



AGENDA

JOINT REGULAR MEETINGS

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CLAYTON CITY COUNCIL and OAKHURST GEOLOGICAL HAZARD ABATEMENT DISTRICT (GHAD)

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TUESDAY, July 19, 2016

7:00 P.M.

*Hoyer Hall, Clayton Community Library
6125 Clayton Road, Clayton, CA 94517*

Mayor: Howard Geller

Vice Mayor: Jim Diaz

Council Members

Keith Haydon

Julie K. Pierce

David T. Shuey

- A complete packet of information containing staff reports and exhibits related to each public item is available for public review in City Hall located at 6000 Heritage Trail and on the City's Website at least 72 hours prior to the Council meeting.
- Agendas are posted at: 1) City Hall, 6000 Heritage Trail; 2) Library, 6125 Clayton Road; 3) Ohm's Bulletin Board, 1028 Diablo Street, Clayton; and 4) City Website at www.ci.clayton.ca.us
- Any writings or documents provided to a majority of the City Council after distribution of the Agenda Packet and regarding any public item on this Agenda will be made available for public inspection in the City Clerk's office located at 6000 Heritage Trail during normal business hours.
- If you have a physical impairment that requires special accommodations to participate, please call the City Clerk's office at least 72 hours in advance of the meeting at (925) 673-7304.

*** CITY COUNCIL ***

July 19, 2016

1. **CALL TO ORDER AND ROLL CALL** – Mayor Geller.

2. **PLEDGE OF ALLEGIANCE** – led by Mayor Geller.

3. **CONSENT CALENDAR**

Consent Calendar items are typically routine in nature and are considered for approval by the City Council with one single motion. Members of the Council, Audience, or Staff wishing an item removed from the Consent Calendar for purpose of public comment, question or input may request so through the Mayor.

- (a) Approve the minutes of the City Council's regular meeting of July 5, 2016. ([View Here](#))
- (b) Approve the Financial Demands and Obligations of the City. ([View Here](#))
- (c) Adopt a Resolution setting and levying real property tax assessments in FY 2016-17 for the Oak Street Permanent Road Division. ([View Here](#))
- (d) Adopt a Resolution setting and levying real property tax assessments in FY 2016-17 for the High Street Permanent Road Division. ([View Here](#))
- (e) Adopt a Resolution setting and levying real property tax assessments in FY 2016-17 for the Oak Street Sewer Assessment District. ([View Here](#))
- (f) Adopt a Resolution setting and levying real property tax assessments in FY 2016-17 for the Lydia Lane Sewer Assessment District. ([View Here](#))
- (g) Approve the City's response letter to FY 2015-16 Contra Costa County Civil Grand Jury Report No. 1605, "Caring for the Victims – Commercial Sexual Exploitation of Children in Contra Costa County." ([View Here](#))
- (h) Adopt a Resolution certifying the results of the canvass of returns in the June 2016 Primary Election declaring the local electorate's 2/3rds (79.23%) affirmative passage of Clayton Ballot Measure "H" – Citywide Trails and Landscape Maintenance District continuation of existing services and special parcel tax (CFD 2007-1; Trails and Landscape Maintenance District). ([View Here](#))
- (i) Adopt a Resolution supporting the concept of a Marsh Creek Corridor Multi-Use Trail that connects the Delta to Mount Diablo and neighboring communities. ([View Here](#))
- (j) Adopt a Resolution approving the Engineer's Report and levying the annual assessments in FY 2016-17 on real property for the operation and maintenance of residential street lights in the Street Lighting Assessment District, pursuant to Streets and Highways Code 18070 and CA Government Code 54954.6. ([View Here](#))

4. RECOGNITIONS AND PRESENTATIONS – None.

5. REPORTS

- (a) Planning Commission – No meeting held.
- (b) Trails and Landscaping Committee – No meeting held.
- (c) City Manager/Staff
- (d) City Council - Reports from Council liaisons to Regional Committees, Commissions and Boards.
- (e) Other

6. PUBLIC COMMENT ON NON - AGENDA ITEMS

Members of the public may address the City Council on items within the Council's jurisdiction, (which are not on the agenda) at this time. To facilitate the recordation of comments, it is requested each speaker complete a speaker card available on the Lobby table and submit it in advance to the City Clerk. To assure an orderly meeting and an equal opportunity for everyone, each speaker is limited to 3 minutes, enforced at the Mayor's discretion. When one's name is called or you are recognized by the Mayor as wishing to speak, the speaker shall approach the public podium and adhere to the time limit. In accordance with State Law, no action may take place on any item not appearing on the posted agenda. The Council may respond to statements made or questions asked, or may at its discretion request Staff to report back at a future meeting concerning the matter.

Public comment and input on Public Hearing, Action Items and other Agenda Items will be allowed when each item is considered by the City Council.

7. PUBLIC HEARINGS

- (a) Public Hearing on the proposed real property tax assessments in FY 2016-17 for the Diablo Estates at Clayton Benefit Assessment District (BAD) and consider the adoption of the Resolution setting, ordering and levying the annual assessments. ([View Here](#))
(City Engineer)

Staff recommendation: 1) Receive the staff report; 2) Open the Public Hearing and receive public comments; 3) Close the Public Hearing; and 4) By motion adopt the Resolution setting and levying the real property tax assessments for FY 2016-17.

- (b) Public Hearing to consider a series of State and City required actions for compliance with its State Department of Housing and Community Development (HCD) conditionally-certified Housing Element and related state laws:

1). General Plan Amendment (GPA-01-16) to increase density allowed within the Multifamily High Density (MHD) designation from 15.1 – 20.0 units per acre to 20.0 units per acre.

2). Introduction and First Reading of Ordinance No. 463 (ZOA-04-16) requiring projects to meet the minimum density in compliance with the General Plan Land Use designations in Multiple Family Residential Districts.

3). Introduction and First Reading of Ordinance No. 464 (ZOA 04-15) adding inclusionary housing regulations.

4). Introduction and First Reading of Ordinance No. 465 (ZOA-05-16) to permit transitional and supportive housing in the Limited Commercial (LC) zoning district.

5). Introduction and First Reading of Ordinance No. 466 (ZOA-03-16) to permit by right employee housing of six or fewer persons within residential zones.

6). Introduction and First Reading of Ordinance No. 467 (ZOA-06-16) to update density bonus requirements to be compliant with California Assembly Bills (AB) No. 2222 and 744.

(Community Development Director)

Staff recommendations: **1)** Receive the staff report; **2)** Open the Public Hearing and receive public comments; **3)** Close the Public Hearing; and **4)** Approve the various actions with motions listed below:

1. Adopt the Resolution approving the amendment to City General Plan Land Use Element to modify the permitted density within the Multifamily High Density Land Use Category (GPA-01-16) with the finding the action will not result in a significant adverse impact and was considered as part of the November 18, 2014 adoption of the IS/ND for the 2015-2023 Housing Element;

2. Adopt a motion to have the City Clerk read Ordinance No. 463 (ZOA-04-16) by title and number only and waive further reading; and following the City Clerk's reading, by motion approve Ordinance No. 463 for Introduction with the finding the action will not result in a significant adverse impact and was considered as part of the November 18, 2014 adoption of the IS/ND for the 2015-2023 Housing Element;

3. Adopt a motion to have the City Clerk read Ordinance No. 464 (ZOA-04-15) by title and number only and waive further reading; and following the City Clerk's reading, by motion approve Ordinance No. 464 for Introduction with the finding the action will not result in a significant adverse impact and was considered as part of the November 18, 2014 adoption of the IS/ND for the 2015-2023 Housing Element;

4. Adopt a motion to have the City Clerk read Ordinance No. 465 (ZOA-05-16) by title and number only and waive further reading; and following the City Clerk's reading, by motion approve Ordinance No. 465 for Introduction with the finding the action will not result in a significant adverse impact and was considered as part of the November 18, 2014 adoption of the IS/ND for the 2015-2023 Housing Element;

5. Adopt a motion to have the City Clerk read Ordinance No. 466 (ZOA-03-16) by title and number only and waive further reading; and following the City Clerk's reading, by motion approve Ordinance No. 466 for Introduction with the finding the action will not result in a significant adverse impact and was considered as part of the November 18, 2014 adoption of the IS/ND for the 2015-2023 Housing Element; and

6. Adopt a motion to have the City Clerk read Ordinance No. 467 (ZOA-06-16) by title and number only and waive further reading; and following the City Clerk's reading, by motion approve Ordinance No. 467 for Introduction with the finding the adoption of the Ordinance is not subject to the California Environmental Quality Act (CEQA) because this activity is not considered to be a project and it can be seen with certainty that it will not have a significant effect or physical change to the environment.

8. **ACTION ITEMS**

- (a) Consider the approval of an Exclusive Negotiation Agreement (ENA) with Pacific Union Land Investors, LLC, for the preparation of a Disposition and Development Agreement (DDA) leading to the sale/purchase and private development and management of certain City-owned vacant real property in the Clayton Town Center, generally located at 6005 Main Street (APN 118-560-010-1), for commercial retail establishments and a senior care facility.
(City Manager)

Staff recommendation: Following staff report and opportunity for public comment, that Council adopt a motion approving the Exclusive Negotiation Agreement with Pacific Union Land Investors, LLC, and authorize the Mayor to sign the ENA on behalf of the City.

- (b) Discuss and determine the scope, options and the amount of funds available regarding the City's plans for its Fiscal Year 2016-17 Arterial Street Rehabilitation Project (CIP No. 10437) and/or its 2016 Neighborhood Street Rehabilitation Project (CIP No. 10432).
(City Engineer)

Staff recommendation: Following presentation by the City Engineer and opportunity for public comment, that Council provide policy direction to staff regarding its preferred scope of planned street rehabilitation projects within available funds for this fiscal year.

- (c) Consider a Technology Modernization Report to upgrade the City's Website and City Hall electronic services using previously-earmarked General Fund excess monies from FY 2014-15 for one-time expenditures, equipment or capital project unmet needs, and related recurring support services expenses. ([View Here](#)) (Community Development Director)

Staff recommendation: Following staff presentation and opportunity for public comments, that City Council authorize the City Manager to use allocated Fiscal Year 2014-15 excess General Fund monies for online municipal code codification services by Municipal Code Corporation and an agreement with Digital Services for a new interactive City website and ongoing IT support services.

- 9. **COUNCIL ITEMS** – limited to requests and directives for future meetings.

- 10. **CLOSED SESSION** – None.

- 11. **ADJOURNMENT**

The next regularly scheduled meeting of the City Council on August 2, 2016 has been canceled. Therefore, the next regularly scheduled meeting of the City Council will be August 16, 2016.

#

*** OAKHURST GEOLOGICAL HAZARD ABATEMENT DISTRICT ***
July 19, 2016

1. **CALL TO ORDER AND ROLL CALL** – Chairman Haydon.

2. **PUBLIC COMMENTS**

Members of the public may address the District Board of Directors on items within the Board's jurisdiction, (which are not on the agenda) at this time. To facilitate the recordation of comments, it is requested each speaker complete a speaker card available on the Lobby table and submit it in advance to the Secretary. To assure an orderly meeting and an equal opportunity for everyone, each speaker is limited to 3 minutes, enforced at the Chair's discretion. When one's name is called or you are recognized by the Chair as wishing to speak, the speaker shall approach the public podium and adhere to the time limit. In accordance with State Law, no action may take place on any item not appearing on the posted agenda. The Board may respond to statements made or questions asked, or may at its discretion request Staff to report back at a future meeting concerning the matter.

Public comment and input on Public Hearing, Action Items and other Agenda Items will be allowed when each item is considered by the Board.

3. **CONSENT CALENDAR**

Consent Calendar items are typically routine in nature and are considered for approval by the Board with one single motion. Members of the Board, Audience, or Staff wishing an item removed from the Consent Calendar for purpose of public comment, question or input may request so through the Chair.

(a) Approve the Board of Directors' minutes for its regular meeting June 21, 2016.
([View Here](#))

4. **PUBLIC HEARING**

(a) Public Hearing to consider the Geological Hazard Abatement District (GHAD) proposed real property tax assessments for Fiscal Year 2016-2017. ([View Here](#))
(District Manager)

Staff recommendations: **1.)** Receive the District Manager's report; **2.)** Open the Public Hearing and receive public comments; **3.)** Close the Public Hearing; and **4.)** By motion, adopt the Resolution approving and authorizing the levy of the District's real property assessments for FY 2016-2017.

5. **ACTION ITEMS** – None.

6. **BOARD ITEMS** – limited to requests and directives for future meetings.

7. **ADJOURNMENT** – the next meeting of the GHAD Board of Directors will be scheduled as needed.

#

MINUTES
OF THE
REGULAR MEETING
CLAYTON CITY COUNCIL

Agenda Date: 7-19-2016

Agenda Item: 3a

TUESDAY, July 5, 2016

1. **CALL TO ORDER & ROLL CALL** – The meeting was called to order at 5:23 p.m. by Mayor Geller in Hoyer Hall, Clayton Community Library, 6125 Clayton Road, Clayton, CA. Councilmembers present: Mayor Geller, Vice Mayor Diaz and Councilmembers Haydon, Pierce and Shuey. Councilmembers absent: None. Staff present: City Manager Gary Napper, City Clerk/HR Manager Janet Brown, and Community Development Director Mindy Gentry.

2. **COUNCIL INTERVIEW OF PLANNING COMMISSION APPLICANTS**

The City Council interviewed the following four (4) candidates whom had applied for appointment to the City Planning Commission (starting at 5:25 p.m.):

Bassam Altwal, Carl "CW" Wolfe, Robert Scrosati and William Gall

RECESS: The City Council took a short recess from 6:46 p.m. – 7:00 p.m.

7:00 P.M. REGULAR PUBLIC MEETING

3. **RECALL TO ORDER THE CITY COUNCIL** – The meeting was recalled to order at 7:00 p.m. by Mayor Geller in Hoyer Hall, Clayton Community Library, 6125 Clayton Road, Clayton, CA. Councilmembers present: Mayor Geller, Vice Mayor Diaz and Councilmembers Haydon, Pierce, and Shuey. Councilmembers absent: None. Staff present: City Manager Gary Napper, City Attorney Mala Subramanian, Community Development Director Mindy Gentry, and City Clerk/HR Manager Janet Brown.

4. **PLEDGE OF ALLEGIANCE** – led by Mayor Geller.

5. **CONSENT CALENDAR**

It was moved by Councilmember Shuey, seconded by Councilmember Pierce, to approve the Consent Calendar as submitted. (Passed; 5-0 vote).

- (a) Approved the minutes of the regular meeting of June 21, 2016.
- (b) Approved Financial Demands and Obligations of the City.
- (c) Adopted Resolution No. 38-2016 approving a 3-year Memorandum of Agreement with the Clayton Undesignated Miscellaneous Employee Unit effective July 1, 2016 and covering the Fiscal Years of 2016-2017, 2017-2018, and 2018-2019.

6. **RECOGNITIONS AND PRESENTATIONS** – None.

7. **REPORTS**

- (a) Planning Commission – Commissioner Dan Richardson summarized the Commission's meeting of June 28, 2016. He noted its agenda included approval of a Site Plan Review Permit at 1844 Yolanda Circle to allow construction of a second-story balcony and exterior spiral staircase to replace an existing second story balcony on the rear of an existing two-story single-family residence.

The Commission also reviewed and recommends to the City Council several Municipal Code amendments, including Multifamily High Density, that are required as a part of the City's Housing Element and state law.

- (b) Trails and Landscaping Committee – No meeting held.
- (c) City Manager/Staff – No Report.
- (d) City Council - Reports from Council liaisons to Regional Committees, Commissions and Boards.

Vice Mayor Diaz attended the Wednesday Night Classic Car Show and Concert in The Grove, the Clayton Business and Community Association's general membership meeting, the Saturday Concert in The Grove, the annual Clayton 4th of July Parade, and "Family Day" at Diablo Valley Ranch. Mr. Diaz also announced the upcoming July 6th Wednesday Classic Car show and Concert featuring "Mixed Nuts".

Councilmember Pierce attended two Metropolitan Transportation Commission (MTC) meetings, the National Association of Regional Council conference in Salt Lake City, the Saturday Concert in The Grove Park, and the annual Clayton 4th of July Parade.

Councilmember Haydon attended the Clayton Business and Community Association's general membership meeting, the Saturday Concert in The Grove, the Bocce Ball Spring League playoffs, and the annual Clayton 4th of July Parade.

Councilmember Shuey indicated "No Report".

Mayor Geller attended the Bocce Ball Spring League playoffs, the Saturday Concerts in The Grove, and the annual Clayton 4th of July Parade. Mr. Geller thanked Vice Mayor Diaz for his assistance with the Clayton Business and Community Association's 30 years of the "Clayton Classic" golf tournament. Mayor Geller announced there is now a Facebook page for both the Saturday and Wednesday Concerts in The Grove and can be found under "Clayton Concerts". He also announced the upcoming Saturday Concert in the Grove on July 9th featuring "The Retromaniac" band.

- (e) Other – None.

8. **PUBLIC COMMENT ON NON - AGENDA ITEMS**

Cindy Gilmore, 1874 Eagle Peak Avenue, indicated her concern is the continued use of the high pitched sound machines in the city park. Supposedly, to keep teenagers from causing vandalism. The degree of vandalism is teenagers sitting on the railing at the gazebo and kicking their feet which damages or breaks the spindles, and teenagers sitting two or three on the swings breaking the seat. This does not seem like vandalism to her, more like teenagers being teenagers. She suffers from chronic pain; no one know what causes migraines and when she hears a machine was intentionally placed in the park that causes high pitched sounds, described by many as painful, she is very upset about this. Ms. Gilmore then shared related comments submitted by residents on "Nextdoor.com":

Shannon L. says "My son and I went for a walk one day at the park around 3:30 and asked if I could hear a loud noise. I heard nothing, I'm guessing it's because it was silent to my old ears, needless to say, we couldn't stay as it was too painful for his ears."

Kristine B. said "She was at the park about a week ago around Noon and could hear it, it was pretty annoying and it definitely kept us out of the gazebo area".

Ms. Gilmore noted these comments were made when the transmitters were on 24 hours a day.

Kendra O. said "I have heard that awful constant whine from the gazebo during the day between 11:00 a.m. and 3:00 p.m. it is a very high-pitched noise, painful to hear and keeps me and my 18 month old off of the lawn, I didn't know that it was meant to deter teens.. Ha Ha Ha I'm thirty five".

Brian P. posted a link to a clip from CNN from September 22, 2010 featuring these mosquito devices.

Gail B. said "Unfortunately, although Julie Pierce campaigned on building a park where kids can play, it seems like children are no longer valued here. Sirens to keep them from using the park! Don't play basketball, etc."

Jeff said "Well the idea is that it is annoyingly loud in the targeted areas I am assuming that our normal speakers and not some fancy directional technology So, I'm sure you can hear them almost anywhere in the park if it is quiet when it is active. The park just isn't that big."

Ms. Gilmore indicated the manufacturer's website states "The expected target range is 50 feet". It is not possible to limit the sound to just the gazebo. Adults and children are reporting that they can hear it outside of the gazebo and play structure.

City Manager Napper responded the comments read were, as indicated by Ms. Gilmore, when one noise emitter was on in the daytime. Following the City Council meeting of May 3rd when this issue was brought up, the next day the City turned off the one daytime emitter. That emitter was located in the gazebo off Marsh Creek Road, not near the picnic shelter or tot lot area off Main Street.

The purpose for operating one daytime emitter was to deter vandalism and certainly, as noted by Ms. Gilmore, within the hearing frequency range of ages twelve to twenty five. Mr. Napper then displayed photos of three separate acts of vandalism to that gazebo which has occurred during the daytime since that one emitter was turned off; within ten days, the City experienced its first vandalism to the gazebo noting it was a wood spindle from the arch above. The City has reports even from those in the community that kids

like to hang and swing from the wood arches of this gazebo; while we understand it is an attractive ornamental gazebo, it is not a wooden jungle gym. It takes time to repair and time away from other tasks of our Maintenance workers when such vandalism occurs. The evidence is there. He added one emitter at the gazebo actually faces out towards the Marsh Creek Road area.

Mr. Napper commented one of his favorite poets growing up was Paul Simon, whose lyrics include, "... the words of the prophet are written on the subway walls." Mr. Napper then showed three photos of numerous chalk drawings on the bomanite floor of this gazebo, adding while this normally isn't considered vandalism it did occur after the one daytime emitter was turned off; these drawings were not done by adults, this was done by kids being kids, however, it did take time for our Maintenance workers to clean it up. Because of the Contra Costa Water District conservation regulations still in place, a water power spray could not be used to clean it up; crews had to remove the drawings by hand scrubbing. This did not occur when the daytime emitter was on. It is not necessarily vandalism; however, he suspected had these drawings occurred on an upright wall in town, someone would have called City Hall to say there is "graffiti" on the wall, please remove it. He added the names of these "prophets" can be seen written in the last photo.

Mr. Napper then displayed another photo, taken after the one emitter was turned off, which revealed a second spindle has gone missing from the same wood arch. Fortunately, on this particular incident, we do know who caused this recent damage and Clayton's Police Department has been in contact with the person; and, it is not an adult. They have been talked to along with their parents and the City will be receiving restitution to replace that one spindle. He concluded by noting there is room for disagreement but the evidence is there the one daytime emitter, for 8 months at the gazebo, acting as a deterrent to vandalism, preventing it as opposed to receiving reports after the fact. There is no accounting for how much vandalism and City expense the one daytime emitter prevented.

Mayor Geller asked, "How many years have the emitters been operational?" Mr. Napper responded the emitters were installed in The Grove Park around 2012 and were night time operations only until mid-August 2015 when he ordered the one (1) emitter at the gazebo on full time due to chronic vandalism.

Mayor Geller asked, "How many complaints have been reported to City Hall by people having headaches or problems with the noise level?" Mr. Napper replied none directly, and only indirectly recently through social media when this issue surfaced in April 2016; however in fairness and defense there may have been those who heard the high pitched sound yet did not know who to report it to. The usual response for individuals when hearing the sound is to move away until it can no longer be heard.

Mayor Geller inquired about the emitter that was installed at the tot lot at Lydia Lane Park; have there been any complaints there? Mr. Napper advised it is hard to measure what the emitter there has deterred but added the adjacent neighbors were in favor of the installation of the emitter as they did not want people loitering in the park when the park is closed. Mr. Napper added that he received an email from a resident not in favor of the emitters operating during the day, however she applauded the City for using such innovation and creativity by using a deterrent in the evening when the parks are closed and police officers are unavailable to monitor each park.

Councilmember Pierce added she has been following the discussion regarding the gazebo and someone made a comment that "the City should have installed a higher quality gazebo". Ms. Pierce advised this gazebo is of commercial quality and was

donated by the Clayton Business and Community Association and intended to be used in a public park.

Mr. Napper added there have been reports of mothers taking photos of their children hanging from the gazebo's wood arch. Responsibility lies with people and their behavior; what we are trying to do is deter that bad behavior.

Mayor Geller mentioned that he received a call from a resident in the Keller Ridge area who would like an emitter installed in his public street cul-de-sac to deter older teenagers from parking and vandalizing that area. Mr. Napper advised these emitters are also used in nearby cities for the purposes they are intended, and reiterated the City of West Sacramento just purchased an additional 45 units for its use.

Councilmember Shuey added that he was on the committee for the design of the park and at that time there were some concerns brought up on how to keep the park free from vandalism and kids using the park in the evening. After consultation with the police, it was recommended for lower fences so they can have sightlines through the park to help keep kids and adults out of the park in the evening. The Social Media that was used to bring these issues to light was great as it caused a change in the hours, however it can also be very irresponsible blaming the City as not liking teenagers. His kids, who are also teenagers, go down to that park all the time and did not go to the gazebo when the emitter was on in the daytime, rather to the other side of the park where it was not heard. After school on Fridays, there are teenagers all over that park. We saw what was happening and staff took appropriate action.

9. **PUBLIC HEARINGS** – None.

10. **ACTION ITEMS**

- (a) Consideration and adoption of a Resolution of Support for the Countywide imposition of a one half of one percent sales tax to fund transportation improvements in Contra Costa and to conditionally amend the Growth Management Program in the Measure J Transportation Expenditure Plan (TEP) to match that found in the 2016 proposed Transportation Expenditure Plan.

Hisham Noeimi, Engineering Manager, Contra Costa Transportation Authority, presented his staff report noting if the proposed November 2016 Ballot Measure is passed by the voters, the funds collected will benefit all of Contra Costa County over the next thirty years. He estimated about \$2.8 billion will be collected over the next thirty years if the measure passes. The additional sales tax would begin collection on April 1, 2017 and end on March 31, 2047. By law, the Contra Costa Transportation Authority needs to receive a majority support from the cities and the County prior to placement of the measure on the November 2016 ballot, and it will need to pass with a two-thirds majority vote. The CCTA has appeared at sixteen cities in Contra Costa County to request their support for the countywide imposition of a one half of one percent sales tax and has received support from each city to proceed with the ballot measure. Mr. Noeimi presented a short Power Point presentation to the City Council to provide additional background.

Mr. Noeimi advised Contra Costa County has a history of being a self-help county and was the third one statewide to pass a one half of one percent sales tax after Alameda and Santa Clara Counties back in 1988 with the passage of Measure C. In 2004,

Measure J was passed by 71% which collects the tax until 2034. Some of the projects funded by Measure J were the Caldecott Tunnel fourth bore which was completed in 2013, the widening of State Route 4 and all travel lanes are currently open, BART extensions in East County should be completed in 2018 and construction scheduled to start in 2017 for a new High Occupancy Vehicle lane on Highway 680.

The reason for the request of the additional sales tax is the county continues to grow, with a population of people who are getting too old to drive or choose not to drive and use an alternate means of transportation which we really need to accommodate their needs. Another reason is Measure J has been very successful in completing major projects in only ten years that would normally take twenty five years. By 2017, ninety percent of the funding of Capital Improvement Projects will be spent. This was done through a combination of bonding against the future sales tax revenues at low interest rates done during the recession with the proceeds leveraging regional, state and federal funds; with every dollar put on a Measure C or Measure J project, regional, state and federal funds provide approximately \$3.00 more. Finally, there is a large transportation funding crisis, which can be seen in the declining sales tax revenue. At this time there are no foreseen fixes from Sacramento; the CCTA needs to improve our current transportation. The reason Measure C and Measure J were so successful is each of the cities and stakeholders received their fair share of funds and equitable benefits. There have been many meetings with large stakeholders to make sure that all key areas of concern have been addressed in this proposed ballot measure. The Transportation Expenditure Plan summarizes improvements to the BART, Bus, Ferry and Train Networks, and provides affordable and safe transportation for children, seniors, and people with disabilities. Some of the Central County benefits include the Interstate 680 and State Route 4 interchange and State Route 4 corridor improvements, BART capacity and station improvements, and major streets, Complete Streets and roadways. The polling showed voters want improvements to BART, traffic smoothing, and more transit service for seniors and people with disabilities. In regard to BART there are over 700 cars in the BART car fleet, with a proposal to be replaced by 2018 which are fully funded. The train control system is over forty years old, the tracks need replacement, and constant improvements to the infrastructure. There will be significant funds to relieve congestion on Interstate 680 and improve transit in the corridor.

Councilmember Shuey asked if there are any plans on Interstate 680 to add an additional travel lane? Mr. Noeimi, advised the plans do not show an addition of a travel lane. Councilmember Pierce added CCTA is closing that gap in the HOV lanes to no longer have those vehicles weave in and out.

Mr. Noeimi referenced the public's request to repair the potholes; he advised approximately 24% of the monies will go back to the cities based on population and road miles formula for Street Maintenance, with about 42% of total funding for local programs of street maintenance, pedestrian/bicycle facilities, major roads/complete streets, safe transportation for children and a community development transportation program. Currently, the City of Clayton is receiving about \$236,000.00 from Measure J funds; the new measure if passed will generate an additional \$332,000.00 for Clayton's use.

Mayor Geller asked for some clarification of the monies used. Mr. Noeimi clarified that when revenues are received they are split into projects and programs. About 42% of the project revenues collected was put into bonds and CCTA is currently paying back those bonds.

Mayor Geller also asked about the management of the funds? Mr. Noeimi advised for the projects they are managing are coming in under budget, and on-time with no defects. The current administration of the programs is at 1% if the new Measure is passed that will increase by ½%.

Mayor Geller inquired on the depreciation and obsolete BART equipment and why that was not in the original plan with the knowledge that equipment wears out? Is there something happening along those lines? Mr. Noeimi is unsure as CCTA does not control BART; it is a separate public entity. There has been a regional solution reached with BART, the Metropolitan Transportation Commission, and the counties served by BART. The CCTA was concerned in the beginning and did not wanting to contribute more than its fair-share if other jurisdictions do not contribute.

Mayor Geller inquired if the Measure does not pass, what is the alternate plan for BART to receive funding for improvements? Mr. Noeimi advised that BART is actually going out with its own bond measure and if that does not pass they may go out again in two or four years. The CCTA is requiring BART to have a plan by 2024, and if not the CCTA reserved monies will be used for improved access for people to get to the BART stations.

Mr. Noeimi also advised part of the Transportation Expenditure Plan is to add new Growth Management Policies, primarily the jurisdictions can have the ability to amend its Urban Limit Line. Making this change will amend and improve the checklist by incorporating Measure C and Measure J.

Mr. Noeimi also noted referenced the Agenda Packet letter submitted by Public Advocates, Inc., made some false assertions that CCTA is unwilling to commit to sticking with its stated expenditure plan (TEP); he assured the City Council there is no intent to do so and there is a 45 day comment period before CCTA could make any changes to the TEP. He also noted the letter states that CCTA did not go through the Environmental Impact Report process for this ballot measure, which is an action actually not required as the CCTA is not creating a new project.

Mayor Geller opened the item for public comments.

Lorna Van Ackeren, Contra Costa Council on Aging, Board of Director on Meals on Wheels, commented she works for Hill and Dell Home Care, and is a member of the Senior Mobility Action Council. However, she appears this evening as an individual advocate for the needs of our older population. She believed our community needs to plan for our aging population and its needs for transportation. Ms. Van Ackeren shared some statistics from the Department of Finance for Contra Costa County: in the year 2060, there will be a 125% increase in "young retirees" aged 65 to 74, a 198% increase in "mature retirees" aged 75 to 84, and a 299% increase in seniors aged 85 and older. She requested the City Council approve this tonight to get this item on the ballot for voters to decide.

Robert Scrosati expressed concerns he has about the Growth Management Plan and how the plan will be managed along with funding for BART improvements. He also wanted more dollars to go to roads to relieve traffic congestion. Councilmember Pierce replied that BART is not perfect, and the system is indeed outdated and is in desperate need of improvement for its riders. It is important for the improvements to be made to the system to keep people moving throughout the Bay Area.

It was moved by Councilmember Pierce, seconded by Councilmember Haydon, to adopt Resolution No. 39-2016, to support the ballot measure for the countywide imposition of one half of one percent sales tax to fund transportation improvements in Contra Costa, and to conditionally amend the Measure J transportation expenditure plan growth management program. (Passed; 5-0 vote).

- (b) City Council discussion and determination of citizen appointments to three (3) vacancies on the Clayton Planning Commission for 2-year terms of appointed office effective July 6, 2016 through June 30, 2018.

Mayor Geller opened the discussion among the City Council to select three citizens for appointment to the three vacancies on the Planning Commission. After considerable discussion it was the City Council's consensus to appoint Mr. Bassam Altwal, Mr. William Gall, and Mr. Carle Wolfe to fill the Planning Commission vacancies.

Mayor Geller opened that intention for public comments; no comments were offered.

It was moved by Councilmember Pierce, seconded by Mayor Geller, to adopt Resolution No. 40-2016, appointing Mr. Bassam Altwal, Mr. William Gall and Mr. Carl Wolfe to 2-year terms of appointed office on the Clayton Planning Commission, with each term of office starting from July 6, 2016 through June 30, 2018. (Passed; 5-0 vote).

- (c) Discuss Mayor Geller's request to discuss the creation of a "Clayton Centenarian Recognition Program" within the city of Clayton.

Mayor Geller opened the topic to get some input on the creation of a "Clayton Centenarian Recognition Program" to acknowledge Clayton residents 100 years of age or better and recognizing each with a Proclamation for a day in their honor. The requests can come through the City Council or at City Hall.

Mayor Geller opened the item for public comments; no comments were offered.

By general consensus, the City Council endorsed the program as outlined for a "Clayton Centenarian Recognition Program."

11. **COUNCIL ITEMS** – None.

12. **CLOSED SESSION** –None.

13. **ADJOURNMENT**– on call by Mayor Geller, the City Council adjourned its meeting at 8:59 p.m.

The next regularly scheduled City Council meeting is July 19, 2016.

#

Respectfully submitted,

Janet Brown, City Clerk

APPROVED BY THE CLAYTON CITY COUNCIL

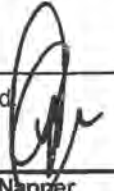
Howard Geller, Mayor

#



Agenda Date 7/19/2016

Agenda Item: 3b

Approved: 

Gary A. Napper
City Manager

STAFF REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: Kevin Mizuno, FINANCE MANAGER

DATE: 7/19/16

SUBJECT: INVOICE SUMMARY

RECOMMENDATION:

Approve the following Invoices:

07/15/2016	Cash Requirements	\$ 832,639.60
07/05/2016	ADP Payroll week 27, PPE 7/3/16	\$ 81,906.35

Total \$914,545.95

Attachments:

Cash Requirements Report dated 7/15/2016 (6 pages)
ADP payroll report for week 27 (1 page)

City of Clayton
Cash Requirements Report
 City Council July 19, 2016

Vendor Name	Due Date	Invoice Date	Invoice Number	Invoice Description	Invoice Balance	Potential Discount	Discount Expires On	Net Amount Due
ADP, LLC								
ADP, LLC	7/19/2016	7/19/2016	476433529	Payroll fees PPE 7/3/16	\$171.06	\$0.00		\$171.06
				<i>Totals for ADP, LLC:</i>	<u>\$171.06</u>	<u>\$0.00</u>		<u>\$171.06</u>
Bay Area News Group East Bay (CCT)								
Bay Area News Group East Bay (CCT)	7/19/2016	7/19/2016	0000979462	Legal Ads for June	\$629.52	\$0.00		\$629.52
				<i>Totals for Bay Area News Group East Bay (CCT):</i>	<u>\$629.52</u>	<u>\$0.00</u>		<u>\$629.52</u>
Berlogar Stevens & Associates Inc.								
Berlogar Stevens & Associates Inc.	7/19/2016	7/19/2016	225122	Professional services 5/29/16-6/25/16 Oakhurst	\$2,238.99	\$0.00		\$2,238.99
				<i>Totals for Berlogar Stevens & Associates Inc.:</i>	<u>\$2,238.99</u>	<u>\$0.00</u>		<u>\$2,238.99</u>
Best Best & Kreiger LLP								
Best Best & Kreiger LLP	7/19/2016	7/19/2016	775813	June General Legal retainer	\$8,000.00	\$0.00		\$8,000.00
Best Best & Kreiger LLP	7/19/2016	7/19/2016	775809	June Legal services, Adv. Khalil Luis Guerra	\$3,693.61	\$0.00		\$3,693.61
Best Best & Kreiger LLP	7/19/2016	7/19/2016	775810	June Legal services, Silver Oaks Estates	\$2,262.00	\$0.00		\$2,262.00
Best Best & Kreiger LLP	7/19/2016	7/19/2016	775811	June Legal services, complex RE/Land Acq	\$275.00	\$0.00		\$275.00
Best Best & Kreiger LLP	7/19/2016	7/19/2016	775812	June Legal services, Successor Housing Agenc	\$2,402.50	\$0.00		\$2,402.50
				<i>Totals for Best Best & Kreiger LLP:</i>	<u>\$16,633.11</u>	<u>\$0.00</u>		<u>\$16,633.11</u>
CalPERS Retirement								
CalPERS Retirement	7/19/2016	7/19/2016	7/3/16	Retirement PPE 7/3/16	\$13,180.79	\$0.00		\$13,180.79
CalPERS Retirement	7/19/2016	7/19/2016	July 2016 UAL	UAL for July 2016	\$31,062.17	\$0.00		\$31,062.17
				<i>Totals for CalPERS Retirement:</i>	<u>\$44,242.96</u>	<u>\$0.00</u>		<u>\$44,242.96</u>
CCWD								
CCWD	7/19/2016	7/19/2016	A Series	Water service 5/7/16-7/7/16	\$43,515.78	\$0.00		\$43,515.78
				<i>Totals for CCWD:</i>	<u>\$43,515.78</u>	<u>\$0.00</u>		<u>\$43,515.78</u>
CERCO Analytical, Inc.								
CERCO Analytical, Inc.	7/19/2016	7/19/2016	1606271	Well testing 6/19/16	\$490.00	\$0.00		\$490.00
				<i>Totals for CERCO Analytical, Inc.:</i>	<u>\$490.00</u>	<u>\$0.00</u>		<u>\$490.00</u>
Clayton Valley/Concord Sunrise Rotary Club								
Clayton Valley/Concord Sunrise Rotary Club	7/19/2016	7/19/2016	028001	Deposit refund minus rental for Endeavor Hall	\$387.00	\$0.00		\$387.00
				<i>Totals for Clayton Valley/Concord Sunrise Rotary Club:</i>	<u>\$387.00</u>	<u>\$0.00</u>		<u>\$387.00</u>
Coast Remodeling & Construction								
Coast Remodeling & Construction	7/19/2016	7/19/2016	CAP0175	Deposit refund for 538 O'Hara Ct	\$500.00	\$0.00		\$500.00
				<i>Totals for Coast Remodeling & Construction:</i>	<u>\$500.00</u>	<u>\$0.00</u>		<u>\$500.00</u>
John E Collins								
John E Collins	7/19/2016	7/19/2016	073016	Concert in The Grove 7/30/16	\$1,200.00	\$0.00		\$1,200.00
				<i>Totals for John E Collins:</i>	<u>\$1,200.00</u>	<u>\$0.00</u>		<u>\$1,200.00</u>

City of Clayton Cash Requirements Report City Council July 19, 2016

Vendor Name	Due Date	Invoice Date	Invoice Number	Invoice Description	Invoice Balance	Potential Discount	Discount Expires On	Net Amount Due
Comcast								
Comcast	7/19/2016	7/19/2016	7/5/16	Internet 7/10/16-8/9/16	\$236.12	\$0.00		\$236.12
				<i>Totals for Comcast:</i>	<u>\$236.12</u>	<u>\$0.00</u>		<u>\$236.12</u>
Concord Garden Equipment								
Concord Garden Equipment	7/19/2016	7/19/2016	528670	Hedge trimmers, grease, gas cans, grinder	\$1,077.81	\$0.00		\$1,077.81
				<i>Totals for Concord Garden Equipment:</i>	<u>\$1,077.81</u>	<u>\$0.00</u>		<u>\$1,077.81</u>
Contra Costa County Office of the Sheriff (Training)								
Contra Costa County Office of the Sheri	7/19/2016	7/19/2016	16-2321	Marsh Creek Range use June 2016	\$370.00	\$0.00		\$370.00
				<i>Totals for Contra Costa County Office of the Sheriff (Training):</i>	<u>\$370.00</u>	<u>\$0.00</u>		<u>\$370.00</u>
CopWare, Inc.								
CopWare, Inc.	7/19/2016	7/19/2016	83461	CA peace officers legal sourcebooks FY 17	\$400.00	\$0.00		\$400.00
				<i>Totals for CopWare, Inc.:</i>	<u>\$400.00</u>	<u>\$0.00</u>		<u>\$400.00</u>
Fred or Susan Donecker								
Fred or Susan Donecker	7/19/2016	7/19/2016	CAP0191	Deposit refund for 263 Mountaire Pkwy	\$500.00	\$0.00		\$500.00
				<i>Totals for Fred or Susan Donecker:</i>	<u>\$500.00</u>	<u>\$0.00</u>		<u>\$500.00</u>
Future Auto Center of Concord								
Future Auto Center of Concord	7/19/2016	7/19/2016	280449	Service on PD cars	\$3,951.56	\$0.00		\$3,951.56
				<i>Totals for Future Auto Center of Concord:</i>	<u>\$3,951.56</u>	<u>\$0.00</u>		<u>\$3,951.56</u>
David Hosley								
David Hosley	7/19/2016	7/19/2016	081316	Concert in The Grove 8/13/16	\$2,000.00	\$0.00		\$2,000.00
				<i>Totals for David Hosley:</i>	<u>\$2,000.00</u>	<u>\$0.00</u>		<u>\$2,000.00</u>
ICMA Retirement Corporation								
ICMA Retirement Corporation	7/19/2016	7/19/2016	16834	Annual plan fee 7/1/16-9/30/16	\$125.00	\$0.00		\$125.00
				<i>Totals for ICMA Retirement Corporation:</i>	<u>\$125.00</u>	<u>\$0.00</u>		<u>\$125.00</u>
Ken Joiret								
Ken Joiret	7/19/2016	7/19/2016	072016	Sound, Concert in The Grove 7/20/16	\$500.00	\$0.00		\$500.00
Ken Joiret	7/19/2016	7/19/2016	072316	Sound for Concert in The Grove 7/23/16	\$650.00	\$0.00		\$650.00
Ken Joiret	7/19/2016	7/19/2016	073016	Sound for Concert in The Grove 7/30/16	\$650.00	\$0.00		\$650.00
Ken Joiret	7/19/2016	7/19/2016	081316	Sound for Concert in The Grove 8/13/16	\$650.00	\$0.00		\$650.00
Ken Joiret	7/19/2016	7/19/2016	080316	Sound for Concert in The Grove 8/3/16	\$500.00	\$0.00		\$500.00
				<i>Totals for Ken Joiret:</i>	<u>\$2,950.00</u>	<u>\$0.00</u>		<u>\$2,950.00</u>
Corey D Justin								
Corey D Justin	7/19/2016	7/19/2016	072016	Concert in The Grove 7/20/16	\$500.00	\$0.00		\$500.00
				<i>Totals for Corey D Justin:</i>	<u>\$500.00</u>	<u>\$0.00</u>		<u>\$500.00</u>
LarryLogic Productions								

City of Clayton Cash Requirements Report City Council July 19, 2016

Vendor Name	Due Date	Invoice Date	Invoice Number	Invoice Description	Invoice Balance	Potential Discount	Discount Expires On	Net Amount Due
LarryLogic Productions	7/19/2016	7/19/2016	1593	City Council Meeting Production 7/5/16	\$325.00	\$0.00		\$325.00
<i>Totals for LarryLogic Productions:</i>					<u>\$325.00</u>	<u>\$0.00</u>		<u>\$325.00</u>
Matrix Association Management								
Matrix Association Management	7/19/2016	7/19/2016	3231	Management services for July 2016, Diablo P	\$4,375.00	\$0.00		\$4,375.00
<i>Totals for Matrix Association Management:</i>					<u>\$4,375.00</u>	<u>\$0.00</u>		<u>\$4,375.00</u>
MJB Corporation								
MJB Corporation	7/19/2016	7/19/2016	061967	Replacement bench, behind Clayton Club (fa	\$2,008.16	\$0.00		\$2,008.16
<i>Totals for MJB Corporation:</i>					<u>\$2,008.16</u>	<u>\$0.00</u>		<u>\$2,008.16</u>
MPA								
MPA	7/19/2016	7/19/2016	E1603	Vehicle damage policy premium FY 17	\$2,349.00	\$0.00		\$2,349.00
MPA	7/19/2016	7/19/2016	C1603	Crime Policy FY 17	\$425.00	\$0.00		\$425.00
<i>Totals for MPA:</i>					<u>\$2,774.00</u>	<u>\$0.00</u>		<u>\$2,774.00</u>
Neopost (add postage)								
Neopost (add postage)	7/19/2016	7/19/2016	071416	Postage added	\$300.00	\$0.00		\$300.00
<i>Totals for Neopost (add postage):</i>					<u>\$300.00</u>	<u>\$0.00</u>		<u>\$300.00</u>
Neopost Northwest								
Neopost Northwest	7/19/2016	7/19/2016	N6026840	Postage meter contract 8/7/16/9/6/16	\$158.20	\$0.00		\$158.20
Neopost Northwest	7/19/2016	7/19/2016	060216	Annual postage machine fee	\$50.00	\$0.00		\$50.00
<i>Totals for Neopost Northwest:</i>					<u>\$208.20</u>	<u>\$0.00</u>		<u>\$208.20</u>
Pacific Coast Design								
Pacific Coast Design	7/19/2016	7/19/2016	BP253.15	C&D refund for 5727 Verna Way	\$500.00	\$0.00		\$500.00
<i>Totals for Pacific Coast Design:</i>					<u>\$500.00</u>	<u>\$0.00</u>		<u>\$500.00</u>
PERMCO, Inc.								
PERMCO, Inc.	7/19/2016	7/19/2016	10594	General engineering services 6/25/16-7/8/16	\$3,948.50	\$0.00		\$3,948.50
PERMCO, Inc.	7/19/2016	7/19/2016	10595	PG&E encroachment permits 6/25/16-7/8/16	\$83.00	\$0.00		\$83.00
PERMCO, Inc.	7/19/2016	7/19/2016	10596	CAP Inspections 6/25/16-7/8/16	\$166.00	\$0.00		\$166.00
PERMCO, Inc.	7/19/2016	7/19/2016	10597	Prep of plans & bid pkg for Caltrans 6/25/16-7	\$4,643.91	\$0.00		\$4,643.91
PERMCO, Inc.	7/19/2016	7/19/2016	10598	Prep prelim plans/cost est, etc 6/25/16-7/8/16	\$1,510.00	\$0.00		\$1,510.00
PERMCO, Inc.	7/19/2016	7/19/2016	10599	Prep FY 17 budget, board resolution & notice,	\$642.13	\$0.00		\$642.13
<i>Totals for PERMCO, Inc.:</i>					<u>\$10,993.54</u>	<u>\$0.00</u>		<u>\$10,993.54</u>
Pond M Solutions								
Pond M Solutions	7/19/2016	7/19/2016	0000009	Remove dirt from inside pit room in fountain	\$300.00	\$0.00		\$300.00
<i>Totals for Pond M Solutions:</i>					<u>\$300.00</u>	<u>\$0.00</u>		<u>\$300.00</u>
Priority Payment Systems (Merchant Bankcard System)								
Priority Payment Systems (Merchant Bar	7/19/2016	7/19/2016	June 2016	June Bankcard fees	\$111.17	\$0.00		\$111.17
<i>Totals for Priority Payment Systems (Merchant Bankcard System):</i>					<u>\$111.17</u>	<u>\$0.00</u>		<u>\$111.17</u>

City of Clayton Cash Requirements Report City Council July 19, 2016

Vendor Name	Due Date	Invoice Date	Invoice Number	Invoice Description	Invoice Balance	Potential Discount	Discount Expires On	Net Amount Due
Raney Planning & Management, Inc.								
Raney Planning & Management, Inc.	7/19/2016	7/19/2016	1616E-4	Labor for June, Project management, meetings	\$720.75	\$0.00		\$720.75
<i>Totals for Raney Planning & Management, Inc.:</i>					<u>\$720.75</u>	<u>\$0.00</u>		<u>\$720.75</u>
Roto-Rooter Sewer/Drain Service								
Roto-Rooter Sewer/Drain Service	7/19/2016	7/19/2016	G-88-16	Clear toilet in men's restroom	\$250.75	\$0.00		\$250.75
<i>Totals for Roto-Rooter Sewer/Drain Service:</i>					<u>\$250.75</u>	<u>\$0.00</u>		<u>\$250.75</u>
Sarro Associates								
Sarro Associates	7/19/2016	7/19/2016	147	Labor for Collector Street Pavement Rehab	\$3,415.11	\$0.00		\$3,415.11
<i>Totals for Sarro Associates:</i>					<u>\$3,415.11</u>	<u>\$0.00</u>		<u>\$3,415.11</u>
Joe Sbranti								
Joe Sbranti	7/19/2016	7/19/2016	CAP0192	Deposit refund for 418 Hummingbird Place	\$1,832.96	\$0.00		\$1,832.96
<i>Totals for Joe Sbranti:</i>					<u>\$1,832.96</u>	<u>\$0.00</u>		<u>\$1,832.96</u>
Sentry Electric LLC								
Sentry Electric LLC	7/19/2016	7/19/2016	29070	Bollards, parts for The Grove	\$3,912.00	\$0.00		\$3,912.00
<i>Totals for Sentry Electric LLC:</i>					<u>\$3,912.00</u>	<u>\$0.00</u>		<u>\$3,912.00</u>
Site One Landscape Supply, LLC								
Site One Landscape Supply, LLC	7/19/2016	7/19/2016	76549105	Install irrigation control at Peacock Creek	\$550.00	\$0.00		\$550.00
Site One Landscape Supply, LLC	7/19/2016	7/19/2016	76549185	Travel, Service - Irrigation	\$645.00	\$0.00		\$645.00
<i>Totals for Site One Landscape Supply, LLC:</i>					<u>\$1,195.00</u>	<u>\$0.00</u>		<u>\$1,195.00</u>
Sprint Comm (PD)								
Sprint Comm (PD)	7/19/2016	7/19/2016	703335311-175	Cell Phones 5/26/16-6/25/16	\$273.83	\$0.00		\$273.83
<i>Totals for Sprint Comm (PD):</i>					<u>\$273.83</u>	<u>\$0.00</u>		<u>\$273.83</u>
Staples Advantage								
Staples Advantage	7/19/2016	7/19/2016	8039973393	June supplies	\$245.96	\$0.00		\$245.96
<i>Totals for Staples Advantage:</i>					<u>\$245.96</u>	<u>\$0.00</u>		<u>\$245.96</u>
Stericycle Inc								
Stericycle Inc	7/19/2016	7/19/2016	3003476532	July Medical Waste service	\$96.07	\$0.00		\$96.07
<i>Totals for Stericycle Inc:</i>					<u>\$96.07</u>	<u>\$0.00</u>		<u>\$96.07</u>
Tri-City Fence Company, Inc								
Tri-City Fence Company, Inc	7/19/2016	7/19/2016	0065332-IN	Fence Install behind Safeway	\$402.00	\$0.00		\$402.00
<i>Totals for Tri-City Fence Company, Inc:</i>					<u>\$402.00</u>	<u>\$0.00</u>		<u>\$402.00</u>
US Bank - Corp Pmt System CalCard								
US Bank - Corp Pmt System CalCard	7/19/2016	7/19/2016	Stmt ending 6/22/16	Walk n lunch, PC plaques, shirt for Coss	\$205.65	\$0.00		\$205.65
US Bank - Corp Pmt System CalCard	7/19/2016	7/19/2016	Stmt ending 6/22/16	Quill - Paper	\$198.77	\$0.00		\$198.77
US Bank - Corp Pmt System CalCard	7/19/2016	7/19/2016	Stmt ending 6/22/16	Water and food for volunteers	\$81.12	\$0.00		\$81.12

City of Clayton
Cash Requirements Report
City Council July 19, 2016

Vendor Name	Due Date	Invoice Date	Invoice Number	Invoice Description	Invoice Balance	Potential Discount	Discount Expires On	Net Amount Due
US Bank - Corp Pmt System CalCard	7/19/2016	7/19/2016	Stmnt ending 6/22/16	Deposit for Mayors' Conference at Oakhurst	\$1,275.00	\$0.00		\$1,275.00
US Bank - Corp Pmt System CalCard	7/19/2016	7/19/2016	Stmnt ending 6/22/16	PW Employment Ads	\$80.00	\$0.00		\$80.00
US Bank - Corp Pmt System CalCard	7/19/2016	7/19/2016	Stmnt ending 6/22/16	PD Employment Ad	\$150.00	\$0.00		\$150.00
US Bank - Corp Pmt System CalCard	7/19/2016	7/19/2016	Stmnt ending 6/22/16	CC Dinner for PC interviews	\$57.50	\$0.00		\$57.50
US Bank - Corp Pmt System CalCard	7/19/2016	7/19/2016	Stmnt ending 6/22/16	Central Storage - Rent	\$115.00	\$0.00		\$115.00
US Bank - Corp Pmt System CalCard	7/19/2016	7/19/2016	Stmnt ending 6/22/16	Tools, screwdrivers, etc	\$109.82	\$0.00		\$109.82
US Bank - Corp Pmt System CalCard	7/19/2016	7/19/2016	Stmnt ending 6/22/16	Landscape supply	\$249.10	\$0.00		\$249.10
US Bank - Corp Pmt System CalCard	7/19/2016	7/19/2016	Stmnt ending 6/22/16	Streetlight lamps	\$335.43	\$0.00		\$335.43
US Bank - Corp Pmt System CalCard	7/19/2016	7/19/2016	Stmnt ending 6/22/16	Trailer tires	\$566.01	\$0.00		\$566.01
US Bank - Corp Pmt System CalCard	7/19/2016	7/19/2016	Stmnt ending 6/22/16	Street light pole	\$1,753.36	\$0.00		\$1,753.36
US Bank - Corp Pmt System CalCard	7/19/2016	7/19/2016	Stmnt ending 6/22/16	Fuel	\$579.08	\$0.00		\$579.08
US Bank - Corp Pmt System CalCard	7/19/2016	7/19/2016	Stmnt ending 6/22/16	Landscape fuel	\$942.74	\$0.00		\$942.74
US Bank - Corp Pmt System CalCard	7/19/2016	7/19/2016	Stmnt ending 6/22/16	Office supplies, NIK tranzport, NIK drug kit	\$339.64	\$0.00		\$339.64
US Bank - Corp Pmt System CalCard	7/19/2016	7/19/2016	Stmnt ending 6/22/16	Coss, Police ID, PD patches	\$318.35	\$0.00		\$318.35
US Bank - Corp Pmt System CalCard	7/19/2016	7/19/2016	Stmnt ending 6/22/16	Fry's, security camera	\$166.72	\$0.00		\$166.72
US Bank - Corp Pmt System CalCard	7/19/2016	7/19/2016	Stmnt ending 6/22/16	Vehicle fuel	\$2,194.17	\$0.00		\$2,194.17
US Bank - Corp Pmt System CalCard	7/19/2016	7/19/2016	Stmnt ending 6/22/16	Car washes	\$103.92	\$0.00		\$103.92
US Bank - Corp Pmt System CalCard	7/19/2016	7/19/2016	Stmnt ending 6/22/16	Street light pole	\$1,753.36	\$0.00		\$1,753.36
<i>Totals for US Bank - Corp Pmt System CalCard:</i>					<u>\$11,574.74</u>	<u>\$0.00</u>		<u>\$11,574.74</u>
US Bank (CM 9690)								
US Bank (CM 9690)	7/19/2016	7/19/2016	4328925	Admin fees for 2007 Special Tax refunding b	\$2,310.00	\$0.00		\$2,310.00
<i>Totals for US Bank (CM 9690):</i>					<u>\$2,310.00</u>	<u>\$0.00</u>		<u>\$2,310.00</u>
US Bank Ops Center								
US Bank Ops Center	7/19/2016	7/19/2016	CLAYTONRTA14	Principal payment Successor Agency	\$330,000.00	\$0.00		\$330,000.00
US Bank Ops Center	7/19/2016	7/19/2016	CLAYCFD90197	Principal/Interest Payment CFD	\$318,310.75	\$0.00		\$318,310.75
<i>Totals for US Bank Ops Center:</i>					<u>\$648,310.75</u>	<u>\$0.00</u>		<u>\$648,310.75</u>
Verizon Wireless								
Verizon Wireless	7/19/2016	7/19/2016	9767927798	Cell service 6/2/16-7/1/16	\$110.96	\$0.00		\$110.96
<i>Totals for Verizon Wireless:</i>					<u>\$110.96</u>	<u>\$0.00</u>		<u>\$110.96</u>
Leo Ferdinando Vigil								
Leo Ferdinando Vigil	7/19/2016	7/19/2016	080316	Concert in The Grove 8/3/16	\$500.00	\$0.00		\$500.00
<i>Totals for Leo Ferdinando Vigil:</i>					<u>\$500.00</u>	<u>\$0.00</u>		<u>\$500.00</u>
Waraner Brothers Tree Service								
Waraner Brothers Tree Service	7/19/2016	7/19/2016	13034	Clean broken pine tree, Regency (creek area)	\$1,400.00	\$0.00		\$1,400.00
Waraner Brothers Tree Service	7/19/2016	7/19/2016	13033	Elevated oak trees over Pine Lane	\$800.00	\$0.00		\$800.00
Waraner Brothers Tree Service	7/19/2016	7/19/2016	13031	Elevated trees Diablo Parkway	\$1,400.00	\$0.00		\$1,400.00
Waraner Brothers Tree Service	7/19/2016	7/19/2016	13029	Elevated deodar cedar tree at Lydia Lane/Clayt	\$200.00	\$0.00		\$200.00
Waraner Brothers Tree Service	7/19/2016	7/19/2016	13030	Elevated cedar, oak, pistach trees, remove 2 d	\$1,000.00	\$0.00		\$1,000.00
Waraner Brothers Tree Service	7/19/2016	7/19/2016	13032	Remove dead tree at Lydia Lane Park	\$400.00	\$0.00		\$400.00

City of Clayton Cash Requirements Report City Council July 19, 2016

Vendor Name	Due Date	Invoice Date	Invoice Number	Invoice Description	Invoice Balance	Potential Discount	Discount Expires On	Net Amount Due
<i>Totals for Waraner Brothers Tree Service:</i>					\$5,200.00	\$0.00		\$5,200.00
Western Exterminator								
Western Exterminator	7/19/2016	7/19/2016	4275692	June pest control services	\$370.00	\$0.00		\$370.00
<i>Totals for Western Exterminator:</i>					\$370.00	\$0.00		\$370.00
Workers.com								
Workers.com	7/19/2016	7/19/2016	0000115693	Seasonal workers week end 6/17/16	\$2,563.14	\$0.00		\$2,563.14
Workers.com	7/19/2016	7/19/2016	0000115768	Seasonal workers week end 6/24/16	\$2,675.93	\$0.00		\$2,675.93
Workers.com	7/19/2016	7/19/2016	0000115835	Seasonal workers week end 7/1/16	\$2,665.67	\$0.00		\$2,665.67
<i>Totals for Workers.com:</i>					\$7,904.74	\$0.00		\$7,904.74
GRAND TOTALS:					\$832,639.60	\$0.00		\$832,639.60

Earnings Statement

0 Employees With Overflow Statement
0 Overflow Statement 1 Total Statement
Tot Cks/Vchrs:0000000041 Tot Docs in all:0000000044
First No. Last No. Total
Checks: ADPCHECK ADPCHECK 0000000009
Vouchers: 00000270001 00000270032 00000000032

Z7L TOTAL DOCUMENT
CITY OF CLAYTON
LOCATION 0001

CHECK STUFFING, RECONCILIATION

81906.35 GROSS
58631.84 NET PAY (INCLUDING ALL DEPOSITS)
9829.66 FEDERAL TAX
228.61 SOCIAL SECURITY
1126.88 MEDICARE
.00 MEDICARE SURTAX
.00 SUI TAX
3020.54 STATE TAX
.00 LOCAL TAX
63252.13 DEDUCTIONS
4448.53 NET CHECK

COMPANY CODE Z7L
CITY OF CLAYTON
TOTAL DOCUMENT
LOCATION 0001

VERIFY DOCUMENT AUTHENTICITY - COLORED AREA MUST CHANGE IN TONE GRADUALLY AND EVENLY FROM DARK AT TOP TO LIGHTER AT BOTTOM

NON-NEGOTIABLE - VOID - NON-NEGOTIABLE
NON-NEGOTIABLE - VOID - NON-NEGOTIABLE
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NON-NEGOTIABLE - VOID - NON-NEGOTIABLE

THE ORIGINAL DOCUMENT HAS AN ARTIFICIAL WATERMARK ON THE BACK. HOLD AT AN ANGLE TO VIEW WHEN CHECKING THE ENDORSEMENT.



Agenda Date: 7-19-2016
Agenda Item: 3C

STAFF REPORT

Approved:

Gary A. Napper
City Manager/Executive Director

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: RICK ANGRISANI, CITY ENGINEER

DATE: JULY 19, 2016

SUBJECT: CONSIDERATION OF A RESOLUTION ORDERING THE LEVY OF A SPECIAL TAX WITHIN THE OAK STREET PERMANENT ROAD DIVISION FOR FY 2016-17

RECOMMENDATION

Approve the attached Resolution.

BACKGROUND

The Oak Street Permanent Road Division was formed in 2000 to provide a mechanism for the included property owners to repay the City for funds advanced for the reconstruction of the Oak Street Bridge over Mitchell Creek. In addition, a portion of the annual levy is set aside to provide funds for the maintenance of the private portion of Oak Street.

The Redevelopment Agency funded the reconstruction of the bridge and repayment was spread over 20 years with a 7% interest rate. In addition, the annual levy has included an amount of \$350 per parcel dedicated to future road maintenance and \$92.01 per parcel for City administrative fees (10% of the levy for bridge construction and maintenance). Through the end of FY 2015-16, we have collected \$72,038.48 (including \$4,763.00 from Reuben Gonzalez in 2005/06 to pay off his bridge assessment) for construction repayment, \$24,800 for maintenance (deposited in a separate fund), and \$9,207.32 for administration (1% of the total assessment and deposited in City General Fund).

Due to the repaving of Oak Street after construction of the sewer line, we revised the maintenance schedule to provide for slurry seal treatments at 10 and 20 years after formation (2010 and 2020, respectively), along with an overlay at 30 years (2030). This revised schedule reduced the required maintenance levy to \$200.00 per parcel per year. Since we had been collecting \$350.00 per parcel per year, we suspended the maintenance

assessment for five years (ending with the 2010-11 assessment). This year we are again including an annual assessment of \$200.00 per parcel for road maintenance. Since recent pavement rehabilitation projects have not included any slurry seal work, we are delaying the scheduled slurry seal treatment of Oak Street until we have other slurry seal work being bid.

In the Resolution, it is noted that six parcels have a levy of \$847.14, one parcel has a levy of \$220.00, and two have levies of \$423.58. The original Division included 8 parcels, all levied equally. Since that time, one parcel was subsequently subdivided (Caspar) and that levy was reapportioned equally between the two lots. In addition, Mr. Gonzalez paid off his bridge assessment in FY 2005/06 and is now being assessed only for the maintenance of the road.

The first assessment for the repayment of the bridge construction costs was levied in FY 2000/01 and the final assessment for construction costs will be levied in FY 2019/20. It should be noted that the portion of the assessment for maintenance and City administration will continue thereafter.

FISCAL IMPACT

If this Resolution is not approved, money owed the Successor Agency for construction of the bridge by the property owners will not be repaid. The annual assessment for this fiscal year will produce a total of \$6,150.00.

CONCLUSION

Based upon the above, staff recommends the City Council approve this Resolution levying a special tax on the parcels located within the Oak Street Permanent Road Division.

Attachments: Resolution levying a Special Tax [2 pp.]

RESOLUTION NO. - 2016

**A RESOLUTION ORDERING THE LEVYING OF A SPECIAL TAX FOR FY 2016-17
WITHIN THE OAK STREET PERMANENT ROAD DIVISION FOR THE
REPAYMENT OF FUNDS ADVANCED FOR THE RECONSTRUCTION OF THE
BRIDGE AND FUTURE MAINTENANCE PURSUANT TO THE STREETS AND
HIGHWAY CODE, ARTICLE 3, SECTION 1173, et seq.**

**THE CITY COUNCIL
City of Clayton, California**

WHEREAS, by passage of Resolution 66-99, the City Council ordered the formation of the Oak Street Permanent Road Division for the purpose of reconstructing and maintaining the Oak Street Bridge over Mitchell Creek and maintaining the private portion of Oak Street; and

WHEREAS, the City Council received petitions, signed by a majority of the property owners within the Division, requesting construction of a new bridge over Mitchell Creek and the levy of a special tax to pay for the construction and for the future maintenance of the bridge and road; and

WHEREAS, the City Council called for an election on May 1, 2000, to approve the levying of a special tax; and

WHEREAS, the City Clerk and City Engineer then certified that ballots approving the special tax were received from more than two-thirds of the property owners in both number and valuation; and

WHEREAS, the special tax approved must be re-levied each fiscal year;

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of Clayton, California as follows:

1. The Council hereby orders the levy of special taxes for FY 2016-17 on those parcels within the Oak Street Permanent Road Division for the reconstruction and maintenance of the bridge over Mitchell Creek and the maintenance of the private portion of Oak Street.

2. The annual tax rates for each parcel for the reconstruction and maintenance shall be as follows:

APN	Owner	Construction	Bridge Maintenance	City Admin.	Total
119-040-027	Law	\$570.13	\$200.00	\$77.01	\$847.14
119-040-028	Schwitters	\$570.13	\$200.00	\$77.01	\$847.14
119-040-029	Gonzalez	\$0.00	\$200.00	\$20.00	\$220.00
119-040-030	Ludlow	\$570.13	\$200.00	\$77.01	\$847.14
119-040-031	Mrozwski	\$570.13	\$200.00	\$77.01	\$847.14
119-040-032	Hemstalk	\$570.13	\$200.00	\$77.01	\$847.14
119-040-033	Webb	\$570.13	\$200.00	\$77.01	\$847.14
119-040-036	Caspar	\$285.07	\$100.00	\$38.51	\$423.58
119-040-037	Caspar	\$285.07	\$100.00	\$38.51	\$423.58

3. The special taxes shall be levied and collected by the County of Contra Costa, California along with the regular property taxes.

PASSED, APPROVED and ADOPTED by the City Council of Clayton, California at a regular public meeting of said Council held on July 19, 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON, CA

Howard Geller, Mayor

ATTEST:

Janet Brown, City Clerk

I hereby certify that the foregoing resolution was duly and regularly passed by the City Council of the City of Clayton at a regular public meeting held on July 19, 2016.

Janet Brown, City Clerk



Agenda Date: 7-19-2016

Agenda Item: 3d

STAFF REPORT

Approved:

Gary A. Napper
City Manager/Executive Director

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: RICK ANGRISANI, CITY ENGINEER

DATE: JULY 19, 2016

SUBJECT: CONSIDERATION OF A RESOLUTION ORDERING THE LEVY OF A SPECIAL TAX WITHIN THE HIGH STREET PERMANENT ROAD DIVISION FOR FY 2016-17

RECOMMENDATION

Approve the attached Resolution.

BACKGROUND

The High Street Permanent Road Division was formed in 1999 to provide a mechanism for the included property owners to repay the City for funds advanced for the reconstruction of the High Street Bridge over Mitchell Creek. In addition, a portion of the annual levy is set aside to provide funds for the maintenance of the bridge.

The City agreed to fund half the cost of the bridge and the remainder was to be paid by the property within the Division. The former Clayton Redevelopment Agency (now the "Successor Agency" by state dissolution law) funded the reconstruction of the bridge and repayment was spread over 30 years with a 6% interest rate. In addition, the annual levy includes an amount of \$60 per parcel dedicated to future bridge maintenance. The City has absorbed all of the administrative costs. Through the end of FY 2015-16 (seventeen years), we have collected \$67,175.78 towards the construction and interest costs (including \$5,288.78 from John Morgan in January, 2014 to pay off his bridge assessment), and \$5,100.00 for future maintenance.

In the Resolution it is noted there are several different levies. These amounts were based on a formula negotiated with the property owners when the Division was formed.

Subject: High Street Permanent Road Division – Levy of Special Tax

Date: July 19, 2016

Page 2 of 2

The first assessment for the repayment of the bridge construction costs was levied in FY 1999/00 and the final assessment for construction costs will be levied in FY 2028/29. It should be noted that the portion of the assessment for bridge maintenance will continue thereafter.

FISCAL IMPACT

The annual assessment will produce \$1,754.00 in FY 2016-17. If this Resolution is not approved, money owed to the Successor Agency by the property owners will not be repaid and funds will not be available for future bridge maintenance.

CONCLUSION

Based upon the above, staff recommends the City Council approve this Resolution levying a special tax on the parcels located within the High Street Permanent Road Division.

Attachments: Resolution levying a Special Tax [2 pp.]

RESOLUTION NO. - 2016

**A RESOLUTION ORDERING THE LEVYING OF A SPECIAL TAX FOR FY 2016-17
WITHIN THE HIGH STREET PERMANENT ROAD DIVISION FOR THE
REPAYMENT OF FUNDS ADVANCED FOR THE RECONSTRUCTION OF THE
BRIDGE AND FUTURE MAINTENANCE PURSUANT TO THE STREETS AND
HIGHWAY CODE, ARTICLE 3, SECTION 1173, et seq.**

**THE CITY COUNCIL
City of Clayton, California**

WHEREAS, by passage of Resolution 34-98, the City Council ordered the formation of the High Street Permanent Road Division for the purpose of reconstructing and maintaining the High Street Bridge over Mitchell Creek; and

WHEREAS, the City Council received petitions, signed by a majority of the property owners within the Division, requesting construction of a new bridge over Mitchell Creek and the levy of a special tax to pay for the construction and for the future maintenance of the bridge; and

WHEREAS, the City Council called for an election on February 26, 1999 to approve the levying of a special tax; and

WHEREAS, the City Clerk and City Engineer then certified that ballots approving the special tax were received from more than two-thirds of the property owners in both number and valuation; and

WHEREAS, said special tax approved must be re-levied each fiscal year;

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of Clayton, California as follows:

1. The City Council hereby orders the levy of special taxes for FY 2016-17 on those parcels within the High Street Permanent Road Division for the reconstruction and maintenance of the bridge over Mitchell Creek.

2. The annual tax rates for each parcel for the reconstruction and maintenance shall be as follows:

APN	Current Owner	Reconstruction	Bridge Maintenance	Total
119-050-036	Clayton Community Church, Inc.	\$545.00	\$60.00	\$605.00
119-050-008	City of Clayton	\$0.00	\$60.00	\$60.00
119-040-023	Morgan	\$0.00	\$60.00	\$60.00
119-040-024	Davis	\$364.00	\$60.00	\$424.00
119-040-021	Utley	\$545.00	\$60.00	\$605.00

3. Said special taxes shall be levied and collected by the County of Contra Costa along with the regular property taxes.

PASSED, APPROVED and ADOPTED by the City Council of Clayton, California at a regular public meeting thereof held on the 19th day of July 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON, CA

Howard Geller, Mayor

ATTEST:

Janet Brown, City Clerk


I hereby certify that the foregoing resolution was duly and regularly passed by the City Council of the City of Clayton at a regular meeting held on July 19, 2016.

Janet Brown, City Clerk



Agenda Date: 7-19-2016
Agenda Item: 3e

STAFF REPORT

Approved: 
Gary A. Napper
City Manager/Executive Director

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: RICK ANGRISANI, CITY ENGINEER

DATE: JULY 19, 2016

SUBJECT: CONSIDERATION OF A RESOLUTION CONFIRMING THE LEVYING OF ASSESSMENTS WITHIN THE OAK STREET SEWER ASSESSMENT DISTRICT FOR FY 2016-17

RECOMMENDATION

Approve the attached Resolution.

BACKGROUND

The Oak Street Sewer Assessment District was formed to undertake the installation of sanitary sewers and laterals in their respective neighborhoods.

The City issued and sold bonds to provide the funding for the formation of the district and the construction of the sewers. The bonds are to be repaid by the property owners through assessments levied each year and collected by the County with their property taxes. Along with principal and interest costs, the assessments also include an administrative fee of \$150.00 per parcel to cover the City's overhead costs.

In May, 2015, Mr. Morgan paid off the assessment on APN 119-040-023.

The first assessment was levied in FY 2003/04 and the final assessment will be levied in FY 2026/27.

The attached resolution confirms the proposed assessments for fiscal year 2016-17.

Subject: Oak Street Sewer Assessment District – Levy of Assessments

Date: July 19, 2016

Page 2 of 2

FISCAL IMPACT

The annual assessments will yield approximately \$11,527 for the Oak Street Sewer Assessment District for FY 2016-17. If this Resolution is not approved, the City would have to pursue separate action against each of the assessed property owners for collection or default on the bonds.

CONCLUSION

Based upon the above, staff recommends the City Council approve this Resolution confirming the levying of annual assessments in the Oak Street Sewer Assessment District.

Attachments: Resolution Confirming Assessments [3 pp.]

RESOLUTION NO.

**A RESOLUTION CONFIRMING THE LEVYING OF ASSESSMENTS FOR
FY 2016-17 WITHIN THE OAK STREET SEWER ASSESSMENT DISTRICT
FOR THE REPAYMENT OF BONDS ISSUED FOR THE CONSTRUCTION OF
MUNICIPAL SANITARY SEWERS.**

**THE CITY COUNCIL
City of Clayton, California**

WHEREAS, by passage of Resolution 62-2002, the City Council ordered the formation of the Oak Street Sewer Assessment District in accordance with and pursuant to the Municipal Improvement Act of 1913; and

WHEREAS, the City of Clayton issued and sold bonds in the amount of \$187,000.00 to fund the construction of municipal sanitary sewers in the Oak Street Assessment District which must be repaid by the real property owners within the assessment district; and

WHEREAS, the repayment of the bond costs by the real property owners is provided through the levying and inclusion of an annual assessment, for principal, interest and administrative costs, on each property owner's County property tax bill; and

WHEREAS, the proposed assessments for Fiscal Year 2016-17 are shown on Exhibit A attached hereto;

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of Clayton, California as follows:

1. The Council hereby orders the levy of assessments for FY 2016-17 on those parcels within the Oak Street Sewer Assessment Districts for repayment of bonds issued for the construction of municipal sanitary sewers within the assessment district.
2. The annual assessment for each parcel in each assessment district shall be as shown on Exhibit A attached hereto.
3. The assessments shall be levied and collected by the County along with the regular property taxes.

PASSED, APPROVED and ADOPTED by the City Council of Clayton, California at a regular public meeting thereof held on July 19, 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON, CA

Howard Geller, Mayor

ATTEST:

Janet Brown, City Clerk

I hereby certify that the foregoing resolution was duly and regularly passed by the City Council of Clayton, California at a regular public meeting thereof held on July 19, 2016.

Janet Brown, City Clerk

EXHIBIT A

**ANNUAL ASSESSMENT AMOUNTS FOR FY 2016-17
FOR THE OAK STREET SEWER ASSESSMENT DISTRICT**

Oak Street Sewer Assessment District	
Parcel ID (APN)	Amount
119-040-021	\$1,152.74
119-040-024	\$1,152.74
119-040-027	\$1,152.74
119-040-028	\$1,152.74
119-040-030	\$1,152.74
119-040-032	\$1,152.74
119-040-033	\$1,152.74
119-040-036	\$1,152.74
119-040-037	\$1,152.74
119-050-036	\$1,152.74
Total Assessment	\$11,527.40



Agenda Date: 7-19-2016
Agenda Item: 3F

STAFF REPORT

Approved:

Gary A. Napper
City Manager/Executive Director

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: RICK ANGRISANI, CITY ENGINEER

DATE: JULY 19, 2016

SUBJECT: CONSIDERATION OF A RESOLUTION CONFIRMING THE LEVYING OF ASSESSMENTS WITHIN THE LYDIA LANE SEWER ASSESSMENT DISTRICT FOR FY 2016-17

RECOMMENDATION

Approve the attached Resolution.

BACKGROUND

The Lydia Lane Sewer Assessment District was formed to undertake the installation of sanitary sewers and laterals in the Lydia Lane and Verna Way area south of Clayton Road.

The City issued and sold bonds to provide the funding for the formation of the district and the construction of the sewers. The bonds are to be repaid by the property owners through assessments levied each year and collected by the County with their property taxes. Along with principal and interest costs, the assessments also include an administrative fee of \$150.00 per parcel to cover the City's overhead costs.

The first assessment was levied in FY 2002/03 and the final assessment will be levied in FY 2031/32.

The attached resolution confirms the proposed assessments for fiscal year 2016-17.

FISCAL IMPACT

The annual assessments will yield approximately \$17,200 for the Lydia Lane Sewer Assessment District for FY 2016-17. If this Resolution is not approved, the City would have

Subject: Lydia Lane Sewer Assessment District – Levy of Assessments

Date: July 19, 2016

Page 2 of 2

to pursue separate action against each assessed property owners to collect the monies due or default on the bonds.

CONCLUSION

Based upon the above, staff recommends the City Council approve this Resolution confirming the levying of annual assessments in the Lydia Lane Sewer Assessment District.

Attachments: Resolution Confirming Assessments [3 pp.]

RESOLUTION NO.

**A RESOLUTION CONFIRMING THE LEVYING OF ASSESSMENTS FOR
FY 2016-17 WITHIN THE LYDIA LANE SEWER ASSESSMENT DISTRICT
FOR THE REPAYMENT OF BONDS ISSUED FOR THE CONSTRUCTION OF
MUNICIPAL SANITARY SEWERS.**

**THE CITY COUNCIL
City of Clayton, California**

WHEREAS, by passage of Resolution 36-2002, the City Council ordered the formation of the Lydia Lane Sewer Assessment District in accordance with and pursuant to the Municipal Improvement Act of 1913; and

WHEREAS, the City of Clayton issued and sold bonds in the amount of \$228,332.00 to fund the construction of municipal sanitary sewers in the Lydia Lane Assessment District which must be repaid by the real property owners within the assessment district; and

WHEREAS, the repayment of the bond costs by the real property owners is provided through the levying and inclusion of an annual assessment, for principal, interest and administrative costs, on each real property owner's County property tax bill; and

WHEREAS, the proposed assessments for Fiscal Year 2016-17 are shown on Exhibit A attached hereto;

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of Clayton, California as follows:

1. The City Council hereby orders the levy of assessments for FY 2016-17 on those parcels within the Lydia Lane Sewer Assessment District for repayment of bonds issued for the construction of municipal sanitary sewers within the assessment district.
2. The annual assessment for each parcel in each assessment district shall be as shown on Exhibit A attached hereto.
3. The assessments shall be levied and collected by the County of Contra Costa along with the regular property taxes.

PASSED, APPROVED and ADOPTED by the City Council of Clayton, California at a regular public meeting thereof held on the 19th day of July 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON, CA

Howard Geller, Mayor

ATTEST:

Janet Brown, City Clerk

I hereby certify that the foregoing resolution was duly and regularly passed by the City Council of the City of Clayton at a regular meeting held on July 19, 2016.

Janet Brown, City Clerk

EXHIBIT A

**ANNUAL ASSESSMENT AMOUNTS FOR FY 2016-17
FOR THE LYDIA LANE SEWER ASSESSMENT DISTRICT**

Lydia Lane Sewer Assessment District	
Parcel ID (APN)	Amount
120-042-005	\$910.70
120-042-006	\$910.70
120-043-007	\$910.70
120-043-009	\$910.70
120-051-007	\$1,129.74
120-051-008	\$1,129.74
120-051-010	\$1,129.74
120-052-003	\$1,129.74
120-052-004	\$1,129.74
120-052-005	\$1,129.74
120-052-006	\$1,129.74
120-052-009	\$1,129.74
120-052-011	\$1,129.74
120-052-015	\$1,129.74
120-052-016	\$1,129.74
120-052-017	\$1,129.74
Total Assessment	\$17,199.68



Agenda Date: 7-19-2016

Agenda Item: 3g

Approved:

Gary A. Napper
City Manager

AGENDA REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: CITY MANAGER

DATE: 19 JULY 2016

SUBJECT: CITY RESPONSE TO CIVIL GRAND JURY REPORT NO. 1605

RECOMMENDATION

It is recommended the City Council consider the prepared City response regarding Civil Grand Jury Report No. 1605, "Caring for the Victims – Commercial Sexual Exploitation of Children in Contra Costa County"; and subject to any Council modifications to the proposed response, by Consent Calendar minute motion approve the Exhibit as the City's official response and authorize Mayor Geller to sign the cover letter.

BACKGROUND

A Civil Grand Jury is commissioned annually in Contra Costa County to investigate city and county governments, special districts and certain non-profit corporations to ensure functions are performed in a lawful, economical and efficient manner. Pursuant to *California Government Code* Section 933.5(a), whenever a civil grand jury issues a report that involves matters within a particular municipality's jurisdiction or area of responsibility, the respective city is required to respond in writing and in accord with a specific response format.

On 11 May 2016, the FY 2015-16 Civil Grand Jury of Contra Costa County released a Report directed to all nineteen cities within the County in addition to the Board of Supervisors and the Sheriff of Contra Costa County. Report No. 1605 researched the very serious and depraved existence of human trafficking in Contra Costa County, and in particular its most appalling category of commercial sexual exploitation of children ("CSEC").

Civil Grand Jury Report No. 1605 concluded with fourteen (14) Findings and eleven (11) Recommendations requiring structured responses by each of the listed respondents. Attached are staff's recommended response and a draft letter for the City Council to consider and approve constituting our City's official response to Civil Grand Jury Report No. 1605. The City's response to this particular Report is due by 17 August 2016. As noted on page 11 of the Report, our City's response is limited to Findings No. 6, 7, 9, and 11-14 coupled with replies to Recommendations No. 2, 9 and 11.

FISCAL IMPACT

None directly. However, there are certainly indirect staff costs and direct time incurred in responding to Civil Grand Jury Reports, Findings and Recommendations.

Further, training expenses will be encountered and the back-filling of deployment shifts will be necessary [with probable overtime] as the City's law enforcement personnel become more familiar with the protocols of caring for victims of CSEC and human trafficking when it occurs within Clayton.

Exhibits: A. Proposed City Response and Cover Letter [5 pp.]

B. Civil Grand Jury Report No. 1605 and accompanying Cover Letters [15 pp.]



COMMUNITY
DEVELOPMENT (925) 673-7340
ENGINEERING (925) 363-7433

6000 HERITAGE TRAIL • CLAYTON, CALIFORNIA 94517-1250
TELEPHONE (925) 673-7300 FAX (925) 672-4917

City Council
HOWARD GELLER, MAYOR
JIM DIAZ, VICE MAYOR
KEITH HAYDON, COUNCILMEMBER
JULIE K. PIERCE, COUNCILMEMBER
DAVID T. SHUEY, COUNCILMEMBER

July 20, 2016

VIA U.S. REGULAR MAIL AND
REQUESTED EMAIL TO: epant@contracosta.courts.ca.gov

Michael Simmons, Foreperson
Civil Grand Jury 2015-16, Contra Costa County
725 Court Street
P O Box 431
Martinez, CA 94553-0091

Re: City Response to Civil Grand Jury Report No. 1605

Dear Mr. Simmons:

Pursuant to a letter dated May 11, 2016 addressed to members of the Clayton City Council pertaining to Civil Grand Jury Report No. 1605, "Caring for the Victims – Commercial Sexual Exploitation of Children in Contra Costa County, attached is the City of Clayton's official response as required by applicable law.

We thank the Civil Grand Jury for daylighting a matter of serious societal concern.

Sincerely,

Howard Geller
Mayor

Attachment: 1. City Reply to Civil Grand Jury Report No. 1605 [4 pp.]

cc: Honorable Clayton City Council Members
Honorable John T. Laettner, Judge of the Superior Court



**CITY OF CLAYTON RESPONSE TO
CIVIL GRAND JURY REPORT NO. 1605**
"Caring for the Victims"

2015-16 CONTRA COSTA COUNTY CIVIL GRAND JURY

The City of Clayton, California provides the following response to Civil Grand Jury Report No. 1605, "Caring for the Victims – Commercial Sexual Exploitation of Children in Contra Costa County", issued on 11 May 2016 by the 2015-16 Civil Grand Jury of Contra Costa County. Pursuant to page 11 of the Report, this City is required to respond to Findings No. 6, 7, 9 and 11-14 plus Recommendations No. 2, 9 and 11, adhering to format guidelines prescribed by the California Penal Code (Section 933.05).

FINDING

6. *Many social workers in CFS law enforcement, officers in Juvenile Hall and victim advocates in the DA's Office are not implementing the CSEC Protocol because they have not seen it.*

City Response

The City of Clayton partially disagrees with the Finding.

While our City has no inclination to disbelieve the Civil Grand Jury, our City cannot vouch for or address the operational practices of other entities, including whether or not other parties "...are not implementing the CSEC Protocol because they have not yet seen it." Our City does agree to the extent the Clayton Police Department has never seen the Protocol associated with CSEC.

7. *CFS, the leader of the Oversight Committee, has not followed up with its interagency partners that have signed off on the Protocol, but have not submitted their own CSEC department plan/protocols to the Oversight Committee.*

City Response

The City of Clayton partially disagrees with the Finding.

While our City has no inclination to disbelieve the Civil Grand Jury, our City also has no independent knowledge of how other entities associated with this program are conducting themselves as it pertains to procedures or protocols, including the Contra Costa County Division of Children and Family Services (CFS).

9. Suspected CSEC victims are being arrested and booked into Juvenile Hall for their own safety pursuant to various statutes under the Welfare & Institutions Code, relating to infractions and crimes committed by youth, while the County assesses the appropriate health and social services to provide.

City Response

The City of Clayton partially disagrees with the Finding.

While our City has no inclination to disbelieve the Civil Grand Jury, our City cannot vouch for or address the operational practices of other entities. The Clayton Police Department has never booked a juvenile into Juvenile Hall for such an offense or protection. It would be the goal of this City's Police Department to utilize CFS or the parents of CSEC victims for proper placement rather than book the victim into Juvenile Hall.

11. No single database covering all CSEC-related arrests, referrals and pending cases exist in the County.

City Response

The City of Clayton agrees with the Finding.

Records of this nature would be kept internally within the Clayton Police Department; statistical data is archived and can be collected through this City's contractual agreement with the City of Concord Police Department.

12. Due to the lack of a single database in the County covering all CSEC-related arrests, referrals and pending cases, the County does not know the number of victims of CSEC and where they are located.

City Response

The City of Clayton partially disagrees with the Finding.

While our City acknowledges that no single database in the County exists that covers all CSEC-related arrests, referrals and pending cases, our City cannot address whether or not the County knows the number of victims of CSEC or where they are located.

13. County personnel and law enforcement dealing with victims of CSEC are well-meaning, compassionate and dedicated people trying to make the best of a very difficult situation.

City Response

The City of Clayton partially disagrees with the Finding.

While our City can attest to the well-meaning, compassion, and dedication of the many County and law enforcement personnel dealing with victims of CSEC which our Clayton Police Department personnel have encountered, our City cannot vouch for all personnel engaged in such operations as we do not know all of them. We do agree dealing with victims of CSEC is a very difficult and challenging situation and do generally support personnel employed for such purpose(s).

14. Most County personnel and law enforcement dealing with victims of CSEC lack in-depth CSEC training, necessary facilities for temporarily accommodating the victims and a clear-cut plan of action, which lays out how to rescue, protect and serve the victims of CSEC in a manner that is caring and trauma-informed.

City Response

The City of Clayton partially disagrees with the Finding.

While our City has no inclination to disbelieve the Civil Grand Jury, our City has not performed independent analysis or investigation to substantiate this Finding as to the practices and facilities of other agencies. The Clayton Police Department does work toward protecting and serving the victims of CSEC in a manner that is caring and trauma-informed. Further in-depth training, appropriate facilities for temporary accommodations and a clear-cut plan of action at a countywide level would help improve conditions for victims of CSEC.

#

RECOMMENDATIONS

- 2. The Board of Supervisors, City Councils and Sheriff's Department should consider recommending that all CSEC interagency partners, as listed in the CSEC Protocol, in Contra Costa County adopt their own CSEC protocols and submit them to CFS for approval.*

City Response

The recommendation will not be implemented because it is not warranted.

The Clayton Police Department will not create and submit a protocol for approval by CFS. This City believes that countywide public safety agencies should not adopt one's own CSEC protocols which could be independent of or contrary to those protocols established by entities best informed to institute them. Rather, it is our recommendation CFS should interface with all countywide public safety agencies to promulgate and adopt a set of uniform CSEC protocols that would be consistent for implementation across the county.

9. *The Board of Supervisors, City Councils, and Sheriff's Department should consider recommending that all first responders (usually law enforcement) refer suspected victims of CSEC to specialized and dedicated CSEC personnel, to be established within CFS.*

City Response

This recommendation will not be implemented because it is not warranted [at this level].

While the recommendation has merit and may be an appropriate resolution, the CSEC protocol should be determined at the County, not the cities level. Once a process has been identified, either within or outside the CSEC protocol, the Clayton Police Department personnel will adhere to the established protocol for referring suspected victims of CSEC to the designated and specialized CFS personnel.

11. *City Councils and Sheriff's Department should direct law enforcement to avail themselves of CSEC training programs formulated by CFS.*

City Response

This recommendation has been implemented.

Clayton Police Department personnel will attend CSEC training programs when formulated by CFS and other related organizations.

#

Received

MAY 26 2016

City of Clayton

**A REPORT BY
THE 2015-2016 CONTRA COSTA COUNTY GRAND JURY
725 Court Street
Martinez, California 94553**

Report 1605

Caring for the Victims

Commercial Sexual Exploitation of Children in Contra Costa County

APPROVED BY THE GRAND JURY:

Date: May 10, 2016

Michael Simmons
MICHAEL SIMMONS
GRAND JURY FOREPERSON

ACCEPTED FOR FILING:

Date: May 6, 2016

John T. Laettner
JOHN T. LAETTNER
JUDGE OF THE SUPERIOR COURT

Contra Costa County Grand Jury Report 1605

Caring for the Victims

Commercial Sexual Exploitation of Children in Contra Costa County

**TO: Contra Costa County Board of Supervisors
Contra Costa County Sheriff
The City Councils for the following cities: Antioch, Brentwood,
Clayton, Concord, Danville, El Cerrito, Hercules, Lafayette,
Martinez, Moraga, Oakley, Orinda, Pinole, Pittsburg, Pleasant
Hill, Richmond, San Ramon, San Pablo, Walnut Creek**

SUMMARY

Human trafficking is a nationwide problem. In Contra Costa County, law enforcement and other agencies identified at least 108 victims of human trafficking from June 2014 through June 2015; of those cases, thirty-nine involved minors exploited for sex.

The County organized its official response to the problem of human trafficking by organizing a "Coalition of Zero Tolerance for Human Trafficking Summit" in January 2015. The Coalition set up a broad framework for understanding and dealing with human trafficking, which began with training two hundred employees of the Employment & Human Services Department (EHSD) and its interagency partners (County agencies and non-government organizations). EHSD assigned the more difficult problem of caring for commercial sexual exploitation of children (CSEC) to Children and Family Services (CFS), a bureau of EHSD.

CFS started work on a protocol to establish a comprehensive system of care for victims of CSEC, a system that did not previously exist in the County (the "CSEC Protocol"). By October 2015, the CSEC Protocol was complete and submitted to the California State Department of Social Services. However, by March 2016, more than a year after the Coalition Summit, the CSEC Protocol was yet to be fully communicated throughout the County, much less implemented. Many of the interagency partners who are to assist in implementing the Protocol (particularly the police departments of the cities, victim advocates in the District Attorney's (DA) Office and Juvenile Hall) were unaware of their

part in the Protocol and the role of the other agencies.

Until the Protocol is fully implemented, Contra Costa County still does not have a comprehensive system of care for victims of CSEC.

METHODOLOGY

In its 7-month investigation, the Grand Jury:

- Reviewed the pertinent legal statutes on human trafficking and CSEC, both California and Federal,
- Researched State and County documents and reports on the issue,
- Joined meetings of the Coalition for Zero Tolerance for Human Trafficking and the CSEC Steering Committee,
- Visited Juvenile Hall, the Family Justice Center and Calli House for discussions,
- Interviewed representatives and social workers at the Employment & Human Services (EHS) Department, including the Children & Family Services (CFS) bureau,
- Interviewed Probation Department personnel,
- Interviewed police officers from several cities, who worked directly on sex crimes, drugs, domestic violence and human trafficking,
- Interviewed personnel from non-governmental organizations (NGOs) dealing with sexual violence and CSEC victims,
- Interviewed victim advocates from various agencies.

BACKGROUND

Human trafficking exists in Contra Costa County as it does throughout the United States. It is today's version of slavery. Its victims are exploited due to their lack of resources and sophistication, and treated as commodities rather than as human beings.

Human trafficking exists in four forms:

- Labor trafficking,
- Adult sex trafficking,
- Commercial sexual exploitation of children (CSEC),
- Domestic servitude.

The citizens of Contra Costa County are living with this form of slavery hidden in their midst.

In 2012, California Attorney General Kamala Harris released her report - "The State of Human Trafficking in California" (the AG Report). In the AG Report, Ms. Harris states that human trafficking as a criminal business enterprise (\$32 billion globally) is second only to the drug trade in annual revenues. The AG Report's most important recommendation is that government agencies and the community should take a victim-centered approach in dealing with this crime.

Perhaps the most appalling category of human trafficking is the sexual exploitation of children. Children sexually exploited for commercial reasons cannot legally consent to sex and, therefore, are not willing prostitutes. Victims of CSEC are initiated into sexual slavery between 12 to 14 years old on average. The majority of these children are American citizens according to the County Coalition's Human Trafficking summit report. Typically, they are victims of physical abuse, sexual assault, and psychological and emotional manipulation by adults, i.e., the pimps and the johns. The trauma, stemming from months or years of sexual abuse and emotional manipulation is complex and extensive. For this reason, the County Coalition against Human Trafficking suggests County personnel (law enforcement and social workers) who interact with the CSEC children should be trauma-informed, i.e., properly trained and aware of the complex trauma that the children have undergone.

This Grand Jury report concentrates on the County's efforts to identify, rescue and care for these children and to restore to them a life that is safe, secure and productive.

DISCUSSION

Prior to the AG Report and the first County summit meeting in January 2015, the County had no formal plan or protocol to address CSEC.

County agencies began to develop that protocol by focusing on the applicable law. Section 236.1 of the California Penal Code addresses human trafficking (including CSEC). With respect to CSEC victims, it provides:

- *“Any person who causes, induces, or persuades a person who is a minor to engage in a commercial sex act is guilty of human trafficking.”*
- *“Consent by a victim of human trafficking who is a minor at the time of commission of the offense is not a defense to a criminal prosecution under this section.”*

The following two provisions on CSEC are set forth in the Welfare and Institutions Code:

- Section 300. *“... a child who is sexually trafficked as described in 236.1 of the Penal Code or who receives food and shelter in exchange for, or who is paid to perform sexual acts described in Section 236.1 or 11165.1 of the Penal Code, and whose parent or guardian failed to, or was unable to, protect the child... is within the jurisdiction of the juvenile court which may adjudge that person to be a **dependent child of the court**These children shall be known as commercially sexually exploited children.”* (Emphasis added.)
- Section 300.2 *“... the purpose of the provisions of this chapter relating to dependent children is to provide maximum safety and protection for children who are currently being physically, sexually, or emotionally abused, being neglected, or being exploited, and to ensure the safety, protection, and physical and emotional well-being of [such] children.”*

In January 2015, three years after the AG Report, the Contra Costa County District Attorney called for a summit on human trafficking. Chaired by a senior manager from EHSD, a multi-disciplinary coalition was formed called the Coalition for Zero Tolerance for Human Trafficking.

In June 2015, the Coalition Chair issued a memo to the Board of Supervisors stating that a comprehensive system of care for victims of CSEC does not exist in Contra Costa County. The memo also said that the best practice for care of victims of CSEC might be the Family Justice Centers in Richmond and Concord. These are multiservice centers – “one-stop-shops” – for victims of domestic violence.

Under state law, EHSD is designated as the lead agency for setting up a system of care for the victims of human trafficking in Contra Costa County. In March 2015, the Coalition tasked CFS, a division of EHSD, with organizing a CSEC Steering Committee.

The Committee was to prepare an interagency protocol (the "CSEC Protocol") for the care of victims of CSEC in Contra Costa County.

In developing a protocol, the Committee acted in accordance with Welfare and Institutions (WIC) Code sections 16524.6– 16524.11. These WIC sections provide, in part:

- 16524.6 "...in order to adequately serve children who have been sexually exploited, it is necessary that counties develop and utilize a multidisciplinary approach to case management, service planning and provision of services."
- 16524.6 "... that counties develop and utilize interagency protocols to ensure services are provided as needed to this population."
- 16524.7. (a) (1) "There is hereby established the Commercially Sexually Exploited Children Program. This program shall be administered by the State Department of Social Services."
- 16524.7. (a) (2) "The department, in consultation with the County Welfare Directors of California, shall develop an allocation methodology to distribute funding for the program. Funds allocated shall be utilized to cover expenditures related to the costs of implementing the program, prevention and intervention services, and training related to children who are victims of commercial sexual exploitation."
- 16524.7. (a) (4) "Funds provided to the counties electing to participate in the program shall be used for prevention activities, intervention activities and services to children who are victims, or at risk of becoming victims, of commercial sexual exploitation."
- 16524.7. (a) (4) (D) [A key mandate to the funding allocation is] "hiring county staff trained and specialized to work with children who are victims of commercial sexual exploitation to support victims and their caregivers, and to provide case management interagency and cross-departmental response." (Emphasis added.)

In October 2015, the CSEC Steering Committee was renamed CSEC Protocol Oversight Committee. The Committee submitted the "Interagency Protocol for Serving Commercially Sexually Exploited Children in Contra Costa County" (the "CSEC Protocol") to the State Department of Social Services. This move allowed the County to participate in California's CSEC Program, thereby qualifying for funds to support victims of CSEC.

The State Department of Social Services initially released \$25,000 to the County for CSEC planning. In early 2016, the State then released \$277,628 as a Tier II grant for training and actual services for victims of CSEC. The State also earmarked \$82,107 as "Augmentation for Federal CSEC activities."

The CSEC Protocol sets up the framework for collaboration and coordination among County agencies, cities and NGOs providing rescue, protection and care for victims of CSEC.

The Protocol states, in part:

- *"This Protocol has been created and adopted by the CSEC Protocol Oversight Committee."*
- *"Contra Costa County Children & Family Services (CFS) will be responsible for providing leadership and staff support for the CSEC Protocol Oversight Committee."*
- *"[The Committee, led by CFS,] will implement and oversee the Interagency Protocol."*
- *"Additionally, the [interagency] partners will create protocols (within their own agencies or NGOs) to aid in the identification, assessment and delivery of services to CSEC youth in the community."*
- *Mental Health, under County Health Department should "perform assessment of a CSEC victim's mental health and recommend services."*

The Protocol also contains a flow chart that shows the coordinated response for a victim of CSEC from the community, law enforcement and CFS. At all of the major decision points, referrals to CFS and hotline calls to CFS are the key initial action points. In essence, CFS is the proposed hub and navigator for care of victims of CSEC.

To date, over 200 CFS personnel have received basic training, a starting point for training staff to care for victims of CSEC. Additional training is necessary for the specialization of certain personnel to act as the "navigators" for the victims of CSEC within Child Welfare. This carries out the mandate of Section 16524.7 of the Welfare & Institutions Code, which requires *"hiring county staff trained and specialized to work with children who are victims of commercial sexual exploitation."* (Emphasis added.)

Because Contra Costa County lacks foster parents with specialized training to handle victims of CSEC, social workers often must place these children in foster homes outside of the County. Although a concern and a cause of additional expense to the County, the benefit may be that it puts more distance between the victim of CSEC and his or her exploiters.

Training for law enforcement personnel (police officers and deputy sheriffs) in interviewing victims of CSEC needs to be more victim-centered and trauma-informed. Many officers do not have even basic CSEC training, only a short briefing on the

subject. This lack of training may contribute to the unwillingness of a majority of suspected victims of CSEC to name their pimp exploiters or to accept needed social services and mental health appraisal/therapy. These youths are usually distrustful of police. Estimates of cooperation by victims of CSEC are uniformly low. Such estimates run from a high of 2 out of 10, to 2 out of 100, with one estimate of "zero cooperation." The non-cooperation behavior may also be due to the coercion and manipulation practiced by the children's exploiters.

Perhaps indicative of the lack of CSEC training for law enforcement first responders, the DA's Office has prosecuted fewer cases of CSEC pimps in 2015 than it has in previous years.

The current typical referral practice among law enforcement personnel (city police, the DA's Office and Juvenile Hall) who encounter CSEC youth is to call in Community Violence Solutions (CVS), a non-government organization (NGO) specializing in domestic violence, sexual assault and trafficking victims. Although well regarded in its area of expertise, CVS has limited resources. Whether future referrals to CVS will continue remains unknown, since the new Protocol proposes that the hub of care for victims of CSEC should be CFS, not CVS.

Law enforcement also calls in the victim advocates from the DA's Office. These advocates navigate victim assistance for the law enforcement community. Victim advocates respond first by keeping the victims of CSEC safe, usually within Juvenile Hall, and providing them with therapy, using non-Health Department therapists, who are paid for by victim compensation funds.

As a pragmatic measure, law enforcement sometimes books suspected victims of CSEC into Juvenile Hall under various statutes in the Welfare and Institutions Code dealing with crimes committed by youth. Such bookings allow authorities to keep victims of CSEC under protective custody, away from their exploiters. It also provides Probation and CVS time to assess the situation and to give these youth access to therapy and social services. However, Juvenile Hall rarely consults CFS social workers in these situations. Due to this lack of consultation with CFS, a non-criminal hold order for the child is seldom requested. Placing the child in Juvenile Hall on a criminal charge runs the risk of exposing the child to criminal behavior. Once in Juvenile Hall, most victims of CSEC are uncooperative and ultimately released back to their next of kin where they will likely walk back to their exploiters. Return of these children to an unsafe situation conflicts with the mandate of Section 300 of the Welfare & Institutions Code, which is *"to provide maximum safety and protection to children who are currently being physically, sexually, or emotionally abused."*

Calli House, part of the Contra Costa Health Department's Homeless Youth Services, is another facility, separate from Juvenile Hall and CVS, which is available for CSEC support services. Calli House provides temporary health, therapy and housing assistance to runaway minors in the County. Occasionally, upon request by CVS or CFS, it takes in suspected victims of CSEC who are not booked into Juvenile Hall. CFS

does not have an equivalent county-funded temporary housing facility for victims of CSEC.

The County lacks a centralized database covering all CSEC arrests, referrals and pending cases. Such data would be extremely valuable both in assisting law enforcement in tracking down the exploiters, as well as providing a broader and more complete picture of the victims of CSEC and treatment options with the highest chances of success. Some city police departments share CSEC data with the FBI and the DA's Office. Juvenile Hall shares resident data with CVS when called in to assist on suspected victims of CSEC. The DA's Office shares CSEC data with CVS, when utilizing the Children Interview Center for forensic interviews with suspected victims. CFS has its own CSEC data for its child welfare cases. However, such departmentalized data tracking is no substitute for a comprehensive and centralized database open to all agencies within the County.

FINDINGS

- F1 A comprehensive system of care for victims of CSEC still has not been fully implemented in Contra Costa County.
- F2 The County is now 15 months into developing and implementing this comprehensive system of care for victims of CSEC that it began developing in January 2015.
- F3 A CSEC Protocol, which provides a comprehensive system of care for victims of CSEC, was prepared under the leadership of CFS.
- F4 The CSEC Protocol provides the framework for cooperation and coordination among the County, its cities and NGOs.
- F5 The State Department of Social Services has released Contra Costa County's allocations of CSEC monies under the Commercially Sexually Exploited Children Program administered by the State Department of Social Services.
- F6 Many social workers in CFS, law enforcement, officers in Juvenile Hall and victim advocates in the DA's Office are not implementing the CSEC Protocol because they have not seen it.
- F7. CFS, the leader of the Oversight Committee, has not followed up with its interagency partners that have signed off on the Protocol, but have not submitted their own CSEC department plan/protocols to the Oversight Committee.
- F8 CFS lacks personnel who can act as the hub of all CSEC referrals from law enforcement by assessing the health, psychiatric and physical needs of victims of CSEC and who can navigate these services for them.
- F9. Suspected CSEC victims are being arrested and booked into Juvenile Hall for their own safety pursuant to various statutes under the Welfare & Institutions Code, relating to infractions and crimes committed by youth, while the County assesses the appropriate health and social services to provide.
- F10. The County has not provided funding to CFS for temporary housing facility for victims of CSEC.
- F11. No single database covering all CSEC-related arrests, referrals and pending cases exists in the County.
- F12. Due to the lack of a single database in the County covering all CSEC-related arrests, referrals and pending cases, the County does not know the number of victims of CSEC and where they are located.

- F13. County personnel and law enforcement dealing with victims of CSEC are well-meaning, compassionate and dedicated people trying to make the best of a very difficult situation.
- F14. Most County personnel and law enforcement dealing with victims of CSEC lack in-depth CSEC training, necessary facilities for temporarily accommodating the victims and a clear-cut plan of action, which lays out how to rescue, protect and serve the victims of CSEC in a manner that is caring and trauma-informed.

RECOMMENDATIONS

- R1 The Board of Supervisors should review the Interagency Protocol for Serving Commercially Sexually Exploited Children in Contra Costa County finalized in October 2015.
- R2 The Board of Supervisors, City Councils and Sheriff's Department should consider recommending that all CSEC interagency partners, as listed in the CSEC Protocol, in Contra Costa County adopt their own CSEC protocols and submit them to CFS for approval.
- R3 The Board of Supervisors should consider directing CFS, as the lead implementing bureau, to follow up on the required plans and protocols from the interagency partners, as listed in the CSEC Protocol, implementing the CSEC Protocol.
- R4 The Board of Supervisors should consider directing CFS to expand its CSEC Response Flow Chart to include all critical steps to be taken for the welfare of the child victim, including mental health evaluation by the Health Department and child Welfare hold requests by the social workers.
- R5 The Board of Supervisors should consider directing CFS to train or hire specialized CSEC personnel who will serve as points of primary referral and assist in navigating the services provided to victims of CSEC utilizing funds provided by the State Department of Social Services.
- R6 The Board of Supervisors should consider directing CFS to follow the model of the Family Justice Centers in assisting victims of CSEC navigate the multitude of available services.
- R7 The Board of Supervisors should consider seeking funds to acquire or lease a physical facility to temporarily house victims of CSEC, which would allow suspected victims of CSEC to be placed in a legal, non-criminal temporary hold, rather than having law enforcement book the child into Juvenile Hall with a criminal charge.
- R8 If the County secures funding to construct or lease a CFS physical facility, the Board of Supervisors should consider housing specialized CSEC navigators at the facility, similar to the model used by the Calli House.

R9 The Board of Supervisors, City Councils, and Sheriff's Department should consider recommending that all first responders (usually law enforcement) refer suspected victims of CSEC to specialized and dedicated CSEC personnel, to be established within CFS.

R10 The Board of Supervisors should direct CFS to formulate CSEC training programs, containing different emphases for different County departments, interacting with victims of CSEC.

R11 City Councils and Sheriff's Department should direct law enforcement to avail themselves of CSEC training programs formulated by CFS.

REQUIRED RESPONSES

	<u>Findings</u>	<u>Recommendations</u>
Contra Costa County Board of Supervisors	F1-14	R1-10
Contra Costa County Sheriff's Department	F6, F7, F9, F11-F14	R2, R9, R11
City of Antioch	F6, F7, F9, F11-F14	R2, R9, R11
City of Brentwood	F6, F7, F9, F11-F14	R2, R9, R11
City of Clayton	F6, F7, F9, F11-F14	R2, R9, R11
City of Concord	F6, F7, F9, F11-F14	R2, R9, R11
City of Danville	F6, F7, F9, F11-F14	R2, R9, R11
City of El Cerrito	F6, F7, F9, F11-F14	R2, R9, R11
City of Hercules	F6, F7, F9, F11-F14	R2, R9, R11
City of Lafayette	F6, F7, F9, F11-F14	R2, R9, R11
City of Martinez	F6, F7, F9, F11-F14	R2, R9, R11
City of Moraga	F6, F7, F9, F11-F14	R2, R9, R11
City of Oakley	F6, F7, F9, F11-F14	R2, R9, R11
City of Orinda	F6, F7, F9, F11-F14	R2, R9, R11
City of Pinole	F6, F7, F9, F11-F14	R2, R9, R11
City of Pleasant Hill	F6, F7, F9, F11-F14	R2, R9, R11

City of Pittsburg	F6, F7, F9, F11-F14	R2, R9, R11
City of Richmond	F6, F7, F9, F11-F14	R2, R9, R11
City of San Pablo	F6, F7, F9, F11-F14	R2, R9, R11
City of San Ramon	F6, F7, F9, F11-F14	R2, R9, R11
City of Walnut Creek	F6, F7, F9, F11-F14	R2, R9, R11

These responses must be provided in the format and by the date set forth in the cover letter that accompanies this report. An electronic copy of these responses in the form of a Word document should be sent by e-mail to epant@contracosta.courts.ca.gov and a hard (paper) copy should be sent to:

Civil Grand Jury – Foreperson

725 Court Street

P.O. Box 431

Martinez, CA 94553-0091

Grand Jury

**Contra
Costa
County**

725 Court Street
P.O. Box 431
Martinez, CA 94553-0091



May 20, 2016

Received
MAY 26 2016
City of Clayton

Garry A Napper
City Manager
6000 Heritage Trail
Clayton, CA 94517

Dear Mr. Napper:

Attached is a copy of Grand Jury Report No. 1605, "Caring for the Victims" by the 2015-2016 Contra Costa County Grand Jury.

This report is informational only.

Sincerely,

Michael Simmons, Foreperson
2015-2016 Contra Costa County Civil Grand Jury

Enclosure



May 11, 2016

Received
MAY 26 2016
City of Clayton

Mayor Howard Geller
City of Clayton
6000 Heritage Trail
Clayton, CA 94517

Dear Mayor Geller:

Attached is a copy of Grand Jury Report No. 1605, "Caring for the Victims" by the 2015-2016 Contra Costa Grand Jury.

In accordance with California Penal Code Section 933.05, this report is being provided to you at least two working days before it is released publicly.

In accordance with Section 933.05(a), the responding person or entity shall report one of the following actions in respect to each finding:

- (1) The respondent agrees with the finding.
- (2) The respondent disagrees with the finding.
- (3) The respondent partially disagrees with the finding.

In the cases of both (2) and (3) above, the respondent shall specify the portion of the finding that is disputed, and shall include an explanation of the reasons thereof.

In addition, Section 933.05(b) requires that the respondent reply to each recommendation by stating one of the following actions:

1. The recommendation has been implemented, with a summary describing the implemented action.
2. The recommendation has not yet been implemented, but will be implemented in the future, with a time frame for implementation.
3. The recommendation requires further analysis. This response should explain the scope and parameters of the analysis or study, and a time frame for the matter to be prepared for discussion. This time frame shall not exceed six months from the date of the publication of the Grand Jury Report.
4. The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation thereof.

Please be aware that Section 933.05 specifies that no officer, agency, department or governing body of a public agency shall disclose any contents of the report prior to its public release. Please ensure that your response to the above noted Grand Jury report includes the mandated items. We will expect your response, using the form described by the quoted Government Code, no later than **August 17, 2016**.

Please send a copy of your response in hard copy to the Grand Jury, as well as a copy by e-mail in Word to epant@contracosta.courts.ca.gov.

Please confirm receipt by responding via e-mail to epant@contracosta.courts.ca.gov.

Sincerely,

Michael Simmons, Foreperson
2015-2016 Contra Costa County Civil Grand Jury

RESOLUTION NO. -2016

**A RESOLUTION DECLARING RESULTS OF CANVASS OF RETURNS IN
THE 2016 PRIMARY MUNICIPAL ELECTION, DECLARING THE
RESULTS OF THE VOTE ON LOCAL BALLOT MEASURE "H", CITYWIDE TRAILS
AND LANDSCAPE MAINTENANCE DISTRICT CONTINUATION OF EXISTING
SERVICES AND SPECIAL PARCEL TAX.**

(Community Facilities District 2007-1)

**THE CITY COUNCIL
City of Clayton, California**

WHEREAS, a duly noticed primary election was held in the City of Clayton on June 7, 2016 for the purpose of voting for one (1) local ballot measure, Measure "H", a special tax extension to continue funding the annual operations of the Citywide Trails and Landscape Maintenance District for an additional period of ten (10) years through Fiscal Year 2017-2027; and

WHEREAS, following the canvass of returns by the Contra Costa County Clerk and receipt of his report by the Clayton City Clerk, the City Council met in a regular public meeting on July 19, 2016 and canvassed the returns of the election pursuant to and accordance with applicable provisions of the California Elections Code; and

WHEREAS, the City Council finds the number of votes cast in the City of Clayton at the primary election was and is 4,084, a 54.15% voter turnout; and

WHEREAS, the City Council finds there were seven precincts in the City of Clayton established for holding the June 2016 primary election; and

WHEREAS, the City Council finds that all of the votes in consideration of local ballot Measure "H" submitted to the Clayton voters in the presidential primary election are also set forth in the computer printout from the Contra Costa County Election Department, attached hereto as "Exhibit A" and incorporated herein by such reference.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Clayton, California that that local Ballot Measure "H" and the levy extension of a special tax therein (Community Facilities District No. 2007-1, Trails and Landscape Maintenance District) did garner the requisite two-thirds voter approval and therefore Measure "H" did pass (79.23%).

PASSED, APPROVED AND ADOPTED by the City Council of Clayton, California at a regular public meeting thereof held on the 19th day of July 2016 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

THE CITY COUNCIL OF CLAYTON, CA

Howard Geller, Mayor

ATTEST:

Janet Brown, City Clerk

**CERTIFICATE OF COUNTY CLERK
AS TO THE RESULT OF THE CANVASS OF THE
CITY OF CLAYTON
MEASURE H
JUNE 7, 2016 PRIMARY ELECTION**

State of California)
)
County of Contra Costa) ss.

I, JOSEPH E. CANCIAMILLA, County Clerk of Contra Costa County, State of California, do hereby certify that I did canvass the returns of the votes cast at the June 7, 2016, **CITY OF CLAYTON, MEASURE H ELECTION**. I further certify that the statement of the votes cast, to which this certificate is attached, shows the whole number of votes cast in said County, and the whole number of votes cast for and against the measure in said County and in each respective precinct therein, and that the totals of the respective columns and the totals as shown for and against the measure are full, true and correct.

WITNESS my hand and Official Seal this 5th day of July, 2016.

JOSEPH E. CANCIAMILLA, County Clerk



By Rosa Mena
Rosa Mena, Deputy Clerk

PRINTED 07/05/16, 10:49 AM

PAGE 1

		R V		T P	Measure H - City of Clayton Parcel Tax - 2/3	
		E O		U E		
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7 PRECINCTS						
Clayton101	A	1093	410	37.51	331	70
Clayton101	V	1093	200	18.30	158	26
Clayton102	A	1227	375	30.56	264	91
Clayton102	V	1227	261	21.27	183	52
Clayton103	A	736	269	36.55	197	58
Clayton103	V	736	151	20.52	104	33
Clayton104	A	949	352	37.09	258	78
Clayton104	V	949	201	21.18	150	37
Clayton105	A	1293	449	34.73	342	84
Clayton105	V	1293	211	16.32	163	29
Clayton106	A	904	292	32.30	220	62
Clayton106	V	904	171	18.92	127	40
Clayton107	A	1340	476	35.52	375	90
Clayton107	V	1340	266	19.85	195	54
COUNTY TOTAL		7542	4084	54.15	3067	804
ABSENTEES		7542	2623	34.78	1987	533
VOTING PRECINCTS		7542	1461	19.37	1080	271
11TH CONGRESSIONAL DST		7542	4084	54.15	3067	804
CONGRESSIONAL TOTAL		7542	4084	54.15	3067	804
7TH SENATORIAL		7542	4084	54.15	3067	804
STATE SENATE TOTAL		7542	4084	54.15	3067	804
14TH ASSEMBLY DST		7542	4084	54.15	3067	804
STATE ASSEMBLY TOTAL		7542	4084	54.15	3067	804
Bd Of Equalization		7542	4084	54.15	3067	804
BD OF EQUALIZATION TOT		7542	4084	54.15	3067	804
4TH SUPERVISORIAL		7542	4084	54.15	3067	804
SUPERVISORIAL TOTAL		7542	4084	54.15	3067	804
CITY OF CLAYTON		7542	4084	54.15	3067	804
CITY TOTAL		7542	4084	54.15	3067	804

Gary Napper

Subject: FW: final official election results of Measure H

Official Results

CONTRA COSTA COUNTY
PRESIDENTIAL PRIMARY
TUESDAY, JUNE 7, 2016
Democratic

RUN DATE:07/01/16 04:20 PM

TOTAL VOTES % ELECTION DAY VOTE BY MAIL

Measure H - City of Clayton

Parcel Tax - 2/3

Vote for 1

(WITH 7 OF 7 PRECINCTS COUNTED)

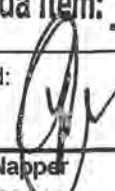
Yes	3,067	79.23	1,080	1,987
No.	804	20.77	271	533
Total	3,871		1,351	2,520



Agenda Date: 7-19-2016

Agenda Item: 31

Approved:



Gary A. Napper
City Manager

STAFF REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS
FROM: MINDY GENTRY, COMMUNITY DEVELOPMENT DIRECTOR *MG*
DATE: JULY 19, 2016
SUBJECT: A RESOLUTION ENDORSING A MARSH CREEK MULTI-USE TRAIL

RECOMMENDATION

It is recommended the City Council adopt the attached Resolution, supporting the exploration of the concept of the Marsh Creek Multi-Use Trail, and supporting efforts to identify and secure funding for this project (**Attachment 1**).

BACKGROUND AND DISCUSSION

Marsh Creek Road is major thoroughfare that connects Central and East Contra Costa County with an approximate 10,000 average vehicular trips per day. The stretch of Marsh Creek Road connecting the cities of Clayton and Brentwood is a high speed two lane rural road frequently used by commuters, but does not currently have a bicycle path or a dedicated lane, even though a significant number of daily bike trips occur. Both Contra Costa County and the Contra Costa Transportation Authority's Bicycle and Pedestrian Plan call for bicycle facilities along this stretch of Marsh Creek Road.

The existing Marsh Creek Trail currently extends from Big Break Regional Shoreline in Oakley to the southern city limits of Brentwood. The East Bay Regional Park District has plans to extend the Marsh Creek Trail from its current terminus in Brentwood, which is at the city limit line, to the Round Valley Regional Preserve. Upon completion of the trail, a gap will exist from the Round Valley Regional Preserve to the City of Clayton.

The proposed project would develop an approximately 15-mile long multi-use trail through the Marsh Creek Corridor on or near Marsh Creek Road between the City of Clayton and the City of Brentwood (**Attachment 2**). Completion of this trail would create one continuous non-motorized route from the City of Concord to the Delta shoreline in Oakley, which would be a new major east-west thoroughfare for expanded commuting and recreational opportunities. The trail would provide access to downtown Clayton, Diablo View Middle School, Mount Diablo State Park, Round Valley Regional Preserve, and the existing Marsh Creek Trail in Brentwood. The purpose of the trail would be to provide a safe, useful and enjoyable transportation corridor for various forms of non-motorized travel, including pedestrian, equestrian and bicycle users. The trail is proposed to be sized and designed to encourage and accommodate use by these different user groups.

The East Contra Costa County Habitat Conservancy, a joint exercise of Powers Authority formed by the Cities of Brentwood, Clayton, Oakley and Pittsburg and the County, has already adopted a Resolution of support. It is anticipated the City of Brentwood and the City of Oakley will likely adopt Resolutions in support of the concept of the multi-use trail. Contra Costa County has already adopted a Resolution for support and is the lead on this project in regards to financing, public outreach, data collection, and concept alternatives (**Attachment 3**).

FISCAL IMPACT

The attached Resolution merely supports the concept of the multi-use trail and does not financially bind the City in any way for this project.

ATTACHMENTS

1. Resolution No. -2016 [3 pp.]
2. Marsh Creek Multi-Use Trail [2 pp.]
3. Contra Costa County Staff Report and Resolution Regarding the Multi-Use Trail [4 pp.]

RESOLUTION NO. - 2016

**A RESOLUTION SUPPORTING THE CONCEPT OF THE MARSH
CREEK CORRIDOR MULTI-USE TRAIL CONNECTING THE
DELTA SHORELINE WITH MOUNT DIABLO**

**THE CITY COUNCIL
City of Clayton, California**

WHEREAS, Marsh Creek Road is a major thoroughfare connecting Central and East Contra Costa County and is the gateway to 110,000 acres of open space and recreational areas managed by the East Bay Regional Park District, Contra Costa Water District, State Parks and other local jurisdictions; and

WHEREAS, Marsh Creek Road has a significant number of bicycle trips without a bicycle path or dedicated lane; and

WHEREAS, Marsh Creek Road within the City of Clayton has an existing Class II bicycle lane, which connects to Clayton's extensive trail network linking Concord and Mount Diablo State Park; and

WHEREAS, in East Contra Costa County, the Marsh Creek Trail currently runs from the Big Break Regional Shoreline in Oakley to the southern city limits of the City of Brentwood, leaving a gap between that terminus and trails in the City of Clayton; and

WHEREAS, the Contra Costa Transportation Authority's Countywide Bicycle and Pedestrian Plan call for bicycle facilities along Marsh Creek Road; and

WHEREAS, the completed multi-use trail would create a new major non-motorized east-west thoroughfare for expanded and safer commuting and recreational opportunities, would provide non-motorized access to Downtown Clayton, Diablo View Middle School, Mount Diablo State Park, Round Valley Regional Preserve, and the Marsh Creek Trail through Brentwood and Oakley; and

WHEREAS, once this trail and adjacent trails are completed, there will be one continuous non-motorized route from Central Contra Costa County to the Delta shoreline; and

WHEREAS, improved access to separated trails, of the type proposed, are consistently shown to substantially increase use of non-motorized modes of travel relative to facilities in the shared roadway; and

WHEREAS, construction of the trail could be performed in conjunction with restoration of Marsh Creek, as anticipated in the East Contra Costa County Habitat Conservation Plan / Natural Community Conservation Plan and be constructed in a sensitive manner that reflects the scenic and natural resources of the area.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF CLAYTON, CALIFORNIA THAT:

SECTION 1. The City Council does hereby find and affirm the above noted Recitals are true and correct are hereby incorporated in the body of this Resolution as if restated in full.

SECTION 2. The City Council does hereby support exploration of the concept of the Marsh Creek Multi-Use Trail, and will support efforts to identify and secure funding for this project, including the study and potential implementation, in local, state, and federal transportation, recreation, park, and open space funding efforts.

PASSED, APPROVED AND ADOPTED by the City Council of Clayton, California at a regular public meeting thereof held on 19th day of July 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON, CA

HOWARD GELLER, Mayor

ATTEST:

Janet Brown, City Clerk

I hereby certify that the foregoing Resolution was duly adopted and passed by the City Council of Clayton, California at a regular public meeting thereof held on July 19, 2016.

Janet Brown, City Clerk

MARSH CREEK CORRIDOR MULTI-USE TRAIL

CONCEPT FOR EXPANDED CONNECTIVITY: DELTA SHORELINE TO MOUNT DIABLO



Cyclist on Marsh Creek Road



Marsh Creek Corridor



View of multi-use trail

Project Description: Develop an approximately 15-mile long multi-use trail through the Marsh Creek Corridor on or near Marsh Creek Road between the City of Clayton and the City of Brentwood. Once this trail and adjacent trails are completed, there will be one continuous non-motorized route from Concord to Mount Diablo that ultimately continues to the shoreline of the Delta in Oakley.

Background: Marsh Creek Road is a major thoroughfare that connects Central and East Contra Costa County. This stretch of Marsh Creek Road where a trail is proposed receives up to 10,000 average vehicle trips a day. The western segment of Marsh Creek Road carries a higher volume of commuters on average each day due to its proximity to the City of Clayton while the eastern segment near Round Valley Regional Preserve (Deer Valley Road) receives significantly fewer average daily vehicle trips. Marsh Creek Road is the gateway to 110,000 acres of open space and recreational areas managed by the East Bay Regional Park District, Contra Costa Water District, State Parks, and other organizations. A significant number of bicycle trips take place on Marsh Creek Road, in spite of the lack of a bicycle path or designated lane. Marsh Creek Road within Clayton has an existing Class II bicycle lane, which connects to Clayton's extensive trail network. In East Contra Costa County, the Marsh Creek Trail currently runs from the Big Break Regional Shoreline in Oakley to the southern city limits of the City of Brentwood. The East Bay Regional Park District plans to extend the Marsh Creek Trail through the City of Brentwood to the Round Valley Regional Preserve. After that section is completed, a gap in the multi-use trail would still exist between Round Valley Regional Preserve and the City of Clayton.

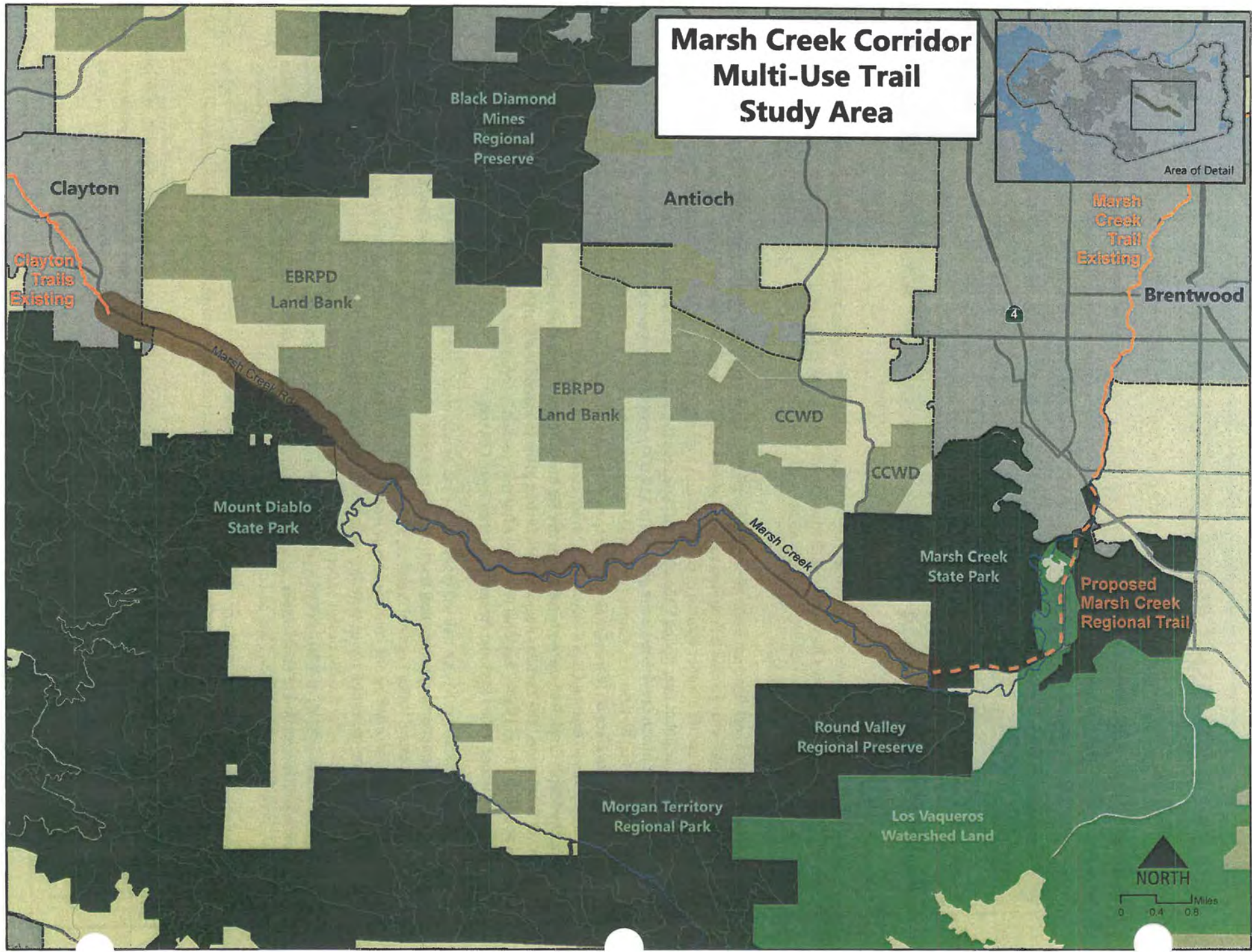
Benefits: The completed multi-use trail will create a new major non-motorized east-west thoroughfare for expanded commuting and recreational opportunities. It will provide access to downtown Clayton, Diablo View Middle School, Mount Diablo State Park, Round Valley Regional Preserve, and the existing Marsh Creek Trail in Brentwood and Oakley. Once this trail is completed, there will be one continuous trail from Concord to the Delta shoreline in Oakley that can accommodate various forms of non-motorized travel, including pedestrians, bicyclists, and equestrians. Various trail alignment options are available that allow for flexible design opportunities. These include potential alignments that follow the creek, the road or separate the trail entirely to follow safer and more user-friendly routes. Construction of the trail could be performed in conjunction with restoration of Marsh Creek, as anticipated in the East Contra Costa County Habitat Conservation Plan /Natural Community Conservation Plan, and be constructed in a manner that reflects the scenic and natural resources of the area.

Policies: Both the County's General Plan and the Contra Costa Transportation Authority's Countywide Bicycle and Pedestrian Plan call for bicycle facilities along Marsh Creek Road.

Funding Opportunities: A number federal, state, and local funding opportunities exist to support the planning, additional ROW acquisition, and construction of the Marsh Creek Trail. Local agencies in Contra Costa County have an additional opportunity to generate secure local funding by including the Marsh Creek Trail as a project in the upcoming proposed augmentation of the county-wide transportation sales tax.

Cost: TBD

Marsh Creek Corridor Multi-Use Trail Study Area





Contra
Costa
County

To: Board of Supervisors
From: John Kopchik, Director, Conservation & Development Department
Date: April 12, 2016

Subject: Marsh Creek Corridor Multi-Use Trail Concept

RECOMMENDATION(S):

APPROVE the following recommendations related to the Marsh Creek Multi-Use Trail concept:

- 1) **ACCEPT** background report from staff of the Departments of Public Works and Conservation and Development on the general concept;
- 2) **ADOPT** Resolution No. 2016/326 supporting exploration of the concept of the Marsh Creek Corridor Multi-Use Trail, and supporting efforts to identify and secure funding for this project;
- 3) In collaboration with other proponents of the concept, **ADVOCATE** for support and funding for the Marsh Creek Corridor Multi-Use Trail, including study and potential implementation, in local, state, and federal transportation, recreation, park, and open space funding efforts and **REQUEST** consideration of the Marsh Creek Multi-use Trail in the sales tax matter currently under consideration by the Contra Costa Transportation Authority;

APPROVE

OTHER

RECOMMENDATION OF CNTY ADMINISTRATOR

RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **04/12/2016** APPROVED AS RECOMMENDED OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Mary N. Piepho, District III Supervisor
Karen Mitchoff, District IV Supervisor
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: April 12, 2016

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact: John Cunningham
(925) 674-7833

By: Stacey M. Boyd, Deputy

4) DIRECT staff to refine the preliminary budget and develop a scope of work for the feasibility analysis and AUTHORIZE staff to work with other prospective project partners to seek funding opportunities.

FISCAL IMPACT:

The recommended pre-project activities are covered under existing departmental budgets. (100% Dedicated Transportation Funds)

BACKGROUND:

Marsh Creek Road is a major thoroughfare that connects Central County and East County. Currently, a significant number of bicycle trips take place on Marsh Creek Road, in spite of the lack of bicycle paths. Marsh Creek Road within Clayton has an existing Class II bicycle lane⁽¹⁾, which connects to Clayton's extensive trail network. In East Contra Costa County, the Marsh Creek Trail currently runs from the Big Break Regional Shoreline in Oakley to the southern city limits of Brentwood. The East Bay Regional Park District plans to extend the Marsh Creek Trail from the Brentwood city limits along Marsh Creek Road to the Round Valley Regional Reserve.

The proposed new multi-use trail would create a new, major non-motorized east-west thoroughfare for expanded commuting and recreational opportunities. It would provide non-motorized access to Downtown Clayton, Diablo View Middle School, Mount Diablo, Round Valley Regional Preserve, and the existing Marsh Creek Trail in Brentwood and Oakley. The purpose of the trail would be to provide a safe, useful and enjoyable transportation corridor for various forms of non-motorized travel, including pedestrian, equestrian and bicycle users (including serious cyclists). The trail is proposed to be sized and designed to encourage and accommodate use by these different user groups.

Once this trail and adjacent paths are completed, there will be one continuous non-motorized trail from Downtown Concord to Oakley. The trail could possibly be located on the opposite side of the creek from the road, immediately adjacent to the road itself or some distance from the creek or the road in constrained areas. Construction of the trail could be incorporated into, and performed in conjunction with, the Marsh Creek restoration project, as called for in the East Contra Costa County East Contra Costa County Habitat Conservation Plan / Natural Community Conservation Plan (HCP/NCCP), and be constructed in a sensitive manner that reflects the scenic and natural resources of the area.

A number of agencies and organizations and agencies are proposed to and are considering adoption of a resolution regarding the Marsh Creek Corridor Multi-Use Trail. The East Contra Costa County Habitat Conservancy, a joint exercise of Powers Authority formed by the Cities of Brentwood, Clayton, Oakley and Pittsburg and the County, has already adopted a resolution of support. In addition to the County, resolutions similar to Resolution No. 2016/326, are proposed to be considered by the City Councils of Brentwood, Clayton and Oakley, by the East Bay Regional Park District and by other prospective partners such as Save Mount Diablo, Friends of Marsh Creek Watershed, Bike East Bay, TRANSPAC and TRANSPAN.

The next step to explore the concept of the Marsh Creek Corridor Multi-Use Trail is to secure funding and perform a feasibility study. The goals of this study would be the

following:

- Conduct outreach to the public on the concept;
- Better define the goals and objectives of the project;
- Collect data useful to planning for the project, possibly including estimates of usage;
- Define concept alternatives, including options for alignments, cross-sections, and phasing;
- and
- Better define future costs and potential funding sources.

(1) **Caltrans Bicycle Facility Designations:** Class I Bikeway (Bike Path) = A path separated from the roadway for non-motorized use. **Class II Bikeway (bike lane) = An on-street striped bike lane,** Class III Bikeway (Bike Route) = A street appropriate for bike usage but without any particular bike amenities, Class IV Bikeway (Separated Bikeway) = a bike lane that includes some type of separation that may include grade separation, flexible posts, inflexible physical barriers, or on-street parking.

Preliminary Budget by Task for Feasibility Analysis for Marsh Creek Corridor Multi-Use Trail

Phase and Tasks	Preliminary Cost Estimate
1) Feasibility Analysis (cost detail by task)	\$500,000 (total)
a. Develop detailed scope of work	(staff costs)
b. Recruit and hire consultant	(staff costs)
c. Define project goals and objectives	\$5,000
d. Gather and analyze data on setting, opportunities & constraints	\$200,000
e. Public outreach and involvement	\$30,000
f. Define concept alternatives (routes, cross-sections etc.)	\$240,000
g. Prepare and print final feasibility report	\$25,000
2) Planning and environmental review	approx. \$1,500,000
3) Design	approx. \$3M
4) Right-of-Way Acquisition and Construction	approx. \$50M
5) Maintenance costs and funding	TBD
CONSEQUENCE OF NEGATIVE ACTION:	
This project may not proceed without action from the Board of Supervisors who is the current primary project sponsor.	
ATTACHMENTS	
Resolution No. 2016/326	
Marsh Creek Multi-Use Trail Information sheet and map	

THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA

and for Special Districts, Agencies and Authorities Governed by the Board

Adopted this Resolution on 04/12/2016 by the following vote:

John Gioia
Candace Andersen
Mary N. Piepho
Karen Mitchoff
Federal D. Glover

AYE: 5

NO:

ABSENT:

ABSTAIN:

RECUSE:



Resolution No. 2016/326

RESOLUTION OF THE CONTRA COSTA COUNTY BOARD OF SUPERVISORS SUPPORTING THE CONCEPT OF A MARSH CREEK CORRIDOR MULTI-USE TRAIL THAT CONNECTS THE DELTA TO MOUNT DIABLO AND NEIGHBORING COMMUNITIES

WHEREAS, Marsh Creek Road is a major thoroughfare that connects Central Contra Costa County and East Contra Costa County and is the gateway to 110,000 acres of open space and recreational areas managed by the East Bay Regional Park District, Contra Costa Water District, State Parks and other local jurisdictions; and

WHEREAS, a significant number of bicycle trips take place on Marsh Creek Road, in spite of the lack of a bicycle path or a dedicated lane; and

WHEREAS, Marsh Creek Road within Clayton has an existing Class II bicycle lane, which connects to Clayton's extensive trail network into Concord and Mount Diablo State Park; and

WHEREAS, in East Contra Costa County, the Marsh Creek Trail currently runs from the Big Break Regional Shoreline in Oakley to the southern city limits of the City of Brentwood, leaving a gap between that terminus and trails in the City of Clayton; and

WHEREAS, the completed multi-use trail would create a new major non-motorized east-west thoroughfare for expanded and safer commuting and recreational opportunities, would provide non-motorized access to Downtown Clayton, Diablo View Middle School, Mount Diablo State Park, Round Valley Regional Preserve, and the Marsh Creek Trail through Brentwood and Oakley; and

WHEREAS, once this trail and adjacent trails are completed, there will be one continuous non-motorized route from Central Contra Costa County to the Delta; and

WHEREAS, improved access to separated trails, of the type proposed, are consistently shown to substantially increase use of non-motorized modes of travel relative to facilities in the shared roadway; and

WHEREAS, construction of the trail could be performed in conjunction with restoration of Marsh Creek, as anticipated in the East Contra Costa County Habitat Conservation Plan / Natural Community Conservation Plan and be constructed in a sensitive manner that reflects the scenic and natural resources of the area.

NOW, THEREFORE, BE IT RESOLVED that the CONTRA COSTA COUNTY BOARD OF SUPERVISORS will support exploration of the concept of the Marsh Creek Corridor Multi-Use Trail, and will support efforts to identify and secure funding for this project, including study and potential implementation, in local, state, and federal transportation, recreation, park and open space funding efforts.

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: April 12, 2016

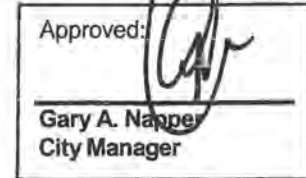
David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact: John Cunningham (925) 674-7833

Stacy M. Boyd
Deputy County Administrator



Agenda Date: 7-19-2016
Agenda Item: 3j



STAFF REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: RICK ANGRISANI, CITY ENGINEER

DATE: JULY 19, 2016

SUBJECT: APPROVED THE ENGINEER'S REPORT AND PROPOSED ASSESSMENTS FOR THE OPERATION & MAINTENANCE OF STREET LIGHTS IN THE STREET LIGHTING ASSESSMENT DISTRICT, FY 2016-17

RECOMMENDATION

Approve the attached Resolution.

BACKGROUND

The Engineer's Report submitted by the City Engineer recommends the annual assessments for the Street Lighting Assessment District ("District") remain the same as last year. In addition, to satisfy the requirements of the Streets and Highways Code, the "Fund Balance" for the District has been re-designated as the "Streetlight Replacement Fund". The Fund is used to pay the District's obligations until the City receives the first tax installment for the District in December.

The Council and public may note the City did not mail property owner notices this year nor is it required to hold public hearing. The process of mailing notices and holding both a public meeting and a public hearing began with the passage of Proposition 218. In reviewing our assessment proceedings, last year the City Attorney noted that, since the City is not proposing an increase in the assessments, Proposition 218 provisions do not apply. Under that status quo circumstance, the City is now able to return to the original requirements of the Streets and Highways Code which only require a public meeting item to receive public comment.

There are no provisions allowing for a "majority protest" to eliminate the assessments (similar to our other assessment districts such as the Oak Street and High Street Permanent Road Divisions).

Date: July 19, 2016

Page 2 of 2

FISCAL IMPACT

If this \$125,991.08 annual assessment and Resolution are not approved, the Council must decide whether to fund all street lighting costs on our residential streets from another source, such as Gas Tax funds or the General Fund of the City, or turn off the street lights.

CONCLUSION

Staff recommends the City Council adopt this Resolution approving the Engineer's Report and confirming the levy of assessments within the Street Lighting Assessment District for FY 2016-17.

Attachments: Resolution confirming Assessments [4 pp.]
Engineer's Report

RESOLUTION NO. - 2016

A RESOLUTION APPROVING ENGINEER'S REPORT AND LEVYING ASSESSMENTS FOR OPERATION AND MAINTENANCE OF STREET LIGHTS IN THE STREET LIGHTING ASSESSMENT DISTRICT FOR FISCAL YEAR 2016-17.

**THE CITY COUNCIL
City of Clayton, California**

WHEREAS, in order to levy assessments for the operation and maintenance of the streetlights in residential subdivisions, the City Engineer has prepared, and submitted to the City Council, an Engineer's Report for Fiscal Year 2016-17; and

WHEREAS, the Engineer's Report recommends that the annual assessments remain unchanged from last fiscal year; and

WHEREAS, at its public meeting on July 19, 2016, the City Council heard and considered all oral statements and written communications made and filed thereon by interested persons concerning the proposed assessments for Fiscal Year 2016-17; and

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Clayton as follows:

1. The Engineer's Report for Fiscal Year 2016-17 is hereby approved.
2. The City Council orders the levy of an assessment in the amounts shown on Exhibit A attached hereto per subdivision lot on each of the lots within the following subdivisions in the Street Lighting Assessment District and this Resolution shall constitute the levy and confirmation of such assessment for fiscal year 2016-17. The total subdivision lots so assessed are 3,458 and consist of each lot within the following subdivisions: #2556, #2572, #3434, #3576, #3659, #4011, #4012, #4013, #4014, #4015, #4016, #4017, #4018, #4019, #4240, #4343, #4403, #4449, #4451, #4499, #4504, #4515, #4543, #4643, #4654, #4798, #4805, #4827, #4956, #5048, #5049, #5050, #5267, #5722, #6001, #6990, #7065, #7066, #7249, #7255, #7256, #7257, #7260, #7261, #7262, #7263, #7264, #7303, #7311, #7766, #7767, #7768, #7769, #7887, #8215, #8355, #8358 and #8719 as such maps appear of record in the Contra Costa County Recorder's Office.

3. The City will pay from the Special District Augmentation moneys, gas tax or other City funds, the cost of operation for some 166 street lights on arterial streets as described in the Engineer's Report. The herein mentioned assessment levy is to pay for the cost of operation for some 800 residential subdivision street lights along the public streets within or adjacent to the above described subdivisions.

4. The City Clerk shall immediately file a certified copy of this resolution, together with any required diagrams and a list of lots so assessed, with both the Tax Collector and the Auditor of Contra Costa County, with the Assessment to thereafter be collected in the same manner as the property taxes are collected.

PASSED, APPROVED and ADOPTED by the City Council of the City of Clayton at a regular public meeting thereof held on July 19, 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON, CA

Howard Geller, Mayor

ATTEST:

Janet Brown, City Clerk

I hereby certify that the foregoing resolution was duly and regularly passed by the City Council of the City of Clayton at a regular public meeting held on July 19, 2016.

Janet Brown, City Clerk

**RESOLUTION NO. - 2016
EXHIBIT A**

CITY OF CLAYTON								
STREETLIGHT ASSESSMENT DISTRICT FY 2016-17								
PROPOSED ASSESSMENTS								
Subd. Name	Subd. No.	No. of Lots	Type	Public Streets	A.U. per lot	Total A.U.	Assessment Per Lot	Total \$
Cardinet Glen I	2556	22	SF	Y	1.00	22.00	\$43.54	\$957.88
Cardinet Glen II	2572	30	SF	Y	1.00	30.00	\$43.54	\$1,306.20
Glen Almond	3434	23	SF	Y	1.00	23.00	\$43.54	\$1,001.42
Dana Hills I	3576	29	SF	Y	1.00	29.00	\$43.54	\$1,262.66
Mission Manor	3659	25	SF	Y	1.00	25.00	\$43.54	\$1,088.50
Dana Hills II	4011	55	SF	Y	1.00	55.00	\$43.54	\$2,394.70
Dana Hills III	4012	50	SF	Y	1.00	50.00	\$43.54	\$2,177.00
Dana Hills IV	4013	93	SF	Y	1.00	93.00	\$43.54	\$4,049.22
Dana Hills V	4014	50	SF	Y	1.00	50.00	\$43.54	\$2,177.00
Dana Hills VI	4015	30	SF	Y	1.00	30.00	\$43.54	\$1,306.20
Dana Hills VII	4016	65	SF	Y	1.00	65.00	\$43.54	\$2,830.10
Dana Hills VIII	4017	46	SF	Y	1.00	46.00	\$43.54	\$2,002.84
Dana Hills IX	4018	32	SF	Y	1.00	32.00	\$43.54	\$1,393.28
Dana Hills X	4019	52	SF	Y	1.00	52.00	\$43.54	\$2,264.08
Marsh Creek	4240	109	MF	N	0.25	27.25	\$15.64	\$1,704.76
Regency Woods I	4343	77	SF	Y	1.00	77.00	\$43.54	\$3,352.58
St. James Place	4403	16	SF	Y	1.00	16.00	\$43.54	\$696.64
Casey Glen	4449	24	SF	Y	1.00	24.00	\$43.54	\$1,044.96
Briarwood I	4451	19	SF	Y	1.00	19.00	\$43.54	\$827.26
Jeffry Ranch	4499	68	SF	Y	1.00	68.00	\$43.54	\$2,960.72
Dana Ridge	4504	86	MF	N	0.25	21.50	\$15.64	\$1,345.04
Clayton Greens	4515	78	SF	Y	1.00	78.00	\$43.54	\$3,396.12
Regency Woods II	4543	71	SF	Y	1.00	71.00	\$43.54	\$3,091.34
Regency Woods III	4643	37	SF	Y	1.00	37.00	\$43.54	\$1,610.98
Briarwood II	4654	40	SF	Y	1.00	40.00	\$43.54	\$1,741.60
Regency Woods IV	4798	145	SF	Y	1.00	145.00	\$43.54	\$6,313.30
Easley Estates I	4805	48	SF	Y	1.00	48.00	\$43.54	\$2,089.92
Silver Creek I	4827	26	SF	Y	1.00	26.00	\$43.54	\$1,132.04
Silver Creek II	4956	94	SF	Y	1.00	94.00	\$43.54	\$4,092.76
Easley Estates II	5048	51	SF	Y	1.00	51.00	\$43.54	\$2,220.54
Easley Estates III	5049	40	SF	Y	1.00	40.00	\$43.54	\$1,741.60

Easley Estates IV	5050	55	SF	Y	1.00	55.00	\$43.54	\$2,394.70
Douglas Court	5267	9	SF	Y	1.00	9.00	\$43.54	\$391.86
Regency Meadows	5722	96	SF	Y	1.00	96.00	\$43.54	\$4,179.84
Westwood	6001	65	SF	Y	1.00	65.00	\$43.54	\$2,830.10
Westwood	6001	4	MF	Y	0.50	2.00	\$15.64	\$62.56
Windmill Canyon I	6990	92	SF	Y	1.00	92.00	\$43.54	\$4,005.68
Black Diamond I	7065	108	Duet	N	0.50	54.00	\$31.28	\$3,378.24
Chaparral Springs I	7066	117	MF	N	0.25	29.25	\$8.34	\$975.78
Peacock Creek I	7249	69	SF	Y	1.00	69.00	\$33.38	\$2,303.22
Peacock Creek II	7255	72	SF	Y	1.00	72.00	\$33.38	\$2,403.36
Eagle Peak I	7256	70	SF	Y	1.00	70.00	\$43.54	\$3,047.80
Eagle Peak II	7257	60	SF	Y	1.00	60.00	\$43.54	\$2,612.40
Falcon Ridge I	7260	75	SF	Y	1.00	75.00	\$33.38	\$2,503.50
Falcon Ridge II	7261	70	SF	Y	1.00	70.00	\$43.54	\$3,047.80
Windmill Canyon II	7262	99	SF	Y	1.00	99.00	\$43.54	\$4,310.46
Windmill Canyon III	7263	101	SF	Y	1.00	101.00	\$43.54	\$4,397.54
Windmill Canyon IV	7264	102	SF	Y	1.00	102.00	\$33.38	\$3,404.76
Chaparral Springs II	7303	52	MF	N	0.25	13.00	\$8.34	\$433.68
Black Diamond II	7311	118	Duet	N	0.50	59.00	\$31.28	\$3,691.04
Diablo Ridge I	7766	60	MF	N	0.25	15.00	\$8.34	\$500.40
Oak Hollow	7766	35	SF	N	0.50	17.50	\$16.68	\$583.80
Diablo Ridge II	7767	76	MF	N	0.25	19.00	\$8.34	\$633.84
Oak Hollow IIA	7768	55	SF	N	0.50	27.50	\$31.28	\$1,720.40
Oak Hollow IIB	7769	53	SF	N	0.50	26.50	\$31.28	\$1,657.84
Stranahan	7887	54	SF	Y	1.00	54.00	\$33.38	\$1,802.52
Diablo Village	8215	33	SF	Y	1.00	33.00	\$43.54	\$1,436.82
Rachel Ranch	8355	8	SF	Y	1.00	8.00	\$43.54	\$348.32
Bridlewood	8358	19	SF	Y	1.00	19.00	\$43.54	\$827.26
Diablo Pointe	8719	24	SF	N	0.50	12.00	\$22.18	\$532.32
TOTALS		3482				2908.5		\$125,991.08

ENGINEER'S REPORT

DATE: JULY 19, 2016
TO: CITY COUNCIL
FROM: CITY ENGINEER
RE: STREET LIGHT ASSESSMENT DISTRICT - FISCAL YEAR 2016-17

This report has been prepared in accordance with the requirements of the Street Lighting Act of 1919 (Section 18091 of the Street and Highways Code).

HISTORICAL REVIEW

Prior to 1979, the year the City formed the Street Light Assessment District, all subdivisions were annexed to the City's Lighting District #1. This district became a Special District, which made it eligible for a small portion of the property tax as well as Special Augmentation Funds for special districts.

When the Assessment District was formed, primarily to pay for street lighting in residential areas with street lights, the City ceased annexing new subdivisions to Lighting District #1. While the City continues to receive moneys on Lighting District #1 as Special Augmentation Funds, the amounts are expected to decrease. The expected income for FY 2016-17 is approximately \$32,400.

When the Street Light Assessment District was formed, it was the City Council's policy that the residential street lighting be funded by the Assessment District and arterial street lighting by Lighting District #1.

PROPOSITION 218

In 2001, significant increases in electric charges from PG&E were anticipated and a large increase was proposed in the annual assessments. It was finally determined that any increases over the amounts being assessed when Proposition 218 was approved, were subject to the terms of Proposition 218. A ballot election was held and the proposed increases were rejected by almost 60% of the votes cast. Based upon that result, a public meeting and public hearing was held on the pre-218 assessments based upon the old majority protest procedures. Since there was not a majority protest, the pre-218 assessments were levied.

Due to the current fiscal climate, I again do not recommend that the City attempt another 218 election in order to increase the assessments.

DETERMINATION OF SPECIAL BENEFIT

For this district, being limited to street lighting, the finding of a special benefit is relatively simple. Those properties, occupied and located on a lighted public street, receive a special benefit relative to those properties located on unlit streets. This benefit may be described as additional protection for residents from criminal activity

and, to a lesser extent, vehicular traffic. It should be noted that I am saying that the lights protect the pedestrians from vehicular traffic by increasing the pedestrians' ability to see and not the other way around.

There may be some who would argue that since pedestrians benefit from the additional protection and that some of the pedestrians may be other than the actual residents, a general benefit exists. However, I believe that the number of trips by non-residents would be minuscule compared to the residents' trips and impossible to reasonably quantify.

There are some publicly owned parcels (open space areas) that do have some frontage along lighted public streets. However, since these properties are not occupied, no benefit, either special or general, is received.

Therefore, I can only find that no "general" benefit exists.

DISTRICT IMPROVEMENTS

The district improvements consist of streetlights located on residential streets. The streetlights may be mounted on PG&E poles or on their own poles (either wood, metal or concrete).

ESTIMATED COSTS

Actual PG&E costs for FY 2015-16 will be approximately \$105,500. Based upon expenditures to date, the City's labor, materials and overhead costs should be approximately \$37,744. This represents an increase in anticipated costs of approximately \$5,000 due to overtime and a sign post inspection program.

We are anticipating a small increase in electrical costs to \$108,700 and are projecting increases in overtime and general supplies requiring that the maintenance and administrative budgets be increase to \$34,320.

METHOD OF ASSESSMENT

In detached, single family subdivisions with public streets, the special benefit received from street lights is equal to all the lots, regardless of size, and the assessment should, therefore, be equal for every lot and will be assigned an assessment unit of one.

In those subdivisions with private streets, but served or traversed by public, lit streets, the property owners already pay for a share of their private street lighting and the ratio of lots to the number of public lights is higher than those in subdivisions with all public streets. Therefore, in order to provide an equitable assessment, I have assigned assessment units of one-half to single family and duet subdivisions (Oak Hollow, Black Diamond, and Diablo Pointe) and one-quarter to multifamily subdivisions (Diablo Ridge, Chaparral Springs, Marsh Creek Villas).

See the chart on pages 4 and 5 for a complete breakdown on the assessment units.

STREETLIGHT REPLACEMENT FUNDS

The fund balance at the beginning of FY 2015/16 was approximately \$137,992.

We estimate that the final costs for FY 2015/16 should be approximately \$143,244 and the final income amount should be \$127,791, resulting in a deficit of \$15,453. This deficit will decrease the fund balance to \$122,539 for the beginning of FY 2016/17.

This fund balance will cover the costs of the District until receipt of the first tax payment in December.

PER UNIT ALLOCATION

If we were able to spread the costs strictly by the number of assessment units in the District, we would have the following cost per assessment unit:

Estimated PG&E cost	\$108,700.00
City Maintenance Costs	18,000.00
City Administrative Costs	12,850.00
County Collection of Levy Fee	<u>3,680.00</u>
Total Budget	\$143,230.00
Less Interest Income	<u>(1,800.00)</u>
Net Assessment Required	\$141,430.00
Total Assessment Units	2908.5
Total Assessment Per Unit	<u>\$48.64</u>

However, since we are unable to increase assessments beyond their current level without a ballot election, we recommend that the current assessments remain the same for FY 2016-17 (see table on pages 4 and 5). Based upon the current assessment levels, the District will receive approximately \$125,991.08. Therefore, we are projecting a deficit of approximately \$15,439 in FY 2016-17 which will decrease the Streetlight Replacement Fund balance at the end of FY 2016-17 to \$107,088.

ASSESSMENT HISTORY

Proposed FY 16-17	between \$0 and \$43.54
FY 15-16	between \$0 and \$43.54
FY 14-15	between \$0 and \$43.54
FY 13-14	between \$0 and \$43.54
FY 12-13	between \$0 and \$43.54
FY 11-12	between \$0 and \$43.54
FY 10-11	between \$0 and \$43.54
FY 09-10	between \$0 and \$43.54
FY 08-09	between \$0 and \$43.54
FY 07-08	between \$0 and \$43.54
FY 06-07	between \$0 and \$43.54
FY 05-06	between \$0 and \$43.54
FY 04-05	between \$0 and \$43.54
FY 03-04	between \$0 and \$43.54
FY 02-03	between \$0 and \$43.54
FY 01-02	between \$0 and \$43.54
FY 00-01	\$34.34
FY 99-00	\$33.38
FY 98-99	\$33.38
FY 97-98	\$33.38
FY 96-97	\$43.54

CITY OF CLAYTON**STREETLIGHT ASSESSMENT DISTRICT
FY 2016-17****PROPOSED ASSESSMENTS**

Subd. Name	Subd. No.	No. of Lots	Type	Public Streets	A.U. per lot	Total A.U.	Assessment Per Lot	Total \$
Cardinet Glen I	2556	22	SF	Y	1.00	22.00	\$43.54	\$957.88
Cardinet Glen II	2572	30	SF	Y	1.00	30.00	\$43.54	\$1,306.20
Glen Almond	3434	23	SF	Y	1.00	23.00	\$43.54	\$1,001.42
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Dana Hills X	4019	52	SF	Y	1.00	52.00	\$43.54	\$2,264.08
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St. James Place	4403	16	SF	Y	1.00	16.00	\$43.54	\$696.64
Casey Glen	4449	24	SF	Y	1.00	24.00	\$43.54	\$1,044.96
Briarwood I	4451	19	SF	Y	1.00	19.00	\$43.54	\$827.26
Jeffry Ranch	4499	68	SF	Y	1.00	68.00	\$43.54	\$2,960.72
Dana Ridge	4504	86	MF	N	0.25	21.50	\$15.64	\$1,345.04
Clayton Greens	4515	78	SF	Y	1.00	78.00	\$43.54	\$3,396.12
Regency Woods II	4543	71	SF	Y	1.00	71.00	\$43.54	\$3,091.34
Regency Woods III	4643	37	SF	Y	1.00	37.00	\$43.54	\$1,610.98
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Easley Estates I	4805	48	SF	Y	1.00	48.00	\$43.54	\$2,089.92
Silver Creek I	4827	26	SF	Y	1.00	26.00	\$43.54	\$1,132.04
Silver Creek II	4956	94	SF	Y	1.00	94.00	\$43.54	\$4,092.76
Easley Estates II	5048	51	SF	Y	1.00	51.00	\$43.54	\$2,220.54
Easley Estates III	5049	40	SF	Y	1.00	40.00	\$43.54	\$1,741.60
Easley Estates IV	5050	55	SF	Y	1.00	55.00	\$43.54	\$2,394.70
Douglas Court	5267	9	SF	Y	1.00	9.00	\$43.54	\$391.86

Regency Meadows	5722	96	SF	Y	1.00	96.00	\$43.54	\$4,179.84
Westwood	6001	65	SF	Y	1.00	65.00	\$43.54	\$2,830.10
Westwood	6001	4	MF	Y	0.50	2.00	\$15.64	\$62.56
Windmill Canyon I	6990	92	SF	Y	1.00	92.00	\$43.54	\$4,005.68
Black Diamond I	7065	108	Duet	N	0.50	54.00	\$31.28	\$3,378.24
Chaparral Springs I	7066	117	MF	N	0.25	29.25	\$8.34	\$975.78
Peacock Creek I	7249	69	SF	Y	1.00	69.00	\$33.38	\$2,303.22
Peacock Creek II	7255	72	SF	Y	1.00	72.00	\$33.38	\$2,403.36
Eagle Peak I	7256	70	SF	Y	1.00	70.00	\$43.54	\$3,047.80
Eagle Peak II	7257	60	SF	Y	1.00	60.00	\$43.54	\$2,612.40
Falcon Ridge I	7260	75	SF	Y	1.00	75.00	\$33.38	\$2,503.50
Falcon Ridge II	7261	70	SF	Y	1.00	70.00	\$43.54	\$3,047.80
Windmill Canyon II	7262	99	SF	Y	1.00	99.00	\$43.54	\$4,310.46
Windmill Canyon III	7263	101	SF	Y	1.00	101.00	\$43.54	\$4,397.54
Windmill Canyon IV	7264	102	SF	Y	1.00	102.00	\$33.38	\$3,404.76
Chaparral Springs II	7303	52	MF	N	0.25	13.00	\$8.34	\$433.68
Black Diamond II	7311	118	Duet	N	0.50	59.00	\$31.28	\$3,691.04
Diablo Ridge I	7766	60	MF	N	0.25	15.00	\$8.34	\$500.40
Oak Hollow	7766	35	SF	N	0.50	17.50	\$16.68	\$583.80
Diablo Ridge II	7767	76	MF	N	0.25	19.00	\$8.34	\$633.84
Oak Hollow IIA	7768	55	SF	N	0.50	27.50	\$31.28	\$1,720.40
Oak Hollow IIB	7769	53	SF	N	0.50	26.50	\$31.28	\$1,657.84
Stranahan	7887	54	SF	Y	1.00	54.00	\$33.38	\$1,802.52
Diablo Village	8215	33	SF	Y	1.00	33.00	\$43.54	\$1,436.82
Rachel Ranch	8355	8	SF	Y	1.00	8.00	\$43.54	\$348.32
Bridlewood	8358	19	SF	Y	1.00	19.00	\$43.54	\$827.26
Diablo Pointe	8719	24	SF	N	0.50	12.00	\$22.18	\$532.32
TOTALS		3482				2908.5		\$125,991.08



Agenda Date: 7-19-2016
Agenda Item: 7a



STAFF REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: RICK ANGRISANI, CITY ENGINEER

DATE: JULY 19, 2016

SUBJECT: PUBLIC HEARING ON PROPOSED ASSESSMENTS FOR THE DIABLO ESTATES AT CLAYTON BENEFIT ASSESSMENT DISTRICT (BAD); ORDERING IMPROVEMENTS AND CONFIRMING ASSESSMENTS FOR FY 2016-17

RECOMMENDATION

Open the Public Hearing, receive public comments, close the Public Hearing, and approve the attached Resolution.

BACKGROUND

The City Council, at its May 17th meeting, approved the Engineer's Report dated May 17th, including the proposed assessment amounts which included an allowable 2.7% increase over FY 2015-16 assessments. The majority of the assessments are to pay for the maintenance of various improvements benefiting real property owners within the Diablo Estates at Clayton development. These tasks are included in the property management contract awarded previously to Pinnacle Construction Services. Pinnacle's contract provides for an annual increase each December equal to the increase in the San Francisco – Bay Area CPI.

As required by law, a notice regarding the public hearing was mailed to the property owners. We attached the Engineer's Report to the notice. For the benefit of the residents, the Engineer's Report was expanded to include the expenditures of the District and an accounting of the reserve funds.

Tonight, the City Council will open the required public hearing to hear any comments from the assessed property owners. Upon completion of public testimony, the City Council should close the public hearing. The City Council may then consider any public comments received and proceed to act on this Resolution levying the annual assessments on the real properties within the District for FY 2016-17.

Date: July 19, 2016

Page 2 of 2

FISCAL IMPACT

If the annual assessment is approved as recommended, the City will continue to manage for the maintenance duties specified in the Engineer's Report on behalf of the benefited real property owners.

Should the 2.7% increase not be levied as recommended on the assessments, the automatic CPI increase in the property management contract (Pinnacle) must then be funded by drawing on District reserves. Further, bypassing the allowable CPI increase can never be recouped by the District in the future as each annual increase allowed is strictly limited to that year's adjustment in annual CPI increase.

The BAD fund balance will cover the District's costs until receipt of the first tax payment from the County in December. Therefore, this action will not impact the City's General Fund.

CONCLUSION

Staff recommends the City Council approve this Resolution confirming the levy of assessments within the Diablo Estates at Clayton Benefit Assessment District FY 2016-17.

Attachments: Resolution confirming Assessments [2 pp.]
Notice to Property Owners [1 pg.]
BAD FY 2016-17 Engineer's Report [33 pg.]

RESOLUTION NO. - 2016

A RESOLUTION CONFIRMING ASSESSMENTS FOR THE OPERATION AND MAINTENANCE OF IMPROVEMENTS WITHIN THE DIABLO ESTATES AT CLAYTON BENEFIT ASSESSMENT DISTRICT FOR FISCAL YEAR 2016-17.

**THE CITY COUNCIL
City of Clayton, California**

WHEREAS, by adoption of Resolution No. 24-2016, the Clayton City Council approved the Engineer's Report on the proposed assessment levy for maintaining various improvements within the Diablo Estates at Clayton Benefit Assessment District during fiscal year 2016-17, and set a public hearing thereon for July 19, 2016, to be held at the regular meeting place of the Clayton City Council; and

WHEREAS, notice of said hearing and the adoption of Resolution No. 24-2016 was duly given as required by Section 54954.6 of the Government Code; and

WHEREAS, on July 19, 2016, the City Council held the noticed public hearing on the proposed assessment for the fiscal year 2016-17 and heard and considered all oral statements and written communications made and filed thereon by interested persons;

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Clayton as follows:

1. The City Council hereby orders the levy of an assessment in the amount of \$3,241.00 on each lot within the Diablo Estates at Clayton Benefit Assessment District and this Resolution shall constitute the levy and confirmation of such assessment for fiscal year 2016-17.

2. The City Clerk shall immediately file a certified copy of this resolution, together with any required diagrams and a list of lots so assessed, with both the Tax Collector and the Auditor of Contra Costa County, with the Assessment to thereafter be collected in the same manner as the property taxes are collected.

PASSED, APPROVED and ADOPTED by the City Council of the City of Clayton at a regular public meeting thereof held on July 19, 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON, CA

Howard Geller, Mayor

ATTEST:

Janet Brown, City Clerk

I hereby certify that the foregoing resolution was duly and regularly passed by the City Council of the City of Clayton at a regular public meeting held on July 19, 2016.

Janet Brown, City Clerk

Diablo Estates at Clayton Benefit Assessment District

NOTICE TO PROPERTY OWNERS FOR LEVY OF ASSESSMENT

Reason for Assessment

At the request of the original project developer, Toll Bros., Inc., the City of Clayton City Council ("Council") approved Resolution No. 04-2012 on February 7, 2012, forming the Diablo Estates at Clayton Benefit Assessment District ("District") to fund and to pay for the oversight and maintenance of certain facilities solely benefiting the District such as the stormwater treatment facilities, storm drain collection system, common area landscape and irrigation, private street lighting and weed abatement of natural slope areas, all as described in the original Engineer's Report approved by the Council on March 20, 2012.

Notice

This notice informs you, as a real property owner within the Diablo Estates at Clayton Benefit Assessment District that on May 17, 2016, the Clayton City Council adopted Resolution No. XX-2016 approving an Engineer's Report for FY 2016-17, declaring its intent to levy assessments for fiscal year 2016-17 and setting a public hearing on the issue of the proposed assessments:

PUBLIC HEARING:
Hoyer Hall (Library Meeting Room)

7:00 p.m. July 19, 2016
6125 Clayton Road

Assessment Information

1. Total District Assessment for the fiscal year beginning on July 1, 2016 and ending June 30, 2017: \$80,124.96.
2. Proposed assessment per parcel: The assessment for each parcel is proposed to be \$3,338.54 which includes a 3.0% increase in the existing assessment of \$3,241.00 per year in accordance with the annual increase in the applicable Consumer Price Index (April 2015 - April 2016; San Francisco-Oakland- San Jose, CA MSA – All Urban Consumers), as allowed by property owner balloting in 2012.
3. Duration of assessment: The assessment will be levied annually at the above proposed rate and collected via one's real property tax bill in fiscal year 2016-17. The assessment may only be increased (other than the authorized allowable annual CPI-U increase described above) in the future by approval of a majority of the property owners.
4. Protests: Only one protest per property is allowed. The levying of assessment may not be protested, however, the proposed CPI increase may be protested. If written protests are received at City Hall prior to or at the public hearing from a majority of the properties (13 of 24), the proposed increase in the assessments will not be assessed.
5. Engineer's Report: Attached is a copy of the approved Engineer's Report for fiscal year 2016-17.

Questions

If any questions arise regarding the proposed real property assessments for fiscal year 2016-17, please contact the City Engineer Rick Angrisani: he may be reached at 925.363-7433.

ENGINEER'S REPORT

DATE: MAY 17, 2016
TO: CITY COUNCIL
FROM: CITY ENGINEER
RE: DIABLO ESTATES AT CLAYTON BENEFIT ASSESSMENT DISTRICT FISCAL YEAR 2016-17

This Engineer's Report has been prepared in accordance with the requirements of the Landscaping & Lighting Act of 1972 (Section 22500 et seq. of the Government Code).

HISTORICAL REVIEW

In 2012, at the request of Toll Brothers, the developer of the Diablo Estates at Clayton project (Subd. 8719), the City Council formed the Diablo Estates at Clayton Benefit Assessment District ("District" per Resolution No. 04-2012). The purpose of the District is to generate funds for the maintenance of various improvements constructed as part of the development which solely benefit the real property owner(s). The duties specified in the original Engineer's Report (prepared by SCI Consulting Group, dated March 2012) included maintenance of landscaping and irrigation, weed abatement, storm drainage facilities, and private street lighting. In addition to maintenance, the District is responsible for the repair or replacement of any facilities due vandalism, accidents, or age.

The District was formed under the auspices of the Landscaping and Lighting Act of 1972 (Section 22500 et seq. of the Government Code) and the Benefit Assessment Act of 1982 (Section 54703 et seq. of the Government Code). The initial per lot annual assessment, approved by the property owner (Toll Bros.), was \$3,027.62. The approval also allowed for an annual increase in the assessment amount equal to the annual increase in the Consumer Price Index ("CPI"; San Francisco-Oakland-San Jose CA MSA, All Urban Consumers), not to exceed 4% in any one year.

While the Benefit Assessment Act of 1982 does not require further action prior to the levy of annual assessments, the Landscaping and Lighting Act of 1972 requires the preparation of an Engineer's Report and notice to property owners of a public hearing each year. Since no increase, other than the already authorized and approved CPI increase, is proposed, the provisions of Proposition 218 do not apply.

DETERMINATION OF SPECIAL BENEFIT, METHOD OF ASSESSMENT AND DESCRIPTION OF DISTRICT IMPROVEMENTS

See original Engineer's Report attached hereto and made a part hereof.

ESTIMATED COSTS

The original budget included maintenance and District administrative costs, as well as reserve funds for future replacement of the maintained items. See Attachment 2 for the District's expenditures for FY 2015-16.

The relevant CPI increase for this past year (April 2015 – April 2016) was estimated at 3.0%. Following is a breakdown of the District's FY 2016-17 budgeted costs incorporating the allowable CPI increase:

Item	FY 2015-16 Budget	CPI Increase (3.0%)	FY 2016-17 Budget
District Maintenance:			
Common Area Landscape	\$19,058	\$572	\$19,630
Weed Abatement	\$12,751	\$383	\$13,134
Storm Drain System	\$5,888	\$177	\$6,065
Private Street Lighting	\$1,295	\$39	\$1,334
Sub-Total Maintenance:	\$38,992	\$1,171	\$40,163
District Administration*	\$18,093	\$543	\$18,636
District Reserves	\$20,706	\$621	\$21,327
Total Annual Budget	\$77,791	\$2,335	\$80,126

* Includes Pinnacle Construction property management fees, City Engineer services, legal notices and mailing costs, County collection charges.

RESERVE FUNDS

The fund balance at the end of FY 2015/16 will be approximately \$72,000. This balance will increase to approximately \$91,000 at the end of FY 2016/17. The purpose of the Reserve is for both scheduled and unexpected replacement of the capital investments, per the original Engineer's Report.

See Attachment 1 for a more detailed discussion of the reserve funds and balances.

PER UNIT ALLOCATION

Based upon the proposed budget, the per-unit assessment will be \$3,338.54 (\$80,125.10/24 units).

ASSESSMENT HISTORY

Proposed FY 16-17	\$3,338.54
FY 15-16	\$3,241.00
FY 14-15	\$3,162.00
FY 13-14	\$3,100.26
FY 12-13	\$3,027.62

ATTACHMENT 1
RESERVE FUND ACCOUNTS

**DIABLO ESTATES AT CLAYTON
BENEFIT ASSESSMENT DISTRICT ("District")
RESERVE FUNDS**

The purpose of the various reserve accounts is to insure that the District will have funds available to repair or reconstruct the facilities that are the responsibility of the District.

The fund amounts were established using the initial cost of construction and amortizing them over the anticipated life of the facilities. In addition, there is a general reserve fund set aside to act as a contingency reserve for any of the District's responsibilities.

The funds established are as follows:

ITEM	QUANTITY	UNIT	UNIT COST	TOTAL COST	SERVICE LIFE (YRS)	ANNUAL DEPOSIT
Tree Replacement	33	EA	\$285	\$9,405	40	\$235
Entry Monument Replacement	1	EA	\$4,000	\$4,000	25	\$160
V-ditch Repair/Replacement	2038	LF	\$50	\$101,900	25	\$4,076
Vortsentry Replacement	1	EA	\$100,000	\$100,000	100	\$1,000
Stormwater Basin Replacement*	48	EA	\$2,000	\$96,000	10	\$9,600
CB/MH/SD Pipe Replacement	1	LS	\$79,000	\$79,000	100	\$790
General						\$2,000
				Total**		\$15,861

* Removal and replacement of plants and filter material only

** First year assessment (increase each year by the CPI increase)

Following are reserve analysis sheets showing each year's contribution to the various funds and the current balance of each fund.

**DIABLO ESTATES @ CLAYTON
BENEFIT ASSESSMENT DISTRICT
RESERVE FUNDS ANALYSIS**

FY 2012/13

RESERVE FUNDS - FACILITIES

ITEM	QUANTITY	UNIT	UNIT COST	TOTAL COST	SERVICE LIFE (yrs)	ANNUAL DEPOSIT
Tree Replacement	33	EA	\$ 285.00	\$ 9,405.00	40	\$ 235.13
Entry Monument Replacement	1	EA	\$ 4,000.00	\$ 4,000.00	25	\$ 160.00
V-ditch Repairs	2038	LF	\$ 50.00	\$101,900.00	25	\$ 4,076.00
Vortsentry Replacement	1	EA	\$100,000.00	\$100,000.00	100	\$ 1,000.00
Stormwater Basin Replacement/Repair	48	EA	\$ 2,000.00	\$ 96,000.00	10	\$ 9,600.00
CB/MH/SD Pipe replacement	1	LS	\$ 79,000.00	\$ 79,000.00	100	\$ 790.00
				<u>\$390,305.00</u>		
Total at end at 6/30/13						\$ 15,861.13

RESERVE FUNDS - GENERAL

Annual Total at end at 6/30/13 \$ 2,000.00

FY 2013/14 (2.4% INCREASE)

RESERVE FUNDS - FACILITIES

ITEM	FY 2012/13 ASSESS.	INC.	FY 2013/14 ASSESS.	AMT. PRIOR TO FY 2013/14	AMT. @ END FY 2013/14
Tree Replacement	\$ 235.13	2.40%	\$ 240.77	\$ 235.13	\$ 475.90
Entry Monument Replacement	\$ 160.00	2.40%	\$ 163.84	\$ 160.00	\$ 323.84
V-ditch Repairs	\$ 4,076.00	2.40%	\$ 4,173.82	\$ 4,076.00	\$ 8,249.82
Vortsentry Replacement	\$ 1,000.00	2.40%	\$ 1,024.00	\$ 1,000.00	\$ 2,024.00
Stormwater Basin Replacement/Repair	\$ 9,600.00	2.40%	\$ 9,830.40	\$ 9,600.00	\$ 19,430.40
CB/MH/SD Pipe replacement	\$ 790.00	2.40%	\$ 808.96	\$ 790.00	\$ 1,598.96
Total at end at 6/30/14					\$ 32,102.93

RESERVE FUNDS - GENERAL

Annual \$ 2,000.00 2.40% \$ 2,048.00 \$ 2,000.00 \$ 4,048.00

FY 2014/15 (2.0% INCREASE)

RESERVE FUNDS - FACILITIES

ITEM	FY 2013/14 ASSESS.	INC.	FY 2014/15 ASSESS.	AMT. PRIOR TO FY 2014/15	AMT. @ END FY 2014/15
Tree Replacement	\$ 240.77	2.00%	\$ 245.59	\$ 475.90	\$ 721.49
Entry Monument Replacement	\$ 163.84	2.00%	\$ 167.12	\$ 323.84	\$ 490.96
V-ditch Repairs	\$ 4,173.82	2.00%	\$ 4,257.30	\$ 8,249.82	\$ 12,507.12
Vortsentry Replacement	\$ 1,024.00	2.00%	\$ 1,044.48	\$ 2,024.00	\$ 3,068.48
Stormwater Basin Replacement/Repair	\$ 9,830.40	2.00%	\$ 10,027.01	\$ 19,430.40	\$ 29,457.41
CB/MH/SD Pipe replacement	\$ 808.96	2.00%	\$ 825.14	\$ 1,598.96	\$ 2,424.10
Total at end at 6/30/15					\$ 48,669.55

RESERVE FUNDS - GENERAL

Annual \$ 2,048.00 2.00% \$ 2,088.96 \$ 4,048.00 \$ 6,136.96

FY 2015/16 (2.5% INCREASE)**RESERVE FUNDS - FACILITIES**

ITEM	FY 2014/15 ASSESS.	INC.	FY 2015/16 ASSESS.	AMT.PRIOR TO FY 2015/16	AMT. @ END FY 2015/16
Tree Replacement	\$ 245.59	2.50%	\$ 251.73	\$ 721.49	\$ 973.22
Entry Monument Replacement	\$ 167.12	2.50%	\$ 171.30	\$ 490.96	\$ 662.26
V-ditch Repairs	\$ 4,257.30	2.50%	\$ 4,363.73	\$ 12,507.12	\$ 16,870.85
Vortsentry Replacement	\$ 1,044.48	2.50%	\$ 1,070.59	\$ 3,068.48	\$ 4,139.07
Stormwater Basin Replacement/Repair	\$10,027.01	2.50%	\$ 10,277.69	\$ 29,457.41	\$ 39,735.10
CB/MH/SD Pipe replacement	\$ 825.14	2.50%	\$ 845.77	\$ 2,424.10	\$ 3,269.87
Total at end at 6/30/16					\$ 65,650.37

RESERVE FUNDS - GENERAL

Annual	\$ 2,088.96	2.50%	\$ 2,141.18	\$ 4,048.00	\$ 6,189.18
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FY 2016/17 (3.0 INCREASE - ASSUMED)**RESERVE FUNDS - FACILITIES**

ITEM	FY 2015/16 ASSESS.	INC.	FY 2016/17 ASSESS.	AMT.PRIOR TO FY 2015/16	AMT. @ END FY 2015/16
Tree Replacement	\$ 251.73	3.00%	\$ 259.28	\$ 973.22	\$ 1,232.50
Entry Monument Replacement	\$ 171.30	3.00%	\$ 176.44	\$ 662.26	\$ 838.70
V-ditch Repairs	\$ 4,363.73	3.00%	\$ 4,494.64	\$ 16,870.85	\$ 21,365.49
Vortsentry Replacement	\$ 1,070.59	3.00%	\$ 1,102.71	\$ 4,139.07	\$ 5,241.78
Stormwater Basin Replacement/Repair	\$10,277.69	3.00%	\$ 10,586.02	\$ 39,735.10	\$ 50,321.12
CB/MH/SD Pipe replacement	\$ 845.77	3.00%	\$ 871.14	\$ 3,269.87	\$ 4,141.01
Total at end at 6/30/17					\$ 83,140.60

RESERVE FUNDS - GENERAL

Annual	\$ 2,141.18	3.00%	\$ 2,205.42	\$ 6,189.18	\$ 8,394.60
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ATTACHMENT 2

BAD EXPENDITURES FOR FY 2015-16

City of Clayton

General Ledger Report

Date	Trans.	Journal	Reference	Debit Amount	Credit Amount	Balance
231-7335-00						
Account: 231-7335-00 (Gas & Electricity)						
7/1/2015			<i>Account Beginning Balance</i>			\$0.00
7/29/2015	3495-101	Accounts Payable	PG&E-7/22/15-service 6/23/15-7/21/15	\$10.63		
9/2/2015	3516-296	Accounts Payable	PG&E-8/21/15-Service 7/22/15-8/20/15	\$11.22		
9/28/2015	3529-34	Accounts Payable	PG&E-9/22/15-service 8/21/15-9/21/15	\$11.78		
11/3/2015	3548-422	Accounts Payable	PG&E-10/21/15-service 9/22/15-10/20/15	\$10.72		
1/19/2016	3580-294	Accounts Payable	PG&E-12/21/15-service 11/20/15-12/20/15	\$22.29		
2/2/2016	3586-116	Accounts Payable	PG&E-1/21/16-service 12/21/15-1/20/16	\$11.51		
3/1/2016	3597-47	Accounts Payable	PG&E-service 1/21/16-2/21/16	\$11.95		
4/5/2016	3606-85	Accounts Payable	PG&E-Diablo Estates Electricity 2/22/16-3/21/16	\$10.69		
5/3/2016	3616-504	Accounts Payable	PG&E-Electric/Gas service 3/23/16-4/21/16	\$10.99		
			<i>Account Subtotals</i>	\$111.78	\$0.00	
6/30/2016			<i>Account Net Change</i>			<u>\$111.78</u>
6/30/2016			<i>Account Ending Balance</i>			<u><u>\$111.78</u></u>
231-7338-00						

Account: 231-7338-00 (Water Services)

7/1/2015			<i>Account Beginning Balance</i>		\$0.00
8/12/2015	3496-34	Accounts Payable	CCWD-A787869-irrigation for Diablo Estates BAD, 2 billings	\$675.45	
12/1/2015	3559-46	Accounts Payable	CCWD-C857157-Service, Strat 9/9/15	\$529.53	
3/15/2016	3601-459	Accounts Payable	CCWD-Water, Diablo Estates 11/10/15 & 1/12/16	\$1,220.10	
3/15/2016	3601-183	Accounts Payable	CCWD-Jan-Feb Water for Disblo Estates	\$68.12	
			<i>Account Subtotals</i>	\$2,493.20	\$0.00
6/30/2016			<i>Account Net Change</i>		<u>\$2,493.20</u>
6/30/2016			<i>Account Ending Balance</i>		<u><u>\$2,493.20</u></u>

231-7381-00

Account: 231-7381-00 (Property Tax Admin. Costs)

7/1/2015			<i>Account Beginning Balance</i>		\$0.00
12/21/2015	3572-62	Cash Receipts	Deposit 1321 - Summarized Cash Receipts Receipt	\$148.72	
4/18/2016	3612-65	Cash Receipts	Deposit 1401 - Summarized Cash Receipts Receipt	\$108.16	
			<i>Account Subtotals</i>	\$256.88	\$0.00
6/30/2016			<i>Account Net Change</i>		<u>\$256.88</u>
6/30/2016			<i>Account Ending Balance</i>		<u><u>\$256.88</u></u>

231-7411-00

Account: 231-7411-00 (Professional Services Retainer)

7/1/2015			<i>Account Beginning Balance</i>			\$0.00
8/14/2015	3496-179	Accounts Payable	Best Best & Kreiger -754235-Diablo Estates BAD - July 2015	\$3,130.00		
			<i>Account Subtotals</i>	<u>\$3,130.00</u>	\$0.00	
6/30/2016			<i>Account Net Change</i>			<u>\$3,130.00</u>
6/30/2016			<i>Account Ending Balance</i>			<u><u>\$3,130.00</u></u>
	231-7413-00					

Account: 231-7413-00 (Legal Services)

7/1/2015			<i>Account Beginning Balance</i>			\$0.00
9/28/2015	3529-11	Accounts Payable	Best Best & Kreiger -756021-Diablo Estates BAD, August 201	\$415.00		
			<i>Account Subtotals</i>	<u>\$415.00</u>	\$0.00	
6/30/2016			<i>Account Net Change</i>			<u>\$415.00</u>
6/30/2016			<i>Account Ending Balance</i>			<u><u>\$415.00</u></u>
	231-7419-00					

Account: 231-7419-00 (Other Professional Services)

7/1/2015			<i>Account Beginning Balance</i>			\$0.00
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7/1/2015	3467-98	Accounts Payable	Pinnacle Constructio-2143-Management Services July 2015	\$4,264.10	
7/15/2015	3475-129	Accounts Payable	PERMCO, Inc.-10414-Diablo Estates BAD FY 16 reports	\$150.00	
7/29/2015	3495-105	Accounts Payable	PERMCO, Inc.-10421-engineer's report FY 16	\$900.00	
8/26/2015	3516-71	Accounts Payable	Matrix Association M-1907-Management Services for August 2	\$4,264.10	
8/26/2015	3516-198	Accounts Payable	PERMCO, Inc.-10433-Meeting with homeowners	\$450.00	
10/20/2015	3539-16	Accounts Payable	Matrix Association M-1958-Management services for Septemb	\$4,264.10	
10/20/2015	3539-18	Accounts Payable	Matrix Association M-2106-Management services for October	\$4,264.10	
11/17/2015	3558-335	Accounts Payable	Matrix Association M-2237-Management Services for Novemb	\$4,264.10	
12/15/2015	3568-42	Accounts Payable	Matrix Association M-2393-Management services for Decembe	\$4,264.10	
1/19/2016	3580-232	Accounts Payable	Matrix Association M-2521-management services for January	\$4,375.00	
3/1/2016	3597-188	Accounts Payable	Matrix Associat-management services for February 2016	\$4,375.00	
3/15/2016	3601-508	Accounts Payable	Matrix Associat-March Management services for Diablo Estate	\$4,375.00	
4/19/2016	3613-101	Accounts Payable	Matrix Associat-April Management services for Diablo Estates	\$4,375.00	
5/17/2016	0-21	Accounts Payable	Unposted Accounts Payable Invoice	\$4,375.00	
			<i>Account Subtotals</i>	\$48,959.60	\$0.00

6/30/2016			<i>Account Net Change</i>		\$48,959.60
6/30/2016			<i>Account Ending Balance</i>		\$48,959.60

231-7420-00

Account: 231-7420-00 (Administrative Costs)

7/1/2015			<i>Account Beginning Balance</i>		\$0.00
12/31/2015	3563-47	Journal Entry	Annual stormwater filing fee	\$456.00	
			<i>Account Subtotals</i>	\$456.00	\$0.00
6/30/2016			<i>Account Net Change</i>		\$456.00

6/30/2016

Account Ending Balance

\$456.00

\$55,822.46

ATTACHMENT 3

INITIAL ENGINEER'S REPORT (19 pp)



CITY OF CLAYTON

DIABLO ESTATES AT CLAYTON BENEFIT ASSESSMENT DISTRICT FOR LANDSCAPE AND LIGHTING AND BENEFIT ASSESSMENT

ENGINEER'S REPORT FISCAL YEAR 2012-13

MARCH 2012

PURSUANT TO
THE LANDSCAPING AND LIGHTING ACT OF 1972,
THE BENEFIT ASSESSMENT ACT OF 1982, AND
ARTICLE XIID OF THE CALIFORNIA CONSTITUTION

ENGINEER OF WORK:
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CITY OF CLAYTON

MAYOR

Howard Geller

CITY COUNCIL

Joseph A. Medrano

Julie K. Pierce

David T. Shuey

Hank Stratford

CITY MANAGER

Gary Napper

CITY ENGINEER

Rick Angrisani

CITY ATTORNEY

Malathy Subramanian

CITY CLERK

Laci Jackson

ENGINEER OF WORK

SCI Consulting Group

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INTRODUCTION

BACKGROUND

Formation of the "Diablo Estates at Clayton Benefit Assessment District" (the "Assessment District") within the City of Clayton (the "City") is proposed to provide funding for the maintenance, operation and improvement of the landscaping, street lighting, drainage and stormwater treatment facilities to benefit the properties in the Diablo Estates at Clayton subdivision that forms the Assessment District. The Diablo Estates at Clayton subdivision consists of 24 parcels east of Regency Drive and north of Rialto Drive with an approximate area of 19 acres.

This Engineer's Report (the "Report") was prepared to establish the budget for the services and improvements that would be funded by the proposed 2012-13 assessments and to determine the benefits received from the maintenance and improvements by property within the Assessment District and the method of assessment apportionment to lots and parcels. This Report and the proposed assessments have been made pursuant to the Landscaping and Lighting Act of 1972 and the Benefit Assessment Act of 1982 (the "Acts") and Article XIID of the California Constitution (the "Article").

Following submittal of this Report to the City of Clayton City Council (the "City Council") for preliminary approval, the City Council may call for an assessment ballot proceeding and Public Hearing on the proposed establishment of assessments for the improvements.

If it is determined at the public hearing that the assessment ballots submitted in opposition to the proposed assessments do not exceed the assessment ballots submitted in favor of the assessments (weighted by the proportional financial obligation of the property for which ballots are submitted), the City Council may take action to form the Assessment District and approve the levy of the assessments for fiscal year 2012-13. If the assessments are so confirmed and approved, the levies would be submitted to the County Auditor/Controller in August 2012 for inclusion on the property tax roll for Fiscal Year 2012-13.

LEGISLATIVE ANALYSIS**PROPOSITION 218**

The Right to Vote on Taxes Act was approved by the voters of California on November 6, 1996, and is now Article XIII C and XIII D of the California Constitution. Proposition 218 provides for benefit assessments to be levied to fund the cost of providing services, improvements, as well as maintenance and operation expenses to a public improvement which benefits the assessed property. This Assessment District will be balloted and approved by property owners in accordance with Proposition 218.

SILICON VALLEY TAXPAYERS ASSOC., INC. V SANTA CLARA COUNTY OPEN SPACE AUTHORITY

In July of 2008, the California Supreme Court issued its ruling on the Silicon Valley Taxpayers Association, Inc. vs. Santa Clara County Open Space Authority (SVTA). This ruling is the most significant court case in further legally clarifying the substantive assessment requirements of Proposition 218. Several of the most important elements of the ruling included further emphasis that:

- Benefit assessments are for special benefits to property, not general benefits.
- The services and/or improvements funded by assessments must be clearly defined.
- Assessment districts must be drawn to contain all parcels that receive a special benefit from a proposed public improvement.
- Assessments paid in the assessment district must be proportional to the special benefit received by each such parcel from the improvements and services funded by the assessment.

This Engineer's Report and the process used to establish these proposed assessments for fiscal year 2012/2013 are consistent with the SVTA decision and with the requirements of Article XIII C and XIII D of the California Constitution based on the following factors:

1. The Assessment District is narrowly drawn to include only the properties that receive special benefit from the specific improvements and services. Thus, zones of benefit are not required and the assessment revenue derived from real property in each Assessment District is extended only on the services in the Assessment District.
2. The improvements which are constructed and/or maintained with assessment proceeds in the Assessment District are located in close proximity to the real property subject to the assessment. The improvements and services provide illumination to streets and sidewalks

enabling improved access to the owners, residents, and guests of such assessed property. The proximity of the Improvements to the assessed parcels and the improved access and increased safety provided to of the residents of the assessed parcels by the Improvements provides a special benefit to the parcels being assessed pursuant to the factors outlined by the Supreme Court in that decision.

3. Due to their proximity to the assessed parcels, the Improvements and Services financed with assessment revenues in the Assessment District benefit the properties in the Assessment District in a manner different in kind from the benefit that other parcels of real property in the City derive from such Improvements and Services, and the benefits conferred on such property in the Assessment District are more extensive than a general increase in property values.
4. The assessments paid in the Assessment District are proportional to the special benefit that each parcel within that Assessment District receives from the Services because:
 - a. The specific lighting Improvements and maintenance Services and utility costs thereof in the Assessment District and the costs thereof are specified in this Report; and
 - b. The cost of the Services in the Assessment District is allocated among different types of property located within the Assessment District, and equally among those properties which have similar characteristics, such as single-family residential parcels, multi-family residential parcels, commercial parcels, or industrial parcels.

DAHMS V. DOWNTOWN POMONA PROPERTY

On June 8, 2009, the 4th Court of Appeal amended its original opinion upholding a benefit assessment for property in the downtown area of the City of Pomona. On July 22, 2009, the California Supreme Court denied review. On this date, Dahms became good law and binding precedent for assessments. In Dahms the Court upheld an assessment that was 100% special benefit (i.e. 0% general benefit) on the rationale that the services and improvements funded by the assessments were directly provided to property in the assessment district. The Court also upheld discounts and exemptions from the assessment for certain properties.

BONANDER V. TOWN OF TIBURON

On December 31, 2009, the 1st District Court of Appeal overturned a benefit assessment approved by property owners to pay for placing overhead utility lines underground in an area of

the Town of Tiburon. The Court invalidated the assessments on the grounds that the assessments had been apportioned to assessed property based in part on relative costs within sub-areas of the assessment district instead of proportional special benefits.

BEUTZ V. COUNTY OF RIVERSIDE

On May 26, 2010 the 4th District Court of Appeal issued a decision on the Steven Beutz v. County of Riverside ("Beutz") appeal. This decision overturned an assessment for park maintenance in Wildomar, California, primarily because the general benefits associated with improvements and services were not explicitly calculated, quantified and separated from the special benefits.

COMPLIANCE WITH CURRENT LAW

This Engineer's Report is consistent with the requirements of Article XIII C and XIII D of the California Constitution and with the SVTA decision because the Improvements to be funded are clearly defined; the Improvements are directly available to and will directly benefit property in the Assessment District; and the Improvements and Services provide a direct advantage to property in the Assessment District that would not be received in absence of the Assessments.

This Engineer's Report is consistent with Beutz and Dahms because the Improvements and Services will directly benefit property in the Assessment District and the general benefits have been explicitly calculated and quantified and excluded from the Assessments. The Engineer's Report is consistent with Bonander because the Assessments have been apportioned based on the overall cost of the Improvements and Services and proportional special benefit to each property.

PLANS & SPECIFICATIONS

The work and improvements proposed to be undertaken by the City of Clayton and the Diablo Estates at Clayton Benefit Assessment District (the "Assessment District"), and the costs thereof paid from the levy of the annual assessments, provide special benefit to Assessor Parcels within the Assessment District as defined in the Method of Assessment herein. Consistent with the Landscaping and Lighting Act of 1972 and the Benefit Assessment Act of 1982 (the "Acts"), the work, services and improvements are generally described as follows:

Maintenance and servicing of public improvements, including but not limited to, storm drain system, landscaping and lighting and all necessary appurtenances, and labor, materials, supplies, utilities and equipment, and incidental costs as applicable, for property within the Assessment District that is owned or maintained by the City of Clayton (the "Improvements"). Any plans and specifications for these improvements will be filed with the City Engineer of the City of Clayton and are incorporated herein by reference. More specifically the improvements and associated plans are the storm drain system in the Improvement Plans, Diablo Pointe by David Evans and Associates Inc., the lighting in the Joint Trench Composite Plan, Diablo Pointe by Lighthouse Design Inc., and the shared landscaping, fencing, irrigation and entry monument in the Diablo Estates at Clayton Landscape Improvements plan by Thomas Bank and Associates LLP.

As applied herein, "maintenance" means the furnishing of services and materials for the ordinary and usual maintenance, operation and servicing of any improvement, including repair, removal or replacement of all or any part of any improvement; providing for the life, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury; the removal of trimmings, rubbish, debris, and other solid waste; the cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti; the cleaning and replacement of storm drain pipes, drop inlets, catch basins and manholes.

"Servicing" means the cost of maintaining any facility used to provide any service, the furnishing of electric current, or energy, gas or other illuminating agent for any public lighting facilities or for the lighting or operation of any other improvements; or water for the irrigation of any landscaping, or the maintenance of any other improvements.

The figure shown below displays the improvements, maintenance, replacement costs and services to be provided with the Diablo Estates at Clayton Benefit Assessment District.

FIGURE 1 – SUMMARY OF ESTIMATED ANNUAL COSTS FOR DIABLO ESTATES AT CLAYTON

CITY OF CLAYTON Diablo Estates at Clayton Benefit Assessment District Summary of Estimated Annual Cost Fiscal Year 2012-13	
Installation, Maintenance & Servicing Costs	
Common Landscaping	\$19,426.99
Weed Abatement (On-lot)	\$11,910.00
Storm Drain System	\$27,966.00
Street Lighting	\$1,460.00
Subtotal - Installation, Maintenance and Servicing	\$60,762.99
Incidental Expenses and Administration Costs	\$11,900.00
Totals for Installation, Maintenance, Servicing and Incidentals	\$72,662.99
Net Cost of Maintenance, Servicing and Incidentals (Net Amount to be Assessed)	\$72,662.99
Budget Allocation to Property	
Total Assessment Budget	\$72,662.99
Single Family Equivalent Benefit Units	24
Assessment per Single Family Equivalent Unit	\$3,027.62

ESTIMATE OF COST AND BUDGET – FISCAL YEAR 2012-13

FIGURE 2 – COST ESTIMATE BREAKDOWN FOR DIABLO ESTATES AT CLAYTON

CITY OF CLAYTON
Diablo Estates at Clayton Benefit Assessment District
Estimate of Maintenance, Replacement, and Administrative Costs

Item	Units	Unit Cost	Service Life (years)	Annual Cost	Annual Cost per Lot
Common Landscaping					
Landscape Maintenance	24,600 SF	\$0.30		\$7,380.00	
Landscape Replacement	24,600 SF	\$0.05		\$1,230.00	
Tree Maintenance	33 EA	\$95.00		\$3,135.00	
Tree Replacement - Materials	33 EA	\$265.00	40	\$235.13	
Water Usage	1,476 100CF	\$2.86		\$4,221.36	
Meter Charges	12 Mo	\$51.00		\$612.00	
Irrigation Maintenance & Repair	24,600 SF	\$0.03		\$738.00	
Fence Maintenance & Repair	1,870 LF	\$0.95		\$1,215.50	
Entry Monument Maintenance	1 EA	\$500.00		\$500.00	
Entry Monument Repair	1 LF	\$4,000.00	25	\$160.00	
				\$19,426.99	\$809.46
Weed Abatement (On-lot)					
Weed Abatement	397,000 SF	\$0.03		\$11,910.00	
				\$11,910.00	\$496.25
Storm Drain System					
Ditch - debris removal & maint	1 LS	\$1,000.00		\$1,000.00	
Ditch Repair	2,038 LF	\$50.00	25	\$4,076.00	
Vorsentry Maintenance	1 LS	\$1,500.00		\$1,500.00	
Vorsentry Replacement	1 LS	\$100,000.00	100	\$1,000.00	
Bio-Retention Basin Maintenance*	48 EA	\$		\$0.00	
Bio-Retention Basin Replacement	48 EA	\$2,000.00	10	\$9,600.00	
Stormwater Reporting Fee	1 LS	\$5,000.00		\$5,000.00	
Annual City Report Fee	1 LS	\$2,000.00		\$2,000.00	
Catch Basin/Manhole Cleaning	15 EA	\$200.00		\$3,000.00	
CBMH/pipe repair	1 LS	\$79,000.00	100	\$790.00	
				\$27,966.00	\$1,165.25
Street Lighting					
Maintenance and Repair	1 LS	\$500.00		\$500.00	
Electricity	4 EA	\$240.00		\$960.00	
				\$1,460.00	\$60.83
Annual Administration					
Property Manager	12 Mo	\$600.00		\$7,200.00	
Annual City Engineer Services	1 LS	\$2,500.00		\$2,500.00	
Legal Notice/Mailing	1 LS	\$100.00		\$100.00	
County Collection	1 LS	\$100.00		\$100.00	
General Reserve	1 LS	\$2,000.00		\$2,000.00	
				\$11,900.00	\$495.83
Total				\$72,662.99	\$3,027.62
	Number of Lots:			24	
	Cost per Lot			\$3,027.62	

* homeowner responsibility

**assumes coverage with Toll Brothers, Inc. for 5 year maintenance period

Unit costs per direction of City of Clayton City Engineer

METHOD OF APPORTIONMENT

METHOD OF APPORTIONMENT

This section of the Engineer's Report includes an explanation of the benefits to be derived from the installation, maintenance and servicing of improvements and the methodology used to apportion the total assessment to properties within the Assessment District.

The Diablo Estates at Clayton Benefit Assessment District consists of all Assessor Parcels within the boundaries as defined by the Assessment Diagram included within this Report and the Assessor Parcel Numbers listed within the included Assessment Roll. The method used for apportioning the assessments is based upon the proportional special benefits to be derived by the properties in the Diablo Estates at Clayton Benefit Assessment District over and above general benefits conferred on real property or to the public at large. The apportionment of special benefit is a two step process: the first step is to identify the types of special benefit arising from the Improvements, and the second step is to allocate the assessments to property based on the estimated relative special benefit for each type of property.

DISCUSSION OF BENEFIT

In summary, the assessments can only be levied based on the special benefit to property. This benefit is received by property over and above any general benefits. Moreover, such benefit is not based on any one property owner's use of the District's storm drain system, streets and sidewalks, corridor landscaping, lighting, or a property owner's specific demographic status. With reference to the requirements for assessments, Section 22573 of the Landscaping and Lighting Act of 1972 states:

"The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the Improvements."

The Benefit Assessment Act of 1982 states in Government Code Section 54711:

"The amount of the assessment imposed on any parcel of property shall be related to the benefit to the parcel which will be derived from the provision of service"

Proposition 218, as codified in Article XIID of the California Constitution, has confirmed that assessments must be based on the special benefit to property:

"No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."

The following benefit categories summarize the types of special benefit to residential, commercial, industrial and other lots and parcels resulting from the installation, maintenance and servicing of the Improvements to be provided with the assessment proceeds. These categories of special benefit are derived in part from the statutes passed by the California Legislature and other studies which describe the types of special benefit received by property from the installation, maintenance and servicing of improvements such as those proposed by the City of Clayton and the Diablo Estates at Clayton Benefit Assessment District. These types of special benefit are summarized as follows:

- Creation of individual lots for residential use that, in absence of the services and improvements to be funded by the assessments, would not be created.
- Improved utility and usability of property
- Improved safety and security lighting for property
- Enhanced visual experience, and desirability of the area.
- Protection of views, scenery and other resources values and environmental benefits enjoyed by residents and guests and preservation of public assets maintained by the City
- Moderation of temperatures, dust control, and other environmental benefits.

These benefit factors, when applied to property in the Assessment District, specifically increase the utility of the property within the Assessment District. For example, the assessments will provide funding to maintain lighting that improves safety and access to the property after dark and landscaping that provides visual and environmental benefits to the properties within the Assessment District. Such improved and well-maintained public facilities enhance the overall usability, quality, desirability and safety of the properties. Moreover, funding for the maintenance and servicing of such public facilities is a condition of development of Diablo Estates at Clayton that is needed to mitigate the negative impacts of this development on the City. Without the Assessment District, this condition of development would not be satisfied, which could affect the approval of new homes on the property. This is another special benefit to the properties in the Assessment District.

GENERAL VERSUS SPECIAL BENEFIT

The proceeds from the Diablo Estates at Clayton Benefit Assessment District would be used to fund improvements and increased levels of maintenance to the public facilities that serve and benefit the properties in the Assessment District. In absence of the Diablo Estates at Clayton Benefit Assessment District, such Improvements would not be properly maintained. Therefore, the Assessment District is specifically proposed to ensure that the necessary and beneficial public facilities for property in the Assessment District are properly maintained and repaired over time. The assessments will ensure that landscaping and street lighting within and adjacent to the Assessment District are functional, well maintained, clean and safe. These public resources directly benefit the property in the Assessment District and will confer distinct and special benefits to the properties within the Assessment District.

In absence of the assessments, a condition of development would not be met and future home construction in the Assessment District could be denied. The creation of residential lots and the approval for the construction of homes in Diablo Estates at Clayton is the overriding clear and distinct special benefit conferred on exclusively on property in the Assessment District and not enjoyed by other properties outside the Assessment District. Moreover, benefits to the public at large, if any, will be offset by benefits residents within the Assessment District receive from the use of other similar public facilities not funded by the Assessment District. Therefore, the assessments solely provide special benefit to property in the Assessment District (100% special benefit) over and above the general benefits conferred to the public at large or properties outside the Assessment District.

METHOD OF ASSESSMENT

This process of apportioning assessments for each property involves determining the relative benefit received by each property in relation to a single family home, or, in other words, on the basis of Single Family Equivalent dwelling units (SFE). This SFE methodology is commonly used to distribute assessments in proportion to estimated special benefit and is generally recognized as providing the basis for a fair and appropriate distribution of assessments. For the purposes of this Engineer's Report, all properties are designated an SFE value, which is each property's relative benefit in relation to a single family home on one parcel. In this case, the "benchmark" property is the single family detached dwelling which is one Single Family Equivalent unit or one SFE.

ASSESSMENT APPORTIONMENT

The proposed assessments for the Diablo Estates at Clayton Benefit Assessment District would provide direct and special benefit to properties in the Assessment District. Diablo Estates at Clayton is a residential single family development project consisting of a total of 24 single family homes, each on a separate parcel. As such, each residential property receives similar benefit from the proposed Improvements. Therefore, the Engineer has determined that the appropriate method of apportionment of the benefits derived by all parcels is on a dwelling unit or single family residence basis. All improved properties or properties proposed for development are assigned an SFE factor equal to the number of dwelling units developed or planned for the property. In other words, developed parcels and vacant parcels with proposed development will be assessed 1 SFE. The assessments are listed on the Assessment Roll in Appendix A.

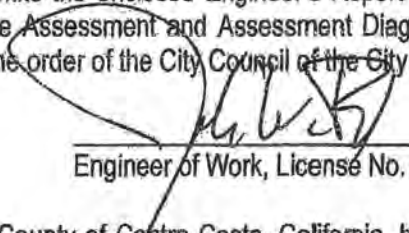
APPEALS AND INTERPRETATION

Any property owner who feels that the assessment levied on the subject property is in error as a result of incorrect information being used to apply the foregoing method of assessment, may file a written appeal with the City of Clayton City Engineer or his or her designee. Any such appeal is limited to correction of an assessment during the then current or, if before July 1, the upcoming fiscal year. Upon the filing of any such appeal, the City of Clayton City Engineer or his or her designee will promptly review the appeal and any information provided by the property owner. If the City of Clayton City Engineer or his or her designee finds that the assessment should be modified, the appropriate changes shall be made to the assessment roll. If any such changes are approved after the assessment roll has been filed with the County for collection, the City of Clayton City Engineer or his or her designee is authorized to refund to the property owner the amount of any approved reduction. Any property owner who disagrees with the decision of the City of Clayton City Engineer or her or his designee may refer their appeal to the City Council of the City of Clayton and the decision of the City Council of the City of Clayton shall be final.

CERTIFICATES

DIABLO ESTATES AT CLAYTON BENEFIT ASSESSMENT DISTRICT

1. The undersigned respectfully submits the enclosed Engineer's Report and does hereby certify that this Engineer's Report, and the Assessment and Assessment Diagram herein, have been prepared by me in accordance with the order of the City Council of the City of Clayton.



Engineer of Work, License No. C052091

2. I, the City Clerk, City of Clayton, County of Contra Costa, California, hereby certify that the enclosed Engineer's Report, together with the Assessment and Assessment Diagram thereto attached, was filed and recorded with me on March 14, 2012.



City Clerk

3. I, the City Clerk, City of Clayton, County of Contra Costa, California, hereby certify that the Assessment in this Engineer's Report was approved and confirmed by the City Council on _____, 2012, by Resolution No. _____

City Clerk

4. I, the City Clerk of the City of Clayton, County of Contra Costa, California, hereby certify that a copy of the Assessment and Assessment Diagram was filed in the office of the County Auditor of the County of Contra Costa, California, on _____, 2012.

City Clerk

5. I, the County Auditor of the County of Contra Costa, California, hereby certify that a copy of the Assessment Roll and Assessment Diagram for fiscal year 2012-13 was filed with me on _____, 2012.

County Auditor, County of Contra Costa

And I do hereby assess and apportion said net amount of the cost and expenses of said Improvements, including the costs and expenses incident thereto, upon the parcels and lots of land within said Diablo Estates at Clayton Benefit Assessment District in accordance with the special benefits to be received by each parcel or lot from the Improvements, and more particularly set forth in the Cost Estimate and Method of Assessment hereto attached and by reference made a part hereof.

The assessments are made upon the parcels or lots of land within the Diablo Estates at Clayton Benefit Assessment District in proportion to the special benefits to be received by the parcels or lots of land, from said Improvements.

The assessments are subject to an annual adjustment tied to the Consumer Price Index for Urban Consumers (CPI-U) for the San Francisco Bay Area as of April of each succeeding year, with the maximum annual adjustment not to exceed 4%. In the event that the annual change in the CPI exceeds 4%, any percentage change in excess of 4% can be cumulatively reserved and can be added to the annual change in the CPI for years in which the CPI change is less than 4%.

Each parcel or lot of land is described in the Assessment Roll by reference to its parcel number as shown on the Assessor's Maps of the County of Contra Costa for the fiscal year 2012-13. For a more particular description of said property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of said County.

I hereby place opposite the Assessor Parcel Number for each parcel or lot within the Assessment Rolls, the amount of the assessment for the fiscal year 2012-13 for each parcel or lot of land within the said Diablo Estates at Clayton Benefit Assessment District.

Dated: March 6, 2012



Engineer of Work

By [Signature]
John W. Bliss, License No. C052091

ASSESSMENT

WHEREAS, the undersigned Engineer of Work has prepared and filed a report presenting an estimate of costs, a diagram for the assessment districts and an assessment of the estimated costs of the Improvements upon all assessable parcels within the assessment district;

NOW, THEREFORE, the undersigned, by virtue of the power vested in me under said Acts and the order of the City Council of the City of Clayton, hereby make the following assessment to cover the portion of the estimated cost of said Improvements, and the costs and expenses incidental thereto to be paid by the assessment district.

The amounts to be paid for said Improvements and the expense incidental thereto, to be paid by the Diablo Estates at Clayton Benefit Assessment District for the fiscal year 2012-13, are generally as follows:

FIGURE 3 – SUMMARY COST ESTIMATES – FISCAL YEAR 2012-13

CITY OF CLAYTON	
Diablo Estates at Clayton Benefit Assessment District	
Summary Cost Estimate FY 2012-13	
Installation, Maintenance & Servicing Costs	\$60,763
Incidental Costs	\$11,900
Total Budget	\$72,663
<hr/>	
Budget to Assessment	
Total Budget	\$72,663
Total SFE Units	24
Rate per SFE Unit	\$3,027.62

As required by the Acts, an Assessment Diagram is hereto attached and made a part hereof showing the exterior boundaries of said Diablo Estates at Clayton Benefit Assessment District. The distinctive number of each parcel or lot of land in said Diablo Estates at Clayton Benefit Assessment District is its Assessor Parcel Number appearing on the Assessment Roll.

ASSESSMENT DIAGRAM

The boundaries of the Diablo Estates at Clayton Benefit Assessment District are displayed on the following Assessment Diagram.

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF CLAYTON, COUNTY OF CONTRA COSTA, CALIFORNIA. THIS _____ DAY OF _____, 2012.

LACI JACKSON, CITY CLERK
CITY OF CLAYTON
STATE OF CALIFORNIA

RECORDED IN THE OFFICE OF THE SUPERINTENDENT OF STREETS, CITY OF CLAYTON, COUNTY OF CONTRA COSTA, CALIFORNIA. THIS _____ DAY OF _____, 2012.

RICK ANGRISANI, SUPERINTENDENT OF STREETS
CITY OF CLAYTON
STATE OF CALIFORNIA

AN ASSESSMENT WAS LEVIED BY THE CITY COUNCIL OF THE CITY OF CLAYTON ON THE LOTS, PIECES AND PARCELS OF LAND SHOWN ON THIS ASSESSMENT DIAGRAM THE ASSESSMENT WAS LEVIED ON THE _____ DAY OF _____, 2012; THE ASSESSMENT DIAGRAM AND THE ASSESSMENT ROLL WERE RECORDED IN THE OFFICE OF THE SUPERINTENDENT OF STREETS OF THE CITY ON THE _____ DAY OF _____, 2012. REFERENCE IS MADE TO THE RECORDED ASSESSMENT ROLL, RECORDED IN THE OFFICE OF SUPERINTENDENT OF STREETS FOR THE EXACT AMOUNT OF EACH ASSESSMENT LEVIED AGAINST EACH PARCEL OF LAND SHOWN ON THIS ASSESSMENT DIAGRAM.

LACI JACKSON, CITY CLERK
CITY OF CLAYTON
STATE OF CALIFORNIA

FILED THIS _____ DAY OF _____, 2012, AT THE HOUR OF _____ M. IN BOOK _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICT AT PAGE _____, IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA.

COUNTY RECORDER,
COUNTY OF CONTRA COSTA
STATE OF CALIFORNIA

DEPUTY COUNTY RECORDER

**Assessment Diagram
Diablo Estates at Clayton
Benefit Assessment District
Clayton, Contra Costa County, State of California**

Note:
REFERENCE IS HEREBY MADE TO THE MAPS AND DEEDS OF RECORD IN THE OFFICE OF THE ASSESSOR OF THE COUNTY OF CONTRA COSTA FOR A DETAILED DESCRIPTION OF THE LINES AND DIMENSIONS OF ANY PARCELS SHOWN HEREIN. THOSE MAPS SHALL GOVERN FOR ALL DETAILS CONCERNING THE LINES AND DIMENSIONS OF SUCH PARCELS. EACH PARCEL IS IDENTIFIED IN SAID MAPS BY ITS DISTINCTIVE ASSESSOR'S PARCEL NUMBER.

SCI Consulting Group
4745 Mungata Boulevard
Fairfield, CA 94534
(707) 430-4300

APPENDICES

APPENDIX A – ASSESSMENT ROLL, FISCAL YEAR 2012-13

An Assessment Roll (a listing of all parcels assessed within the Assessment District and the amount of the assessment) will be filed with the City Clerk and is, by reference, made part of this Report and is available for public inspection during normal office hours.

Each lot or parcel listed on the Assessment Roll is shown and illustrated on the latest County Assessor records and these records are, by reference made part of this Report. These records shall govern for all details concerning the description of the lots or parcels.

FIGURE 4 – ASSESSMENT ROLL

CITY OF CLAYTON
Diablo Estates at Clayton Assessment District
Assessment Roll

PARCEL NUMBER	OWNER	SITUS	SFE Units	ASSESSMENT
119-630-001	TOLL CA XIX L P	27 SEMINARY RIDGE PL CLAYTON CA 94517	1	\$3,027.62
119-630-002	TOLL CA XIX L P	26 SEMINARY RIDGE PL CLAYTON CA 94517	1	\$3,027.62
119-630-003	TOLL CA XIX L P	22 SEMINARY RIDGE PL CLAYTON CA 94517	1	\$3,027.62
119-630-004	TOLL CA XIX L P	18 SEMINARY RIDGE PL CLAYTON CA 94517	1	\$3,027.62
119-630-005	TOLL CA XIX L P	14 SEMINARY RIDGE PL CLAYTON CA 94517	1	\$3,027.62
119-630-006	TOLL CA XIX L P	10 SEMINARY RIDGE PL CLAYTON CA 94517	1	\$3,027.62
119-630-007	TOLL CA XIX L P	9 SEMINARY RIDGE PL CLAYTON CA 94517	1	\$3,027.62
119-630-008	TOLL CA XIX L P	15 SEMINARY RIDGE PL CLAYTON CA 94517	1	\$3,027.62
119-630-009	TOLL CA XIX L P	19 SEMINARY RIDGE PL CLAYTON CA 94517	1	\$3,027.62
119-630-010	TOLL CA XIX L P	23 SEMINARY RIDGE PL CLAYTON CA 94517	1	\$3,027.62
119-640-001	TOLL CA XIX L P	6 SEMINARY RIDGE PL CLAYTON CA 94517	1	\$3,027.62
119-640-004	TOLL CA XIX L P	7 PROMONTORY PL CLAYTON CA 94517	1	\$3,027.62
119-640-010	TOLL CA XIX L P	16 PROMONTORY PL CLAYTON CA 94517	1	\$3,027.62
119-640-011	TOLL CA XIX L P	12 PROMONTORY PL CLAYTON CA 94517	1	\$3,027.62
119-640-012	TOLL CA XIX L P	8 PROMONTORY PL CLAYTON CA 94517	1	\$3,027.62
119-640-013	TOLL CA XIX L P	4 PROMONTORY PL CLAYTON CA 94517	1	\$3,027.62
119-640-014	TOLL CA XIX L P	5 SEMINARY RIDGE PL CLAYTON CA 94517	1	\$3,027.62
119-640-016	TOLL CA XIX L P	2 SEMINARY RIDGE PL CLAYTON CA 94517	1	\$3,027.62
119-640-017	TOLL CA XIX L P	3 SEMINARY RIDGE PL CLAYTON CA 94517	1	\$3,027.62
119-640-018	TOLL CA XIX L P	11 PROMONTORY PL CLAYTON CA 94517	1	\$3,027.62
119-640-019	TOLL CA XIX L P	17 PROMONTORY PL CLAYTON CA 94517	1	\$3,027.62
119-640-020	TOLL CA XIX L P	21 PROMONTORY PL CLAYTON CA 94517	1	\$3,027.62
119-640-021	TOLL CA XIX L P	24 PROMONTORY PL CLAYTON CA 94517	1	\$3,027.62
119-640-022	TOLL CA XIX L P	20 PROMONTORY PL CLAYTON CA 94517	1	\$3,027.62
			24	\$72,662.88



Approved: 
Gary A. Napper
City Manager

STAFF REPORT

TO: HONORABLE MAYOR AND COUNCIL MEMBERS
FROM: MINDY GENTRY, COMMUNITY DEVELOPMENT DIRECTOR *MG*
DATE: JULY 19, 2016
SUBJECT: Compliance with City 2015-2023 Housing Element and Recent State Laws: General Plan Amendment to Increase the Minimum Density of the Multifamily High Density Land Use Designation and Ordinances to Amend Various Chapters of Title 17 of the Clayton Municipal Code Pertaining to Density Bonuses, Transitional and Supportive Housing, Employee Housing, and Requiring Projects to Meet the Minimum Density in Multiple Family Residential Zoning Designations (M-R, M-R-M, and M-R-H) (GPA-01-16, ZOA-04-15, ZOA-03-16, ZOA-04-16, ZOA-05-16, and ZOA-06-16)

RECOMMENDATIONS

It is recommended the City Council consider all information provided and submitted, and take and consider all public testimony and, if determined to be appropriate, take the following actions:

1. Motion to approve the Resolution amending the General Plan to increase the minimum density in the Multifamily High Density land use designation from 15.1 to 20 dwelling units per acre to 20 units per acre (GPA-01-16) (**Attachment 1**).
- 2a. Motion to have the City Clerk read the Ordinance No. 463 by title and number only and waive further reading; and
- 2b. Following the City Clerk's reading, by motion approve Ordinance No. 463 for Introduction, requiring projects to meet the minimum density in compliance with the General Plan land use designations in Multiple Family Residential Districts (M-R, M-R-M, and M-R-H) (ZOA-04-16) (**Attachment 2**).

- 3a. Motion to have the City Clerk read the Ordinance No. 464 by title and number only and waive further reading; and
- 3b. Following the City Clerk's reading, by motion approve Ordinance No. 464 for Introduction, adding inclusionary housing regulations (ZOA-04-15) (**Attachment 3**).
- 4a. Motion to have the City Clerk read the Ordinance No. 465 by title and number only and waive further reading; and
- 4b. Following the City Clerk's reading, by motion approve Ordinance No. 465 for Introduction, permitting transitional and supportive housing in the Limited Commercial (LC) District (ZOA-05-16) (**Attachment 4**).
- 5a. Motion to have the City Clerk read the Ordinance No. 466 by title and number only and waive further reading; and
- 5b. Following the City Clerk's reading, by motion approve Ordinance No. 466 for Introduction, allowing employee housing of six or fewer by right within residential zones (ZOA-03-16) (**Attachment 5**).
- 6a. Motion to have the City Clerk read the Ordinance No. 467 by title and number only and waive further reading; and
- 6b. Following the City Clerk's reading, by motion approve Ordinance No. 467 for Introduction, updating the density bonus requirements to be compliant with AB 2222 and AB 744 (ZOA-06-16) (**Attachment 6**).

BACKGROUND

On June 28, 2016, the Planning Commission conducted a noticed public hearing and considered the subject General Plan amendment and Ordinances. At the meeting and during the public comment periods, members from the public spoke regarding their concerns about the proposed amendments citing concerns about traffic, crime, and the higher density housing. Staff also received the attached email regarding the opposition to higher density housing adjacent to downtown (**Attachment 7**). Following questions and a discussion, the Planning Commission passed six Resolutions recommending the City Council approve the General Plan amendment and approve the five proposed Ordinances for Introduction and First Reading (**Attachment 8**).

State law and state public policies have long recognized the vital role local governments play in facilitating the supply and affordability of housing; therefore each local government in California is required to have a General Plan to guide the physical development of the city. The Housing Element is one of the seven mandated elements that must be included within each city's General Plan. The Housing Element is subjected to statutory requirements and a mandatory review by the State's Department of Housing and Community Development (HCD). The laws governing Housing Elements require all jurisdictions to adequately plan to

meet their existing and projected housing needs. The laws focused around the Housing Element are the State's primary market-based strategy to increase the housing supply, affordability, and choice.

On November 18, 2014, the City Council approved the City's 2015-2023 Housing Element, which is available on the City's website at: http://ci.clayton.ca.us/?page_id=150 or it can be viewed at the City of Clayton Community Development Department, which is located at City Hall, 6000 Heritage Trail (**Attachment 9**). The City's 2015-2023 Housing Element contains goals, policies, and implementation measures that are not only important to the City, but must also be put into effect in order for the City to be compliant with, and remain in compliance with, State law. The subject General Plan amendment and the proposed Ordinances, except for the Ordinance pertaining to the density bonus regulations, are in response to the identified goals, policies, and the implementation measures that are contained within the 2015-2023 Housing Element. HCD's certification of the City's Housing Element was "conditional", relying on the City's stated intent to enact these local measures. The update to the density bonus regulations would merely make the City's zoning ordinance in compliance with State law following the passage of AB 2222 and AB 744.

ENVIRONMENTAL

Adoption of the Ordinance pertaining to the density bonus regulations (ZOA-06-16) is not subject to California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15060(c)(3) because this activity is not a project as defined by Section 15378 of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, and pursuant to CEQA Guidelines Section 15061(b)(3) it can be seen with certainty that this activity will not have a significant effect or physical change to the environment.

Approval of the General Plan amendment (GPA-01-16) and adoption of the remaining Ordinances (ZOA-04-15, ZOA-03-16, ZOA-04-16, ZOA-05-16, ZOA-06-16) will not result in a significant adverse environmental impact as these changes were considered as part of the November 18, 2014 City Council adoption of the IS/ND for the 2015-2023 Housing Element, which was prepared pursuant to the California Environmental Quality Act (CEQA). The IS/ND concluded there is no substantial evidence to suggest the 2015-2023 Housing Element document would have a significant effect on the environment and anticipated impacts have not changed nor is there new information that would alter those findings.

DISCUSSION

HOUSING ELEMENT IMPLEMENTATION

Density Increase of Multifamily High Density Designation (GPA-01-16, ZOA-04-16)

California state law Government Code Section 65583.2(c)(3)(B)(iii) requires suburban jurisdictions to establish a land use designation with a minimum density of 20 dwelling units per acre in order to accommodate lower income households. Therefore, the City, in

its 2015-2023 Housing Element established Goal 1, which was to provide adequate sites and promote the development of new housing to accommodate Clayton's fair share housing allocation. Under Goal 1, Policy I.1 states "The City shall designate and zone sufficient land to accommodate Clayton's projected fair share housing allocation (RHNA) as determined by the Association of Bay Area Governments."

In order for the City to be compliant with State law and in order to execute the City's Housing Element's aforementioned Goal 1 and Policy I.1, Implementation Measure I.1.2 was adopted. The Implementation Measure states the City will amend its Multifamily High Density (MHD) General Plan land use designation to meet the State requirements of a minimum of 20 units to the acre. This minimum density is specifically for sites rezoned to accommodate the City's lower-income RHNA from 2007-2014 planning period, to specifically allow multifamily housing by-right at a minimum density of 20 units per acre. The 2015-2023 Housing Element identified January 31, 2016 as the timeframe this Implementation Measure would be in place (**Attachment 10**).

The Multifamily High Density (MHD) General Plan land use designation is found in two locations within the City. There is a cluster of six parcels adjacent to the Town Center area, mostly fronting onto (old) Marsh Creek Road. The other location consists of two parcels: 1) the old fire station building located on Clayton Road; and 2) an adjacent parcel fronting onto (south) Mitchell Canyon Road (**Attachment 11**).

The attached Resolution (**Attachment 1**) is proposing the City Council approve a General Plan amendment to change the density of the City's Multifamily High Density designation from 15.1 to 20 units per acre to a minimum of 20 units per acre as required by State law. The companion Ordinance (No. 463) to the General Plan amendment would amend the Clayton Municipal Code to require projects within the Multiple Family Residential Districts to meet the minimum density requirements (**Attachment 2**). This amendment to the Municipal Code would ensure the minimum density is met, again ensuring compliance with State law. The implementation of the General Plan amendment and the companion Ordinance to require the minimum density would fulfill the City's requirement to meet State law as well as allowing the City to successfully implement its own Housing Element.

Inclusionary Housing (ZOA-04-15)

State law requires that local governments identify and plan for the existing and projected housing needs of all economic segments of the community in their Housing Elements. The law acknowledges that, in order for the private market to adequately address housing needs and demand, local governments must adopt land use plans and regulatory systems that provide opportunities for, and do not unduly constrain, housing development of all types and variations.

State law requires that the State Department of Housing and Community Development (HCD) forecast statewide housing needs and allocate the anticipated need to regions

throughout the state. For the Bay Area, HCD provides the regional need to the Association of Bay Area Governments (ABAG), which then distributes the Regional Housing Needs Assessment (RHNA) to the cities and counties within the ABAG region. ABAG allocates housing production goals for cities and counties based on their projected share of the region's household growth, the state of the local housing market and vacancies, and the jurisdiction's housing replacement needs.

For the 2014-2022 projection period, ABAG has allocated the City of Clayton a total of 141 units which are broken down as follows by income category: 51 extremely low- and very low-income units, 25 low-income units, 31 moderate-income units, and 34 above moderate-income units. Given the City's RHNA allocation and the State legislature's push for local governments to identify actions that will make sites available for affordable housing as well as assist in the development of such housing, the City identified a goal to provide for adequate sites and promote the development of new housing to accommodate Clayton's fair share housing allocation. The City also adopted Policy I.2, which states "The City shall actively support and participate in the development of extremely low-, very low-, low-, and moderate-income housing to meet Clayton's fair share housing allocation. To that end, the City shall help facilitate the provision of affordable housing through the granting of regulation concessions and available financial assistance."

In order to meet Goal I and Policy I.2, Implementation Measure I.2.1 was identified to require residential projects of ten or more units to develop an Affordable Housing Plan, which requires a minimum of 10% of the units to be built or created as affordable housing units. To promote the goal of actively supporting and participating in providing housing for all economic segments, the City is proposing an Inclusionary Housing Ordinance, which would facilitate the fulfillment of Implementation Measure I.2.1 (**Attachment 10**). The addition of an Inclusionary Housing Ordinance would fully implement Measure I.2.1 by detailing the process and standards for the City and developers to follow.

Many cities and counties, over 170 within the State of California including the cities of Concord and Walnut Creek locally, have adopted inclusionary housing/zoning programs in order to address the lack of affordable housing as well as the obligations imposed by the state legislature. Furthermore, affordable housing was the subject of two recent landmark court cases. The courts provided clarification on what could be required by local governments as it pertained to inclusionary housing. The first case was *Palmer/Sixth Street Properties v. City of Los Angeles* (2009), which determined that cities could no longer require developers to construct affordable rental housing units due to the determination that inclusionary rental programs are contrary to the Costa-Hawkins Act, a State law which limits the ability of local jurisdictions to control how apartment rents are set. Given this case law, inclusionary programs for rental units and affordable housing are limited. However, the case *California Building Assn v. City of San Jose* (2015) clarified that cities may indeed require a developer to construct for-sale affordable housing units.

Given the City's Implementation Measure I.1.2 and the clarification from the courts, the City is now proposing to codify a formal Inclusionary Housing Ordinance requiring developers to

include lower income units within a project, pay an in-lieu fee, and/or dedicate land (**Attachment 3**). The following discussion outlines the key aspects of the proposed program:

Applicability

The Inclusionary Housing Ordinance (No. 464) would pertain to developments of ten or more for-sale dwelling units. Ten percent of the newly constructed homes would be required to be offered and sold to low and moderate income households. In the event the calculation results in a fraction of unit, the developer will have the option to make an in-lieu payment in an amount equal to the percentage represented by the fractional unit or providing a full affordable unit.

Alternatives

As an alternative to providing the inclusionary units on-site, the developer may elect to construct off-site units, pay an in-lieu fee, or make a land dedication. The provision of the units off-site would increase the required percentage of units to 15 and the developer would have to complete the construction of the units prior to or concurrently with the development. The in lieu fee would be set by the City Council and could be paid by the developer for all or a portion of the inclusionary units. Lastly, instead of building the inclusionary units, the developer may request to dedicate land to the City that would be suitable for the construction of inclusionary units, however the developer would have to meet certain parameters as outlined in the Ordinance. Those parameters include, but are not limited to, marketable title transferred to the City, a residential General Plan designation, infrastructure available at the property line, and a completed environmental review.

Procedures

Ordinance No. 464 also contains procedures that need to be followed by both the developer and the City. These procedures include submittal of the Inclusionary Housing Plan by the developer, which requires review and approval by the Community Development Director. The Inclusionary Housing Agreement would then need to be recorded on the property, unless the in-lieu fee will be paid or a land dedication will be made. No discretionary approval shall be issued for all or any portion of the development until the developer has submitted an Inclusionary Housing Plan and no building permit shall be issued unless the City Council has approved the Inclusionary Housing Plan and, if required, the Inclusionary Housing Agreement has been recorded. Lastly, no certificate of occupancy shall be issued unless the Inclusionary Housing Plan has been fully implemented.

Standards

The inclusionary units shall be reasonably dispersed throughout the property and shall be proportional in number of bedrooms to the unrestricted units. The units shall also consist of the same finishes, appearance, materials, and amenities. All of the inclusionary units shall be constructed concurrently with or prior to the construction of the unrestricted units. The inclusionary units shall prohibit subsequent rental occupancy, unless approved for hardship reasons such as for military personnel. A deed restriction or other enforceable obligation shall also be recorded on the property requiring that, whenever the inclusionary unit is sold, it

must be sold to persons meeting the income eligibility requirements for low- and moderate-income households for a period of 55 years.

Transitional and Supportive Housing in Limited Commercial (LC) District (ZOA-05-16)

Senate Bill 2, which became effective January 1, 2008 (Government Code Section 65583 and 65589.5), required all local jurisdictions within California to consider transitional and supportive housing as a residential use, and the use shall be subject to only those restrictions that apply to other residential dwellings of the same type and size.

Transitional housing is defined by the State in Section 50675.2 of the Health and Safety Code as rental housing for stays of at least six months but where the units are re-circulated to another program recipient after a set period. This housing can take several forms, such as single family or multifamily units, and may include supportive services to allow individuals to gain necessary life skills in support of independent living. Supportive housing is defined by the State in Section 50675.14 of the Health and Safety Code as housing that is occupied by the target population, and that is linked to on-site or off-site services that assist the supportive housing resident in retaining housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community.

In order to be compliant with State law, the City adopted, within its 2015-2023 Housing Element, the following to address transitional and supportive housing (**Attachment 10**).

Goal II: To the extent feasible, remove governmental constraints for affordable and special needs housing.

Policy II.1: The City shall seek to meet the special housing needs of individuals with disabilities and developmental disabilities, extremely low-, very low-, and low-incomes, large families, senior citizens, farmworkers and their families, female-headed and single-parent households, and others with special needs.

Implementation Measure II.1.3: The City shall amend the Zoning Ordinance to allow transitional and supportive housing in the Limited Commercial (LC) zoning district as a residential use subject only to the requirements of other residential uses in this district in compliance with Senate Bill 2 (2007).

The approval of Ordinance No. 465 would allow transitional and supportive housing to be located within the Limited Commercial (LC) District; however residential uses require the approval of a Conditional Use Permit within this land use designation (**Attachment 4**).

The timeframe for implementation provided in the City's Housing Element was one to two years following the adoption of the Housing Element.

Employee Housing for Six or Fewer Employees (ZOA-03-16)

The California Health and Safety Code Section 17021.5 requires employee housing as a permitted use in residential zoning districts. Employee housing is a distinctly defined housing type (Health and Safety Code Section 17008), and is generally characterized as farmworker housing for agricultural employees (**Attachment 12**).

As stated earlier, one of the City's policies within the 2015-2023 Housing Element is to meet special housing needs of certain populations, which includes farmworker housing. Implementation Measure II.1.2 of the City's 2015-2023 Housing Element states "The City shall amend the Zoning Ordinance to specifically allow employee housing for six or fewer residents as a permitted use in residential zoning districts, in compliance with Health and Safety Code Section 17021.5." Currently, the City's Municipal Code does not expressly prohibit or allow employee housing for six or fewer residents and since the Code does not define the term "household", the use is essentially allowed. However, since the City has identified this as an Implementation Measure, and if adopted, proposed Ordinance No. 466 would expressly allow employee housing for six or fewer residents to be permitted in residential districts (**Attachment 5**).

The 2015-2023 Housing Element identified 2015 as the timeframe for implementation.

FAILURE TO IMPLEMENT ITS HOUSING ELEMENT

If the City does not fulfill the requirements of State law or the commitments made in its conditionally certified 2015-2023 Housing Element, it places the City at risk for a lawsuit, loss of regional, federal and/or State funds (e.g. CCTA's Measure J local street monies), potentially jeopardizes HCD's conditional certification of the City's current Housing Element, and not being able to achieve a State certified Housing Element in the future. There have been cities and counties who have attempted to disregard or did not comply with the State's statutory compliance regarding Housing Element law and the outcome has not played favorably to local governments. Put bluntly, each has failed and at considerable taxpayer expense. Here is a small sample of three court cases that have transpired throughout the State.

- *Urban Habitat v. City of Pleasanton (2006, 2008)* was a lawsuit challenging the housing policies of the City of Pleasanton. The lawsuit claimed the City had failed to enact the implementation measures within their Housing Element as well as challenging the legality of the voter-mandated housing cap. The City failed to make 30 to 40 acres of land available for high density housing as required by State law, which resulted in the State decertifying the City's Housing Element. After being subjected to \$1.9 million in legal fees and \$600,000 in defense fees and numerous years battling in the courts, the City of Pleasanton was ordered by the court to rezone areas up to 30 units per acre, including 15% or a minimum of 130 units of very low-income family housing.

- *Dotty Coplen v. County of Mendocino (2006, 2008)* was a lawsuit challenging the County's failure to adopt a Housing Element making sites available for development for sufficient affordable housing to meet the County's share of the regional need. As a result of the lawsuit, the County agreed to rezone 40 acres for the development of multifamily housing. Attorney's fees were also awarded for pre-litigation work and the court continues to monitor ongoing County compliance.
- *Winterhawk v. City of Benicia (1999)* was a lawsuit against the City of Benicia for identifying housing sites that were underwater or already developed. The Department of Housing and Community Development rescinded their certification of the City's Housing Element and the City settled after six months of litigation; however the new City Council refused to approve the agreement, appealed the court's decision three times, and lost on every appeal. The City was ordered to pay \$90,000 in legal fees and expended \$500,000 in attorney's fees fighting the lawsuit. The result was the City complying with State law.

Overall, challenges by local governments to the State's statutory requirements for housing have not resulted in positive outcomes for local jurisdictions. Not only has it resulted in the mandatory rezoning of properties and the payment of legal fees, but there also has been building moratoria put in place as well as threats to rescind local zoning powers and place such land use authority into the State's hands.

AB 2222 AND AB 744

Density Bonus (ZOA-06-16)

The State Density Bonus Law was originally enacted in 1979 to encourage public agencies to offer density bonuses and other development incentives in order to stimulate the private construction of affordable housing units. Since the law has been in effect, there have been periodic updates but most recently the State legislature passed AB 2222 (2014) and AB 744 (2015). The City's Municipal Code currently outlines density bonus requirements as required per State law; however, it does not address the two aforementioned Assembly Bills, given their recent passage.

AB 2222 prohibits a developer from receiving a density bonus unless the proposed project would, at a minimum, maintain the number and proportion of affordable housing units within the proposed development, and the Bill also increased the required affordability period from 30 to 55 years.

AB 744 allows a developer that is requesting a density bonus and including 100 percent affordable rental units in the development to also request to reduce the minimum parking requirements for the development. In order to qualify, the project would have to be within one-half mile of a major transit stop, a seniors-only development with access to transit, or a development that serves special needs individuals with access to transit. For mixed income

developments within one-half mile of a major transit stop that include the maximum number of very low- or low-income units under the Density Bonus Law the parking requirement cannot exceed 0.5 per bedroom. Local governments could require a higher parking ratio if a parking study has been completed within the last seven years and it supports the need for additional parking.

Minor language changes to the Density Bonus Chapter (17.90) of the Clayton Municipal Code have been proposed to address AB 2222 (**Attachment 6**). Those language changes (Ordinance No. 467) include increasing the affordability period from 30 years to 55 years and requiring the developer to maintain the number and proportion of affordable housing units within the development. No language amendments to the City's Municipal Code were required to address AB 744.

FISCAL IMPACT

None if the proposed actions are approved by the City Council. Potential exposure to litigation by interested third parties and/or jeopardy of local street repaving funds from CCTA are at risk should the City fail to implement its previously-stated Housing Element goal or comply with State laws.

ATTACHMENTS

1. Resolution No. ____ [3 pp.]
2. Ordinance No. 463 [3 pp.]
3. Ordinance No. 464 [13 pp.]
4. Ordinance No. 465 [3 pp.]
5. Ordinance No. 466 [3 pp.]
6. Ordinance No. 467 [4 pp.]
7. Email Regarding High Density Housing [1 pp.]
8. Excerpt of the Minutes from the June 28, 2016 Planning Commission Meeting [7 pp.]
9. Excerpt from the November 18, 2014 City Council Staff Report [10 pp.]
10. Excerpt from the City of Clayton's 2015-2023 Housing Element [6 pp.]
11. General Plan Map [1 pp.]
12. Health and Safety Code Employee Housing Definition [2 pp.]

ATTACHMENT 1

RESOLUTION NO. _____

A RESOLUTION AMENDING THE CLAYTON GENERAL PLAN LAND USE ELEMENT TO MODIFY THE PERMITTED DENSITY WITHIN THE MULTIFAMILY HIGH DENSITY LAND USE CATEGORY

(GPA-01-16)

THE CITY COUNCIL City of Clayton, California

WHEREAS, State Planning and Zoning Law, and specifically California Government Code Section 65358, authorizes cities to amend their general plans; and

WHEREAS, on November 18, 2014, the Clayton City Council adopted Resolution No. 42-2014 approving the Clayton 2015-2023 Housing Element; and

WHEREAS, on December 1, 2014, the State Department of Housing and Community Development (HCD) conditionally certified the Clayton 2015-2023 Housing Element based on the City making a good faith effort toward enacting a number of implementation measures; and

WHEREAS, the State of California Government Code Section 65583.2(c)(3)(B)(iii) has determined suburban jurisdictions must establish a minimum density of 20 dwelling units per acre to accommodate for lower income households; and

WHEREAS, on November 18, 2014, the City Council of the City of Clayton adopted an IS/ND for the 2015-2023 Housing Element, which was prepared pursuant to the California Environmental Quality Act (CEQA). The IS/ND concluded there is no substantial evidence to suggest the 2015-2023 Housing Element document would have a significant effect on the environment; and

WHEREAS, under Goal I, Implementation Measure I.1.2 of the Clayton 2015-2023 Housing Element, the City committed to amending the General Plan Land Use Element to allow projects within the Multi-Family High Density District (MHD) by right subject to a minimum density of twenty dwelling units per acre; and

WHEREAS, the City of Clayton wishes to amend its General Plan Land Use Element to enact this Implementation Measure and remain compliant with its certified Housing Element and applicable state laws; and

WHEREAS, the Planning Commission held a duly-noticed public hearing on June 28, 2016 on the proposed amendment of the General Plan Land Use Element, at which it considered the applicable public testimony, staff reports, and related documents; and

WHEREAS, the Planning Commission adopted Planning Commission Resolution No. 03-16 which recommended City Council approval of the amendment of the Land Use Element; and

WHEREAS, on July 19, 2016 the City Council held a duly-noticed public hearing and gave due consideration to the Planning Commission's recommendation as well as all applicable testimony, comments and documents, and the proposed General Plan Amendment; and

WHEREAS, the proposed amendment of the General Plan Land Use Element would be in the public interest; and has been assessed for potential impacts and has been determined to not be detrimental to the public health, safety, or welfare; and

WHEREAS, the proposed amendment of the Land Use Element is internally consistent with the balance of the General Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CLAYTON, THAT:

SECTION 1. The City Council does hereby find and affirm the above noted Recitals are true and correct are hereby incorporated in the body of this Resolution as if restated in full.

SECTION 2. The paragraph entitled "Multifamily High Density (15.1 to 20 Units Per Acre)" on Page II-7 of the Land Use Element of the General Plan is hereby amended to read in full as follows:

"Multifamily High Density (20 Units Per Acre)

This designation is intended for and allows two-story (or higher) apartments or condominiums located where higher densities may be appropriate, such as near major public transportation and commercial centers. Development within this density shall be encouraged to use a PUD concept and standards with incorporation of significant design and amenity in the project. Structural coverage, excluding recreational amenities, shall not exceed 65% of the site area."

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Clayton, California, at a regular meeting thereof held on July 19, 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON, CA

Howard Geller, Mayor

ATTEST:

Janet Brown, City Clerk

I certify that the foregoing resolution was duly and regularly passed by the City Council of the City of Clayton, California at a regular meeting held on July 19, 2016.

Janet Brown, City Clerk

ORDINANCE NO. 463

AN ORDINANCE AMENDING THE CLAYTON MUNICIPAL CODE
REQUIRING PROJECTS TO MEET THE MINIMUM DENSITY IN COMPLIANCE
WITH THE GENERAL PLAN LAND USE DESIGNATIONS WITHIN THE MULTIPLE
FAMILY RESIDENTIAL DISTRICTS (M-R, M-R-M, AND M-R-H) (ZOA-04-16)

THE CITY COUNCIL
City of Clayton, California

THE CITY COUNCIL OF THE CITY OF CLAYTON DOES HEREBY FIND AS
FOLLOWS:

WHEREAS, on November 18, 2014, the Clayton City Council adopted Resolution No. 42-2014 approving the Clayton 2015-2023 Housing Element; and

WHEREAS, on December 1, 2014, the State Department of Housing and Community Development (HCD) conditionally certified the Clayton 2015-2023 Housing Element based on the City making a good faith effort toward enacting a number of implementation measures; and

WHEREAS, the State of California Government Code Section 65583.2(c)(3)(B)(iii) has determined suburban jurisdictions must establish a minimum density of 20 dwelling units per acre to accommodate for lower income households; and

WHEREAS, under Goal I, Implementation Measure I.1.2 of the Clayton 2015-2023 Housing Element, the City committed to amending the General Plan and the Zoning Ordinance to allow projects within the Multi-Family High Density General Plan land use designation (MHD) and the Multiple Family High Density (M-R-H) zoning designation by right subject to a minimum density of twenty dwelling units per acre (Ordinance); and

WHEREAS, the Clayton Planning Commission held a duly-noticed public hearing on June 28, 2016, at which it adopted Resolution No. 04-16 recommending City Council approval of the proposed Ordinance; and

WHEREAS, the Clayton City Council at its regular meeting on July 19, 2016, held a duly noticed public hearing to review and consider the Ordinance; and

WHEREAS, on November 18, 2014, the City Council of the City of Clayton adopted an IS/ND for the 2015-2023 Housing Element, which was prepared pursuant to the California Environmental Quality Act (CEQA). The IS/ND concluded there is no substantial evidence to suggest the 2015-2023 Housing Element document would have a significant effect on the environment; and

WHEREAS, proper notice of the public hearing on this Ordinance was given in all respects as required by law; and

WHEREAS, the Clayton City Council has reviewed all written evidence and oral testimony presented to date on this matter.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CLAYTON DOES ORDAIN AS FOLLOWS:

Section 1. The above recitals are true and correct and are hereby incorporated into this Ordinance.

Section 2. Subsection A of Section 17.20.030 of the Clayton Municipal Code is hereby amended to read in full as follows:

“A. Duplex, triplex, townhouses, apartments and other multifamily structures meeting and not exceeding the density limits set by the applicable General Plan Land Use Designation.”

Section 3. **Severability.** If any section, subsection, sentence, clause, or phrase of this Ordinance, or the application thereof to any person or circumstances, is held to be unconstitutional or to be otherwise invalid by any court competent jurisdiction, such invalidity shall not affect other provisions or clauses of this Ordinance or application thereof which can be implemented without the invalid provisions, clause, or application, and to this end such provisions and clauses of the Ordinance are declared to be severable.

Section 4. **Conflicting Ordinances Repealed.** Any ordinance or part thereof, or regulations in conflict with the provisions of this Ordinance, are hereby repealed. The provisions of this Ordinance shall control with regard to any provision of the Clayton Municipal Code that may be inconsistent with the provisions of this Ordinance.

Section 5. **Effective Date and Publication.** This Ordinance shall become effective thirty (30) days from and after its passage. Within fifteen (15) days after the passage of the Ordinance, the City Clerk shall cause it to be posted in three (3) public places heretofore designated by resolution by the City Council for the posting of ordinances and public notices. Further, the City Clerk is directed to cause Section 2 of this Ordinance to be entered into the City of Clayton Municipal Code.

The foregoing Ordinance was introduced at a regular public meeting of the City Council of the City of Clayton, California held on July 19, 2016.

Passed, adopted, and ordered posted by the City Council of the City of Clayton, California at a regular public meeting thereof held on _____, 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Howard Geller, Mayor

ATTEST

Janet Brown, City Clerk

APPROVED AS TO FORM

APPROVED BY ADMINISTRATION

Malathy Subramanian, City Attorney

Gary A. Napper, City Manager

I hereby certify that the foregoing Ordinance was duly introduced at a regular meeting of the City Council of the City of Clayton held on July 19, 2016 and was duly adopted, passed, and ordered posted at a regular meeting of the City Council held on _____, 2016.

Janet Brown, City Clerk

ATTACHMENT 3

ORDINANCE NO. 464

**AN ORDINANCE ADDING CHAPTER 17.92 TO THE CLAYTON MUNICIPAL CODE
REGARDING INCLUSIONARY HOUSING REQUIREMENTS (ZOA-04-15)**

THE CITY COUNCIL

City of Clayton, California

**THE CITY COUNCIL OF THE CITY OF CLAYTON DOES HEREBY FIND AS
FOLLOWS:**

WHEREAS, the City of Clayton currently does not have a formal Inclusionary Housing Ordinance; and

WHEREAS, Implementation Measure I.2.1 of the Housing Element of the Clayton General Plan encourages the City to adopt an Inclusionary Housing Ordinance with desired targets of five percent low income and five percent very low income units for residential projects of ten units or more; and

WHEREAS, as noted in the City's Housing Element (2015-2023), there is a significant need for more affordable housing within the City, including for the following reasons:

(1) The State Legislature, through California Government Code Section 65580, declares the availability of housing of vital statewide importance and local governments have a responsibility to use powers vested in them to facilitate the adequate provision for the housing needs of all economic segments of the community.

(2) Rental units in Contra Costa County are not affordable to people with extremely low incomes, such as those who depend on General Assistance, Temporary Assistance to Needy Families, or Supplemental Security Income. Over 2,000 households within Contra Costa County are on a waiting list for Section 8 assistance, and not all affordable housing units qualify for Section 8 housing assistance. In addition, many persons or families cannot accumulate the money required to move into an apartment (i.e., first and last months' rent plus security deposit);

(3) The high cost of housing makes it difficult to find housing that is affordable for those working minimum wage jobs. For example, based on 2000 Census data, twenty-seven percent of low and very-low income households owning their home and twenty-seven percent of low and very-low income households renting their home overpaid for housing costs;

(4) Only households earning above moderate incomes could afford a home priced at or around median. Homeownership is out of reach in Clayton for most lower-income households. For example, moderate income households within the City could not afford the 2013 median home price of \$595,000. Recent appreciation in real estate prices has increased these concerns;

(5) The City has a significant need for new affordable housing. The Association of Bay Area Governments (ABAG) has allocated the following Regional Housing Needs Allocation (RHNA) to the City for the period 2014 to 2022: 51 extremely low- and very

low-income units, 25 low-income units, 31 moderate-income units and 34 above moderate-income units; and

WHEREAS, the legal landscape surrounding the development of affordable housing in California is continually evolving; and

WHEREAS, the court in *Palmer/Sixth Street Properties v. City of Los Angeles* (2009) 175 Cal.App.4th 1396 determined that cities may no longer require developers to construct affordable housing units for rent; and

WHEREAS, the court in *California Building Industry Assn. v. City of San Jose* (2015) 61 Cal.4th 435 clarified that cities may require developers to construct affordable housing units for sale; and

WHEREAS, on November 18, 2014, the City Council of the City of Clayton adopted an IS/ND for the 2015-2023 Housing Element, which was prepared pursuant to the California Environmental Quality Act (CEQA). The IS/ND concluded there was no substantial evidence to suggest the 2015-2023 Housing Element document would have a significant effect on the environment; and

WHEREAS, on June 28, 2016, the Planning Commission considered all information provided and submitted, took and considered all public testimony, and recommended the City Council approve the ordinance amending the City of Clayton Municipal Code by adding Chapter 17.92 – Inclusionary Housing Requirements; and

WHEREAS, the City Council wishes to adopt this Inclusionary Housing Ordinance to satisfy Housing Element Implementation Measure I.2.1 in compliance with applicable state and local laws.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CLAYTON DOES ORDAIN AS FOLLOWS:

Section 1. Recitals. The above recitals are true and correct and are hereby incorporated into this Ordinance.

Section 2. Amendment. Chapter 17.92 is hereby added to the Clayton Municipal Code to read in full as set forth in the attached Exhibit A, incorporated by this reference.

Section 3. Severability. If any section, subsection, sentence, clause, or phrase of this Ordinance, or the application thereof to any person or circumstances, is held to be unconstitutional or to be otherwise invalid by any court competent jurisdiction, such invalidity shall not affect other provisions or clauses of this Ordinance or application thereof which can be implemented without the invalid provisions, clause, or application, and to this end such provisions and clauses of the Ordinance are declared to be severable.

Section 4. Conflicting Ordinances Repealed. Any ordinance or part thereof, or regulations in conflict with the provisions of this Ordinance, are hereby repealed. The provisions of this Ordinance shall control with regard to any provision of the Clayton Municipal Code that may be inconsistent with the provisions of this Ordinance.

Section 5. Effective Date and Publication. This Ordinance shall become effective thirty (30) days from and after its passage. This Ordinance shall be published or posted as required by law.

The foregoing Ordinance was introduced at a noticed public hearing at a regular public meeting of the City Council of the City of Clayton held on July 19, 2016.

Passed, adopted, and ordered posted by the City Council of the City of Clayton at a regular meeting thereof held on _____, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON, CA

Howard Geller, Mayor

ATTEST

Janet Brown, City Clerk

APPROVED AS TO FORM

APPROVED BY ADMINISTRATION

Malathy Subramanian, City Attorney

Gary A. Napper, City Manager

I hereby certify that the foregoing Ordinance was duly introduced at a noticed public hearing of a regular meeting of the City Council of the City of Clayton held on July 19, 2016, and was duly adopted, passed, and ordered posted at a regular meeting of the City Council held on _____, 2016.

Janet Brown, City Clerk

Chapter 17.92

INCLUSIONARY HOUSING REQUIREMENTS

Sections:

17.92.000	Intent
17.92.010	Definitions
17.92.020	Applicability
17.92.030	Inclusionary Unit Requirement
17.92.040	Alternatives
17.92.050	Procedures
17.92.060	Standards
17.92.070	Enforcement
17.92.080	General Provisions

17.92.000 INTENT

It is the intent of this Chapter to establish standards and procedures that facilitate the development and availability of housing affordable to a range of households with varying income levels to implement the City's Housing Element and as mandated by Government Code Section 65580. The purpose of this Chapter is to encourage the development and availability of such housing by ensuring the addition of affordable housing units to the City's housing stock is in proportion with the overall increase in new housing units.

17.92.010 DEFINITIONS

Whenever the following terms are used in this Chapter, they shall have the meaning established by this Section:

(a) **"Affordable Housing Costs"** means

(1) For Very Low-Income Households, the product of 30 percent times 50 percent of the area median income adjusted for family size appropriate for the unit.

(2) For Low-Income Households, the product of 30 percent times 70 percent of the area median income adjusted for family size appropriate for the unit.

(3) For Moderate Income Households, Affordable Housing Cost shall not be less than 28 percent of the gross income of the household, nor exceed the product of 35 percent times 110 percent of area median income adjusted for family size appropriate for the unit.

(b) **"Developer"** means any person, firm, partnership, association, joint venture, corporation, or any entity or combination of entities, which seeks City approvals for all or part of a Residential Development. The term "Developer" also means the owner or owners for any such property for which such approvals are sought.

(c) **"Director"** means the City's Director of Community Development.

- (d) **“Discretionary Approval”** means any entitlement or approval, including but not limited to a use permit, variance, design approval, and subdivision map.
- (e) **“Inclusionary Housing Agreement”** means a legally binding, written agreement between a Developer and the City, in form and substance satisfactory to the Director and City Attorney, setting forth those provisions necessary to ensure that the requirements of this Chapter, whether through the provision of Inclusionary Units or through an alternative method, are satisfied.
- (f) **“Affordable Housing Plan”** means the plan referenced in Section 17.92.050.
- (g) **“Inclusionary Housing Fund”** shall have the meaning set forth in Section 17.92.080(a).
- (h) **“Inclusionary Units”** means a dwelling unit developed pursuant to an Inclusionary Housing Agreement that will be offered for sale to Low and Moderate Income Households, at an Affordable Housing Cost, pursuant to this Chapter.
- (i) **“Low Income Households”** means households who are not very low income households but whose gross income does not exceed the qualifying limits for lower income families as established from time to time pursuant to Section 8 of the United States Housing Act for Contra Costa County as set forth in Title 25 of the California Code of Regulations, Section 6932, or its successor provision and adjusted for family size and other factors by the United States Department of Housing and Urban Development.
- (j) **“Low Income Units”** means Inclusionary Units restricted to occupancy by Low Income Households at an Affordable Housing Cost.
- (k) **“Moderate Income Households”** means households who are not low income households but whose gross income does not exceed one hundred and twenty percent (120%) of the median income for Contra Costa County, adjusted for family size and other factors by the U.S. Department of Housing and Urban Development, as published annually in Title 25 of the California Code of Regulations, Section 6932, or its successor provision.
- (l) **“Moderate Income Units”** means Inclusionary Units restricted to occupancy by Moderate Income Households at an Affordable Housing Cost.
- (m) **“Residential Development”** means the construction of new projects requiring any specific plan, development agreement, planned unit development permit, tentative map, minor subdivision, conditional use permit, site plan review or building permit for which an application has been submitted to the City and which would create one or more additional dwelling units to be offered for sale by the construction or alteration of structures. All new construction projects creating one or more additional dwelling units to be offered for sale on contiguous parcels of land by a single Developer shall constitute a single Residential Development subject to the requirements of this Ordinance, and any accompanying regulations, regardless of whether such projects are constructed all at once, serially, or in phases. The term “Residential Development” shall include the conversion of rental units to for-sale units.
- (n) **“Unrestricted Units”** means those dwelling units in a Residential Development that are not Inclusionary Units.

(o) **“Very Low Income Households”** means households whose gross income does not exceed the qualifying limits for very low income families as established from time to time pursuant to Section 8 of the United States Housing Act for Contra Costa County as set forth in Title 25 of the California Code of Regulations, Section 6932, or its successor provision and adjusted for family size and other factors by the United States Department of Housing and Urban Development, adjusted for family size and other factors by the United States Department of Housing and Urban Development.

17.92.020 APPLICABILITY

This Chapter shall apply to all Residential Developments, except as provided below.

- (a) Residential Developments proposed to contain less than ten (10) dwelling units.
- (b) Residential Developments that obtained a current, valid building permit prior to the effective date of the ordinance adding this Chapter.
- (c) Any dwelling unit or Residential Development which is damaged or destroyed by fire or natural catastrophes so long as the use of the reconstructed building and number of dwelling units remain the same, and the cost of such rehabilitation constitutes no more than fifty percent (50%) of the of its reasonable market value at the time of destruction or damage.

17.92.030 INCLUSIONARY UNIT REQUIREMENT

(a) **For-Sale Units:** If the Residential Development includes ten (10) or more units for sale, a minimum of ten percent (10%) of all newly constructed for sale dwelling units in the Residential Development shall be developed, offered to and sold to Low and Moderate Income Households, in a ratio determined pursuant to Section 17.92.060, at an Affordable Housing Cost.

(b) The Inclusionary Unit requirement set forth in this Section may be reduced as follows: If only Low Income Units are provided in lieu of any Moderate Income units, a credit of 1.5 units to every 1 unit shall be provided. However, the credits may only be applied to the extent such credit equals a whole number.

(c) In the event the calculation for the number of Inclusionary Units results in a fraction of an Inclusionary Unit, the Developer shall have the option of either: (i) providing a full Inclusionary Unit at Affordable Housing Costs; or (ii) making an in lieu payment to the Inclusionary Housing Fund in an amount equal to the percentage represented by the fractional unit multiplied by the applicable in lieu fee.

(d) The number of Inclusionary Units required for a particular project will be determined at the time a land use application is filed by the Developer for a Residential Development with the City. If a change in the subdivision design results in a change in the total number of units, the number of Inclusionary Units required will be recalculated to coincide with the final approved project.

(e) For purposes of calculating the number of Inclusionary Units required by this Section, any additional units authorized as a density bonus under Chapter 17.90 and California Government Code Section 65915(b)(1) or (b)(2) will not be counted in determining the required number of Inclusionary Units.

17.92.040 ALTERNATIVES

In lieu of including the Inclusionary Units in the Residential Development pursuant to Section 17.92.030, the requirements of this Chapter may be satisfied through the following alternatives set forth in this Section.

(a) Off-Site. As an alternative to providing Inclusionary Units upon the same site as the Residential Development, the Developer may elect, by right, at the Developer's sole discretion to construct Inclusionary Units off-site subject to the following requirements:

(1) If the Developer constructs units off-site, the percentage of required Inclusionary Units shall be increased to fifteen percent (15%).

(2) The site of the Inclusionary Units has a General Plan designation that authorizes residential uses and is zoned for Residential Development at a density to accommodate at least the number of otherwise required Inclusionary Units, including the additional five percent (5%) for development off-site, within the Residential Development. The Developer shall obtain all required Discretionary Approvals and complete all necessary environmental review of such site.

(3) The site is suitable for development of the Inclusionary Units in terms of configuration, physical characteristics, location, access, adjacent uses, and other relevant planning and development criteria.

(4) Environmental review for the site has been completed for the presence of hazardous materials and geological review for the presence of geological hazards and all such hazards are or shall be mitigated to the satisfaction of the City prior to acceptance of the site by the City.

(5) The construction schedule for the off-site Inclusionary Units shall be included in the Affordable Housing Plan and the Inclusionary Housing Agreement.

(6) Construction of the off-site Inclusionary Units shall be completed prior to or concurrently with the Residential Development.

(7) Unless otherwise noted, all requirements applicable to on-site Inclusionary Units shall apply to off-site Inclusionary Units.

(b) In Lieu Fee. For Residential Developments proposing ten (10) units, the Developer may elect, by right, at the Developer's sole discretion to pay a fee in lieu of developing an Inclusionary Unit on-site. The amount of the in-lieu fee to be paid by Developer pursuant to this Section shall be the applicable in-lieu fee set forth in the fee schedule adopted by the City Council. For all Residential Developments proposing eleven (11) units or more, the Developer may request to pay a fee in lieu of all or some of the Inclusionary Units otherwise required by the Ordinance in lieu of developing Inclusionary Units on-site. The fee shall be charged for each unit or fraction of a unit as set forth in Section 17.92.030(c), and the fee shall be paid as follows:

(1) The amount of the fee to be paid by Developer pursuant to this subsection shall be the fee schedule established by Resolution of the City Council, and as adjusted from time to time by Resolution of the City Council.

(2) One-half (1/2) of the in-lieu fee required by this subsection shall be paid (or a letter of credit posted) prior to issuance of a building permit for all or any part of the Residential Development. The remainder of the fee shall be paid before a certificate of occupancy is issued for any unit in the Residential Development.

(3) The fees collected shall be deposited in the Inclusionary Housing Fund.

(4) No certificate of occupancy shall be issued for any corresponding Unrestricted Units in a Residential Development unless fees required under this Section have been paid in full to the City.

(c) Land Dedication. In lieu of building Inclusionary Units, a Developer may request to dedicate land to the City suitable for the construction of Inclusionary Units that the City Council reasonably determines to be equivalent or greater value than is produced by applying the City's in lieu fee to the Developer's inclusionary obligation and otherwise meets the following standards and requirements:

(1) Marketable title to the site is transferred to the City, or an affordable housing developer approved by the City, prior to the commencement of construction of the Residential Development pursuant to an agreement between the Developer and the City and such agreement is in the best interest of the City.

(2) The site has a General Plan designation that authorizes residential uses and is zoned for Residential Development at a density to accommodate at least the number of otherwise required Inclusionary Units within the Residential Development, and conforms to City development standards.

(3) The site is suitable for development of the Inclusionary Units in terms of configuration, physical characteristics, location, access, adjacent uses, and other relevant planning and development criteria including, but not limited to, factors such as the cost of construction or development arising from the nature, condition, or location of the site.

(4) Infrastructure to serve the dedicated site, including but not limited to streets and public utilities, must be available at the property line and have adequate capacity to serve the maximum allowable Residential Development pursuant to zoning regulations.

(5) Environmental review of the site has been completed for the presence of hazardous materials and geological review for the presence of geological hazards and all such hazards are or will be mitigated to the satisfaction of the City prior to acceptance of the site by the City.

(6) The City shall not be required to construct restricted income units on the site dedicated to the City, but may sell, transfer, lease, or otherwise dispose of the dedicated site. Any funds collected as the result of a sale, transfer, lease, or other disposition of sites dedicated to the City shall be deposited into the Inclusionary Housing Fund.

17.92.050 PROCEDURES

(a) At the times and in accordance with the standards and procedures set forth herein, Developer shall:

(1) Submit an Inclusionary Housing Plan for approval by the Director, setting forth in detail the manner in which the provisions of this Chapter will be implemented for the proposed Residential Development. If land dedication or off-site units are proposed, the Inclusionary Housing Plan shall include information necessary to establish site location, suitability, development, constraints, and the number of Inclusionary Units assigned pursuant to this Chapter.

(2) Execute and cause to be recorded an Inclusionary Housing Agreement, unless Developer is complying with this Chapter pursuant to Section 17.92.040(b) (in lieu fee) or Section 17.92.040(c) (land dedication).

(b) No Discretionary Approval shall be issued for all or any portion of a Residential Development subject to this Chapter until the Developer has submitted an Inclusionary Housing Plan.

(c) No building permit shall be issued for the Residential Development, or any portion thereof, subject to this Chapter unless the City Council has approved the Inclusionary Housing Plan and the Inclusionary Housing Agreement (if required) is recorded.

(d) No certificate of occupancy shall be issued for the Residential Development, or any portion thereof, subject to this Chapter unless the approved Inclusionary Housing Plan has been fully implemented.

(e) The City Manager or designee may establish and amend policies for the implementation of this Chapter.

17.92.060 STANDARDS

(a) Inclusionary Units shall be reasonably dispersed throughout the Residential Development; shall be proportional, in number of bedrooms, to the Unrestricted Units. If the Residential Development offers a variety of unit plans with respect to design, materials and optional interior amenities, the Inclusionary Units shall be identical with the Residential Development's base-plan in terms of design, appearance, materials, finished quality and interior amenities. If multiple floor plans with the same number of bedrooms are proposed, the Inclusionary Units may be the units with the smaller floor plans.

(b) All Inclusionary Units in a Residential Development shall be constructed concurrently with or prior to the construction of the Unrestricted Units. In the event the City approves a phased project, the Inclusionary Units required by this Chapter shall be constructed and occupied in proportion to the number of units in each phase of the Residential Development. In no case shall an Affordable Housing Unit be the final dwelling unit issued a Certificate of Occupancy of a Residential Development or its approved phase(s).

(c) Inclusionary Units shall be sold to Low and Moderate Income Households at a ratio established pursuant to a Resolution adopted by the City Council, and shall be provided at the applicable Affordable Housing Cost.

(d) The number of bedrooms must be the same as those in the Unrestricted Units, except that if the Unrestricted Units provide more than four (4) bedrooms, the Inclusionary Units need not provide more than four (4) bedrooms.

(e) Inclusionary Units shall prohibit subsequent rental occupancy, unless approved for hardship reasons by the City Manager or designee. Such hardship approval shall include provision for United States military personnel who are required to leave the country for active military duty.

(f) Prior the development of any units in a Residential Development, a deed restriction or other enforceable obligation approved by the City Attorney shall be recorded limiting the Developer and any successors, whenever an Inclusionary Unit is sold, to sell such unit to persons meeting the income eligibility requirements for Low and Moderate Income Households as applicable for a period of fifty-five (55) years.

17.92.070 ENFORCEMENT

(a) The provisions of this Chapter shall apply to all Developers and their agents, successors and assigns proposing a Residential Development. All Inclusionary Units shall be sold in accordance with this Chapter. It shall be a misdemeanor to violate any provision of this Chapter. Without limiting the generality of the foregoing, it shall also be a misdemeanor for any person to sell or rent to another person an Inclusionary Unit under this Chapter at a price exceeding the maximum allowed under this Chapter or to sell an Inclusionary Unit to a Household not qualified under this Chapter. It shall further be a misdemeanor for any person to provide false or materially incomplete information to the City or to a seller or lessor of an Inclusionary Unit to obtain occupancy of housing for which he or she is not eligible.

(b) Any individual who sells an Inclusionary Unit in violation of the provisions of this Chapter shall be required to forfeit all monetary amounts so obtained. Recovered funds shall be deposited into the Inclusionary Housing Fund.

(c) The City may institute any appropriate legal actions or proceedings necessary to ensure compliance with this Chapter, including but not limited to: (1) actions to revoke, deny or suspend any permit, including a building permit, certificate of occupancy, or discretionary approval; (2) civil actions for injunctive relief or damages; (3) actions to recover from any violator of this Chapter civil fines, restitution to prevent unjust enrichment, and/or enforcement costs; and (4) any other action, civil or criminal, authorized by law or by any regulatory document, restriction, or agreement under this Chapter.

(d) In any action to enforce this Chapter or an Inclusionary Housing Agreement recorded hereunder, the City shall be entitled to recover its reasonable attorney's fees and costs.

(e) Failure of any official or agency to fulfill the requirements of this Chapter shall not excuse any person, owner, Developer or household from the requirements of this Chapter.

(f) The remedies provided for herein shall be cumulative and not exclusive and shall not preclude the City from any other remedy or relief to which it would otherwise be entitled under law or equity.

17.92.080 GENERAL PROVISIONS

(a) Inclusionary Housing Fund

There is hereby established a separate fund of the City, to be known as the Inclusionary Housing Fund. All monies collected pursuant to 17.92.040, 17.92.060 and 17.92.070 shall be deposited in the Inclusionary Housing Fund. Additional monies from other sources may be deposited in the Inclusionary Housing Fund. The monies deposited in the Inclusionary Housing Fund shall be subject to the following conditions:

(1) Monies deposited into the Inclusionary Housing Fund must be used to increase and improve the supply of housing affordable to Very Low, Low, and Moderate, Income Households in the City. Monies may also be used to cover reasonable administrative or related expenses associated with the administration of this Section.

(2) The fund shall be administered, subject to the approval by the City Manager, by the Director of Community Development, or his or her designee, who may develop procedures to implement the purposes of the Inclusionary Housing Fund consistent with the requirements of this Chapter and through the adopted budget of the City.

(3) Monies deposited in accordance with this Section shall be used in accordance with the City's Housing Element, or subsequent plan adopted by the City Council to construct, rehabilitate, or subsidize affordable housing or assist other government entities, private organizations, or individuals to do so. Permissible uses include, but are not limited to, assistance to housing development corporations, equity participation loans, grants, pre-home ownership co-investment, pre-development loan funds, participation leases, or other public-private partnership arrangements. The Inclusionary Housing Fund may be used for the benefit of both rental and owner-occupied housing. In no case is the City obligated to actually construct affordable housing units on its own.

(b) Administrative Fees

The City Council may by Resolution establish reasonable fees and deposits, which shall fund the City's costs associated with the administration and monitoring of the Inclusionary Units and administration of the Inclusionary Housing Fund.

(c) Appeal

Within ten (10) calendar days after the date of any decision of the Director under this Chapter, an appeal may be filed with the City Clerk. Within ninety (90) calendar days of the request for an appeal is filed or a later time as agreed to by the appellant, the City Council shall consider the appeal. The City Council's decision shall be final.

(d) Waiver

(1) Notwithstanding any other provision of this Chapter, the requirements of this Chapter may be waived, adjusted, or reduced if a Developer shows, based on substantial evidence, that there is no reasonable relationship between the impact of a proposed Residential Development and the requirements of this Chapter, or that applying the requirements of this Chapter would take property in violation of the United States or California Constitutions.

(2) Any request for a waiver, adjustment, or reduction under this Section shall be submitted to the City concurrently with the Affordable Housing Plan required by Section 17.92.050. The request for a waiver, adjustment, or reduction shall set forth in detail the factual and legal basis for the claim.

(3) The request for a waiver, adjustment, or reduction shall be reviewed and considered in the same manner and at the same time as the Affordable Housing Plan, and is subject to the appeal process in subsection (c) above.

(4) In making a determination on an application for waiver, adjustment, or reduction, the Developer shall bear the burden of presenting substantial evidence to support the claim. The City may assume each of the following when applicable:

(i) That the Developer will provide the most economical Inclusionary Units feasible, meeting the requirements of this Chapter and any implementing regulations.

(ii) That the Developer is likely to obtain housing subsidies when such funds are reasonably available.

(5) The waiver, adjustment or reduction may be approved only to the extent necessary to avoid an unconstitutional result, after adoption of written findings, based on substantial evidence, supporting the determinations required by this Section.

ORDINANCE NO. 465

**AN ORDINANCE AMENDING THE CLAYTON MUNICIPAL CODE
PERMITTING TRANSITIONAL AND SUPPORTIVE HOUSING WITHIN THE
LIMITED COMMERCIAL (LC) DISTRICT (ZOA-05-16)**

**THE CITY COUNCIL
City of Clayton, California**

**THE CITY COUNCIL OF THE CITY OF CLAYTON DOES HEREBY FIND AS
FOLLOWS:**

WHEREAS, on November 18, 2014, the Clayton City Council adopted Resolution No. 42-2014 approving the Clayton 2015-2023 Housing Element; and

WHEREAS, on December 1, 2014, the State Department of Housing and Community Development (HCD) conditionally certified the Clayton 2015-2023 Housing Element based on the City making a good faith effort toward enacting a number of implementation measures; and

WHEREAS, under Goal II, Implementation Measure II.1.3 of the Clayton 2015-2023 Housing Element, the City committed to amending the Zoning Ordinance to allow transitional and supportive housing within the Limited Commercial (LC) District (Ordinance) to be compliant with Senate Bill 2; and

WHEREAS, the Clayton Planning Commission held a duly-noticed public hearing on June 28, 2016, at which it adopted Resolution No. 06-16 recommending City Council approval of the proposed Ordinance to amend a portion of Title 17 of the Clayton Municipal Code, permitting transitional and supportive housing within the Limited Commercial (LC) zoning district; and

WHEREAS, the Clayton City Council at a regular meeting on July 19, 2016 held a duly noticed public hearing to review and consider the Ordinance to amend a portion of Title 17 of the Clayton Municipal Code, permitting transitional and supportive housing within the Limited Commercial (LC) zoning district; and

WHEREAS, on November 18, 2014, the City Council of the City of Clayton adopted an IS/ND for the 2015-2023 Housing Element, which was prepared pursuant to the California Environmental Quality Act (CEQA). The IS/ND concluded there is no substantial evidence to suggest the 2015-2023 Housing Element document would have a significant effect on the environment; and

WHEREAS, proper notice of the public hearing for this Ordinance was given in all respects as required by law; and

WHEREAS, the Clayton City Council has reviewed all written evidence and oral testimony presented to date on this matter.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CLAYTON
DOES ORDAIN AS FOLLOWS:**

Section 1. The above recitals are true and correct and are hereby incorporated into this Ordinance.

Section 2. Subsection L is hereby added to Section 17.24.020 of the Clayton Municipal Code to read in full as follows:

“L. Transitional and supportive housing, in the same manner and subject to the same restrictions as SRO facilities, including obtaining a conditional use permit (See Section 17.60.030.B.6).”

Section 3. **Severability.** If any section, subsection, sentence, clause, or phrase of this Ordinance, or the application thereof to any person or circumstances, is held to be unconstitutional or to be otherwise invalid by any court competent jurisdiction, such invalidity shall not affect other provisions or clauses of this Ordinance or application thereof which can be implemented without the invalid provisions, clause, or application, and to this end such provisions and clauses of the Ordinance are declared to be severable.

Section 4. **Conflicting Ordinances Repealed.** Any ordinance or part thereof, or regulations in conflict with the provisions of this Ordinance, are hereby repealed. The provisions of this Ordinance shall control with regard to any provision of the Clayton Municipal Code that may be inconsistent with the provisions of this Ordinance.

Section 5. **Effective Date and Publication.** This Ordinance shall become effective thirty (30) days from and after its passage. Within fifteen (15) days after the passage of the Ordinance, the City Clerk shall cause it to be posted in three (3) public places heretofore designated by resolution by the City Council for the posting of ordinances and public notices. Further, the City Clerk is directed to cause Section 2 of this Ordinance to be entered into the City of Clayton Municipal Code.

The foregoing Ordinance was introduced at a regular public meeting of the City Council of the City of Clayton, California held on July 19, 2016.

Passed, adopted, and ordered posted by the City Council of the City of Clayton, California at a regular public meeting thereof held on _____, 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Howard Geller, Mayor

ATTEST

Janet Brown, City Clerk

APPROVED AS TO FORM

APPROVED BY ADMINISTRATION

Malathy Subramanian, City Attorney

Gary A. Napper, City Manager

I hereby certify that Ordinance No. 465 was duly introduced at a regular meeting of the City Council of the City of Clayton, California held on July 19, 2016 and was duly adopted, passed, and ordered posted at a regular meeting of the City Council held on _____, 2016.

Janet Brown, City Clerk

ATTACHMENT 5

ORDINANCE NO. 466

AN ORDINANCE AMENDING THE CLAYTON MUNICIPAL CODE PERMITTING EMPLOYEE HOUSING OF SIX OR FEWER EMPLOYEES WITHIN RESIDENTIAL ZONES (ZOA-03-16)

THE CITY COUNCIL City of Clayton, California

THE CITY COUNCIL OF THE CITY OF CLAYTON DOES HEREBY FIND AS FOLLOWS:

WHEREAS, on November 18, 2014, the Clayton City Council adopted Resolution No. 42-2014 approving the Clayton 2015-2023 Housing Element; and

WHEREAS, on December 1, 2014, the State Department of Housing and Community Development (HCD) conditionally certified the Clayton 2015-2023 Housing Element based on the City making a good faith effort toward enacting a number of implementation measures; and

WHEREAS, under Goal II, Implementation Measure II.1.2 of the Clayton 2015-2023 Housing Element, the City committed to amending the Zoning Ordinance to allow employee housing in residential districts to become compliant with California Health & Safety Code Section 17021.5 (Ordinance); and

WHEREAS, the Clayton Planning Commission held a duly-noticed public hearing on June 28, 2016, at which it adopted Resolution No. 07-16 recommending City Council approval of the proposed Ordinance to amend a portion of Title 17 of the Clayton Municipal Code, permitting employee housing for six or fewer employees; and

WHEREAS, the Clayton City Council at a regular meeting on July 19, 2016, held a duly noticed public hearing to review and consider the Ordinance to amend a portion of Title 17 of the Clayton Municipal Code, permitting employee housing for six or fewer employees; and

WHEREAS, on November 18, 2014, the City Council of the City of Clayton adopted an IS/ND for the 2015-2023 Housing Element, which was prepared pursuant to the California Environmental Quality Act (CEQA). The IS/ND concluded there is no substantial evidence to suggest the 2015-2023 Housing Element document would have a significant effect on the environment; and

WHEREAS, proper notice of the public hearing on this Ordinance was given in all respects as required by law; and

WHEREAS, the Clayton City Council has reviewed all written evidence and oral testimony presented to date on this matter.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CLAYTON DOES ORDAIN AS FOLLOWS:

Section 1. The above recitals are true and correct and are hereby incorporated into this Ordinance.

Section 2. Section 17.04.090 of the Clayton Municipal Code is hereby renumbered as Section 17.04.092.

Section 3. A new Section 17.04.090 is hereby added to the Clayton Municipal Code to read in full as follows:

“17.04.090 Employee Housing. “Employee Housing” means housing as defined in California Health and Safety Code Section 17008 as it may be amended or modified.

Section 4. Subsection G is hereby added to Section 17.16.020 of the Clayton Municipal Code to read in full as follows:

“G. Employee housing providing accommodations for six or fewer employees.”

Section 5. Subsection D is hereby added to Section 17.20.030 of the Clayton Municipal Code to read in full as follows:

“D. Employee housing providing accommodations for six or fewer employees, provided that a conditional use permit is obtained. Such permit shall be reviewed and issued under the same procedures and in the same manner as that permit issued for single family dwelling units (See Section 17.60.030.B.5).”

Section 6. **Severability.** If any section, subsection, sentence, clause, or phrase of this Ordinance, or the application thereof to any person or circumstances, is held to be unconstitutional or to be otherwise invalid by any court competent jurisdiction, such invalidity shall not affect other provisions or clauses of this Ordinance or application thereof which can be implemented without the invalid provisions, clause, or application, and to this end such provisions and clauses of the Ordinance are declared to be severable.

Section 7. **Conflicting Ordinances Repealed.** Any ordinance or part thereof, or regulations in conflict with the provisions of this Ordinance, are hereby repealed. The provisions of this Ordinance shall control with regard to any provision of the Clayton Municipal Code that may be inconsistent with the provisions of this Ordinance.

Section 8. **Effective Date and Publication.** This Ordinance shall become effective thirty (30) days from and after its passage. Within fifteen (15) days after the passage of the Ordinance, the City Clerk shall cause it to be posted in three (3) public places heretofore designated by resolution by the City Council for the posting of ordinances and public notices. Further, the City Clerk is directed to cause Sections 2-3 of this Ordinance to be entered into the City of Clayton Municipal Code.

The foregoing Ordinance was introduced at a regular public meeting of the City Council of the City of Clayton, California held on July 19, 2016.

Passed, adopted, and ordered posted by the City Council of the City of Clayton, California at a regular public meeting thereof held on _____, 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON, CA

Howard Geller, Mayor

ATTEST

Janet Brown, City Clerk

APPROVED AS TO FORM

APPROVED BY ADMINISTRATION

Malathy Subramanian, City Attorney

Gary A. Napper, City Manager

I hereby certify that the foregoing Ordinance was duly introduced at a regular meeting of the City Council of the City of Clayton held on July 19, 2016 and was duly adopted, passed, and ordered posted at a regular meeting of the City Council held on _____, 2016.

Janet Brown, City Clerk

ORDINANCE NO. 467

AN ORDINANCE AMENDING PORTIONS OF CHAPTER 17.90 OF THE CLAYTON MUNICIPAL CODE REGARDING DENSITY BONUS REQUIREMENTS (ZOA-06-16)

THE CITY COUNCIL
City of Clayton, California

THE CITY COUNCIL OF THE CITY OF CLAYTON DOES HEREBY FIND AS FOLLOWS:

WHEREAS, with the adoption of state legislation AB 2222 and AB 744, changes to the City's current density bonus regulations set forth in Chapter 17.90 are necessary; and

WHEREAS, on June 28, 2016, the Planning Commission considered all information provided and submitted, took and considered all public testimony, and recommended the City Council approve the ordinance amending the City of Clayton Municipal Code; and

WHEREAS, the Clayton City Council at a regular meeting on July 19, 2016 held a duly noticed public hearing to review and consider the Ordinance to amend a portion of Title 17 of the Clayton Municipal Code, permitting transitional and supportive housing within the Limited Commercial (LC) zoning district; and

WHEREAS, the City Council wishes to modify Chapter 17.90 of the Clayton Municipal Code as set forth in this Ordinance.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CLAYTON DOES ORDAIN AS FOLLOWS:

Section 1. Recitals. The above recitals are true and correct and are hereby incorporated into this Ordinance.

Section 2. Amendment. Section 17.90.030 is hereby amended to read in full as set forth below:

17.90.030 Application. The provisions of this Article apply to residential Development Projects and mixed-use Residential Development Projects, consisting of either five (5) or more general Dwelling Units, Senior Citizen Housing Developments, or Mobilehome Parks. However, this Article shall not apply to a Development Project located on property subject to Government Code sections 65915(c)(3) or 65915.5(g).

Section 3. Amendment. Subsection 17.90.050(d) is hereby amended to read in full as set forth below:

d. The transferred land and the Affordable Housing Units shall be subject to a deed restriction, which shall be recorded on the real property at the

time of dedication, ensuring continued affordability of the units for a term of at least fifty-five (55) years.

Section 4. **Amendment.** Section 17.90.070 is hereby amended to read in full as set forth below:

17.90.070 Condominium Conversions. When an Applicant's residential Development Project is the conversion of an existing apartment complex to a condominium complex and the Applicant agrees to make at least thirty-three (33%) of the total units of the proposed condominium Residential Development Project affordable to moderate income households for fifty-five (55) years, or fifteen percent (15%) of the total units of the proposed condominium Residential Development Project to Lower Income households for fifty-five (55) years, and agrees to pay for the administrative costs incurred by the City related to processing the application and monitoring the future status of the Affordable Housing Units, the City shall either (i) grant a Condominium Conversion Density Bonus or (ii) provide other incentives of equivalent financial value to be determined by the City.

An Applicant shall be ineligible for a Condominium Conversion Density Bonus or other incentives under this Section if the apartments proposed for conversion constitute a Residential Development Project for which a Density Bonus or other incentives were previously provided in accordance with this Chapter.

Section 5. **Amendment.** Subsection 17.90.160(c) is hereby amended to read in full as set forth below:

c. The purchaser of each Affordable Housing Unit shall execute an instrument or agreement approved by the City restricting the sale of the Affordable Housing Unit in accordance with this Chapter during the applicable use restriction period. Such instrument or agreement shall be recorded against the real property containing the Affordable Housing unit and shall contain such provisions as the City may require to ensure continued compliance with this Chapter and with Government Code Section 65915, including, but not limited to, equity-sharing as set forth in Government Code Section 65915; and

Section 6. **Severability.** If any section, subsection, sentence, clause, or phrase of this Ordinance, or the application thereof to any person or circumstances, is held to be unconstitutional or to be otherwise invalid by any court competent jurisdiction, such invalidity shall not affect other provisions or clauses of this Ordinance or application thereof which can be implemented without the invalid provisions, clause, or application, and to this end such provisions and clauses of the Ordinance are declared to be severable.

Section 7. **CEQA.** The City Council finds that this ordinance is not subject to the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Sections 15060(c)(3) because this activity is not a project as defined by Section 15378 of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, and pursuant to CEQA Guidelines Section 15061(b)(3) because it can be seen with certainty that it will not have a significant effect or physical change to the environment.

Section 8. Conflicting Ordinances Repealed. Any ordinance or part thereof, or regulations in conflict with the provisions of this Ordinance, are hereby repealed. The provisions of this Ordinance shall control with regard to any provision of the Clayton Municipal Code that may be inconsistent with the provisions of this Ordinance.

Section 9. Effective Date and Publication. This Ordinance shall become effective thirty (30) days from and after its passage. This Ordinance shall be published or posted as required by law.

The foregoing Ordinance was introduced at a noticed public hearing at a regular public meeting of the City Council of the City of Clayton held on July 19, 2016.

Passed, adopted, and ordered posted by the City Council of the City of Clayton at a regular meeting thereof held on _____, 2016, by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

THE CITY COUNCIL OF CLAYTON, CA

Howard Geller, Mayor

ATTEST

Janet Brown, City Clerk

APPROVED AS TO FORM

APPROVED BY ADMINISTRATION

Malathy Subramanian, City Attorney

Gary A. Napper, City Manager

I hereby certify that the foregoing Ordinance was duly introduced at a noticed public hearing of a regular meeting of the City Council of the City of Clayton held on July 19, 2016, and was duly adopted, passed, and ordered posted at a regular meeting of the City Council held on _____, 2016.

Janet Brown, City Clerk

Mindy Gentry

From: Janet Brown <cityclerk@ci.clayton.ca.us>
Sent: Tuesday, June 28, 2016 9:45 AM
To: Mindy Gentry
Subject: FW: Subject: High density housing near downtown

Janet Brown
City Clerk/HR Manager

City of Clayton
6000 Heritage Trail
Clayton, CA 94517
(925) 673-7304

-----Original Message-----

From: WordPress [<mailto:server@ci.clayton.ca.us>]
Sent: Monday, June 27, 2016 9:01 PM
To: cityclerk@ci.clayton.ca.us
Subject: Subject: High density housing near downtown

From: Richard & Ilene Ilene Dulkan <radulkin@sbcglobal.net>
Subject: High density housing near downtown

Message Body:

My wife and I are opposed to the high density housing slated for near the downtown area.

We have lived here since 1975 and have watched the little town of Clayton blossom out, but never at the expense of that little town nestled at the base of Mount Diablo. We want that same feeling today as some are looking at expanding Clayton into something it never was. A quiet community, peaceful and serene, with a low crime rate, great schools, and a picturesque downtown business area. That won't happen with this proposed high density condo community inside our low density, quiet community once that is approved and constructed.

Please see to it that this gets to the Planning Commission in time for the next meeting June 28th. We would love to be there, but we are both handicapped and it would be too difficult to attend.

Thank you, Richard & Ilene Dulkan, 561 Mt. Dell Dr.

--
This e-mail was sent from a contact form on (<http://www.undercovercomputers.com>)

Commissioner Catalano asked if the ground-floor area was enclosed underneath the existing second-story balcony.

Clayton Funk, husband of the applicant Monica Funk, indicated that the ground-floor area underneath the existing second-story balcony is not enclosed and would remain unenclosed when the new balcony is constructed.

Chair Bruzzone indicated that he used to live on Frank Place and knows that the residences on Frank Place are lower in elevation than the residences on Yolanda Circle so there will be no impacts to privacy.

The public hearing was closed.

Vice Chair Johnson moved and Commissioner Manning seconded a motion to conditionally approve Site Plan Review Permit SPR-04-16, with the findings and conditions of approval recommended by staff. The motion passed 5-0.

- 5.b. **GPA-01-16; General Plan Amendment; City of Clayton.** A General Plan amendment to increase the density allowed within the Multifamily High Density (MHD) designation from 15.1 to 20 units per acre to 20 units per acre.

Director Gentry presented the staff report for Items 5.b through 5.g and indicated that, although the staff report for Items 5.b through 5.g would be presented at one time, the staff recommendation for each item would be indicated and the Planning Commission would conduct a public hearing on each separate agenda item.

Chair Manning asked if a developer could purchase a unit off-site and fix it up to sell as affordable housing unit as opposed to having to provide the affordable housing unit within the project itself.

Director Gentry indicated that a developer would be able to pay an in-lieu fee.

Commissioner Manning asked if the in-lieu fee is equal to the cost of the construction of the affordable housing unit.

Director Gentry indicated that the in-lieu fee amount would be established by the City Council.

Commissioner Manning indicated that he was glad that the affordability timeframe was extended to 55 years since it started many years ago at only 10 years.

Vice Chair Johnson requested clarification on the employee housing amendment.

Director Gentry indicated that, since there are very few agricultural areas left in Clayton, the employee housing amendment would more than likely not be pertinent to our community. This type of amendment would be more applicable in the Central Valley where there are more agricultural uses. The General Plan and Municipal Code are silent on employee housing whereas the State has a specific definition for employee housing. The City does not define what a "household" means since that term is different for everyone. People can already rent out their home, so this type of living arrangement could already happen. However, this amendment would expressly allow for this type of use in Clayton.

Chair Bruzzone asked how many other cities in Contra Costa County are involved in updating their Codes to establish higher densities and inclusionary housing within their communities.

Director Gentry indicated that the City of Lafayette established a sub-committee to address an inclusionary housing ordinance years ago, but had to put it on hold due to pending courts cases; however, the City of Lafayette is now working towards completing their inclusionary housing ordinance. Walnut Creek has had an inclusionary housing ordinance for years. Further east in Contra Costa County it is not as common because housing is already considered affordable. The majority of cities are making changes or have already made the changes to increase to the requisite higher density designations.

Chair Bruzzone asked if cities are fighting this increase in minimum density and expressed concern about compromising State and Federal funds available to Clayton.

Director Gentry indicated that cities refusing to comply with State housing requirements may be susceptible to lawsuits and loss of funding from the State. So it is in a city's best interest to comply with State requirements.

Vice Chair Johnson explained that Pleasanton also challenged the State in order to resist the mandated requirements.

Director Gentry explained that the cities of Napa and Benicia also challenged the State and lost.

Commissioner Catalano requested confirmation on the location of all Multifamily High Density and Limited Commercial Districts in Clayton.

Vice Chair Johnson requested clarification on the City reporting to the State Department of Housing and Community Development (HCD).

Director Gentry explained that the City has to show proof to HCD that the City is planning for the Regional Housing Need Allocation numbers established by the Association of Bay Area Governments.

Chair Bruzzone opened the public hearing for Item 5.b.

Sue Allen, 211 Mountaire Parkway, expressed general opposition to the increase in density for the Multifamily High Density (MHD) designation and was specifically concerned about the impacts created by a higher density project located south of the Post Office as related to parking, location of garages or carports, safety issues regarding children traveling by foot on Marsh Creek Road, crime, degradation of the surround area, and the small size of High Street being inadequate to accommodate additional vehicle traffic. She added that this type of density should be located elsewhere in Clayton in order to minimize impacts to the Town Center and neighborhoods surrounding it.

Dan Hummer, 282 Stranahan Circle, agreed with Ms. Allen's concerns over increased densities for residential projects in Clayton. He expressed concern that a high density residential project located south of the Post Office would create impacts related to crime, parking, and traffic and explained that the maximum residential density allowed within Clayton should be 15 units per acre.

Chair Bruzzone reiterated that what the Planning Commission is reviewing at tonight's meeting are amendments that will allow the City to comply with State housing requirements and has nothing to do with any particular project in Clayton.

Bruce Feld, 574 Mt. Dell Drive, indicated that he moved to Clayton for its small town charm. He added that the Planning Commission and staff are in charge of protecting the intangible assets of Clayton and, with "small town America" rapidly disappearing, we have a duty to safeguard the unique qualities of our community. Higher density would not be good for Clayton.

Mark Kelson, 29 Tiffin Drive, indicated that Governor Jerry Brown is proposing legislation that would give developers the power to construct high density housing if these projects comply with certain criteria such as being located in close proximity to public transportation, etc. This new legislation would enable developers to obtain project approval without having to go through the City process. He concluded that he felt bad for the City since the State is requiring these density changes.

Chair Bruzzone closed the public hearing for Item 5.b.

Commissioner Manning indicated the following:

- The Planning Commission is looking at complying with State law.
- The City has found no correlation between higher density development and crime.
- Higher density developments exist in Clayton such as Oakhurst and there are not higher crime rates in Oakhurst.
- Low-income units exist in Clayton and no increase in crime has occurred; in fact, Clayton is one of the safest cities in California.

Commissioner Richardson indicated the following:

- The Housing Element in the General Plan is updated every few years, in accordance with State requirements.
- Every time the Housing Element is updated, the State moves the target for compliance.
- The State dictates what the City has to do to comply with State-mandated density changes.
- Affordable housing allows his children and parents the possibility of living in the City they love. His children grew up in Clayton yet they cannot afford to buy a home here. Affordable housing gives his children that chance.
- In the past, the State would merely recommend that cities should comply with these mandated housing requirements; nowadays, however, the State is much stricter about requiring cities to comply and have established penalties for cities that do not comply which equates to loss of money for cities because of the litigation process and loss of State funds.
- These State funds pay for such things as street improvements.
- The State wants the City to show where they can build new units to comply with State housing number requirements. That does not mean that the City is going to immediately try to find a developer to start constructing high density projects. It just means that we are showing the State where, potentially, the City could provide these units and making sure the City does not have ordinance established that would preclude this type of State-mandated development.
- We are simply complying with State demands. He would prefer to defy State requirements but the ensuing penalties would be more than the City could bear.

Commissioner Catalano indicated the following:

- She concurs with Commission Manning's and Commission Richardson's comments.
- Regarding the legislation proposed by Governor Brown, the Governor is merely trying to expedite the process by streamlining the environmental review for projects that comply with all applicable General Plan guidelines and Zoning standards for the particular district that the project is proposed to be located in. This legislation would not take away the City's discretionary review of such projects.
- These areas slated for compliance with State housing requirements would not pertain to the entire City but, rather, just a few select areas that have this particular type of higher density zoning.
- She thinks it is wise of the City to comply with the State.

Vice Chair Johnson indicated the following:

- She echoes the previous comments made by the Commissioners.
- She is disappointed that the City has to increase the density in this district.
- The State is requiring the City to comply so we have no choice but to do so.

Chair Bruzzone indicated the following:

- He agrees with prior comments made by the Commissioners.
- He understands the concerns expressed over the increase in density.
- The review process will not be affected. When projects are proposed, they will still be subject to the review process.
- We do not want to lose State funding. The consequences for a city the size of Clayton would be drastic.

Commissioner Richardson moved and Commissioner Manning seconded a motion to approve Resolution 03-16 recommending the City Council approve a General Plan amendment to increase the minimum density in the Multifamily High Density land use designation to 20 units per acre. The motion passed 5-0.

5.c. **ZOA-04-16; Municipal Code Amendment; City of Clayton.** A Municipal Code amendment requiring projects to meet the minimum density in compliance with the General Plan Land Use designations in Multiple Family Residential Districts.

Chair Bruzzone opened the public hearing for Item 5.c.

Dan Hummer, 282 Stranahan Circle, indicated that the high density designation should be located in a different location than the Town Center.

Commissioner Richardson indicated the following:

- During the Housing Element process, the City looked at every available piece of land in Clayton and underwent review of these proposed locations by HCD. The selected areas were chosen as the most suitable for high density projects based on the fact these areas were close to transit sources.
- The Commissioners have indicated that they would prefer not to have to conform to State requirements.
- These locations were selected as potential sites for these higher density developments but that does not necessarily mean that a high density project would definitely be built there.

Chair Bruzzone closed the public hearing for Item 5.c.

Vice Chair Johnson moved and Commissioner Richardson seconded a motion to approve Resolution 04-16 recommending the City Council adopt the Ordinance to require projects to meet the minimum density in compliance with the General Plan Land Use designations in Multiple Family Residential Districts (M-R-L, M-R-M, and M-R-H). The motion passed 5-0.

- 5.d. **ZOA-04-15; Municipal Code Amendment; City of Clayton.** A Municipal Code amendment adding inclusionary housing regulations.

Chair Bruzzone opened the public hearing for Item 5.d.

There were no comments.

Chair Bruzzone closed the public hearing for Item 5.d.

Commissioner Catalano indicated the following:

- Inclusionary housing and affordable housing are perceived negatively which is unfortunate since making housing available and more affordable is actually beneficial for Clayton.
- Medium-income annual income range is \$67,000 to \$112,000 and low-income annual income range is \$47,000 to \$67,000. These are the incomes for teachers, fire fighters, and police officers.
- Giving people a chance to afford buying a home results in positive impacts to the community.
- Can a developer waive rights under the Costa-Hawkins Act?

Director Gentry responded that it is conceivable that a developer may do so but the City cannot require developers to do so.

Commissioner Richardson indicated that his daughter is a teacher but cannot afford purchase a residence in the community she grew up in.

Commissioner Richardson moved and Commissioner Manning seconded a motion to approve Resolution 05-16 recommending the City Council adopt the Ordinance to add inclusionary housing regulations. The motion passed 5-0.

- 5.e. **ZOA-05-16; Municipal Code Amendment; City of Clayton.** A Municipal Code amendment to permit transitional and supportive housing in the Limited Commercial (LC) zoning district.

Chair Bruzzone opened the public hearing for Item 5.e.

Bruce Feld, 574 Mt. Dell Drive, asked what the definitions were for transitional housing and supportive housing.

Director Gentry read aloud the definitions for transitional housing and supportive housing.

Chair Bruzzone closed the public hearing for Item 5.e.

Commissioner Manning moved and Vice Chair Johnson seconded a motion to approve Resolution 06-16 recommending the City Council adopt the Ordinance to permit transitional and supportive housing in the Limited Commercial (LC) zoning district. The motion passed 5-0.

- 5.f. **ZOA-03-16; Municipal Code Amendment; City of Clayton.** A Municipal Code amendment to permit employee housing of six or fewer by right within residential zones.

Chair Bruzzone opened the public hearing for Item 5.f.

There were no comments.

Chair Bruzzone closed the public hearing for Item 5.f.

Vice Chair Johnson moved and Commissioner Manning seconded a motion to approve Resolution 07-16 recommending the City Council adopt the Ordinance to permit employee housing of six or fewer by right within residential zones. The motion passed 5-0.

- 5.g. **ZOA-06-16; Municipal Code Amendment; City of Clayton.** A Municipal Code amendment to update the density bonus requirements to be compliant with AB 2222 and AB 744.

Chair Bruzzone opened the public hearing for Item 5.g.

Dan Hummer, 222 Stranahan Circle, asked does a density bonus mean a developer could possibly increase the density on a project over 20 units per acre.

Director Gentry indicated that, if a developer meets the requirements of the Zoning Ordinance, then the density could be increased higher than 20 units per acre.

Commissioner Richardson asked if the City is required to allow a density higher than 20 units per acre.

Director Gentry replied that, if the developer requests the density bonus and if they are proposing the necessary percentage of affordable units, the developer could propose a project with a higher density.

Commissioner Catalano indicated that she felt the costs of land in Clayton are too expensive to make a 100 percent affordable rental unit project profitable for developers.

Director Gentry also indicated that affordable housing developers look for transit-friendly sites.

Commissioner Manning indicated that cities such as Pleasant Hill fight such projects because there are so many transit-friendly sites located there.

Chair Bruzzone closed the public hearing for Item 5.g.

Commissioner Catalano moved and Vice Chair Johnson seconded a motion to approve Resolution 08-16 recommending the City Council adopt the Ordinance to update the density bonus requirements to be compliant with AB 2222 and AB 744. The motion passed 5-0.

6. OLD BUSINESS

None.

7. NEW BUSINESS

None.

8. COMMUNICATIONS

8.a. Staff

Director Gentry and Assistant Planner Sikela thanked Chair Bruzzone, Vice Chair Johnson, and Commissioner Manning for their excellent work done while serving on the Planning Commission.

8.b. Commission

Chair Bruzzone, Vice Chair Johnson, and Commissioner Manning expressed their gratitude for being able to work on the Planning Commission and also thanked Commissioner Richardson, Commissioner Catalano, and staff for their hard work.

9. ADJOURNMENT

9.a. The meeting was adjourned at 8:15 p.m. to the regularly-scheduled meeting of the Planning Commission on July 12, 2016.


Submitted by
Mindy Gentry
Community Development Director

Approved by
David Bruzzone
Chair

Community Development\Planning Commission\Minutes\2016\0628



STAFF REPORT

Approved: 
Gary A. Napper City Manager

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: CHARLIE MULLEN, COMMUNITY DEVELOPMENT DIRECTOR *CM*

DATE: NOVEMBER 18, 2014

SUBJECT: PUBLIC HEARING TO CONSIDER AN INITIAL STUDY/NEGATIVE DECLARATION AND FINAL DRAFT 2015-2023 HOUSING ELEMENT UPDATE (ENV-02-14 & GPA-02-13).

RECOMMENDATION

Staff recommends the City Council hold a Public Hearing and then adopt a Resolution approving an Initial Study/Negative Declaration and the Final Draft 2015-2023 Housing Element update for the City of Clayton, and further direct staff to submit the Final Draft 2015-2023 Housing Element update to the California Department of Housing and Community Development (HCD) for certification.

BACKGROUND

State law and state public policies have long recognized the vital role local governments play in facilitating the supply and affordability of housing. As a consequence, each local government in California is required to adopt a comprehensive, long-term General Plan for the physical development of the city or county. The Housing Element is one of the seven mandated elements of the local General Plan. The Clayton General Plan comprises eight elements: Land Use, Circulation, Housing, Community Design, Open Space/Conservation, Safety, Noise, Community Facilities, and Growth Management. All of the goals, policies, and programs contained in these elements must be and are consistent with the proposed Housing Element for years 2015-2023. The City will continue to review the General Plan for internal consistency as amendments are proposed and adopted.

State law requires that local governments identify and plan for the existing and projected housing needs of all economic segments of the community in one's Housing Element. The law acknowledges that, in order for the private market to adequately address housing needs and demand, local governments must adopt land use plans and regulatory systems that provide opportunities for, and do not unduly constrain, housing developments of all types and variations. Housing policy in the State rests largely upon the effective implementation of local General Plans and, in particular, local Housing Elements.

State law lists specific timetables in regard to the schedule for updating local Housing Elements. In previous Housing Element cycles, the updates were required to occur every five (5) years to address and respond, in our case, to assigned Regional Housing Needs Allocations (RHNAs) by the Association of Bay Area Governments (ABAG), site inventory, housing constraints and any new provisions in State Law. For this current Housing Element update cycle, the State also changed the update cycle period to allow up to eight (8) years, from January 31, 2015 to January 31, 2023, provided the document is reviewed and certified by the State Housing and Community Development Department (HCD).

LOCAL PROCESS

State law requires that local governments "make a diligent effort to achieve public participation of all economic segments of the community in the development of the Housing Element." To satisfy this requirement, the City conducted a series of community meetings and public hearings to receive community input regarding housing needs and policy direction in the city of Clayton.

The City kicked off the public participation process with a joint Public Workshop before the City Council and Planning Commission on November 5, 2013. City staff and the City's Housing Element consultant, Pacific Municipal Consultants (PMC), made a presentation that included an overview of the update process and schedule, a description of the required components, and initial findings from the needs assessment. The comments received at the meeting included general questions and comments regarding the Housing Element process, which were addressed at the meeting. There were no comments from the public offered at this workshop.

On May 13, 2014, the Planning Commission conducted a public hearing on the proposed draft 2015-2023 Housing Element update and, with minor suggestions, recommended the City Council direct staff to submit the draft 2015-2023 Housing Element update to HCD for review. No members of the public spoke on the matter. The Planning Commission's minor comments were incorporated into the Final Draft.

On June 3, 2014, the City Council conducted a public hearing on the draft 2015-2023 Housing Element update and, with minor suggestions, directed staff to submit the draft 2015-2023 Housing Element update to HCD for review (see attached meeting minutes). No members of the public spoke on the matter. The City Council's comments were incorporated into the Final Draft.

On June 4, 2014, PMC transmitted the Draft 2015-2023 Housing Element update to HCD for review. Subsequently, City staff and PMC staff held interactive phone discussions with HCD staff. Based on these discussions, PMC staff prepared and transmitted additional-requested Housing Element revisions to HCD. On July 31, 2014, HCD provided a letter to the City of Clayton indicating our draft Housing Element met the statutory requirement of State housing element law (see attached letter). With this HCD endorsement, PMC went forth and prepared the accompanying Initial Study/Negative Declaration (IS/ND) environmental review. The IS/ND and Final Draft 2015-2023 Housing Element for the City of Clayton was then complete and distributed to Planning Commissioners and City Council members on September 11, 2014. The documents were made available for public review on September 12, 2014. The 30-day comment period on this IS/ND began on September

12, 2014, and ended on October 14, 2014. Complete hard copies of the documents were made available at City Hall and the Library, while electronic copies were uploaded to the City's website at www.ci.clayton.ca.us.

On October 14, 2014, the Planning Commission conducted its public hearing on the IS/ND and Final Draft 2015-2023 Housing Element update. One member of the public spoke on the matter, raising issue with the public outreach and concerns over potential high density housing (see attached draft meeting minute excerpts). At the meeting staff presented a few minor staff administrative corrections to be made in one paragraph under Chapter 6. The Planning Commission provided minor comments and questions that did not require any changes in the Final Draft. After hearing and considering all information the Commission adopted Resolution No. 04-14, recommending City Council approval of the Initial Study/Negative Declaration and the Final Draft 2015-2023 Housing Element update for the City of Clayton.

At a regular public meeting of the City Council on October 21, 2014, under "Public Comments" one resident addressed the Council objecting to the insertion of the term "by right," as referenced in the Final Draft 2015-2023 Housing Element Update for higher density multi-family housing, asserting such terminology is not found in State Law and therefore the City is not obliged to include such language in its Housing Element and acquiesce its local control. As requested, the Community Development Director responded to the City Council with a memorandum (dated October 28, 2014; see attached) at its regular public meeting on November 4, 2014 explaining and confirming that State Law (ref. CA Government Code section 65583.2) does indeed use the term "by right" and explaining why the City's Housing Element requires that term by reference. At its regular public meeting on November 4th, the same resident spoke under "Public Comments" and again disputed the staff's findings on this issue.

On November 7, 2014, a Public Notice of this Public Hearing was published in the Contra Costa Times, posted at the notice boards, and mailed to interested parties, housing advocacy groups, and public agencies (see attached mailing list). The public hearing notice was also posted on the City's website.

DISCUSSION

This staff report, along with the meeting presentation and public hearing, are a continuation of the public participation process for Clayton's 2015-2023 Housing Element update. This Housing Element update picks up and takes off where the current 2009-2014 Housing Element ends. The Housing Element update consists of the following chapters/sections:

- Section 1.0 provides an introduction and overview of the Housing Element process.
- Section 2.0 provides a housing needs' assessment, with a description and analysis of Clayton's population and household characteristics, employment and economic trends, housing stock, and existing and future housing needs.
- Section 3.0 examines opportunities and resources for residential energy conservation.
- Section 4.0 describes potential governmental and non-governmental constraints to the production of affordable housing.

- Section 5.0 provides an overview of existing financial and programmatic resources available to assist in housing production and improve affordability, as well as an inventory of existing affordable housing developments and properties.
- Section 6.0 analyzes land available for residential development and demonstrates the City's capacity to meet its Regional Housing Needs Allocation.
- Section 7.0 reviews the implementation status, effectiveness, and continued appropriateness of implementation measures from the 2009-2014 Housing Element.
- Section 8.0 establishes goals, policies, implementation measures, and quantified objectives for the 2015-2023 Housing Element planning period. Following the housing goals, policies, and implementation measures section is a table that outlines quantified objectives for the 2015-2023 planning period.

Regional Housing Needs Allocation (RHNA)

Much of the specific detail, data, and resultant goals, policies, implementation measures stem from the RHNA numbers discussed in Section 6.0 of the Housing Element. State law requires that HCD project statewide housing needs and allocate the anticipated need to regions throughout the state. For the Bay Area, HCD provides the regional need to the Association of Bay Area Governments (ABAG), which then distributes the RHNAs to the cities and counties within the ABAG region. ABAG allocates housing production goals for cities and counties based on their projected share of the region's household growth, the state of the local housing market and vacancies, and the jurisdiction's housing replacement needs.

Projected housing needs in the RHNA are described by income categories as established by HCD: very low, low, moderate, and above moderate. Additionally, recent state legislation requires jurisdictions to project housing needs for extremely low-income households, which is assumed to be half of the very low-income allocation (see next report section for more detail on household income).

Clayton's share of the 2014-2022 RHNA is 141 housing units. As shown in the table below (Table 44 excerpt from the Housing Element), the RHNA includes 25 extremely low-income units, 26 very low-income units, 25 low-income units, 31 moderate-income units, and 34 above-moderate income units. Clayton's RHNA represents less than one percent of the total Contra Costa County RHNA of 20,630 units.

City of Clayton Regional Housing Needs Allocation, 2014-2022

Income Category	ABAG Need Determination	Percentage of Total
Extremely Low	25	18%
Very Low	26	18%
Low	25	18%
Moderate	31	22%
Above Moderate	34	24%
Total Units	141	100%

Capacity to Accommodate the RHNA

As detailed in Section 6.2 Adequate Sites Inventory and summarized in the Table below (Table 45 excerpt from the Housing Element), Clayton must demonstrate it has capacity in planned or approved projects and adequate land zoned at densities appropriate to meet the 2014-2022 RHNA for all income categories. Projects already approved or planned can accommodate 13 units, vacant residential sites can accommodate 133 units, and underutilized sites can accommodate 129 units. Identified sites have realistic capacity for a total of 275 units, of which approximately 145 may be appropriate for lower-income households.

As stated in Implementation Measure I.1.1, the City will continue to track and monitor the inventory of available sites throughout the planning period to ensure that adequate sites remain available to accommodate the City's RHNA.

City of Clayton Capacity to Accommodate the 2014-2022 RHNA

Income Category	RHNA	Planned/ Approved	Vacant Land	Underdeveloped Sites	Remaining Need (Surplus)
Extremely Low	25	2	57	86	(75)
Very Low	26				
Low	25				
Moderate	31	11	76	43	(61)
Above Moderate	34				
Total Units	141	13	133	129	(134)

Household Income

Each year, HCD publishes median income amounts and State Income Limits for five categories of household income for each county in the state. The 2014 State Income Limits were released on February 28, 2014, and provide income limits based on income category and household size. As shown in the table below (Table 16 excerpt from the Housing Element), the income range (based on a percentage of the area median income for Contra Costa County in 2014 of \$93,500) and annual income amount for a four-person household range from \$28,020 or less for extremely low-income households to more than \$112,200 for above-moderate income households.

Contra Costa County Income Categories, 2014

Income Category	Percentage of Median Income	Annual Household Income*
Extremely Low	≤30%	\$28,050 or less
Very Low	31%–50%	\$28,051–\$46,750
Low	51%–80%	\$46,751–\$67,600
Moderate	81%–120%	\$67,601–\$112,200
Above Moderate	>120%	More than \$112,200

Existing Housing Element Accomplishments

Clayton has made significant progress toward achieving one-time and ongoing goals set forth in the existing Housing Element, which was adopted by the City and certified by HCD in 2010. The following is a summary list of the existing Housing Element implementation actions completed, from 2010 through 2014:

- Established the Multi-Family High Density land use designation, re-designated and rezoned several sites, and amended Planned Development District regulations (I.1.1).
- Established regulations for manufactured homes, consistent with State law (I.3.1).
- Prepared and distributed a Development Handbook (I.5.2).
- Established regulations and a Zone for emergency shelters (II.1.1).
- Established regulations and a Zone for transitional and supportive housing (II.1.2).
- Established regulations and a Zone for single-room occupancy (SRO) units (II.1.3).
- Modified zoning to require a Use Permit for single-family homes in multi-family districts (II.2.1).
- Revised the City's definition of "family" (IV.1.2).
- Adopted a reasonable accommodations ordinance (IV.3.1).

New Implementation Actions Added

The following is a summary list of key new implementation actions proposed to be added to the 2015-2023 Housing Element and key revisions requested (i.e. required) by HCD:

- Identify the number of acres zoned to accommodate emergency shelters.
- Update Tables 46 & 47 to include revised approved projects and vacant sites.
- Monitor the residential land inventory and maintain adequate sites (I.1.1).
- Amend the General Plan and Zoning Ordinance to accommodate multi-family housing "by right" at a minimum density of 20 units per acre. Explain in more detail the City good faith efforts to rezones sites in 2012 to meet the RHNA shortfall (I.1.2).
- Establish zoning regulations for employee housing for six (6) or fewer persons (II.1.2).
- Amend the Zoning Ordinance to allow transitional and supportive housing by conditional use permit in the Limited Commercial (LC) zoning district (II.1.3).
- Consider regulatory incentives and concessions for development projects that provide residential affordable housing units or housing for special needs groups (II.2.1).

- Consider waiving or deferring fees for affordable housing projects (II.2.2).
- Explore financing and programs for residential energy efficiency improvements (V.1.3).

Housing Element Update Schedule

The draft 2015-2023 Housing Element update for the City of Clayton is on track to meet the State-recommended adoption schedule per the following table:

City of Clayton 2015-2023 Housing Element Update Schedule

November 5, 2013	Joint Planning Commission/City Council Workshop
May 13, 2014	Planning Commission Public Hearing
June 3, 2014	City Council Public Hearing
June-August, 2014	HCD review – completed July 31, 2014
October 14, 2014	Planning Commission Public Hearing
November 18, 2014	City Council Adoption Public Hearing
November 2014 – Jan. 2015	Final HCD review (up to 90 days)
January 2015	Receive HCD Certification of Housing Element

FISCAL IMPACT

On May 21, 2013, the City Council authorized the City Manager to enter into a Consulting Services Agreement with Pacific Municipal Consultants (PMC) for the preparation of the City’s 2015-2023 Housing Element update. The cost of the PMC service proposal is \$32,180, and includes a 10% contingency of \$3,218, for a not-to-exceed contract amount of \$35,398. The City Council authorized the necessary funds from the CIP Interest Earnings Fund Account (303-5601-00) to pay for this State-mandated Housing Element Update.

ATTACHMENTS

1. Resolution – Approving IS/ND and Final Draft 2015-2023 Housing Element update.
2. Excerpt Draft Minutes from Planning Commission meeting of 10/14/14.
3. Minor Correction Edits to Chapter 6, Capacity to Accommodate the RHNA.
4. Memorandum to City Council, dated October 28, 2014 pertaining to term “by right.”
5. Housing Element Public Hearing Mailing List for City Council meeting of 11/18/14.
6. Initial Study/Negative Declaration, dated September 2014 (the entire document is also available on City’s website [http://ci.clayton.ca.us/?page_id=208], and a complete copy was previously transmitted to the City Council).
7. Final Draft 2015-2023 Housing Element, dated August 25, 2014 (the entire document is also available on City’s website [http://ci.clayton.ca.us/?page_id=208], and a complete copy was previously transmitted to the City Council).

RESOLUTION NO. 42 - 2014

**A RESOLUTION APPROVING AN
INITIAL STUDY/NEGATIVE DECLARATION AND THE FINAL DRAFT 2015-2023
HOUSING ELEMENT UPDATE OF THE CLAYTON GENERAL PLAN
IN COMPLIANCE WITH REQUIREMENTS OF APPLICABLE STATE LAW
(ENV-02-14 & GPA-02-13)**

**THE CITY COUNCIL
City of Clayton, California**

WHEREAS, California Government Code Article 10.6 commencing with section 65583, requires that every jurisdiction in California must adopt a General Plan, and every General Plan must contain a Housing Element. California law lists specific timetables in regard to the schedule for updating the Housing Elements. In previous Housing Elements cycles, the updates were required to occur every five (5) years to address and respond to Regional Housing Needs Allocations (RHNA), site inventory, housing constraints, and any new provisions in State Law. For this current Housing Element update cycle, the State did change the update cycle period to allow up to eight (8) years, from January 31, 2015 to January 31, 2023, provided the document is reviewed and certified by the California Department of Housing and Community Development (HCD); and

WHEREAS, the City of Clayton's share of regional housing need is established by the Association of Bay Area Governments (ABAG) and this period's related "Regional Housing Needs Allocation" (RHNA) was adopted by ABAG in 2013 which determined that Clayton's fair share of the RHNA for the period between 2014 and 2022 is a total of 141 units in the following income categories: 25 extremely-low income, 26 units very low income, 25 low-income, 31 moderate-income and 34 above-moderate income; and

WHEREAS, the City has prepared a Housing Element update, titled "City of Clayton 2015-2023 Housing Element", to comply with applicable requirements of State law and to facilitate the City's capacity to satisfy its RHNA as established for this period by ABAG; and

WHEREAS, on November 5, 2013, the City of Clayton conducted a joint Public Workshop before the City Council and Planning Commission to seek input on the Housing Element update from the community. There were no oral or written comments from the public provided at this workshop; and

WHEREAS, on May 13, 2014, the Planning Commission conducted a public hearing on the draft 2015-2023 Housing Element update and, with minor suggestions, recommended the City Council direct staff to submit the draft 2015-2023 Housing Element update to HCD for review. There were no oral or written comments from the public provided at this meeting; and

WHEREAS, on June 3, 2014, the City Council conducted a public hearing on the draft 2015-2023 Housing Element update and, with suggestions, directed staff to submit the draft 2015-2023 Housing Element update to HCD for its review. There were no oral comments from the public provided at this meeting however, two written communications were submitted and considered; and

WHEREAS, on June 4, 2014, the draft 2015-2023 Housing Element update was transmitted to HCD for review and, on July 31, 2014, HCD provided a letter to the City of Clayton indicating the draft Housing Element meets the statutory requirement of State housing element law; and

WHEREAS, the Planning Commission, at a regular public meeting on October 14, 2014, held a duly noticed public hearing to review and consider the Initial Study/Negative Declaration (IS/ND) and the City of Clayton 2015-2023 Housing Element update and then adopted Resolution No. 04-14, recommending City Council approval of the documents. There were no written comments provided at this meeting, however, oral comments from one member of the public were provided and taken into consideration; and

WHEREAS, the City Council, at a regular public meeting on November 18, 2014, held a duly noticed public hearing to review and consider the Initial Study/Negative Declaration (IS/ND) and the City of Clayton 2015-2023 Housing Element update; and

WHEREAS, pursuant to California Environmental Quality Act (CEQA) Guidelines, Section 15063, an IS/ND was prepared and made available for public review. The IS/ND has concluded there is no substantial evidence to suggest the Housing Element document may have a significant effect on the environment. Accordingly, the Initial Study with a Negative Declaration determination is being considered for adoption by the City of Clayton. The 30-day comment period on this IS/ND began on September 12, 2014, and ended on October 14, 2014; and

WHEREAS, the City Council has determined the proposed revisions to the Housing Element are in general conformance with the Clayton General Plan; and

WHEREAS, proper notice of this public hearing was given in all respects as required by law; and

WHEREAS, the City Council duly considered and reviewed all written evidence and oral testimony presented to date on its proposed Housing Element for 2015-2023.

NOW, THEREFORE BE IT RESOLVED the City Council of Clayton, California, does hereby find and determine the above Recitals are true and correct statements of fact related to this action and does herewith base its action in part relying on the veracity of said Recitals; and

BE IT FURTHER RESOLVED the Clayton City Council, based on substantial evidence in the administrative record of proceedings and pursuant to its independent review and consideration, does hereby approve the Initial Study/Negative Declaration and the City of Clayton 2015-2023 Housing Element Update, respectively attached hereto as Exhibit A and Exhibit B and incorporated herein by this reference.

PASSED, APPROVED AND ADOPTED by the City Council of Clayton, California at a regular public meeting thereof held on November 18, 2014, by the following vote:

AYES: Mayor Stratford, Vice Mayor Shuey, Councilmembers Diaz, Geller and Pierce.

NOES: None.

ABSENT: None.

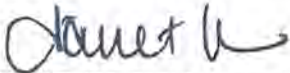
ABSTAIN: None.

THE CITY COUNCIL OF CLAYTON, CA



Hank Stratford, Mayor

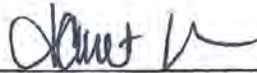
ATTEST



Janet Brown, City Clerk

#####

I hereby certify that the foregoing resolution was duly adopted and passed by the City Council of the City of Clayton at a regular public meeting thereof held on November 18, 2014.



Janet Brown, City Clerk

ATTACHMENTS

Exhibit A – Initial Study/Negative Declaration, dated September 2014

Exhibit B – City of Clayton 2015-2023 Housing Element, dated August 25, 2014

X:\Com Dev\GPA\2013\GPA-02-13 - Housing Element Update\CC mtg. 11-18-14\CC Reso - ISND Final HE - 11-18-14-Final.docx

8.0 GOALS AND POLICIES

Adequate Sites and New Construction

GOAL I Provide for adequate sites and promote the development of new housing to accommodate Clayton’s fair share housing allocation.

POLICY I.1 The City shall designate and zone sufficient land to accommodate Clayton’s projected fair share housing allocation as determined by the Association of Bay Area Governments.

Implementation Measure I.1.1. To ensure that adequate sites are available through the planning period to meet the City’s Regional Housing Needs Allocation (RHNA), the City will continue to maintain an inventory of sites available and appropriate for residential development for households at all income levels. In keeping with state “no net loss” provisions (Government Code Section 65863), if development projects are approved at densities lower than anticipated in the sites inventory, the City will evaluate the availability of sites appropriate for lower-income housing and, if necessary, shall rezone sufficient sites to accommodate the RHNA.

Responsibility: Community Development Department

Time Frame: Ongoing, as development projects are proposed.

Funding: General Fund

Implementation Measure I.1.2. The City will amend the Multi-Family High Density (MHD) General Plan land use designation or otherwise amend the General Plan and/or Zoning Ordinance as needed to meet state requirements specific to sites rezoned to accommodate the City’s lower-income RHNA from 2007-2014 planning period, specifically to allow multi-family housing by-right on these sites at a minimum density of 20 units per acre.

The City’s 2007-2014 Housing Element identified a shortfall of land that provided for residential development at a density deemed appropriate for affordable housing to accommodate 84 units to meet the extremely low-, very low-, and low-income RHNA. State law (Government Code Section 65583.2(h) and (i)) requires that land rezoned or redesignated to meet a shortfall meet the following criteria:

- Require a minimum density of at least 20 units per acre;
- Accommodate at least 16 units per site;
- Allow multi-family housing by-right (without a use permit); and

- At least 50 percent of rezoned sites must be designated for residential uses only.

In 2012, the City in good faith established the Multi-Family High Density General Plan Land Use and Zoning District designations and made specified General Plan Map and Zoning Map changes in an attempt to accommodate the City's lower-income RHNA shortfall from the 2007-2014 planning period. The City was advised by HCD that these efforts fell short of State Law, and therefore, the City's land use regulations will be appropriately revised to comply with the above stated criteria.

Responsibility: City Council, Planning Commission, Community Development Department

Time Frame: By January 31, 2016.

Funding: General Fund

POLICY I.2 The City shall actively support and participate in the development of extremely low-, very low-, low-, and moderate-income housing to meet Clayton's fair share housing allocation. To this end, the City shall help facilitate the provision of affordable housing through the granting of regulatory concessions and available financial assistance.

Implementation Measure I.2.1. For residential projects of 10 or more units, developers will be required to develop an Affordable Housing Plan that requires a minimum of 10 % of the units to be built or created as affordable housing units. The City has established the following guidelines to provide direction for the review of Affordable Housing Plans associated with individual development projects and to provide direction for the preparation of an Affordable Housing Plan.

The plan shall be approved in conjunction with the earliest stage of project entitlement, typically with the City Council approval of the development agreement or other primary land use entitlement.

The Affordable Housing Plan shall specify and include the following:

- The number of dwelling units that will be developed as affordable to very low-, low-, moderate-, and above moderate-income households shall be a minimum of 10% of the total project. The number of affordable units shall be rounded up to a whole number. It is the City's desire that at least 5 percent of all project units be built as very low-income housing units and at least 5 percent of all project units be built as low-income housing units.
- The number of affordable ownership and rental units to be produced. Such split shall be approved by the City Council based on housing needs, market

conditions, and other relevant factors. The split of ownership and rental units shall be addressed within the plan for each individual project.

- Program options within project-specific Affordable Housing Plans may include, but are not limited to, the following:
 - Actual production (on-site or off-site) of affordable units (including ownership and rental opportunities in the form of corner units, halfplexes, duplexes, cottages, creative alternative housing products, etc.).
 - Land dedication (on-site and off-site).
 - Payment of in-lieu fees.
- The timing for completion of affordable housing obligations. For projects proposing to construct affordable housing units, the City generally supports construction of affordable dwellings concurrent with the construction of market-rate housing when feasible. For projects providing alternative contributions (land dedication, funds, etc.), timing of such contributions shall be identified in the plan, with the expectation that the City will pursue construction of affordable units generally concurrent with construction of project market-rate housing.
- At the City Council's discretion, land or other contributions provided by developers as specified within project Affordable Housing Plans may be utilized to augment City efforts and the efforts of its nonprofit partners to provide affordable housing opportunities to all income levels throughout the community. The City will pursue supplemental funding to allow affordability to households earning less than 50 percent of area median income.
- In order to ensure the production and preservation of housing affordable to the City's workforce, no productive, reasonable program or incentive option will be excluded from consideration within project-specific Affordable Housing Plans. Possible incentives may include, but are not limited to:
 - Density bonuses
 - Fee waivers or deferrals (as reasonably available)
 - Expedited processing/priority processing
 - Reduced parking standards
 - Technical assistance with accessing funding

- Modifications to development standards (on a case-by-case basis)

Responsibility: City Council, Planning Commission, Community Development Department

Time Frame: Ongoing, as projects of 10 or more units are processed through the Community Development Department. The City will monitor the implementation of this program to ensure that it does not cause a constraint to the development of housing in the City of Clayton and will make necessary revisions to the program if needed to avoid such a constraint.

Funding: General Fund

POLICY I.3 The City shall encourage the development of second dwelling units on new and existing single-family-zoned lots.

Implementation Measure I.3.1. The City shall continue to promote the development of second dwelling units by publicizing information in the general application packet and posting information on the City's website. The City will aim to approve two second dwelling units per year during the planning period.

Responsibility: Community Development Department

Time Frame: Ongoing, 2015–2023

Funding: General Fund

POLICY I.4 The City shall aggressively promote mixed-use or second-story residential units above commercial uses in the Town Center.

Implementation Measure I.4.1. To encourage development of mixed-use projects in the Town Center, the City has adopted the Clayton Town Center Specific Plan which provides detailed policy direction, standards, and guidelines that encourage mixed-use and second-story residential development. The City will continue to promote development opportunities in the Town Center, circulate a development handbook that describes the permitting process for mixed-use projects, and offer incentives such as density bonuses to incentivize mixed-use projects. The City will aim to facilitate the development of at least one mixed-use project within the planning period.

Responsibility: City Council, Planning Commission, Community Development Department

Time Frame: Annually and upon receiving development inquiries for mixed-use development.

Funding: General Fund

Regulatory Relief and Incentives

GOAL II To the extent feasible, remove governmental constraints for affordable and special needs housing.

POLICY II.1 The City shall seek to meet the special housing needs of individuals with disabilities and developmental disabilities, extremely low-, very low-, and low-incomes, large families, senior citizens, farmworkers and their families, female-headed and single-parent households, and others with special needs.

Implementation Measure II.1.1. Work with housing providers to address special housing needs for seniors, large families, female-headed households, single-parent households with children, persons with disabilities and developmental disabilities, farmworkers, and homeless individuals and families. The City may seek funding under the federal Housing Opportunities for Persons with AIDS, California Child Care Facility Financing Program, and other state and federal programs designated specifically for special needs groups such as seniors, persons with disabilities, and persons at risk for homelessness. The City will aim to work with housing providers on at least one project serving a special needs group during the planning period.

Responsibility: Planning Commission, Community Development Department

Time Frame: Ongoing, 2015–2023

Funding: General Fund

Implementation Measure II.1.2. The City shall amend the Zoning Ordinance to specifically allow employee housing for six or fewer residents as a permitted use in residential zoning districts, in compliance with Health and Safety Code Section 17021.5.

Responsibility: Planning Commission, City Council, Community Development Department

Time Frame: 2015

Funding: General Fund

Implementation Measure II.1.3. The City shall amend the Zoning Ordinance to allow transitional and supportive housing in the Limited Commercial (LC) zoning district as a residential use subject only to the requirements of other residential uses in this district in compliance with Senate Bill 2 (2007).

Responsibility: Community Development Department

Time Frame: Within one to two years of adoption of the Housing Element

Funding: General Fund

POLICY II.2 The City shall encourage affordable housing by granting regulatory incentives to projects that provide affordable units.

Implementation Measure II.2.1. The City shall continue to authorize regulatory incentives and concessions for development projects that include residential units affordable to extremely low-, very low-, and low-income households and special needs groups including disabled and developmental disabled persons. Incentives and concessions may include:

- Flexibility in development standards (e.g., reduced parking requirements, landscaping, setbacks)
- Reduction or deferral of certain development fees
- Priority application processing to decrease review and approval time
- Density bonus in accordance with State density bonus law (Government Code Section 65915)

The City will aim to facilitate the development of at least one affordable or special needs project during the planning period.

Responsibility: City Council, Planning Commission, Community Development Department

Time Frame: Ongoing, as residential development projects are proposed.

Funding: General Fund

Implementation Measure II.2.2. The City shall monitor the impact of development fees and consider waiving or deferring fees for affordable housing projects, if and when funding is available.

Responsibility: City Council, Planning Commission, Community Development Department

Time Frame: Ongoing, as residential development projects are proposed.

Funding: General Fund



CITY OF CLAYTON
 Founded 1857 ... Incorporated 1964
 APRIL 2012
 Community Development Department - 6000 Heritage Trail - Clayton, OH 45317
 Telephone 937/673-7300 - FAX 937/673-4817 - www.cityofclayton.com

LEGEND		
RESIDENTIAL		UNITS/GROSS ACRE
RD	RURAL ESTATE	(0 TO 1.0)
LD	SINGLE FAMILY LOW DENSITY	(1.1 TO 3)
MD	SINGLE FAMILY MEDIUM DENSITY	(3.1 TO 5)
HD	SINGLE FAMILY HIGH DENSITY	(5.1 TO 7.5)
MLD	MULTIFAMILY LOW DENSITY	(7.6 TO 10)
MMD	MULTIFAMILY MEDIUM DENSITY	(10.1 TO 15)
MHD	MULTIFAMILY HIGH DENSITY	(15.1 TO 20)
IC	INSTITUTIONAL DENSITY	(7.6 TO 20)
COMMERCIAL		
TC	TOWN CENTER	
KC	KIRKER CORRIDOR	
CC	CONVENIENCE COMMERCIAL	
COMMUNITY FACILITIES		
CV	CULTURAL CENTER	
PQ	PUBLIC/QUASI-PUBLIC	
I	INTERMEDIATE SCHOOL	
E	ELEMENTARY SCHOOL	
P	PRIVATE SCHOOL	
OPEN SPACE		
PR	PRIVATE OPEN SPACE	
	PUBLIC PARK/OPEN SPACE/ OPEN SPACE AND RECREATIONAL	
AG	AGRICULTURE	
Q	QUARRY	
PR	PRIVATE OPEN SPACE (GOLF COURSE)	
----- TRAILS		
BOUNDARIES		
- - - - - CITY LIMITS		
_____ SPHERE OF INFLUENCE		
_____ URBAN LIMIT LINE		
- - - - - PLANNING AREA		

DATE	RESOLUTION NUMBER	AMENDMENT
7/17/85	22-85	ADOPTION OF CLAYTON 2000 GENERAL PLAN
5/6/87	21-87	KELLER RANCH
3/2/88	13-88	GREYSTONE ESTATES
4/17/90	25-90	DAKWOOD SUBDIVISION
6/15/93	43-93	DOUGLAS ROAD
2/21/95	06-95	MARSH CREEK CIRCLE
6/28/95	43-95	MARSH CREEK ROAD SPECIFIC PLAN
12/1/98	64-98	DIABLO VILLAGE
7/18/00	48-2000	MARSH CREEK ROAD/CLAYTON ROAD
6/1/04	23-2004	DOWNTOWN PARK
7/19/05	03-05	CITY HALL / COMMUNITY LIBRARY
4/5/05	13-2005	OAK CREEK CANYON
12/21/04	63-2004	DIABLO POINTE
2/6/07	05-2007	TOWN CENTER AND VICINITY
4/3/12	11-2012	OLD MARSH CREEK ROAD/CLAYTON ROAD

CITY OF CLAYTON COMMUNITY DEVELOPMENT
 6000 HERITAGE TRAIL, CLAYTON, OH 45317
 Phone: (937) 673-7300 Fax: (937) 673-4817
 www.ci.clayton.oh.us

ATTACHMENT 12



HEALTH AND SAFETY CODE - HSC

DIVISION 13. HOUSING [17000 - 19997] (*Division 13 enacted by Stats. 1939, Ch. 60.*)

PART 1. EMPLOYEE HOUSING ACT [17000 - 17062.5] (*Part 1 added by Stats. 1979, Ch. 62.*)

CHAPTER 1. General Provisions and Definitions [17000 - 17011] (*Chapter 1 added by Stats. 1979, Ch. 62.*)

17008. (a) "Employee housing," as used in this part, means any portion of any housing accommodation, or property upon which a housing accommodation is located, if all of the following factors exist:

(1) The accommodations consist of any living quarters, dwelling, boardinghouse, tent, bunkhouse, maintenance-of-way car, mobilehome, manufactured home, recreational vehicle, travel trailer, or other housing accommodations, maintained in one or more buildings or one or more sites, and the premises upon which they are situated or the area set aside and provided for parking of mobilehomes or camping of five or more employees by the employer.

(2) The accommodations are maintained in connection with any work or place where work is being performed, whether or not rent is involved.

(b) (1) "Employee housing," as used in this part, also includes any portion of any housing accommodation or property upon which housing accommodations are located, if all of the following factors exist:

(A) The housing accommodations or property are located in any rural area, as defined by Section 50101.

(B) The housing accommodations or property are not maintained in connection with any work or workplace.

(C) The housing accommodations or property are provided by someone other than an agricultural employer, as defined in Section 1140.4 of the Labor Code.

(D) The housing accommodations or property are used by five or more agricultural employees of any agricultural employer or employers for any of the following:

(i) Temporary or seasonal residency.

(ii) Permanent residency, if the housing accommodation is a mobilehome, manufactured home, travel trailer, or recreational vehicle.

(iii) Permanent residency, if the housing accommodation is subject to the State Housing Law and is more than 30 years old and at least 51 percent of the structures in the housing accommodation, or 51 percent of the accommodation if not separated into units, are occupied by agricultural employees.

(E) "Employee housing" does not include a hotel, motel, inn, tourist hotel, multifamily dwelling, or single-family house if all of the following factors exist:

(i) The housing is offered and rented to nonagricultural employees on the same terms that it is offered and rented to agricultural employees.

(ii) None of the occupants of the housing are employed by the owner or property manager of the housing or any party with an interest in the housing.

(iii) None of the occupants of the housing have rent deducted from their wages.

(iv) The owner or property manager of the housing is not an agricultural employer as defined in Section 1140.4 of the Labor Code, or an agent, as it relates to the housing in question, of an agricultural employer.

(v) Negotiation of the terms of occupancy of the housing is conducted between each occupant and the owner of the housing or between each occupant and a manager of the property who is employed by the owner of the housing.

(vi) The occupants are not required to live in the housing as a condition of employment or of securing employment and the occupants are not referred to live in the housing by the employer of the occupants, the agent of the employer of the occupants, or agricultural employer as defined in Section 1140.4 of the Labor Code.

(vii) The housing accommodation was not at any time prior to January 1, 1984, employee housing as defined in subdivision (a).

(2) "Employee housing," as defined by this subdivision, does not include a hotel, motel, inn, tourist hotel, or permanent housing as defined by subdivision (d) of Section 17010, which has not been maintained, prior to January 1, 1984, or is not maintained on or after that date, as employee housing, as defined in subdivision (a).

(3) If at any time prior to January 1, 1984, a housing accommodation was employee housing, as defined in subdivision (a), and on or after January 1, 1984, was employee housing, as defined in this subdivision, the owner and operator shall comply with all requirements of this part. The owner and operator of any other housing accommodation which is employee housing pursuant to this subdivision shall be subject to the licensing and inspection provisions of this part and shall comply with all other provisions of this part, except that if any portion of the housing accommodation is held out for rent or lease to the general public, the construction and physical maintenance standards of the housing accommodation shall be consistent with the applicable provisions of the State Housing Law, Part 1.5 (commencing with Section 17910), the Mobilehome-Manufactured Homes Act, Part 2 (commencing with Section 18000); or the Mobilehome Parks Act, Part 2.1 (commencing with Section 18200). The owner or operator of the employee housing shall designate all units or spaces which are employee housing, as defined in this subdivision, for the purpose of inspection and licensing by the enforcement agency, subject to confirmation by the enforcement agency, based on all relevant evidence.

(c) "Employee housing" does not include employee community housing, as defined by Section 17005.5, which has been granted an exemption pursuant to Section 17031.3; housing, and the premises upon which it is situated, owned by a public entity; or privately owned housing, including ownership by a nonprofit entity, and the premises upon which it is situated, financed with public funds equaling 50 percent or more of the original development or purchase cost.

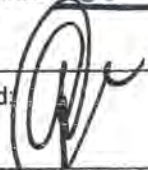
(d) "Employee housing" means the same as "labor camp," as that term may be used in this or other codes and, notwithstanding any local ordinance to the contrary in a general law or charter city, county, or city and county, shall be deemed a residential use if it exists in structures that are single-family houses or apartment houses as those terms are used in the State Housing Law (Part 1.5 (commencing with Section 17910)).

(Amended by Stats. 1995, Ch. 561, Sec. 1. Effective January 1, 1996.)



Agenda Date: 7-19-2016

Agenda Item: 8a

Approved: 

Gary A. Napper
City Manager

AGENDA REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS
FROM: CITY MANAGER
DATE: 19 JULY 2016
SUBJECT: APPROVAL OF EXCLUSIVE NEGOTIATION AGREEMENT (ENA) WITH PACIFIC UNION LAND INVESTORS, LLC, FOR PROSPECTIVE SALE AND DEVELOPMENT OF CITY-OWNED VACANT PROPERTY IN THE CLAYTON TOWN CENTER

RECOMMENDATION

Following staff presentation and receipt of public comments, it is recommended the City Council by motion approve an Exclusive Negotiation Agreement (ENA) with Pacific Union Land Investors, LLC, and authorize the Mayor to sign the ENA on behalf of the City.

BACKGROUND

In April 2013 the City purchased from the Clayton Community Church an unimproved vacant parcel having a portion of frontage on Main Street. The parcel is approximately 1.67 acres in size (APN 118-560-010-1), has been assigned the street address of 6005 Main Street, and enjoys high visibility from Clayton Road. The City paid \$1 million for the land plus its share of escrow costs.

After approximately one (1) year self-advertising its newly-acquired property for unsuccessful interest and sale, the City solicited proposals from several commercial realty companies to list and market the property for development purpose. At its public meeting of 01 April 2014, the City Council unanimously approved an agreement with Transwestern Property Company West (Mr. Edward Del Beccaro, Managing Director) to outreach to numerous retail commercial companies and prospective developers. The Exclusive Sales Listing Agreement with Transwestern remains effective through 01 January 2017. In its various reports and updates to the City Council, Transwestern presented the City's properties to approximately 650-700 distinct retailers pushing the existing Town Center Specific Plan's designation of commercial retail only on the ground floor. After the predominant response by the retail market of "not interested," the City Council held a public meeting on 05 May 2015 to discuss broadening the City's entertainment of other land uses on the property as the prevailing market might bear.

COMMERCIAL MARKET RESPONSE

During that course of time since May 2015, the City did receive one (1) vague inquiry from a chain fast-food restaurant potentially interested in discussing the property but only if the City would allow new ingress and egress off adjacent Clayton Road, in both directions (i.e. north and south, necessitating a new traffic signal). Other than that query, no company or development firm expressed interest in purchasing the property for the sole use as commercial retail. Lack of density, both in population and building mass, along with small town, geographic setting, relatively low traffic volumes, and low housing density were variables that shied developers away from this Clayton opportunity. While most Claytonians enjoy the quaintness and nostalgia of our city, those same variables that make Clayton so attractive for quality of life purposes severely detract from its appeal and viability as a commercial retail market. It is often acknowledged the business of Clayton is residential.

However, during the last year Transwestern did produce no less than four (4) proposals from proven development companies interested in the economics of the land for different uses. Two (2) of the developers submitted purchase offers with proposals for medium density residential uses, while the other two (2) developers presented bids involving mixed uses of commercial retail combined with a senior care facility. After lengthy and thoughtful evaluation of the various options, each company's construction experiences, and the land price, the City Council determined it wishes to launch its land use development and eventual sale of the public land by working with Pacific Union Land Company, LLC (Danville, CA).

PACIFIC UNION LAND COMPANY

Reaching this point involved a complex series of discussions and negotiations by Pacific Union Land Company not only with the City but also for Pacific Union's objective to acquire the rights to purchase the primary street frontage property owned by the Clayton Community Church (APN 119-011-003; 25,000 sq. ft.; 6055 Main Street). Each developer as well as the City and the church understood any meaningful development of the City's vacant parcel needed to incorporate the church's property. Further, sale of the church's downtown property coincided with its ultimate goal to relocate its operations to its recently-acquired land off Pine Hollow Court.

Within the last several months, Pacific Union Land Investors finally obtained an agreement with the Clayton Community Church to purchase its front piece of land and has now completed the final details with the City concerning the purchase of our vacant land. The City is pleased to move forward in working with Pacific Union Land Investors on its construction and development of a mixed land use involving commercial retail establishments fronting on Main Street with a senior care facility on the balance of the property.

Pacific Union Land Company, with roots dating back to 1975, is a local real estate development, management and investment firm with a proven history of developing, financing, managing and selling all types of real estate, including residential, commercial, office/industrial and mixed use, throughout Northern and Central California.

Pacific Union Land Company's principals and employees, several of whom have been with the company for over 20 years, have a broad range of expertise in entitlements, land acquisition and development, construction, real estate financing, marketing, sales and customer service.

Pacific Union Land Company is working with an established senior living operator, which currently owns and operates several senior communities throughout California, to complement PULC's vast expertise and proven track records in land development with successful management and operational expertise in the senior living industry. The team is currently working on design approvals for a 5.5 acre San Francisco Bayfront senior assisted living and memory care facility in Alameda, California.

Some of Pacific Union Land Company's (and affiliates) achievements are as follows:

- ▶ Raised and invested in excess of \$180 million through sponsored investment partnerships
- ▶ Built more than 1.2 million sq. ft. of commercial space
- ▶ Developed over 4,000 residential lots, including several master planned communities
- ▶ Built over 2,300 single and multi-family residential units

Pacific Union Land Company's commercial, residential and multi-family projects have won various awards and continue to receive acclaim for quality, timeless design and livability (ref. Attachment B). With its extensive experiences and developer temperament, the City considers Pacific Union Land Company to be the ideal company to both construct and manage the private development of this site.

EXCLUSIVE NEGOTIATION AGREEMENT (ENA)

Before any development company will invest its monies to secure land use entitlements and construction permits, it will want to lock-down the terms and conditions of the land acquisition. Conversely, the City as selling party wishes to stipulate to the basics of its processes regarding the developer's progress and time table for ultimate sale and transfer of land title to the buyer. In this particular situation, the City is as interested in the price it receives for the public's land but also to obtain written assurances the developer will not simply land bank the property; the City's primary objective is to have private construction occur and be operational on the downtown property to contribute to the ever-increasing economic viability of its Town Center. The ENA provides the roadmap which ultimately results in a Disposition and Development Agreement (DDA) that accompanies the land use application for public review. Consequently, change in title ownership of the land is not accomplished by this ENA transaction but occurs when Pacific Union is ready to pull its approved building permits, which may entail a review process of eighteen (18) to twenty-four (24) months for conclusion.

However, the ENA is a prelude to the development partnership now forged for the private improvement of the land involving commercial retail establishments and a senior care facility on Main Street. As noted in the ENA, the agreed-upon price for the City property is \$1.625 million and within five (5) days after execution of the ENA, Pacific Union must place a good-faith deposit of \$100,000 with the City. Various conditions in the ENA outline the disposition of that deposit along with expectant time tables for processing the subsequent land use application.

It is important to clarify the ENA has not resulted in the actual sale of the City's property at this point nor does Pacific Union now own the land. It does indicate the clear intentions of both parties to move forward with all the typical development steps involving submittal of a land use application to the City with its incumbent environmental and public review processes, including noticed public hearings before the City Planning Commission and ultimate consideration by the City Council. Based on the intended land uses, that process will involve an amendment to the City's General Plan regarding both real properties.

Attachments: A. Exclusive Negotiation Agreement (ENA) [6 pp.]
 B. Profile of Pacific Union Land Company [16 pp.]

EXCLUSIVE NEGOTIATION AGREEMENT

THIS EXCLUSIVE NEGOTIATION AGREEMENT (the "Agreement") is entered into this _____ day of _____, 2016, by and between the City of Clayton, a municipal corporation (the "City"), and Pacific Union Land Investors LLC, a California limited liability company ("Developer"), on the terms and provisions set forth below.

THE CITY AND DEVELOPER HEREBY AGREE AS FOLLOWS:

100. NEGOTIATIONS**101. Good Faith Negotiations**

The City and Developer, acknowledging that time is of the essence, agree for the Initial Negotiation Period and, to the extent applicable, the Extended Negotiation Period set forth below to negotiate diligently and in good faith to prepare a Disposition and Development Agreement (the "DDA") to be considered for execution between the City and Developer, in the manner set forth herein, with respect to the sale of certain real property located at 6005 Main Street, Clayton, California, also known as APN 118-560-010-1 (the "Property"). The Property is shown on the "Map of the Property," attached hereto as Exhibit A and incorporated herein by reference. The Property is composed of certain real property currently owned by the City and to be conveyed to Developer pursuant to the terms of the DDA. The City agrees, for the periods and on the conditions set forth below, not to negotiate with any other person or entity regarding the sale of the Property or any portion thereof.

The Property is currently undeveloped and the City desires to sell the Property to be developed with a senior care facility and commercial retail establishments and related uses. The City and Developer desire to engage in negotiations for the sale and development of the Property in accordance with the City and Developer's desired uses for the Property.

102. Duration of this Agreement

Developer shall have until November 1, 2016 to conduct its feasibility analysis of the transaction contemplated herein (the "Initial Negotiation Period").

If upon expiration of the Initial Negotiation Period, Developer has not submitted an Initial Application, as defined below, to the City to develop the Property with a senior care facility and commercial retail establishments and related uses, then this Agreement shall automatically terminate unless this Agreement has been mutually extended in writing by the City and Developer.

For the purposes herein, Developer's required submission of an Initial Application shall include at a minimum: Preliminary Site Plan, Preliminary Building Elevations, Project Narrative, and the following application forms must be submitted, along with payment of applicable fees: General Plan Amendment Application, Specific Plan Amendment Application, and the Development Plan Permit Application, as deemed necessary by City (collectively, the "Initial Application").

If such Initial Application is so submitted by Developer to the City on or before expiration of the Initial Negotiation Period, then this Agreement and the Initial Negotiation Period herein shall be extended without further action for an additional three hundred and seventy (370) days from the date of such submittal (the "Extended Negotiation Period").

The parties acknowledge that supporting documents, reports and attachments beyond those required by the City to deem the application complete may be required to be submitted during the Extended Negotiation Period, in order to adequately process a complete Application. A good faith effort shall be made by Developer to provide these supporting documents, reports and attachments in a timely manner if determined to be necessary by the City during the processing of the Application.

Upon the Initial Application being deemed complete by the City ("Application"), the City shall take all steps legally necessary to: (1) negotiate and prepare the terms and conditions of the proposed DDA; (2) take the actions necessary to authorize the City to enter into the DDA, including but not limited to completion of compliance with the California Environmental Quality Act; and (3) publicly consider and approve the DDA for execution by the City and Developer. In the event the City has taken these required steps but has not denied or approved the Application by the end of the Extended Negotiation Period, and Developer has performed all of its obligations under this Agreement, the Extended Negotiation Period may be further extended by the City Council for an additional six (6) months. The City and Developer may consider other reasonable requests for additional extensions of the Extended Negotiation Period.

200. DEPOSIT AND SALE OF THE PROPERTY

Within five (5) business days after execution of this Agreement, Developer will deposit One Hundred Thousand Dollars and No Cents (\$100,000.00) with the City ("Deposit"). If Developer submits the Initial Application on or before the expiration of the Initial Negotiation Period, one-half of the Deposit shall then be deemed nonrefundable.

If Developer does not submit the Initial Application on or before the expiration of the Initial Negotiation Period, the Deposit shall be returned to Developer.

Should the City not approve the DDA for execution, one-half of the Deposit shall be returned to Developer. Should the City approve the DDA for execution, the Deposit shall be applied as a credit against the purchase price of the Property. Should the Developer either arbitrarily withdraw the Application and/or does not execute the DDA without a reasonable cause, City shall receive the full Deposit and it shall then be deemed nonrefundable. "Reasonable cause" as defined in this section shall be limited to a requirement imposed by the City that materially negatively impacts the economics of the project, as demonstrated quantitatively to the City by Developer submitted pro formas, which condition or requirement is imposed by the Planning Commission and/or City Council and was not included in City staff's recommendation and/or staff report to the Planning Commission and/or City Council.

The purchase price and/or other consideration to be paid by Developer for the Property under the DDA shall be One Million Six Hundred Twenty-Five Thousand Dollars and No Cents (\$1,625,000.00) and will be payable in cash at close of escrow. Such purchase price and/or other consideration is based upon such factors as the fair market value of the property, market conditions, and condition of the improvements, risks of the City, and risks of Developer, and will be subject to approval by the City Council after a public hearing as required by law.

300. DEVELOPER

301. Office of Developer

The principal office of Developer is 675 Hartz Avenue, Suite 300 Danville, CA 94526.

302. Principal Representatives of Developer

The principal representatives of Developer for purposes of negotiating the DDA are as follows: Joshua Reed, Director of Real Estate, Christopher Garwood, Vice President and Bruce Myers, Vice President of Development (“Representatives”).

303. Full Disclosure

Prior to execution of the DDA, Developer shall have made all requested disclosures to the City of its principals, officers, major stockholders, major partners, joint venturers, key managerial employees and other associates. Any significant change in the principals, associates, Representatives, development manager, professional and directly-involved managerial employees of Developer shall be subject to the approval of the City. Notwithstanding the foregoing, Developer reserves the right at its discretion to join and associate with other entities in joint ventures, partnerships or otherwise for the purpose of developing the Property, provided that Developer retains common management and control of such entities and remains fully responsible to the City hereunder.

400. DEVELOPER'S FINANCIAL CAPACITY

401. Financial Ability

Prior to execution of the DDA, Developer shall submit to the City satisfactory evidence of its ability to finance and complete the acquisition and development of the Property and fulfill the operation of the anticipated improvements to the Property as set forth in the DDA.

402. Full Disclosure

Developer will be required to make and maintain full disclosure to the City of its methods of financing to be used in the acquisition of the Property.

500. CITY'S RESPONSIBILITIES

501. Environmental Documents

The City shall be responsible for conducting any review it deems necessary and appropriate under the California Environmental Quality Act. Any costs, fees and charges associated with the requirements of the California Environmental Quality Act shall be paid by Developer, unless otherwise agreed by the City.

502. City Council Public Hearing

A DDA resulting from the negotiations hereunder shall become effective only after and if the DDA has been considered and approved by the City Council at a public hearing called for such purpose.

600. LIMITATIONS OF THIS AGREEMENT

By its execution of this Agreement, the City is not committing itself to or agreeing to undertake: (1) approval of the Application; (2) disposition of land to Developer; or (3) any other acts or activities requiring the subsequent independent exercise of discretion by the City or any agency or department thereof.

This Agreement does not constitute a disposition of property or exercise of control over property by the City. Execution of this Agreement by the City is merely an agreement to enter into a period of exclusive negotiations according to the terms hereof, reserving final discretion and approval by the City as to any Disposition and Development Agreement and all proceedings and decisions in connection therewith.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date set forth above.

_____, 2016

"CITY"

The City of Clayton, a municipal corporation

By _____
Howard Geller, Mayor

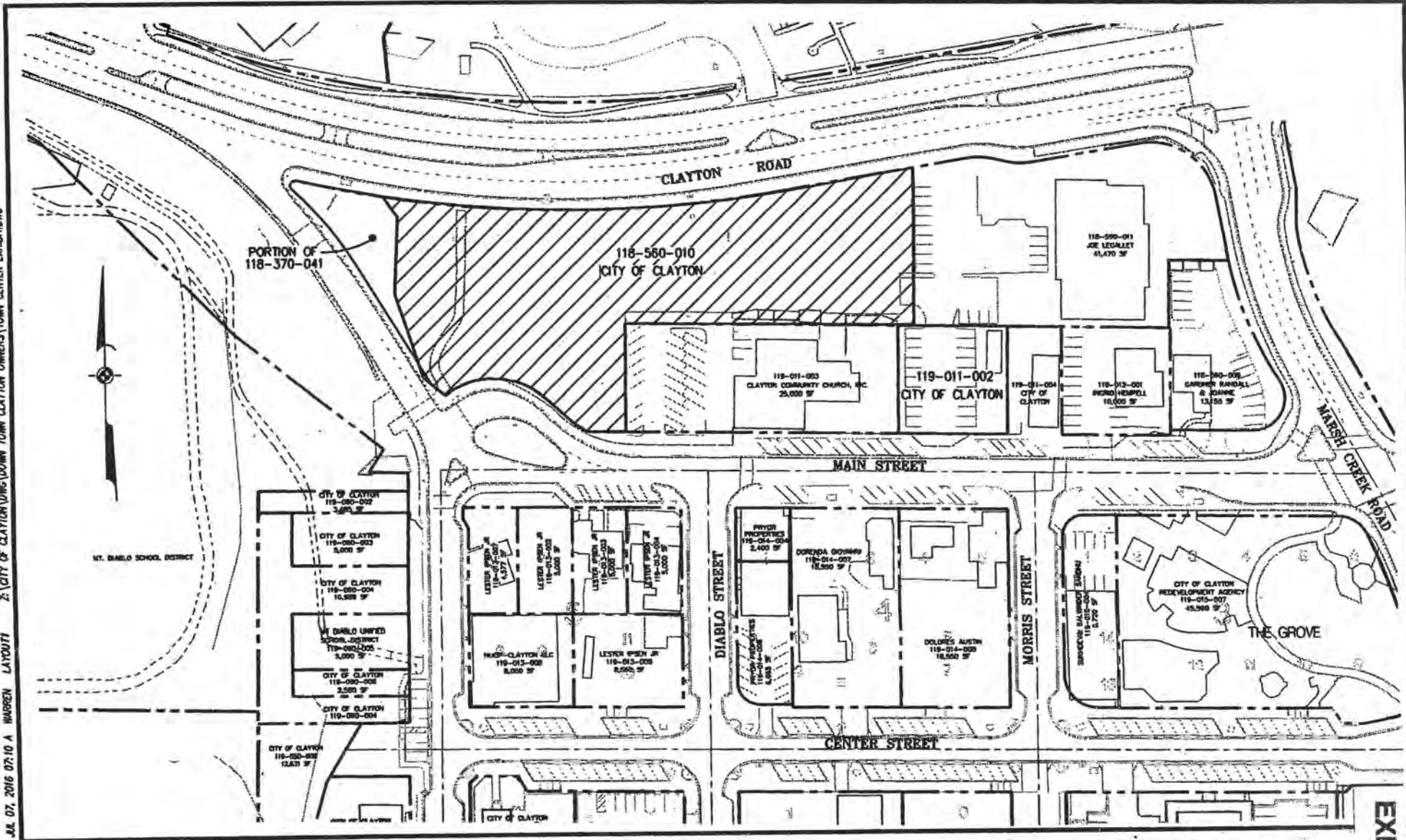
July 7, 2016

"DEVELOPER"

Pacific Union Land Investors LLC,
a California limited liability company

By: Lori K Walt

By: Lori K Waltzer, CFO





OPPORTUNITY DRIVEN. ENTREPRENEURIAL FOCUS.



Pacific Union Land Company is a real estate development, management and investment firm with a proven history of developing, financing, managing and selling all types of real estate – residential, commercial, office/industrial and mixed use – throughout Northern and Central California. Through our sponsored investment partnerships, PULC has raised and invested approximately \$180 million, developed over 4,000 residential lots, and built in excess of 1.2 million sq. ft. of commercial space, and 2,300 single and multi-family residential units.

For over thirty years, Pacific Union's family of companies has been a leader in real estate investment, development, building, and management. Our lean, disciplined, and quick-moving organizational structure has allowed us to be more efficient and responsive than the competition. And our opportunity-driven and entrepreneurial focused approach, extensive market knowledge and industry relationships, and opportunistic investment strategy executed with operational efficiency, have enabled the company to endure and succeed in an always competitive and often volatile industry.

Select Personnel



JEFF ABRAMSON

Co-founder, President & Chief Executive Officer

Jeff Abramson is co-founder, President and Chief Executive Officer of Pacific Union Land Company, a diversified firm doing residential and commercial land development in California. As a leader in the Northern California real estate industry, Mr. Abramson has had decades of success leading a firm of seasoned professionals applying disciplined systems for successful results. His career has involved a wide range of successful residential and commercial land development, commercial project management, multifamily development, and production home building. Mr. Abramson and Pacific Union have effectively used their knowledge and systems to target niched residential development as well as managing development and entitlement work for land assemblies and construction for municipalities. Mr. Abramson has a degree in Business Economics from the University of California at Santa Barbara. Mr. Abramson actively invests in all Pacific Union Land Company sponsored partnerships.



BILL TUNNEY

Co-Founder & Advisory Board Member

Bill Tunney is co-founder of Pacific Union Land Company and has served on the Executive Committee of its predecessor company, Pacific Union Company, since 1978. Prior to joining Pacific Union in 1978, Mr. Tunney directed his own real estate marketing company for 10 years. He holds both an undergraduate degree in Electrical Engineering and an MBA from Stanford University. Mr. Tunney has three grown children and lives with his wife in Mill Valley. Mr. Tunney actively invests in all Pacific Union Land Company sponsored partnerships.



JOHN MONTGOMERY

Advisory Board Member

John Montgomery served as CEO of Pacific Union Company (Pacific Union Land Company's parent company) from 1979 to 2010. He was responsible for the overall direction of the company and for coordinating the activities of the various Pacific Union entities. Mr. Montgomery was raised in Wittier, California and attended the University of California at Berkeley, majoring in business. After two years as an officer in the U.S. Army, he obtained an MBA from the Harvard Business School. He then joined 1st Interstate Mortgage Company in San Francisco and later became President and CEO of Wells Fargo Mortgage Company, before joining Pacific Union in 1978. Mr. Montgomery lives in Orinda and has three grown children. Mr. Montgomery actively invests in all Pacific Union Land Company sponsored partnerships.



MATT TUNNEY

Co-Founder & Senior Vice President

Matt Tunney is co-founder and Senior Vice President of Pacific Union Land Company. He is responsible for all investor relations including raising debt and equity for new projects for land development, building projects, and targeted new ventures. In addition, he is responsible for development and management of all commercial projects. He joined Pacific Union in 1991 and served as project manager on several early single family home developments. During his career at Pacific Union, Mr. Tunney has led efforts to develop the effective systems that have helped drive Pacific Union's success. Mr. Tunney also served as Vice President of Sales & Marketing and corporate broker for all Pacific Union Homes' projects as well as Vice President of Corporate Development. He graduated from the University of California at Berkeley with a degree in International Political Economics and lives with his wife and three children in Orinda. Mr. Tunney actively invests in all Pacific Union Land Company sponsored partnerships.

Select Personnel



LORI WALTZER
Chief Financial Officer

Lori Waltzer serves as Chief Financial Officer of Pacific Union Land Company. Ms. Waltzer oversees the feasibility and profitability of new projects, secures financing for new and ongoing projects and is responsible for fiscal discipline, financial reporting/compliance, risk management and the day-to-day operations of the Company. Prior to joining Pacific Union in 2002, Ms. Waltzer worked at CB Richard Ellis as a financial consultant, where she was responsible for valuing large commercial real estate assets and preparing detailed leasehold analyses. Ms. Waltzer holds an undergraduate degree in Public Policy from Stanford University and an MBA from Columbia Business School. She lives with her husband and two children in Oakland.



BRUCE MYERS
Vice President of Land Development

Bruce Myers serves as Vice President of Land Development for Pacific Union Land Company directing all land development and entitlement activities. Since joining Pacific Union in 1996, Mr. Myers has been involved in all phases of project development from land acquisition and due diligence through entitlement processing, home construction and sales. Mr. Myers leads a disciplined process that has helped assure Pacific Union's track record of successful entitlement and development. He graduated with honors from the University of California at Berkeley and received a Juris Doctor degree from Loyola Law School. Mr. Myers lives with his wife and three children in Walnut Creek.



CHRISTOPHER GARWOOD
Vice President of Community & Multi-Family Development

Christopher Garwood is Vice President of Community & Multi-Family Development for Pacific Union Land Company. He is responsible for development entitlements of large land subdivisions as well as the acquisition, entitlement, financing and development of multi-family projects. He also oversees the current operations of existing apartment communities. Mr. Garwood joined Pacific Union in 1987 and received his undergraduate degree from Stanford University and MBA from UCLA. Mr. Garwood lives in St. Helena with his daughter who attends university on the East Coast.



JOSHUA REED
Director of Real Estate

Joshua Reed is Director of Real Estate for Pacific Union Land Company. He is responsible for new acquisitions, dispositions and contract management. Mr. Reed is also responsible for the asset management of the single family residential rental portfolio owned by PULC-sponsored partnerships. Mr. Reed is a licensed California Real Estate Broker and LEED AP, with a 13+ year background in real estate and construction. Mr. Reed holds a degree from Arizona State University with a focus in geography and international business and lives in Napa with his wife and daughter.

Select Personnel



MATT CROSS

Director of Project Development

Matt Cross is Director of Project Development for Pacific Union Land Company and is responsible for the procurement, construction and disposition of single family residential investment opportunities. Mr. Cross began working with Pacific Union in 2009 as a real estate investment consultant. He was formally hired as Director of Project Development for Pacific Union in 2012 and now oversees a new arm of the company called Pacific Union Property Developers. While working with Pacific Union, Mr. Cross has been responsible for the acquisition, construction and sales of approximately \$25 million worth of real estate in Sacramento and the San Francisco Bay Area. Mr. Cross holds more than 25 years' combined experience in business management and real estate investment. He resides in Folsom with his wife and two children.



NANCY HOFMANN

Controller

Nancy Hofmann joined Pacific Union in 2002 as Controller responsible for all corporate entities and company-sponsored partnerships. She is also responsible for tax planning and compliance with all federal and state taxes. Before joining Pacific Union, she was the Chief Financial Officer for a real estate development company located in Blackhawk, CA. Ms. Hofmann obtained her Bachelor of Science Degree in Business/Economics with an emphasis in Accounting from the University of California at Santa Barbara. Upon graduation, she worked at Deloitte & Touche for three years during which time she obtained her CPA license. Ms. Hofmann lives in Moraga with her husband and two children.

Selected Projects

LAND DEVELOPMENT



MOSSDALE LANDING

Mossdale Landing is a 475 acre site located on a portion of the area known as the Mossdale Village component of the West Lathrop Specific Plan between the west side of I-5 and the San Joaquin River within the City of Lathrop. The project was acquired, designed and entitled by Pacific Union. As master developer of 316 acres in Mossdale Landing, Pacific Union sold 14 neighborhoods consisting of 1,172 lots to merchant homebuilders and developed the main project infrastructure including major roadways, 6.5 acres of commercial, two K-8 school sites, a fire station, and 6 parks one of which is over 20 acres in size.



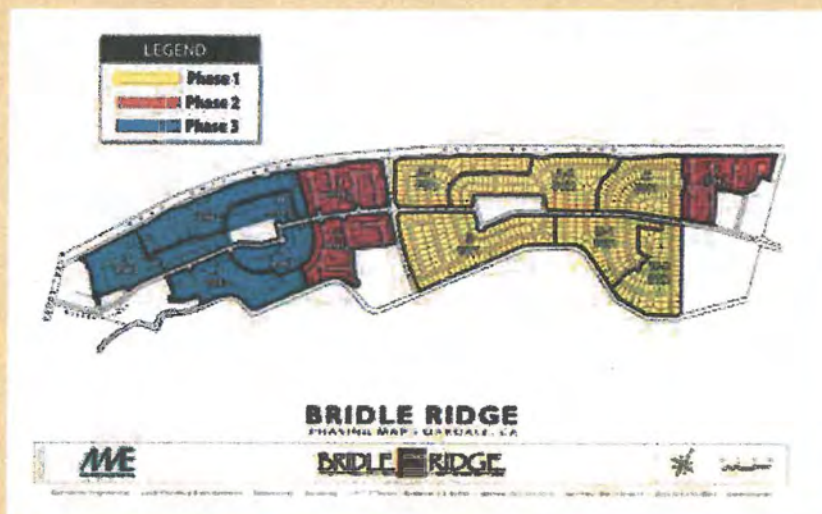
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 **PACIFIC UNION
LAND COMPANY**



EDGEWOOD

Edgewood is a 293 acre, master planned community in Tracy. This project consists of 1,257 single-family lots, a 7 acre apartment site, an 11 acre commercial site, a 15 acre elementary school site and three parks totaling 11 acres. After purchasing the un-entitled land, Pacific Union completed the project's tentative and final maps, installed infrastructure improvements and sold super-pad neighborhoods to builders.



BRIDLE RIDGE

Bridle Ridge is a 282 acre, master planned community located in the southwest side of the City of Oakland. This project consists of 1,046 single family residential lots, a 10 acre elementary school site and 4 parks totaling 28 acres. Pacific Union acquired and entitled the entire project, and acting as master developer, phased the installation of major project infrastructure and sold neighborhoods to merchant builders.

Selected Projects

RESIDENTIAL DEVELOPMENT



THE CLAREMONT COLLECTION

Pacific Union started the "Claremont Collection" with the 122 lot Claremont project in Modesto which set a new standard for the local, move-up market. Due to overwhelming buyer demand, we expanded our offering to 10 more communities in the Central Valley from nearby Oakdale, Turlock, Ceres and Atwater to Porterville and Tulare near Visalia. In all, the Claremont Collection consisted of over 1,000 homes built from 2001 through 2008.



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 **PACIFIC UNION
LAND COMPANY**



RIVERWALK

Riverwalk is a 122 unit, single-family home, award-winning project located in Fremont. This site was assembled, re-zoned and mapped from 1995 - 1999. Sell out was completed in 2001.



BRIDLEWOOD

Bridlewood is a 60 unit development in Gilroy consisting of large, executive-style lots ranging in size from 10,000 to 15,000 sq. ft. Construction activity commenced in 2000 and sell out was completed in 2004. The project also included 27 custom lots which were sold to local custom builders and end-users.



MONTE VIGNE

Monte Vigne is a 72 home development in Morgan Hill with two product types and homes ranging from 2,300 sq. ft. to 4,500 sq. ft. Construction activity commenced in 2001 and final sell out was completed in 2004.

Selected Projects

RESIDENTIAL DEVELOPMENT



VINEYARD GATE

Vineyard Gate is an 89 home development located in the historic Livermore Valley Wine Country. Vineyard Gate offers discriminating home buyers large lots surrounded by vineyards. The project was completed at the end of 2006.



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STONY BROOK

Stony Brook is an 88 unit, single-family cluster home project in Danville. This project, a reuse of a former elementary school, won numerous building industry awards. The project was developed from 1994 - 1997.



MOUNTAIN GATE

Mountain Gate is a 28 unit, single-family home project in Mill Valley. Sell out was completed in 2004.



LIGHTHOUSE POINT

Lighthouse Point is a 15 unit, single-family home, infill project in Santa Cruz, located adjacent to Lighthouse State Park and the ocean. The project was developed from 1998 - 2000.

Selected Projects

APARTMENTS



1010 PACIFIC AVENUE

1 010 Pacific is a 113 unit, six story, mixed use and mixed income rental community located in downtown Santa Cruz California. Built on a former urban brownfield site, the project includes a full underground parking garage, 5,800 square feet of ground floor retail space, 90 market rate studio, one, two and three bedroom units and 23 one bedroom affordable units. The project was financed using \$21,650,000 of tax exempt bonds issued by the City's redevelopment agency.



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PACIFIC UNION
LAND COMPANY



PACIFIC SHORES

Pacific Shores is a 206 unit, three story, mixed income rental community located at the northern edge of Santa Cruz, California. Situated on a 12-acre ocean view site and winner of a Golden Nugget award for design excellence, Pacific Shores has 123 market rate one and two bedroom units and 83 one and two bedroom affordable units. The project was financed using \$29,925,000 of tax exempt and \$2,750,000 of taxable bonds issued by the City's redevelopment agency.

Selected Projects

COMMERCIAL DEVELOPMENT



PACIFIC CORPORATE CENTER

The Pacific Corporate Center is an eight building Office / Industrial / R&D project located along Interstate Highway 580 in Livermore. The first phase, five buildings totaling 206,000 square feet, was completed in July 2002 and sold in 2012. The partnership that developed the project still owns three vacant parcels totaling approximately 11 acres and planned for an additional 170,000 square feet of buildings. Pacific Corporate Center is strategically located and accessible to Silicon Valley and San Francisco labor pools as well as the Tri Valley and Central Valley housing supply.



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SOUTH FRONT STREET

The South Front Street Corporate Center, located in Livermore, is a two building light industrial project totaling 75,020 square feet on approximately 5.4 acres. Construction began in June 1998, with the first building of 35,240 square foot being sold in January 1999. The second building totaling 39,780 square foot was sold during lease-up to an investor in April 1999.



NATIONAL CORPORATE CENTER

The National Corporate Center is an 8 building, light industrial project located in Livermore. The buildings range in size from approximately 9,300 to 18,300 square feet. The project was completed at the end of 2006 and all the buildings sold to owners/users.



SHOPS AT FAIRVIEW

The Shops at Fairview is a 92,000 square foot retail shopping center located in Brentwood. The center is anchored by CVS, Fresh & Easy and Jack in the Box. There are three multi-tenant buildings totaling 30,869 square feet and four vacant pads that are being marketed for sale or build-to-suit, with projected building sizes totaling approximately 28,800 square feet.

PAST PROJECTS

Since 1991

Project	Time Period	No. Acres	No. Units
LAND DEVELOPMENT			
Edgewood Tracy	1998 - 2005	293 Acres	1,257 Lots
Mossdale Landing Lathrop	2000 - 2008	316 Acres	1,172 Lots
Bridle Ridge Oakdale	2002 - 2006	282 Acres	950 Lots
RESIDENTIAL DEVELOPMENT			
Magnolia Lane San Leandro	1991 - 1992		31 Homes
Camellia Court San Leandro	1992 - 1995		95 Homes
Summer Lake Newark	1994 - 1995		24 Homes
Stony Brook Danville	1994 - 1997		88 Homes
Mountain Gate Mill Valley	1997 - 2004		28 Homes
Campbell Place Danville	1997 - 1999		20 Homes
Lighthouse Point Santa Cruz	1998 - 2000		15 Homes
Riverwalk Fremont	1999 - 2001		122 Homes
Claremont Collection			
Claremont - Modesto	2000 - 2002		118 Homes
Claremont Pointe - Modesto	2002 - 2003		67 Homes
Claremont Pointe Annex - Modesto	2002 - 2004		106 Homes
Claremont Meadow - Turlock	2002 - 2004		85 Homes
Claremont Grove - Modesto	2003 - 2004		81 Homes
Claremont Oaks - Ceres	2004 - 2006		184 Homes
Claremont Reserve - Atwater	2004 - 2006		151 Homes
Claremont Reserve Annex - Atwater	2005 - 2008		164 Homes
Claremont Crossing - Oakdale	2004 - 2008		122 Homes
Claremont Terrace - Porterville	2005 - 2008		81 Homes
Claremont Greens - Tulare	2005 - 2008		95 Homes

PAST PROJECTS *continued*

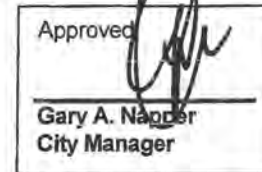


Subdivisions	Time Period	No. Acres	No. Units
Bridlewood Gilroy	2001 - 2004		60 Homes
Monte Vigne Morgan Hill	2001 - 2004		72 Homes
Vineyard Gate Livermore	2002 - 2006		89 Homes
RENTAL HOUSING FUNDS			
Rental Fund I East Contra Costa County	2010 - Current		27 Homes
Rental Fund II East Contra Costa County & Ripon	2012 - Current		23 Homes
APARTMENTS			
1010 Pacific Santa Cruz	2000 - Current		113 Units
Pacific Shores Santa Cruz	2000 - Current		206 Units
Edgewood Station Tracy	Sold entitled land to another developer.		156 Units
COMMERCIAL DEVELOPMENT			
West Gate San Leandro	1985 - 2004	31 Acres	3 Bldgs 950,000 sq ft
South Front Street Livermore	1998 - 1999	5.4 Acres	2 Bldgs 75,000 sq ft
Pacific Corporate Center Livermore	2000 - 2012	15 Acres	5 Bldgs 206,000 sq ft
National Corporate Center Livermore	2000 - 2006	12.6 Acres	15 Bldgs 186,000 sq ft
The Shops at Fairview Brentwood	2005 - Current	9.6 Acres	10 Bldgs 92,000 sq ft



Agenda Date: 7-19-2016
Agenda Item: 8b

STAFF REPORT



TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: RICK ANGRISANI, CITY ENGINEER

DATE: JULY 19, 2016

SUBJECT: DETERMINE SCOPE, OPTIONS AND AMOUNT OF FUNDS AVAILABLE FOR THE 2016 ARTERIAL REHABILITATION PROJECT (CIP No. 10437) AND/OR THE 2016 NEIGHBORHOOD STREET REHABILITATION PROJECT (CIP No. 10431)

RECOMMENDATION

Determine the proposed pavement treatment method and option, and approve recommended funding sources and amounts.

BACKGROUND

As the Council may recall, we received a \$1,200,000 Measure J grant to repair and widen east Marsh Creek Road from Regency Drive to Pine Lane (Marsh Creek Road Upgrade Project – CIP No. 10414). The difficulties (landslide, overhead utility lines, steepness of slopes along the right of way, etc.) and costs to mitigate those difficulties doomed the project regardless of the available funds. Monies previously expended on pursuit of this project (fully reimbursed from the Measure J grant) left approximately \$1,150,000 remaining in grant funds.

In December 2015, the City Council approved the removal of this project from its Capital Improvement Budget (CIP) and established a replacement project, namely CIP Project No. 10437, the 2016 Arterial Rehabilitation Project. Since then, staff has been preparing preliminary plans and estimates in order to receive approval for the new project from MTC and CCTA. Staff was hoping to be able to improve all of Clayton Road, Marsh Creek Road (from Diablo View Middle School to Regency Drive), and all of Oakhurst Drive.

The first issue investigated was the pronounced dips in the pavement which have developed adjacent to the median islands along Clayton Road and Oakhurst Drive. There are two

significant depressed areas along Clayton Road adjacent to the large landslides that occurred in 1998 and were repaired in 1999. There are two smaller depressed areas on Oakhurst Drive below the Seeno residence. Based on an inspection of the Clayton Road depressions by Frank Berlogar, Berlogar Geotechnical Associates, his conclusions are the pavement depressions are due to the consolidation of landslide debris at the toe of the original landslides. The landslides were stabilized by the construction of large buttresses behind the easterly right-of-way line. The remaining landslide debris west of the buttress could not be removed and replaced due to the oil pipelines, a large water line, and the street improvements. While the buttress has held up and there is no evidence of landslide movement, some of the untreated, remaining debris has consolidated causing the noticeable depressions. The depressions along Oakhurst Drive appear to be below a landslide on Seeno's hill that was to be either removed or buttressed during the original grading of the Oakhurst Country Club development. It appears these smaller depressions are also due to underground debris consolidation.

The usual approach to repairing such depressions includes the removal of the existing improvements and debris soils, and then replacing the soils with engineered fill and reconstructing the improvements. In this case, such a fix would be temporary at best because we cannot remove the landslide debris in the vicinity of the water line and oil pipelines. Staff researched various fixes and found the firm of Uretek USA, Inc. which has developed a patented process for injecting a polymer into the soils which fills voids and solidifies the underlying soils. Additional polymers are then injected below the solidified materials, which then lifts the depressed pavement and adjoining median curb. Uretek has been in business for over twenty years and has performed such work all around the country and on-call contracts with Caltrans and the City of Los Angeles. The City of Orinda recently issued a contract to them for a pilot project for soil repair and stabilization underneath the pavement on one of its local streets. Uretek estimates the total cost to eliminate the dips to be \$232,000 (\$175,000 for Clayton Road and \$57,000 for Oakhurst Drive).

The rest of the remediation work (failed pavement areas, crack sealing and surface treatment) is routine and should not be a problem. The proposed surface treatment may be either a slurry seal or micro-surfacing (considering the current condition of the pavement, an overlay is not appropriate). Staff believes a slurry seal would not last more than a year or two due to the amount and speed of the traffic. The Council may recall that we required St. Bonaventure's to slurry the intersection on Clayton Road at its driveway and the seal began to wear away within weeks.

Staff strongly recommends we use micro-surfacing for the arterial street surface treatment as it is a tough and durable thin overlay material which can restore the original service properties to worn but structurally sound pavements. Its properties are based on a blend of select crushed aggregate and a sophisticated chemical formulation of asphalt cement, cationic emulsifiers, additives, and polymers. Within one hour the micro-surfacing material sets, and can be subjected to traffic. Slurry seals can require 4 or more hours to properly set. The micro-surfacing treatment should last for 5 to 10 years.

PROJECT COST ESTIMATES

Staff developed several detailed cost estimates for the Council's consideration (see attached estimates). Staff also developed alternate estimates for the surface treatment (slurry seal versus micro-surfacing).

The results are summarized in the following table:

<u>Project Description</u>	<u>w/Slurry Seal</u>	<u>w/Micro-surfacing</u>
All Streets*	\$1,604,390	\$2,107,870
Clayton Rd. + Marsh Creek Rd.	\$1,233,070	\$1,653,450
Clayton Rd. only	\$865,470	\$1,124,630

- * Clayton Rd from westerly City Limits to Marsh Creek Rd. @ Diablo View Middle School (DVMS)
- * Marsh Creek Rd. from DVMS to east side of Regency Drive
- * Oakhurst Drive from westerly City Limits to Clayton Rd.

FUNDING ALTERNATIVES

If we utilize just the Measure J grant funds (\$1,150,000), we will only be able to rehabilitate Clayton Road. In looking for additional funding to allow the entire project to be completed, staff considered funds allocated to the 2016 Neighborhood Street Rehabilitation Project (CIP No. 10432). The latter project has been budgeted at \$1,054,000 with funds from Gas Tax (\$263,000) and Measure J per capita funds (\$791,000). If Council transfers the neighborhood street project funds to the preferred (micro-surfacing) arterial project, there are sufficient funds to rehabilitate the City's entire arterial network.

Of course, this decision involves a sacrifice and it means the City will not be able to complete any significant work on neighborhood streets this year.

Last year's 2015 Neighborhood Street project rehabilitated all of our local streets with a pavement condition index (PCI) of 65 or less. The remaining neighborhood streets in the City will only require a slurry seal over the next few years and staff believes delaying any treatment of neighborhood streets for a year or two will likely have a minimal effect on the pavement surface quality or PCI.

Of course, the tradeoff is a 2016 Neighborhood Street Project at \$1.054 million that could slurry seal approximately 90 streets (PCI between 66 and 85).

FISCAL IMPACT

Whichever option the City Council decides, funding sources and amounts are available and any decision will not include or impact the City's General Fund. Naturally, wishing to perform the arterial micro-surfacing and a neighborhood street project this year will require allocation of funds from a different source

Subject: 2016 Arterial Rehabilitation Project – CIP No. 10437

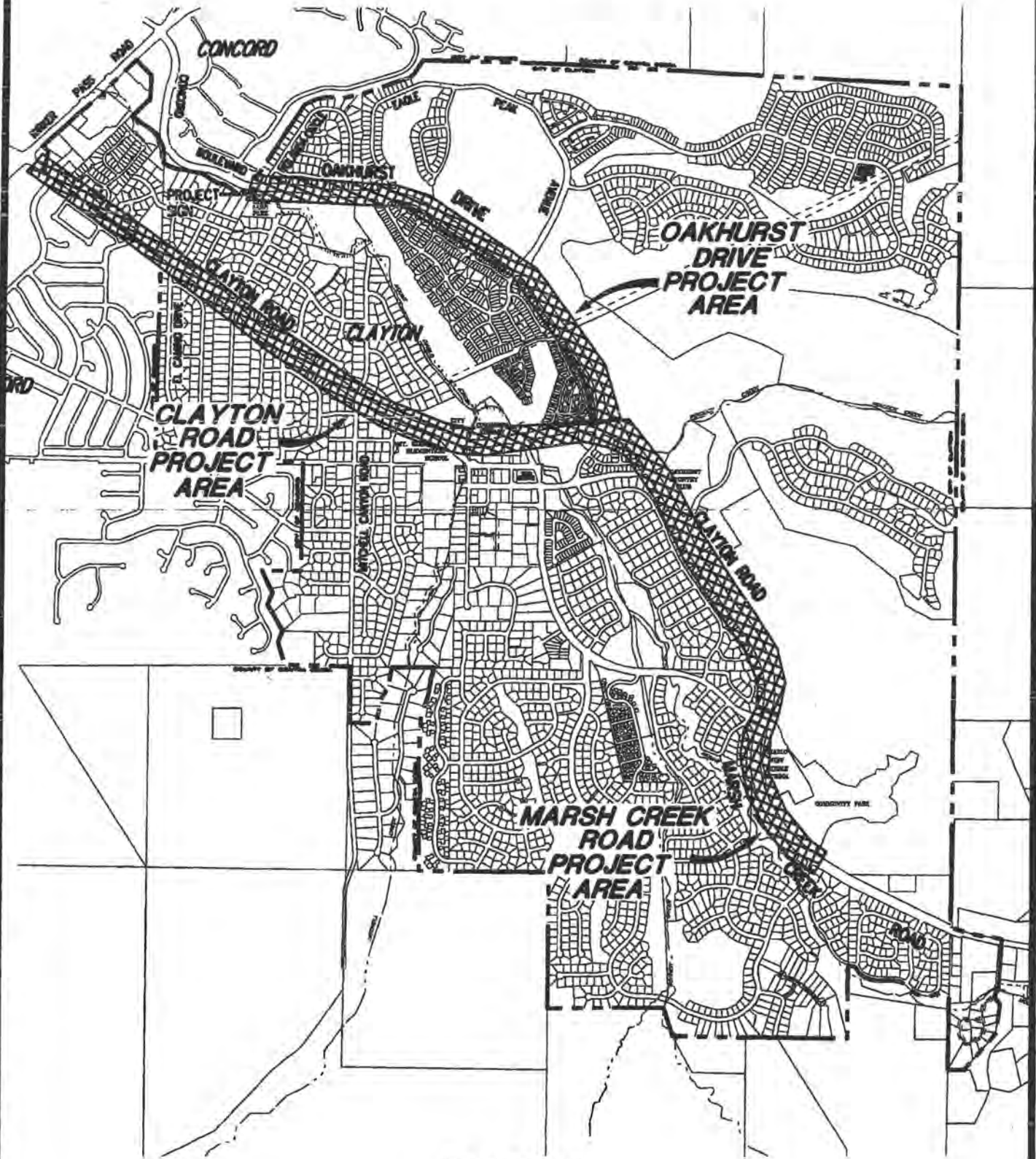
Date: July 19, 2016

Page 4 of 4

Attachments: Project Area Map
 Cost Estimate – Total Project
 Cost Estimate – Clayton Rd. + Marsh Creek Rd.
 Cost Estimate – Clayton Rd. Only

2016 ARTERIAL REHABILITATION PROJECT

CLAYTON ROAD, OAKHURST DRIVE
AND MARSH CREEK ROAD
C.I.P. PROJECT NO. 10437



VICINITY MAP
N.T.S

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PRELIMINARY COST ESTIMATES - CLAYTON RD. + MARSH CREEK ROAD

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	AMOUNT
1	Mobilization	1	ls	\$ 20,000.00	\$ 20,000.00
2	Surface Preparation	1,273,857	sf	\$ 0.15	\$ 191,078.55
3	Crack Sealing	32,000	lf	\$ 1.00	\$ 32,000.00
4	Dig Outs	2,052	sf	\$ 10.00	\$ 20,520.00
<i>Pavement Surface Treatment (SS)</i>					
5	a) Clayton Road	785,336	sf	\$ 0.30	\$ 235,600.80
6	b) Marsh Creek Road	488,541	sf	\$ 0.30	\$ 146,562.30
7	c) Oakhurst Drive	0	sf	\$ 0.30	\$ -
<i>Pavement Striping:</i>					
8	Blue Pavement Marker	13	ea	\$ 25.00	\$ 325.00
9	Detail 10	28,330	lf	\$ 2.00	\$ 56,660.00
10	Detail 38C	9,945	lf	\$ 2.00	\$ 19,890.00
11	Detail 39	32,440	lf	\$ 2.00	\$ 64,880.00
12	Detail 39A	4,251	lf	\$ 2.00	\$ 8,502.00
13	Dots @ 6' oc (left turn thru intersection)	573	lf	\$ 2.00	\$ 1,146.00
14	12" White Stripe	5,231	lf	\$ 4.00	\$ 20,924.00
15	12" Yellow Stripe	0	lf	\$ 4.00	\$ -
<i>Pavement Markings:</i>					
16	Turn Arrow - Type IV	99	ea	\$ 75.00	\$ 7,425.00
17	Arrow - Type i	11	ea	\$ 75.00	\$ 825.00
18	Arrow - Type VII	2	ea	\$ 100.00	\$ 200.00
19	Bike Lane Symbol w/arrow	85	ea	\$ 250.00	\$ 21,250.00
20	"SIGNAL" Marking	19	ea	\$ 150.00	\$ 2,850.00
21	"AHEAD"	19	ea	\$ 125.00	\$ 2,375.00
22	"KEEP"	2	ea	\$ 100.00	\$ 200.00
23	"CLEAR"	2	ea	\$ 125.00	\$ 250.00
24	"STOP"	7	ea	\$ 100.00	\$ 700.00
25	"TRAIL"	4	ea	\$ 125.00	\$ 500.00
26	"XING"	4	ea	\$ 100.00	\$ 400.00
27	"ONE WAY"	0	ea	\$ 100.00	\$ -
28	"GOLF CARTS ONLY"	0	ea	\$ 100.00	\$ -
29	"DO NOT ENTER"	0	ea	\$ 100.00	\$ -
30	Pavement Lifting	1	ls	\$ 175,000.00	\$ 175,000.00
Subtotal					\$ 1,030,063.65
10% Contingency					\$ 103,006.37
Construction Total					\$ 1,133,070.02
Design/Processing					\$ 50,000.00
Inspection/Admin.					\$ 50,000.00
Project total					\$ 1,233,070.02

ALTERNATIVE - MICROSURFACING

Pavement Surface Treatment (MS)

a) Clayton Road	785,336	sf	\$ 0.60	\$ 471,201.60	
b) Marsh Creek Road	488,541	sf	\$ 0.60	\$ 293,124.60	
c) Oakhurst Drive	0	sf	\$ 0.60	\$ -	
Subtotal					\$ 1,412,226.75
10% Contingency					\$ 141,222.68
Construction Total					\$ 1,553,449.43
Design/Processing					\$ 50,000.00
Inspection/Admin.					\$ 50,000.00
Project total					\$ 1,653,449.43

PRELIMINARY COST ESTIMATES- CLAYTON RD. + MARSH CREEK RD. + OAKHURST DRIVE
(STOP AT EAST SIDE OF REGENCY DRIVE)

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	AMOUNT	
1	Mobilization	1	ls	\$ 20,000.00	\$ 20,000.00	
2	Surface Preparation	1,525,681	sf	\$ 0.15	\$ 228,852.15	
3	Crack Sealing	48,000	lf	\$ 1.00	\$ 48,000.00	
4	Dig Outs	10,116	sf	\$ 10.00	\$ 101,160.00	(2,045 sf beyond Regency)
	<i>Pavement Surface Treatment (SS)</i>					
5	a) Clayton Road	785,336	sf	\$ 0.30	\$ 235,600.80	
6	b) Marsh Creek Road	358,706	sf	\$ 0.30	\$ 107,611.80	
7	c) Oakhurst Drive	381,659	sf	\$ 0.30	\$ 114,497.70	total PST = \$ 457,710.30
	<i>Pavement Striping:</i>					
8	Blue Pavement Marker	13	ea	\$ 25.00	\$ 325.00	
9	Detail 10	48,785	lf	\$ 2.00	\$ 97,570.00	
10	Detail 38C	7,268	lf	\$ 2.00	\$ 14,536.00	
11	Detail 39	38,744	lf	\$ 2.00	\$ 77,488.00	
12	Detail 39A	4,400	lf	\$ 2.00	\$ 8,800.00	
13	Dots @ 6' oc (left turn thru intersection)	1,405	lf	\$ 2.00	\$ 2,810.00	
14	12" White Stripe	8,163	lf	\$ 4.00	\$ 32,652.00	
15	12" Yellow Stripe	0	lf	\$ 4.00	\$ -	
	<i>Pavement Markings:</i>					
16	Turn Arrow - Type IV	125	ea	\$ 75.00	\$ 9,375.00	
17	Arrow - Type I	21	ea	\$ 75.00	\$ 1,575.00	
18	Arrow - Type VII	1	ea	\$ 100.00	\$ 100.00	
19	Bike Lane Symbol w/arrow	93	ea	\$ 250.00	\$ 23,250.00	
20	"SIGNAL" Marking	33	ea	\$ 150.00	\$ 4,950.00	
21	"AHEAD"	33	ea	\$ 125.00	\$ 4,125.00	
22	"KEEP"	2	ea	\$ 100.00	\$ 200.00	
23	"CLEAR"	2	ea	\$ 125.00	\$ 250.00	
24	"STOP"	7	ea	\$ 100.00	\$ 700.00	
25	"TRAIL"	4	ea	\$ 125.00	\$ 500.00	
26	"XING"	4	ea	\$ 100.00	\$ 400.00	
27	"ONE WAY"	1	ea	\$ 100.00	\$ 100.00	
28	"GOLF CARTS ONLY"	1	ea	\$ 100.00	\$ 100.00	
29	"DO NOT ENTER"	1	ea	\$ 100.00	\$ 100.00	
30	Pavement Lifting	1	ls	\$ 232,000.00	\$ 232,000.00	
	Subtotal				\$ 1,367,628.45	
	10% Contingency				\$ 136,762.85	
	Construction Total				\$ 1,504,391.30	
	Design/Processing				\$ 50,000.00	
	Inspection/Admin.				\$ 50,000.00	
	Project total				\$ 1,604,391.30	

ALTERNATIVE - MICROSURFACING

Pavement Surface Treatment (MS)

a) Clayton Road	785,336	sf	\$ 0.60	\$ 471,201.60	
b) Marsh Creek Road	358,706	sf	\$ 0.60	\$ 215,223.60	
c) Oakhurst Drive	381,659	sf	\$ 0.60	\$ 228,995.40	total PST = \$ 915,420.60
					differ = \$ 457,710.30
Subtotal				\$ 1,825,338.75	
10% Contingency				\$ 182,533.88	
Construction Total				\$ 2,007,872.63	
Design/Processing				\$ 50,000.00	
Inspection/Admin.				\$ 50,000.00	
Project total				\$ 2,107,872.63	

PRELIMINARY COST ESTIMATES - CLAYTON ROAD ONLY

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	AMOUNT
1	Mobilization	1	ls	\$ 20,000.00	\$ 20,000.00
2	Surface Preparation	785,336	sf	\$ 0.15	\$ 117,800.40
3	Crack Sealing	24,000	lf	\$ 1.00	\$ 24,000.00
4	Dig Outs	0	sf	\$ 10.00	\$ -
<i>Pavement Surface Treatment (SS)</i>					
5	a) Clayton Road	785,336	sf	\$ 0.30	\$ 235,600.80
6	b) Marsh Creek Road	0	sf	\$ 0.30	\$ -
7	c) Oakhurst Drive	0	sf	\$ 0.30	\$ -
<i>Pavement Striping:</i>					
8	Blue Pavement Marker	9	ea	\$ 25.00	\$ 225.00
9	Detail 10	24,310	lf	\$ 2.00	\$ 48,620.00
10	Detail 38C	2,945	lf	\$ 2.00	\$ 5,890.00
11	Detail 39	17,670	lf	\$ 2.00	\$ 35,340.00
12	Detail 39A	2,340	lf	\$ 2.00	\$ 4,680.00
13	Dots @ 6' oc (left turn thru intersection)	258	lf	\$ 2.00	\$ 516.00
14	12" White Stripe	2,365	lf	\$ 4.00	\$ 9,460.00
15	12" Yellow Stripe	0	lf	\$ 4.00	\$ -
<i>Pavement Markings:</i>					
16	Turn Arrow - Type IV	61	ea	\$ 75.00	\$ 4,575.00
17	Arrow - Type I	5	ea	\$ 75.00	\$ 375.00
18	Arrow - Type VII	0	ea	\$ 100.00	\$ -
19	Bike Lane Symbol w/arrow	38	ea	\$ 250.00	\$ 9,500.00
20	"SIGNAL" Marking	14	ea	\$ 150.00	\$ 2,100.00
21	"AHEAD"	14	ea	\$ 125.00	\$ 1,750.00
22	"KEEP"	2	ea	\$ 100.00	\$ 200.00
23	"CLEAR"	2	ea	\$ 125.00	\$ 250.00
24	"STOP"	0	ea	\$ 100.00	\$ -
25	"TRAIL"	0	ea	\$ 125.00	\$ -
26	"XING"	0	ea	\$ 100.00	\$ -
27	"ONE WAY"	0	ea	\$ 100.00	\$ -
28	"GOLF CARTS ONLY"	0	ea	\$ 100.00	\$ -
29	"DO NOT ENTER"	0	ea	\$ 100.00	\$ -
30	Pavement Lifting	1	ls	\$ 175,000.00	\$ 175,000.00
Subtotal					\$ 695,882.20
10% Contingency					\$ 69,588.22
Construction Total					\$ 765,470.42
Design/Processing					\$ 50,000.00
Inspection/Admin.					\$ 50,000.00
Project total					\$ 865,470.42

ALTERNATIVE - MICROSURFACING

Pavement Surface Treatment (MS)

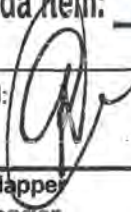
a) Clayton Road	785,336	sf	\$ 0.60	\$ 471,201.60	
b) Marsh Creek Road	0	sf	\$ 0.60	\$ -	
c) Oakhurst Drive	0	sf	\$ 0.60	\$ -	
Subtotal					\$ 931,483.00
10% Contingency					\$ 93,148.30
Construction Total					\$ 1,024,631.30
Design/Processing					\$ 50,000.00
Inspection/Admin.					\$ 50,000.00
Project total					\$ 1,124,631.30



Agenda Date: 7-19-2016

Agenda Item: 8c

Approved:


Gary A. Napper
City Manager

STAFF REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS
FROM: MINDY GENTRY, COMMUNITY DEVELOPMENT DIRECTOR *MG*
DATE: JULY 19, 2016
SUBJECT: TECHNOLOGY FUNDING (CDD-06-16)

RECOMMENDATION

It is recommended the City Council consider all information provided and submitted, receive public comments, and, if determined to be appropriate, take the following actions:

- 1) Authorize the City Manager enter into a five year agreement with Municipal Code Corporation (MuniCode) for the MyMunicode package for professional codification services.
- 2) Authorize the City Manager to enter into an agreement with Digital Services to create a new interactive City website and ongoing IT services.
- 3) Review and consider the costs and information presented on web streaming of the City Council meetings and provide direction to staff regarding Council's interest in pursuing this service further.

BACKGROUND

At its regular public meeting held on November 17, 2015, the City Council solicited and received a "wish-list" of unmet needs from all departments throughout the City relating to improvements, replacements, or new acquisitions needed in the city or the City organization (**Attachment 1**). Included within the 24 item "wish-list" were technology improvements identified by staff to improve City operations through an increase in efficiency as well as an increase in more accessible services for the public. These items included a new interactive City website, and an online searchable municipal code. The electronic records management system was also identified as "wish-list item"; however that item will return to the Council at a later date.

At its February 2, 2016 meeting, the City Council received a narrowed down "wish-list" of 13 items after which the City Council determined it would like to pursue the interactive website and searchable municipal code, amongst others. Based on the information provided by staff for the two aforementioned items, the Council wanted to see additional information due to

the associated ongoing costs with these technology services (**Attachment 2**). Staff now resubmits the matter to the City Council with additional information for these two items as well as consideration for additional ongoing funding for identified unmet technological needs. As part of the gathering of information for the technology related items on the "wish-list", concerns arose regarding the lack of financial attention to the City's technological needs. These concerns, which are discussed in further detail below, include the lack of proper off-site backups, the lack of continual security monitoring, and no one to ensure the systems are operating smoothly. There is also concern with the lack of ongoing maintenance and routine technical services being provided to the City, such as system updates and server backups.

Technology is inescapable in this day and age and given that individuals, businesses, and governments are relying more and more on technology to streamline processes and to become more efficient, it only makes sense that these costs would increase over time due to this reliance on technology. This City is no different and it really needs to take steps to increase its investment in technology to ensure it stays technologically current. Staff has concerns the City is seriously trailing behind other government agencies in regards to the public's expectation of access to services that are being provided, not to mention upkeep on the basic systems. Not only would this investment, both the ongoing costs and the one-time costs, in technology keep the City current but it would also ensure the City can provide superior customer service to its citizens. The investment in technology now would avoid a more costly investment down the road for the City to avoid "playing catch up" in regards to technological improvements. Improvements in technology do have one-time costs associated with them, but given the lack of attention and previous funding for technology, it's time the City Council consider increasing the ongoing funding for the City's technological requirements; having City employees work more efficiently and effectively using technology helps to mitigate the pressing need for additional employees and that escalating expense.

DISCUSSION

A question was raised at the February 2, 2016 City Council meeting regarding the current state of the City's existing computer hardware. The average life of a City computer is approximately ten years and the current age of the City's computers is four to five years, so nearly half way through its useful life.

Searchable Municipal Code: Based on the City Council's direction at the February 2, 2016 meeting (**Attachment 2**), staff is returning with a request to authorize the City Manager to enter into a five year agreement with Municipal Code Corporation (MuniCode) for the MyMunicode package for professional codification services (**Attachment 3**). The costs associated with this service would be an annual commitment of \$995 per year plus a per page rate of \$18 with the first year annual fee being waived. The MyMunicode package is the premium package, which provides not only an online searchable municipal code, but also provides the storing of previous versions of the municipal code, the ability to research other cities' codes that are hosted by MuniCode, and the provision of a hyperlink for a newly adopted code prior to supplementation, to name a few. The total anticipated costs for the first five years would be approximately \$4,000 with the annual cost then being folded into the annual budget. It is estimated it will take approximately 12 weeks to build, convert, and launch the City's code from the time an agreement is executed.

The existing issues with the current display of the City's Municipal Code on our website is that it is not searchable, lacks uniformity, and the City is unable to easily store previous versions of the Code. The only possible search of the code that can be performed is if Adobe Reader Pro has been paid for and installed on the computer and even then it only searches the chapter and not the entire code. The professional codifiers, MuniCode, can standardized the entire code, manage updates, and web host the City's code. The City of Clayton is the only jurisdiction in the entire County to not have a professional codifier service to manage its Municipal Code.

If the Council does not want to commit to the premium package of an annual cost of \$995, there is also the option of the basic service for \$350 per year plus \$18 per page for supplementation. The basic service provides a uniformly formatted, searchable, and hosted municipal code. This option is not preferred by staff because it lacks the ability to reference past versions of the Municipal Code, changes to the Municipal Code will not be posted online in between the periodic supplements or updates, and would not allow users the ability to compare past versions of the online code. The MyMuniCode package also allows drafts of legislation to be done on the online version of the code, where the basic package does not offer this feature.

IT Services: As discussed earlier, staff has concerns with the lack of available resources for the City's technology needs, which arose from devising the one-time "wish-list". Also, the City currently has been operating without a regular on-call person or IT firm to handle its current information technology needs. The City had been utilizing a member of the community who had performed many tasks pro bono or by charging the City a minimal hourly rate (approximately \$40/hour); however this community member no longer has the availability to address the City's needs, and certainly is unavailable when emergencies arise needing immediate attention. Further, the technological demands and needs of the City have morphed over the time and due to the increase of reliance on technology, it's time the City should consider regularly dedicating funds to contract with a firm or individual that specializes in these support services. When City Hall computers go down, very little staff work can be performed.

These services would include regular maintenance of the City's workstations, its network, an update to the email system, monitoring and ensuring adequate system security, setup a disaster recovery solution, as well as on-call availability due to a system malfunction or failure; not to mention a required update of the City's network system to ensure it is properly functioning. The City's network currently consists of one server with approximately 15 work stations. Further, the City's network is and has recently been experiencing chronic and repetitive issues and technical difficulties lately, which need to be addressed to ensure a smooth operation of City services. These issues and difficulties should ideally be handled by an IT professional rather than City staff trying to troubleshoot or to pay for an expensive on-call service that is unfamiliar with the City's system.

City staff sought quotes from a number of different firms that specialize in IT services in order to address technological issues as well as weaknesses and vulnerabilities of its system and to identify a firm to handle the City's ongoing demands for information technology services.

- Digital Services (**Attachment 4**): \$65/hour with an estimated 45 hours the first year with a recommended package of \$4,780 per year which includes not only IT services. but it also includes a server with backup capabilities.
- Nerd Crossing (**Attachment 5**): \$150/hour with a recommended package of \$1080 per quarter (\$4,320/year).
- R Computers (**Attachment 6**): \$120/hour to \$150/hour depending on the work with a monthly cost of \$1,250 (\$15,000/year).

Given that Digital Services' hourly rate is substantially lower than the other two service providers; staff is recommending them as the preferred vendor. In addition, Digital Services will be able to provide construction of a new City website, webmaster services, and web streaming, which are all discussed in further detail below. Having one vendor for all of these services is also a benefit to the City to address all technology issues rather than have a multitude of companies managing each process or element.

One of the issues staff has flagged for upgrading is the email system. Currently the exchange server is setup in such a manner that makes it difficult for remote access via the web. When remotely accessing emails, messages have to be intercepted from the hosting email exchange server before they are downloaded to the City's server and if they are downloaded from the exchange server then they will not make it to the City user's inbox unless a copy is forwarded. Further, City staff cannot share calendars to schedule meetings or to know a colleague's availability. The Microsoft Exchange server can be setup in such a manner than calendars can be shared and viewed with others in the organization. Digital Services has identified all of these services to cost approximately \$4 per email account per month, which equates to \$1,440 per year. It would take approximately \$975 in labor for the one-time cost to setup the Microsoft Exchange server.

Digital Services would also be able to setup an INTRANet for staff and officials for a one-time cost of \$1,300. The INTRANet could be a common repository for human resource documents, standard City contract templates, list of community events, the City employee handbook, tutorials, training materials, and any other documents that should be shared on an organizational wide basis.

Interactive Website: The City's existing website is currently operated and maintained by City staff with occasional outside help if there is an issue beyond staff's limited technical capabilities. Unlike many other cities, Clayton does not have an Information Technology specialist on staff and the organization does its best to troubleshoot issues and maintain a website with employees having general application knowledge. The City's website is currently out of date when compared to current website technology and one could even argue it's in a state of disrepair with its lack of uniformity in its layout, broken links, the challenges to staff when making changes due to the older platform, and difficulty navigating the site. The City's existing website consists of static pages containing useful information about the City and its departments and services. The website also provides a calendar of events, allows residents to log maintenance or code enforcement complaints, and also provides the City's meeting agendas and minutes. In order to enhance the design and functionality, an outside professional web designer is required. For an example of its antiquity, City forms, permits and applications cannot be completed online and electronically transmitted to the City via its website, a basic business feature in today's world.

As discussed earlier, technology is continuously improving and the City's existing website does not contain many of the interactive features that are now available. So, based on Council's direction at the February 2, 2016 meeting, staff is returning with a recommended proposal for website design from Digital Services (**Attachment 4**). At the February 2, 2016 meeting staff presented three different proposals ranging from full service websites to basic platforms. Staff selected one proposal from those three to bring back to the Council for consideration based on the cost for design, the breadth of functionality of the website, the option to train staff, and the option for webmaster services if needed.

Digital Services is proposing a comprehensive City website that includes a full redesign of the City's website, including the following functions: online payments, job application submittals, online reservation systems for City facilities, permit application submittals, an event calendar, integration with the City's business license software to accept online payments, and many other features. The proposed one-time cost for the website redesign is \$12,000, plus an additional one-time cost of \$2,600 for staff training for a one-time total of \$14,600; but in order to ensure the website stays maintained and secure, webmaster services are proposed on an as-needed basis with an estimate of \$1,300 per year. The staff training will allow each department to update its own page with announcements, press releases, news or other pertinent information. This will allow the City the benefit of a professionally designed and maintained site, but with the day to day operations still with City staff; therefore avoiding the expense of a full-time webmaster. A comparative survey of public agencies revealed an average cost of approximately \$46,000 for a similar website redesign.

The proposed interactive website would be a vast improvement in terms of the design and capabilities as compared to the existing City website. This new website will assist the public in conducting business with the City as well as streamline business processes, therefore reducing staff time and improved operational efficiency.

Web Streaming of City Council Meetings: City staff researched the option to provide streaming and video archiving of the City Council meetings as an option for the Council to consider. Staff received three quotes from the following vendors:

- Digital Services (**Attachment 4**): \$358 per month (\$4,300/year) with no upfront costs
- Swagit (**Attachment 7**): \$750 per month (\$9,000/year) plus one-time upfront costs ranging from \$4,980 to \$6,975
- Granicus (**Attachment 8**): \$400 per month (\$4,800/year) plus one-time upfront costs ranging from \$3,500 to \$4,500

If the Council would like to pursue web streaming of the City Council meetings, staff is recommending Digital Services as the preferred vendor because its proposal is the most cost effective. Also with Digital Services, the City will still maintain ownership rights of the video, which is not the case with other web streaming providers. There will be some nominal additional staff time associated with this option because staff will have to provide a time-log of the Council meetings so the meetings can be indexed prior to their uploading to the City's website.

FISCAL IMPACT

The table below summarizes the annual ongoing costs the City would need to undertake for IT services as well as the one-time costs associated with the development of the City's website. The City Council set aside \$5,000 for the online municipal code and \$47,000 for the development of a new website out of the one-time monies from the "FY 2016 General Fund Assigned Surplus Reserves", which currently has a balance of approximately \$276,949. The one-time funding will be able to pay for the development of the website, website training, development of the INTRANet, and setup of the hosted email exchanged for \$16,875, leaving \$35,125 in remainder. The remainder would cover the annual ongoing expenses for 2.75 years, 4.1 years without web streaming, and then those reoccurring costs would need to be folded into the budget.

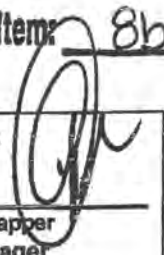
Service	Cost	
	Annual Ongoing	One-time
IT Services (incl. servers)	\$4,700	N/A
Hosted Email Exchange	\$1,440	\$975
Website Design	N/A	\$12,000
Develop & Host Intranet	N/A	\$1,300
Website Training	N/A	\$2,600
Webmaster Services	\$1,300	N/A
Online Municipal Code	\$995 + \$18 per page	N/A
Web Streaming	\$4,300	N/A
TOTAL w/o Web Streaming	\$8,435	N/A
TOTAL	\$12,735*	\$16,875

*Does not include the \$18 per page for codification services required under the online municipal code line item.

ATTACHMENTS

1. November 17, 2015 City Council Staff Report and Excerpt of the Minutes [5 pp.]
2. February 2, 2016 City Council Staff Report with Attachment A and Exhibit 10 and Excerpt of the Minutes [7 pp.]
3. MuniCode's Proposal [16 pp.]
4. Digital Services' Proposal [5 pp.]
5. Nerd Crossing's Proposal [5 pp.]
6. R Computers's Proposal [9 pp.]
7. Swagit's Proposal [8 pp.]
8. Granicus's Proposal [5 pp.]

Agenda Date: 11-17-2015Agenda Item: 8b

Approved:	
Gary A. Napper City Manager	

AGENDA REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: CITY MANAGER

DATE: 17 NOVEMBER 2015

SUBJECT: CONSIDER USE OF FY 2014-15 EXCESS GENERAL FUND MONIES TO ADDRESS IDENTIFIED ONE-TIME EXPENSE UNMET FINANCIAL NEEDS

RECOMMENDATION

It is recommended, following staff presentation and opportunity for public comments, the City Council provide staff with general policy direction to narrow its interest in further staff research and refined quotes on the organization's identification of unmet financial needs in City public facilities, infrastructures, and capital equipment using a portion or all of the \$389,895 in excess General Fund monies from the conclusion of FY 2015-15.

BACKGROUND

Concurrent with the receipt of a "clean" opinion from the City's independent auditing firm of Cropper Accountancy Corporation, the City learned that Fiscal Year 2014-15 ended its operations and expenses with a cash excess of \$389,895 in General Fund monies. The City's General Fund balance is now at \$5,538,632 with an unassigned balance of \$4,509,255 (which amount includes the \$389,895 under discussion). With the General Fund primarily shouldering the bulk of essential public services to our community and for the operations of the municipality (e.g. personnel services), it is often difficult to incorporate larger ticket items into the annual budget while maintaining the City Council's policy of producing an annually-balanced budget. Therefore, the General Fund reserve is multi-purpose in its function as the City's "savings" account, not only for emergency and disaster purposes but also to underwrite one-time expenditure items that are merely too large or non-repetitive to tuck into a balanced budget.

Recognizing this principle, the City Council in August 2006 established a new "Deferred Maintenance Fund" using \$350,000 in excess General Fund monies from the conclusion of its FY 2007-08 City Budget. Over the years, that Fund was used to perform a variety of public facility and one-time expense needs of the City that would otherwise have been left unattended (e.g. new carpet/paint in Hoyer Hall in 2010; hand-dryers in public restrooms; rehabbed pathway at Lydia Lane Park; North Valley Park drainage system; rehabbed Community Park shade structures, new benches and new asphalt pathways; additional

concrete work in the City Hall courtyard; new curtains, chairs and exterior fence at Endeavor Hall).

FY 2014-15 GENERAL FUND EXCESS

At its public meeting on 02 November 2015, in conjunction with the presentation of the Audited Financial Statements, the City Council received and commented briefly on the inclusion of a staff-generated list of potential one-time expenditures for consideration relative to the \$389,895 in General Fund net excess monies. Members of the City Council expressed interest in discussing these identified unmet needs in greater detail and requested staff agendize this discussion at its next public meeting. In the interim, staff re-circulated its initial list internally to further identify one-time expense items that may have been overlooked or should be acknowledged.

Consequently, the attached compilation (ref. Exhibit A) classifies, by City department, those recognized needs worthy of identification and potential funding, either now or in the near future. In harmony with the City's prudent fiscal policy of not creating or developing new facilities, infrastructures or organizational purchases that will obligate or consume recurring expenditures to support, the list naturally leans to maintaining or upgrading existing assets or capital equipment. To facilitate the City Council's determination of priority, items marked by an asterisk (*) are deemed pressing for attention and priority consideration. In addition, the City Council may have one-time expense items it wishes to add to this list. This list largely contains items that are not eligible for funds from sources other than the City's General Fund (e.g. Restricted-Use Funds).

RECOMMENDED PROCESS

None of the items listed are accompanied by actual quotes; the dollar amounts are merely estimates by staff at this point and are each subject to further refinement. An associated cost does represent the professional judgement of staff as to a likely ballpark figure, but actual expense is subject to further research and refinement by staff.

However, rather than staff spending time investigating each listing, it is recommended the City Council discuss and provide to staff its general policy direction as to which, if any, of the listed items should be further explored by obtaining actual quotes and vendor/contractor estimates. Staff would then complete that expense fine-tuning and return with a staff report containing the results of its efforts for consideration of earmarked funds by the City Council.

Exhibit A. List of Potential One-Time Expense Items

POTENTIAL USES FOR FY 2014-15 GENERAL FUND NET EXCESS

CITY OF CLAYTON

17 NOVEMBER 2015

EXHIBIT A

General Fund Net Excess \$389,895.00

* * * * *

Identified One-Time Expenditures (by City Department)

A.	City Maintenance	
	◦ F-450 Utility Truck	\$ 70,000 *
	◦ Paint and re-seal Public Restrooms at Community Park	\$ 12,000 *
	◦ Paint interior & exterior of Endeavor Hall, re-finish wood flooring (2009), and re-seal patio concrete (2005)	\$ 19,000 *
	◦ New carpet and re-paint interior of Clayton Library (20 yrs.)	\$ 115,000 *
	◦ New trash cans, BBQs and Knack Boxes at Community Park	\$ 20,000 *
	◦ Re-install copper wiring (theft) on Community Park pathway between upper and lower sports fields, plus lighting controller	\$ 17,000
	◦ Trim trees at Community Park	\$ 30,000
	◦ Replace resilient play surface at North Valley Park (16 yrs.)	\$ 16,000
	◦ Tree replacement at North Valley Park (20 trees @ \$500)	\$ 10,000
	◦ Carport in City Corporation Yard (for new tractor, etc.)	\$ 10,000
	◦ Mini-Excavator (on traks)	\$ 50,000
	◦ Replace wood street light poles with metal ones (City-owned)	\$ 250,000 *
	◦ Install solar power equipment to run Clayton Fountain	\$ unk
B.	Police Department	
	◦ Police Carport (side yard of City Hall)	\$ 50,000
	◦ Funds for Training Day of entire PD (on same day)	unk
	◦ Replace PD tasers (11)	\$ 28,000
C.	Community Development (Planning)	
	◦ Update City Noise Element	\$ 40,000
	◦ Restore Keller Ranch outbuildings	\$ 80,000
	◦ Comprehensive update of City General Plan	\$ 400,000
D.	Department-wide Technology and Records Storage *	
	◦ New interactive City Website	\$ unk
	◦ Electronic Records Management System (laserfiche) (quote of \$10,000 to convert 20 boxes; 120+ boxes)	\$ 100,000 (a start) *
	◦ Searchable Online City Municipal Code	\$ unk
	◦ Geographic Information System (GIS)	\$ unk

Councilmember Pierce nominated Howard Geller for Mayor. Councilmember Haydon seconded the nomination. No other nominations were provided and Mayor Shuey then closed the nominations.

On call by Mayor Shuey, the election of Howard Geller as Mayor starting December 1, 2015 passed by acclamation (Passed; 5-0 vote).

Mayor Shuey then opened nominations for the office of Vice Mayor. Councilmember Pierce nominated Jim Diaz for the position of Vice Mayor. Councilmember Shuey seconded the nomination. There were no other nominations and Mayor Shuey closed the nominations.

On call by Mayor Shuey, the election of Jim Diaz as Vice Mayor starting December 1, 2015 passed by acclamation (Passed; 5-0 vote).

- (b) City Council discussion of potential uses for a portion or all of its \$389,895 in General Fund excess monies from FY 2014-15 on one-time expenditures, equipment or capital project unmet needs.

City Manager Napper indicated at the City Council's last regular meeting it was noted the previous fiscal year closed with a General Fund net excess of \$389,895. Staff inquired at that meeting whether the City Council was interested in discussing possible one-time expenditure items and capital projects using this surplus. Staff was instructed to bring a list back at this meeting to explore different opportunities for use of some or the entire annual General Fund surplus on one-time expenditures for unmet needs of the City. Part of staff's obligation as staff is to identify unmet needs of the City for City Council review and policy decision for the unassigned funds.

The current General Fund Reserve balance of \$5.5 million does include this annual General Fund excess of \$389,895. In terms of financial history, in August of 2006 the City also experienced a similar excess of funds of approximately \$350,000 and at that time the City Council placed the surplus into a Deferred Maintenance account. Over the years that Deferred Maintenance Fund was used to underwrite numerous deferred maintenance items in the City, eventually resulting in a residual balance last year of approximately \$40,000, which was then returned to the General Fund.

City Manager Napper then reviewed in detail the list of unmet needs of the City identified by management categorized by City Maintenance, Police, Community Development, and City Technology/Modernization office needs. He noted there are not a lot of items, nothing is absolutely urgent or pressing, and the smallness in identified unmet needs is a testament to the good management of the City and the City Council in keeping its organization, public facilities, and public infrastructures in relatively good shape and order. However, those items listed are matters that sometime will need to be addressed. The items listed also have no other source of funding other than the General Fund. Mr. Napper then went through the list of items line by line.

Councilmember Pierce commented she would like to add Wi-Fi guest capability at City Hall to the list of identified items, particularly since the City Council has requested this capability for some years now.

Councilmember Haydon inquired if the figures provided for each item were actual costs or estimates? Mr. Napper advised the costs provided are professional "guesstimates" and will be refined to actual costs through further staff investigation based on what the City Council expresses further interest in.

Councilmember Haydon also inquired on the condition of the wood street light poles and if replacement could be done in phases to allow other potential unmet needs of the community to also be met? Mr. Napper responded the hollow-core wood street light poles deteriorate from the inside out and at this point it is undeterminable of the current condition. He agreed the wood street light poles could be replaced in phases. Councilmember Diaz suggested approaching this project by age of neighborhood and accompanying wood street light poles.

After considerable discussion and review, the City Council determined it would like more information on the following unmet needs:

- Wi-Fi at City Hall.
- Electronic Records Management System (laserfiche).
- New interactive City website.
- Restoration of Keller Ranch outbuildings.
- Funds for a one-day training of the entire Police Department.
- Solar power equipment to operate the Clayton Fountain.
- Replace wood street light poles with metal ones (City-owned).
- Mini-Excavator (on traks).
- New trash cans and possible replacement BBQs at Community Park.
- Paint interior & exterior of Endeavor Hall, re-finish wood flooring (2009), and re-seal patio concrete (2005).
- Paint and re-seal public restrooms at Community Park.
- F-450 Utility Truck.

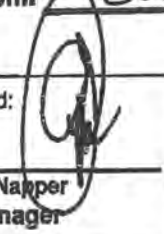
No action further action was taken on this item. City Manager Napper indicated staff would perform further research and obtain contractor/vendor quotes on the needs identified and return with its report, likely in early 2016.

9. **COUNCIL ITEMS** – limited to requests and directives for future meetings.

None.

Agenda Date: 2-02-2016Agenda Item: Ba

Approved:



 Gary A. Napper
 City Manager

AGENDA REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: CITY MANAGER

DATE: 02 FEBRUARY 2016

**SUBJECT: CONTINUED CONSIDERATION FOR USE OF FY 2014-15 EXCESS
GENERAL FUND MONIES TO ADDRESS ONE-TIME EXPENSE UNMET NEEDS**

RECOMMENDATION

It is recommended, following staff presentation and opportunity for public comments, the City Council provide staff with specific direction regarding pursuit of which unmet financial needs in City public facilities, infrastructures, and capital equipment using a portion or all of the \$389,895 in excess General Fund monies from the conclusion of FY 2014-15.

BACKGROUND

At its regular public meeting held on 17 November 2015, the City Council received a laundry list of unmet needs for improvement, replacement, or new acquisitions pertaining to the mission of the City organization to sustain public services and infrastructure of the City. After review and critique of the 24 items listed, the City Council narrowed its interest for further study and additional staff research to thirteen (13) items. As noted in the previous report, the City learned that Fiscal Year 2014-15 ended its operations and expenses with a cash excess of \$389,895 in General Fund monies. The City's General Fund balance is now at \$5,538,632 with an unassigned balance of \$4,509,255 (which amount includes the \$389,895 under discussion).

Since that meeting, various members of City staff have spent considerable time obtaining refined quotes and conducting further investigation of the 13 items selected by the City Council. The Focus List chosen by the City Council is attached and honed estimates and further information have been provided when possible.

FOCUS LIST ITEMS

Of the thirteen (13) original items on the Council's Focus List, one has already been implemented by City staff as it was identified by the City Council long ago as an item that should be installed at City Hall. That matter involved the installation of a password-protected City Hall Wi-Fi system, which objective was accomplished within existing resources on

January 25th. Therefore, that particularly item is displayed for reference purpose but labeled as "Done." In addition, following research by the Chief of Police as to possible law enforcement coverage from another public agency so the Clayton Police Department could conduct a one day Training Day for our entire police department (sworn and non-sworn), Chief Wenzel learned the City of Concord would be willing to cover Clayton PD calls for service that singular day at no additional expense. Consequently, that particular need has been listed but labeled as "accomplished by the Chief at no cost."

However, with any opportunity granted to staff for its exploration of unmet needs of the City, since the November 2015 meeting we have added back two (2) new items for consideration in this mix. One is the exterior repainting of City Hall (\$6,900) and the other is the installation of ten (10) high-grade security cameras at the entry/exit points of the City; the latter idea, becoming used by many cities as another tool to fight community crime, has a complete system price tag of \$132,983 but it is a public safety enhancement that could be implemented in phases.

RECOMMENDED PROCESS

City staff having a stakeholder's interest in the outcome of the City Council's deliberations on this matter will be in attendance at the meeting to answer questions regarding their specific requests. Each item on the Focus List has an associated detail sheet or staff memorandum cross-referenced by an Exhibit number. The order of the Exhibits does not represent staff priorities but arranged by department.

It is recommended the City Council determine which unmet needs and how much excess FY 2014-15 General Fund monies warrant its willingness to encumber funds. In doing so, no authorization is granted awarding contracts or the associated allocation of funds. Staff will return to the City Council for formal authorization at a subsequent public meeting.

Attachment A: Focus List of Potential One-Time Expense Items [1 pg.]

B. Potential Uses List from Nov. 2015 meeting [1 pg.]

- Exhibits:
1. Mini-Excavator
 2. Utility Bed Truck
 3. Community Park trash cans, BBQs, reseal restroom floor
 4. Endeavor Hall repainting, floor refinish, reseal concrete patio
 5. Solar power to operate Clayton Fountain
 6. Replace wood street light poles
 7. City Hall exterior repaint
 8. Police security cameras at entry/exit points of City
 9. Sustain Police Department full deployment due to attrition
 10. Electronic Records Management (laserfiche)
 11. Upgrade City Website and IT services
 12. Searchable Online City Municipal Code

FOCUS LIST

IDENTIFICATION OF ONE-TIME UNMET CITY NEEDS

02 FEBRUARY 2016

FY 2014-15 GENERAL FUND NET EXCESS \$ 389,895.00

* * * * *

FOCUS LIST OF ONE-TIME EXPENDITURES (listed by City Department)

I. City Maintenance

• Exhibit 1 [11 pp.]	2016 Mini Excavator (Ford New Holland)	\$ 42,243.00
• Exhibit 2 [7 pp.]	2016 Utility Bed Truck (Ford F350)	\$ 58,811.00
• Exhibit 3 [6 pp.]	New trash cans, BBQs and reseal restroom floor at Clayton Community Park	\$ 24,919.00
• Exhibit 4 [4 pp.]	Paint interior & exterior of Endeavor Hall, re-finish wood floor, reseal concrete patio	\$ 18,963.00
• Exhibit 5 [2 pp.]	Solar power to run Clayton Fountain	\$ 859,000.00 +
• Exhibit 6 [5 pp.]	Replace 75 wood street light poles with metal ones (City-owned)	\$ 264,000.00
• Exhibit 7 [2 pp.]	<u>New:</u> Repaint exterior of City Hall	\$ 6,900.00

II. Police Department

• - No Exhibit -	Funds for Training Day of entire PD	\$ Accomplished by Chief at no cost
• Exhibit 8 [3 pp.]	<u>New:</u> Security Cameras at Exit/Entry points of City	\$ 132,983.00
• Exhibit 9 [2 pp.]	<u>New:</u> Sustain Police deployment at full strength due to pending attrition	\$ 21,473 – 38,237

III. Community Development (Planning)

• - No Exhibit -	Demolition of Keller Ranch outbuildings (3)	\$ unknown (\$20k?)
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IV. Department-wide Technology and Records Storage

• Exhibit 10 [48 pp.]	New Interactive City Website/IT Services	\$ 9,000 – 47,000
• Exhibit 11 [1 pg.]	Electronic Records Management (laserfiche) (quote converts 120 boxes)	\$ 48,337.00
• Exhibit 12 [15 pp.]	Searchable Online City Municipal Code (Municode quote at 6 years of service)	\$ 5,000.00
• - No Exhibit -	Wi-Fi at City Hall	\$ DONE

Information Technology and a New City Website

The existing City website was built by a former Clayton resident pro bono, which is currently maintained by nontechnical City staff. The site has served the City well for many years; however websites today are becoming more robust and acting as a key portal to information for customers (the public) while also assisting City staff by providing the capability to conduct City business quicker and more efficiently. Currently, the City's website contains a great deal of information for the public; however it is limited in its scope and functionality, not to mention the website is on an out of date platform. City staff received three proposals for the development and implementation of a new website with one of the proposals containing other technological options for the City Council to consider. Further, website design and creation can range from very simple websites to incredibly large and complex sites with not only information but also functionality and interaction, and these three quotes provide that range of possibilities to consider.

GovOffice (Attachment A)

GovOffice is a large national company that provides website technologies and solutions for not only government but also education, nonprofit, advocacy and campaign sectors with 1,500 municipal accounts. GovOffice has clients throughout the United States such as the City of Orinda, Imperial Beach, CA, Adelanto, CA, and Oxford, NC.

GovOffice has a variety of pricing solutions depending on the needs of the client with the design platform prices ranging from \$595 to \$6,395, which is contingent on the level of services required by the client. Given the size of the City of Clayton as well as the type of functions desired for the website, GovOffice identified the Premium Plus Design package, which includes a custom homepage, four custom interior banners, auto-image slide, quick link buttons, the ability to accept online payments, and mobile website design. Other features included in the website would be weather and news feeds, community survey forms, eNewsletter solutions, alerts, and service request forms. This option would cost the City \$11,670 for the design and implementation of the website with an ongoing annual hosting fee of \$1,250. This website is designed in such a fashion as it would be maintained by City staff following an online training session; however this option is limited in the number of the functions provided by this company's software.

Vision Internet (Attachment B)

Vision Internet is a large company with nearly 700 municipalities with clients across the United States. Their clients include the Santa Clara, CA, Reno, NV, Provo, UT, and Bend, OR.

Vision Internet has provided a cost quote of \$46,820.00, which would provide the City with a turnkey website that would be updated and managed by City staff after two days of onsite training. The annual reoccurring costs were not provided in the City's proposal. Vision Internet has three different packages, which dictate the level of functionality of the site. Premium features include facilities registration which could be used for Endeavor Hall and the Community Park, streaming video center, job application submittals, and the ability to receive online payments. The functionality of this website would be a

dramatic improvement over the existing website as well as have more of a functional capacity than the offerings of GovOffice.

DIGITAL SERVICES (Attachment C)

Digital Services is a local independent small business located in the City of Antioch. The quote provided by Digital Services not only includes the cost of website development, but also includes costs associated with addressing technical support as well as technological shortfalls of the City. The City's previous technical support and IT consultant operated on an on-call basis and provided the City with services as more of a secondary job which left nontechnical staff spending time trying to troubleshoot issues. The City's IT consultant is no longer available and the City is looking for replacement IT services. City staff also requested Digital Services to examine other issues and the costs associated with providing technical support and updates to the City of Clayton.

IT SUPPORT

The first issue covered in the proposal is the cost to back up the City's server. Currently, the City is operating with only one server with a mirrored hard drive, which is not backed up offsite so if something were to happen to that server the City will lose several years of data and City staff would have to recreate many documents and processes from scratch. The lack of having backup storage is risky and is considered to be a bad management practice. Digital Services provided a price quote of \$2,209.00 per year for server backup services including cloud storage.

Another service that was researched was the provision of MS Office 365, which is a Microsoft Hosted Exchange. Currently, City staff cannot share or view Outlook calendars between other staff and remote access to email only downloads emails that have not been previously downloaded by the server. Emails existing in the user's Inbox cannot be viewed remotely, plus emails that are remotely downloaded do not show up in the user's inbox at their City workstation. This is cumbersome and not ideal for the ease of use. The quoted price of \$384 in the proposal is actually low due to an incorrect assumption of the number of employees. The actual cost would actually be closer to \$1,100 per year for this service.

Website Design

Digital Services also provided the costs for the development of a new City website. City staff put together a comprehensive wish list of capabilities for the new website which included but are not limited to: form submission, integration with the business license software to allow for online renewals, online payments, interactive facility rental calendar, video streaming, and online submission of job applications. The total one-time costs to develop a new website are proposed to be \$8,450.

Digital Services also included costs associated not only with ongoing web services but also assumed IT services at 15 hours per month at \$65 per hour. The hourly rate of \$65 per hour, which includes both website services as well as IT support, is the best rate staff could find for IT support services, other quotes received were for \$230 per hour and \$150 per hour just for IT support without having the more comprehensive website component. The total ongoing costs would be estimated at \$11,700, which

includes onsite IT services, website security protection, the uploading of materials to the website, and maintenance of the site. This option would remove nontechnical staff from the maintenance and the uploading of materials to the website by providing third party separation. Staff has discussed the assumption of the number of hours required per month with Digital Services, which may be negotiable.

Currently, the City budget has allocated \$4,000 for server backup and IT support services and has previously reached levels of \$6,000 in past budgets. The proposed services would result in an additional \$8,000 to \$10,000 approximately in additional costs for IT support as well as the additional services as it relates to the website, not including web streaming. As stated earlier the number of hours may be negotiable, which could reduce the overall costs to the City.

The table below shows a summary of municipalities throughout the State that recently underwent the process of creating a new website and how much cost was incurred by those jurisdictions. This table is to provide the Council with an idea of the range of possibilities as well as the going rate for these services.

CITY	COST	DATE
Mountain View	\$85,000	2012
Santa Clara – Implementation only, no design	\$81,985	2015
Midpeninsula Regional Open Space District	\$49,410	2014
Los Altos	\$40,000	2013
Campbell	\$28,350	2013
Palos Verdes Estates – Refresh	\$24,750	2015
Monrovia	\$13,000	2013

Streaming

Lastly, at the request of staff, Digital Services looked into the possibility of live streaming of the City Council meetings. There are only a total of five jurisdictions, with Clayton being one of them, in Contra Costa County that do not stream their Council meetings. The other jurisdictions are Lafayette, Orinda, Moraga, and Danville; however Orinda and Moraga provide an audio recording on the City's website following the meeting. The total annual cost to stream the City Council meetings as well as archive the meetings would be \$6,720, with the main costs attributed to the lease of the video server. Due to the proposed cost, Staff has also requested from Digital Services the costs associated with posting the video of the Council meetings on the City's website after the meeting has occurred, which is an additional option for Council consideration. Staff has not received this cost at the writing of this report.

Staff recommends the City Council direct staff to continue to negotiate further with Digital Services and return back to the Council with a revised proposal. The proposal shall reflect an agreed upon lower number hours for IT services and website maintenance. The proposal shall also include an option to upload the City Council videos in place of streaming.

6. **PUBLIC COMMENT ON NON - AGENDA ITEMS** – None.

7. **PUBLIC HEARINGS** – None.

8. **ACTION ITEMS**

- (a) City Council discussion of potential uses for a portion or all of its \$389,895 in General Fund net excess reserve monies from FY 2014-15 on one-time expenditures, equipment or capital project unmet needs.

City Manager Napper indicated at the City Council's regular meeting of November 17, 2015 it was noted the previous fiscal year closed with a General Fund net excess of \$389,895. Staff inquired at that meeting whether the City Council was interested in discussing possible one-time expenditure items and capital projects using these funds. Staff was instructed to bring a list back at this meeting to explore different opportunities for use of some or the entire annual General Fund FY 2014-15 net excess on one-time expenditures for unmet needs of the City. Part of staff's obligation as staff is to identify unmet needs of the City for City Council review and policy decision for the unassigned funds. Mr. Napper provided a focus list for one-time unmet city needs for further exploration per the direction of the City Council.

City Department heads were available at this meeting to answer any questions or provide additional information to the City Council regarding items pertaining to their departments.

After considerable discussion and review, the City Council determined it would like to pursue the following unmet needs:

- 2016 Mini Excavator.
- New trash cans, BBQs and reseal restroom floor at Community Park.
- Paint interior & exterior of Endeavor Hall, re-finish wood flooring, and re-seal concrete patio.
- Repaint City Hall exterior.
- Security Cameras at Exit/Entry points of City.
- Sustain Police deployment at full strength due to pending attrition.
- Demolition of Keller Ranch outbuildings (3).
- New interactive City website/IT Services.
- Electronic Records Management System (laserfiche).
- Searchable Online City Municipal Code.
- City back-up servers.

Mayor Geller opened the item to receive public comments; no public comments were offered.

Mr. Napper advised that items above his authority of approval will be brought back to future regular meetings of the City Council with no monies encumbered until awarded by the City Council.

City Council general direction was given to staff to provide additional research and bring back refined information for council consideration and action as appropriate.



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May 3, 2016

Ms. Mindy Gentry
Community Development Director
6000 Heritage Trail
Clayton, CA 94517 1250

Email Sent Via: mgentry@ci.clayton.ca.us

Dear Ms. Gentry,

Thank you for speaking with Stephen Hall and expressing interest in utilizing Municode for supplementation services. We have reviewed the City's municipal code and are pleased to submit the following information for your review.

Our team is driven by the desire to serve you and your citizens. We believe that quality customer relationships and exceptional service are what have set us apart in the legal codification industry since 1951. Our commitment to service inspires us to: provide you with the highest quality legal codification services in the industry; set the standard for online and mobile services; ensure that you receive the most accurate and timely supplements possible and to work with you as a long-term partner. Our desire to serve you is why we have chosen this profession.

Why Municode?

Integrity. *"Our word is our bond."* We believe that long-term relationships built on trust are built to stand the test of time. Our goal is to serve you and your citizens for the next 30 years or more.

Attorneys. We have a team of full-time attorneys. All of your legal work is completed by our experienced team of in-house attorneys.

Experience. With over 3,755 customers in all 50 states, we are the most trusted and experienced codifier of local government codes in the nation. Our team of attorneys has an average of over 20 years of codification experience. With over 190 professionals committed to serving you, we have the depth of knowledge and experience that it takes to stay at the forefront of legal and technological developments.

Relationships. For over 64 years, we have earned the trust, loyalty and respect of our customers by focusing on what is most important to us: our customers. We have a team of customer service professionals dedicated to serving you, your team and your citizens. No matter what the challenge, we are here for you.

Quality. We are committed to excellence in every product that we create. Our team of legal editors and legal proofreaders, each averaging over eight years of service, is dedicated to providing you with the most accurate and timely product available in the nation.

Technological Leadership. MunicodeNEXT is the nation's most advanced, accessible and intuitive website. With MunicodeNEXT, your staff and citizens can have access to your municipal code, all archived versions of your code, every official copy of your ordinances, the power to compare versions of your code over time, the ability to be notified every time your code is updated and a powerful search engine capable of simultaneously searching your code, ordinances, minutes, resolutions, budgets and more. Our web tools are designed to make your job easier, your code more accessible and your citizens more informed.

Commitment to California. We are proud to serve 220 municipalities in the state of California. We regularly attend, support and sponsor the California City Clerks Association and California Clerks of the Board of Supervisors.

Why Our Clients Love Us

Applying our Legal Experience. We have a large team of full-time attorneys. This is a crucial factor to consider when assessing the qualifications of a codification company that is being considered for legal publication and supplementation services. We have been in business for over 64 years and have worked for decades serving the biggest and most advanced municipalities in the nation, as well as 220 clients located in California. No other codification company has this level of experience and knowledge that can be harnessed for your benefit.

Team Approach. We have 14 legal editorial teams, over 35 legal editors and over 20 legal proofreaders. By partnering with us, you are provided with a depth of legal talent that is unmatched in the industry. You and your citizens deserve the best and deserve to have a team that will be here to serve you no matter what the situation.

Customer Service. Our goal is to fully understand your unique needs. Your Municode representative, Stephen Hall, is able to meet with you in person anytime. Stephen can also provide onsite training or host webinars throughout the term of the contract.

Your Representative. Municode's West Coast Sales Representative, Stephen Hall, is located in Long Beach, California. He is available to answer questions and meet with you, as needed. Stephen worked in governmental sales for over 16 years. Stephen is new to the Municode team and he looks forward to visiting Clayton often and will regularly attend the California Municipal League Conference, Clerks Conference and IIMC Conference. Stephen is supported by our entire team in Tallahassee.

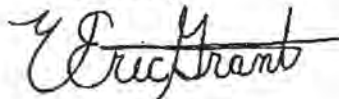
Real People. If you have a question, our response time is normally less than a few minutes via e-mail (constantly monitored) or within the half-hour for phone correspondence. When you call us, you will find that our phones are answered by our employees...not an automated answering service.

Personal Touch. We are a family-owned, medium size business which means you always receive a level of personal service that is unparalleled in the industry. We earn our reputation by providing exceptional customer service, offering helpful suggestions and developing solutions for your unique situation.

Responsible Citizen. We are proud to support numerous Clerk, Attorney, Municipal and County Associations. Additionally, we partner with the International Institute of Municipal Clerks and International Municipal Lawyers Association to provide services to their members. Our Vice President of Sales, Dale Barstow, is the former President of the Municipal Clerks Education Foundation. We are also extremely active within our community, supporting the United Way, Boys Town, the Tallahassee Veteran's Village and Ability First through quarterly employee volunteer days.

If you have any questions or desire additional information, please call and speak with our Vice President of Sales, Dale Barstow, Regional Sales Representative Stephen Hall, or our Assistant Vice President of Sales, Steffanie Rasmussen. We are also happy to schedule a conference call or webinar with all interested parties, or meet with you personally. We are here to serve you!

Sincerely,



W. Eric Grant
President

WEG/gm
Enc.
Cc: Steffanie Rasmussen, Assistant Vice President of Sales
steff@municode.com
800-262-2633 ext. 1148
Stephen Hall, West Coast Regional Sales Representative
shall@municode.com
(310) 422-2095

Executive Summary

Republication, Supplementation and MunicodeNEXT:

*Logic: Give your municipality a fresh start. Clean up the pagination, reprint all pages and replace binders and tabs, if needed. Quickly and efficiently transition your municipal code to the most advanced suite of web/mobile services available in the nation: **MunicodeNEXT**.*

☞ Conversion into Municode database & republication.....	No charge¹
☞ Supplementation.....	\$18 per page
☞ Online hosting and support.....	1 year free, then \$350²
☞ Timeline.....	within 12 weeks

Pricing = Apples to Apples:

We realize that different companies call services by different names. Here are some important considerations to keep in mind when comparing proposals:

- ☞ Conversion into Municode database and republication of the code is **no charge**;
- ☞ Supplement charges - **single column per page rate of \$18**;
- ☞ The **online code fee is waived for the first year** and then **only \$350** for our basic service,
- ☞ If you want to further enhance the transparency of your online code, you can upgrade to the MyMunicode package bundle for **only \$995!**
- ☞ Municode **does not** charge an extra fee for posting supplements online.
- ☞ Municode **does not** charge an extra fee for printing your supplement pages.
- ☞ Municode **does not** charge a supplement handling fee.

We will handle 100% of the publishing for you. This includes editing, page composition, proofreading, indexing, and delivering the information as printed or electronic copy. We understand the scope of this project to include a complete republication of your code, continued supplementation and online hosting of your code. Upon completion of the republication project, supplementation services will commence.

When we republish your code, pages are recomposed to eliminate short pages, pages with blank backs and oddly numbered (point) pages. Following the re-composition, the entire code is reprinted and supplement number designations start over with supplement No. 1.

The process includes:

- ☞ Conversion to our database;
- ☞ Removal of supplement numbers;
- ☞ Creation of preliminary pages (title page, officials' page, and preface);
- ☞ New page numbers;
- ☞ Editing & proofreading;
- ☞ 10-point font, single column (unless otherwise instructed);
- ☞ Incorporation of maps, diagrams, charts and tables;
- ☞ Creation of index (if elected);
- ☞ Proofs provided for your review;
- ☞ Posting your newly republished code on MunicodeNEXT;
- ☞ Printing 4 new copies with binders and tabs.

The process does not include:

- ☞ Reorganizing the structure of your code;
- ☞ Review by an attorney;
- ☞ Substantive editing or changes to the text.

¹ Please see page 3 for additional pricing details.

² Please see page 4 for additional features and pricing available on our MunicodeNEXT platform.

Quotation Sheet

Conversion and Republication

- | | |
|--------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Conversion of municipal code to Municode database | No charge ³ |
| <input checked="" type="checkbox"/> Removal of supplement numbers | No charge |
| <input checked="" type="checkbox"/> Updating of preliminary pages (title page, officials' page, and preface) | No charge |
| <input checked="" type="checkbox"/> New page numbers | No charge |
| <input checked="" type="checkbox"/> Creation of a consistent style | No charge |
| <input checked="" type="checkbox"/> 4 printed copies of the new code with tabs | No charge |
| <input checked="" type="checkbox"/> Inclusion of adopted legislation, per page added or amended | \$18 |
| <input checked="" type="checkbox"/> Current code can be posted online as a PDF during conversion & republication project | |
| <input type="checkbox"/> 3-post expandable binders with stamping, \$59 each | qty _____ \$ _____ |
| <input type="checkbox"/> 3-ring leatherette binders with stamping, \$47 each | qty _____ \$ _____ |
| <input type="checkbox"/> 3-ring vinyl binders ⁴ , \$18 each | qty _____ \$ _____ |
| Binder Color: | <input type="checkbox"/> Semi-Bright Black <input type="checkbox"/> Dark Blue <input type="checkbox"/> Hunter Green <input type="checkbox"/> Burgundy |
| Binder Stamping Color: | <input type="checkbox"/> Gold <input type="checkbox"/> Silver <input type="checkbox"/> White |

Supplement service base page rate⁵

Page Format	Base Page Rate
Single Column	\$18 per page

Base page rate above includes:

- Acknowledgement of material
- Data conversion, as necessary
- Editorial work
- Proofreading
- Updating the index
- Schedule as selected by you⁶
- Updating electronic versions⁷ and online code
- Printing 4 copies

Base page rate above excludes:

- | | |
|---------------------------------------------------------------------------------------------------------------|----------------------|
| <input checked="" type="checkbox"/> Freight, pre-billed | Actual freight |
| <input checked="" type="checkbox"/> State sales tax | If applicable |
| <input checked="" type="checkbox"/> Graphics ⁸ & tabular ⁹ matter, per graphic or table | \$10 |
| <input checked="" type="checkbox"/> Code on internet, <i>first year fee waived</i> | Selections on page 5 |

Electronic media options for Municipal Code (sent via download)¹⁰

- | | |
|-------------------------------------------------------|---------------------------------------|
| <input type="checkbox"/> Folio Bound Views | \$295 initially then \$100 per update |
| <input type="checkbox"/> WORD (DOCX) | \$150 initially then \$75 per update |
| <input type="checkbox"/> Adobe PDF of the code | \$150 initially then \$75 per update |
| <input type="checkbox"/> Adobe PDF of each supplement | \$150 initially then \$75 per update |

Payment for Supplements and Additional Services: Invoices will be submitted upon shipment of project(s).

³ Provided Municode can rely upon the version of the code furnished and it is in an editable, electronic format. Conversion will take approximately 12 weeks upon receipt of all required materials.

⁴ Only black binders are available in vinyl and a cover insert will be provided in lieu of name stamping on the cover.

⁵ All prices quoted in this section may be increased annually in accordance with the Producer Price Index – Bureau of Labor Statistics.

⁶ Schedule for supplements can be weekly, bi-weekly, monthly, bi-monthly, quarterly, tri-annual, semi-annual, annual or upon authorization. Electronic updates can occur more frequently than printed supplements.

⁷ We do not charge a per page rate for updating the internet, however a handling fee is charged for PDF, Word, Folio or additional electronic media items ordered.

⁸ Includes printing all copies. Additional fees may apply if graphics are printed color.

⁹ Tabular matter is defined as tables, algebraic formulas, or other materials that require special programs or extra editorial time to modify and prepare for inclusion in an update.

¹⁰ "delivery" is defined as making updated electronic data available to you via download or FTP. Fee applies whenever content is delivered as HTML, PDF, XML, Folio or Word, via one of the afore-mentioned mediums.

Online Services Quotation Sheet

- The current code can be posted online as a PDF during the conversion & republication project at no additional cost to you.

Elections below will be implemented upon republication of your code.

Please check the appropriate box (es) to indicate your selection:

Value Pricing:

- MyMunicode¹¹ includes the following:

\$995 annually¹²
First year fee waived

- Online Code = MunicodeNEXT
- OrdBank
- CodeBank
- CodeBank Compare + eNotify¹³
- MuniPRO
- Custom Banner

A la carte pricing:

In lieu of purchasing the above package, online services can be purchased a la carte at the following rates:

- | | |
|----------------------------------------------------------------------------------------------------------------|--------------------|
| <input type="checkbox"/> Online Code = <i>MunicodeNEXT</i> (annually) <i>first year fee waived</i> | \$350 |
| <input type="checkbox"/> CodeBank (annually) | \$150 |
| <input type="checkbox"/> CodeBank Compare + eNotify ¹⁴ (annually) | \$250 |
| <input type="checkbox"/> MuniPRO Service (annually) | \$295 |
| <input type="checkbox"/> Custom Banner (onetime fee) | \$250 |
| OrdBank | |
| <input type="checkbox"/> Per ordinance fee (recommended if MyMunicode is not selected as only 5 ords per year) | \$35 |
| <input type="checkbox"/> Flat annual fee | \$385 |
|
<input type="checkbox"/> MuniDocs (up to 100 documents) |
\$750 per year |

Specification of Documents to Post. Please provide the document classification of the material to be added into the MuniDocs. This will be the classification utilized online for public access. Example: City Council Minutes, Commission Minutes, Agendas, Resolutions, etc. Please write in the specific documents.

- Minutes _____
- Council Minutes _____
- Committee Minutes _____
- Agendas _____
- Resolutions _____
- Budgets _____
- Other _____
- Other _____
- Other _____

Municode does not charge a per page rate to update the internet – this is all included in the supplement per page rate.

¹¹ Municode does not charge a per page rate for updating the internet – this is included in the supplement per page rate.

¹² Total value if each item were to be purchased a la carte would be approximately \$1,430 per year with participation in our OrdBank service.

¹³ Enrollment in CodeBank is required in order to receive the CodeBank Compare/eNotify technology.

¹⁴ Enrollment in CodeBank is required in order to receive the CodeBank Compare/eNotify technology.

Online Hosting of Master Plan (Foreign Code)

The City of Clayton will continue to maintain the Master Plan internally and utilize the MunicodeNEXT website to post the plan online. The City will preferably provide the Master Plan and subsequent updates in either WORD or PDF formats. When the City submits a supplement to Municode, the complete Chapter or Section should be referenced to facilitate the updating of the online code.

Online Features and Tools. The Master Plan will have the following tools available to the user: search (simple and Boolean), ranked hit list, search history, print/save as PDF for each document, email direct links to documents, and customization of a code banner to match the City's website design. We will provide you with a link to be placed on your website directing users to the municode.com website to view your code.

Simply furnish the plan electronically and we will create an online table of contents, integrate the documents with our search engine, and post the plan on our website in chapter format. We will provide you with a link to post on your website. For subsequent updates, send us your updated chapters and we will update the appropriate files. Files must be provided to Municode in a non-scanned, electronic format such as an original PDF or Microsoft WORD file.

Initial set up fee to post the Master Plan online (one time fee) \$550

- ☞ **Web Hosting** – No fees as long as Municode hosts the Municipal Code online
- ☞ The Master Plan will be integrated with our search engine and electronically indexed;
- ☞ Municode will not be able to print supplements, strictly online publication only;
- ☞ No editorial changes will be made to the code through Municode.

Master Plan update service, per update \$150

Website features available under the foreign code option

- ☞ Collapsible TOC
- ☞ In-line Images (if present in source documents);
- ☞ Pinpoint Searching
- ☞ Save as PDF copy;
- ☞ Print;
- ☞ Email from website;
- ☞ Server Stability and Disaster Recovery Plan;
- ☞ Telephone and web support for citizens and staff.



Municipal Code Corporation • P.O. Box 2235 Tallahassee, FL 32316
info@municode.com • 800.262.2633
fax 850.564.7492 • www.municode.com

This proposal shall be valid for a period of ninety (90) days from the date appearing below unless signed and authorized by Municode and the Client.

Term of Agreement. This Agreement shall begin upon execution of this Agreement and end three years after the publication date of the new code. Thereafter, the supplement service shall be automatically renewed from year to year provided that each party may cancel or change this agreement with sixty (60) days written notice.

Municode warrants that all material produced for the City's Municipal Code shall be in the public domain and Municode shall not attempt to copyright or place a copyright notice on any material produced for the Code. Municode further warrants that all materials prepared for and provided to the City of Clayton, including but not limited to codification workbooks, final printed Code books, supplemental pages, CDs, electronic files and all data contained within, are the property of the City of Clayton and will not be copyrighted. Municode also acknowledges that the City of Clayton may reproduce or use in any manner deemed necessary, by the City, any materials prepared for and provided to the City.

Submitted by:

MUNICIPAL CODE CORPORATION

Municode Officer: 

Title: President

Date: May 3, 2016

Accepted by:

CITY OF CLAYTON, CALIFORNIA

By: _____

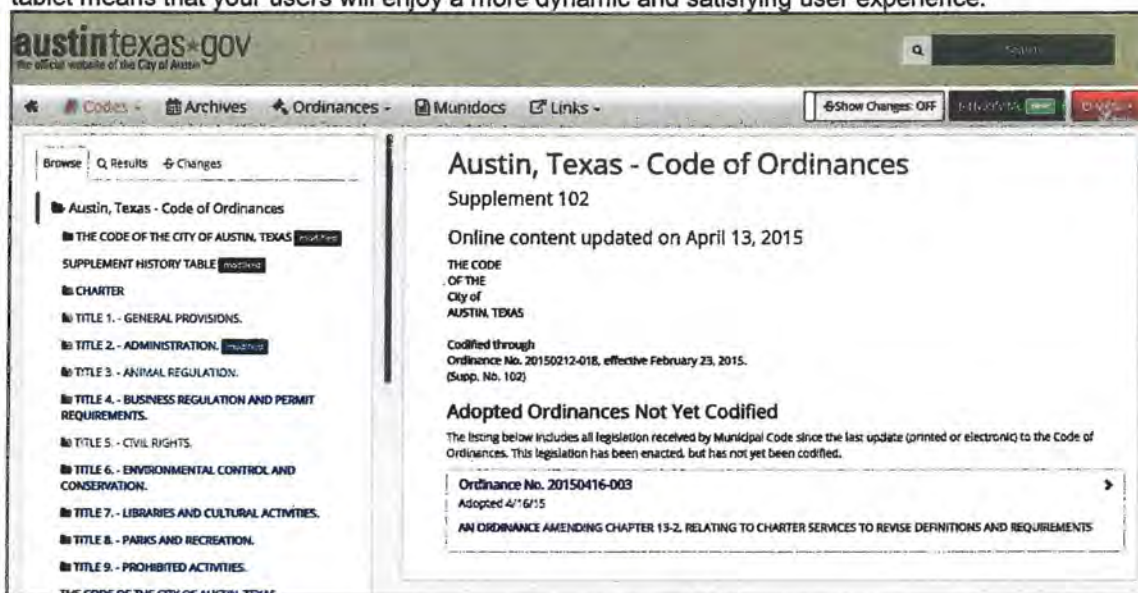
Title: _____

Date: _____

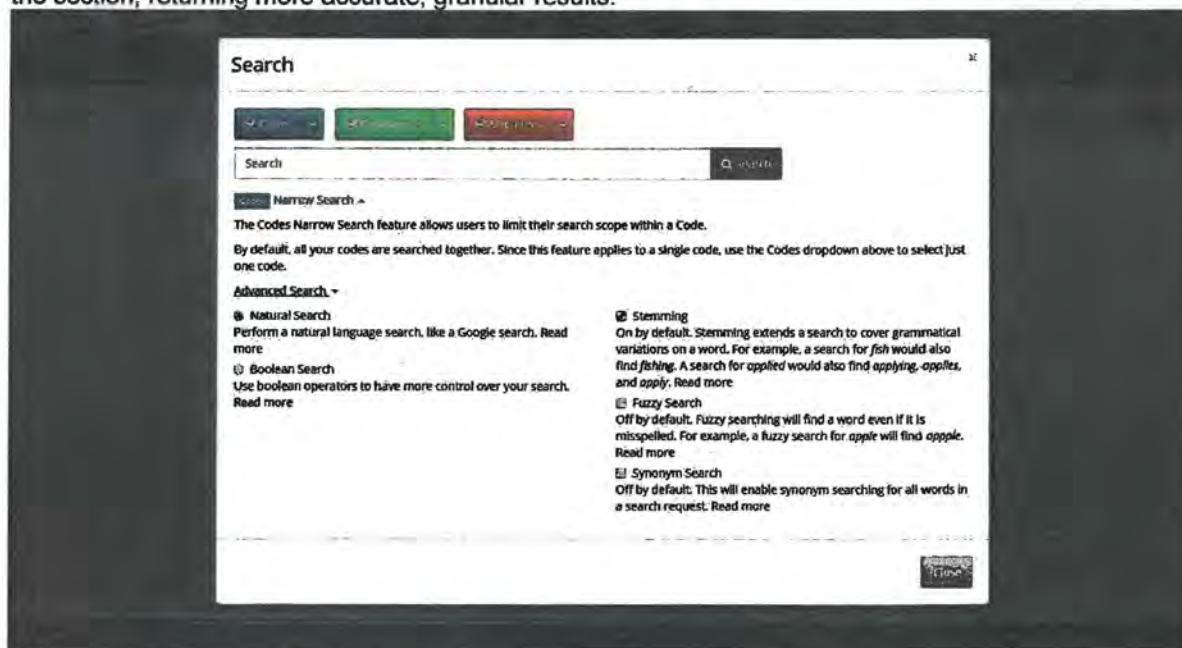
MunicodeNEXT – Online Resource

STANDARD FEATURES:

- ❏ **Modern Design** – MunicodeNEXT was designed by our team with an emphasis on mobile devices. This means that tablet users will be directed to the full version of your site. This advance was made possible thanks to the responsive user interface that we have created. Being able to access the full version of MunicodeNEXT from a tablet means that your users will enjoy a more dynamic and satisfying user experience.

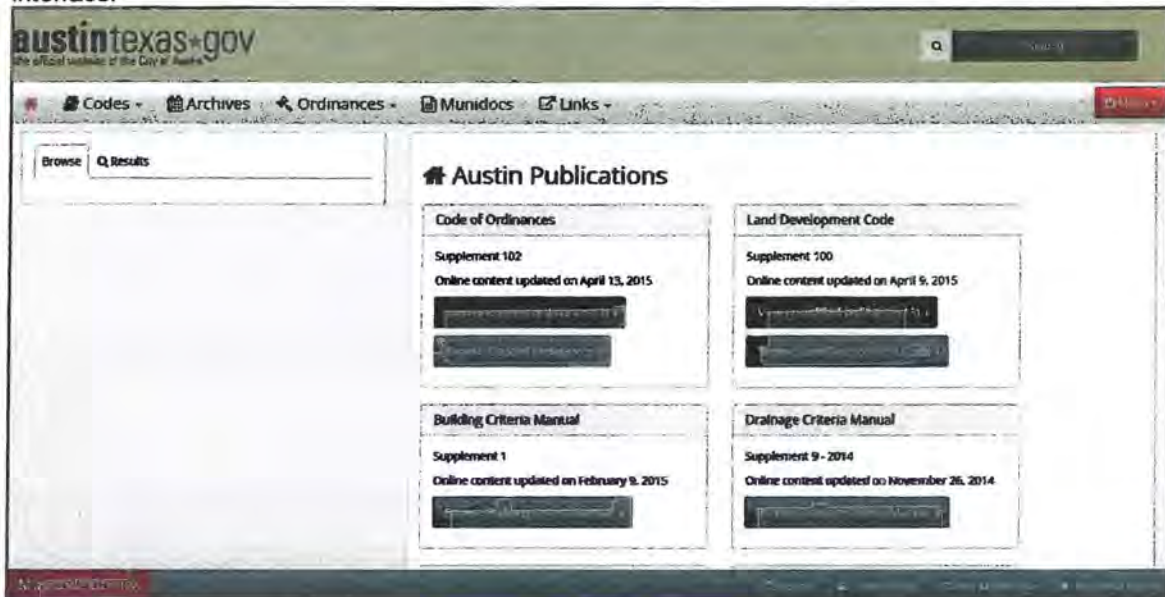


- ❏ **Tablet friendly** – Tablet users are directed to the full desktop version of the site. The advanced user interface uses large buttons and icons, making it extremely touch friendly.
- ❏ **Searching** – Search results begin in a popover, then move to a persistent left-hand tab as you cycle through the results. You can toggle between search and browse modes by selecting the appropriate tab. This enables you to quickly move through search results without clicking “back” to a search results page. The code is also indexed by the section, returning more accurate, granular results.



- ❏ **Advanced Searching** – You and your power users can conduct searches using Normal Language, Boolean Logic, Stemming, Fuzzy Search and Synonym search.

- 🔍 **Searchable ordinances** – Thanks to our OrdBank service, ordinances posted pre and post-codification are full-text searchable with hit highlighting.
- 🔍 **Searching all content types** – If you use our OrdBank or MuniDocs service, you can search any combination of the code, ordinances, and MuniDocs simultaneously. Search results are color coded and labeled for easy identification.
- 🔍 **Narrow Searching** – Your users have the ability to search selected chapters or titles in order to pinpoint their searches and find what they are looking for as quickly as possible!
- 🖨️ **Print/Save/Email** – Users can print, save (as Word) or email files at the section level, as well as, at the article or chapter level. You will also be able to print, save or email non-sequential sections from multiple portions of your code(s).
- 🔍 **Multiple publications** – If you have multiple publications (code, zoning, etc.), they will all be searchable from one interface.



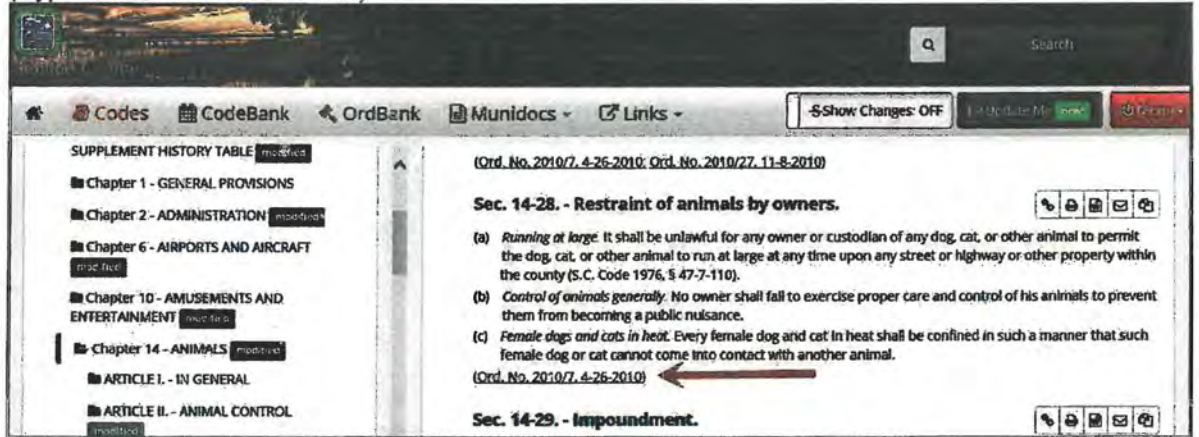
- 🔍 **Social Media Sharing** – You and your users are able to share code sections via Facebook and Twitter. This will make it easier for you and your team to utilize social media in order to engage your citizenry and enhance your level of transparency.
- 🔍 **Internal Cross-Reference Linking** – Cross-references within your code are linked to their respective destination Article, Chapter, or Section.
- 🔍 **Mouseover (cluetips)** – Navigate to your code and any linked cross-reference will quickly display the pop-up preview window.
- 🔍 **Static Linking** – Copy links of any section, chapter or title to share via email or social media.
- 🔍 **Scrolling Tables and Charts** – Headers stay fixed while you scroll through the table/chart.
- 🔍 **GIS** – We can provide a permalink to any code section and assist staff to create a link from your GIS system to relevant code sections.
- 🔍 **In-line Images & PDFs** – We take great care to ensure that your images match online and in print, and are captured at the highest quality possible. Our online graphics can be enlarged with a frameless view to maximize the image. Municode can also incorporate PDFs of certain portions of the code that have very specific viewing and layout requirements.
- 🔍 **Collapsible TOC** – The table of contents collapses and is re-sizeable, providing additional real estate with which you may view your code. Easily view your maps, graphs and charts by simply enlarging the item.
- 🔍 **Support** – Phone, email and web support for citizens and staff: 24 hour email response; phone support from 8:00 a.m. to 8:00 p.m. (eastern)

MunicodeNEXT

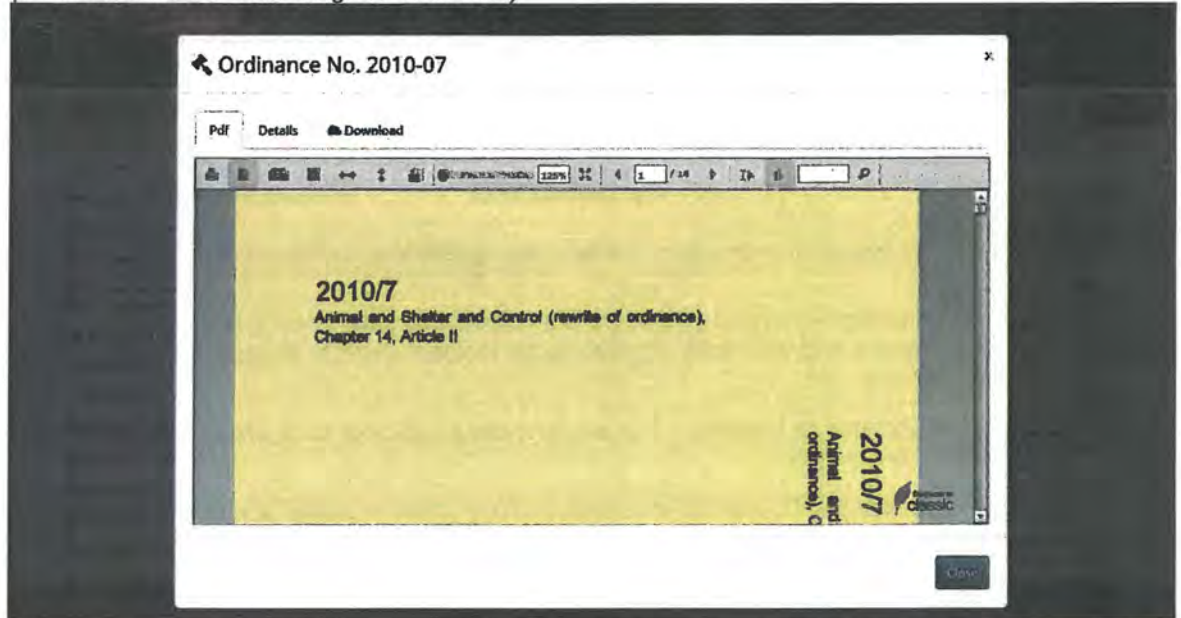
Take Your Online Code to the NEXT Level with these Exclusive, Premium Features!

OrdBank. With our OrdBank solution, newly adopted legislation will be posted online in between supplements. Upon the completion of your supplement, the ordinances will be linked in your history notes and stored in your OrdBank Repository under the "OrdBank" tab.

(Hyperlinked Ordinance in Text)



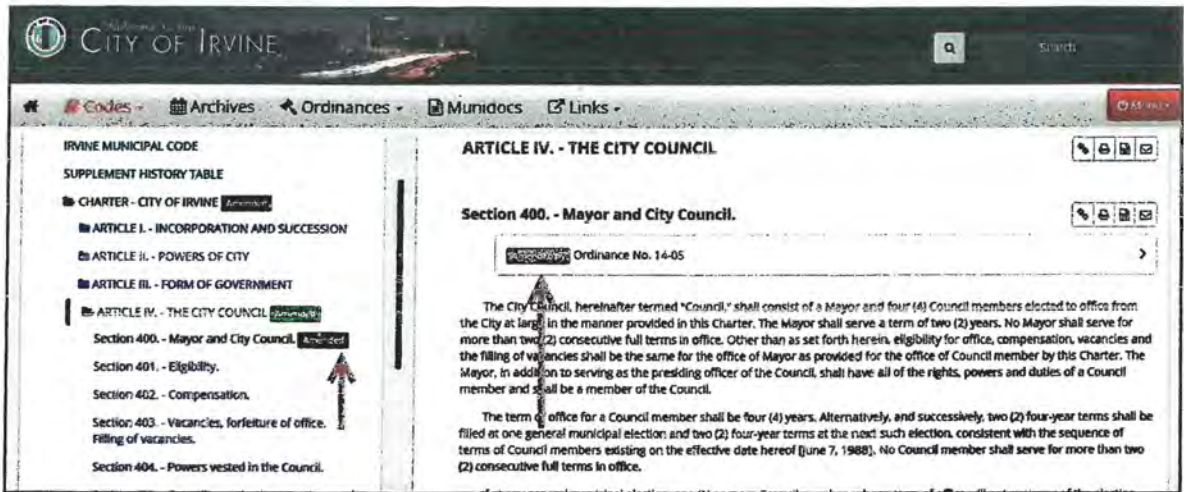
(One-Click Access to the Original Ordinance)



(OrdBank Repository)

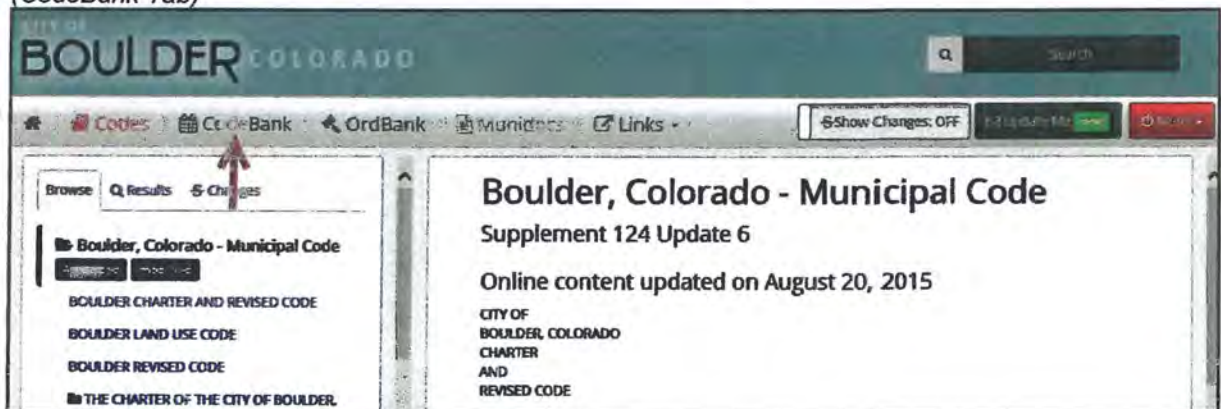


OrdLink + OrdBank. Prior to incorporating the ordinances into your code via supplementation, the OrdLink system can hyperlink newly adopted ordinances to the section being amended. Linked sections are highlighted in the table of contents and links are created from the amended sections to the new ordinances. Once the linked ordinances are incorporated into your code, they are added to your OrdBank repository and hyperlinked to your history notes. This service helps put everyone on notice that new ordinances have been adopted.



CodeBank. Our CodeBank service serves as an online archival platform for previous supplements of your code. Empower your staff and citizens to access every previous version of your code with one click.

(CodeBank Tab)



(Permanent Repository)

Update Me

Filling out this form will allow you to receive an email notification every time select publications are updated.

Tip: If you no longer wish to receive these notifications once signed up, you can unsubscribe via a link in the notification email.

Email

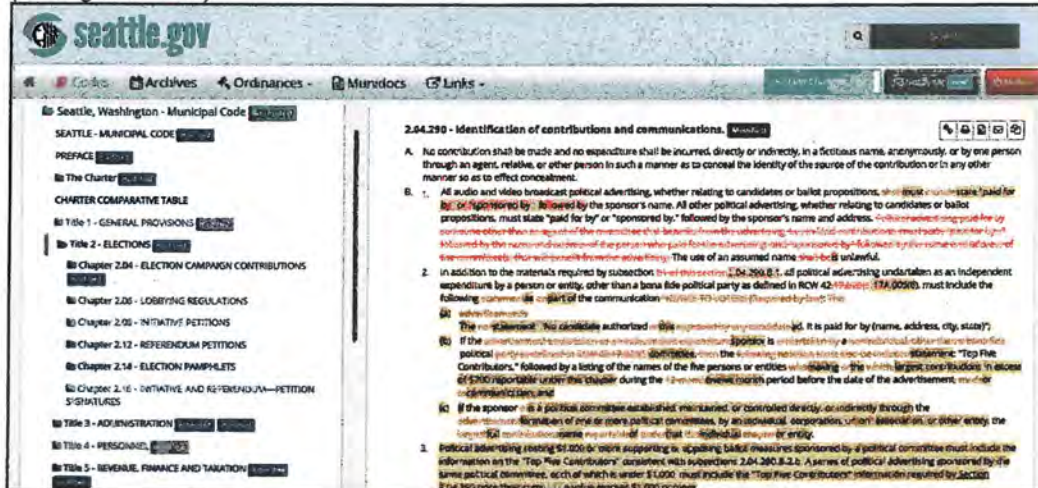
Profession

Codes
 Code of Ordinances

By submitting this form you agree to allow Minneapolis to use your information for informational and statistical purposes only. Your information will not be shared with any third parties by either Minneapolis or Municipal Code Corporation.

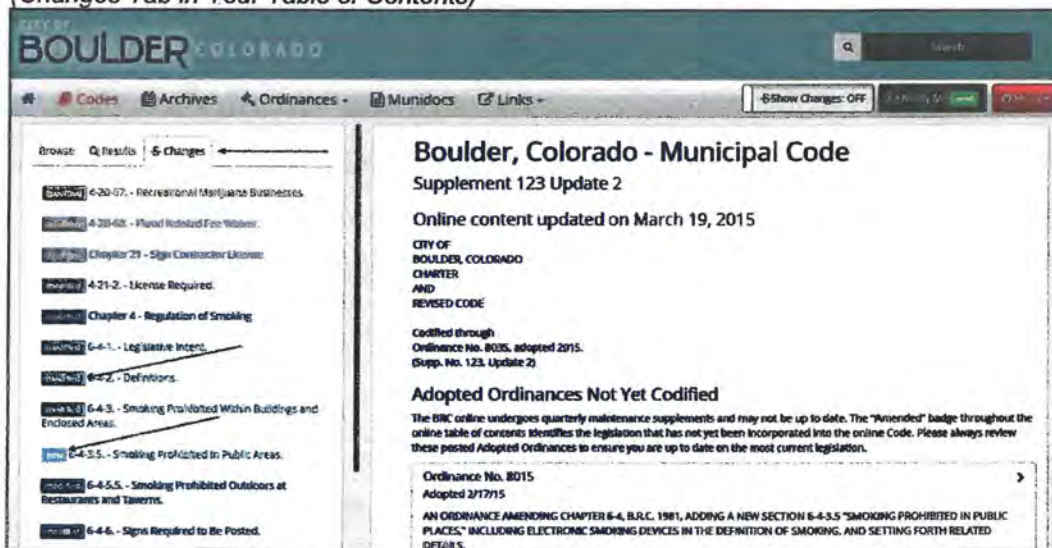
CodeBank Compare. Our CodeBank Compare service is a powerful feature that provides users the ability to select a past version of your online code and compare it to any other version of your online code. The differences will be shown via highlights (added material) or strikethrough (deleted material).

(Changes in Text)



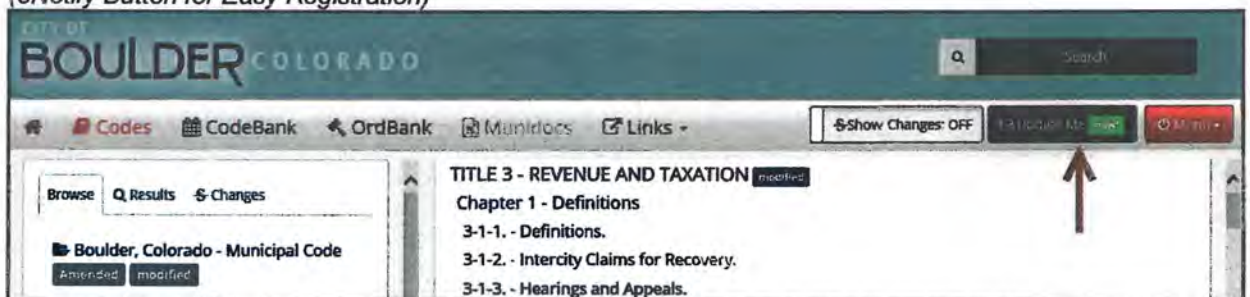
Users will be notified of the changes in the table of contents and within the text of the code via "modified," "new," or "removed" badges. Users can also select an option to view all of the changes in a single view, complete with strikethrough and highlights showing the specific textual changes that were made. The CodeBank Compare service will show all amendments to your code that were implemented during the most recent update.

(Changes Tab in Your Table of Contents)



eNotify. Our eNotify service allows users to enroll online and receive email notifications each time your online code is updated. This will empower your staff and citizens to receive instant notifications every time your online code is updated.

(eNotify Button for Easy Registration)



(eNotify Sign-Up)

Update Me

Filling out this form will allow you to receive an email notification every time select publications are updated.

Note: If you no longer wish to receive these notifications once signed up, you can unsubscribe via a link in the notification email.

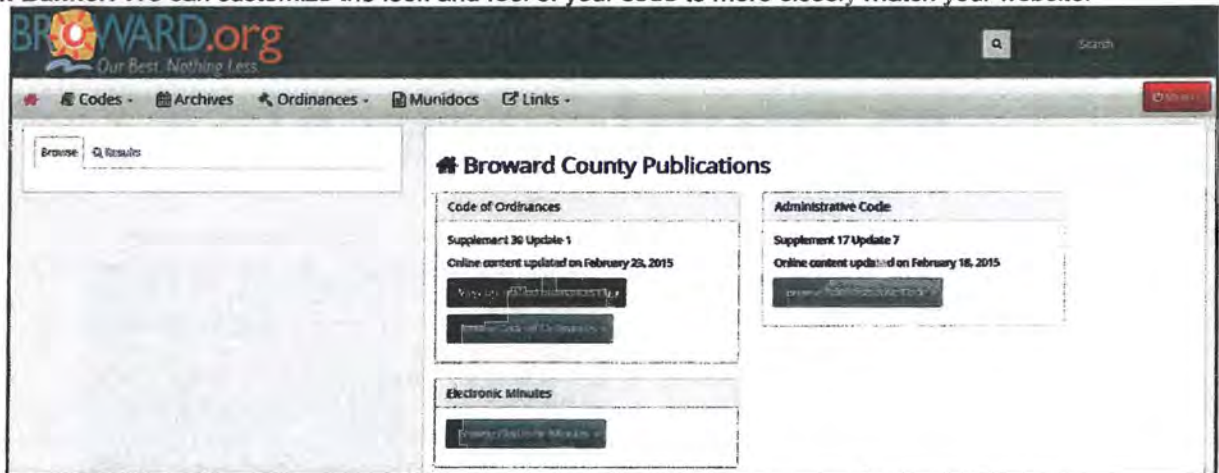
Email
Enter email

Profession
Select One

Codes Code of Ordinances

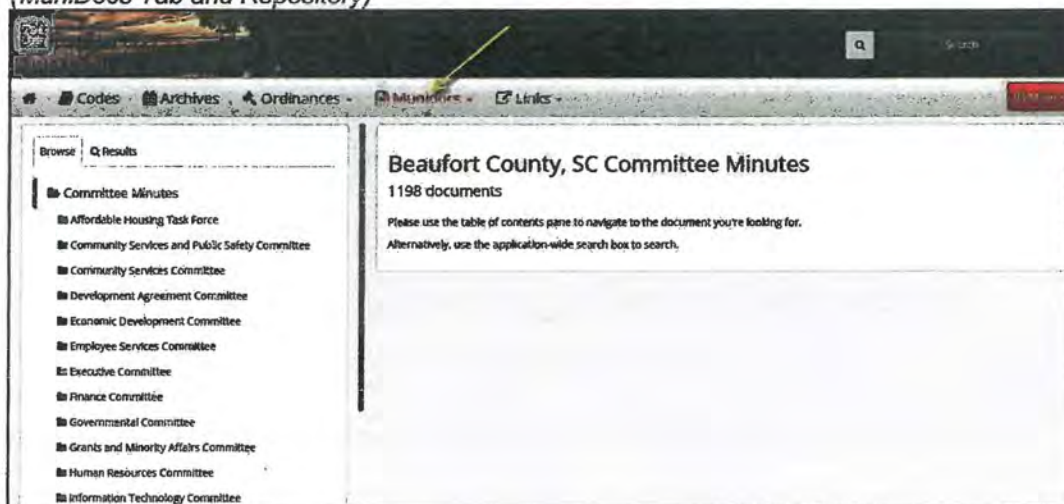
By submitting this form you agree to allow Minneapolis to use your information for informational and statistical purposes only. Your information will not be shared with any third parties by either Minneapolis or Municipal Code Corporation.

Custom Banner. We can customize the look and feel of your code to more closely match your website.



MuniDocs. Enables municipal users to send material of your choosing directly to us to upload documents to your online code. Let us do all the work and upload your minutes, resolutions, budgets, and or any other non-code material online. Your collection of documents, will be posted alongside your code and will be fully searchable and filterable for ease of use. No need for you and your staff to learn and manage a new system.

(MuniDocs Tab and Repository)



MuniPRO. MuniPRO Searching allows you to search the over 3,140 codes we host (the entire country, a single state, or individually selected codes of your choosing). MuniPRO Searches are ideal for researching local regulations of special interest, or to find out how other communities are dealing with similar issues. If the IP based model is selected, only Multiple Code Searching is available. MuniPRO provides subscribers with the following tools:

- ④ **Multiple Code Search.** Search all codes within one state, multiple codes within one state, or search over 3,140 codes in the entire U.S. hosted by Municode! Search results are sorted by relevancy and indicate the source publication, showing excerpts and keyword highlighting.
- ④ **MuniPRO Favorites.** Create a "favorites" list of frequently visited codes or sections. This will save time by making navigation a one-click process from your dashboard.
- ④ **MuniPRO Notes.** Create a note and attach it to any document in any publication. Note icons will show in both the Table of Contents and search results page, alerting the user to a previously written note. Notes can be shown or hidden when browsing and searching a publication, and a global listing of notes can be accessed with a single click from your dashboard.
- ④ **MuniPRO Drafts.** Begin a new ordinance draft to keep track of pending legislation. Drafts icons will appear in the table of contents and search results, and can also be accessed from a single click.

YOUR ADVANTAGES WITH



municodeNEXT

MY municode

Basic Search	●	●
Print/Save/Email	●	●
All-in-One Search	●	●
Advanced Search	●	●
Modern Design	●	●
Fully Searchable PDF documents	●	●
Twitter & Facebook Sharing	●	●
Enhanced for Tablet Use	●	●
PREMIUM FEATURES		
*Ordbank	○	○
*OrdLink	○	○
*CodeBank	○	○
*CodeBank Compare	○	○
*eHolly	○	○
*MuniPro	○	○
*Custom Site Theming	○	○

*Municode's optional, premium offerings are enhanced with MunicodeNEXT. Call or email for details.

Web Accessibility

Internet Stability – Geographic Redundancy. We house our public facing website in a secure, SAS70, PCI compliant data center owned and operated by Peak 10 in Atlanta, Georgia. This page outlines the features of Peak 10's datacenter, including redundant Internet providers, redundant power and cooling, and secure biometric access to the physical facility (<http://www.peak10.com/about-peak-10/data-center-locations/atlanta/>). All systems are backed up and synchronized between our Tallahassee, Florida and Atlanta, Georgia locations for full geographic redundancy should one of the sites become inaccessible.

ADA Compliance. ADA Law Accessibility & Compliance - We will take all reasonable steps necessary to meet the Priority 1 checkpoints of the Web Content Accessibility Guidelines 1.0 (<http://www.w3.org/TR/WCAG10/>) outlined by the W3C. In the event that a particular page or feature of our site is not WCAG Level 1.0 compliant, we will make our best effort to provide an alternative, compliant page.

Our current website is Section 508 compliant. We provide a version of each Code we host for Disability Access, accessible via our mobile site. This version of the code contains no frames and is also mobile friendly for access from any modern smartphone or tablet running iOS, Android, Windows Phone 7 or higher, WebOS, or Blackberry OS. Sample ADA/Mobile Link: <https://www.municode.com/library/mn/minneapolis?forceview=mobile>.

Publishing software will support all modern browsers. Our web application runs on the .Net platform and is written in C# using the MVC framework. All content is rendered in standard HTML and is viewable in all modern browsers including PC: Microsoft Internet Explorer 9 or later, Firefox 3.6 or later, Chrome 18 or later. **Macintosh®:** Safari™ 5.0 or later, Firefox 3.6 or later, Chrome 18 or later.

Security assessment for the hosted facility (SOC Report). Our public facing systems are co-located in a datacenter operated by Peak 10 in Atlanta, GA. This data center is SAS 70 Type II and PCI compliant, employing all modern data center best practices with regard to physical security. All individuals entering the data center must be active customers or authorized vendors with badge and PIN access to the front door. Biometric authentication is required to enter the data center facility, and each rack is locked with a combination lock to prevent unauthorized access. The facility is monitored by camera 24/7 to further provide physical security.

We secure our systems using enterprise grade security products. We employ firewalls from Palo Alto networks to secure the perimeter and endpoint security from Symantec to provide anti-virus scanning and threat detection on all servers, desktops, laptops, virtual machines, and mobile devices. Symantec actively scans all file access on all endpoints on our network and immediately quarantines any suspected malware, immediately sending notification to our systems administration staff.

Backups of data performed. We utilize Veeam Backup & Recovery to take daily snapshots of all servers in our Atlanta and Tallahassee datacenters. Snapshots are performed from 8 pm EST to 5 am EST and are replicated between sites. Atlanta snapshots are copied to Tallahassee and vice versa. We routinely test our backups.

Antivirus protection. We utilize Symantec Endpoint Protection to protect all desktops, laptops, virtual desktops, and servers from viruses and malware. Signatures are updated every 4 hours and pages are sent immediately to a team of admins if an infection is detected.

Data redundancy. We use Equallogic iSCSI SANs for all our storage needs. Each SAN member is fully redundant – redundant power supplies, controllers, NICs, etc. The drives on each array are configured as either RAID 5, RAID 50, or RAID 60 arrays.

Additional Services

As an additional service/product under this contract, the following optional services are available:

Distribution. Fulfillment services are available to distribute individual printed copies of codes and supplements to departments or subscribers at no additional fee to you. We can sell your codes, supplements, chapter reprints, binders and tabs at a pre-determined price. We assume all risk and expense for providing these items. Orders can be placed through our online ordering, via fax, mail or telephone. More detailed information about distribution services will be provided after the return of the proofs.

Future Legal Review. At any point during the term of this Agreement, or extensions thereof, we can provide additional legal reviews to identify inconsistencies, obsolete provisions or compare the code to current state law. State law references can be updated in conjunction with this legal review or as a separate engagement.

Utility Billing and Revenue Management Services. MCCadvantage (MCCa), a fully integrated division of Municipal Code Corporation, offers industry leading end-to-end utility bill presentment services for the local government market. MCCa's revenue management services include utility bill print and mailing, e-bill fulfillment, pro-active notifications and electronic payment options. Currently, almost 60 municipal owned utilities trust MCCa to process approximately 7 million bill statements annually. Our utility billing processes create flexible, efficient and customer-centric solutions that allow municipalities to better leverage existing billing resources. Costs for bill presentment services, including custom bill design, data formatting, printing and mailing services are competitively priced based on billing volume.

Enterprise Content Management Software (Laserfiche). With a client base of over 600 government agencies, we are the largest provider of Laserfiche solutions in the country.

Electronic Agenda and Legislative Management (Legistar). MCCi, a subsidiary of Municipal Code Corporation, offers the Granicus Legislative Management Suite (Legistar) and related services which provides electronic automation and creation of Agendas and Minutes. Options for integrating Legistar with Laserfiche and MunicodeNEXT are also available.

Digital Imaging Services. MCCi offers scanning, indexing and integration of hard copy documents, electronic documents, and microfilm/microfiche. MCCi integrates the records with Laserfiche Software to provide the Client with the most powerful search engine available.

Open Records Request Solution (JustFOIA). MCCi offers its JustFOIA solution to help agencies track Open Records Requests. JustFOIA is a hosted solution that is user-friendly, affordable, and integrated with Laserfiche ECM.

Contract Management Software (Contract Assistant). MCCi offers the Contract Assistant Software (developed by Blueridge Software) which is a solution designed to provide control and automation of the contract management process, while also offering Laserfiche integration options.

What Our Clients Say about Partnering With Us

"We were not only impressed with the services and products provided by Municode but the speed in which it all took place. Our Legislative Body and Administration were pleased with the new code books and the pricing we received. Thank you for producing this great product with such professionalism. We look forward to our continued relationship with Municode."

"We certainly couldn't have done it without your team. MCC is a very customer oriented company."

"I find everyone at Municode delightfully friendly and helpful. You are all very professional. It's apparent that you all care a great deal about good customer service. That is wonderfully refreshing as it is so hard to find anymore."

"I am extremely satisfied with Municipal Codes Corporation's performance and customer assistance. Not many companies provide such excellent services."

"You have personally demonstrated excellent service, diligence and concern for the integrity of our code and the integrity of the product your company produces. Please know your efforts are very much appreciated!"

"We appreciate the superior customer service you have provided. I can't tell you how nice it is to have people that will work with you."

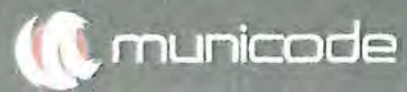
"You are true professionals and great to work with!"

"Thank you for the tremendous job that you do for us. You always make me look good as the Clerk and I truly appreciate your services."

"WONDERFUL!!! Thanks for making my life easier, I really appreciate all that you do!"

"Your diligence, care, command over the process and attention to details have been exceptional. Moreover, what also helps set you apart from most of those in your line of work is that, you are readily accessible and exceedingly responsive. I hope that my clients are as pleased with me as I am with you."

"I really enjoy working with you! Your responsiveness and enthusiasm are greatly appreciated!!"



City of Clayton

6000 Heritage Trail

Clayton, CA 94517

May 4, 2016

This proposal is for IT services, including the development of the new City of Clayton (COC) website. This website will include a wide variety of features, designed to serve the residents of Clayton and provide to the general public, up to the minute information about the City of Clayton.

DIGITAL services (DS), with two decades of experience in developing and administrating city government websites, will provide all services including the hardware, software, and labor necessary to accomplish the IT services described in this document.

The IT Services are:

- COC Computers, IT systems evaluation, and maintenance
- Disaster Recovery: All workstations and server setup for regular, automated backups and cloud storage
- Setup Hosted Exchange Email for COC Staff
- Website Development and Staff Training
- INTRANet Website Development
- Onsite IT Services (as-needed)
- Webmaster Services (as-needed)

IT Services (on-site and remote)

- DS will provide all necessary services to bring up to date all workstations and server.
- We will assist in the migration away from the current email configuration, to a very reliable hosted exchange service (OFFICE365).
- DS will first evaluate all COC workstations, laptops, server, and peripheral equipment including Comcast router and Cisco switches (known as EQUIPMENT). DS will then create a thorough 'work list' of all EQUIPMENT and prioritize the work, beginning with security and then backups.
- DS will remove any malware or viruses that maybe present within the system and then confirm various anti-virus/malware/firewall protections are in place. At the same time, we will confirm all MS system updates are current.
- Finally, DS will install and setup an automated, low-cost, disaster recovery solution. The solution includes safely storing regular backups of all COC files on a remote AWS cloud server.

DS will assume all responsibilities in maintaining EQUIPMENT throughout the year. Typically, after the EQUIPMENT has been brought up to normal operations, DS can provide a fast-response support and on-going maintenance, via remote connections.

DS will provide experienced IT support on an "as-needed" basis at \$65 per hour with a (2) hour minimum. We estimate it will take (45) forty-five hours in the first year to complete the work described in this section.

Server leases

Establish Web server and Glacier backup service for office stations and file server:

- Website server with SSL capable of hosting all COC websites

Server leases (cont.)

- Back-up system for servers and office

Email

DS will setup 30 email (MS Exchange) accounts using Microsoft's Hosted Exchange (AKA Office365). This will enable all Exchange server functionality including shared calendars, scheduling of rooms. Here are the features as listed by Microsoft:

- **Large mailboxes**
Each user gets 50 GB of mailbox storage and can send messages up to 150 MB in size.
- **Outlook support**
Users can connect supported versions of Outlook to Exchange Online, so they can use the rich client application they already know.
- **Web-based access**
For web-client access, Outlook on the web provides a premium browser-based experience that matches the look and feel of the full Outlook client.
- **Outlook app**
Get more done on your phone and tablet with the Outlook app for iOS and Android.
- **Inbox management**
Stay focused on the most important messages with Clutter, which applies machine learning to clean up your inbox and set up rules that match the way you work.
- **Document collaboration**
Save attachments directly to OneDrive for Business with just one click and share the link to the file—right from Outlook on the web.
- **Groups**
Simplify collaboration with Office 365 Groups, which lets teams self-organize, work together across tools and devices, and build upon the expertise of others.
- **Shared calendar and contacts**
Compare calendars to schedule meetings and access collaboration features, including shared calendars, groups, the global address list, external contacts, tasks, conference rooms, and delegation capabilities.
- **Third-party apps for Outlook**
Spend less time switching between apps with an extension model that allows third-party web applications easy plug-in access for both Outlook and Outlook on the web.
- **Security**
Every mailbox is protected with premier anti-malware and anti-spam protection via Exchange Online Protection.
- **In-Place Archive**
Keep your inbox clean by automatically moving old messages to an In-Place Archive.

Microsoft Email Service – 30 Accounts @ \$4 per user per month	\$1,440.00
IT Services (onsite and remote) – (15) hours @ DS Rate	\$975.00
Sub total	\$2,415.00

Website Development

DS will develop a multi-function website using Word Press and various plug-ins. We will create a "skin" that includes all design elements (i.e. color palette, logo, font styles, and so on) and the navigation system. The website design will be a contemporary, mobile-friendly design that will include western theme elements like parts from a buckboard. The color palette will follow the western theme while adhering to ADA standards (in contrast and font size).

DS will work with COC staff to develop a new structure to the website (aka "skeleton"). DS will then populate the website with approved content (text, images, video, etc.) provided by COC.

The following is a list of features and functions that will be included in the website:

- Multi-language capability
- Works on all platforms including mobile
- Online submission of job applications
- Online submittal of complaint form for code enforcement
- Form submission for smaller permits with the ability to be able to collect fees.
- General Plan and Specific Plans searchable with links to the separate chapters.
- Online acceptance of facility rental applications
- Requires City approval before payment can be accepted
- System prevents application from being processed if status of other required permits is unresolved (i.e. alcohol permit, noise permit, proof of insurance)
- Online acceptance of business license applications
- Requires City approval before payment can be accepted
- Integrate with Jessica's HDL business license system via CSV data.
- Interactive facility rental calendar that includes:
 - Internal staff access to see what days are available/booked for each facility
 - Public should be able to view the calendars as well, but not see all the details (i.e. just see the dates/times booked for each facility – not who, and the pending status)
 - System prevention of double bookings.
 - System requirement for payment to be received before date/times can be reserved. Admin Clerk may need to manually select "paid" online for the calendar date to be booked (some payments will inevitably be accepted over the counter/phone so this manual check may be required)
- Online payment processing for:
 - Facility rentals including: Endeavor Hall, Library, Clayton Community Park picnic
 - Business license renewals and new business licenses
- Integrate Police Department website into the City's main site.
 - Include RV permitting
 - Include anonymous reports for crime to be directly sent to the Police Department.

Future Website Redesign

An added benefit of using WordPress, is the dramatic cost reduction in future website redesign. Because WordPress is based around the idea of using themes (aka templates) for style, we could redesign the entire website by applying a new, customized COC template for a fraction of what a "traditional" website redesign would cost.

INTRAnet Website Development

DS will utilize the infrastructure already established by this project to develop an internal-use website (aka INTRAnet). The INTRAnet will only be visible to employees within the city's (LAN) network. We estimate the time to set-up this additional website, on the new server, to be (20) hours.

Staff Training

DS will train (remotely) key COC staff members that will maintain the websites and various systems. We estimate the time to prepare the various systems and train staff to be an additional (40) hours.

Server Core includes:

- AWS (Amazon Web Services) and (2) Elastic IPs
- Add SSL for secure payments
- Word Press core website
- Theme (primary)
- Theme (rental-calendar system)

Lease of AWS Linux 64bit with 4GB Memory and 100GB SSD	\$1,200.00
(1) Lease of AWS Glacier cloud backup storage service	\$480.00
Sync software for office backup - onetime cost	\$200.00
Sub total	\$1,880.00

Meeting Video Archive

DS will install a very small transmitter that relays the video/audio output of the City Council meetings to a video streaming server. Both the transmitter and server will be leased to COC, and therefore DS is responsible for maintaining this equipment, including the transmitter and server. The term, like all aspects of this proposal is per year, but can be cancelled at anytime.

After the meeting has been streamed live, DS will use a COC supplied time-log of the meeting and DS will then "index" the video and place the completed archive of the meeting on the COC website. These videos can be watched on any device including PC, MAC, IOS, and Android.

(1) lease of video streaming transmitter installed and maintained by DS - one year commitment	\$400.00
(1) Lease of streaming video server. Based on (4) hour per month usage, indexing and posting of meetings to archive(website)	\$3,900.00
Sub total	\$4,300.00

Webmaster Services

Upon completion of the new website, DS will provide on-going Webmaster Services for all COC websites and servers. DS offers this support on an "as-needed" basis at \$65 per hour. We estimate the Webmaster Services required for the first year will be (20) twenty hours.

Budget Breakdown:

Item description	1 st Year Estimate	Onetime Cost Estimate	
Server Setup and Website Development		\$12,000.00	
Develop and Host COC INTRANet		1,300.00	
Hosted Exchange Email for COC Staff	\$1,440.00	\$975.00	
Staff Training: for all features in websites		\$2,600.00	
Servers Leases (for websites and backups)	\$1,880.00		
Video Streaming	\$4,300.00		
IT Services (on-site and remote)	\$2,900.00		
Webmaster Services	\$1,300.00		
Estimated total for the first year including one-time costs			\$28,695.00

Timeline

DS will install the encoder within two weeks of acceptance of this proposal. The website development typically takes six weeks from the initial skeleton phase to final launch. And the Staff Training will take approximately two weeks.

Invoicing

DS will generate a monthly invoice detailing the work completed in the previous month. Our payment terms are NET 15 days.

Terms

DS requires a \$4,500 deposit to initiate the work included in this proposal. The deposit will be applied to the server leases, software licenses, and PC encoder and the remaining towards initial website development hours.

The items and terms included in this proposal are meant to be a package. IF COC agrees to this proposal, please sign and return this document.

Thank you for considering our proposal.

Representing the City of Clayton

Date

Representing the DIGITAL services

Date

Address: 400 Appian Way, El Sobrante, CA 94803
Website: www.nerdcrossing.com
E-mail: info@nerdcrossing.com
Phone: 1-888-NERD-XING (1-888-637-3946)



Honest, High Quality Technology Services

City of Clayton
Laura Hoffmeister
6000 Heritage Trail
Clayton, CA 94517
925-673-7308

September 1, 2015

Dear Laura:

Thank you for the opportunity to discuss your technology needs at the City of Clayton's administrative offices. We work closely with other businesses in the Bay Area and we look forward to being your honest, reliable IT team. We were also recently honored as the Richmond Small Business of the Year:

<http://rcoc.com/congratulations-nerd-crossing-richmonds-small-business-of-the-year/>

As discussed, we have outlined a proposed on-going IT support plan for your company. Please review and let us know if you have any questions. We look forward to working with you and your team!

Cheers,

Jim

Jim Hammack
Owner/Chief Nerd
415.309.6750



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Honest, High Quality Technology Services

City of Clayton – High Level Technology Overview

This high-level information was gathered during our site survey with Laura.

Desktops

- Approximately 15 workstations; 3 in maintenance, 10 in office, 2 laptops
- Most are Dell Precision T1600 with W7 Pro, Xeon 3.1GHz processor, 8GB, 500GB (two partitions C: and D: drives)

Server

- Dell PowerEdge 1800, two (2) Xeon 3.00GHz processors, 4GB RAM, two partitions C: (1.77TB free out of 1.81TB), D: (277GB free out of 931GB)
- Windows Server 2008 R2
- Active Directory Domain Services
- DHCP, DNS, File Services, Print and Document Services
- ClaytonServer_cityofclayton.local
- X: commdev, Z: shared
- HdL City Staff business application
- Avast! Business Protection expired in 12/2014
- There is an additional Dell PowerEdge 1800 that has recently been retired after Blackbaud FE was migrated to the Cloud
- No Backups

Software stack

- Microsoft Office 2010
- Avast! antivirus
- Adobe Acrobat X Pro (one desktop)

Network Equipment

- Cisco SG200-50 50 port gigabit switch
- Comcast SMC business class router/modem

Printers

- One leased Konica multi-function printer

Web/Email hosting

- POP email/web hosting through Sure Support

Telecom

- Comcast 100Mbps/20Mbps plan; speed not verified

Phone system: CALLNET3





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Honest, High Quality Technology Services

On-Going Support Plan

Nerd Crossing recommends a combination of dedicated on-site and remote support to help manage your on-going IT needs.

Proposed Dedicated On-Site Support

Dedicated on-site support will include one technician for no less than four hours per day on a schedule agreeable to both the City of Clayton and Nerd Crossing. We would request that the City of Clayton provide a single point of contact for all IT related issues and a spreadsheet of all non-critical issues discovered during the week prior to the scheduled visits. Based on the site survey, we recommend the following schedule:

- One regularly scheduled quarterly visit (4 hours/quarter)

Dedicated on-site support will be billed at our small business rate of \$150/hour. Additional hours will be billable at our small business rate of \$150/hour.

Remote Maintenance Plan

In addition to the above dedicated on-site support recommendations, we recommend an on-going quarterly maintenance package, which would help your company proactively address a variety of technology issues, including staying current on any desktop and server security fixes.

Plan includes:

- Up to 4 hours of remote support
- Remote monitoring and troubleshooting of systems
- Remote installation of operating system patches, software updates and/or fixes
- Preventative maintenance such as defrag, clearing temporary files, virus scans, etc.
- Backup verification
- One remote or on-site check-in visit per month

\$480/quarter

Additional hours will be billable at our small business rate of \$150/hour.



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Honest, High Quality Technology Services

Other benefits of being on the retainer include:

- Priority support ticket status
- No travel fees
- ½ hour minimum remote support calls vs. one hour minimum

After 3 months, Nerd Crossing recommends re-evaluating the maintenance plan and adjusting the number of support hours based on the company's needs, if necessary.

Technology Projects on the Horizon

During the site visit, the following projects were discussed and are in the company's plans for near future. Each of these projects will have a separate scope of work.

- Install wifi infrastructure to allow public access on first and third floor conference rooms

Estimate to complete wifi infrastructure:

- Two (2) enterprise level wireless access points - \$299+tax/each
- 4-8 hours of labor, billable at \$150/hour
- Wiring not included

Transition Plan

Prior to entering into an on-going support arrangement, the City of Clayton and Nerd Crossing will develop a week transition plan that will include billable time for:

- A complete hardware, software and network inventory
- A more in-depth analysis of all systems, documentation, etc.
- Dedicated time with existing IT personnel for turnover and training
- Verification of critical business applications, backups, etc.
- Other duties as defined by both the City of Clayton and Nerd Crossing

Recommended scope of work for the above transition plan is one full day on-site (8 hours), billable at \$150/hour.





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Honest, High Quality Technology Services

Our Philosophy

We believe that technology should be something that improves lives. Yet, as promising as the technological advances are today, the truth is that it can be quite overwhelming. For you home users, our patient, customer service oriented approach will help you navigate through some of these challenges and learn to embrace technology as a tool. For our loyal non-profit and business customers, partner with you to proactively protect your critical systems and minimize loss of productivity.

Our Mission

To provide honest, high quality technology services.

Our People

We employ honest, experienced and customer-focused team members.

Terms & Agreement

On-going monthly retainers are due by the first of each month. For project related work, all hardware costs are due prior to procurement and 50% of labor is due prior to project commencement. Final payment is due upon project completion. Outstanding balances are subject to an interest rate of 1.5% per month. Work cannot begin until an Authorized Signature has been received.

One regularly scheduled monthly visit (4 hours/month), \$600/quarter
Remote Monthly Maintenance Plan (4 hours/month) - \$480/quarter
Total Monthly Costs - \$1,080/quarter

Prices are subject to change without notice due to availability. This quote is valid for (30) days.

I, _____, have reviewed the proposal from Nerd Crossing and agree to the outlined scope of work.

Signed _____ Title _____ Date _____



R-Comp360 Managed Services Proposal

For



Presented By



Tom Stombaugh
Director of Professional Services

R-Computer

3953 Industrial Way Ste. A, Concord, CA 94520
Phone (925) 798-4884 Fax (925) 798-4894
www.r-computer.com



Introduction

R-Computer would like to thank City of Clayton for the opportunity to provide this proposal for our R-Comp360 Managed Service Program to support their Windows Server / PC and network infrastructure.

R-Computer was incorporated in 1986 and is a leading IT service provider in Northern California. We have provided installation, maintenance and repair services for thousands of business clients, including numerous municipalities and other government entities. We are a privately held company and have a proven track record of long-term success with many companies of your size.

We believe in proactive service to prevent network problems before they cause expensive downtime. Knowledge about the overall health of your network will allow you to plan and budget for your future IT needs as opposed to reacting when a break/fix scenario arises. Our R-Comp360 Managed Service Program sets a high standard for network maintenance and as part of the program we act as a strategic partner to identifying areas of need and providing solutions in the most cost effective manner possible.

Details regarding our R-Comp360 Managed Service Program and how we will support your network are attached. Your commitment to the R-Comp360 program would be based on an annual agreement with the ability to opt out at any time.

We are excited to extend this proposal to support the network infrastructure at City of Clayton and feel we have the management tools and staff in place to successfully do so.

I would like to thank you in advance for your time and consideration. I will call in a few days to follow up on our proposal. However, if you have any questions or concerns, please do not hesitate to call or email me. I look forward to the opportunity to partner with you in the near future.

Sincerely,

Tom Stombaugh
R-Computer Inc.
3953 Industrial Way,
Concord, CA 94520
925-566-3550
tom@r-computer.com





Existing Needs, Goals and Objectives

City of Clayton wishes to acquire IT support as an outsourced solution. City of Clayton requires IT support services to maintain the server and workstation including remote and unlimited onsite service, preventative maintenance and general guidance on their ongoing IT strategies.

City of Clayton is currently running a Windows based network consisting of 1 server and 13 workstations. City of Clayton current (physical) server is operational but in need of some cleanup and maintenance. They are experiencing DNS issues, causing problems on the network.

We also recommend the addition of a Network Security Appliance to protect the network. A quote will be provided.

R-Comp360 Overview: Purpose and Objectives

The purpose of this document is to outline R-Computer' R-Comp360 network support program. This service is designed to dramatically reduce or eliminate computer problems in your business while maximizing your network's speed, performance, and stability, without the expense of a full-time IT staff.

Unlike other computer consultants who profit from the failures in your IT environment, our purpose is to PREVENT computer problems from escalating into unexpected downtime, data loss, interruptions in business, and financial loss. This program is ideal for business owners who:

- Need to have their computer network, e-mail, databases, and Internet access up and running 24/7/365 without problems.
- Value the security of their data, and want to do everything possible to prevent loss, corruption, or theft.
- Want to maximize the speed, availability, and performance of their network.
- Hate dealing with—or thinking about—computer problems and other complexities of operating a computer network.
- Need to rely on a professional IT department without the overhead of in-house IT personnel.

R-Comp360 Benefits

- ✓ **You'll avoid expensive repairs and recovery costs.** Our network monitoring and maintenance will save you money by preventing expensive network disasters from happening in the first place. As a matter of fact, we guarantee it.
- ✓ **You'll experience faster performance, fewer glitches, and minimal downtime.** Some parts of your system will degrade in performance over time, causing them to slow down, hang up, and crash. Our preventative maintenance and network monitoring will detect these problems early and prevent them from escalating into more expensive repairs and downtime.
- ✓ **You'll feel as though you have an in-house IT department - without the costs.** As an R-Comp360 partner, you'll have access to a knowledgeable support staff that can be reached immediately should you have any kind of problem or question.
- ✓ **You'll receive substantial discounts on IT services that you are already buying.** Most IT firms will nickel and dime you over every little thing they do. Under this program, you'll pay one flat, affordable rate and get all of the technical support you need. No hidden charges, caveats, or disclaimers outside of special projects.
- ✓ **You'll eliminate trip fees and receive faster response to your problems.** Thanks to our remote monitoring and maintenance software, we will have the ability to remotely access and repair most network problems right



from our offices. If we cannot fix it remotely, we will dispatch a technician to your office.

- ✓ **You'll be able to budget IT support costs just like rent or insurance.** Wouldn't it be nice to avoid unexpected costs for fixing or restoring your network? Now you can.
- ✓ **You'll sleep easier knowing the "gremlins at the gate" are being watched.** Cyber criminals never sleep! But thanks to our 24/7/365 monitoring and on-going maintenance, you'll have one less thing to worry about.
- ✓ **You'll safeguard your data.** The data on the hard disk is always more important than the hardware that houses it. If you rely on your computer systems for daily operations, it's time to get serious about protecting your critical, irreplaceable electronic information.
- ✓ **You'll stop annoying spam, pop-ups, and spyware from taking over your computer and your network.** Not only are these intruders annoying, but they can introduce viruses and jeopardize the security of your network.
- ✓ **You'll gain incredible peace of mind.** As a business owner, you already have enough to worry about. We'll make sure everything pertaining to your network security and reliability is handled so you don't have to worry about it.

Proposed Solution

R-Computers R-Comp360 Managed Service Program, as proposed for City of Clayton, will incorporate remote monitoring, remediation, and maintenance services to proactively manage the overall health of the network. This allows City of Clayton to leverage R-Computers infrastructure to improve your company's productivity through proactive monitoring and automation of routine maintenance tasks.

You will also have access to our team of highly trained professionals to help implement and support most every aspect of your technology environment and to meet all your IT needs!

R-Comp360 highlights include:

- **Server & Infrastructure Management**
 - Initial Site Survey
 - 24x7 Monitoring and alerting for servers & network equipment (OS and applications)
 - Automated or manual service pack and OS patch updates
 - Server Traffic and Load Monitoring
 - Storage Space and availability
 - System Performance trends
 - Spyware Scan & Removal
 - Managed Anti-Virus Protection and Spam filtering
 - Hardware Integrity (check for pending failures)
 - Asset Reporting – Both Hardware & Software
 - Remote Access to any system where our agent is installed
 - Backup Maintenance, Verification and Administration
 - Remote support for firewalls, routers & switches
- **PC Management**
 - System Optimization and Cleanup
 - Spyware Scanning and Removal
 - Managed Anti-Virus Protection and Spam filtering
 - Operating System and system Patch Management
 - Service Pack Installation
 - Hardware Integrity
 - SMART scanning (hard drive failure detector)
 - Critical System Services and Events Monitoring
 - Remote Access to any system where our agent is installed regardless of location



- **Network Security – E-Mail Filter / Web Defense / E-Mail Archiving**
 - Inbound / Outbound Mail Filtering
 - Alternative E-mail access in an outage
 - Additional Spyware defense
 - Additional Anti-Virus gateway defense
 - Content Filtering

- **Routine Onsite Visits**

A technician will be scheduled onsite as determined necessary by City of Clayton and R-Computer to:

 - Physically inspect servers and hardware
 - Address User Issues
 - Test peripherals, such as UPS(s)
 - Review network documentation and make changes as necessary
 - Review routers, firewalls, switches for failure or problems
 - Optimize server for maximum performance and reliability
 - Test backup and restore data

- **Remote Help Desk and On-Site Support**

In order to resolve issues in the quickest most efficient manner we will attempt to remotely remedy all detected issues via our Help Desk Team and Management Tools. Field Engineers will be dispatched if our helpdesk cannot resolve the issue remotely.

- **Unlimited Spam Filtering For All Users:**

- **FREE Break-Fix Services**

In the RARE event that your network goes down, or if you experience any type of problem, our team of senior technicians will troubleshoot and resolve the issue at NO ADDITIONAL SERVICE FEE to you. You can consider this like a network insurance plan

- **FREE Unlimited Help Desk Support:**

You and your employees can call or email anytime during business hours and speak to a technician about problems they are experiencing.

- **FREE Server Restore:**

In the case of fire, flood, or other disaster, we will restore your server to its original state.

- **Vendor Management and Procurement**

We will be the liaison between your application software & hardware manufacturer to help resolve issues.

- **Incident and Problem Management**

Root Cause Analysis will be performed on reported incidents to determine if there is an underlying problem that may lead to recurring issues or possible disruption of services. Problems will be escalated and reviewed by Tier 2 and 3 support staff so that a solution may be implemented to prevent recurrence and maintain network reliability.

- **Management Level**

CIO-level services for IT consulting, annual IT budget development & strategic IT planning.

- **Annual account review meetings**

Periodically we will come on-site to perform an extensive analysis of your network's trends, security, and performance, as well as to review your company's goals and technology issues with you. This quarterly review will allow us to make specific recommendations for improving your network performance, office productivity, and help you plan and budget for future IT needs.

The intention of these meetings is to review service and network performance to maintain a proactive interaction with the network. These meetings will include representatives of both companies to learn as much as possible regarding upcoming business issues, challenges, and goals, and how IT can assist in accomplishing them.

 - Strategic planning (short-term / long-term)
 - Technology Budget Planning
 - Performance review (network and service)

- **Plus, you will be covered under our 100% No-Hassle Guarantee:**



We are so confident in our R-Comp360 program that we are willing to back it up with a powerful guarantee that no other IT firm or consultant would dare to make:

We guarantee that we will be able to detect, diagnose, and PREVENT most any type of network problem from escalating into downtime. If by some odd chance your network goes down, if you get a virus, a hacker invasion, or any other problem that requires clean up and repair, we will do all of the work necessary to restore your network back to full speed with no additional service fees to you.



Unlimited Time Agreement Detail

The R-Comp360 Unlimited Time Agreement provides 24x7 monitoring, maintenance and remediation services. Any required on-site time during our normal business hours by a systems administration engineer of R-Computer is **included** in the monthly service fees outlined below. Any changes in desktop, server or total supported users will impact total.

Not included: Projects and installation of additional Servers or the replacement of more than 2 PCs per month.

Description	Qty		Total
R-Comp360 Server Monitoring and Management <ul style="list-style-type: none"> • Monthly Maintenance and server tuning – includes event log check, CPU utilization, threshold checks, etc. • All networking equipment (routers, switches, firewall) • Monitor and remediate any detected issues • Critical Service Monitoring • Hardware Fault Detection • Help Desk and Field Engineering Support • Backup and Disaster Recovery Planning • User Account Administration • Printer Administration • Security Rights and Permissions Administration • Security Updates, Patch and Hotfix Installation • Software Installation 	1		
R-Comp360 Desktop Monitoring and Management <ul style="list-style-type: none"> • Twice weekly scans and removal services for spyware • Anti-Virus updates • Patch Management and updates • Temporary file deletion and system optimization • Asset scanning services • Help Desk and Field Engineering Support • Software Distribution • Hardware Fault Detection 	13		
R-Comp360 User Support <ul style="list-style-type: none"> • Help Desk Support with Extended Coverage • Remote Support • User Account Maintenance • Help Desk Ticket Automation • Mobile Device Management 	13		
Unlimited Support and service response time onsite Total			\$1250 / Month
Optional Remote Services with 3 hour Onsite cap Total		\$695/ mo	



Project Management Consulting

R-Computer project management consulting is defined as work that falls outside the scope of the regular support services that are being proposed for the existing network and can include the time of the Account Manager assigned to City of Clayton, or other R-Computer Senior Engineers. Examples of out of scope work include:

- High-end infrastructure consulting – Complex local and wide area connections, remote access, new server configuration and implementation
- Line of Business consulting – Includes research of proposed solution and recommendations for any additional hardware or configuration necessary for implementation
- Advanced Security Policy Consulting – Consulting on items such as security, password, guest network, etc.
- New / Remote office setup – includes setup and configuration of new offices.

Description	Type of work	Rate
Discounted Hourly Project Rates:	Network Infrastructure	\$150.00
	Server / Desktop	\$120.00
	Project Management	\$150.00

After Hours Support

(5:00PM to 7:00AM, Monday through Friday, All Day Saturday and Sunday)

R-Computer has an answering service and on-call engineers in place for after-hours support for our contract clients.

- \$300.00 Uplift Fee applies to after-hours calls for on-site or phone support (1st call waived each month)
- Time and a half (After hours & weekends) Based on straight time prevailing rate
- Double Time (Holidays) Based on straight time prevailing rate

Documentation

Information regarding your Service Tickets and billing is available online via our Client Portal. Network Documentation is stored securely in our server and is available upon request. Monthly Executive Summary reports will be provided via e-mail, showing the statistics for your network’s overall “health” during the previous month.

References:

Alamillo Rebar: 80 users in 3 locations with remote users

Chris Pereira-(707)-551-7007 x207 chris@alamillorebar.com

Telfer Oil: 75 users in 5 locations with remote users

Ken Chambless – (925)228-1515 ken.chambless@telfercompanies.com

IBEW 1245: 30 users in one location and 40 remote users

Doug Girouard – (805)-458-5233 deg0@ibew1245.com

Castle Construction: 42 users in one location with remote users

James Baldacci (925)328-1000 jbaldacci@castlecompanies.com



Frequently Asked Questions

Q: If I sign up for this program, what is my commitment?

A: We request that clients sign up for a 12-month commitment to allow us to allocate the appropriate resources to your account. However, for first-time contracts, we will allow an initial 6-month commitment to allow you to test the waters and see if this program works for you

Q: Are new hardware and software installation costs covered under this agreement?

A: Yes however the implementation of new software solutions, the installation of new servers and the replacement of more than 10% of the PC fleet in any given month would be considered a special project and billed as such.

Q: Will you guarantee that I won't have any technical problems or downtime?

A: No, we cannot guarantee that you will never have any technical problems or downtime; no one can. However, we will guarantee you will see a significant drop in the number of problems you experience and a dramatic improvement in the speed, performance, and reliability of your system. Plus, if you are a R-Comp360 Client, we will resolve any computer network problems without billing you additional fees.

Closing

R-Computer appreciates the opportunity to provide this proposal. If this proposal is not in line with what you had anticipated please don't hesitate to discuss it with us as we are happy to modify our solution to meet your unique needs.

Sincerely,

Tom Stombaugh
(925) 566-3550
tom@r-computer.com

March 23, 2016

Mindy Gentry
Community Development Director
Clayton, CA

Mindy,

Swagit Productions began in 2003 with a mission to supply jurisdictions an affordable solution to stream content in an overpriced, complicated and hands-on video industry. We strive to bring our clients convenience and transparency without adding an extra work-load on behalf of the jurisdiction. A company that first specialized in turnaround streams for television stations and newspapers, Swagit has grown significantly to a diverse client list which includes a variety of government entities, including: cities, counties, states, school districts, newspapers, television stations, etc.

- Swagit is unique. It is the only in the field that has a complete video production facility, allowing for services and support of all your video capturing, indexing, agenda integration and publishing needs.
- Swagit is **hands-free**. All video uploading, archiving and indexing is done by Swagit engineers, which means no extra work for jurisdictions. Swagit is the only vendor that gives you the option to let our staff do the work for you.
- Swagit is always there, 24/7. With Swagit, audio/video disk storage, system management and bandwidth intensive delivery tasks can be offloaded to our content network, which actively manages and monitors 24 hours a day, 7 days a week.
- Swagit has an open API. Swagit's open architecture means that we can integrate with your choice or existing agenda management solution.

Swagit would like to sincerely thank you for your time and consideration. We look forward to working with you on this important project and are 100% dedicated in meeting your streaming needs. If you have any questions regarding this proposal or would like any further information, please do not hesitate to contact us.

Respectfully,

Michael Osuna
Director of Sales
Swagit Productions, LLC
214.432.5905 (Office)
214.957.5401 (Cell)
michael@swagit.com

EXECUTIVE SUMMARY / COMPANY HISTORY

Swagit Productions, LLC is a privately held company headquartered in Plano, Texas. Founded in 2003, Swagit is a progressive company that is pioneering the broadband multimedia communication service industry by providing clients a **hands-free** approach to always being connected to end-users' information needs. In combining Swagit's EASE™ and Cosmos™ solutions, clients are offered the most comprehensive **hands-free** experience possible.

Swagit specializes in providing streaming media solutions to cities, counties, states and school districts. Furthermore, Swagit is a complete video production entity: including services such as post-production, studio and recording booth sessions.

Swagit began with a mission to supply clients an affordable solution to stream their own content in an overpriced, complicated, hands-on video industry. What began as a company that specialized in turnaround streams for cities, counties, states and school districts, Swagit has grown significantly and provides an open API which allows for integrations with all Agenda/Document Management Solutions. This lets our clients choose the 'best of breed' Agenda Management Solution for their unique needs.



With Swagit's EASE™ streaming video solution, clients are able to stream their public content live and on-demand through the jurisdiction's website. HTML5 compatibility makes getting to the content even easier and more convenient as viewers are able to access all of the video content via their computer, smart phone or tablet. Archived meetings are indexed and broken up into clips per each agenda item for a greater end-user experience.

Cosmos™ is Swagit's broadcast solution comprised of two to four cameras and pro-video switching equipment that allows either Swagit engineers to control the cameras remotely or on-site camera control by government staff. It is the Cosmos™ solution combined with EASE™ that allows for clients to be able to outsource all of the production and video streaming/indexing to Swagit Productions, LLC for a completely end-to-end, **hands-free** solution.

The Swagit network stretches across North America guaranteeing that you and your constituents are always connected. Our network insures fast connect times from the closest point-of-presence (POP) to an end-user's location. In addition, Swagit's network is fully redundant giving clients the peace of mind of redundancy and keeping with the Swagit motto of "Always Connected."

POINTS OF DIFFERENCE

- Swagit's EASE™ solution is a completely **hands-free** and requires no staff time or resources
- Larger video with Swagit's solution (up to 70% larger) and FLASH video format, the most commonly viewed format on the web. Swagit also utilizes HTML5 for streaming to mobile devices such as the iPhone and iPad.
- Swagit's open API allows integrations with any agenda management solution
- Swagit is the only government streaming provider that has developed its own content delivery network, ensuring quick and reliable connections for your constituents
- Unlimited storage for Specialty content
- Swagit's unique **hands-free** solution typically qualifies as a sole sourced solution allowing for quick deployments

EASE™ – Extensible Automated Streaming Engine

The Extensible Automated Streaming Engine (EASE™) is a software framework comprised of foundation and extension modules that work together to automate many otherwise manually intensive tasks. This completely hands-off solution meets the current and future needs of your entity without creating any additional work for the city's clerks or webmasters.

- **Video Capture and Encoding**

EASE™ Encoder records content according to your broadcast schedule and transfer the recorded audio/video to the Swagit Content Network via a secure Virtual Private Network (VPN) connection, making it available for live and/or on-demand streaming.

- **Indexing and Cross Linking**

Using your published meeting agendas as a guide, Swagit's Managed Service Division (SMSD) indexes the meetings without any work from the city. SMSD will annotate your content by adding jump-to points with specific item headings, giving users the greatest flexibility to find the specific content they need. With these jump-to points, users can step through video by searching for or clicking specific items.

- **Agenda Management Integration**

If meeting packets or other related information is available online, SMSD will link them directly to the video player for easy access.

Swagit's EASE™ solution integrates with all Document/Agenda Management solutions.

- **Archiving**

Client audio/video can be stored securely on the Swagit Content Network indefinitely. Fault tolerance and high availability is assured through replication of audio/video content to multiple, geographically redundant, Storage Area Networks (SAN). Our standard packages include 80GB of storage, enough for approximately three full years of city council meetings.

- **Presentation**

By navigating through the video library, users can view a list of meetings chronologically and once in a selected meeting you can unleash the power of the jump-to markers to search for specific points within individual audio/video clips.

- **Delivery**

In order to deliver on-demand content to end users in a format that is native to their computer's operating system, Swagit can deliver content in all major streaming video formats: Flash, Windows Media, QuickTime and Real. Swagit is proud to support Flash as its default format, which has proven itself as the format of choice from such vendors as YouTube, Google Video, ABC and NBC/Universal.

Currently, Flash has a 99% ubiquity rate amongst all the platforms. Swagit can provide Windows Media format (70% ubiquity) however, using Windows Media format may exclude Apple users.*

EASE™ – Extensible Automated Streaming Engine

Swagit also streams in HTML5 providing content to mobile devices such as the iPhone, iPad and other mobile devices.



- **Monitoring**
Swagit is monitoring all aspects of the Swagit Content Network to ensure its health and availability. This monitoring extends to cover remote Swagit EASE™ Encoders deployed on client premises. In the rare event of trouble our engineers are promptly notified so that they may dispatch a swift response in accordance with our support procedures.
- **Statistics**
Swagit collates log files from our streaming servers monthly and processes them with the industry recognized Google Analytics. Google Analytics generates reports ranging from high-level, executive overviews to in depth quality of service statistics. These reports help to highlight growth trends and identify popular content.
- **Support**
Beyond our proactive monitoring and response, Swagit offers ongoing, 24/7 technical support for any issues our clients may encounter. While our choice of quality hardware vendors and a thorough pre-installation testing phase go a long way toward ensuring trouble free operation of our EASE™ Encoders, we do recognize that occasionally unforeseen issues arise. In the event that our engineers detect a fault, they will work to diagnose the issue. If necessary, next business day replacement of parts will be completed. Swagit offers continual software updates and feature enhancements to our services and products for the life of your managed services contract.

EASE™ – Extensible Automated Streaming Engine

AT&T U-verse® Integration

Many Public Access, Educational and Government (PEG) channels now have the opportunity to reach a new group of broadcast subscribers via AT&T U-verse® TV service. To reach these subscribers, U-verse® requires a 480x480 pixel Windows Media VC-1 stream at 1.25Mbs. Our EASE™ encoder is not only capable of creating a live U-verse® compatible stream, but it can also simultaneously encode a video stream, of your choosing (i.e. Flash, Windows Media, QuickTime, Real, etc.), for Internet distribution.

AT&T U-verse® and Swagit Productions, LLC both have headquarters located within the Dallas, Texas area. This allows the two companies to work together seamlessly for the betterment of government transparency. The partnership combined with Swagit's 'hands-free' streaming solutions, helps increase accessibility of government programming. Additionally, adding another form of distribution for content using a single solution not only saves money, but also makes things easy.

The City of Allen was able to deploy their content to AT&T U-verse® TV by leveraging their existing partnership with Swagit. "We have been using Swagit for on-line video on-demand since 2004 and have been very happy not only with the integrity of the product, but also with the quality of customer service," said ACTV Executive Producer Mark Kaufmann. "With the recent addition of Live streaming services, the opportunity opened to connect to AT&T's U-verse® TV network. We knew it was the right decision as we are constantly trying to find creative, cost-effective ways to reach more viewers."



PRICING – EASE™ Up-Front Costs

Swagit's EASE™ encoders offer broadcasters and other administrators the ability to stream live events to cable television providers (i.e. AT&T U-verse®), over the Internet through a high speed connection, or to mobile devices such as iPhones, iPads or Androids. Furthermore, the unit can record and archive all media for on-demand viewing as well.

Item Description	Type	Costs (Up-Front)
Basic Encoder -Hardware/Software (AT&T U-verse® Compatible)	Workstation / 1U Rackmount	\$ 4,030.00
Swagit Tower (Tower-Based unit), Encoder Software Installation, System Burn-In		
Branded Video Library Design, Branded Player Design		
Remote Install (Typically 3 hours)		
Licenses for Software/Tools (Flash Media, EASE™, WOWZA, HTML5, Microsoft OS)		
Video Capture Card w/Simulstream Software	260-e	\$ 950.00
Basic - Hardware/Software (AT&T U-verse® Compatible) + Video Capture Card		= \$ 4,980.00

– OR –

Item Description	Type	Costs (Up-Front)
Standard Encoder- Hardware/Software/Provisioning (AT&T U-verse® Compatible)	1U Server	\$ 6,025.00
Swagit 1U Server, Encoder Software Installation, System Burn-In, Rackmount Kit (4 posts-universal), Includes up to 25 internal users		
Branded Video Library Design, Branded Player Design		
Remote Install (Typically 3 hours)		
Licenses for Software/Tools (Flash Media, EASE™, WOWZA, HTML5, Microsoft OS)		
Video Capture Card w/Simulstream Software	260-e	\$ 950.00
Standard - Hardware/Software/Provisioning (AT&T U-verse® Compatible) + Video Capture Card		= \$ 6,975.00

* Price and hardware model are subject to change after 90 days without prior notice.

PRICING – EASE™ Video Upload Only

Swagit's EASE™ encoders offer broadcasters and other administrators the ability to stream live events to cable television providers (i.e. AT&T U-verse), over the Internet through a high speed connection, or to mobile devices such as iPhones, iPads or Androids. Furthermore, the unit can record and archive all media for on-demand viewing as well. **No live streaming, on demand only with upload only solution.**

Item Description	Type	Costs (Up-Front)
Hardware/Software/Provisioning	1U Encoder	N/A
<ul style="list-style-type: none"> EASE™ Encoding Unit includes software Installation, system burn-In, with option for up to 50 internal users 		N/A
<ul style="list-style-type: none"> Branded Video Library Design, Branded Player Design and Set Up 		\$ 1,850.00
<ul style="list-style-type: none"> Remote Network Installation (Typically 3 hours) 		N/A
<ul style="list-style-type: none"> Software Licenses (Flash Media, HTML5, Microsoft OS) 		N/A
Osprey Capture Card with Simulstream and DirectShow® API	260-e	N/A
EASE™ SD Remote Video Indexing Kit	Software	N/A
		Total Costs (Up-Front)
Total EASE™ SD Setup		\$ 1,850.00

PRICING – EASE™ Monthly Managed Services

Swagit's Extensible Automated Streaming Engine (EASE™) solution meets all current and future needs for government *without* creating any additional work for staff. EASE™ is a hands-free tool that eliminates the need for client staff members to spend time on indexing, editing or time-stamping video content. Each EASE™ package includes *On-demand* archiving, a 24/7 LIVE Stream via Internet and PEG, video podcasting through iTunes, streaming to Apple devices (ex: iPad & iPhone) and up to 120 hours of additional specialty content each year. Client also has the ability to upload media via FTP as an option if live streaming is not applicable.

Service Description		Costs (Monthly)
Package 1	(EASE™) Up to <u>25</u> indexed meetings a year	\$ 750.00
Package 2	(EASE™) Up to <u>50</u> indexed meetings a year	\$ 950.00

(OPTIONAL) Services/Upgrades – Individual Pricing	Costs
Additional Edited and On-Demand indexed meetings (Per additional meeting)	\$ 150.00/meeting
Storage per additional year (If beyond 36 month window)	\$ 180.00/year
Programming, Development or Design Implementation	\$ 120.00/hour

We offer a Price Match Guarantee for all "apples-to-apples" services.



Granicus Budgetary Quote for Clayton CA

April 20, 2016

Dear Mindy,

Thank you for considering Granicus and discussing your city's interest in improving its public meeting efficiency through paperless agenda and minutes. What follows is a budgetary proposal containing Granicus products and services tailored to your organizational and fiscal requirements. This proposal is for budgeting purposes only and will be replaced by a formal proposal when appropriate.

By selecting Granicus, your organization will gain what over 1200 government clients already have: a trusted partner. And we're the only company with the experience and capabilities to provide an integrated solution that fits your existing legislative processes, software, and technical infrastructure.

Granicus is committed to ensuring your critical applications are installed quickly and run effectively with 24/7 tech support and proactive monitoring. You'll also receive unlimited web-based training and a dedicated account manager who will know your solution inside and out. Our aim is to help you effectively achieve your goals.

On the following few pages, you will find our proposed solution, investment, product descriptions and some of our key differentiators.

We look forward to establishing a rewarding, long-term relationship with you.

Sincerely,

Joshua Hurni
Account Executive
415-967-5573
Granicus, Inc

Investment

Your Granicus solution was based on your specific voting and public meeting efficiency needs. Our pricing reflects our commitment to supply customers with the highest value and quality software and support.

Product Name	Up-Front	Monthly
Government Transparency (Webcasting)	\$4,500.00*	\$400.00
Total	\$4,500.00	\$400.00

Quote Expires May 30, 2016

NOTE: The pricing in this preliminary proposal excludes tax and is SUBJECT-TO-CHANGE. While this preliminary proposal will provide you with our best possible estimate of what your solution will look like, it is not considered complete until a network assessment has been completed. Our goal here at Granicus is to make sure that every new client has a successful deployment and to make sure that our products exceed your expectations. We believe that spending the time to accurately conduct an assessment of your network and documents will help us meet our goals and will ensure that you have the best experience possible. ***

* It is possible to lower the upfront cost for webcasting if you chose a different encoder. This is the maximum for a standard set-up. Once our engineers have validated your environment we will determine correct hardware and cost.

Proposed Solution

Granicus® Open Platform

The Granicus® Open Platform is the cloud-based foundation for all Granicus applications. It allows government organizations to manage and store an unlimited amount government public meeting data. It is the core of our content management, administration and distribution tools and includes free access to our APIs and SDKs, helping you seamlessly connect your Granicus solution to systems in place. The Granicus Platform includes the ability to upload and publish content including videos and documents. [Click here](#) for more information on the Granicus Open Platform.

- Unlimited content storage and distribution
- Open architecture and SDK
- Archived video editing and indexing
- Citizen web portal
- Live and on-demand streaming to mobile devices
- Create a paperless agenda environment with iLegislate® for the iPad

Granicus Encoding Appliance

The Granicus Encoding Appliance is designed and built for our platform and streaming protocols to provide government organizations with superior live and on-demand webcasting performance. The hardware is pre-configured and delivered ready to stream. Simply connect power, network and an audio/video source. Full appliance control is available through a web browser or locally installed client application.

- Provides live and on-demand streaming – online and via mobile devices
- Remote systems monitoring and Granicus maintenance updates
- 500 GB of local storage (approximately 1,000 hours of archive content)
- Facilitates internal streaming across your local area network (LAN) – up to 50 concurrent viewers
- Supports extraction and display of embedded closed captions to help maintain ADA compliancy
- Faster archive upload times, less video buffering
- H.264 video codec encoding
- HTML5 and Flash compatible streaming delivery

Granicus' hosted infrastructure supports the encoding appliance and offers unlimited bandwidth, storage and the highest security standards through a cloud-based platform. Our remote, proactive system monitoring guarantees faster response time, predicts problems before they arise, and helps reduce the cost of IT support and maintenance. The Granicus team works around-the-clock to ensure your applications are protected and operating smoothly. This ensures long-lasting success with our technologies while maximizing your solution's performance.

Government Transparency Suite

The Government Transparency Suite gives your citizens greater access to public meetings and records online. Take the next step towards transparency and stream meetings and events live, link related documents to your video, and provide advanced searching of archives. The Government Transparency Suite gives you unlimited cloud bandwidth and storage as well as local live and on-demand streaming for up to 50 concurrent viewers. This Suite also allows you to connect agenda data to the iPad to review agendas and supporting documents, take notes, and more through the iLegislate® application. [Click here](#) for more information on the Government Transparency Suite.

- Give citizens convenient access to live and archived streaming through your website
- Reduce public inquiries with searchable, self-service access online
- Import agendas and index video live to eliminate hours of work
- Manage and distribute unlimited meetings and events—all completely automated
- Reach a broader audience - integrate closed captions with video
- Understand and measure public participation with in-depth video analytics

Granicus Differentiators

- World's most experienced provider of government transparency, citizen participation, meeting efficiency, and legislative management solutions with:
 - Over 1,200 clients in all 50 states, at every level of government
 - Over 31 million government webcasts viewed
 - More than 265,350 government meetings online
- First fully integrated legislative workflow management system for local government
- Open API architecture and SDK allow for seamless integrations with systems already in place
- Certified integrations provide flexibility and choice of agenda workflow solutions
- Exclusive provider of the iLegislate iPad application that allows users to review agendas and supporting materials, bookmark and take notes on items, stream archived videos, and review community feedback
- Only government webcasting service to provide encoding, minutes annotation, transcription, and closed captioning services
- Truly unlimited storage and distribution for all meeting bodies and non-meeting content
- Indefinite retention schedules for all archived meeting and non-meeting content
- Only provider of both government webcasting and citizen engagement services
- 24/7/365 customer service and support
- 97% customer satisfaction rating, 98.5% client retention rating
- One of the 100 companies that matter most in online video by Streaming Media magazine
- Ranked 185 on Deloitte 500 fastest growing companies
- Ranked 419 on Inc 500 fastest growing companies
- Client Success stories are available here: <http://www.granicus.com/customers/case-studies/>

MINUTES
REGULAR MEETING
OAKHURST GEOLOGICAL HAZARD ABATEMENT DISTRICT (GHAD)

Agenda Item: 3a GHAD

June 21, 2016

1. **CALL TO ORDER AND ROLL CALL** – the meeting was called to order at 8:21 p.m. by Chairman Geller. Board Members present: Chairman Haydon, Vice Chair Diaz and Board Members Geller, Pierce, and Shuey. Board Members absent: None. Staff present: City Manager Gary Napper, General Legal Counsel Mala Subramanian, GHAD District Manager Rick Angrisani, and Secretary Janet Brown.

2. **CONSENT CALENDAR** – It was moved by Board Member Pierce, seconded by Board Member Geller, to approve the Consent Calendar as submitted. (Passed; 5-0 vote).
 - (a) Approved the Board of Directors' minutes for its regular meeting of December 1, 2015.
 - (b) Adopted GHAD Resolution No 01-2016 approving a First Amendment to General Counsel Legal Services Agreement between the Oakhurst Geological Hazard Abatement District (GHAD) and the law firm of Best Best & Krieger, LLP, for adjustments in general counsel rates and services.

3. **PUBLIC COMMENTS** – None.

4. **PUBLIC HEARINGS** - None.

5. **ACTION ITEMS**
 - (a) Presentation and consideration of a Resolution to approve the proposed Oakhurst Geological Hazard Abatement District (GHAD) Budget for Fiscal Year 2016-17 and set a Public Hearing to be held on July 19, 2016 to consider the levy of the corresponding real property tax assessments in FY 2016-17.

District Manager Rick Angrisani presented the staff report noting the real property owners within the GHAD voted against any significant increases in the annual assessment several years ago resulting in minimal assessments to sustain the existence of the District, and covering little more than administrative costs and minor maintenance tasks in the City-owned open space areas. The Kelok Way dewatering wells were completed in 2013,

which now require ongoing monitoring to ensure the wells are operating as intended to minimize the presence of water underground. However, during the recent 4-year drought conditions, the District has been able to reduce the frequency of the monitoring due to lessened rains. After this winter's rains, it is proposed the Kelok wells as well as the Pebble Beach Drive inclinometers be inspected this coming fiscal year. Ongoing maintenance of drainage facilities (v-ditches, catch basins, etc.) in the open space parcels should no longer be deferred; therefore, staff is proposing an annual set-aside of \$5,000 in the budget to address this maintenance task.

Board Member Geller inquired how many of the dewatering wells are operational? Mr. Angrisani advised the last inspection was conducted in August 2015 and the wells were all still operational.

Chair Haydon asked what does the testing consist of for that expense? Mr. Angrisani advised the covers are lifted to determine the water levels and if there is any movement in the hillside slope.

Board Member Pierce inquired about the Pebble Beach and Kelok area, as several years ago there was some displacement of approximately 72 feet that pinched off the inclinometer which means we cannot see what is going on further down than 72 feet. Is there any way the upcoming inspection can determine from the surface what is going on below? Mr. Angrisani advised there has not been any real evidence of movement down there; it would probably be an additional \$10,000 to \$12,000 to install another inclinometer in that area to obtain further data.

Board Member Geller inquired if there has been any movement between zero and 72 feet? Mr. Angrisani advised there was some movement; however down below was the major movement.

Board Member Shuey inquired if there is movement discovered, what options are available? Mr. Angrisani advised the District would need to notify the real property owners and they can decide what they would like to do about, whether privately and individually, privately and collectively, or through the District via additional real property assessments.

Chair Haydon inquired if after this last winter's rains if there has been more movement? Mr. Angrisani advised that question is the reason for the testing to determine what has occurred.

Board Member Geller asked what is the District's responsibility to the property owners? Mr. Angrisani advised the consultant recommends testing every six months; available GHAD monies has been the constraint.

Board Member Pierce advised once the upcoming testing is complete, the property owners should be notified and perhaps the latest results would persuade them to contribute more assessments to the District so it could mitigate any hillside problems.

It was moved by Board Member Pierce, seconded by Vice Chair Diaz, to adopt GHAD Resolution No. 02-2016 approving a budget and declaring intention to levy and collect assessments for the Oakhurst Geological Hazard Abatement District for Fiscal Year 2016-17, and giving notice of time and place for a hearing on the levy of the proposed assessment. (Passed; 5-0 vote).

6. **BOARD ITEMS** – None.

7. **ADJOURNMENT** - on call by Chairman Haydon, the meeting adjourned at 8:35 p.m.

Respectfully submitted,

Janet Brown, Secretary

Approved by the Board of Directors
Oakhurst Geological Hazard Abatement District

Keith Haydon, Chairman



Agenda Date: 7-19-2016
Agenda Item: 4A GHAD

GHAD STAFF REPORT

TO: HONORABLE CHAIRPERSON AND BOARDMEMBERS
FROM: RICK ANGRISANI, DISTRICT MANAGER
DATE: JULY 19, 2016
SUBJECT: CONSIDERATION OF A RESOLUTION ORDERING IMPROVEMENTS AND CONFIRMING REAL PROPERTY ASSESSMENTS FOR FY 2016-17

RECOMMENDATION

Approve the attached Resolution.

BACKGROUND

The District's 2016-17 Budget, approved at the Board's June 21st meeting, recommended increasing real property assessments in the District by the allowable 2.70% increase in the annual San Francisco – Bay Area Consumer Price Index (CPI).

Tonight, the Board will hold the required public hearing to hear any comments or protests from its affected citizens [real property owners]. Upon completion of public testimony, the Board may close the public hearing and consider action on this Resolution.

OBJECTIONS TO LEVY OF ASSESSMENTS

No objections have been received as of the writing of this report.

FISCAL IMPACT

If this Resolution is not approved, the Oakhurst Geological Hazard Abatement District (GHAD) will not be able to fund any maintenance or monitoring work in the coming year, as the District has no other source of revenues other than this \$38,398.86 annual assessment paid by real property owners in the District. Further, no increase in assessment revenues (beyond the allowable CPI increase) can occur without property owners' affirmative vote.

CONCLUSION

Based upon the above, staff recommends the Board approve this Resolution ordering improvements and confirming assessments within the GHAD for FY 2016-17.

Attachments: Resolution confirming Assessments [3 pp.]
Notice of Assessment mailed [2 pp.]
District Budget

GHAD RESOLUTION NO. - 2016

**A RESOLUTION ORDERING IMPROVEMENTS AND CONFIRMING
REAL PROPERTY ASSESSMENTS FOR FISCAL YEAR 2016-17**

**THE BOARD OF DIRECTORS
Oakhurst Geological Hazard Abatement District
Clayton, California**

WHEREAS, by adoption of Resolution No. 01-2016 the Board of Directors of the Oakhurst Geological Hazard Abatement District (GHAD) approved the District's Budget, declared its intention to levy and collect real property assessments for fiscal year 2016-17, and set a public hearing thereon for July 19, 2016, at the regular meeting place of the Board of Directors; and

WHEREAS, notice of said hearing and the adoption of Resolution No. 01-2016 was duly given as required by the provisions of Division 17, Chapter 6 of the Public Resources Code (Section 26650 et seq.); and

WHEREAS, all owners of property to be assessed within the District were given written notice by first class mail of the proposed assessments in accordance with Public Resources Code Section 26652; and

WHEREAS, on July 19, 2016, the Board of Directors held a noticed public hearing on the proposed real property assessment for the fiscal year 2016-17 and heard and considered all oral statements and written communications made and filed thereon by interested persons;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors as follows:

1. The Board of Directors hereby orders the improvements as set forth in the District's Budget, dated June 21, 2016, and confirms the real property assessments as recommended by the District Manager.
2. The GHAD consists of a portion of the City of Clayton as shown on the boundary map on file with the District's Secretary.
3. A benefit allocation has been determined by the District Manager, upon consultation with the firm of Leptien, Cronin and Cooper, that establishes three areas and three categories of benefit. The Areas are as follows:
Area 1 Lower 6000's, Duets, lower Townhouses
Area 2 Upper 6000's and 8000's, upper Townhouses
Area 3 10000's.
The three categories are as follows:
 - a. Single family homes, regardless of lot size, will be the basic unit of benefit, all lots in the same area to be charged equally.
 - b. Duet parcels to be charged 75% of the basic unit due to increased density.
 - c. Townhouse parcels to be charged 50% of the basic unit due to increased density.The actual assessments for each lot in the listed subdivisions shall be:

<u>GHAD AREA</u>	<u>SUBD</u>	<u># UNITS</u>	<u>TYPE</u>	<u>\$ ASSESS PER LOT</u>	<u>TOTAL \$</u>
I	6990	92	sfd	\$21.22	\$1,952.24
I	7065	108	duets	\$15.90	\$1,717.20
I	7066	117	multi-family	\$10.66	\$1,247.22
I	7303	52	multi-family	\$10.66	\$554.32
I	7311	118	duets	\$15.90	\$1,876.20
I	7768	55	sfd	\$21.22	\$1,167.10
I	7769	53	sfd	\$21.22	\$1,124.66
II	7256	70	sfd	\$28.18	\$1,972.60
II	7257	60	sfd	\$28.18	\$1,690.80
II	7260	75	sfd	\$28.18	\$2,113.50
II	7261	70	sfd	\$28.18	\$1,972.60
II	7262	99	sfd	\$28.18	\$2,789.82
II	7263	101	sfd	\$28.18	\$2,846.18
II	7264	102	sfd	\$28.18	\$2,874.36
II	7766	35	sfd	\$28.18	\$986.30
II	7766	60	multi-family	\$14.16	\$849.60
II	7767	76	multi-family	\$14.16	\$1,076.16
III	7249	69	sfd	\$68.00	\$4,692.00
III	7255	72	sfd	\$68.00	\$4,896.00

4. The Board of Directors declares this Resolution to be, and the same shall constitute, the levy of an assessment for the fiscal year 2016-17 as hereinabove referred to.
5. The Board directs the Secretary immediately to have recorded a notice of assessment, as provided for in Section 3114 of the Street and Highways Code.
6. The Board also directs that the real property assessments are payable in the same manner as general taxes and hereby directs the Secretary to file the boundary map and assessment list, or certified copy thereof, together with a certified copy of this resolution, with the County Auditor.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Oakhurst Geological Hazard Abatement District at a regular public meeting thereof held on 19th day of July 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

THE BOARD OF DIRECTORS OF GHAD

Keith Haydon, Chairman

ATTEST:

Janet Brown, Secretary

I hereby certify that the foregoing resolution was duly and regularly passed by the Board of Directors of the Oakhurst Geological Hazard Abatement District at a regular public meeting held on July 19, 2016.

Janet Brown, Secretary

NOTICE OF PUBLIC HEARING ON THE LEVYING OF ASSESSMENTS ON REAL PROPERTY IN THE OAKHURST GEOLOGICAL HAZARD ABATEMENT DISTRICT PURSUANT TO PUBLIC RESOURCES CODE SECTION 26652.

KNOW ALL INTERESTED PARTIES BY THIS NOTICE THAT:

1. The District Manager did present on June 21, 2016, to the Board of Directors, his report dated June 21, 2016, indicating a total budget for FY 2016-17 of \$44,260.00 and recommending the assessments shown on the attached table to pay for the obligations of the Oakhurst Geological Hazard Abatement District ("District") during the 2016-17 fiscal year.

2. The Board of Directors accepted and approved the report on June 21, 2016, by adopting GHAD Resolution No. 2-2016, which set forth, among other things:

- a. The Board's intent to levy and collect a per unit assessment in accordance with the recommendations of the District Manager as specified to pay for the obligations of said District during the 2016-17 fiscal year.
- b. The date of Tuesday, July 19, 2016, at 7:00 p.m., at Hoyer Hall in the Clayton Community Library, situated at 6125 Clayton Road, Clayton, California, as the date, time and place for hearing protests against the levying of said assessments in the District for the cost of operating in fiscal year 2016-17.

3. The per unit assessments for the 2015-16 fiscal year were as shown on the attached table. The proposed per unit assessments, representing an increase of less than the latest annual increase in the San Francisco, All Items, All Urban Consumers Index (2.7%; May '15 – May '16) and therefore within the formula limits previously approved by ballot, do not constitute an increase in assessments.

4. A general description of the items to be maintained and operated in the District and paid for by the assessment is as follows: open space areas and geological hazard mitigation devices and improvements.

5. All interested parties may obtain further particulars concerning the proposed per unit assessments in the District and a description and map of the boundaries of the District by referring to GHAD Resolution 2-2016, and the report of June 21, 2016, which are on file with the Secretary in the Clayton City Office. In addition, interested parties may contact the District Manager directly by phone at (925) 363-7433 or in person at 1470 Civic Court, Suite 320, Concord, California, or view the reports at www.ci.clayton.ca.us.

NOW, THEREFORE, any and all persons having any interest in lands within the District liable to be assessed for the expenses of the district for fiscal year 2016-17, may appear at the public hearing, the time and place thereof being set forth above, and offer protest to said assessments, and any of said persons may also present any objections that they may have by written protest filed with the Secretary, Oakhurst Geological Hazard Abatement District, City of Clayton, 6000 Heritage Trail, Clayton, California, 94517, at or before the time set for public hearing.

JANET BROWN
Secretary
Oakhurst Geological Hazard Abatement District

DATED: June 21, 2016

**OAKHURST GEOLOGICAL HAZARD ABATEMENT DISTRICT
PROPOSED ANNUAL ASSESSMENTS
FISCAL YEAR 2016/17**

<u>GHAD AREA</u>	<u>SUBD. NAME</u>	<u>SUBD. #</u>	<u># UNITS</u>	<u>TYPE</u>	<u>PROPOSED ASSESS.</u>	<u>2015-2016 ASSESS.</u>	<u>ANNUAL \$ INCREASE</u>
I	Windmill Canyon I	6990	92	6,000 sf	\$20.66	\$21.22	0.56
I	Black Diamond I	7065	108	Duets	\$15.48	\$15.90	0.42
I	Chaparral Springs I	7066	117	Multi-family	\$10.38	\$10.66	0.28
I	Chaparral Springs II	7303	52	Multi-family	\$10.38	\$10.66	0.28
I	Black Diamond II	7311	118	Duets	\$15.48	\$15.90	0.42
I	Oak Hollow IIA	7768	55	5,000 sf	\$20.66	\$21.22	0.56
I	Oak Hollow IIB	7769	53	5,000 sf	\$20.66	\$21.22	0.56
II	Eagle Peak I	7256	70	8,000 sf	\$27.44	\$28.18	0.74
II	Eagle Peak II	7257	60	8,000 sf	\$27.44	\$28.18	0.74
II	Falcon Ridge I	7260	75	8,000 sf	\$27.44	\$28.18	0.74
II	Falcon Ridge II	7261	70	8,000 sf	\$27.44	\$28.18	0.74
II	Windmill Canyon II	7262	99	6,000 sf	\$27.44	\$28.18	0.74
II	Windmill Canyon III	7263	101	6,000 sf	\$27.44	\$28.18	0.74
II	Windmill Canyon IV/Ironwood	7264	102	6,000 sf	\$27.44	\$28.18	0.74
II	Oak Hollow I	7766	35	5,000 sf	\$27.44	\$28.18	0.74
II	Diablo Ridge I	7766	60	Multi-family	\$13.78	\$14.16	0.38
II	Diablo Ridge II	7767	76	Multi-family	\$13.78	\$14.16	0.38
III	Peacock Creek I	7249	69	10,000 sf	\$66.20	\$68.00	1.80
III	Peacock Creek II	7255	72	10,000 sf	\$66.20	\$68.00	1.80

GHAD BUDGET REPORT

DATE: JUNE 21, 2016

TO: BOARD OF DIRECTORS

FROM: RICK ANGRISANI, DISTRICT MANAGER

RE: FISCAL YEAR 2016-17

BACKGROUND

In April 2000, the property owners within the Oakhurst Geological Hazard Abatement District (GHAD) approved, by ballot, assessments to cover the routine maintenance and operations needs of the District. The ballot measure also allowed increases in the annual assessment not to exceed the annual rise in the Bay Area Consumer Price Index (CPI). These annual assessments are the only source of revenues to the District as it is solely funded by the private property owners within the District. Without the real property owners' approval, the District cannot create or mandate additional revenues to fund hazard abatement or prevention services.

Kelok Way Dewatering Wells

The installation of six large dewatering wells and inclinometers to increase the stability of the large slope between Kelok Way and North Valley Park was completed in 2013. We received a monitoring report from Stevens, Farrone & Bailey (SFB - original geotechnical engineer) in August, 2015 indicating that there was no significant change in water levels/pressure when compared to the levels at the time of well installation. SFB could not determine any rate of movement as that will require follow-up measurements.

With the significant winter rains, we need to determine the impact on the slope stability, if any. Therefore, we are proposing to request that SFB perform another survey in August to get a year-to-year comparison. Proposed appropriation included in the budget for this work is \$5,000.

Pebble Beach Movement

In September of 2014, at the request of a resident, and with the Board's approval, we had Berlogar Stevens & Associates take readings on the two inclinometers installed along Pebble Beach Drive in March, 2007 and to inspect the v-ditches in the slope below Pebble Beach Drive (neither had been checked since February, 2010). The inclinometer in the street (SI-1) indicates continued displacement between depths of 0 to 9 feet with a maximum displacement of 1 inch at the surface. The inclinometer in the slope below the street (SI-2) has pinched at a depth of 72 feet thereby prohibiting measurement below that depth. The readings in the upper 72 feet indicate that the upper area is moving as a block, though the amount of movement is unknown.

As with the Kelok Way slope, we need to determine the impact of this past rainy season on the slope stability, if any. Therefore, we are proposing to request that

Berlogar perform another survey in August to get a year-to-year comparison. Proposed appropriation included in the budget for this work is \$5,000.

V-ditch Inspection and Maintenance

As we move forward, we are finding that the concrete v-ditches continue to move slightly and are requiring more and more crack sealing and, occasionally, removal and replacement.

We are proposing to set aside \$5,000 in this year's budget for such work.

Fund Balance (reserves)

The GHAD's fund balance is expected to have a surplus of \$31,096 at the end of FY 2015-16. Due to the proposed monitoring activities and v-ditch set-aside, we are anticipating a draw on the fund balance of \$5,611.14. This results in an anticipated July 1, 2017 ending fund balance of approximately \$25,484.

Presley Lawsuit Settlement Fund Balance

This fund balance is projected to stand at approximately \$122,283 in remaining funds from the original Presley lawsuit settlement (2003) at June 30, 2015. It was, of course, originally intended that the remaining original Presley lawsuit settlement funds be used to rehabilitate the street pavement in the Keller Ridge area once the ongoing movement ceased. While some pavement work has been accomplished, having no other reserves and no interest by the property owners in raising the annual assessments, the District has no choice but to eventually use these funds to cover any of the District's funding shortfalls that may occur for as long as possible.

FY 2016-17 BUDGET

This Budget proposes to continue funding just the routine operations, along with the ongoing monitoring and legal defense costs, of the District through the allowable annual assessments. The year to year increase allowable per the most current CPI is 2.7% (April 2015 to April 2016, San Francisco-Oakland-San Jose, All Items, All Urban Consumers Index published by the U.S. Bureau of Labor Statistic).

Following is the recommended budget for the GHAD for FY 2016-17:

EXPENSES

Postage	\$700.00
Insurance Premium Surcharge (transfer to General Fund)	16,110.00
County Collections Charge	1,200.00
Engineering Services	3,000.00
Kelok Way/Pebble Beach Monitoring	10,000.00
V-ditch Inspection/Maintenance	5,000.00
Legal Services	1,000.00
Miscellaneous	270.00
Administration (transfer to General Fund)	<u>6,980.00</u>

TOTAL EXPENSES *\$44,260.00*

INCOME

Property Assessments	\$38,398.86
Interest on Funds	<u>250.00</u>
<i>TOTAL INCOME</i>	<i>\$38,648.86</i>
Decrease to GHAD Fund Balance	\$ (5,611.14)

FY 2016-17 PROPERTY ASSESSMENTS

As stated above, the annual assessment will be the same as last year except for an increase consistent with the increase in the CPI. Exhibit A explains the methodology of the assessments and provides a summary of the proposed assessment for this year.

EXHIBIT A

OAKHURST GEOLOGICAL HAZARD ABATEMENT DISTRICT

METHOD OF ASSESSMENT

A Geological hazard abatement district is essentially a benefit assessment district. Therefore, the assessments must be apportioned to individual parcels according to the benefit received.

Based upon discussions with the City's consultant, Randy Leptien of Leptien, Cronin & Cooper, the various areas and types of development in Oakhurst require that the assessments be broken down by area as well as type of unit. The areas have been broken down to reflect, as much as possible, units with an equal amount of risk and benefit.

The total development has been divided into three areas for assessment:

- Area 1 Lower 6000's, lower 5000's, Duets, and Townhouses
- Area 2 Upper 6000's, upper 5000's, 8,000's, condominiums
- Area 3 10000's

After reviewing the needs of each area and the benefits of the District to each area, we have assigned each area the following share of the District's costs (including reserves);

Area 1	25%
Area 2	50%
Area 3	25%

As will be noted, the number of units in each area is not considered a factor and the amount of assessment per unit will vary greatly from area to area. Since there are different types of housing mixed in Areas 1 and 2, we have assigned different assessment units to each type of housing as follows:

Single Family (regardless of size)	1.00
Duets	0.75
Multi-family	0.50

District Boundaries

As of FY 1999-00, the District was complete and consisted of 200 single family homes, 226 duets, and 169 townhouses in Area 1; 612 single family homes and 136 condos in Area 2; and 141 single family homes in Area 3.

SUMMARY OF ASSESSMENTS

AREA I 2016-17 ASSESSMENT			Total =	\$9,638.94		
Subarea	# Units	Type	Factor	Ass. Units	16/17 Asses	Total
Tr. 6990	92	sfd	1.00	92.00	\$21.22	\$1,952.24
Tr. 7065	108	duets	0.75	81.00	\$15.90	\$1,717.20
Tr. 7066	117	multifamily	0.50	58.50	\$10.66	\$1,247.22
Tr. 7303	52	multifamily	0.50	26.00	\$10.66	\$554.32
Tr. 7311	118	duets	0.75	88.50	\$15.90	\$1,876.20
Tr. 7768	55	sfd	1.00	55.00	\$21.22	\$1,167.10
Tr. 7769	53	sfd	1.00	53.00	\$21.22	\$1,124.66
Subtotals	595			454.00		\$9,638.94
AREA II 2016-17 ASSESSMENT			Total =	\$19,171.92		
Subarea	# Units	Type	Factor	Ass. Units	16/17 Asses	Total
Tr. 7256	70	sfd	1.00	70.00	\$28.18	\$1,972.60
Tr. 7257	60	sfd	1.00	60.00	\$28.18	\$1,690.80
Tr. 7260	75	sfd	1.00	75.00	\$28.18	\$2,113.50
Tr. 7261	70	sfd	1.00	70.00	\$28.18	\$1,972.60
Tr. 7262	99	sfd	1.00	99.00	\$28.18	\$2,789.82
Tr. 7263	101	sfd	1.00	101.00	\$28.18	\$2,846.18
Tr. 7264	102	sfd	1.00	102.00	\$28.18	\$2,874.36
Tr. 7766	35	sfd	1.00	35.00	\$28.18	\$986.30
Tr. 7766	60	multifamily	0.50	30.00	\$14.16	\$849.60
Tr. 7767	76	multifamily	0.50	38.00	\$14.16	\$1,076.16
Subtotals	748			680.00		\$19,171.92
AREA III 2016-17 ASSESSMENT			Total =	\$9,588.00		
Subarea	# Units	Type	Factor	Ass. Units	16/17 Asses	Total
Tr. 7249	69	sfd	1.00	69.00	\$68.00	\$4,692.00
Tr. 7255	72	sfd	1.00	72.00	\$68.00	\$4,896.00
Subtotals	141			141.00		\$9,588.00
Grand Totals	1,484			1,275.00		\$38,398.86