested and qualified. Employees may acquire certification during the intervening periods at their own expense.

Shift assignments and distribution of bilingual employees shall be at the discretion of the Chief of Police.

3.3.7. Uniform Allowance

Each of the following represented classification will receive a uniform allowance for each six (6) months of service ending June 30 and December 31 as follows:

Effective July 1, 2018

	Classification	Semi - Annual	Annual
A.	All sworn employees, Police Service Specialist	\$730.00	\$1,460.00
B.	All other represented employees	\$325.00	\$650.00
C.	A pro-rated portion of the allowance may be given for the first and last six (6) months of service upon recommendation of the Police Chief.		

3.3.8. Special Weapons and Tactics (SWAT) Team

Police Department personnel assigned to the Special Weapons and Tactics (SWAT) Team shall receive additional compensation amounting to two and one-half percent (2.5%) of their base hourly pay rate. Team members shall be entitled to callback pay pursuant to the Call-Back Pay provisions of this MOU (Section 3.3.3). The City will pay for the equipment for SWAT team members, provided members obtain prior approval of the Chief of Police.

Employees shall be appointed to a five-year term beginning July 1, 2014 and may be extended on an annual basis by mutual agreement between the department and the employee.

3.3.9. Hostage Negotiations Team (HNT)

Police Department personnel assigned to the Hostage Negotiations Team (HNT) Team shall receive additional compensation amounting to one percent (1%) of their base hourly pay rate. Team members shall be entitled to callback pay pursuant to the Call-Back Pay provisions of this MOU (Section 3.3.3).

Employees shall be appointed to a five-year term beginning July 1, 2014 and may be extended on an annual basis by mutual agreement between the department and the employee.

3.3.10. Field Training Officer (FTO)

- a. The Police Department has established a program for selection of Field Training Officers. Field Training Officers and the Field Training Program Supervisor shall receive additional compensation amounting to two and one-half percent (2.5%) of their base hourly pay rate while assigned to the Patrol Division and shall receive an additional two and one-half percent (2.5%) while engaged in training of new Police Officers and Community Service Officers. Shift assignment will be at the discretion of the Chief of Police and based upon the needs of the Department. All other sworn personnel assigned as Field Training Officers will be paid five percent (5%) above their base hourly pay rate while engaged in training of new Police Officers and Community Service Officers.
- b. Non-sworn personnel may be formally assigned, in writing, to train employees in their new job classifications. For actual hours spent training this new employee, during the specified training period, the assigned trainer will be paid five percent (5%) above their base hourly pay rate.
- c. Employees shall be appointed to a three-year term beginning July 1, 2014 and may be extended on an annual basis by mutual agreement between the department and the employee.

3.3.11. Motor Officer Pay

Police Department personnel assigned to the following duty shall receive additional compensation amounting to five percent (5%) of their base hourly pay rate: Operation of a solo-motorcycle for more than 50% of his/her work month.

3.3.12. Major Accident Investigation Team

Tier 1 MAIT personnel on the Department's call-out list shall receive additional compensation amounting to one percent (1%) above their base hourly pay rate. All MAIT Personnel shall be entitled to callback pay pursuant to the Call-Back Pay provisions of this MOU (Section 3.3.3)

Employees shall be appointed to a three-year term beginning July 1, 2014 and may be extended on an annual basis by mutual agreement between the department and the employee.

3.3.13. Crime Scene Investigator (CSI)

Crime Scene Investigators on the Department's call-out list and the Supervisor shall receive additional compensation amounting to one percent (1%) above their base hourly pay rate. All Crime Scene Investigators shall be entitled to callback pay pursuant to the Call-Back Pay provisions of this MOU (Section 3.3.3).

Employees shall be appointed to a three-year term beginning July 1, 2014 and may be extended on an annual basis by mutual agreement between the department and the employee. The three-year term shall not apply to Community Service Officers.

3.3.14. Self-Defense and Tactics (SDAT) & Firearms Instructor Pay

The Police Department has established a program for selection of Self-Defense and Tactics (SDAT) & Firearms Instructors. Self Defense and Tactics (SDAT) or Firearms Instructors shall receive additional compensation amounting to two and one-half percent (2.5%) above their base hourly pay rate. Anyone that is a Self-Defense and Tactics (SDAT) Instructor and also a Firearms Instructor will be eligible for only a total of two and one-half percent (2.5%) and not a compounded five percent (5%).

Employees shall be appointed to a three-year term beginning July 1, 2014 and may be extended on an annual basis by mutual agreement between the department and the employee. The three-year term shall not apply to Community Service Officers.

3.3.15. Detective Pay

Sworn personnel assigned to the Support Services Divisions Investigations Unit shall receive additional compensation amounting to five percent (5%) above their base hourly pay rate. Unit members shall be entitled to callback pay pursuant to the Call-Back Pay provisions of this MOU (Section 3.3.3).

3.3.16. Out of Class Pay

Police Services Specialists assigned in writing by their supervisor to work as a Communications Dispatcher shall be compensated at a rate 5% greater than the employee's current base hourly pay rate. The out-of-class increase shall be retroactive to the first day of the assignment and based on hours actually worked in the higher classification.

3.3.17. Canine Handler Pay

The parties agree to initiate a Canine Handler Program at a time to be determined by the Police Department. Officers assigned to and participating in the canine program shall receive additional compensation amounting to 5% above their base hourly pay rate subject to the restrictions stated in the attached Canine Handler Program Side Letter.

4 BENEFITS

4.1 EMPLOYEE BENEFITS COMMITTEE

Both parties agree to continue to utilize the Employee Benefits Committee for ongoing review of benefit programs, cost containment and cost savings options. The Committee shall be made up of representatives of the SEIU, SEIU-Childcare, Western Council of Engineers, Local 1 – Confidential, Police Association, Police Mid-Management, Fire Association, Fire Chief Officers Association, Management, and Mid-Management employees.

The Employee Benefits Committee may make recommendations for changes to existing benefits. However, changes to benefits identified in this agreement shall only occur after the City and Association have mutually agreed to meet and confer on such changes and have completed the meet and confer process, including impasse resolution. There shall be no change to any benefits that are subject to the meet and confer process provided in this Memorandum of Understanding absent the specific, written agreement of the Association and completion of the meet and confer process.

4.2 HEALTH & WELFARE

4.2.1 Full Flex Cafeteria Plan

Effective January 1, 2010, the City implemented a full flex cafeteria plan for active employees, in accordance with IRS Code Section 125. Active employees participating in the City's full flex cafeteria plan shall receive a monthly flex dollar allowance to purchase benefits under the full flex cafeteria plan.

Effective January 1, 20~~21~~18, the monthly flex dollar allowance shall be:

For employee only:	\$ 758.08 <u>781.06</u>
For employee and one dependent:	\$ 1,517.49 <u>1,563.18</u>
For employee and two or more dependents:	\$ 1,972.45 <u>2,032.23</u>

The flex dollar allowances shall increase on the December 15th paycheck up to a maximum of three percent (3.0%) on an annual basis, based on but not to exceed the Kaiser Bay Area premium rate increase for the upcoming calendar year.

The City shall contribute to the cost of medical coverage for each eligible employee and his/her dependents, an amount not to exceed the California Public Employees' Medical and Hospital Care Act (PEMHCA) Minimum Employer contribution, as determined by CalPERS on an annual basis. This portion of the monthly flex dollar allowance is identified as the City's contribution towards PEMHCA. The monthly flex dollar allowance (including the PEMHCA minimum contribution) may be used in accordance with the terms of the cafeteria plan to purchase health benefits or may be converted to taxable income.

Conditional Opt-Out Arrangement: An employee may elect to waive the City's health insurance coverage and receive a \$300 monthly Opt-Out payment in accordance with the terms of the cafeteria plan, and the Affordable Care Act, if the employee complies with the following conditions:

- 1) The employee certifies that the employee and all individuals in the employee's tax family for whom coverage is waived have alternative Minimum Essential Coverage as defined by the Patient Protection and Affordable Care Act through a provider other than a federal marketplace, a state exchange, or an individual policy.
- 2) During the City's annual open enrollment period, the employee must complete an annual written attestation confirming that the employee and the other members of the employee's tax family are enrolled in alternative Minimum Essential Coverage. The employee agrees to notify the City no later than 30 days if the employee or other member(s) of the employee's tax family lose coverage under the alternative Minimum Coverage Plan.
- 3) The employee understands that the City is legally required to immediately stop conditional opt-out payments if the City learns that the employee and/or members of the employee's family do not have the alternative Minimal Essential Coverage.

The City reserves the right to modify at any time, the amount an employee is eligible to receive under this paragraph, if required by IRS Cafeteria Plan regulations, other legislation or Federal and/or California agency guidance.

4.2.2 Retirees Health Insurance

Employees represented by the Association who retire from the Marin County Employees' Retirement Association (MCERA) within 120 days of leaving their City of San Rafael position (and who comply with the appropriate retirement provisions under the MCERA laws and regulations) are eligible to continue in the City's retiree group health insurance program offered through PEMHCA. The City's contribution towards retiree coverage shall be the PEMHCA minimum contribution as determined by CalPERS on an annual basis.

A. Employees hired before January 1, 2010

The City shall make a monthly retiree health insurance payment on behalf of employees hired before January 1, 2010 and who retire from the City of San Rafael as described in this section.

The City's monthly payment shall be the difference between the premium cost of coverage minus the PEMHCA minimum contribution. The City's total payment (PEMHCA minimum contribution plus additional cost of retiree premiums) shall be \$386 per month. The City's retiree health insurance contribution shall continue for the lifetime of the retiree and retiree's spouse, in accordance with PEMHCA eligibility provisions for coverage.

B. Employees hired on or after January 1, 2010 and who meet the eligibility requirements for retiree health insurance are eligible to continue in the City's group health insurance program. The City's maximum contribution towards retiree coverage under this subsection, 4.2.3b, shall be the PEMHCA minimum contribution as determined by CalPERS on an annual basis. The City shall not be responsible for making any contributions towards the cost of coverage of the retiree's spouse, registered domestic partner, or dependents upon the employee's retirement from the City in excess of the PEMHCA minimum contribution as required by CalPERS.

The City shall additionally make available a retiree health care trust to enable these employees to prefund retiree health care premiums while employed by the City. The retiree health care trust shall be funded by annual conversion of 50 hours of sick time in service on July 1 of each year, provided an employee has a remaining balance of 25075 hours of sick leave after the conversion.

4.2.3 Health and Dependent Care Spending Accounts

City will offer as part of its Section 125 Plan for as long as such a plan is desired by the Association and available pursuant to the IRS Code a Health and Dependent Care Spending Accounts. The Flexible Spending Accounts offered by the City include:

- a. Healthcare Spending Account: Out-of-pocket medical expenses that qualify under the IRS Code effective January 1, 2013 at IRS Code limit, not to exceed \$ \$2,500. Employees are responsible to pay the monthly administrative fee and any increase established by the third-party administrator.
- b. Dependent Care Spending Accounts: Dependent care expenses that qualify under the IRS Code at the IRS Code limit. Employees are responsible to pay the monthly administrative fee and any increase established by the third-party administrator.
- c. Premium Only Plan: Excess Medical premiums shall be deducted from employee's pay with pre-tax dollars as long as such deduction is allowable under the applicable IRS Code.

City shall establish an annual enrollment period and each employee must re-enroll annually for either plan noted in Section 4.2.3. a. and/or b.

4.3 PERS HEALTH INSURANCE BENEFITS

Upon reasonable advance notice to the Association, the City shall have the option of either contracting with the Public Employees Retirement System (PERS) Health Benefits Division for health insurance or contracting directly with some or all of the providers of health insurance under the PERS program; provided, however, contracting directly with the providers shall not cause any material reduction in insurance benefits for active or retired employees from those benefits available under the PERS program; and provided further such contracting shall not cause a material increase in premiums for either the City or the employees. There shall be no requirement for the City to meet and confer upon the City's exercising the option described above in accordance with the provisions of this paragraph.

4.4 DENTAL PLAN

The City will provide a dental insurance program providing 100% coverage for diagnostic and preventative care, \$25 deductible on corrective coverage (80/20) per eligible patient per calendar year,

80/20 cost sharing for cast, crowns and restorations, and orthodontic coverage (50/50) within the limits prescribed in the Group Plan document. The City shall continue the current or comparable program and shall pay any increased premium rate increases from date of the increase for the term of this MOU

The maximum benefit amount is \$1,500 per person per Calendar Year.

4.5 VISION PLAN

The City will contract for a vision plan for employee only vision benefits. Employees will be eligible to enroll qualified family members and will pay the premium costs for such enrollment.

4.6 LIFE INSURANCE AND ACCIDENTAL DEATH & DISMEMBERMENT

Effective January 1, 2010, the City shall be responsible for paying premiums for a life insurance and Accidental Death and Dismemberment (AD&D) policy for each employee. The life and AD&D policy shall provide a \$5,000 life insurance and a \$5,000 AD&D benefit.

4.7 LONG TERM DISABILITY POLICY

An employee shall have the option to fund a PORAC Long-Term Disability policy with after-tax income. In lieu of the City sponsored LTD plan, the City will pay an annual \$100 lump sum payment minus applicable taxes to each employee. This lump sum payment will be made in the first pay period in December of each year of this MOU.

4.8 RETIREMENT

4.8.1 Retirement Contribution

Bargaining unit members shall pay the full share of the employee's contribution to the Marin County Retirement System.

Effective the pay period including September 1, 2013, all current and "PEPRA" ("classic" and "new") bargaining unit members shall contribute an additional 1% of pensionable compensation to MCERA, over and above the employee's contribution noted above.

The City of San Rafael acknowledges that under its current practice, the employee's share of their retirement contribution is deducted with pretax dollars. This practice will continue until changed through the Meet and Confer process or until IRS regulations change.

4.8.2 Retirement Plans

The City shall provide the Marin County Employee Retirement Association 3% at 55-retirement program to all safety members, as defined under the 1937 Act Government Code Section 31664, subject to Marin County Employee Retirement Association procedures and regulations and applicable 1937 Act laws that govern such plans. This shall be based on an employee's single highest year of compensation.

The City shall provide the Marin County Employee Retirement Association 2.7% at 55-retirement program to all miscellaneous members, as defined under the 1937 Act Government Code Section 31676, subject to Marin County Employee Retirement Association procedures and regulations and applicable 1937 Act laws that govern such plans. This shall be based on an employee's single highest year of compensation.

Safety employees hired on or after July 1, 2011 will receive an MCERA retirement benefit at the formula 3%@55 calculated based on the average of their highest three years of compensation, with a 2% COLA benefit cap.

Non-safety employees hired on or after July 1, 2011 will receive an MCERA retirement benefit at the formula 2%@55 calculated based on the average of their highest three years of compensation, with a 2% COLA benefit cap.

Safety employees hired on or after January 1, 2013 who are defined as “new members” of MCERA in accordance with the Public Employees’ Pension Reform Act (PEPRA) of 2013, shall be enrolled in the MCERA 2.7% @ 57 plan for Safety members. The employee is responsible for paying the employee contribution of half of the total normal cost of the plan, as defined by MCERA, through a payroll deduction. Final compensation will be based upon the highest annual average compensation earnable during the thirty-six (36) consecutive months of employment immediately preceding the effective date of his or her retirement or some other period designated by the retiring employee.

Non-safety employees hired on or after January 1, 2013 who are defined as “new members” of MCERA in accordance with the Public Employees’ Pension Reform Act (PEPRA) of 2013, shall be enrolled in the MCERA 2% @ 62 plan for Miscellaneous members. The employee is responsible for paying the employee contribution of half of the total normal cost of the plan, as defined by MCERA, through a payroll deduction. Final compensation will be based upon the highest annual average compensation earnable during the thirty-six (36) consecutive months of employment immediately preceding the effective date of his or her retirement or some other period designated by the retiring employee.

4.8.3 Member Cost of Living Rates

Bargaining unit members who are eligible to participate in the Marin County Employee Retirement Association will pay their full share of member’s cost of living rates as allowed under Articles 6 and 6.8 of the 1937 Retirement Act. Miscellaneous and safety member contribution rates include both the basic and COLA portions (50% of COLA is charged to members as defined in the 1937 Act).

4.8.4 Pension Costs

The parties shall discuss pension issues during the term of this MOU utilizing the Labor-Management Committee process memorialized in Section 6.6.5 of this agreement.

5 LEAVES

5.1 SICK LEAVE

5.1.1 Eligibility

Sick leave with pay shall be granted to each eligible employee. Sick leave shall not be considered a privilege, which an employee may use at the employee's discretion, but shall be allowed only in case of necessity and actual sickness or disability. The employee is required to notify employee's immediate supervisor or Police Chief according to department Rules and Regulations at the beginning of his/her daily duties. Every employee who is absent from his/her duties for two (2) consecutive work days shall file with the Human Resources Director should he/she so request, a physician's certificate or the employee's personal affidavit stating the cause of the illness or disability. The inability or refusal by said employee to furnish the requested information, as herein required, shall constitute good and sufficient cause for disciplinary action, including dismissal.

5.1.2 Sick Leave Accrual

All eligible full-time employees shall earn sick leave credits at the rate of eight (8) hours per month commencing with the date of employment (accrual pro-rated for P/T employees). Unused sick leave may be accumulated with no limit. A cap of twelve hundred (1200) hours shall be in effect for sick leave separation payoff purposes only.

5.1.3 Use of Sick Leave

An employee eligible for sick leave with pay will be granted such leave with the approval of the [Chief of Police](#) for the following purposes:

1. Personal illnesses or illness within the immediate family (immediate family is defined as: employee’s spouse [or registered domestic partner](#), dependent children [grandchildren, siblings,](#)

and/or employee's parents or parent(s)-in-law), or physical incapacity resulting from causes beyond the employee's control; or,

2. Enforced quarantine of the employee in accordance with community health regulations; or-
3. Medical appointments that cannot be scheduled during non-working hours shall be charged to sick leave, unless the employee is a sworn police officer.

5.1.4 Advance of Sick Leave

Whenever circumstances require, and with the approval of the City Manager, sick leave may be taken in advance of accrual up to a maximum determined by the City Manager, provided that any employee separated from the service who has been granted sick leave that is un-accrued at the time of such separation shall reimburse the City of all salary paid in connection with such un-accrued leave.

5.1.5 Service Credit for Sick Leave

Employees who are eligible to accrue sick leave and who retire from the City of San Rafael's Marin County Employee's Retirement System, on or after January 1, 2003, and within 120 days of leaving City employment (excludes deferred retirement), shall receive employment service credit, for retirement purposes only, for all hours of accrued, unused sick leave (exclusive of any sick leave hours said employee is eligible to receive and elects to receive in compensation at the time of retirement).

Note: Refer to Section 5.1.2, Sick Leave Accrual, for sick leave cap limitation for payoff purposes.

5.1.6 Compensation for Unused Portion

Upon separation from employment, by resignation, retirement or death, an employee who leaves the City in good standing shall receive compensation for all accrued, unused sick leave based upon the rate of three percent (3%) for each year of service up to a maximum of fifty percent (50%).

5.2 VACATION LEAVE

5.2.1 Eligibility

Annual vacation with pay shall be granted each eligible employee. Employees will be permitted to use accrued vacation leave after six (6) months of employment subject to the approval of the Police Chief.

5.2.2 Rate of Accrual

Vacation benefits shall accrue during the probationary period. Each regular full-time employee (part time regular are prorated) shall commence to accrue vacation at the following rate for continuous service:

- ~~• The first three (3) years of continuous employment shall earn ten (10) working days of vacation per year. Such entitlement shall accrue at the rate of five sixths (5/6) days per month.~~
- ~~• From the beginning of the fourth (4th) year of service through the end of the tenth (10th) year of service, fifteen (15) working days of vacation per year. Such entitlement shall accrue at the rate of one and one fourth (1-1/4) days per month.~~
- ~~• From the beginning of the eleventh (11th) year of service through the fifteenth (15th) year, twenty (20) working days of vacation per year. Such entitlement shall accrue at the rate of one and two-thirds (1-2/3) day per month.~~
- ~~• From the beginning of the sixteenth (16th) year of service and beyond, twenty-five (25) working days of vacation per year. Such entitlement shall accrue at the rate of two and one twelfth (2-1/12) days per month.~~

Vacation Accrual chart:

YEARS OF SERVICE	ACCRUAL PER YEAR	ACCRUAL PER MONTH
1 - 3 years	10 days or 80 hours	.83 days or 6.66 hours

4 - 10 years	15 days or 120 hours	1.25 days or 10 hours
11 - 15 years	20 days or 160 hours	1.67 days or 13.346 hours
16 + years	25 days or 200 hours	2.08 days or 16.68 hours

When an employee is on an approved leave without pay, vacation accrual is prorated based upon paid hours in the pay period.

5.2.3 Administration of Vacation Leave

The City Manager, upon the recommendation of the Police Chief, may advance un-accrued vacation to any permanent regular and part-time employee.

The time at which an employee may use ~~his/her~~their accrued vacation leave and the amount to be taken at any one time shall be determined by the employee's ~~Chief of Police~~Chief with particular regard for the needs of the City, but also, insofar as possible, considering the wishes of the employee.

In the event that one or more City holidays falls within an annual vacation leave, such holidays shall not be charged as vacation leave, unless the employee is on a schedule to be paid for designated holidays in lieu of days off.

Upon termination, an employee shall be compensated in cash at ~~his/her~~their current rate of pay for any vacation accrued but not taken, up to the maximum accrual cap, ~~provided that the employee has successfully six months of continuous employment.~~

5.2.4 Vacation Sign-up

Vacation sign-ups shall occur every six months during the designated shift rotations as outlined in Section 6.1.2 of this MOU. Employees will sign up for vacation based on seniority within their assigned work unit using the Vacation Sign-Up Roster. Employees who do not sign up during shift rotation will be able to sign up for vacation beyond the traditional shift sign up period only if the desired week(s) are open and available.

Employees may take a single vacation day only if the following criteria are met:

1. The single day vacation is selected 120 hours prior to the date to be taken.
2. The single vacation day does not cause the employee's assigned shift to go below the minimum staffing requirements.
3. The single vacation day may be denied between 120 and 71 hours in advance of the date to be taken if staffing is projected to fall below minimum staffing requirements due to additional employees using sick leave, comp time or for specific department needs.
4. If there are schedule changes due to additional employees using sick leave, comp time or other causes between 70 hours and the date to be taken, the department will honor the employee's single vacation leave request and allow the employee to use the single vacation day.

The Parties agree to discuss the vacation sign-up process (Section 5.2.4) and CTO (Section 6.2.2) during the term of this Agreement. The Parties must mutually agree to any changes to either or both sections.

5.2.5 Vacation Cap

No employee may accrue more than 250 hours of vacation leave. Vacation accruals will resume once the employee's accumulated vacation balance falls below the allowable cap limit.

Employees may, for special situations, i.e., extended medical leave, request an increase in their cap. Each request would need to be in writing, submitted through the department, and receive the approval of the Police Chief and the City Manager. Such requests would be reviewed on a case-by-case basis and would be evaluated based on the reason for the request. This additional vacation accrual could

not exceed one-half of the employee's regular annual vacation accrual. In no case would the addition over the cap be extended beyond one additional year from date of approval.

5.2.6 *Vacation Cash-In*

Vacation Conversion: An employee is eligible to request a conversion of vacation time to a cash payment in May or November in any fiscal year in accordance with the following:

An employee who has taken at least ten (10) days of vacation in the preceding twelve (12) months and has accrued vacation during that time may request up to seven (7) days of vacation conversion. Such requests may be granted at the discretion of the City Manager.

If the request is granted, May requests will be paid in the last pay period in June and November requests will be paid in the last pay period in December. Employees cannot cash in more than seven (7) days of vacation in any one twelve (12) month period.

5.3 HOLIDAYS

The following thirteen (13) holidays will be observed:

New Year's Day	Labor Day
Martin Luther King Day	Admission Day
Washington's Birthday	Veteran's Day
Lincoln's Birthday	Thanksgiving Day
Cesar Chavez Day	Day after Thanksgiving
Memorial Day	Christmas Day
Independence Day	

All represented employees in the Police Department shall receive straight time compensation for every holiday worked or which falls on a regularly scheduled day off in each given year, which all other employees receive as time off. Said compensation shall be during the pay period that the holiday occurs.

5.4 OTHER LEAVE

5.4.1 *Bereavement Leave*

In the event of the death of an employee's spouse, registered domestic partner, child, parent, [brother, sistersibling](#), in-laws, grandparent, grandchild or relative who lives or has lived in the home of the employee to such an extent that the relative was considered a member of the immediate family and/or another individual who has a legal familial relationship to the employee and resided in the employee's household, up to three (3) days of accrued sick leave within the State and up to five (5) days of accrued sick leave out-of-State may be granted for bereavement leave.

In those cases where the death involves an individual who had such a relationship with the employee, as defined above, the employee shall sign a simple affidavit describing the relationship and submit this to the Police Chief as part of the request for bereavement leave.

5.4.2 *Jury Duty*

Employees required to report to jury duty shall be granted a leave of absence with pay from their assigned duties until released by the court, provided that the employee provides advance notice to the Police Chief and remits to the City all per diem service fees except mileage or subsistence allowance within thirty days from the termination of such duty.

5.4.3 *Military Leave*

Military leave shall be granted in accordance with the State of California Military and Veteran's Code as amended from time to time. All employees entitled to military leave shall give the Police Chief an opportunity, within the limits of military regulations, to determine when such leave shall be taken.

5.4.4 *Leave of Absence Without Pay*

Leave of absence without pay may be granted by the City Manager upon the written request of the employee. Applicable accrued leave must be exhausted prior to the granting of leave without pay.

5.4.5 *Industrial Injury Leave*

For benefits under Workers Compensation, an employee should report any on the job injury to his/her supervisor as soon as possible, preferably within twenty-four (24) hours. The Human Resources' office coordinates benefits for Worker's Compensation claims.

For further information, see the City's Workers' Compensation policy located on the Intranet (<https://intranet.cityofsanrafael.org>).

Employees of the City who have suffered any disability arising out of, and in the course of their employment as defined by the Worker's Compensation Insurance and Safety Act of the State of California are entitled to all benefits allowed them by the Workers' Compensation Insurance and Safety Act of the State of California.

NON-SAFETY EMPLOYEES

Temporary disability payments (TD) are made to all employees (full and part-time) when a physician reports an employee is unable to perform their job duties due to an industrial injury and the City cannot accommodate the restrictions mandated by their physician. TD is set by State law and is approximately two-thirds of full salary with state-mandated minimums and maximums. For full-time, regular employees, however, the City augments disability payments to bring them to full salary for the first three (3) calendar months and to $\frac{3}{4}$ pay for the next 6 months. Compensation leave payments shall not exceed the employee's regular full pay for the first three (3) calendar months and three-fourths ($\frac{3}{4}$) of the regular full pay for the following six (6) calendar months.

All other employees shall be entitled to such compensation as may be allowed them by the Worker's Compensation Insurance and Safety Act of the State of California.

SAFETY EMPLOYEES

Compensation leave payments are governed by Labor Code Section 4850. Labor Code Section 4850 provides that employees who sustain an industrial injury which precludes them from working are eligible to receive full salary for a period of up to one year during the period of such disability.

Sick Leave Usage Post Industrial Injury/Illness

The following rule applies to both Safety and Non-Safety personnel who have suffered an industrial injury/illness: Available accrued sick leave cannot be used for more than 60 calendar days after one of the following has been determined:

- The employee has reached maximum medical improvement and/or has been determined "permanent and stationary."
- The employee has been determined to be unable to return to their usual and customary occupation, with or without reasonable accommodation.

Given the above has occurred, next steps would include:

- The interactive process; attempt to locate other appropriate employment within the City
- If none available proceed with termination process, including disability retirement application and/or Skelly process, if appropriate.

5.4.6 *Medical Leave of Absence*

Family leave shall be granted in accordance with the federal Family and Medical Leave Act of 1993 and the California Family Rights Act of 1991. Requests for Family Care Leave are submitted to the Police Chief for approval and reviewed by the Human Resources Director for consistency with the law

prior to approval. Employees approved for this type of leave must use appropriate accrued and unused vacation leave and/or compensatory time before going on leave without pay status. Accrued and unused sick leave may be used if requested. Sick leave usage is to be consistent with the sick leave provisions of the MOU; to be eligible for this family leave benefit, an employee must have worked for the City of San Rafael for at least 12 months and have worked a minimum of 1,250 hours in the previous 12-month period. For details, please see the City’s FMLA policy located on the Intranet.

5.4.7 Absence without Authorized Leave

An unauthorized absence of an employee for three consecutive workdays shall constitute grounds for termination.

5.4.8 Catastrophic Leave

All employees of the Police Department should refer to City-Wide Catastrophic Leave Policy located on the City’s Intranet (<https://intranet.cityofsanrafael.org>).

6 TERMS & CONDITIONS OF EMPLOYMENT

6.1 HOURS OF WORK/FLSA WORK PERIOD

The work period for personnel assigned to patrol is pursuant to a 21-day Section 207(k) of the FLSA, which begins and ends at 5:00 a.m. shift change. The work period for all other personnel is seven days, Sunday through Saturday of each calendar week, starting at midnight on the first day of the period and ending one minute before midnight on the last day of the period. An employee's normal total number of work hours per year shall be 2080 hours.

The parties may reopen negotiations during the term of the Agreement to negotiate the City’s administration of a new payroll system and/or changes made to comply with a 28-day FLSA work period. Any changes to mandatory subjects of bargaining during the term of the MOU will be implemented subject to mutual agreement.

6.1.1 Alternate Work Weeks

Both parties agree that at the discretion of the Police Chief, alternative work schedules which include a total of 2,080 annual working hours, if mutually agreed to, may be implemented for designated periods of time for all represented employees for the lifetime of this MOU; any new alternative work schedule established during the term of this MOU shall initially be established on a six-month trial basis. During the trial period if there is a significant increase in overtime costs attributable to the trial plan, or significant increases in sick leave usage or workers compensation claims the department may opt to stop the trial work schedule.

For illustration and definition purposes the following chart is prepared:

Schedule	Definition
4-10	Four (4) consecutive ten (10) hour days with three (3) consecutive days off.
5-8	Five (5) consecutive eight (8) hour days with two (2) consecutive days off.
3-12	The standard work period will consist of 156 hours of work in a 28-day period, broken into thirteen (13) twelve (12) hour days. The standard work cycle consists of working alternately, three (3) consecutive days in a seven-day period, then four (4) consecutive days in a seven-day period. Each member will be given an extra twelve (12) hour day off during each 28-day period to ensure that no more than thirteen days are worked. This extra day off may be different for each employee on a given team to ensure adequate daily staffing. This extra day off will coincide with the employees’ regular days off. As a result of working 156 hours in each 28-day period instead of the standard 160 hours, each member will owe the City 4 hours. The City and the Police Association agree to allow each member to bank these 4 hours for three 28-day periods, for a total of twelve (12) hours. Each member would be required to pay back these

	hours by working a scheduled day off selected by the Department. The scheduled pay back would be for training or other assignments as required by the Department.
4-4	Four (4) consecutive ten (10) hour days with four (4) consecutive days off. Each employee will work three-hundred twenty (320) hours of work within an eight-week cycle.

The following Alternative work schedules are currently being used:

PATROL:

The shifts listed are basic shifts that must be filled in order to meet the minimum staffing levels. If an officer filling one of those shifts is absent for a period of a week or longer, another officer may be required to change shifts to fill the vacancy in accordance with the existing provisions of the MOU regarding changes of assignments.

The rosters anticipate a minimum of twenty-seven officers being assigned to patrol in a duty status in the indicated shifts. In the event twenty-seven officers are not available, the department may opt to return to five eight-hour shifts per week for all patrol officers.

It is the department's intent to match staffing levels with calls for service. If calls for service change, the department may alter the hours of shifts to meet the change.

DETECTIVES:

A 4-10 or 5-8 plan for all detectives with the approval of the Bureau Commander.

FRONT OFFICE:

A system combining 5-8/4-10 for all front office Records Clerks.

COMMUNICATIONS DISPATCHERS:

1. Alternate Work Schedules for Communications Dispatchers include a 4-4 plan, a 4-10 plan or a 3-12 plan. Depending on department needs, some dispatchers may be assigned to work a 4-4 schedule while others may be assigned to a 4-10 schedule or a 3-12 schedule.
2. Under the 3-12 plan, Dispatchers will be required to work the following three-week schedule: Week 1 - three (3) 12-hour days; Week 2 - three (3) 12-hour days; and Week 3 - four (4) 12-hour days. The fourth 12-hour day in Week 3 is to be determined by the Division Captain and Dispatch Supervisor as part of the rotation schedule.
3. Overtime shall be earned in accordance with the FLSA, meaning that: a) only actual work hours are counted toward overtime; b) only actual work over 40 hours in the City's workweek are paid pursuant to FLSA requirements; and c) all actual work over 40 hours in the City's workweek will be paid at a rate of 1.5 times the individual employee's regular rate of pay.
4. Non-FLSA overtime will also be earned if a Dispatcher on a 3-12 schedule works over his or her scheduled work day or work week (e.g. more than 12 hours on a single day or more than 36 hours in a work week where the employee was scheduled to work three (3) 12-hour shifts, or more than 48 hours in the work week in which the Dispatcher is scheduled to work four (4) 12-hour shifts). The City will use the premium portion of any non-FLSA overtime premium pay due in any specific workweek to offset any FLSA overtime premium due in the same work week.

The 3-12 Alternate Work Schedule will not have any impact on holiday pay, sick, and vacation accrual rates. However, any holiday, sick, and vacation days off will be deducted for the number of hours scheduled to work, i.e. a sick day under the 3-12 plan will result in the deduction of twelve (12) hours of sick time.

6.1.2 Shift Rotation

Both parties agree that at the discretion of the Police Chief, the starting dates for the rotation, if mutually agreed to, may be changed for a designated rotation for all represented employees for the life of this MOU.

For members of the Patrol Bureau and Information Services Bureau, the spring rotation shall begin on the Sunday nearest the 15th of March and the fall rotation shall begin on the Sunday nearest the 15th of September. If the members of the Patrol Bureau or Information Services Bureau are working a 3-12 schedule, which operates on three-week cycles, then the Spring rotation shall begin on the Sunday nearest to the 15th of March following a completed three-week cycle and the Fall rotation shall begin on the Sunday nearest to the 15th of September following a completed three-week cycle.

Sergeants assigned to Patrol may select their shift by seniority, within rank. This paragraph shall not apply to probationary Sergeants. Probationary Sergeants shall be assigned at the discretion of the Division Captain, and any remaining open Sergeant slots shall be filled by seniority, within rank.

Corporals assigned to Patrol may select their shift by seniority, within rank. This paragraph shall not apply to probationary Corporals. Probationary Corporals shall be assigned at the discretion of the Division Captain, and any remaining open Corporal slots shall be filled by seniority, within rank.

Officers assigned to Patrol and not on probation may select their shift by seniority, within rank. This paragraph shall not apply to probationary Officers. Probationary Officers shall be assigned at the discretion of the Division Captain, and any remaining open Officer slots shall be filled by seniority, within rank.

Police Call Taker & Records Specialists work group working in the Records Unit will have the option to rotate three times per year: on the Sunday nearest the 15th of January; on the Sunday nearest the 15th of May; and on the Sunday nearest the 15th of September. This will begin at the September 2011 rotation. This practice will be at the discretion of the Chief of Police.

6.1.3 Patrol Briefing

Patrol briefing periods will be conducted within Patrol employees designated shifts.

6.1.4 Employee Break and Meal Periods

Employee break and meal periods are as follows:

Uniformed Patrol employees: One 15-minute break in first half of shift and one 45-minute meal period as scheduled and approved by the designated supervisor.

All other employees: One 15-minute break to be taken in the first half of the shift, one fifteen-minute break to be taken in the second half of the shift, and one 30-minute meal period as scheduled and approved by the designated supervisor. Combination of meal and break period must have prior supervisory approval.

No changes will be made in break and meal periods that would alter an employee's regularly scheduled working time without the advance approval from the employee's supervisor.

Break and meal periods are paid time and, as such, departmental needs will take priority. In the event that work demands preclude an employee from taking his or her break, and/or meal period, the employee will not be eligible for overtime compensation.

6.2 OVERTIME

6.2.1 Overtime

All represented employees who work overtime shall on forms provided by the Police Department designate whether they want the time accrued as compensatory time (C.T.) or paid as overtime at the rate of time and one-half. After initial selection (O/T pay vs. C.T.) if an employee wants to convert

compensatory time to cash, or vice versa, the employee must submit a written request to the Police Chief and approval shall be at the discretion of the Police Chief.

Employees may accrue up to 200 hours of compensatory time at any time. Employees may use up to 120 hours of comp time each calendar year. Employees may take an additional 80 hours of comp time for the remainder of the year, however those 80 hours will fall under the single day vacation guidelines. However, employees may only use up to 120 hours of comp time each calendar year unless the Police Chief or the Chief's expressed designee approves additional comp time use up to the employee's 200-hour accrual cap. Approval to use comp time in excess of the 120-hour cap will generally only occur for catastrophic or other significant unforeseen circumstances. Employees who have a comp time balance in excess of the 200-hour cap will receive pay in lieu of continued carrying of these hours from the City on the next available pay check. At the end of the calendar year, any unused accrued comp time may be carried over to the next calendar year and said balance would affect the employees' ability to accrue additional comp time.

Before any Sergeant will be allowed to work an overtime shift replacing a beat officer, the overtime opportunity shall be posted for forty-eight (48) hours to allow officers to sign up. Only if officers fail to sign up, or the need to replace a beat officer arises with less than forty-eight (48) hours' notice, will sergeants be given the opportunity to work overtime in place of an officer/corporal. This restriction shall not apply to special events or foot beat duty.

Both parties agree that any changes in the overtime provisions of this MOU are subject to the meet and confer process.

All entry-level probationary employees shall not be allowed to accrue and bank any compensatory time until they have successfully completed their training program. Any overtime worked during their training program shall be paid at time and a half. This section does not apply to any employee that is promoted within the police department, and due to that promotion, is required to complete a training program. Promoted employees may elect to accrue and bank compensatory time or have such time paid at time and a half.

6.2.2 Requests for Compensatory Time Off

In the event that the granting of a request for compensatory time off creates one or more vacancies which bring the shift below the minimum staffing level or which otherwise needs to be filled, then the current practice will be utilized as follows: The supervisor will post the vacant slot(s) to be voluntarily back-filled with overtime. If one or more vacancies still exist then the supervisor will 1) assign personnel from the previous shift to hold over at the overtime rate, and/or 2) assign personnel from the following shift to report early at the overtime rate, and/or, in civilian work units, 3) assign personnel to work on their day(s) off.

All employees shall be granted compensatory time off when submitted at least 72 hours in advance of the requested time off. If an employee makes a request for compensatory time off with less than 72 hours advance notice and this request does not bring the shift below one above minimum staffing, then the employee shall be granted the time off. If the granting of the request would bring the shift to minimum staffing then the granting of the request would be at the discretion of the Police Chief or his designee.

Any comp time requests after an employee uses 120 hours in a calendar year will fall under the pre-existing single day vacation guidelines. Employees may take up to 80 hours of additional comp time only if the following criteria are met:

- The comp time is selected 120 hours prior to the date to be taken.
- The comp time does not cause the employee's assigned shift to go below the minimum staffing requirements.

- The comp time may be denied between 120 and 71 hours in advance of the date to be taken if staffing is projected to fall below minimum staffing requirements due to additional employees using sick leave, comp time or for specific department needs.
- If there are schedule changes due to additional employees using sick leave, comp time or other causes between 70 hours and the date to be taken, the department will honor the employee's comp time leave request and allow the employee to use the comp time.

~~The Parties agree to discuss the vacation sign-up process (Section 5.2.4) and CTO (Section 6.2.2) during the term of this Agreement. The Parties must mutually agree to any changes to either or both sections.~~

6.3 SHIFT CHANGES

Changes in the days or hours of the regular work schedule of an employee shall entitle such employee to be additionally compensated at one-half (1/2) their hourly pay rate for each hour worked outside their regular schedule unless the City has given the employee a minimum of seven (7) full days (or 168 hours) advance notice of such a change. No advance notice to employees by the City of shift change shall be required and no additional compensation shall be paid when shift changes occur as a result of work related emergencies, i.e., multiple sicknesses, disabilities or injuries; an unplanned for vacancy or shortage occurring less than seven days in advance of the shift change if the employee is given a minimum of twelve hours advance notice or at the specific request of an employee. If a shift change is due to work related illness or accident, it shall be considered an emergency and no overtime will be paid.

Vacancies of less than one workweek will be filled by overtime rather than shift changes.

This section shall not apply to personnel shortages arising from mutual aid requests, states of emergency declared by the Mayor, Board of Supervisors, Governor or the President or unplanned for critical incidents or situations of more than twenty-four hours duration.

6.4 PROBATIONARY PERIOD

6.4.1 Purpose of Probation

After passing an examination and accepting appointment, each employee shall serve a period of probation beginning on the date of appointment. Such period shall be for the purpose of determining the employee's ability to perform satisfactorily the duties prescribed for the position.

6.4.2 Length of Probationary Period

The probationary period on original appointments shall be eighteen (18) months. The probationary period on promotional appointments shall be twelve (12) months for internal promotions from:

- Police Officer to Police Corporal
- Police Corporal to Police Sergeant
- Dispatcher to Lead Dispatcher
- Lead Dispatcher to Dispatch Supervisor
- Records Specialist/Call Taker to Records Supervisor

All other internal promotions shall be subject to an eighteen (18) month probationary period.

6.4.3 Rejection During Probation

During the probationary period, an employee may be rejected at any time by the Appointing Authority without the right of appeal; except as otherwise provided for by the Public Safety Officers Bill of Rights Act, Government Code 3300, et.seq. for sworn officers, and as provided for in applicable existing case law concerning appeal rights/remedies of probationary employees.

6.4.4 Extension of Probationary Period

The probationary period shall not be extended except in the case of extended illness or injury or compelling personal situation during which time the employee was unable to work. In such cases, the probationary period may be extended for the length of time the ill or injured employee was unable to work.

6.4.5 Notification of Rejection or Extension

Upon determining that a probationary employee's work is not satisfactory, the Police Chief shall notify the Human Resources Director in writing of his/her intention to terminate the employee.

After discussion with the Human Resources Director, the Police Chief shall notify the employee in writing of the extension or rejection.

6.4.6 Regular Status

Regular status shall commence with the day following the expiration date of the probationary period.

6.4.7 Promotion of Probationary Employee

An employee serving a probationary period may be promoted to a higher position classification provided the employee is certified from the appropriate Eligible List. The employee promoted in this manner shall serve a new probationary period for the position to which employee is promoted and the new probationary period and promotional appointment shall be effective the same date.

6.4.8 Unsuccessful Passage of Promotional Probation

An employee who does not successfully pass the promotional probationary period shall be reinstated to the position in which the employee held regular status prior to his/her promotion. Provided, however, that if the cause for not passing the promotional probationary period was sufficient grounds for dismissal, the employee shall be subject to dismissal without reinstatement to the lower position.

6.5 PERSONNEL RULES & REGULATIONS

Both parties agree to the most updated Personnel Rules and Regulations that exist on July 1, 2011 for the purposes of this agreement, which are available on the City's intranet website. In the event that conditions appear in both the Rules and Regulations and the MOU, the MOU prevails.

6.5.1 Employer-Employee Resolution

The City and the Association agree to abide by the City of San Rafael's Employer-Employee Relations Resolution.

6.5.2 Drug and Alcohol Policy

The City and Association jointly recognize alcoholism and drug abuse as illnesses, which may be treatable. The parties are concerned regarding alcoholism and drug problems which cause poor attendance and unsatisfactory employment related performance, and/or which may pose a danger to employees or the public. Therefore, the City and Association endorse the concept of a drug free work place.

Possession, sale, use, or being under the influence of drugs or alcohol while on the job is strictly prohibited. Employees violating this policy are subject to discipline, up to and including termination. When reasonable cause (relates to readiness and/or ability to perform job responsibilities) exists, the City may require employees to submit to a medical examination, including but not limited to a urine or blood analysis, to determine whether the employee is using drugs or alcohol. Said testing shall occur on City time and be paid for by the City. An employee's failure to submit to a medical examination will be considered an act of insubordination, and therefore, subject to disciplinary action.

Depending on the circumstances causing the order for medical examination, employees testing positive may be subject to discipline, up to and including termination. Upon being informed that the

employee tested positive, the employee may request a meeting with the Human Resources Director and the Police Chief to review the test results and provide the employee's explanation for such results.

Employees are encouraged to voluntarily participate in the City sponsored employee assistance program (EAP). However, EAP participation may be a City-mandated alternative to disciplinary action arising out of a violation of the City's drug and alcohol policy.

As a course of participating in the EAP on a mandated basis, an employee may be required to enter into a "return to work agreement," with the City. Said agreement shall stipulate ongoing freedom from drug and/or alcohol use as a condition of continued employment.

Employees who seek voluntary assistance for alcohol and/or substance will not be disciplined for seeking such assistance. Requests from employees to the Police Chief for such assistance shall remain confidential and shall not be revealed to other employees or management personnel, who do not have a need to know, without the employee's consent. Employees enrolled in substance abuse programs shall be subject to all Employer rules, regulations and job performance standards with the understanding that an employee enrolled in such a program is receiving treatment for an illness.

An employee who is disciplined/discharged for inappropriate alcohol and/or drug use may appeal such action pursuant to Section 7.3.2 of the Memorandum of Understanding.

6.5.3 Outside Employment Policy

All employees of the Police Department should refer to City wide policy located on the City's Intranet (<https://intranet.cityofsanrafael.org>) for policies and procedures related to outside employment.

6.5.4 Harassment Policy

It is the City's intent and purpose to provide all officials, employees, applicants and contractors with an environment that is free from any form of harassment, discrimination or retaliation. Employees shall refer to the City Policy against Harassment, Discrimination and Retaliation which is available on the City's Intranet website.

6.5.5 Wireless Communication Policy

Union members agree to adhere to the provisions of the City's Wireless Communication Policy which is available on the City's Intranet Website.

6.5.6 Medical Standards

Attachments to the City of San Rafael's official job class specifications have been developed by Rehab 90 to describe the activity and frequency of the activities performed by the employee in the course and scope of their job classification. These descriptions are available for review by the employee's treating physician to assist the physician in determining whether the employee is able to return to his/her job after an absence due to an injury or illness.

6.5.7 Temporary Light Duty Policy Statement

The purpose of this temporary light duty program is to minimize the losses of productive time, while at the same time reintroducing the employee to work sooner to prevent deterioration of skills, facilitate recovery and reduce income loss. Light duty assignments will be structured so that employees are not placed in a duty status that would aggravate or incur an injury or illness. Light duty assignments are to be limited to temporary periods and are not to be used to create a permanent light duty assignment.

1. Coverage

Any employee who suffers a temporary and partial disability due to an industrial or non-industrial injury or illness will be covered by this light duty program.

2. Determination/Required Reports

- a. Light Duty assignments may be made following evaluation and determination by the Police Chief. The determination will be based on available medical information, and consultation with the employee or the affected supervisor. Determination will also be based on the needs of the City and the impact of light duty departmental operations.
- b. After the initial report, updated medical reports shall be submitted to the Police Chief at two-week intervals, or at other agreed upon intervals, for as long as the employee is off work. Reports will be required for all industrial or non-industrial injuries or illnesses regardless of whether or not a light duty assignment has been made.
- c. Reports will be evaluated by the Police Chief for purposes of continuing or terminating a current light duty assignment or to determine when to commence a light duty assignment.

3. Light Duty Assignments - Definitions/Restrictions

- a. Light duty assignments may consist of reduced work hours, limited work or any combination thereof.
- b. Light duty assignments will not adversely affect the employee’s normal wage rate or retirement benefits.
- c. Light duty assignments will be within the employee’s assigned department and will involve work which is consistent with the duties of the employee’s classification.
- d. When feasible, light duty assignments will be during the employee’s normal shift and duty hours. However, if it is determined that no useful work will be performed during the normal shift or duty hours, the employee will be assigned light duty during normal office hours of 8:00 a.m. to 5:00 p.m. Monday through Friday.
- e. Specific light duty assignments will be developed based upon a case-by-case review of the medical restrictions, so as not to aggravate or incur an injury or illness.
- f. Employees will not be placed in light duty assignments that in the normal course of events will require that they provide direct field emergency response.

4. Holidays/Vacations

- a. Holidays shall be observed in accordance with the light duty assignment work hours and workweek. That is, if an employee is assigned to work hours in a department, division, or operating unit where employees in that work unit take the holiday off, so shall the light duty employee. If the employee is assigned to work hours on a work holiday, so shall the light duty employee. Compensation for holidays shall be in accordance with applicable Memorandum of Understanding or the Personnel Rules and Regulations.
- b. Employees assigned to light duty shall take their assigned (selected) vacation as normally scheduled. Vacations shall cover the same number of duty and calendar days as would have been enjoyed by the employee if they had remained on full duty. Employees may reschedule their assigned (selected) vacation with the approval of the Police Chief, provided the rescheduling does not result in increased costs or lost time to the City for relief personnel to cover the rescheduled vacation.

5. Return to Full Duty

Employees will be returned to full duty as soon as possible following medical certification that the employee is able to resume the full duties of his or her classification.

6.5.8 *Reinstatement*

Reinstatement after resignation shall be considered as new employment. Reinstatement may only be made upon request to the Police Chief if the individual has:

- 1. Left City service within the prior twenty-four (24) months.

and

2. Left City service in good standing. Good standing shall be defined for the purposes of reinstatement as: "The employee having provided in writing to the Department two weeks' notice of their resignation".

6.6 MISCELLANEOUS

6.6.1 *Gratuities / Solicitation of Contributions*

All employees of the Police Department should refer to Departmental General Orders for the policy and procedures related to gratuities/solicitation of contributions.

6.6.2 *Return of City Equipment*

Upon termination of employment, all City property assigned to an employee shall be returned to the employee's supervisor.

6.6.3 *Political Activity*

The political activity of City employees shall comply with pertinent provisions of State and Federal Law.

6.6.4 *Employment of Relatives*

The City retains the right:

1. To refuse to place one party to a relationship under the direct supervision of the other party to a relationship where such has the potential for creating adverse impact on supervision, safety, security or morale.
2. To refuse to place both parties to a relationship in the same Bureau or shift where such has the potential for creating adverse impact on supervision, safety, security, or morale or involves potential conflicts of interest.

6.6.5 *Labor / Management Advisory Meetings*

During the term of the Agreement, the City and the Association agree that consultation meetings may contribute to improved employer-employee relations.

The committee shall be comprised of three (3) representatives from the San Rafael Police Association and three (3) from City Management. The parties agree that committee members may change depending on the subject matter.

Meetings may be requested by either party. The party requesting the meeting shall submit a proposed agenda and the receiving party shall acknowledge and confirm the date, time and location of the requested meeting.

6.6.6 *Gym Membership Reimbursement*

Employees are eligible to receive up to \$50 reimbursement per month for paid gym memberships. Such reimbursement shall be paid once per year by the City in a lump-sum check and reported as taxable income to the employee.

6.6.7 *Public Safety Center Fitness Program*

PURPOSE AND SCOPE:

The purpose of this policy is to establish guidelines for employees utilizing the Public Safety Center (PSC) fitness facility. The Department requires all those electing to use the PSC fitness facility to adhere to the conditions and policies as described in this policy. Persons who do not meet the conditions as described in this directive will be deemed to be engaging in activities outside the scope of their employment, and the City shall not have any liability for injuries or losses resulting from such activities. The City will not accept responsibility for injuries incurred as a result of recreational exercise/activities or competitive events.

PROCEDURES:

It is the position of the City to encourage a high level of physical fitness among police personnel. To assist employees in achieving this goal, the Department has implemented an on-duty work-out policy for all San Rafael Police employees.

A. On-Duty Participation:

1. On-duty participation is defined as one hour of on-duty time, a maximum of two days per workweek, for the purpose of exercise.
 - i. This time includes: 10 minutes to change, 40 minutes to exercise, and 10 minutes to shower and change.

B. Exercise time and use of the PSC fitness facility may not begin until the Waiver and Release of Liability form has been read, signed, and filled out for all employees.

C. Part-time employees may exercise in the PSC fitness facility during off duty time only.

D. Use of the Public Safety Center fitness facility by Participants:

- 1) All personnel, regardless of assignment, may use the PSC fitness facility for workouts between the hours of 0700hrs to 2200hrs.
- 2) No more than one (1) on-duty employee from each workgroup will be allowed in the PSC fitness facility area at one time. For example, one officer, one dispatcher, one detective at a time.
- 3) There shall be no meals or snacks eaten in the PSC fitness facility; water or other workout drinks are acceptable.
- 4) All personnel using the PSC fitness facility shall wipe down all equipment after use and pick up any trash.

E. The PSC fitness facility is the only approved and authorized on-duty work out facility:

- 1) On duty exercise must take place within the PSC so employees can remain available for emergencies or return to their duty assignment in the event exigencies arise. Employees must be prepared to change into uniform without undue delay if necessary.
- 2) The PSC fitness facility is located on the second floor. This area is close to the sleeping quarters of the firefighters and police employees should respect the shared area appropriately.

F. Provisions of the on-duty exercise policy that are specifically related to personnel assigned to Patrol are as follows:

- 1) On duty exercise time shall be utilized in lieu of a meal break. Personnel participating in an on-duty work out will remain personally responsible for sustenance in their vehicle as time permits in the balance of their workload.
- 2) On-duty exercise time is approved by the Watch Commander or his/ her designee only when the shift is above minimum staffing. Due consideration must be given to staffing and activity levels. Exercise time may be canceled at the discretion of the Watch Commander (or designee). The Watch Commander's decision regarding on-duty exercise cannot be grieved.
- 3) No more than one (1) employee from patrol may exercise on-duty at any given time. When on-duty, there shall only be one (1) on-duty patrol officer in the workout room at a time.
- 4) A police radio shall be audible inside the PSC fitness facility any time patrol personnel are exercising. Patrol personnel shall respond to their call sign when called from communications.

- 5) Participants assigned to patrol wishing to use on-duty time for exercise must request the desired time at the beginning of the shift. Requests may also be made a shift in advance. Seniority will be used to determine exercise times.
 - 6) Reports and calls for service have priority over exercise time. No work-related assignments should remain pending while working out unless they can be completed in a timely manner without incurring overtime.
 - 7) Personnel participating in on-duty workouts shall not be permitted to do so in conjunction with briefing at the beginning of their shift or proximate to the completion of their shift. On-duty workouts may only take place at the direction and with approval of the Watch Commander (or designee).
 - 8) On-duty exercise time may not be taken on the last hour of the shift (as enumerated in section 7 of this section).
 - 9) During Field Training, neither the Field Training Officer (FTO) nor the Officer in Training (OIT) may utilize the PSC fitness facility on-duty.
- G. Employees are required to immediately report any injuries or serious illnesses while using the PSC fitness facility to their supervisor:
- H. Miscellaneous provisions of the on-duty exercise policy:
- 1) No exercise program hours will be carried over from one day to the next.
 - 2) Performance issues, at the discretion of the Chief of Police, may be the basis for an individual being denied permission to participate in on-duty exercise.
 - 3) Break periods (rest breaks) cannot be used to extend exercise time.
 - 4) The provisions and implementation of this on-duty exercise policy will not be subject to challenge or grievance by employees.

INJURIES OR SERIOUS ILLNESSES:

Employees are required to immediately report all injuries or serious illnesses that require medical attention. Following such an injury, exercise privileges will be suspended immediately until further notice. Determination of when an injured participant may resume exercise activity will be at the discretion of the Chief of Police or his/her designee following a complete review of the injury report. This determination will be based on the nature of the injury and the health/fitness needs of the individual.

- a) An injured employee may be required to submit a memo detailing their injury/illness and obtain clearance in writing from the attending physician prior to resuming exercise activities.
- b) Once cleared to resume physical fitness activities, the injured participant will follow the exercise prescribed without deviation. Deviation from the prescribed exercise program may result in disqualification from using the PSC fitness facility on-duty and off-duty.
- c) Those participants whose injury/illness requires a "light duty" status may use the PSC fitness facility following a clearance by their attending physician. Exercise activity will be limited to the fitness program prescribed.
- d) Failure to immediately report any injury or illness resulting from working out in the PSC fitness facility may result in loss of facility use privileges both on and off duty.

OFF DUTY EXERCISE BY EMPLOYEES:

Employees may use the PSC fitness facility during their off-duty time under the following guidelines:

- a) Must read, sign, and submit the Waiver and Release of Liability form, which must then be authorized by the Chief of Police.

- b) Exercise sessions are on off-duty time only and there is no limit to how many times one can use the facility.
- c) Follow all safety rules.
- d) Follow all guidelines as described in this policy.
- e) Only SRPD employees are allowed to use the facility.

GENERAL SAFETY RULES:

- a) Proper warmup and cooldown activities are to be performed before and after weight training and cardiovascular workout sessions.
- b) All safety stops and mechanisms on exercise equipment must be properly adjusted before each use.
- c) All weight plates must be removed from the lifting bar and returned to the proper storage rack immediately after use.
- d) Proper athletic footwear and shirts must be worn while exercising in the PSC fitness facility.
- e) All injuries or exercise equipment needing repair should be reported to the Watch Commander immediately.
- f) Spotters are required for all heavy lifting. If no spotters are available, no heavy lifting will be allowed.

PROGRAM LENGTH:

- a) This will be a pilot program for six (6) months. At the end of the six months, the program will be evaluated by the Chief of Police to determine if the program should continue and/or be modified.
- b) If at any time during the program the Chief of Police determines that it is detrimental to the functioning of the department, the Chief may cancel the program. The Chiefs decision to cancel the program will not be subject to challenge or grievance.

7 PROCEDURES

7.1 DEMOTION & SUSPENSION

7.1.1 Demotion

The Police Chief or designee may demote an employee when the following occurs:

- A. The employee fails to perform his/her required duties;
- B. The need for a position which an employee fills no longer exists;
- C. An employee requests such a demotion.

No employee shall be demoted to a classification for which he/she does not possess the minimum qualifications.

When the action is initiated by the Police Chief, written notice of demotion shall be provided to an employee at least ten (10) working days before the effective date of the demotion, and a copy filed with the Human Resources Director. Withholding a salary step increase or withdrawing a merit step increase within or above the salary range of the employee's position shall not be deemed a demotion.

Disciplinary demotion action shall be in accordance with Article 7.3, "Disciplinary Action."

7.1.2 Suspension

The Police Chief or designee may suspend an employee from a position at any time for disciplinary purpose. Intended suspension action shall be reported immediately to the Human Resources Director, and shall be taken in accordance with Article 7.3, "Disciplinary Action."

7.2 TERMINATION OF EMPLOYMENT

7.2.1 Resignation

An employee wishing to leave the City service in good standing shall file with his/her immediate supervisor, at least fourteen (14) days before leaving the service, a written resignation stating the effective date and reason for leaving. A copy of the resignation shall be forwarded to the Police Chief and Human Resources Department.

7.2.2 Termination - Layoff

The Appointing Authority may terminate an employee because of changes in duties or organization, or abolition of position, or shortage of work or funds, or completion of work for which employment was made.

7.2.3 Termination - Disciplinary Action

An employee may be terminated at any time for disciplinary action, as provided in Article 7.3, "Disciplinary Action."

7.2.4 Retirement

Retirement from the City services shall, except as otherwise provided, be subject to the terms and conditions of the City's contract as amended from time to time, with the Marin County Retirement System.

7.3 DISCIPLINARY ACTION

7.3.1 Right to Discipline & Discharge

Disciplinary action shall mean discharge/dismissal, demotion, reduction in salary, suspension resulting in loss of pay, transfer for purposes of punishment, and written reprimand.

The City shall have the right to discharge or discipline any employee for dishonesty, insubordination, drunkenness, incompetence, negligence, failure to perform work as required or to observe the Department's safety rules and regulations or for engaging in strikes, individual or group slowdowns or work stoppages, or refusal to accept overtime, or for violating or ordering the violation of the Memorandum of Understanding.

The City may discipline or discharge an employee for the following:

- a. Fraud in securing appointment.
- b. Negligence of duty.
- c. Violation of safety rules.
- d. Unacceptable attendance record, including tardiness, overstaying lunch or break periods.
- e. Possession, Distribution or under the influence of alcoholic beverages, non-prescribed or unauthorized narcotics or dangerous drugs during working hours.
- f. Inability, unwillingness, refusal or failure to perform work as assigned, required or directed.
- g. Unauthorized soliciting on City property or time.
- h. Conviction of a felony or conviction of a misdemeanor involving moral turpitude.
- i. Unacceptable behavior toward the general public or fellow employees or officers of the City.
- j. Falsifying employment application materials, time reports, records, or payroll documents or other City records.

- k. Disobedience to proper authority.
- l. Misuses of City property.
- m. Violation of any of the provisions of these working rules and regulations or departmental rules and regulations.
- n. Disorderly conduct, participation in fights, horseplay or brawls.
- o. Dishonesty or theft.
- p. Establishment of a pattern of violations of any City policy or rules and regulations over an extended period of time in which a specific incident in and of itself would not warrant disciplinary action, however, the cumulative effect would warrant such action.
- q. Failure to perform to an acceptable level of work quality and quantity.
- r. Insubordination.
- s. Other acts inimical to the public service.
- t. Inability or refusal to provide medical statement on cause of illness or disability.

7.3.2 Appeals

If an employee believes he or she has been unjustly disciplined/discharged, he or she shall have the right to appeal his or her case through the appropriate procedure. A transfer for purpose of punishment not resulting in economic loss and a written reprimand shall only be appealable up to the level of the City Manager or "his/her designee and not eligible for arbitration. Discharge/dismissal, demotion, reduction in salary, suspension resulting in loss of pay, and transfer for purposes of punishment resulting in economic loss shall be appealable up to the level of arbitration. Such appeal must be filed with the City Manager by the employee in writing within five (5) working days from the date of receipt of the notice of discipline/discharge letter and unless so filed the right of appeal is lost.

7.3.3 City Manager and Arbitration

The employee (Appellant) may request the appeal be heard by the City Manager or may request arbitration. If arbitration is requested, representatives of the City and the employee (Appellant) shall meet promptly to select a mutually acceptable arbitrator, and to the extent possible for both parties the selection of the arbitrator should be made within 60 days of the request for arbitration. The fees and expenses of the arbitrator and of a court reporter shall be shared equally by the Association and the City.

A hearing before the arbitrator shall be held within sixty days of the selection of the Arbitrator unless the mutually acceptable Arbitrator's schedule does not so permit. The ~~Arbitrator shall~~ hear ~~not have the power to amend or modify either party's position; but shall rule on the merits of~~ each party's case as presented during the hearing and shall subsequently have the power to affirm, reject, or provide a lesser form of discipline. Decisions of the Arbitrator on matters properly before them shall be final and binding on the parties hereto, to the extent permitted by the Charter of the City.

7.4 GRIEVANCE PROCEDURE

7.4.1 Definition

A grievance is any dispute, which involves the interpretation or application of any provision of this Memorandum of Understanding.

7.4.2 Initial Discussions

Any employee who believes that he or she has a grievance may discuss his or her complaint with the top management official in the Police Department or with such subordinate management official as the Police Chief may designate. If the issue is not resolved within five (5) working days in the Department, or if the employee elects to submit his or her grievance directly to an official of the employee organization which is formally recognized as the representative of the classification to which he or she is assigned, the procedures hereafter specified may be invoked.

7.4.3 Referral to the City Manager

Any employee or any official of the employee organization which has been formally recognized by the City and which has jurisdiction over any position directly affected by the grievance may notify the City Manager and Police Chief in writing that a grievance exists, and in such notification, state the particulars of the grievance and, if possible, the nature of the determination which is desired. No grievance may be processed under Section 7.4.4 below which has not first been heard and investigated in pursuance of Section 7.4.2. A grievance which remains unresolved thirty (30) calendar days after it has been submitted in writing may be referred to the next step (see Section 7.4.4).

Any time limit may be extended to a definite date by mutual agreement of the Association and the appropriate management representative.

7.4.4 City Manager and Arbitration

If the grievance is not resolved at the previous step, the grievant, the Association, or the City may, after completion of the previous step in the grievance procedure, submit the grievance by written notice to the City Manager. If arbitration is requested, representatives of the City and the Association shall meet promptly to select a mutually acceptable arbitrator. The fees and expenses of the arbitrator and of a court reporter shall be shared equally by the Union and the City. Each party, however, shall bear the cost of its own presentation, including preparation and post hearing briefs, if any. A hearing before the arbitrator shall be held within sixty days of the selection of the Arbitrator unless the mutually accepted Arbitrator's schedule does not so permit, and the arbitrator shall render a decision, within sixty days of the completion of the hearing unless the Arbitrator's schedule does not so permit, which is binding on the parties hereto, to the extent permitted by the Charter of the City.

7.4.5 No Abridgement of Other Rights of Appeal

The provisions of this grievance procedure shall not abridge on rights granted to employees under the City Charter or City ordinances, resolutions, rules and regulations providing other procedures for resolving disputes, except that an employee may not submit a grievance to an arbitrator in accordance with this grievance procedure if the employee has elected to use another procedure available under the City Charter or City ordinances, resolutions, rules and regulations for the resolution of his or her grievance.

If an employee feels he or she has been unjustly discharged/disciplined, the employee shall have the right to appeal his/her case pursuant to Section 7.3.2. Such appeals must be filed in writing within five (5) working days from date of receipt of the notice letter of discharge/discipline and unless so filed the right of appeal is lost, but, in the event that the dispute is carried to arbitration and that such employee is found to have been properly discharged/disciplined under the provisions of Article 7.3, such employee may not be ordered reinstated and no penalty may be assessed upon the Employer. The arbitrator shall not have the power to amend or modify either party's position; but shall rule on the merits of each party's case as presented during the hearing.

In addition to the arbitrators proposed by the State Mediation and Conciliation Service, the parties shall be free to select from a pool of arbitrators mutually agreed to by the City and the Association. The parties shall continue to meet and confer, after the adoption of this MOU on a mutually agreeable panel of arbitrators. Once agreed to the panel shall be identified by side letter to the MOU.

7.4.6 Pay Claims

All complaints involving or concerning payment of compensation shall be filed in writing and no adjustments shall be retroactive for more than thirty (30) days from the date of filing.

7.4.7 Matters Excluded from the Grievance Procedure of the Memorandum of Understanding

In those cases where the matter concerns any rule or policy or administrative procedure of the City contained in the City Charter, the Personnel Ordinance, or the Personnel Rules and Regulations which are adopted pursuant to the City Charter, the appeal procedures contained therein shall be utilized.

7.5 POSITION RECLASSIFICATION

Reclassification of positions covered by this MOU shall be in accordance with the City's Reclassification Policy available on the City's Intranet website.

7.6 REDUCTION IN FORCE

7.6.1 Notice

Employees designated for layoff or demotion due to a reduction in force shall be notified in writing at least thirty (30) calendar days prior to the anticipated date of termination or demotion. The employee organization shall also be so notified.

7.6.2 Order of Layoff

In reduction of forces, the last employee hired shall be the first employee laid off, and in rehiring, the last employee laid off shall be the first employee rehired until the list of former employees is exhausted; provided that the employee retained or rehired is capable, in the opinion of the City, to perform the work required. An employee laid off from City services prior to being rehired must pass the physical examination administered by a City-appointed physician and must pass the background check administered by the Police Department. The names of employees laid off shall be placed on a Re-employment Eligible List as hereinafter specified.

7.6.3 Re-Employment Eligibility List

The Re-employment Eligible List shall consist of the names of employees and former employees having probationary or permanent status that was laid off in that classification. The rank order on such list shall be determined by relative seniority as specified above. Such list shall take precedence over all other eligible lists in making appointments to the classification in which the employee worked.

Employees who did not complete their probationary period prior to being laid off; if re-employed must complete their probationary period. The employee may petition to the Police Chief for early release from this probationary period.

The name of any person laid off shall continue on the appropriate Re-employment Eligible List for a period of one (1) year after it is placed thereon. The names of any eligible employees on a Re-employment Eligible List shall be automatically removed from said list at the expiration of the appropriate period of eligibility.

SAN RAFAEL POLICE ASSOCIATION:

CITY OF SAN RAFAEL:

Peter Hoffmann
Lead Negotiator

Tim Davis, Lead Negotiator
Burke Williams & Sorensen

Zachary Brickell
SRPA President

Stephanie Vollmer
Burke Williams & Sorensen

Mark Wilkinson
SRPA Representative

Sylvia Gonzalez-Shelton
HR Operations Manager

Thomas Wong
Analyst

Date

Date

SAN RAFAEL POLICE ASSOCIATION
SALARY SCHEDULE
Effective July 1, 2021

Grade*	Position		Entry Level Step A1	A	B	C	D	E
6203	COMMUNITY SERVICE OFFICER	Annually	\$ 64,450	\$ 67,673	\$ 71,057	\$ 74,610	\$ 78,340	\$ 82,257
		Monthly	\$ 5,371	\$ 5,639	\$ 5,921	\$ 6,217	\$ 6,528	\$ 6,855
		Hourly	\$ 30.9858	\$ 32.5351	\$ 34.1619	\$ 35.8700	\$ 37.6635	\$ 39.5466
6207	MENTAL HEALTH LIAISON	Annually	\$ 86,344	\$ 90,662	\$ 95,195	\$ 99,954	\$ 104,952	\$ 110,200
		Monthly	\$ 7,195	\$ 7,555	\$ 7,933	\$ 8,330	\$ 8,746	\$ 9,183
		Hourly	\$ 41.5117	\$ 43.5873	\$ 45.7666	\$ 48.0550	\$ 50.4577	\$ 52.9806
6202	POLICE ADMINISTRATIVE TECHNICIAN	Annually	\$ 66,022	\$ 69,323	\$ 72,789	\$ 76,429	\$ 80,250	\$ 84,263
		Monthly	\$ 5,502	\$ 5,777	\$ 6,066	\$ 6,369	\$ 6,688	\$ 7,022
		Hourly	\$ 31.7414	\$ 33.3285	\$ 34.9949	\$ 36.7447	\$ 38.5819	\$ 40.5110
9420	POLICE CADET	Annually	\$ 30,131	\$ 31,638	\$ 33,220	\$ 34,881	\$ 36,625	\$ 38,456
		Monthly	\$ 2,511	\$ 2,636	\$ 2,768	\$ 2,907	\$ 3,052	\$ 3,205
		Hourly	\$ 14.4862	\$ 15.2105	\$ 15.9711	\$ 16.7696	\$ 17.6081	\$ 18.4885
2121	POLICE CALL TAKER & RECORDS SPECIALIST	Annually	\$ 62,041	\$ 65,143	\$ 68,400	\$ 71,820	\$ 75,412	\$ 79,182
		Monthly	\$ 5,170	\$ 5,429	\$ 5,700	\$ 5,985	\$ 6,284	\$ 6,599
		Hourly	\$ 29.8275	\$ 31.3189	\$ 32.8848	\$ 34.5291	\$ 36.2555	\$ 38.0683
6201	POLICE SUPPORT SERVICES SUPERVISOR	Annually	N/A	\$ 98,073	\$ 102,977	\$ 108,126	\$ 113,532	\$ 119,209
		Monthly	N/A	\$ 8,173	\$ 8,581	\$ 9,010	\$ 9,461	\$ 9,934
		Hourly	N/A	\$ 47.1506	\$ 49.5081	\$ 51.9835	\$ 54.5827	\$ 57.3118
9622	POLICE COMMUNICATIONS DISPATCH TRAINEE	Annually	\$ 54,141	\$ 56,848	\$ 59,691	\$ 62,675	\$ 65,809	\$ 69,100
		Monthly	\$ 4,512	\$ 4,737	\$ 4,974	\$ 5,223	\$ 5,484	\$ 5,758
		Hourly	\$ 26.0295	\$ 27.3310	\$ 28.6975	\$ 30.1324	\$ 31.6390	\$ 33.2209
6205	POLICE COMMUNICATIONS DISPATCHER	Annually	\$ 67,687	\$ 71,071	\$ 74,625	\$ 78,356	\$ 82,274	\$ 86,388
		Monthly	\$ 5,641	\$ 5,923	\$ 6,219	\$ 6,530	\$ 6,856	\$ 7,199
		Hourly	\$ 32.5418	\$ 34.1689	\$ 35.8774	\$ 37.6712	\$ 39.5548	\$ 41.5325
6215	POLICE LEAD COMMUNICATIONS DISPATCHER	Annually	N/A	\$ 76,402	\$ 80,222	\$ 84,233	\$ 88,445	\$ 92,867
		Monthly	N/A	\$ 6,367	\$ 6,685	\$ 7,019	\$ 7,370	\$ 7,739
		Hourly	N/A	\$ 36.7318	\$ 38.5684	\$ 40.4969	\$ 42.5217	\$ 44.6478
6106	POLICE CORPORAL	Annually	N/A	N/A	N/A	\$ 107,788	\$ 113,178	\$ 118,837
		Monthly	N/A	N/A	N/A	\$ 8,982	\$ 9,431	\$ 9,903
		Hourly	N/A	N/A	N/A	\$ 51.8213	\$ 54.4123	\$ 57.1329
6206	POLICE EVIDENCE & PROPERTY TECHNICIAN	Annually	\$ 67,687	\$ 71,071	\$ 74,625	\$ 78,356	\$ 82,274	\$ 86,388
		Monthly	\$ 5,641	\$ 5,923	\$ 6,219	\$ 6,530	\$ 6,856	\$ 7,199
		Hourly	\$ 32.5418	\$ 34.1689	\$ 35.8774	\$ 37.6712	\$ 39.5548	\$ 41.5325
6107	POLICE OFFICER	Annually	\$ 88,687	\$ 93,122	\$ 97,778	\$ 102,667	\$ 107,800	\$ 113,190
		Monthly	\$ 7,391	\$ 7,760	\$ 8,148	\$ 8,556	\$ 8,983	\$ 9,432
		Hourly	\$ 42.6381	\$ 44.7700	\$ 47.0085	\$ 49.3589	\$ 51.8269	\$ 54.4182
6109	POLICE RECRUIT	Annually	\$ 78,761	\$ 82,699	\$ 86,834	\$ 91,176	\$ 95,735	\$ 100,522
		Monthly	\$ 6,563	\$ 6,892	\$ 7,236	\$ 7,598	\$ 7,978	\$ 8,377
		Hourly	\$ 37.8660	\$ 39.7593	\$ 41.7473	\$ 43.8347	\$ 46.0264	\$ 48.3277
6111	POLICE REGULATORY OFFICER	Annually	\$ 67,687	\$ 71,071	\$ 74,625	\$ 78,356	\$ 82,274	\$ 86,388
		Monthly	\$ 5,641	\$ 5,923	\$ 6,219	\$ 6,530	\$ 6,856	\$ 7,199
		Hourly	\$ 32.5418	\$ 34.1689	\$ 35.8774	\$ 37.6712	\$ 39.5548	\$ 41.5325
4524	POLICE SECURITY OFFICER	Annually	\$ 63,396	\$ 66,566	\$ 69,894	\$ 73,389	\$ 77,058	\$ 80,911
		Monthly	\$ 5,283	\$ 5,547	\$ 5,824	\$ 6,116	\$ 6,421	\$ 6,743
		Hourly	\$ 30.4787	\$ 32.0027	\$ 33.6028	\$ 35.2830	\$ 37.0471	\$ 38.8995
6104	POLICE SERGEANT	Annually	N/A	N/A	N/A	\$ 123,251	\$ 129,414	\$ 135,885
		Monthly	N/A	N/A	N/A	\$ 10,271	\$ 10,784	\$ 11,324
		Hourly	N/A	N/A	N/A	\$ 59.2554	\$ 62.2182	\$ 65.3291
9525	YOUTH SERVICES PROGRAM SUPERVISOR	Annually	\$ 96,753	\$ 101,591	\$ 106,671	\$ 112,004	\$ 117,604	\$ 123,484
		Monthly	\$ 8,063	\$ 8,466	\$ 8,889	\$ 9,334	\$ 9,800	\$ 10,290
		Hourly	\$ 46.5160	\$ 48.8418	\$ 51.2839	\$ 53.8481	\$ 56.5405	\$ 59.3675

*Entry Level Pay Grade is 1XXXX (e.g., Entry Level Police Officer grade code is 16107)

SAN RAFAEL POLICE ASSOCIATION
SALARY SCHEDULE
Effective July 1, 2022

Grade*	Position		Entry Level Step A1	A	B	C	D	E
6203	COMMUNITY SERVICE OFFICER	Annually	\$ 65,482	\$ 68,756	\$ 72,194	\$ 75,803	\$ 79,593	\$ 83,573
		Monthly	\$ 5,457	\$ 5,730	\$ 6,016	\$ 6,317	\$ 6,633	\$ 6,964
		Hourly	\$ 31.4816	\$ 33.0557	\$ 34.7085	\$ 36.4439	\$ 38.2661	\$ 40.1794
6207	MENTAL HEALTH LIAISON	Annually	\$ 87,726	\$ 92,112	\$ 96,718	\$ 101,554	\$ 106,631	\$ 111,963
		Monthly	\$ 7,310	\$ 7,676	\$ 8,060	\$ 8,463	\$ 8,886	\$ 9,330
		Hourly	\$ 42.1759	\$ 44.2847	\$ 46.4989	\$ 48.8238	\$ 51.2650	\$ 53.8283
6202	POLICE ADMINISTRATIVE TECHNICIAN	Annually	\$ 67,079	\$ 70,432	\$ 73,954	\$ 77,652	\$ 81,534	\$ 85,611
		Monthly	\$ 5,590	\$ 5,869	\$ 6,163	\$ 6,471	\$ 6,795	\$ 7,134
		Hourly	\$ 32.2493	\$ 33.8618	\$ 35.5549	\$ 37.3326	\$ 39.1992	\$ 41.1592
9420	POLICE CADET	Annually	\$ 30,613	\$ 32,144	\$ 33,751	\$ 35,439	\$ 37,211	\$ 39,071
		Monthly	\$ 2,551	\$ 2,679	\$ 2,813	\$ 2,953	\$ 3,101	\$ 3,256
		Hourly	\$ 14.7180	\$ 15.4539	\$ 16.2266	\$ 17.0379	\$ 17.8898	\$ 18.7843
2121	POLICE CALL TAKER & RECORDS SPECIALIST	Annually	\$ 63,034	\$ 66,186	\$ 69,495	\$ 72,970	\$ 76,618	\$ 80,449
		Monthly	\$ 5,253	\$ 5,515	\$ 5,791	\$ 6,081	\$ 6,385	\$ 6,704
		Hourly	\$ 30.3048	\$ 31.8200	\$ 33.4110	\$ 35.0815	\$ 36.8356	\$ 38.6774
6201	POLICE SUPPORT SERVICES SUPERVISOR	Annually	N/A	\$ 99,642	\$ 104,625	\$ 109,856	\$ 115,349	\$ 121,116
		Monthly	N/A	\$ 8,304	\$ 8,719	\$ 9,155	\$ 9,612	\$ 10,093
		Hourly	N/A	\$ 47.9050	\$ 50.3002	\$ 52.8153	\$ 55.4560	\$ 58.2288
9622	POLICE COMMUNICATIONS DISPATCH TRAINEE	Annually	\$ 55,008	\$ 57,758	\$ 60,646	\$ 63,678	\$ 66,862	\$ 70,205
		Monthly	\$ 4,584	\$ 4,813	\$ 5,054	\$ 5,307	\$ 5,572	\$ 5,850
		Hourly	\$ 26.4459	\$ 27.7682	\$ 29.1567	\$ 30.6145	\$ 32.1452	\$ 33.7525
6205	POLICE COMMUNICATIONS DISPATCHER	Annually	\$ 68,770	\$ 72,208	\$ 75,819	\$ 79,610	\$ 83,590	\$ 87,770
		Monthly	\$ 5,731	\$ 6,017	\$ 6,318	\$ 6,634	\$ 6,966	\$ 7,314
		Hourly	\$ 33.0625	\$ 34.7156	\$ 36.4514	\$ 38.2740	\$ 40.1877	\$ 42.1970
6215	POLICE LEAD COMMUNICATIONS DISPATCHER	Annually	N/A	\$ 77,625	\$ 81,506	\$ 85,581	\$ 89,860	\$ 94,353
		Monthly	N/A	\$ 6,469	\$ 6,792	\$ 7,132	\$ 7,488	\$ 7,863
		Hourly	N/A	\$ 37.3195	\$ 39.1855	\$ 41.1448	\$ 43.2020	\$ 45.3621
6106	POLICE CORPORAL	Annually	N/A	N/A	N/A	\$ 112,100	\$ 117,705	\$ 123,590
		Monthly	N/A	N/A	N/A	\$ 9,342	\$ 9,809	\$ 10,299
		Hourly	N/A	N/A	N/A	\$ 53.8941	\$ 56.5888	\$ 59.4183
6206	POLICE EVIDENCE & PROPERTY TECHNICIAN	Annually	\$ 68,770	\$ 72,208	\$ 75,819	\$ 79,610	\$ 83,590	\$ 87,770
		Monthly	\$ 5,731	\$ 6,017	\$ 6,318	\$ 6,634	\$ 6,966	\$ 7,314
		Hourly	\$ 33.0625	\$ 34.7156	\$ 36.4514	\$ 38.2740	\$ 40.1877	\$ 42.1970
6107	POLICE OFFICER	Annually	\$ 92,235	\$ 96,846	\$ 101,689	\$ 106,773	\$ 112,112	\$ 117,717
		Monthly	\$ 7,686	\$ 8,071	\$ 8,474	\$ 8,898	\$ 9,343	\$ 9,810
		Hourly	\$ 44.3436	\$ 46.5608	\$ 48.8888	\$ 51.3333	\$ 53.8999	\$ 56.5949
6109	POLICE RECRUIT	Annually	\$ 80,022	\$ 84,023	\$ 88,224	\$ 92,635	\$ 97,267	\$ 102,130
		Monthly	\$ 6,668	\$ 7,002	\$ 7,352	\$ 7,720	\$ 8,106	\$ 8,511
		Hourly	\$ 38.4719	\$ 40.3955	\$ 42.4153	\$ 44.5360	\$ 46.7628	\$ 49.1010
6111	POLICE REGULATORY OFFICER	Annually	\$ 68,770	\$ 72,208	\$ 75,819	\$ 79,610	\$ 83,590	\$ 87,770
		Monthly	\$ 5,731	\$ 6,017	\$ 6,318	\$ 6,634	\$ 6,966	\$ 7,314
		Hourly	\$ 33.0625	\$ 34.7156	\$ 36.4514	\$ 38.2740	\$ 40.1877	\$ 42.1970
4524	POLICE SECURITY OFFICER	Annually	\$ 64,410	\$ 67,631	\$ 71,012	\$ 74,563	\$ 78,291	\$ 82,205
		Monthly	\$ 5,368	\$ 5,636	\$ 5,918	\$ 6,214	\$ 6,524	\$ 6,850
		Hourly	\$ 30.9664	\$ 32.5147	\$ 34.1405	\$ 35.8475	\$ 37.6399	\$ 39.5219
6104	POLICE SERGEANT	Annually	N/A	N/A	N/A	\$ 128,181	\$ 134,590	\$ 141,320
		Monthly	N/A	N/A	N/A	\$ 10,682	\$ 11,216	\$ 11,777
		Hourly	N/A	N/A	N/A	\$ 61.6256	\$ 64.7069	\$ 67.9423
9525	YOUTH SERVICES PROGRAM SUPERVISOR	Annually	\$ 98,301	\$ 103,216	\$ 108,377	\$ 113,796	\$ 119,486	\$ 125,460
		Monthly	\$ 8,192	\$ 8,601	\$ 9,031	\$ 9,483	\$ 9,957	\$ 10,455
		Hourly	\$ 47.2603	\$ 49.6233	\$ 52.1044	\$ 54.7097	\$ 57.4451	\$ 60.3174

*Entry Level Pay Grade is 1XXXX (e.g., Entry Level Police Officer grade code is 16107)

SAN RAFAEL POLICE ASSOCIATION
SALARY SCHEDULE
Effective July 1, 2023

Grade*	Position		Entry Level Step A1	A	B	C	D	E
6203	COMMUNITY SERVICE OFFICER	Annually	\$ 66,529	\$ 69,856	\$ 73,349	\$ 77,016	\$ 80,867	\$ 84,910
		Monthly	\$ 5,544	\$ 5,821	\$ 6,112	\$ 6,418	\$ 6,739	\$ 7,076
		Hourly	\$ 31.9853	\$ 33.5846	\$ 35.2638	\$ 37.0270	\$ 38.8783	\$ 40.8222
6207	MENTAL HEALTH LIAISON	Annually	\$ 89,129	\$ 93,586	\$ 98,265	\$ 103,178	\$ 108,337	\$ 113,754
		Monthly	\$ 7,427	\$ 7,799	\$ 8,189	\$ 8,598	\$ 9,028	\$ 9,480
		Hourly	\$ 42.8507	\$ 44.9932	\$ 47.2429	\$ 49.6050	\$ 52.0853	\$ 54.6895
6202	POLICE ADMINISTRATIVE TECHNICIAN	Annually	\$ 68,152	\$ 71,559	\$ 75,137	\$ 78,894	\$ 82,839	\$ 86,981
		Monthly	\$ 5,679	\$ 5,963	\$ 6,261	\$ 6,575	\$ 6,903	\$ 7,248
		Hourly	\$ 32.7653	\$ 34.4036	\$ 36.1237	\$ 37.9299	\$ 39.8264	\$ 41.8177
9420	POLICE CADET	Annually	\$ 31,103	\$ 32,658	\$ 34,291	\$ 36,006	\$ 37,806	\$ 39,697
		Monthly	\$ 2,592	\$ 2,722	\$ 2,858	\$ 3,000	\$ 3,151	\$ 3,308
		Hourly	\$ 14.9535	\$ 15.7012	\$ 16.4862	\$ 17.3105	\$ 18.1761	\$ 19.0849
2121	POLICE CALL TAKER & RECORDS SPECIALIST	Annually	\$ 64,042	\$ 67,245	\$ 70,607	\$ 74,137	\$ 77,844	\$ 81,736
		Monthly	\$ 5,337	\$ 5,604	\$ 5,884	\$ 6,178	\$ 6,487	\$ 6,811
		Hourly	\$ 30.7896	\$ 32.3291	\$ 33.9456	\$ 35.6428	\$ 37.4250	\$ 39.2962
6201	POLICE SUPPORT SERVICES SUPERVISOR	Annually	N/A	\$ 101,237	\$ 106,299	\$ 111,613	\$ 117,194	\$ 123,054
		Monthly	N/A	\$ 8,436	\$ 8,858	\$ 9,301	\$ 9,766	\$ 10,254
		Hourly	N/A	\$ 48.6715	\$ 51.1051	\$ 53.6603	\$ 56.3433	\$ 59.1605
9622	POLICE COMMUNICATIONS DISPATCH TRAINEE	Annually	\$ 55,888	\$ 58,682	\$ 61,616	\$ 64,697	\$ 67,932	\$ 71,328
		Monthly	\$ 4,657	\$ 4,890	\$ 5,135	\$ 5,391	\$ 5,661	\$ 5,944
		Hourly	\$ 26.8691	\$ 28.2125	\$ 29.6232	\$ 31.1043	\$ 32.6595	\$ 34.2925
6205	POLICE COMMUNICATIONS DISPATCHER	Annually	\$ 69,870	\$ 73,364	\$ 77,032	\$ 80,884	\$ 84,928	\$ 89,174
		Monthly	\$ 5,823	\$ 6,114	\$ 6,419	\$ 6,740	\$ 7,077	\$ 7,431
		Hourly	\$ 33.5915	\$ 35.2711	\$ 37.0346	\$ 38.8863	\$ 40.8307	\$ 42.8722
6215	POLICE LEAD COMMUNICATIONS DISPATCHER	Annually	N/A	\$ 78,867	\$ 82,810	\$ 86,950	\$ 91,298	\$ 95,863
		Monthly	N/A	\$ 6,572	\$ 6,901	\$ 7,246	\$ 7,608	\$ 7,989
		Hourly	N/A	\$ 37.9167	\$ 39.8125	\$ 41.8031	\$ 43.8933	\$ 46.0879
6106	POLICE CORPORAL	Annually	N/A	N/A	N/A	\$ 116,584	\$ 122,413	\$ 128,534
		Monthly	N/A	N/A	N/A	\$ 9,715	\$ 10,201	\$ 10,711
		Hourly	N/A	N/A	N/A	\$ 56.0499	\$ 58.8524	\$ 61.7950
6206	POLICE EVIDENCE & PROPERTY TECHNICIAN	Annually	\$ 69,870	\$ 73,364	\$ 77,032	\$ 80,884	\$ 84,928	\$ 89,174
		Monthly	\$ 5,823	\$ 6,114	\$ 6,419	\$ 6,740	\$ 7,077	\$ 7,431
		Hourly	\$ 33.5915	\$ 35.2711	\$ 37.0346	\$ 38.8863	\$ 40.8307	\$ 42.8722
6107	POLICE OFFICER	Annually	\$ 95,924	\$ 100,720	\$ 105,756	\$ 111,044	\$ 116,596	\$ 122,426
		Monthly	\$ 7,994	\$ 8,393	\$ 8,813	\$ 9,254	\$ 9,716	\$ 10,202
		Hourly	\$ 46.1173	\$ 48.4232	\$ 50.8444	\$ 53.3866	\$ 56.0559	\$ 58.8587
6109	POLICE RECRUIT	Annually	\$ 81,302	\$ 85,367	\$ 89,635	\$ 94,117	\$ 98,823	\$ 103,764
		Monthly	\$ 6,775	\$ 7,114	\$ 7,470	\$ 7,843	\$ 8,235	\$ 8,647
		Hourly	\$ 39.0874	\$ 41.0418	\$ 43.0939	\$ 45.2486	\$ 47.5110	\$ 49.8866
6111	POLICE REGULATORY OFFICER	Annually	\$ 69,870	\$ 73,364	\$ 77,032	\$ 80,884	\$ 84,928	\$ 89,174
		Monthly	\$ 5,823	\$ 6,114	\$ 6,419	\$ 6,740	\$ 7,077	\$ 7,431
		Hourly	\$ 33.5915	\$ 35.2711	\$ 37.0346	\$ 38.8863	\$ 40.8307	\$ 42.8722
4524	POLICE SECURITY OFFICER	Annually	\$ 65,441	\$ 68,713	\$ 72,148	\$ 75,756	\$ 79,544	\$ 83,521
		Monthly	\$ 5,453	\$ 5,726	\$ 6,012	\$ 6,313	\$ 6,629	\$ 6,960
		Hourly	\$ 31.4619	\$ 33.0350	\$ 34.6867	\$ 36.4210	\$ 38.2421	\$ 40.1542
6104	POLICE SERGEANT	Annually	N/A	N/A	N/A	\$ 133,309	\$ 139,974	\$ 146,973
		Monthly	N/A	N/A	N/A	\$ 11,109	\$ 11,665	\$ 12,248
		Hourly	N/A	N/A	N/A	\$ 64.0907	\$ 67.2952	\$ 70.6600
9525	YOUTH SERVICES PROGRAM SUPERVISOR	Annually	\$ 99,874	\$ 104,868	\$ 110,111	\$ 115,617	\$ 121,398	\$ 127,468
		Monthly	\$ 8,323	\$ 8,739	\$ 9,176	\$ 9,635	\$ 10,116	\$ 10,622
		Hourly	\$ 48.0164	\$ 50.4173	\$ 52.9381	\$ 55.5850	\$ 58.3643	\$ 61.2825

*Entry Level Pay Grade is 1XXXX (e.g., Entry Level Police Officer grade code is 16107)

**SIDE LETTER BETWEEN THE CITY OF SAN RAFAEL AND THE
SAN RAFAEL POLICE ASSOCIATION REGARDING CANINE HANDLER PROGRAM**

Compensation

In accordance with the Fair Labor Standards Act (FLSA), the City and the Association agree that the average amount of time required for the proper care of feeding, grooming, cleaning, cleaning, and kenneling, a police canine is one half (1/2) hour per day for every day the officer has the responsibility for the dog.

All canine handlers who have an active canine will report for their regularly scheduled shift one hour later than scheduled. For example, if the canine handler is scheduled to work from 1600 to 0200 hours, the canine handler will be required to be at work and on duty at 1700 hours. This will allow the canine handlers to accrue one hour per day, four days a week, for a total of four hours a week. This is thirty minutes more than required by FLSA and will be used to compensate the canine handlers for additional canine maintenance activities as assigned by their supervisor.

Work Shifts

Officers assigned as canine handlers will work a 4-10 shift. If there are two canine handlers each will be assigned to hours (generally swing shift) that provide maximum seven day coverage. Canine handlers will rotate between shifts every four months.

Canine handlers shall receive a five percent (5%) incentive pay added to their base wage so long as they are assigned to the canine program and are responsible for their canine. Newly assigned canine handlers will be required to resign from collateral assignments as Field Training Officers (FTO) and/or SWAT. After one (1) year as a canine handler, the canine handler will be allowed to apply for collateral assignments as they open, excluding Field Training Officer. Reinstatement to SWAT after one year will be based on the officer's ability to pass the physical agility test, the recommendation of the SWAT lieutenant, and the recommendation of the canine program lieutenant.

Canine Food and Care

The City shall provide canine food, reasonable veterinary care, ordinary equipment, and any other essential items associated with the care and maintenance of any police canine that has not been permanently retired.

Retirement

The Chief of Police shall have the sole authority to deem a canine permanently retired and may factor in past, present, and future veterinary costs in making the decision on whether to permanently retire the canine.

Canine Purchase

In the event the City owned canine is permanently retired, the most recent canine handler shall have the option to purchase the canine from the City for one dollar (\$1). The purchase of the canine shall include an indemnification and hold harmless agreement signed by the purchasing officer releasing the City from all liability, including future veterinary care, maintenance, and other costs, relating to the canine.

Removal from Program

The City may remove an employee from the canine program without providing a hearing or other due process unless the removal is for disciplinary reasons. An employee removed from the canine program under any circumstances shall no longer receive canine incentive pay. An employee removed from the program for disciplinary reasons will have appeal rights under the Public Safety Officers Procedural Bill of Rights and the MOU. Except for this specific appeal right, the parties agree that discretion for this assignment remains with the City.

City Vehicles

Canine Officers will transport their assigned police service dogs in a City of San Rafael canine vehicle during their work shifts. Canine Officers will use these vehicles normally for patrol duties. Canine Officers may only use a take-home vehicle, if any, for transportation to and from an assigned work shift or other authorized activities.

San Rafael Police Association:



Carl Huber, Police Corporal

City of San Rafael:



Anil Comelo, Human Resources Director