



**AGENDA  
VALLEJO CITY COUNCIL  
SPECIAL JOINT MEETING WITH  
VALLEJO REDEVELOPMENT  
AGENCY**

City Hall  
555 Santa Clara Street  
Vallejo, CA 94590

**MARCH 25, 2008  
VALLEJO SANITATION & FLOOD CONTROL DISTRICT  
MEETS AT 6:00 P.M.**

MAYOR  
Osby Davis

CITY COUNCIL  
Tom Bartee, Vice Mayor  
Hermie Sunga  
Stephanie Gomes  
Michael Wilson  
Joanne Schivley  
Erin Hannigan

This AGENDA contains a brief general description of each item to be considered. The posting of the recommended actions does not indicate what action may be taken. If comments come to the City Council without prior notice and are not listed on the AGENDA, no specific answers or response should be expected at this meeting per State law.

Those wishing to address the Council on any matter for which another opportunity to speak is not provided on the AGENDA but which is within the jurisdiction of the Council to resolve may come forward to the podium during the "COMMUNITY FORUM" portion of the AGENDA. Those wishing to speak on a "PUBLIC HEARING" matter will be called forward at the appropriate time during the public hearing consideration.

Copies of written documentation relating to each item of business on the AGENDA are on file in the Office of the City Clerk and are available for public inspection. Information may be obtained by calling (707) 648-4527, TDD (707) 649-3562, or at our web site: <http://www.ci.vallejo.ca.us/>



Vallejo City Council Chambers is ADA compliant. Devices for the hearing impaired are available from the City Clerk. Requests for disability related modifications or accommodations, aids or services may be made by a person with a disability to the City Clerk's office no less than 72 hours prior to the meeting as required by Section 202 of the Americans with Disabilities Act of 1990 and the federal rules and regulations adopted in implementation thereof.

*NOTICE: Members of the public shall have the opportunity to address the City Council concerning any item listed on the notice before or during consideration of that item. No other items may be discussed at this special meeting.*

**VALLEJO CITY COUNCIL  
SPECIAL MEETING- CLOSED SESSION  
4:30 P.M. CITY COUNCIL CONFERENCE ROOM**

- A. CONFERENCE WITH LABOR NEGOTIATOR PURSUANT TO GOVERNMENT CODE SECTION 54957.6. NEGOTIATORS: JOSEPH TANNER, CITY MANAGER; CRAIG WHITTON, ASSISTANT CITY MANAGER-COMMUNITY DEVELOPMENT; DENNIS MORRIS, HUMAN RESOURCES DIRECTOR; SUSAN MAYER, ACTING FINANCE DIRECTOR; EMPLOYEE ORGANIZATIONS: INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS, LOCAL 1186 (IAFF), VALLEJO POLICE OFFICERS ASSOCIATION (VPOA), INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL 2376 (IBEW) AND CONFIDENTIAL, ADMINISTRATIVE AND MANAGERIAL PROFESSIONALS (CAMP)

- B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS: JOSEPH M. TANNER, CITY MANAGER, CRAIG WHITTON, ASSISTANT CITY MANAGER/COMMUNITY DEVELOPMENT, AND SUSAN MCCUE, ECONOMIC DEVELOPMENT MANAGER, CONCERNING 26 GROSS ACRES OF REAL PROPERTY LOCATED AT THE INTERSECTION OF "B" STREET AND AZUAR STREET, NORTH MARE ISLAND, VALLEJO, CALIFORNIA, REGARDING THE NEGOTIATION OF PRICE AND TERMS OF PAYMENT WITH TOURO UNIVERSITY, PURSUANT TO GOVERNMENT CODE SECTION 54956.8

**VALLEJO CITY COUNCIL**  
**SPECIAL MEETING- STUDY SESSION**  
**5:15 P.M. CITY COUNCIL CHAMBERS**

**1. ROLL CALL**

**2. STUDY SESSION**

- A. STUDY SESSION ON THE STATUS OF SEARCH FOR ACQUISITION/REHABILITATION OPPORTUNITIES BY EDEN HOUSING, THE STATUS OF NEW OWNERSHIP CONSTRUCTION DEVELOPMENTS, AND THE DOWNPAYMENT ASSISTANCE HOME REHABILITATION LOAN PROGRAMS

PROPOSED ACTION: This is an informational item only. No action will be taken.

**3. ADJOURNMENT**

**VALLEJO CITY COUNCIL**  
**REGULAR MEETING**  
**7:00 P.M. -- CITY COUNCIL CHAMBERS**

1. **CALL TO ORDER**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL**
4. **PRESENTATIONS AND COMMENDATIONS**
  - A. PRESENTATION OF PROCLAMATION COMMEMORATING THE 100<sup>TH</sup> ANNIVERSARY OF THE UNITED STATES ARMY RESERVE
  - B. PRESENTATION OF CERTIFICATE OF APPRECIATION TO BRIAN DOLAN FOR HIS YEARS OF SERVICE TO THE CITY OF VALLEJO
  - C. PRESENTATION OF CERTIFICATES OF APPRECIATION TO VETERINARY HOSPITALS AND SOLANO COUNTY ANIMAL CARE SERVICES FOR PARTICIPATION IN FIRST ANNUAL VALLEJO TOM CAT SPECIAL
  - D. PRESENTATION TO ST. VINCENT ST. PATRICK HIGH SCHOOL GIRL'S CHAMPIONSHIP BASKETBALL TEAM

5. **FIRST COMMUNITY FORUM**

*Anyone wishing to address the Council on any matter for which another opportunity to speak is not provided on the agenda, and which is within the jurisdiction of the Council to resolve, is requested to submit a completed speaker card to the City Clerk. When called upon, each speaker should step to the podium, state his /her name, and address for the record. The conduct of the community forum shall be limited to a maximum of fifteen (15) minutes, with each speaker limited to three minutes pursuant to Vallejo Municipal Code Section 2.20.300. The remainder of the speakers wishing to address the Council on non-agenda items will be heard at the second Community Forum listed later on the agenda.*

6. **PUBLIC COMMENT REGARDING CONSENT CALENDAR ITEMS**

*Members of the public wishing to address the Council on Consent Calendar Items are requested to submit a completed speaker card to the City Clerk. Each speaker is limited to three minutes pursuant to Vallejo Municipal Code Section 2.02.310. Requests for removal of Consent Items received from the public are subject to approval by a majority vote of the Council. Items removed from the Consent Calendar will be heard immediately after approval of the Consent Calendar and Agenda.*

7. **CONSENT CALENDAR AND APPROVAL OF AGENDA**

- A. APPROVAL OF A RESOLUTION APPROVING AMENDMENTS TO THE ADMINISTRATIVE CITATION FINE SCHEDULE

**PROPOSED ACTION:** Adopt the resolution amending the Administrative Citation Fine Schedule to allow the issuance of fines for each municipal code section violated on a single citation rather than requiring a separate citation for each code section violated.

- B. APPROVAL OF CITY COUNCIL MINUTES FOR THE SPECIAL MEETING OF FEBRUARY 28, 2008

PROPOSED ACTION: Approve the minutes.

- C. CONSIDERATION OF FISCAL YEAR 2007-2008 HUMAN RESOURCES STAFFING PLAN

PROPOSED ACTION: Information only. No action will be taken.

**8. RECESS TO SPECIAL JOINT MEETING OF THE REDEVELOPMENT AGENCY**

**9. PUBLIC HEARINGS**

- A. JOINT PUBLIC HEARING REGARDING THE CONSIDERATION OF THIRD AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE CITY OF VALLEJO AND TRIAD DOWNTOWN, LLC

PROPOSED ACTION: The Public Hearing has been canceled.

**10. RECONVENE TO CITY COUNCIL MEETING**

**11. PUBLIC HEARINGS (CONTINUED)**

- B. CONSIDERATION OF AN URGENCY ORDINANCE, PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 65858, EXTENDING UNTIL MARCH 27, 2009, A MORATORIUM ON THE ESTABLISHMENT OF ANY NEW ACTIVITY OR FACILITY SELLING TOBACCO OR TOBACCO RELATED PRODUCTS OR PARAPHERNALIA

PROPOSED ACTION: Adopt an urgency ordinance extending the current one year moratorium an additional year until March 27, 2009.

**12. POLICY ITEMS – NONE**

**13. ADMINISTRATIVE ITEMS**

- A. CONSIDERATION OF A RESOLUTION REPEALING CHAPTER 5.32 OF THE VALLEJO MUNICIPAL CODE ENTITLED "VEHICLES FOR HIRE" AND HOLDING ON FIRST READING AN ORDINANCE ENACTING A NEW, AMENDED CHAPTER 5.32 ENTITLED "TAXICAB STANDARDS ORDINANCE"

PROPOSED ACTION: Adopt the resolution repealing Chapter 5.32 of the Vallejo Municipal Code and holding on first reading an ordinance enacting a new, amended Chapter 5.32 entitled "Taxicab Standards Ordinance."

- B. CONSIDERATION OF A RESOLUTION OF INTENTION TO AMEND THE VALLEJO MUNICIPAL CODE, CHAPTER 2.60, EMPLOYMENT

**REGULATIONS, PART XII, SECTION 2.60.960 - FREQUENCY OF PERFORMANCE EVALUATIONS AND SECTION 2.60.970 - REPORTS OF COMPLETION ON PERFORMANCE EVALUATIONS**

PROPOSED ACTION: Adopt resolution of intention directing staff to submit an ordinance amending Chapter 2.6, Employment Regulations, Part XII, Performance Evaluations, Section 2.60.960 – Frequency of Performance Evaluations and Section 2.60.970 - Reports of Completion on Performance Evaluations.

- C. **CONSIDERATION OF A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A MANAGEMENT AGREEMENT WITH THE CENTRAL CORE RESTORATION CORPORATION REGARDING THE MANAGEMENT OF SERVICES AND IMPROVEMENTS PROVIDED THROUGH THE DOWNTOWN MANAGEMENT DISTRICT**

PROPOSED ACTION: Adopt the resolution authorizing the City Manager to execute a management agreement with the Central Core Restoration Corporation.

**14. APPOINTMENTS TO BOARDS, COMMISSIONS, AND COMMITTEES - NONE**

**15. WRITTEN COMMUNICATIONS**

*Correspondence addressed to the City Council or a majority thereof, and not added to the agenda by the Mayor or a Council member in the manner prescribed in Government Code, Section 54954.2, will be filed unless referred to the City Manager for a response. Such correspondence is available for public inspection at the City Clerk's office during regular business hours.*

**16. CITY MANAGER'S REPORT**

**17. CITY ATTORNEY'S REPORT**

**18. COMMUNITY FORUM**

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**19. REPORT OF THE PRESIDING OFFICER AND MEMBERS OF THE CITY COUNCIL**

**20. CLOSED SESSION**

**21. ADJOURNMENT**

**VALLEJO REDEVELOPMENT AGENCY**  
**SPECIALJOINT MEETING - 7:00 P.M.**  
**CITY COUNCIL CHAMBERS**

*NOTICE: Members of the public shall have the opportunity to address the Redevelopment Agency concerning any item listed on this notice before or during consideration of that item. No other items may be discussed at this special meeting.*

**1. CALL TO ORDER**

A. ROLL CALL

**2. CONSENT CALENDAR**

A. APPROVAL OF REDEVELOPMENT AGENCY MINUTES FOR THE SPECIAL JOINT MEETINGS OF JANUARY 8 AND 29, 2008

PROPOSED ACTION: Approve the minutes

**3. PUBLIC HEARING**

A. JOINT PUBLIC HEARING REGARDING THE CONSIDERATION OF THIRD AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE CITY OF VALLEJO AND TRIAD DOWNTOWN, LLC

PROPOSED ACTION: The Public Hearing has been canceled.

**4. ADJOURN TO CITY COUNCIL MEETING**



**CITY COUNCIL COMMUNICATION  
REDEVELOPMENT AGENCY COMMUNICATION**

Date: March 25, 2008

TO: Mayor and Members of the City Council

FROM: Craig Whittom, Assistant City Manager/Community Development  
Laura J. Simpson, Housing and Community Development Manager

SUBJECT: Study session on the status of search for acquisition/rehabilitation opportunities by Eden Housing, the status of new ownership construction developments, and the Downpayment Assistance and Home Rehabilitation loan programs

**BACKGROUND AND DISCUSSION**

This report is intended to provide an overview of the current status of several of the affordable housing programs administered by the Housing and Community Development Division. These include: the New Construction/Rehabilitation Program, the Community Housing Development Set-aside funds, the Downpayment Assistance and Home Rehabilitation Loan Programs. These programs are funded by the HOME and Community Development Block Grant (CDBG) programs and the Redevelopment Agency set-aside for affordable housing.

**Status of Analysis of Acquisition and Rehabilitation Opportunities by Eden Housing**

In 2007, Eden Housing was ranked highest among all respondents in a competitive Request for Qualifications process issued by the Housing Division. Eden Housing's initial proposal for new construction of affordable housing at Curtola and Lemon Street was not approved due to concerns about city services, density, and increased traffic. As an alternative, in August 2007, the City Council and Housing Authority Board approved predevelopment funds for Eden to assess opportunities for the acquisition and rehabilitation of existing deteriorated housing in Vallejo. Sites were to be evaluated for the feasibility of the acquisition and rehabilitation of affordable multi-family rental or ownership housing.

The scope of work included a deliverable from Eden Housing for a site feasibility report recommending one or more specific sites for rehabilitation for the City, Redevelopment Agency, and Housing Authority's consideration as soon as possible. Up to \$50,000 was allocated for the purpose of carrying out this study and obtaining site control if possible. A summary of the site feasibility study is Attachment A to this report. Eden also worked with a subcontractor to perform a condominium market analysis in Vallejo, which is available on the City of Vallejo's Housing webpage, at [www.ci.vallejo.ca.us](http://www.ci.vallejo.ca.us) and attached as Attachment D.

**Summary of Site Search**

Over the past six months, Eden Housing has completed an extensive site search for rehabilitation projects in Vallejo. Their report, as Attachment A, summarizes their efforts



and findings. As part of their scope of work, Eden explored over 35 sites and made over a dozen offers to acquire properties. Attachment B is a listing of the sites considered and the outcomes. Eden provided a condominium market study of Vallejo, and has prepared development pro formas for four possible rehabilitation scenarios for consideration. The report also includes a fifth pro forma of a new development for comparison purposes.

Some constraints have been encountered in the course of this study. Eden found the conversion of existing rental to affordable for-sale condominiums to be financially infeasible. They also have found that, due to rising rents, owners of multifamily units are holding onto their properties. Other factors, such as limited Housing funds and other funding requirements have limited the number of feasible projects.

#### Conversion to Condominium Analysis:

Conversion of market rate rental housing to affordable condominiums was deemed infeasible due to the decline in housing market. Eden Housing commissioned a condo market analysis in late 2007 and found that (1) prices have dropped significantly since 2005 and (2) absorption rates have also dropped significantly, pressuring sellers to further decrease sales prices. In order to sell in the current market, Eden would have to list condos in the mid \$100,000s to compete with the foreclosure resales and large stock of condos that have been slow to sell. With sales prices so low, the project would require over twice as much City subsidy than the City has allocated. Considering that developers of comparable projects are currently risking bank foreclosure due to inability to sell condos, Eden believes they would face the same risk with a conversion to condo project and has deemed it financially infeasible.

In Eden's financial analysis, they looked at the feasibility of developing 69 condos for low income households and for moderate income households and found that both scenarios were financially infeasible. Eden found that targeting low income households (80% Solano County Area Median Income) at sales prices of \$137,200 per unit pushed the City funding request to almost \$11 million, over twice the City subsidy available. Targeting moderate income households (120% Solano County AMI) would yield sales prices at about \$250,000, which would be significantly higher than average market sales and would likely not sell in current market. If Eden tried to combine low and moderate targeted condos, the moderate targeted condos would risk non-absorption in the market. Eden found that neither scenario is feasible at the present time.

#### Acquisition Rehabilitation – Affordable Rental Housing Analysis

An acquisition/rehabilitation project would benefit the City by improving the look of an existing complex in Vallejo, creating clearly needed housing affordable for local residents such as teachers, health care employees, and service employees, and providing a benefit to the residents already living in the complex—many of whom will be able to stay at present or more affordable rents.

**Possible Projects**

As stated, Eden is contemplating four potential projects all focused outside of the downtown area. All options are contingent upon sellers agreeing upon the purchase prices indicated and signing purchase and sale agreements.

Eden currently has four rehabilitation scenarios and one new construction scenario and would like feedback from the Council on how to proceed with one of these options. Options range in size from 39-70 units of affordable housing. As shown in the financial comparison in Attachment C, Option A would require more subsidy than Options B, C-I and C-II, and D, due to a higher acquisition cost.

	<b>Rehabilitation or New Construction</b>	<b>Units</b>	<b>Notes</b>
Option A	Rehabilitation	69	
Option B	Rehabilitation	44	
Option C- I Hybrid	Rehabilitation and New construction	16 rehabilitation 23 new units*  39 total units  *includes 6 replacement units	22 units currently exist on the sites, one 16 unit building and three duplexes. 16 unit building would be rehabilitated and three duplexes would be demolished and replaced with newly constructed units
Option C-II Hybrid	Rehabilitation and New construction	16 rehabilitation 54 new units* 70 total units  *Includes 6 replacement units	Rezone site to allow additional density
Option D – shown for cost comparison	New Construction	70	Possible partnership with partner to development mixed use (housing and retail) project

**Unit Mix for Options A and B**

	<u>Unit size</u>	<u>Number of units</u>	<u>Current Rents</u>	<u>Affordable Rents</u>
Option A	2 Bedroom	68	\$950-\$1050	\$271-\$780
Option B	2 Bedroom	50	\$1000-\$1050	\$271-\$780

**Unit Mix for Options C-I, C-II and D**

<u>Unit size</u>	<u>Number of units</u>	<u>New Affordable Rents 30-50% AMI</u>
1 Bedroom	16	\$364-646
2 Bedroom	33	\$432-771
3 Bedroom	21	\$493-885

Options and Next Steps

Given the falling market for condominiums in Vallejo, and as outlined in the previous section, a market rate conversion to affordable rental housing would be the most financially feasible project, if the right complex can be found.

Eden is requesting feedback on these alternatives. Eden will continue to pursue an option on the preferred site. If Eden secures an option, they will provide outreach in the community around the site. After community outreach in the neighborhood, staff will then return to the Housing Authority Board, City Council, and Redevelopment Agency with a recommended scenario within four to six weeks.

**Status of New Construction Ownership Housing by Vallejo Neighborhood Housing Services**

The Graham Gardens project consists of 22 new homeownership units at Mini and Stanford Drive. Of these units, 3 must be affordable to Low-income households and 8 units must be affordable to Very Low income households. The 8 units of Very Low income were intended to be the final 8 units in meeting the Redevelopment Agency's Buchongo Settlement Agreement.

In August 2007, the Vallejo Housing Authority Board approved a one-year loan to Vallejo Neighborhood Housing Services (VNHS) in the amount of up to \$700,000 to cover a construction financing gap. However, later in the year, VNHS was unable to close the construction loan from the lender on the project, due to falling appraisal values for the project. The Housing Authority loan agreement was not executed and no funds were

disbursed. Now due to the extended deadline of August 2009, new construction is not a viable option to meet the Buchongo Agreement. If a suitable acquisition and rehabilitation project is found, it may allow the City to meet the deadline for the Buchongo Agreement.

VNHS has been pursuing possible alternatives for Graham Gardens, including partnering with a Richmond-based organization and selling the property to a private developer and repaying the existing liens.

If the latter option is chosen, the City is owed \$833,000 in HOME Community Housing Development Organization (CHDO) designated funds that were loaned on the project to support costs related to the project that must be repaid. If VNHS were to find an alternative CHDO-eligible project, these funds could be considered for an alternative CHDO-eligible purpose.

One possible alternative under consideration by staff is to gain technical assistance in the area of Real Estate Owned Acquisitions. Given the large number of foreclosures occurring in Vallejo, there may be an opportunity for VNHS to acquire and rehabilitate these units as a new affordable ownership housing program. The City and VNHS are seeking assistance from Enterprise Foundation to establish a pilot program, in a CDBG-targeted area heavily impacted by foreclosures, to provide acquisition/rehabilitation loans and first-time homebuyer opportunities.

Sonoma McLane is a 16-unit new construction ownership project by VNHS located on two sites. The project designs have been completed. An environmental review will be completed for this project within a month. The entitlement process is underway; however, the focus is on reworking Graham Gardens, and VNHS has suspended work on the Sonoma McLane site.

VNHS has also been working with community representatives to explore feasibility of establishing a land trust nonprofit. Staff anticipates recommending some funding this year to hire a consultant with expertise in this area to provide technical assistance locally.

### **Status of Downpayment Assistance Program and Homeowner Rehabilitation Loan Programs**

The Housing Division has allocated over \$775,000 in CDBG and HOME funds this fiscal year toward Downpayment Assistance loans and grants. Vallejo Neighborhood Housing Services has administered this program and has closed 9 downpayment assistance loans this fiscal year. A fund balance remains of \$223,889. Staff anticipates that this amount will be sufficient to meet the demand through June 30, 2008, as loans have average about \$62,000 each, this would allow for approximately four additional loans.

For Home Rehabilitation loans, the City allocated \$280,505 this fiscal year, and 2 loans have been closed so far. There is fund balance of \$59,055. These funds may be requested to be converted to Downpayment Assistance loan funds if needed.

HOME and CDBG funds have been allocated in the amount of \$245,128 toward Downpayment Assistance loans and \$205,881 for Home Rehabilitation loans and paint grants as part of the draft 2008-09 Action Plan that will be brought before Council in May. Staff will consider recommending an additional allocation of Downpayment Assistance funds as part of the 2008-09 Redevelopment Agency budget process.

Fiscal Impact

This is an information item only. There is no fiscal impact.

PROPOSED ACTION

This is an informational item only. No action is proposed at this time.

DOCUMENTS AVAILABLE FOR REVIEW

- Attachment "A" - Feasibility Study Report from Eden Housing, Inc. for Acquisition and Rehabilitation Development in City of Vallejo
- Attachment "B" - Summary of Sites Analyzed by Eden Housing
- Attachment "C" - Comparison of Financing Scenarios
- Attachment "D" - Condominium Market Analysis

PREPARED BY/CONTACT:

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**Eden Housing Affordable Housing Site Search**  
**Report to Council**  
**March 25, 2008**

**Site Search Results**

During the last six months, Eden Housing completed a thorough site search for a possible rehabilitation of existing housing in Vallejo to affordable rental housing or affordable condos. Eden has explored over thirty-five sites and made over a dozen offers on sites, following every possible lead for properties over thirty-five units and above. Of the over thirty-five sites researched, Eden has the following report:

- **Four possible projects** – three acquisition/rehabilitation, one including both acquisition/rehabilitation and new construction, and one new construction
- **Seven offers refused** by sellers who do not want to sell. Sellers repeatedly stated that they do not want to part with their healthy cash flow.
- **Eight sites are not financially feasible** since they do not meet the ten year rule (see explanation below).
- **Four sites are partly affordable and not financially feasible** since they either do not meet the 10 year rule or are too large to acquire and substantially rehab with existing City subsidy.
- **Three sites have been converted to condos.**
- **Four sites are complicated, costly acquisitions** (acquisition costs are too high for assemblage, complications of acquiring hotels, relocation costs for acquisition of trailer park).

The site search has been significantly limited by the following factors:

- 1) Conversion of existing housing to affordable condos proved financially infeasible.
- 2) In numerous cases, sellers of multifamily properties did not want to part with their cash flow since the rental market is performing better than usual due to the weak housing market.
- 3) Many properties did not meet a ten year tax rule that would enable Eden to leverage City funds with sufficient tax credit equity. A property has to have been held by the same owner for 10 years to meet the 10 year rule.

	<b>Rehabilitation or New Construction</b>	<b>Units</b>	<b>Notes</b>
<b>A</b>	Rehabilitation	69	
<b>B</b>	Rehabilitation	50	
<b>C-I</b>	Rehabilitation and New construction	16 rehabilitation 23 new const units* 39 total units  <u>*includes 6 replacement units</u>	22 units currently exist on the sites, one 16 unit building and three duplexes. 16 unit building would be rehabilitated and three duplexes would be demolished and replaced with newly constructed units
<b>C-II</b>	Rehabilitation and New construction	16 rehabilitation 54 new const units* 70 total units  <u>*includes 6 replacement units</u>	22 units currently exist on the sites, one 16 unit building and three duplexes. 16 unit building would be rehabilitated and three duplexes would be demolished and replaced with newly constructed units

<b>D</b>	New Construction For cost comparison	70	Possible partnership with partner to development mixed use (housing and retail) project
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See attached report, "Summary of Sites Analyzed by Eden Housing," for full summary of sites research.

Eden also obtained a market study analyzing the condo market in Vallejo, obtained comparable listings for condo sales in Vallejo, and completed financial proformas on an affordable condo analysis. See Appendix A for further detail. Given the decline in the housing market, the affordable condo scenario is not feasible unless the City gave significantly more subsidy. Our financial analysis of a 69 unit conversion to condos would require almost \$11 million in City subsidy.

Eden also completed a financial analysis of a small acquisition/rehabilitation project (32 units) that would serve people with special needs and include a partnership with Christian Help Center. See Appendix B for further detail. Given that special needs populations require very low income rents and given the small number of units in this project, the project could not generate enough cash flow to be considered financially feasible.

As stated, Eden is contemplating four potential projects. All options are contingent upon sellers agreeing upon the purchase prices indicated and signing purchase and sale agreements.

#### **Acquisition Rehabilitation Projects**

This type of project would benefit the City by (1) improving the look of an existing complex/block in Vallejo, (2) creating needed housing affordable for local residents such as teachers, hospital employees, and service employees, and (3) providing a benefit to the residents already living in the complex – many of whom will be able to stay at present or more affordable rents. We expect a large portion of residents to income qualify and will provide relocation benefits to those that are over income.

#### **New Construction Projects**

New construction is a financially viable option. Given the fact that most owners of multifamily rental projects that Eden encountered are not interested in selling at a fair market price, if at all, City funds can be leveraged to create approximately 70 newly constructed affordable housing units. See Financing Chart for a side-by-side comparison of new construction and rehabilitation potential projects. It is noteworthy that both Option C (rehabilitation and new construction) and Option D (new construction) are located in a qualified census tract, which allows Eden to capture a considerable amount more tax credit subsidy for those two projects.

#### **Potential Projects**

Eden currently has four potential projects and would like feedback from the Council on how to proceed with these options. Options range in size from 39-70 units of affordable housing. As shown in our financial comparison, Option A would require more subsidy than Options B, C, and D, due to a higher acquisition cost.

- Option A. Project is in need of rehabilitation. Project targets households earning 20-50% of the Solano County Area Median Income (incomes from \$12,060-\$40,700).
- Option B. Project appears to be in fair condition, but requires rehabilitation. Project would also benefit from showing management presence. Project targets households earning 20-50% of the Solano County Area Median Income (incomes from \$12,060-\$40,700).

## UNIT MIX FOR OPTION A and B

	Unit size	Number of units	Current Rents	New Affordable Rents
Option A	2 Bedroom	68	\$950-\$1050	\$271-\$780
Option B	2 Bedroom	50	\$1000-\$1050	\$271-\$780

- Option C- Hybrid I (new construction/rehabilitation) Includes 22 existing units (16 unit project, 3 duplexes) adjacent to a large vacant lot. Eden would rehabilitate 16 units, demolish the duplexes, and replace with 23 newly constructed rental units.
- Option C- Hybrid II (new construction/rehabilitation) Includes 22 existing units (16 unit project, 3 duplexes) adjacent to a large vacant lot. Eden would rehabilitate 16 units, demolish the duplexes, and replace with 54 newly constructed rental units.
- Option D (new construction) vacant site. This site would be a possible partnership with another developer and would likely be a mix of new construction and retail space.

## UNIT MIX FOR OPTION C and D

Unit size	Number of units	New Affordable Rents 30-50% AMI
1 Bedroom	16	\$364-646
2 Bedroom	33	\$432-771
3 Bedroom	21	\$493-885

### Workforce Housing

Residents of affordable rental housing serve as an important part of the workforce and of communities in which they live. This sample of Eden Housing residents provides a snapshot of who truly lives in affordable housing, workers that staff many important retail, public, health care and professional services in the community. A survey of Eden's residents found the following employers:

- Retail: Target, Macy's, Home Depot, Circuit City, Costco, Cal Rite Services, Starbucks, Sunglass Hut, Auntie Ann's Pretzels, Leap Frog, Beauty Salon
- Public/Civic Employee: City of San Francisco, San Mateo County Social Services, Contra Costa County
- Health Care: Kaiser, Sausalito Optometry, Medical Staffing Network
- Professional: Kay Holley Attorney, Summerhill Ltd, Montclair Construction and Maintenance Company

### Resident Selection Criteria

Eden Housing Management, Inc.'s (EHMI) Resident Selection Criteria provides a thorough screening of all potential applicants to affordable rental housing. Resident Selection Criteria states that the following information can serve to deem an application unacceptable:

- Credit check, criminal background check, and registered sex offender report
- Current and prior landlord references including disturbance of neighbors, destruction of property, or other behavior threatening to other residents
- Unlawful detainers (evictions)
- Credit history and unpaid judgements, collections, liens, utility bills, rent
- A household member involved in drug-related criminal activity or alcohol abuse

EHMI's Resident Selection Criteria has served as a model in cities that are trying to crack down on landlords to strengthen selection criteria.



## Neighborhood Outreach

Eden Housing plans to outreach extensively to neighborhood groups, should we be able to proceed with any of our potential projects. We have not yet been able to outreach, as we do not have one project with which to proceed at this point. Eden is committed to work extensively with neighbors and community groups to integrate their comments whenever possible and create housing that reflects the needs of the local community. Eden is open to feedback from Council regarding any specific groups in the community who should be contacted.

## Timeline

	<b>Primary Financing</b>	<b>Expected Start of Construction/Rehab</b>	<b>Notes</b>
<b>A</b>	MHP/tax credits	Summer 2009	If project moves quickly, will apply for MHP in October 2008 (if not, March 2009).
<b>B</b>	MHP/tax credits	Summer 2009	If project moves quickly, will apply for MHP in October 2008 (if not, March 2009).
<b>C-I</b>	9% tax credits	Late 2009	Will apply for 9% credits in March 2009.
<b>C-II</b>	9% tax credits	Late 2009/Early 2010	Will apply for 9% credits in July 2009. Extra 3 months allotted for rezone process.
<b>D</b>	9% tax credits	Late 2009	Will apply for 9% credits in March 2009.

## Conclusion

Eden Housing has completed a substantial site search of over thirty-five sites for a viable affordable housing project in Vallejo. As outlined, Eden has found four possible development opportunities listed in this report. Our search has been extensive, spending months researching potential deals, contacting property owners, analyzing financing scenarios, and following up on City leads. Eden currently seeks guidance from the City Council regarding which options would best meet the goals of the City.

Once the City gives Eden direction on which scenario to pursue, Eden will pursue negotiations with signed purchase agreements and due diligence on the site. Until Eden has signed a purchase and sale agreements for any of these options, acquisition costs listed in our financing comparison are not final. For any options we pursue, Eden will obtain an appraisal so that the purchase price is supported by the appraisal. As stated earlier, Eden will also conduct extensive community outreach to neighborhood and community groups should we pursue any of these options.

Highlights of Condo Analysis<sup>1</sup>

- Condo sales in Vallejo have fallen sharply since its peak in 2005. In 2005, 652 condos were sold. From January through October 2007, 85 were sold. After prorating 2007 data for one year, we find condo sales have thus dropped 84% since 2005.
- Of the 85 condos sold in 2007, only 8 were new sales; the rest were resales. This marks a 95% drop in the sale of new condos Citywide since 2005. Resales have also dropped 79%, from 447 in 2005 to 92 (prorated) in 2007.
- According a local realtor, in September 2007, 140 condos were on the market in Vallejo. 11 had sold in the prior 3 months. 5 sales were pending.
- The average sale price in 2007 for a 2 BR/1.0 Bath was \$217,607.

Comparable: The Valencia (AF Evans) – Condo Conversion

- 80 units- one bedrooms currently selling for \$208,000, two bedrooms- \$252,754. Initially, prices set at \$220,000 for 1 BRs and \$290,000 for 2 BRs.
- Absorption Rate: Opened in August 2007 and as of February 27, 2008, 3 condos are in contract for an average of one sale every 3 months. One of the two condos was only sold after a significant price break, reduced from \$280,000 to \$235,000.
- Total Development Cost: \$17,929,907

Comparable: Highlands in Benecia (Lennar Corp) - Condo Conversion

- 188 units – 150 one bedrooms and 38 two bedrooms.
- When the project opened, condos were selling for \$264-\$290,000 for one bedrooms and \$309-\$355,000 for two bedrooms. Realtor said condos been on the market for at least one year. Condos recently auctioned off - \$145,000-180,000 for one bedrooms and \$210,000-\$230,000 for two bedrooms.

Condo Conversion Proforma

69 units

60 - two bedroom town homes, 9 -two bedroom flats

Total Development Cost: \$19,950,700

- Low Income: City subsidy required (80% AMI or less) = \$10,888,131
- Moderate Income: City subsidy required (35 condos at 120% and 34 condos at 80% AMI)= \$2,070,300 . Please note that moderate condos would need to sell for \$254,000 which would be risky in a market with current condo sales at \$200,000 and below.
- Low and Moderate Income Gap= \$6,514,700

	Assumed Income	Supportable Mortgage	Secondary Financing	City Funding Gap/Unit	Total City Funding Gap
2 BR (Low Income)	70% AMI	\$89,000	\$37,200	\$157,799	\$10,888,131
2 BR (Moderate Income)	110% AMI	\$224,000	\$30,000	\$30,000	\$2,070,300
2BR (Low and Mod)	70% & 110% AMI	\$89,000 & \$224,000	\$37,200 for low; \$30,000 for mod	\$94,416	\$6,514,700

- Current rents are \$950-\$1050 for a 2 BR. This may qualify some households to purchase their converted condo at the low income price. The condo proforma shows that a low-income household at 70% AMI would be spending \$1188 as a monthly housing cost (30% of AMI).

<sup>1</sup> From David Rosen & Assoc study dated Nov 13, 2007.

Eden Housing explored a partnership with the Christian Help Center on a small acquisition rehabilitation project and Eden approached another owner of a 16-unit project. The financial analysis showed that the project would require a significant operating subsidy over the life of the project to be considered a viable option.

### **Special Needs Affordable Housing Analysis**

#### **Scattered site rehab**

- **32 units total:** two sites
- **Unit Mix:** 24 - 2 bedrooms, 8 - one bedrooms
- **Proposed Financing:** MHP Special Needs, City of Vallejo, Affordable Housing Program, 4% tax credits, Mental Health Services Act (MHSA) funds, tax exempt bonds.
- **Rents:** 11 @ 25% AMI (Special Needs units); 10 @ 40%AMI; 10 @50% AMI. Of the 11 Special Needs units – 5 would be MHSA
- **Financing analysis:** Project has an extreme negative cash flow starting at year 1 (-\$50,000). This assumes Eden would operate project at \$6200/unit – on par with two other developments at 30 and 34 units.
- **City subsidy required:**\$4.2 million. A *significant* operating subsidy would be required to make this project work. In year 1, the project would need approximately \$50,000 in operating subsidy. By year 15, this amount would increase to \$92,000, requiring over \$1 million in operating subsidy in the first 15 years. An MHSA subsidy could be used for 5 units, but an additional subsidy would be needed for the additional units.
- **Special Needs population served:** Would probably include at least 5 (minimum required) MHSA units as well as the Christian Help Center clients.

Summary of Sites Analyzed by Eden Housing

I. ACQUISITION REHAB

# of units	Meets 10 Year rule?	Market Rate or Affordable?	Exploring further?	Notes
69	Not currently. Will by 1/10	MR	Yes. Sent out LOI (offer).	Sellers want \$11 million (initial offer was \$7.1 million). Resent LOI at seller's price with condition that site would need to appraise for the higher value for Eden to purchase at that price.
40-60	No	MR	Yes. Sent out LOIs.	Would involve 16 units of rehab and 25-50 units of new construction. Sent out LOIs to 4 separate owners, all of whom are open to negotiate.
44	Partial credit (one partner has 10+ years ownership)	MR	Yes. Sent out LOI. In discussions with seller.	Ownership is one owner with many members (partial credit for the 10 year rule). City reported some management problems.
64	Yes	MR	No (sellers won't sell)	Very good condition.
74	No	MR	No (sellers want far above market price)	Sent out LOI 12-4-07 (\$8.6 offering price). Sellers didn't accept an asking price above our \$8.6 offer. Would want quite a bit more money. Good condition.
52	Yes	MR	No (sellers won't sell)	Sent out LOI 12-4-07 (\$5.6 offering price). Sellers do not want to sell at this point. Possibly in the future. Good condition. Across from Albertsons.
64	Yes	MR	No (sellers won't sell)	Seller is a widow who does not want to sell at this point. Property cash flows well.
136	Yes	MR	No (sellers won't sell)	Very good condition. Owners do not want to sell - healthy cash flow.
35	Yes *	MR	No (sellers won't sell)	Older gentleman owner does not want to part with his cash flow
44	Yes	MR	No (sellers won't sell)	Family property with good cash flow (spoke w/property manager/owner)

# of units	Meets 10 year rule?	Market Rate or Affordable?	Exploring further?	Notes
11	No	MR	No (10 year rule and complicated acquisition)	Complicated acquisition of several owners, doesn't meet 10 year rule, acquisition costs make this financially infeasible.
12	Partial - 16 units qualify, 16 do not.	MR	No. Completed financial analysis. Cash flow is negative (small special needs project, low rents).	Christian Help Center had first right of refusal for 16 units. If we purchased 16 units across the street, project count would total 32 units
13	No	MR	No (10 yr rule)	Good condition.
14	No	MR	No (10 yr rule)	Good condition.
15	No	MR	No (10 yr rule)	Good condition.
16	No	MR	No (10 yr rule)	Sold in 2007. Undergoing renovations.
17	No	MR	No (10 yr rule)	Next to Avian Glen. Council advised Eden not to pursue this site as to not create a concentration of affordable housing.
18	No	MR	No (10 yr rule)	Needs rehabilitation.

19	No	Affordable	No (affordable & 10 year rule)	40% restricted @ 60%AMI. Appears to have new management. Good condition.
20	No	Some Affordable	No (affordable & 10 year rule)	20% restricted @ 80%AMI. Very good condition.
21	No	Some Affordable	No (affordable & 10 yr rule)	20% restricted @ 80%AMI.
22	Yes	Some Affordable	No (affordable, large project)	20% restricted @ 80%AMI. Very good condition.
23	N/A	MR	No (condos)	Converted into luxury condos.
24	N/A	MR	No (condos)	Converted to condos.
25	N/A	MR	No (condos)	Converted to condos.

# of units	Meets 10 year rule?	Market Rate or Affordable?	Exploring further?	Notes
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26	48	Mostly no	MR	No (too costly)	Complicated acquisition of several owners, doesn't meet 10 year rule, acquisition costs make this financially infeasible
27	20+	Not sure. Acquisition too expensive regardless.	MR	No (too costly)	Complicated acquisition of several owners
28	Not sure	N/A	Hotel	Not currently.	Hotel acquisition would be more complicated than straight acquisition/ rehab and very costly.
29	Not sure		Hotel	Not currently.	Hotel acquisition would be more complicated than straight acquisition/ rehab and very costly.
30	200	N/A	Trailor Park	No (too costly)	Too expensive. Broker says sellers want \$13 million purchase plus \$15 million for relocation -total \$28 million to acquire.

## II. NEW CONSTRUCTION

1	45	N/A	N/A	Yes	In contract with a potential development partner. 5 acres. Potential mixed use project.
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2	50	N/A	N/A	No (Council voted down)	1.65 acre site. Council voted against Eden pursuing this site in May 2007.
3	20-25	N/A	N/A	No (site constraints)	Architect examined possible new construction on this site. Site too small and irregularly shaped.
4	Not sure	N/A	N/A		Not close to many community amenities
5	Not sure	N/A	N/A	No (costly acquisition)	Busy corridor not ideal for family project, pedestrian access.

6	Not sure	N/A	N/A	No (too small)	City owned site. 1 + acres.
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**III. PRESERVATION OF EXISTING AFFORDABLE HOUSING**

1	No	Affordable	No	No longer preservation/ at risk of conversion to market. Recently purchased by Vallejo Housing Partners. Will be affordable for 55 years. Not interested in selling.
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Vallejo Affordable Housing FINANCING COMPARISON	Option A Rehabilitation MHP/MHSA/4%		Option B Rehabilitation MHP/MHSA/4%		Option C - Hybrid I Rehab + New Constr. 9% Tax Credit		Option C - Hybrid II (w/rezone) Rehab + New Constr. 9% Tax Credit		Option D New Construction 9% Tax Credit	
	Units - Rehabilitation	Family + Special Needs	Units - New Construction	Family + Special Needs	Family Rental	Family Rental	Family Rental	Family Rental	Family Rental	Family Rental
Units - Rehabilitation	69		50		16		16		16	
Units - New Construction					23		54		70	
Total Units	69		50		39		70		70	
Density Ratio (Units Per Acre)	75,900 s.f.		48,400 s.f.		2.95 units/acre		2.95 units/acre		14 units/acre	
Residential Area					42,574 s.f.		69,954 s.f.		77,554 s.f.	
Affordability Mix										
Very Low Income Units @ 20% AMI (MHSA)	11	Net Rent \$271	5	Net Rent \$271	5	Net Rent \$364-\$493	8	Net Rent \$364-\$493	8	Net Rent \$364-\$493
Very Low Income Units @ 30% AMI	10	\$525	10	\$525	7	\$505-\$689	11	\$505-\$689	11	\$505-\$689
Very Low Income Units @ 40% AMI										
Very Low Income Units @ 45% AMI										
Very Low Income Units @ 50% AMI	47	\$780	34	\$780	26	\$846-\$885	50	\$846-\$885	50	\$846-\$885
Low Income Units @ 60% AMI	0		0		0		0		0	
Manager's Unit	1		1		1		1		1	
Total	69		60		39		70		70	
Unit Mix										
1BR/1BA					11		16		16	
2BR/1BA	68		50		16		33		33	
2BR/1.5BA					12		21		21	
3BR/2BA										
Total	68		50		39		70		70	
Development Budget		Total		Total		Total		Total		Total
Acquisition	\$ 11,000,000	\$ 159,420	\$ 7,000,000	\$ 140,000	\$ 4,700,000	\$ 120,513	\$ 4,700,000	\$ 67,143	\$ 2,975,000	\$ 42,500
Relocation	\$ 594,225	\$ 8,612	\$ 420,250	\$ 8,405	\$ 375,600	\$ 9,631	\$ 375,600	\$ 5,366	\$ -	\$ -
Site Demolition	\$ -	\$ -	\$ -	\$ -	\$ 70,000	\$ 1,795	\$ 70,000	\$ 1,000	\$ -	\$ -
Construction Consultants	\$ 345,000	\$ 5,000	\$ 305,000	\$ 6,100	\$ 690,439	\$ 17,704	\$ 1,044,877	\$ 14,827	\$ 1,069,960	\$ 18,272
Construction Costs - Rehabilitation	\$ 5,894,300	\$ 85,425	\$ 2,925,000	\$ 58,500	\$ 1,107,916	\$ 28,408	\$ 1,065,163	\$ 15,217	\$ -	\$ -
Construction Costs - New Construction	\$ -	\$ -	\$ -	\$ -	\$ 2,343,434	\$ 174,507	\$ 14,151,445	\$ 202,164	\$ 18,349,288	\$ 257,603
Indirect Expenses	\$ 2,638,208	\$ 38,235	\$ 1,136,953	\$ 22,738	\$ 6,805,772	\$ 174,507	\$ 3,051,335	\$ 43,591	\$ 3,091,658	\$ 47,467
Finance & Carrying Costs	\$ 1,549,840	\$ 22,481	\$ 871,063	\$ 17,421	\$ 1,334,693	\$ 28,089	\$ 1,860,786	\$ 26,583	\$ 1,876,344	\$ 26,605
Tax Credit Syndication Expenses	\$ 110,769	\$ 1,605	\$ 89,264	\$ 1,785	\$ 133,286	\$ 3,443	\$ 189,338	\$ 2,705	\$ 190,723	\$ 2,726
Total Development Costs	\$ 22,132,342	\$ 320,759	\$ 12,747,530	\$ 254,951	\$ 17,381,140	\$ 445,157	\$ 26,506,542	\$ 378,693	\$ 27,459,065	\$ 397,272
Sources of Financing										
Multifamily Housing Program	\$ 4,886,992	\$ 70,826	\$ 3,423,032	\$ 68,461	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
L.P. Tax Credit Equity Contribution	\$ 6,430,907	\$ 93,202	\$ 2,589,279	\$ 51,786	\$ 10,508,821	\$ 269,457	\$ 18,910,348	\$ 270,148	\$ 19,264,453	\$ 274,905
Federal Loan	\$ 989,819	\$ 14,345	\$ 742,239	\$ 14,845	\$ 744,736	\$ 19,095	\$ 1,689,631	\$ 24,138	\$ 1,689,631	\$ 24,138
General Partner Contribution	\$ 1,059,373	\$ 15,353	\$ -	\$ -	\$ 400,000	\$ 10,255	\$ 277,679	\$ 3,967	\$ 277,679	\$ 3,967
Deferred Developer Fee	\$ 238,500	\$ 3,457	\$ 38,112	\$ 782	\$ 98,490	\$ 2,525	\$ -	\$ -	\$ 350,000	\$ 5,000
Alip	\$ 345,000	\$ 5,000	\$ 250,000	\$ 5,000	\$ 195,000	\$ 5,000	\$ -	\$ -	\$ -	\$ -
Solano County MHSA	\$ 1,100,000	\$ 15,942	\$ 500,000	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Sources of Funds	\$ 22,132,342	\$ 320,759	\$ 12,747,530	\$ 254,951	\$ 17,381,140	\$ 445,157	\$ 26,506,542	\$ 378,693	\$ 27,459,065	\$ 397,272

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## CONDOMINIUM MARKET ANALYSIS CITY OF VALLEJO, CALIFORNIA

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## Condominium Market Analysis City of Vallejo, California

### A. Executive Summary

Eden Housing (Eden) retained David Rosen Associates (DRA) to analyze the market for condominiums in the City of Vallejo, California. The market study reviews existing trends in number of sales (new and resale), sale prices, square footage, number of bedrooms and bathrooms, year built and other relevant characteristics, as available, for the Vallejo condominium market. The citywide condominium market is compared with the market for condominiums in the 94589 postal zip code area, the location of the proposed site acquisition. Sales data were examined for the 1999 through October 31, 2007 time period.

The number of condominium sales citywide reached a peak in 2005 at 652 sales. This sales figure included 205 new condominiums and 447 resales. The number of condominium sales declined to 85 total sales between January 1, 2007 and October 31, 2007, including only 8 new units and 77 resales. On an annualized basis, the estimated number of condominium sales for 2007 is 102 units, or less than 25 percent of the peak sales rate in 2005.

The 94589 zip code has experienced similar trends as the city as a whole. The peak number of sales in the 94589 zip code was 303 units in 2005, or nearly 47 percent of the citywide total for that year. This total included 175 new units and was the only year in the time period studied for which new condo sales were recorded in this zip code (except for one additional sale in 2006, probably in the same development). For the period January 1 through October 31, 2007, the number of sales declined to 21 total sales, all of which are resales. This represents an annualized sales rate of 25 units, or only 8 percent of the peak sales rate in 2005 for the 24589 zip code.

Interestingly, despite the steep decline in the sales rate since 2005, the average sales price per unit citywide continued to climb into 2007, reaching a peak of approximately \$392,000 for both new and resale units for the period through October 31. The average price for resale units was higher than for new units in 2007, at approximately \$402,000 and \$252,000, respectively. Resale units were much larger than new units on average, however, at 1,406 and 957 square feet, respectively, in 2007. Thus, the average price per square foot was higher for new units than resales, at approximately \$312 and \$297 per square foot, respectively.



For the 94589 zip code, the average sales price for 2007 year to date is approximately \$219,000, or about 56 percent of the citywide average price for new and resale units. This price is down 14 percent from the peak price of approximately \$255,000 in 2005.<sup>1</sup> The majority of the difference in sales price between the city as a whole and the 94589 zip code is accounted for by the difference in unit sizes. The average size of resale units sold citywide in 2007 is 1,406 square feet, compared to only 935 square feet for the 94589 zip code. The average sales price per square foot for resale units citywide and in the 94589 zip code in 2007 are closer than the unit prices, at approximately \$297 and \$232, respectively.

## B. Methodology

DRA relied primarily on relevant condominium market analysis data for the City of Vallejo provided by DQNews from 1999 to October 31, 2007. DRA received individual condominium sales data from DQNews in the form of a customized report. This report provided DRA with relevant information on the following:

- Individual sale by postal zip code (94589, 94590 and 94591);
- New/Resale;
- Number of Bedrooms and Bathrooms per unit;
- Square feet per unit;
- Year built and year sold;
- Partial price or multi-property sale;
- Site address including street number, street name, site unit number and city.

DRA eliminated any individual sale that did not have a listing sale price or the sale price was listed as only a "partial price". **Table 1** below summarizes this analysis for citywide condominium sales between 1999 and October 31, 2007.

---

<sup>1</sup> While the data show a higher average price in zip code 94589 in 2004, it included 15 one-bedroom condominium sales with an average sales price of \$1.5 million per unit, which is not consistent with any of the other data for the City.



Between 1999 and 2006, a total of 2,947 individual condominium sales with total sale price were reported by DQNews with an average number of 368 individual sales per year for the entire City of Vallejo.

DRA used the individual recorded sales in the column listed "Number of Sales with Total Price" in **Table 1** as the basis for the primary findings reported below. DRA also only used the data reported between 1999 and 2006, the eight years of complete annual data although DRA does report findings for 2007 between January 1, 2007 and October 31, 2007.

**Table 1**  
**Total Number of Condominium Sales, Sales with No Sale Price or Partial Price**  
**City of Vallejo, CA**  
**1999 – October 31, 2007**

Year	Number of Sales with No Sale Price	Number of Sales with Partial Sale Price	Number of Sales with Total Sales Price	Number of Total Sales	Annual % Change in Number of Total Sales
1999	4	6	221	231	
2000	7	9	291	307	32.90%
2001	14	11	348	373	21.50%
2002	18	12	408	438	17.43%
2003	20	8	414	442	0.91%
2004	11	12	363	386	-12.67%
2005	11	18	652	681	76.42%
2006	7	15	250	272	-60.06%
2007*	6	12	85	103	-62.13%
1999-2006 Average	12	11	368	391	10.92%
1999-2006 Total	92	91	2,947	3,130	17.75%

\* 2007 includes all sales recorded between January 1, 2007 and October 31, 2007.

Source: DQNews, DRA

**Table 2** below summarizes this analysis for condominium sales reported in just the 94589 postal zip code area between 1999 and October 31, 2007.

Between 1999 and 2006, a total of 737 individual condominium sales with total sale price were reported by DQNews with an average number of 92 individual sales per year for the 94589 postal zip code area.



DRA used the individual recorded sales in the column listed "Number of Sales with Total Price" in Table 2 below as the basis for the primary findings reported below.

**Table 2**  
**Total Number of Condominium Sales, Sales with No Sale Price or Partial Price**  
**94589 Postal Zip Code**  
**1999 – October 31, 2007**

Year	Number of Sales with No Sale Price	Number of Sales with Partial Sale Price	Number of Sales with Total Sales Price	Number of Total Sales	Annual % Change in Number of Total Sales
1999	2	2	37	41	
2000	2	2	75	79	92.68%
2001	3	4	67	74	-6.33%
2002	1	3	59	63	-14.86%
2003	5	2	61	68	7.94%
2004	2	4	69	75	10.29%
2005	1	2	303	306	308.00%
2006	1	3	66	70	-77.12%
2007*	1	5	21	27	-61.43%
1999-2006 Average	2	3	92	97	45.80%
1999-2006 Total	17	22	737	776	70.73%

\* 2007 includes all sales recorded between January 1, 2007 and October 31, 2007.

Source: DQNews, DRA

Using the individual condominium sales data for both the City of Vallejo and for individual condominium sales in the 94589 postal zip code area, both between 1999 and 2006, DRA compared condominium market trends citywide and for sales just in the 94589 postal zip code area.

The data tables and subsequent analysis presented below in Section D are based upon analysis of additional data tables attached in Appendix 1 and Appendix 2.

### C. Trends In Condominium Sales By Bedroom And Bathroom Size

Table 3 below summarizes the total number of condominium sales that had a reported total sale price sorted by bedroom and bathroom size for each year between 1999 and October 31, 2007 for the entire City of Vallejo.





Between 1999 and 2006, condominiums with 2 Bedrooms and 2.0 Baths accounted for the largest number of all condominium units sold throughout the City of Vallejo, accounting for 750 total individual sales or 25.45% of the 2,947 total units sold throughout the City of Vallejo. One Bedroom with 1.0 Baths accounted for the second highest number of all condominium units sold throughout the City of Vallejo, 415 total sales or 14.08%, and 2 Bedroom with 1.0 Baths accounted for the third highest number of condominium units sold, 408 total sales or 13.84%.

**Table 3**  
**Condominium Sales by Bedroom and Bathroom Size – City of Vallejo**  
**1999 – October 31, 2007**

Bedroom / Bathroom Size	1999	2000	2001	2002	2003	2004	2005	2006	2007*	1999-2006 TOTAL	1999-2006 PERCENT of Total
0 BR/Studio	1	1	0	0	4	2	0	11	2	19	0.64%
1 BR/1.0 Bath	15	46	53	54	44	53	119	31	11	415	14.08%
2 BR/1.0 Bath	39	33	38	46	39	47	134	32	14	408	13.84%
2 BR/1.5 Bath	26	29	27	27	23	26	53	29	4	240	8.14%
2 BR/2.0 Bath	61	92	99	105	98	98	143	54	21	750	25.45%
2 BR/2.5 Bath	8	6	10	15	18	11	15	8	4	91	3.09%
3 BR/1.0 Bath	31	39	40	32	43	41	38	25	7	289	9.81%
3 BR/1.5 Bath	12	10	12	11	5	16	15	10	1	91	3.09%
3 BR/2.0 Bath	8	19	20	35	43	15	50	17	3	207	7.02%
3 BR/2.5 Bath	19	12	25	61	70	30	33	13	5	263	8.92%
3 BR/3.0 Bath	1	4	7	3	1	4	4	5	0	29	0.98%
4 BR/2.0 Bath	0	0	1	2	0	1	0	1	0	5	0.17%
4 BR/2.5 Bath	0	0	3	1	1	10	33	12	8	60	2.04%
4 BR/3.0 Bath	0	0	5	2	15	1	5	0	3	28	0.95%
4 BR/3.5 Bath	0	0	0	1	0	0	1	0	1	2	0.07%
5 BR/3.0 Bath	0	0	8	13	10	8	9	2	1	50	1.70%
<b>TOTAL</b>	<b>221</b>	<b>291</b>	<b>348</b>	<b>408</b>	<b>414</b>	<b>363</b>	<b>652</b>	<b>250</b>	<b>85</b>	<b>2,947</b>	<b>100.00%</b>

\* 2007 includes all sales with total sale price recorded between January 1, 2007 and October 31, 2007.

Source: DQNews, DRA

**Table 4** below summarizes the total number of condominium sales that had a reported total sale price sorted by bedroom and bathroom size for each year between 1999 and October 31, 2007 for just the 94589 postal zip code area.



Between 1999 and 2006, condominiums with 2 Bedrooms and 2.0 Baths accounted for the largest number of all condominium units sold throughout 94589 zip code area, accounting for 276 total individual sales or 37.45% of the 737 total units sold throughout the 94589 zip code area. One Bedroom with 1.0 Baths accounted for the second highest number of all condominium units sold throughout the 94589 zip code area, 161 total sales or 21.85%, and 2 Bedroom with 1.5 Baths accounted for the third highest number of condominium units sold, 124 total sales or 16.82%.

**Table 4**  
**Condominium Sales by Bedroom and Bathroom Size – 94589 Postal Zip Code**  
**1999 – October 31, 2007**

Bedroom / Bathroom Size	1999	2000	2001	2002	2003	2004	2005	2006	2007*	1999-2006 TOTAL	1999-2006 PERCENT of Total
0 BR/Studio	0	0	0	0	0	0	0	0	0	0	0.00%
1 BR/1.0 Bath	5	14	14	14	7	15	81	11	5	161	21.85%
2 BR/1.0 Bath	1	2	2	3	0	4	79	8	5	99	13.43%
2 BR/1.5 Bath	12	20	15	13	10	12	30	12	1	124	16.82%
2 BR/2.0 Bath	17	32	32	27	39	33	72	24	9	276	37.45%
2 BR/2.5 Bath	0	0	0	0	0	0	0	0	0	0	0.00%
3 BR/1.0 Bath	1	1	0	1	1	0	1	0	0	5	0.68%
3 BR/1.5 Bath	1	3	3	0	1	4	4	7	0	23	3.12%
3 BR/2.0 Bath	0	3	1	1	3	1	36	4	1	49	6.65%
3 BR/2.5 Bath	0	0	0	0	0	0	0	0	0	0	0.00%
3 BR/3.0 Bath	0	0	0	0	0	0	0	0	0	0	0.00%
4 BR/2.0 Bath	0	0	0	0	0	0	0	0	0	0	0.00%
4 BR/2.5 Bath	0	0	0	0	0	0	0	0	0	0	0.00%
4 BR/3.0 Bath	0	0	0	0	0	0	0	0	0	0	0.00%
4 BR/3.5 Bath	0	0	0	0	0	0	0	0	0	0	0.00%
5 BR/3.0 Bath	0	0	0	0	0	0	0	0	0	0	0.00%
<b>TOTAL</b>	<b>37</b>	<b>75</b>	<b>67</b>	<b>59</b>	<b>61</b>	<b>69</b>	<b>303</b>	<b>66</b>	<b>21</b>	<b>737</b>	<b>100.00%</b>

\* 2007 includes all sales with total sale price recorded between January 1, 2007 and October 31, 2007.

Source: DQNews, DRA

#### D. Comparison of Total Condominium Sales

Table 5 compares total number of condominium units sold with reported total sale price for the entire City of Vallejo to the total number of condominium units sold with reported



total sale price within just the 94589 postal zip code area between 1999 and October 31, 2007, regardless of bedroom and bathroom size.

**Table 5**  
**Annual Number of Condominium Sales – City of Vallejo and 94589 Postal Zip Code**  
**1999 – October 31, 2007**

Year	City of Vallejo Annual Sales	City of Vallejo Annual % Change	94589 Zip Code Annual Sales	94589 Zip Code Annual % Change	94589 Percentage of Citywide Total Sales
1999	221		37		16.74%
2000	291	31.67%	75	102.70%	25.77%
2001	348	19.59%	67	-10.67%	19.25%
2002	408	17.24%	59	-11.94%	14.46%
2003	414	1.47%	61	3.39%	14.73%
2004	363	-12.32%	69	13.11%	19.01%
2005	652	79.61%	303	339.13%	46.47%
2006	250	-61.66%	66	-78.22%	26.40%
2007*	85	-66.00%	21	-68.18%	24.71%
<b>1999-2006 Total</b>	<b>2,947</b>	<b>13.12%</b>	<b>737</b>	<b>78.38%</b>	<b>25.01%</b>

\* 2007 includes all sales with total sale price recorded between January 1, 2007 and October 31, 2007.

Source: DQNews, DRA

Between 1999 and 2006, the 94589 postal zip code area accounted for 737 of the total 2,947, or 25.01%, total condominium sales recorded for the entire City of Vallejo. On average, the 94589 postal zip code area was responsible for 22.86% of all citywide condominium sales in each year between 1999 and 2006. Since 1999, an increasingly larger portion of all citywide condominium unit sales have occurred in the 94589 postal zip code area, increasing from just 16.74% in 1999 to 26.40% in 2006. In 2005, the 94589 zip code area accounted for 46.47% of all condominium unit sales citywide, the single largest one-year occurrence.

For both the 94589 postal zip code area and for the entire City of Vallejo, 2005 had the highest frequency of condominium unit sales. In 2005, total condominium unit sales citywide were 652, a 79.61% increase over 2004 and total condominium unit sales in just the 94589 postal zip code area were 303, a 339.13% increase over 2004. By 2006, condominium unit sales, both citywide and within the 94589 postal zip code area, had returned to previous year trends, falling to 250 total sales citywide (a decrease of 61.66%



between 2005 and 2006) and 66 total sales in the 94589 postal zip code area (a decrease of 78.22% between 2005 and 2006).

**Table 6** below presents a comparison of all "new" condominium unit sales citywide and within the 94589 postal zip code area between 1999 and October 31, 2007 for those condominium sales with a reported total sales price, regardless of bedroom and bathroom size.

Between 1999 and 2006, the 94589 postal zip code area accounted for 40.74% of all "new" condominium sales occurring throughout the entire City of Vallejo. In 2005, "new" condominium units in the 94589 postal zip code area totaled 175 total sales, accounting for 85.37% of the 205 total condominium sales occurring throughout the entire City of Vallejo. In every other year between 1999 and 2006, the number of "new" condominium sales occurring throughout the City of Vallejo was greater in other parts of the city outside the 94589 postal zip code area.

**Table 6**  
**"New" Condominium Unit Sales – City of Vallejo and 94589 Postal Zip Code**  
**1999 – October 31, 2007**

Year	City of Vallejo Annual Number of "New" Sales	94589 Zip Code Annual Number of "New" Sales	94589 Percentage of Citywide Total "New" Sales
1999	3	0	0.00%
2000	2	0	0.00%
2001	38	0	0.00%
2002	74	0	0.00%
2003	91	0	0.00%
2004	2	0	0.00%
2005	205	175	85.37%
2006	17	1	5.88%
2007*	8	0	0.00%
<b>1999-2006 Total</b>	<b>432</b>	<b>176</b>	<b>40.74%</b>

\* 2007 includes all sales with total sale price recorded between January 1, 2007 and October 31, 2007.  
Source: DQNews, DRA



**Table 7** presents a comparison of all “resale” condominium unit sales citywide and within the 94589 postal zip code area for the City of Vallejo between 1999 and October 31, 2007 for those condominium sales with a reported total sales price, regardless of bedroom and bathroom size.

Between 1999 and 2006, the 94589 postal zip code area accounted for 22.31% of all “resale” condominium sales occurring throughout the entire City of Vallejo. In every year between 1999 and 2006, the number of “resale” condominium unit sales occurring throughout the City of Vallejo was greater in other parts of the city outside the 94589 postal zip code area.

**Table 7**  
**“Resale” Condominium Unit Sales – City of Vallejo and 94589 Postal Zip Code**  
**1999 – October 31, 2007**

Year	City of Vallejo Annual Number of “Resale” Sales	94589 Zip Code Annual Number of “Resale” Sales	94589 Percentage of Citywide Total “Resale” Sales
1999	218	37	16.97%
2000	289	75	25.95%
2001	310	67	21.61%
2002	334	59	17.66%
2003	323	61	18.89%
2004	361	69	19.11%
2005	447	128	28.64%
2006	233	65	27.90%
2007*	77	21	27.27%
<b>1999-2006 Total</b>	<b>2,515</b>	<b>561</b>	<b>22.31%</b>

\* 2007 includes all sales with total sale price recorded between January 1, 2007 and October 31, 2007.

Source: DQNews, DRA

Over the entire 1999 to 2006 eight year period, the number of “resale” condominium unit sales, for both the 94589 postal zip code area and for the entire City of Vallejo, exceeded the number of “new” condominium unit sales. Citywide, the total number of “resale” condominium unit sales between 1999 and 2006 totaled 2,515 and the number of “new” condominium unit sales citywide totaled only 432. In the 94589 postal zip code area, the total number of “resale” condominium unit sales between 1999 and 2006 totaled 561 and the number of “new” condominium unit sales in the 94589 postal zip code area totaled only 176.



**E. Comparison of Condominium Price Trends, New and Resale Units**

Table 8 shows the average per unit price and average price per square foot for new condominiums sold in the City of Vallejo each year over the time period 1999 to October 31, 2007. The highest average price for new units citywide occurred in 2002, with an average price of \$495,989 per unit. The average price for the year with the greatest number of sales (2005) was \$311,474. New units have gotten smaller in recent years, therefore the highest sales price per square foot for new units was achieved in 2006 with an average price per square foot of \$318.60.

**Table 8**  
**"New" Condominium Sales Prices – City of Vallejo**  
**1999 – October 31, 2007**

Year	Annual Number of "Resale" Sales	Annual Average Sale Price Per Unit	Annual Average Square Feet Per Unit	Annual Average Price Per Square Foot Per Unit
1999	3	\$100,833	924	\$72.11
2000	2	\$430,000	1,014	\$108.48
2001	38	\$336,127	1,790	\$190.95
2002	74	\$495,989	1,803	\$271.89
2003	91	\$376,726	1,551	\$229.31
2004	2	\$304,250	-	-
2005	205	\$311,474	1,198	\$257.06
2006	17	\$242,009	973	\$318.60
2007*	8	\$251,583	957	\$312.06
<b>1999-2006 Annual Average</b>	<b>54</b>	<b>\$316,555</b>	<b>1,276</b>	<b>\$220.06</b>

\* 2007 includes all sales with total sale price recorded between January 1, 2007 and October 31, 2007.

Source: DQNews, DRA



**Table 9** presents the average per unit price and average price per square foot for new condominiums in the 94589 postal zip code each year for the 1999 to October 31, 2007 time period. New condominium sales were recorded in the 94589 zip code only in 2005 (with one additional unit sold in 2006). The average price per unit in 2005 was \$217,413, or \$237.06 per square foot. Both the total price and the price per square foot were lower in the 94589 zip code than citywide in 2005.

**Table 9**  
**"New" Condominium Sales Prices – 94589 Postal Zip Code**  
**1999 – October 31, 2007**

Year	Annual Number of "New" Sales	Annual Average Sale Price Per Unit	Annual Average Square Feet Per Unit	Annual Average Price Per Square Foot Per Unit
1999	0	-	-	-
2000	0	-	-	-
2001	0	-	-	-
2002	0	-	-	-
2003	0	-	-	-
2004	0	-	-	-
2005	175	\$217,413	922	\$237.06
2006	1	\$190,000	856	\$221.96
2007*	0	-	-	-
<b>1999-2006 Annual Average</b>	<b>22</b>	<b>\$203,707</b>	<b>889</b>	<b>\$229.51</b>

\* 2007 includes all sales with total sale price recorded between January 1, 2007 and October 31, 2007.

Source: DQNews, DRA



**Table 10** presents the average per unit price and average price per square foot for resale condominiums in the City of Vallejo each year for the 1999 to October 31, 2007 time period. Per unit resale prices climbed fairly steadily from 1999 through 2007, reaching a peak of \$402,417 during the first 10 months of 2007. Similarly, per square foot prices for resale units have increased steadily since 1999, reaching a maximum of \$296.71 per square foot in 2007.

**Table 10**  
**"Resale" Condominium Sales Prices – City of Vallejo**  
**1999 – October 31, 2007**

Year	Annual Number of "Resale" Sales	Annual Average Sale Price Per Unit	Annual Average Square Feet Per Unit	Annual Average Price Per Square Foot Per Unit
1999	218	\$121,827	1,140	\$107.13
2000	289	\$152,992	1,110	\$137.11
2001	310	\$189,754	1,278	\$148.34
2002	334	\$242,360	1,388	\$177.35
2003	323	\$235,173	1,302	\$188.98
2004	361	\$340,544	1,346	\$271.31
2005	447	\$376,797	1,402	\$273.03
2006	233	\$360,884	1,304	\$289.07
2007*	77	\$402,417	1,406	\$296.71
<b>1999-2006 Actual Change</b>	<b>15</b>	<b>\$239,058</b>	<b>164</b>	<b>\$181.93</b>
<b>1999-2006 % Change</b>	<b>6.88%</b>	<b>196.23%</b>	<b>14.39%</b>	<b>169.32%</b>
<b>1999-2006 Annual Average</b>	<b>314</b>	<b>\$252,454</b>	<b>1,284</b>	<b>\$199.04</b>

\* 2007 includes all sales with total sale price recorded between January 1, 2007 and October 31, 2007.

Source: DQNews, DRA





**Table 11** presents the average per unit price and average price per square foot for resale condominiums in the 94589 postal zip code each year for the 1999 to October 31, 2007 time period. The per unit resale price in the zip code also increased fairly steadily between 1999 and 2007, while remaining lower than the citywide average. There is an aberration in the data in 2004, when DQNews recorded a sale of 15 one-bedroom condos at an average price of \$1.5 million per unit. This raised the average resale price in 2004 to \$412,773, which is not reflective of the remaining sales data for that year (see Table AP2-6 in Appendix 2).

Excluding 2004, the highest sales price was achieved in the 94589 zip code in 2005, at \$255,249. This represents about 80 percent of the average price of \$311,474 citywide in 2005. For the first ten months of 2007, the average resale price in the 94589 zip code was \$218,798, or only about 54 percent of the average resale price of \$402,417 citywide during the same time period.

**Table 11**  
**"Resale" Condominium Sales Prices – 94589 Postal Zip Code**  
**1999 – October 31, 2007**

Year	Annual Number of "Resale" Sales	Annual Average Sale Price Per Unit	Annual Average Square Feet Per Unit	Annual Average Price Per Square Foot Per Unit
1999	37	\$87,843	971	\$96.15
2000	75	\$92,149	1,029	\$89.15
2001	67	\$116,424	977	\$119.13
2002	59	\$140,249	974	\$142.68
2003	61	\$162,088	1,023	\$158.54
2004	69	\$412,773	977	\$519.74
2005	128	\$255,149	991	\$262.10
2006	65	\$249,428	901	\$279.41
2007*	21	\$218,798	935	\$232.47
<b>1999-2006 Actual Change</b>	<b>28</b>	<b>\$161,585</b>	<b>-70</b>	<b>\$183</b>
<b>1999-2006 % Change</b>	<b>75.68%</b>	<b>183.95%</b>	<b>-7.23%</b>	<b>190.59%</b>
<b>1999-2006 Annual Average</b>	<b>70</b>	<b>\$189,513</b>	<b>980</b>	<b>\$208.36</b>

\* 2007 includes all sales with total sale price recorded between January 1, 2007 and October 31, 2007.

Source: DQNews, DRA



With smaller units in the 94589 zip code on average, the per square foot prices are closer than per unit sales prices between the zip code and the city as a whole. In 2007, for example, the average sales price of \$232.47 per square foot in the 94589 zip code equals about 78 percent of the citywide average sales price of \$296.71 per square foot.

**F. Comparison of Total Square Footage Trends**

**Table 12** compares the annual average square footage per individual condominium unit sale for both the City of Vallejo and for the 94589 postal zip code area over the entire 1999 to October 31, 2007 period for those sales with reported total sale prices, regardless of bedroom and bathroom size.

**Table 12**  
**Annual Average Square Foot per Unit Sold – City of Vallejo and 94589 Postal Zip Code**  
**1999 – October 31, 2007**

Year	City of Vallejo Average Square Feet Per Unit	94589 Zip Code Average Square Feet Per Unit	Annual Difference (City minus 94589 Zip) Average Square Feet Per Unit
1999	1,140	971	168
2000	1,110	1,029	81
2001	1,353	977	377
2002	1,445	974	471
2003	1,378	1,023	355
2004	1,346	977	369
2005	1,382	921	461
2006	1,301	902	399
2007*	1,400	935	464
<b>1999-2006 Average</b>	<b>1,307</b>	<b>972</b>	<b>335</b>
<b>1999-2006 Actual Change</b>	<b>161</b>	<b>-70</b>	<b>231</b>

\* 2007 includes all sales with total sale price recorded between January 1, 2007 and October 31, 2007.

Source: DQNews, DRA

In general, condominium units, regardless of bedroom and bathroom size, in the 94589 postal zip code area are smaller than condominium units sold throughout the entire City of Vallejo. Between 1999 and 2006, the average square footage of individual



condominium units sold throughout the City of Vallejo was 1,307 square feet per unit. The average square footage of individual condominium units sold within just the 94589 postal zip code area was 972 per unit, 335 total square feet per unit less than the average square footage per unit of units sold throughout the entire City of Vallejo.

Individual condominium units sold throughout the entire City of Vallejo increased in average size between 1999 and 2006, increasing from an average of 1,140 square feet per unit in 1999, regardless of bedroom and bathroom size, to 1,301 square feet per unit in 2006, a net increase of 161 square feet per unit. Conversely, individual condominium units sold within just the 94589 postal zip code area decreased in average size between 1999 and 2006, decreasing from an average of 971 square feet per unit in 1999, regardless of bedroom and bathroom size, to 902 square feet per unit in 2006, a net decrease of 70 square feet per unit.

**Table 13** below compares the annual average total sale price per individual condominium sale for both the City of Vallejo and for the 94589 postal zip code area over the entire 1999 to October 31, 2007 period for those sales with reported total sale prices, regardless of bedroom and bathroom size.

In general, condominium units, regardless of bedroom and bathroom size, in the 94589 postal zip code area have sold for considerably less than condominium units located throughout the entire City of Vallejo. Between 1999 and 2006, the average sale price per condominium unit, regardless of bedroom and bathroom size, for units sold throughout the City of Vallejo was \$269,262 per unit. The average sale price per condominium unit, regardless of bedroom and bathroom size, for units sold within the 94589 postal zip code area was \$185,222 between 1999 and 2006, \$84,040 less than the average sale price per unit of units sold throughout the entire City of Vallejo.

Individual condominium units sold throughout the entire City of Vallejo increased in average sale price per unit between 1999 and 2006, increasing from an average sale price of \$125,848 in 1999 to \$358,978 in 2006, a net increase of \$233,130. Individual condominium units sold in just the 94589 postal zip code area increased, on average, by just \$159,704 per year, increasing from \$87,843 in 1999 to \$218,798 in 2006.



**Table 13**  
**Annual Average Sale Price per Unit Sold – City of Vallejo and 94589 Postal Zip Code**  
**1999 – October 31, 2007**

Year	City of Vallejo Average Annual Price Per Unit Sold	94589 Zip Code Average Annual Price Per Unit Sold	Annual Difference (City minus 94589 Zip) Average Price Per Unit Sold
1999	\$125,848	\$87,843	\$38,005
2000	\$206,606	\$92,149	\$114,457
2001	\$211,288	\$116,424	\$94,864
2002	\$273,158	\$140,249	\$132,909
2003	\$274,165	\$162,088	\$112,077
2004	\$340,544	\$412,773	-\$72,229
2005	\$363,510	\$222,703	\$140,807
2006	\$358,978	\$247,547	\$111,431
2007*	\$392,237	\$218,798	\$173,439
<b>1999-2006 Average</b>	<b>\$269,262</b>	<b>\$185,222</b>	<b>\$84,040</b>
<b>1999-2006 Actual Change</b>	<b>\$233,130</b>	<b>\$159,704</b>	<b>\$73,426</b>

\* 2007 includes all sales with total sale price recorded between January 1, 2007 and October 31, 2007.

Source: DQNews, DRA

Although average condominium unit sale prices increased in both the 94589 postal zip code area and for the entire City of Vallejo, average condominium unit sale prices per unit, regardless of bedroom and bathroom size, increased substantially less in the 94589 postal zip code area than for condominium units located throughout the City of Vallejo in terms of dollar value. However, between 1999 and 2006, the increase in average sale price per condominium unit throughout the City of Vallejo increased by 185.25% while the increase in average sale price per condominium unit in the 94589 postal zip code area increased by 181.81% over the same 1999 to 2006 period. In terms of percentage change, there is practically no difference in the rate of growth in average condominium sale price per unit in either the 94589 postal zip code area or for the entire City of Vallejo.

**Table 14** compares the annual average sale price per square foot per individual condominium sale for both the City of Vallejo and for the 94589 postal zip code area over the entire 1999 to October 31, 2007 period for those sales with reported total sale prices, regardless of bedroom and bathroom size.



**Table 14**  
**Annual Average Sale Price per Square Foot – City of Vallejo and 94589 Postal Zip Code**  
**1999 – October 31, 2007**

Year	City of Vallejo Average Annual Sale Price Per Square Foot	94589 Zip Code Average Annual Sale Price Per Square Foot	Annual Difference (City minus 94589 Zip) Average Sale Price Per Square Foot
1999	\$106.98	\$96.15	\$10.83
2000	\$137.09	\$89.15	\$47.94
2001	\$153.77	\$119.13	\$34.64
2002	\$187.21	\$142.68	\$44.53
2003	\$202.37	\$158.54	\$43.83
2004	\$271.31	\$519.74	-\$248.42
2005	\$263.67	\$243.56	\$20.11
2006	\$288.85	\$276.86	\$11.99
2007*	\$297.76	\$232.47	\$65.29
<b>1999-2006 Average</b>	<b>\$201.41</b>	<b>\$205.73</b>	<b>-\$4.32</b>
<b>1999-2006 Actual Change</b>	<b>\$181.87</b>	<b>\$180.70</b>	<b>\$1.17</b>

\* 2007 includes all sales with total sale price recorded between January 1, 2007 and October 31, 2007.

Source: DQNews, DRA

Between 1999 and 2006, the annual average sale price per square foot in both the 94589 postal zip code area and throughout the City of Vallejo were almost identical, \$201.41 per square foot citywide and \$205.73 in just the 94589 postal zip code area. The average sale price per square foot increased at nearly the same amount between 1999 and 2006 in both the 94589 postal zip code area, \$180.70 or 187.93%, and for condominium sales citywide, \$181.87 or 170.01%.

Due to the large difference between citywide and 94589 postal zip code area average sale prices per square foot in 2004, the average annual difference between citywide sale prices per square foot and 94589 postal zip code area sale prices per square foot is estimated to be \$4.32 in favor of the 94589 postal zip code area, indicating that average annual sale prices per square foot in the 94589 postal zip code area were, on average, \$4.32 greater than average annual sale prices per square foot citywide.

However, when 2004 is excluded from the analysis, the results are considerably different. Average annual sale prices per square foot for the entire City of Vallejo, averaging just 1999 through 2003 and 2005 and 2006, falls to \$191.42 per square foot while the



average annual sale price per square foot in the 94589 postal zip code falls to \$160.87, an average annual difference of \$30.55, indicating that, on average, between 1999 and 2003 and 2005 and 2006, the average annual sale price per square foot citywide was approximately \$30.55 more per year than the average annual sale price per square foot for condominium units sold in just the 94589 postal zip code area.

**G. Comparison of Year Built**

**Table 15** below presents the average year individual condominium units sold between 1999 and 2006 were built both citywide and for condominium units sold in just the 94589 postal zip code area, regardless of bedroom and bathroom size.

On average, condominium units that have been sold, regardless of bedroom and bathroom size, in the 94589 postal zip code are older than comparable condominium units sold citywide. Between 1999 and 2006, the average year built of various condominium units sold citywide was 1987. Comparatively, the average year built of various condominium units sold in just the 94589 postal zip code area between 1999 and 2006 was 1976.

**Table 15**  
**Average Year Built of Condominium Units Sold –**  
**City of Vallejo and 94589 Postal Zip Code**  
**1999 – October 31, 2007**

Year	City of Vallejo Average Annual Year Built	94589 Zip Code Average Annual Year Built
1999	1983	1976
2000	1984	1972
2001	1989	1976
2002	1988	1976
2003	1989	1980
2004	1989	1978
2005	1987	1976
2006	1986	1976
2007*	1988	1977
<b>1999-2006 Average</b>	<b>1987</b>	<b>1976</b>

\* 2007 includes all sales with total sale price recorded between January 1, 2007 and October 31, 2007.

Source: DQNews, DRA



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In general, the average year built of individual condominium units sold either citywide or within just the 94589 postal zip code area have remained relatively constant over the 1999 to 2006 eight year period. Citywide, average year built of individual condominium units sold have ranged between 1983 and 1989. Within just the 94589 postal zip code area, average year built of individual condominium units sold have ranged between 1972 and 1980.



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**Appendix 1**  
**Detailed Yearly Change in Annual Condominium Unit Sales by**  
**Bedroom and Bathroom Size**  
**Sales Citywide in Vallejo, California**





**AP1-1**  
**Detailed Annual Condominium Sales Data – City of Vallejo**  
**1999**

Bedroom/Bathroom Size	Total No. of Sales	Total No. of "New" Sales	Total No. of "Resale" Sales	Average Square Feet per Unit	Average Price per Sale	Average Sale Price per Square Foot	Average Year Built
0 BR/Studio	1	1	0	n/a	\$168,000	n/a	n/a
1 BR/1.0 Bath	15	0	15	816	\$124,500	\$152.50	1983
2 BR/1.0 Bath	39	1	38	903	\$91,231	\$101.08	1983
2 BR/1.5 Bath	26	1	25	1,071	\$105,830	\$98.84	1983
2 BR/2.0 Bath	61	0	61	1,046	\$125,171	\$119.69	1985
2 BR/2.5 Bath	8	0	8	1,261	\$136,938	\$108.59	1982
3 BR/1.0 Bath	31	0	31	990	\$64,355	\$64.98	1978
3 BR/1.5 Bath	12	0	12	1,155	\$89,455	\$77.48	1979
3 BR/2.0 Bath	8	0	8	1,152	\$135,063	\$117.27	1984
3 BR/2.5 Bath	19	0	19	1,568	\$168,789	\$107.65	1987
3 BR/3.0 Bath	1	0	1	1,438	\$175,000	\$121.70	1990
<b>TOTAL</b>	<b>221</b>	<b>3</b>	<b>218</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>AVERAGE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,140</b>	<b>\$125,848</b>	<b>\$106.98</b>	<b>1983</b>

Source: DQNews, DRA



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AP1-2  
Detailed Annual Condominium Sales Data – City of Vallejo  
2000

Bedroom/Bathroom Size	Total No. of Sales	Total No. of "New" Sales	Total No. of "Resale" Sales	Average Square Feet per Unit	Average Price per Sale	Average Sale Price per Square Foot	Average Year Built
0 BR/Studio	1	1	0	n/a	\$750,000	n/a	n/a
1 BR/1.0 Bath	46	0	46	733	\$96,087	\$131.06	1985
2 BR/1.0 Bath	33	0	33	871	\$102,222	\$117.34	1982
2 BR/1.5 Bath	29	0	29	1,088	\$106,914	\$98.30	1982
2 BR/2.0 Bath	92	1	91	1,041	\$133,538	\$128.31	1985
2 BR/2.5 Bath	6	0	6	1,264	\$155,917	\$123.34	1984
3 BR/1.0 Bath	39	0	39	1,001	\$89,915	\$89.85	1977
3 BR/1.5 Bath	10	0	10	1,089	\$96,050	\$88.18	1980
3 BR/2.0 Bath	19	0	19	1,080	\$359,937	\$333.34	1984
3 BR/2.5 Bath	12	0	12	1,498	\$164,708	\$109.98	1990
3 BR/3.0 Bath	4	0	4	1,438	\$217,375	\$151.16	1989
<b>TOTAL</b>	<b>291</b>	<b>2</b>	<b>289</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>AVERAGE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,110</b>	<b>\$206,606</b>	<b>\$137.09</b>	<b>1984</b>

Source: DQNews, DRA



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AP1-3  
Detailed Annual Condominium Sales Data – City of Vallejo  
2001

Bedroom/Bathroom Size	Total No. of Sales	Total No. of "New" Sales	Total No. of "Resale" Sales	Average Square Feet per Unit	Average Price per Sale	Average Sale Price per Square Foot	Average Year Built
1 BR/1.0 Bath	53	0	53	727	\$116,283	\$159.92	1984
2 BR/1.0 Bath	38	0	38	880	\$141,737	\$161.02	1984
2 BR/1.5 Bath	27	0	27	1,068	\$157,926	\$147.93	1982
2 BR/2.0 Bath	99	2	97	1,049	\$187,187	\$178.49	1985
2 BR/2.5 Bath	10	0	10	1,290	\$215,650	\$167.14	1983
3 BR/1.0 Bath	40	0	40	992	\$114,833	\$115.79	1978
3 BR/1.5 Bath	12	0	12	1,087	\$116,792	\$107.48	1980
3 BR/2.0 Bath	20	8	12	1,227	\$253,675	\$206.69	1992
3 BR/2.5 Bath	25	11	14	1,586	\$273,440	\$172.42	1992
3 BR/3.0 Bath	7	4	3	1,799	\$311,571	\$173.23	1996
4 BR/2.0 Bath	1	0	1	1,393	\$58,500	\$42.00	1984
4 BR/2.5 Bath	3	3	0	1,713	\$321,000	\$187.39	2001
4 BR/3.0 Bath	5	3	2	2,069	\$337,000	\$162.88	2001
5 BR/3.0 Bath	8	7	1	2,069	\$352,438	\$170.34	2001
<b>TOTAL</b>	<b>348</b>	<b>38</b>	<b>310</b>	-	-	-	-
<b>AVERAGE</b>	-	-	-	<b>1,353</b>	<b>\$211,288</b>	<b>\$153.77</b>	<b>1989</b>

Source: DQNews, DRA



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**AP1-4**  
**Detailed Annual Condominium Sales Data – City of Vallejo**  
**2002**

Bedroom/Bathroom Size	Total No. of Sales	Total No. of "New" Sales	Total No. of "Resale" Sales	Average Square Feet per Unit	Average Price per Sale	Average Sale Price per Square Foot	Average Year Built
1 BR/1.0 Bath	54	0	54	733	\$129,913	\$177.21	1985
2 BR/1.0 Bath	64	0	46	874	\$139,543	\$159.62	1984
2 BR/1.5 Bath	27	0	27	1,107	\$164,204	\$148.28	1982
2 BR/2.0 Bath	105	1	104	1,033	\$176,171	\$170.54	1986
2 BR/2.5 Bath	15	0	15	1,304	\$274,033	\$210.18	1985
3 BR/1.0 Bath	32	0	32	989	\$152,781	\$154.46	1977
3 BR/1.5 Bath	11	0	11	1,249	\$167,864	\$134.45	1980
3 BR/2.0 Bath	35	14	21	1,246	\$346,273	\$277.90	1993
3 BR/2.5 Bath	61	44	17	1,691	\$355,586	\$210.33	1998
3 BR/3.0 Bath	3	1	2	1,859	\$566,000	\$304.52	1997
4 BR/2.0 Bath	2	0	2	1,393	\$305,000	\$218.95	1984
4 BR/2.5 Bath	1	0	1	1,790	\$260,000	\$145.25	1983
4 BR/3.0 Bath	2	1	1	2,207	\$407,500	\$184.64	1995
4 BR/3.5 Bath	1	0	1	2,128	\$260,000	\$122.18	1982
5 BR/3.0 Bath	13	13	0	2,069	\$392,500	\$189.71	2002
<b>TOTAL</b>	<b>408</b>	<b>74</b>	<b>334</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>AVERAGE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,445</b>	<b>\$273,158</b>	<b>\$187.21</b>	<b>1988</b>

Source: DQNews, DRA



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AP1-5  
Detailed Annual Condominium Sales Data – City of Vallejo  
2003

Bedroom/Bathroom Size	Total No. of Sales	Total No. of "New" Sales	Total No. of "Resale" Sales	Average Square Feet per Unit	Average Price per Sale	Average Sale Price per Square Foot	Average Year Built
0 BR/Studio	4	4	0	n/a	\$434,500	n/a	n/a
1 BR/1.0 Bath	44	0	44	764	\$179,216	\$234.51	1986
2 BR/1.0 Bath	39	1	38	864	\$179,175	\$207.34	1982
2 BR/1.5 Bath	23	0	23	1,132	\$232,674	\$205.61	1984
2 BR/2.0 Bath	98	0	98	1,071	\$201,000	\$187.71	1986
2 BR/2.5 Bath	18	0	18	1,293	\$268,833	\$207.89	1985
3 BR/1.0 Bath	43	0	43	990	\$180,267	\$182.09	1978
3 BR/1.5 Bath	5	1	4	1,157	\$192,000	\$165.98	1980
3 BR/2.0 Bath	43	21	22	1,276	\$355,985	\$278.99	1995
3 BR/2.5 Bath	70	42	28	1,688	\$391,307	\$231.75	1998
3 BR/3.0 Bath	1	0	1	2,069	\$174,000	\$84.10	2001
4 BR/2.5 Bath	1	0	1	1,478	\$310,000	\$209.74	1982
4 BR/3.0 Bath	15	15	0	2,066	\$414,333	\$200.58	2002
5 BR/3.0 Bath	10	7	3	2,069	\$485,350	\$234.58	2002
<b>TOTAL</b>	<b>414</b>	<b>91</b>	<b>323</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>AVERAGE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,378</b>	<b>\$274,165</b>	<b>\$202.37</b>	<b>1989</b>

Source: DQNews, DRA



**AP1-6**  
**Detailed Annual Condominium Sales Data – City of Vallejo**  
**2004**

Bedroom/Bathroom Size	Total No. of Sales	Total No. of "New" Sales	Total No. of "Resale" Sales	Average Square Feet per Unit	Average Price per Sale	Average Sale Price per Square Foot	Average Year Built
0 BR/Studio	2	2	0	n/a	\$304,250	n/a	n/a
1 BR/1.0 Bath	53	0	53	721	\$570,387	\$791.06	1985
2 BR/1.0 Bath	47	0	47	881	\$233,309	\$264.84	1983
2 BR/1.5 Bath	26	0	26	1,101	\$232,077	\$210.74	1980
2 BR/2.0 Bath	98	0	98	1,054	\$250,772	\$237.83	1985
2 BR/2.5 Bath	11	0	11	1,302	\$302,500	\$232.40	1988
3 BR/1.0 Bath	41	0	41	994	\$217,766	\$219.05	1978
3 BR/1.5 Bath	16	0	16	1,134	\$208,250	\$183.62	1979
3 BR/2.0 Bath	15	0	15	1,202	\$328,433	\$273.19	1992
3 BR/2.5 Bath	30	0	30	1,620	\$369,167	\$227.89	1994
3 BR/3.0 Bath	4	0	4	1,596	\$386,250	\$242.05	1993
4 BR/2.0 Bath	1	0	1	1,393	\$329,000	\$236.18	1983
4 BR/2.5 Bath	10	0	10	1,711	\$316,700	\$185.09	2003
4 BR/3.0 Bath	1	0	1	2,069	\$465,000	\$224.75	2001
5 BR/3.0 Bath	8	0	8	2,069	\$558,063	\$269.73	2001
<b>TOTAL</b>	<b>363</b>	<b>2</b>	<b>361</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>AVERAGE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,346</b>	<b>\$340,544</b>	<b>\$271.31</b>	<b>1989</b>

Source: DQNews, DRA



AP1-7  
Detailed Annual Condominium Sales Data – City of Vallejo  
2005

Bedroom/Bathroom Size	Total No. of Sales	Total No. of "New" Sales	Total No. of "Resale" Sales	Average Square Feet per Unit	Average Price per Sale	Average Sale Price per Square Foot	Average Year Built
1 BR/1.0 Bath	119	67	52	650	\$201,773	\$310.47	1977
2 BR/1.0 Bath	134	70	64	822	\$245,605	\$298.68	1980
2 BR/1.5 Bath	53	0	53	1,043	\$244,398	\$234.26	1979
2 BR/2.0 Bath	143	33	110	1,042	\$285,748	\$274.35	1984
2 BR/2.5 Bath	15	1	14	1,409	\$358,933	\$254.74	1991
3 BR/1.0 Bath	38	0	38	992	\$253,789	\$255.86	1978
3 BR/1.5 Bath	15	0	15	1,081	\$208,433	\$192.85	1978
3 BR/2.0 Bath	50	24	26	1,073	\$310,750	\$298.58	1980
3 BR/2.5 Bath	33	0	33	1,666	\$492,288	\$295.53	1993
3 BR/3.0 Bath	4	0	4	1,596	\$377,125	\$236.33	1992
4 BR/2.5 Bath	33	9	24	1,700	\$368,955	\$216.98	2002
4 BR/3.0 Bath	5	1	4	2,082	\$598,400	\$287.36	1999
4 BR/3.5 Bath	1	0	1	2,128	\$595,000	\$279.61	1982
5 BR/3.0 Bath	9	0	9	2,069	\$547,944	\$264.84	2002
<b>TOTAL</b>	<b>652</b>	<b>205</b>	<b>447</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>AVERAGE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,382</b>	<b>\$363,510</b>	<b>\$263.67</b>	<b>1987</b>

Source: DQNews, DRA



AP1-8  
Detailed Annual Condominium Sales Data – City of Vallejo  
2006

Bedroom/Bathroom Size	Total No. of Sales	Total No. of "New" Sales	Total No. of "Resale" Sales	Average Square Feet per Unit	Average Price per Sale	Average Sale Price per Square Foot	Average Year Built
0 BR/Studio	11	4	7	n/a	\$175,727	n/a	1970
1 BR/1.0 Bath	31	4	27	639	\$217,903	\$340.82	1975
2 BR/1.0 Bath	32	2	30	882	\$284,188	\$322.22	1985
2 BR/1.5 Bath	29	0	29	1,015	\$268,431	\$264.49	1975
2 BR/2.0 Bath	54	0	54	1,031	\$294,926	\$286.11	1984
2 BR/2.5 Bath	8	0	8	1,306	\$355,750	\$272.34	1987
3 BR/1.0 Bath	25	0	25	991	\$267,020	\$269.46	1977
3 BR/1.5 Bath	10	0	10	1,063	\$257,750	\$242.52	1979
3 BR/2.0 Bath	17	0	17	1,218	\$412,765	\$338.99	1990
3 BR/2.5 Bath	13	0	13	1,619	\$450,615	\$278.28	1998
3 BR/3.0 Bath	5	0	5	1,564	\$498,700	\$318.82	1992
4 BR/2.0 Bath	1	0	1	1,818	\$525,000	\$288.78	1987
4 BR/2.5 Bath	12	7	5	1,702	\$390,917	\$229.68	2003
5 BR/3.0 Bath	2	0	2	2,069	\$626,000	\$302.56	2002
<b>TOTAL</b>	<b>250</b>	<b>17</b>	<b>233</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>AVERAGE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,301</b>	<b>\$358,978</b>	<b>\$288.85</b>	<b>1986</b>

Source: DQNews, DRA





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AP1-9  
Detailed Annual Condominium Sales Data – City of Vallejo  
January 1, 2007 – October 31, 2007

Bedroom/Bathroom Size	Total No. of Sales	Total No. of "New" Sales	Total No. of "Resale" Sales	Average Square Feet per Unit	Average Price per Sale	Average Sale Price per Square Foot	Average Year Built
0 BR/Studio	2	2	0	n/a	\$281,500	n/a	1980
1 BR/1.0 Bath	11	2	9	694	\$204,500	\$294.71	1978
2 BR/1.0 Bath	14	1	13	890	\$217,607	\$244.48	1983
2 BR/1.5 Bath	4	0	4	1,147	\$270,000	\$235.50	1982
2 BR/2.0 Bath	21	0	21	1,033	\$266,476	\$258.07	1983
2 BR/2.5 Bath	4	0	4	1,361	\$406,125	\$298.35	1984
3 BR/1.0 Bath	7	0	7	988	\$245,500	\$248.48	1977
3 BR/1.5 Bath	1	0	1	1,100	\$814,500	\$740.45	1979
3 BR/2.0 Bath	3	0	3	1,381	\$439,667	\$318.29	1996
3 BR/2.5 Bath	5	0	5	1,615	\$515,000	\$318.81	1999
3 BR/3.0 Bath	8	3	5	1,722	\$356,438	\$206.99	2003
4 BR/2.0 Bath	3	0	3	2,066	\$424,000	\$205.26	2002
4 BR/2.5 Bath	1	0	1	2,128	\$450,000	\$211.47	1982
5 BR/3.0 Bath	1	0	1	2,069	\$600,000	\$290.00	2002
<b>TOTAL</b>	<b>85</b>	<b>8</b>	<b>77</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>AVERAGE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,400</b>	<b>\$392,237</b>	<b>\$296.76</b>	<b>1988</b>

Source: DQNews, DRA



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## **Appendix 2**

### **Detailed Yearly Change in Annual Condominium Unit Sales by Bedroom and Bathroom Size**

#### **Sales Within the 94589 Postal Zip Code Area**



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**AP2-1**  
**Detailed Annual Condominium Sales Data – 94589 Postal Zip Code**  
**1999**

Bedroom/Bathroom Size	Total No. of Sales	Total No. of "New" Sales	Total No. of "Resale" Sales	Average Square Feet per Unit	Average Price per Sale	Average Sale Price per Square Foot	Average Year Built
1 BR/1.0 Bath	5	0	5	758	\$174,600	\$230.40	1976
2 BR/1.0 Bath	1	0	1	918	\$59,000	\$64.27	1973
2 BR/1.5 Bath	12	0	12	1,057	\$89,927	\$85.08	1981
2 BR/2.0 Bath	17	0	17	1,076	\$83,532	\$77.65	1978
3 BR/1.0 Bath	1	0	1	988	\$75,000	\$75.91	1978
3 BR/1.5 Bath	1	0	1	1,032	\$45,000	\$43.60	1973
<b>TOTAL</b>	<b>37</b>	<b>0</b>	<b>37</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>AVERAGE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>971</b>	<b>\$87,843</b>	<b>\$96.15</b>	<b>1976</b>

Source: DQNews, DRA

**AP2-2**  
**Detailed Annual Condominium Sales Data – 94589 Postal Zip Code**  
**2000**

Bedroom/Bathroom Size	Total No. of Sales	Total No. of "New" Sales	Total No. of "Resale" Sales	Average Square Feet per Unit	Average Price per Sale	Average Sale Price per Square Foot	Average Year Built
1 BR/1.0 Bath	14	0	14	710	\$69,321	\$97.59	1973
2 BR/1.0 Bath	2	0	2	918	\$75,000	\$81.74	1978
2 BR/1.5 Bath	20	0	20	1,029	\$95,825	\$93.10	1981
2 BR/2.0 Bath	32	0	32	1,046	\$103,563	\$99.03	1978
3 BR/1.0 Bath	1	0	1	1,338	\$135,000	\$100.90	1938
3 BR/1.5 Bath	3	0	3	1,032	\$51,667	\$50.06	1979
3 BR/2.0 Bath	3	0	3	1,129	\$114,667	\$101.59	1979
<b>TOTAL</b>	<b>75</b>	<b>0</b>	<b>75</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>AVERAGE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,029</b>	<b>\$92,149</b>	<b>\$89.15</b>	<b>1972</b>

Source: DQNews, DRA



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**AP2-3**  
**Detailed Annual Condominium Sales Data – 94589 Postal Zip Code**  
**2001**

Bedroom/Bathroom Size	Total No. of Sales	Total No. of "New" Sales	Total No. of "Resale" Sales	Average Square Feet per Unit	Average Price per Sale	Average Sale Price per Square Foot	Average Year Built
1 BR/1.0 Bath	14	0	14	750	\$87,893	\$117.27	1973
2 BR/1.0 Bath	2	0	2	973	\$110,500	\$113.57	1973
2 BR/1.5 Bath	15	0	15	1,002	\$145,233	\$145.00	1981
2 BR/2.0 Bath	32	0	32	1,036	\$139,250	\$134.47	1977
3 BR/1.5 Bath	3	0	3	1,032	\$80,667	\$78.17	1979
3 BR/2.0 Bath	1	0	1	1,069	\$135,000	\$126.29	1973
<b>TOTAL</b>	<b>67</b>	<b>0</b>	<b>67</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>AVERAGE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>977</b>	<b>\$116,424</b>	<b>\$119.13</b>	<b>1976</b>

Source: DQNews, DRA

**AP2-4**  
**Detailed Annual Condominium Sales Data – 94589 Postal Zip Code**  
**2002**

Bedroom/Bathroom Size	Total No. of Sales	Total No. of "New" Sales	Total No. of "Resale" Sales	Average Square Feet per Unit	Average Price per Sale	Average Sale Price per Square Foot	Average Year Built
1 BR/1.0 Bath	14	0	14	683	\$83,627	\$122.48	1973
2 BR/1.0 Bath	3	0	3	986	\$136,000	\$137.88	1976
2 BR/1.5 Bath	13	0	13	1,023	\$142,385	\$139.17	1980
2 BR/2.0 Bath	27	0	27	1,093	\$161,481	\$147.73	1978
3 BR/1.0 Bath	1	0	1	988	\$148,000	\$149.80	1978
3 BR/2.0 Bath	1	0	1	1,069	\$170,000	\$159.03	1973
<b>TOTAL</b>	<b>59</b>	<b>0</b>	<b>59</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>AVERAGE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>974</b>	<b>\$140,249</b>	<b>\$142.68</b>	<b>1976</b>

Source: DQNews, DRA



**DAVID PAUL ROSEN & ASSOCIATES**  
DEVELOPMENT, FINANCE AND POLICY ADVISORS

**AP2-5**  
**Detailed Annual Condominium Sales Data – 94589 Postal Zip Code**  
**2003**

Bedroom/Bathroom Size	Total No. of Sales	Total No. of "New" Sales	Total No. of "Resale" Sales	Average Square Feet per Unit	Average Price per Sale	Average Sale Price per Square Foot	Average Year Built
1 BR/1.0 Bath	7	0	7	743	\$116,071	\$156.16	1973
2 BR/1.5 Bath	10	0	10	1,111	\$183,800	\$165.41	1985
2 BR/2.0 Bath	39	0	39	1,147	\$178,321	\$155.53	1980
3 BR/1.0 Bath	1	0	1	988	\$176,000	\$178.14	1978
3 BR/1.5 Bath	1	0	1	1,032	\$150,000	\$145.35	1979
3 BR/2.0 Bath	3	0	3	1,117	\$168,333	\$150.66	1987
<b>TOTAL</b>	<b>61</b>	<b>0</b>	<b>61</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>AVERAGE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,023</b>	<b>\$162,088</b>	<b>\$158.54</b>	<b>1980</b>

Source: DQNews, DRA

**AP2-6**  
**Detailed Annual Condominium Sales Data – 94589 Postal Zip Code**  
**2004**

Bedroom/Bathroom Size	Total No. of Sales	Total No. of "New" Sales	Total No. of "Resale" Sales	Average Square Feet per Unit	Average Price per Sale	Average Sale Price per Square Foot	Average Year Built
1 BR/1.0 Bath	15	0	15	688	\$1,501,700	\$2,181.86	1973
2 BR/1.0 Bath	4	0	4	929	\$169,750	\$182.82	1975
2 BR/1.5 Bath	12	0	12	974	\$172,500	\$177.04	1979
2 BR/2.0 Bath	33	0	33	1,090	\$213,190	\$195.64	1978
3 BR/1.5 Bath	4	0	4	1,032	\$167,500	\$162.31	1977
3 BR/2.0 Bath	1	0	1	1,152	\$252,000	\$218.75	1986
<b>TOTAL</b>	<b>69</b>	<b>0</b>	<b>69</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>AVERAGE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>977</b>	<b>\$412,773</b>	<b>\$519.74</b>	<b>1978</b>

Source: DQNews, DRA



**DAVID PAUL ROSEN & ASSOCIATES**  
DEVELOPMENT, FINANCE AND POLICY ADVISORS

**AP2-7**  
**Detailed Annual Condominium Sales Data – 94589 Postal Zip Code**  
**2005**

Bedroom/Bathroom Size	Total No. of Sales	Total No. of "New" Sales	Total No. of "Resale" Sales	Average Square Feet per Unit	Average Price per Sale	Average Sale Price per Square Foot	Average Year Built
1 BR/1.0 Bath	81	64	17	589	\$148,549	\$252.28	1974
2 BR/1.0 Bath	79	65	14	800	\$214,342	\$267.97	1974
2 BR/1.5 Bath	30	0	30	986	\$218,917	\$222.06	1979
2 BR/2.0 Bath	72	22	50	1,048	\$242,194	\$231.04	1977
3 BR/1.0 Bath	1	0	1	988	\$285,000	\$288.46	1978
3 BR/1.5 Bath	4	0	4	1,032	\$184,875	\$179.14	1974
3 BR/2.0 Bath	36	24	12	1,004	\$265,042	\$263.98	1975
<b>TOTAL</b>	<b>303</b>	<b>175</b>	<b>128</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>AVERAGE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>921</b>	<b>\$222,073</b>	<b>\$243.56</b>	<b>1976</b>

Source: DQNews, DRA

**AP2-8**  
**Detailed Annual Condominium Sales Data – 94589 Postal Zip Code**  
**2006**

Bedroom/Bathroom Size	Total No. of Sales	Total No. of "New" Sales	Total No. of "Resale" Sales	Average Square Feet per Unit	Average Price per Sale	Average Sale Price per Square Foot	Average Year Built
1 BR/1.0 Bath	11	0	11	643	\$183,227	\$285.00	1973
2 BR/1.0 Bath	8	1	7	827	\$269,000	\$325.17	1975
2 BR/1.5 Bath	12	0	12	918	\$226,417	\$246.64	1976
2 BR/2.0 Bath	24	0	24	1,016	\$246,229	\$242.29	1978
3 BR/1.5 Bath	7	0	7	1,032	\$224,786	\$217.82	1978
3 BR/2.0 Bath	4	0	4	975	\$335,625	\$344.23	1978
<b>TOTAL</b>	<b>66</b>	<b>1</b>	<b>65</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>AVERAGE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>902</b>	<b>\$247,547</b>	<b>\$276.86</b>	<b>1976</b>

Source: DQNews, DRA



DAVID PAUL ROSEN & ASSOCIATES  
DEVELOPMENT, FINANCE AND POLICY ADVISORS

AP2-9  
Detailed Annual Condominium Sales Data – 94589 Postal Zip Code  
January 1, 2007 – October 31, 2007

Bedroom/Bathroom Size	Total No. of Sales	Total No. of "New" Sales	Total No. of "Resale" Sales	Average Square Feet per Unit	Average Price per Sale	Average Sale Price per Square Foot	Average Year Built
1 BR/1.0 Bath	5	0	5	740	\$174,100	\$235.21	1973
2 BR/1.0 Bath	5	0	5	806	\$173,000	\$214.53	1974
2 BR/1.5 Bath	1	0	1	880	\$215,000	\$244.32	1975
2 BR/2.0 Bath	9	0	9	1,001	\$212,889	\$212.68	1978
3 BR/2.0 Bath	1	0	1	1,248	\$319,000	\$255.61	1983
<b>TOTAL</b>	<b>21</b>	<b>0</b>	<b>21</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>AVERAGE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>935</b>	<b>\$218,798</b>	<b>\$232.47</b>	<b>1977</b>

Source: DQNews, DRA



Agenda Item No. Consent A

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**COUNCIL COMMUNICATION**

Date: March 25, 2008

TO: Mayor and Members of the City Council

FROM: Craig Whittom, Assistant City Manager/Community Development *CU*  
Brian Dolan, Development Services Manager *BD*  
Nimat Shakoor-Grantham, Code Enforcement Manager *NG*

SUBJECT: APPROVAL OF AMENDMENTS TO THE ADMINISTRATIVE  
CITATION FINE SCHEDULE

**BACKGROUND AND DISCUSSION**

Currently, when property maintenance violations are identified and property owners do not respond to written requests for compliance, the City of Vallejo Code Enforcement Division issues administrative citations. The last City Council resolution addressing the issue authorized Code Enforcement to assess fines at \$200 for the first administrative citation, \$500 for the second administrative citation, and \$750 for the third and all subsequently issued administrative citations. These administrative citation fines reflect the graduated amounts authorized by Vallejo Municipal Code Section 1.15.070 and adopted in City Council Resolution No. 99-271.

The Code Enforcement Division is seeking to clarify its authority to issue administrative citations that assess fines at \$200 for each code section violated for the first administrative citation, \$500 for each code section violated for the second administrative citation, and \$750 for each code section violated for the third and all subsequently issued administrative citations without having to send out multiple citations. The current resolution language adopted in 1999 refers only to first, second and third citations but does not address the issue of multiple violations on a single citation. Approval of this resolution would result in clear authority for the Code Enforcement Division to issue a single citation which lists multiple violations, and to charge separately for each violation.

Although the Code Enforcement Division has the authority to issue an administrative citation per day, per code section(s) violated, this process is too cumbersome for our current staffing level due to the amount of paperwork, postings and mailings needed to process the administrative citations.

Along with the authority to issue one citation encompassing multiple violations, it would be the policy of Code Enforcement to adhere to the following:



- 1) If more than one violation could be alleged for a single property maintenance condition on a property, only one violation of the Municipal Code will be alleged.
- 2) There will be a maximum of ten administrative citations issued against any particular property for any single or multiple conditions on the property. If the conditions have not been abated, Code Enforcement will then either abate the property or pursue legal avenues for abatement.
- 3) Conditions which pose a health/safety risk to neighborhoods will have a higher priority than those conditions which are merely cosmetic or aesthetically displeasing.
- 4) Barring an urgent public safety issue, staff will afford violators a reasonable amount of time to cure, depending on the violation(s) and the circumstances before proceeding to the next citation.

It should be noted that the proposed resolution also changes the penalty for late payment from 10 percent of the total fine amount, to a fixed penalty of \$890. This amount was determined as a part of the 2007 City Fee Study.

#### RECOMMENDATION

The collection of fines per code violation is allowed under Vallejo Municipal code Section 1.15.040 which states, "Each and every day a violation exists constitutes a separate and distinct offense. Each section or subsection of the code violated constitutes a separate violation for any day at issue". The proposed resolution seeks to clearly authorize staff's ability to cite and charge for each violation. While current staffing levels do not allow for daily or similarly frequent citations, Code Enforcement Division staff do cite for violations every two to three weeks. The ability of staff to apply fines for different violations on one citation have three specific benefits:

- 1) It makes the process more efficient for staff.
- 2) It provides a substantial disincentive for property owners to ignore violation notifications.
- 3) It is more equitable to property owners in that it increases fines for property owners with many violations relative to a property owner with only one or very few violations.

It should be noted that citations are issued with proper notice and staff makes reasonable accommodations for special circumstances affecting a property owner's ability to address the violations in the specified time period.

**PROPOSED ACTION**

Adopt a resolution amending Administrative Citation Fine Schedule to allow the issuance of fines for each code section violated on a single citation.

**FISCAL IMPACT**

Revenue to the City's general fund may increase due to the increase of the administrative citation fine amount that will be assessed per each Vallejo Municipal Code section violated and the current administrative citation late payment fee.

**DOCUMENTS ATTACHED**

1. Proposed City Council Resolution

**PREPARED BY/CONTACT:**

Nimat Shakoor-Grantham 648-4522 or [Nimat@ci.vallejo.ca.us](mailto:Nimat@ci.vallejo.ca.us)



**VALLEJO CITY COUNCIL**  
**MINUTES**  
**SPECIAL MEETING**  
**FEBRUARY 28, 2008**

The City Council met in closed session concerning the following matters: Conference with legal counsel - anticipated litigation - initiation of litigation pursuant to Subdivision C of Government Code Section 54956.9 (number of cases: one); Conference with labor negotiator pursuant to Government Code Section 54957.6., negotiators: Joseph Tanner, City Manager; Craig Whittom, Assistant City Manager-Community Development; Dennis Morris, Human Resources Director; Susan Mayer, Acting Finance Director; Employee Organizations: International Association of Fire Fighters, Local 1186 (IAFF), Vallejo Police Officers Association (VPOA), International Brotherhood of Electrical Workers, Local 2376 (IBEW), and Confidential, Administrative and Managerial Professionals (CAMP); conference with legal counsel pending litigation/administrative hearing matters pursuant to California Government Code Section 54956.9(a): City of Vallejo v. International Association of Fire fighters, Local 1186, Solano County Superior Court, Case No. fcs 030540; City of Vallejo v. International Sssociation of Fire fighters, Local 1186 Public Employment Relations Board (PERE), Unfair Practice Association of Fire fighters, Local 1186, Public Employment Relations Board (PERE), Unfair Practice Charge Case No. SF-CO-166-M. The meeting was called to order at 5:05 p.m. All Councilmembers were present. No action was taken.

A special meeting of the Vallejo City Council was held on the above date in the Council Chambers of Vallejo City Hall. The meeting was called to order at 7:00 p.m. by Mayor Osby Davis.

1. CALL TO ORDER

A. ROLL CALL

Present: Mayor Davis, Vice Mayor Bartee, Councilmembers Gomes, Hannigan, Schivley, Sunga and Wilson

Absent: None

Staff: City Manager Joseph Tanner  
City Attorney Fred Soley  
City Clerk Mary Ellsworth

2. ADMINISTRATIVE ITEMS

Mayor Davis announced that based on the conclusion of discussions with the Public Safety Unions, a tentative agreement has been reached. In order to allow City staff time to provide the tentative agreement in writing for the Council and the public, he moved to adjourn the meeting to Monday, March 3, 2008, 5 p.m. for the closed session and for the substantive matters for the Council at 7:00 p.m. The staff report will be available to the public tomorrow (February 29, 2008).

The Mayor called on individuals who wished to speak on the matter. The following

individuals addressed the current financial situation: J.D. Miller, Ernestine Lawson, Angelica Gordon, Andrew Rizzo, Punkie Nelson, Victoria Gray, James Moore, Joel Nista, Diana Lang, Arthur Schiel, Erika Harrison, Sam Kursham, Robert Boyce, Helen Catado, Salma Parveen.

All matters were continued. No action was taken.

A. CONSIDERATION OF TWO RESOLUTIONS ADDRESSING THE CURRENT GENERAL FUND FISCAL EMERGENCY AS FOLLOWS:

1) A RESOLUTION OF INTENTION TO AMEND THE FISCAL YEAR 2007-08 BUDGET, APPROVAL OF A NEW STAFFING PLAN, APPROVAL OF A FISCAL EMERGENCY PLAN, DIRECTING THE CITY MANAGER TO IMPLEMENT SAID PLAN, AND AUTHORIZING THE CITY MANAGER AND CITY ATTORNEY TO RETAIN: ORRICK, HERRINGTON & SUTCLIFFE LLP; LIEBERT, CASSIDY & WHITMORE, A PROFESSIONAL CORPORATION; PUBLIC FINANCIAL MANAGEMENT, INC.; MANAGEMENT PARTNERS, INC.; AND ANY OTHER OUTSIDE LEGAL COUNSEL OR CONSULTANT DEEMED NECESSARY TO ASSIST IN CONNECTION WITH PREPARING FOR, INSTITUTING AND MAINTAINING A PETITION UNDER CHAPTER 9 OF THE UNITED STATES BANKRUPTCY CODE.

PROPOSED ACTION: Adopt the Resolution.

2) A RESOLUTION APPROVING THE FILING OF A PETITION UNDER CHAPTER 9 OF THE UNITED STATES BANKRUPTCY CODE.

PROPOSED ACTION: Adopt the Resolution.

B. CONSIDERATION OF THREE RESOLUTIONS REGARDING NEGOTIATIONS WITH INTERNATIONAL FEDERATION OF FIREFIGHTERS, LOCAL 1186 AND THE VALLEJO POLICE OFFICERS ASSOCIATION RELATED TO SETTLEMENT OF GREIVANCES, ARBITRATION DISPUTES AND LITIGATION AS FOLLOWS:

1) A RESOLUTION AUTHORIZING THE CITY ATTORNEY TO DISMISS WITH PREJUDICE THE FOLLOWING LAWSUIT AND TWO ADMINISTRATIVE PROCEEDINGS: CITY OF VALLEJO V. INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS, LOCAL 1186, SOLANO SUPERIOR COURT CASE NO. FCS 030540; CITY OF VALLEJO V. INTL. ASSOC. OF FIRE FIGHTERS, LOCAL 1186, PUBLIC EMPLOYMENT RELATIONS BOARD, UNFAIR PRACTICE INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS, LOCAL 1186, PUBLIC EMPLOYMENT RELATIONS BOARD, UNFAIR PRACTICE CHARGE, CASE NO. SF-CO-166-M.

PROPOSED ACTION: Adopt the Resolution.

2) A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A SUPPLEMENTAL LABOR AGREEMENT WITH THE VALLEJO POLICE

OFFICERS ASSOCIATION (VPOA) RESOLVING GRIEVANCES  
RELATED TO STAFFING LEVELS.

PROPOSED ACTION: Staff recommends that the City Council take no action on this Resolution.

- 3) A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A SUPPLEMENTAL LABOR AGREEMENT WITH THE INTERNATIONAL ASSOCIATION OF FIREFIGHTERS, LOCAL 1186 (IAFF) RESOLVING GRIEVANCES RELATED TO STAFFING LEVELS, PARAMEDIC DECERTIFICATION; UNION BUSINESS LEAVE; UNIFORM ALLOWANCE AND REIMBURSEMENT; AND, PROVIDING FOR AN ASSISTANT FIRE CHIEF POSITION IN FIRE PREVENTION.

PROPOSED ACTION: Staff recommends that the City Council take no action on this Resolution.

5. ADJOURNMENT

The meeting adjourned at 7:45 p.m.

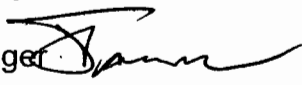
\_\_\_\_\_  
OSBY DAVIS, MAYOR

ATTEST: \_\_\_\_\_  
MARY ELLSWORTH, CITY CLERK



**CITY COUNCIL COMMUNICATION**

Date: March 25, 2008

TO: Mayor and Members of the City Council  
FROM: Joseph M. Tanner, City Manager   
SUBJECT: UPDATE REGARDING HUMAN RESOURCES DEPARTMENT STAFFING

BACKGROUND & DISCUSSION

City Council has adopted a resolution of intention to amend the FY 2007-2008 budget on March 3, 2008 and a resolution amending the FY 2007-08 budget on March 11, 2008. During these meetings staff offered to review the 4 administrative position reductions proposed for the Human Resources and Finance Departments.

The budget, as amended by City Council on March 11, 2008, included \$131,115 in assumed savings from these position reductions for the last two months of the FY 2007-2008 fiscal year.

Subsequent to the recent budget meetings, Dennis Morris, Human Resources Director, announced his retirement effective April 30, 2008. In addition, approximately 6 other non-safety General Fund employees have submitted retirement or resignations, creating additional unplanned vacancy savings. Staff has concluded that unplanned vacancy savings will exceed the \$131,115 planned savings from the 4 administrative positions discussed above. Accordingly, staff will not proceed with layoffs for these positions in advance of the FY 2008-09 budget process.

Staff will propose a reorganization and new staffing level of these Administrative Functions as part of the FY 2008-09 budget process.

PROPOSED ACTION

None. Information item only.

DOCUMENTS ATTACHED

None

CONTACT

Joseph M. Tanner, City Manager, 707-648-4576, jtanner@ci.vallejo.ca.us





**CITY COUNCIL COMMUNICATION**

**Date:** March 25, 2008

**REDEVELOPMENT AGENCY BOARD COMMUNICATION**

**TO:** Mayor and Members of the City Council  
Chairperson and Members of the Redevelopment Agency

**FROM:** Craig Whittom, Assistant City Manager/Community Development   
Susan McCue, Economic Development Program Manager 

**SUBJECT:** Joint Public Hearing Regarding the Consideration of Third Amendment to the Triad Downtown Disposition and Development Agreement

**BACKGROUND & DISCUSSION**

A joint public hearing of the Redevelopment Agency of the City of Vallejo (Agency) and City Council of the City of Vallejo (City Council) commenced on January 8, 2008, to consider and act on a proposed Third Amendment to Disposition and Development Agreement between the Agency and Triad Downtown Vallejo LLC (Triad). Following presentations by staff and representatives from Triad, and receipt of public testimony on the proposed Amendment, the Agency/Council members raised several questions and requested additional information from staff. Consideration of approval of the Amendment was deferred until that additional information could be prepared and presented, and the joint public hearing was continued to January 29, 2008. On January 29, 2008 the Agency adopted Resolution No. 08-02 N.C. and the City Council adopted Resolution No. 08-12 N.C. continuing to March 11, 2008. On March 11, 2008 the Agency adopted Resolution No. 08-05 N.C. and the City Council adopted Resolution No. 08-33 N.C. continuing to March 25, 2008. The parties have not completed their negotiations. City staff is requesting the Public Hearing be canceled at this time. Upon completion of the negotiations staff will notice the Public Hearing for a date certain.

**PROPOSED ACTION**

Agency and City Council cancel the Joint Public Hearing.

**CONTACT**

Annette Taylor, Senior Community Development Analyst  
649-3510, [Annette@ci.vallejo.ca.us](mailto:Annette@ci.vallejo.ca.us)  
Susan McCue, Economic Development Program Manager  
553-7283, [smccue@ci.vallejo.ca.us](mailto:smccue@ci.vallejo.ca.us)





## COUNCIL COMMUNICATION

Date: March 25, 2008

TO: Honorable Mayor and Members of the City Council

FROM: Craig Whittom, Assistant City Manager/Community Development *CW*  
Brian Dolan, Development Services Director *BD*  
Don Hazen, Planning Manager *DH*

SUBJECT: Consideration of an urgency ordinance pursuant to California Government Code § 65858, extending until March 27, 2009, a moratorium on the establishment of any new activity or facility selling tobacco or tobacco related products or paraphernalia.

### BACKGROUND AND DISCUSSION

On March 27, 2007, City Council adopted Urgency Ordinance No. 1585 N.C. (2d), a 45-day urgency ordinance prohibiting new retailers of tobacco and tobacco related products based on documented health, safety and general welfare concerns. A number of legal findings regarding the urgency of the situation were made at that time.

On May 22, 2007, City Council adopted Urgency Ordinance No. 1589 N.C. (2d) extending the moratorium until March 27, 2008. A number of legal findings regarding the urgency of the situation were made at that time and the purpose of the extension was to permit staff to prepare draft zoning regulations that would potentially address the issues of concern which led to the moratorium.

While progress has been made in soliciting public input and crafting preliminary zoning regulations, it has become apparent that greater public outreach is needed in order for staff to prepare recommendations that will best meet the needs of the community. Consequently, staff is recommending that the City Council extend the current moratorium for one more year and expire on March 27, 2009, the maximum time frame permitted by state law. Notice regarding this public hearing for extension of the moratorium was duly published pursuant to Cal. Gov. Code § 65858 and Vallejo Municipal Code § 16.86.080.

State law requires that the City Council issue a report describing the measures taken to alleviate the condition which led to the adoption of the moratorium ten days prior to the expiration of any urgency ordinance, including extensions. Staff proposes that the information contained in this report be used to fulfill that requirement.

Additionally, staff intends to have proposed zoning regulations prepared for City Council review as a part of the report due upon expiration of the final extension, if such extension is granted tonight.

**Measures Taken to Alleviate Conditions:**

Since adoption of the current urgency ordinance, staff has coordinated with the Solano County District Attorney's Office to arrange for a Community Prosecutor position to work on this and other quality-of-life issues within City of Vallejo boundaries.

Additionally, the City Attorney's Office, working with the Vallejo Police Department has sent out a Voluntary Compliance Letter to each smoke shop owner asking each of them to voluntarily refrain from selling items on a list. Due to severe staffing problems in the Vallejo Police Department's Beat Health unit, monitoring of the Voluntary Compliance program has been suspended. Staff has met and communicated with members of the Solano Tobacco Education Coalition, the Vallejo Alcohol and Tobacco Coalition, and The Vallejo Heights Neighborhood Association regarding a 'zoning-only' solution to the problem (i.e., an approach which would prohibit smokeshops in certain zones, and force existing smokeshops to leave after several years). Feedback received indicates that the community endorses a 'deemed-approved' approach to regulate the use. Additional time is necessary to design a 'deemed-approved' approach to regulating the use being examined.

The initial 'zoning only' solution contained in the first draft proposed ordinance was circulated for feedback, and community members expressed various points of view. Several community members voiced their support for a stronger regulatory stand than was proposed on staff's first draft. This will be a challenge, given the staff cutbacks in the police department. It is staff's intent to continue the process of community participation to recommend an ordinance which addresses the various concerns of the community. Additional meetings will be set up and will continue to be arranged in the future with staff and community members to voice their thoughts on how this issue may best be addressed.

Neighbors subject to nuisance conditions attributable to one smokeshop have initiated small claims actions, which are currently pending before the Court. Additionally, the District Attorney's Office, as part of the Community Prosecutor Program filed a lawsuit against a smokeshop on March 4, 2008 alleging unfair business practices.

**Facts Which Support Findings Regarding Urgency:**

Evidence presented at the study session on March 13, 2007, showed that certain local retailers selling tobacco and tobacco related products offer to the general public a variety of illegal items, such as a shurikens, nitrous oxide canisters, and paraphernalia for smoking prohibited substances, as well as items that are ostensibly sold for legal purposes – such as the consumption of tobacco – but are actually used for the consumption of illegal substances. The ease with which minors, and the general public may access illegal items, or items that

promote the consumption of illegal drugs threaten the health and welfare of Vallejo residents. The sale of candy and t-shirts alongside tobacco related products increases the likelihood that minors will be attracted by tobacco related paraphernalia. Staff has made available a videotape of that meeting to apprise new council members of the facts which supported the Council's original emergency findings. Staff will be asking that the Vallejo City Council look to the evidence offered on March 27, 2007, as well as the evidence presented at tonight's hearing to support its findings of urgency.

Staff proposes to amend the Zoning ordinance of the City of Vallejo in at least two ways:

1. Limit the areas where new retailers of tobacco and tobacco related products may operate (i.e. prohibit them within 500 feet of schools, parks or places where children may frequent).
2. Create a CUP process and modify the current "deemed approved" ordinance affecting liquor establishments to articulate standards for smoke shops, including a funding mechanism to sustain the regulatory compliance with the standards.

#### RECOMMENDATION

It is recommended that the attached urgency ordinance be adopted.

#### ALTERNATIVES CONSIDERED

There is a "no-action" alternative. If no action is taken, it would mean that the current moratorium would expire on March 27, 2008, smoke shops would continue to be not specifically regulated, and be required to obtain basic land use/building permits pursuant to the City's zoning ordinance.

#### ENVIRONMENTAL REVIEW

The adoption of this urgency ordinance is exempt from CEQA under Sections 15060 (c)(3), 15061(b)(3), 15301, 15303, and 15307 of the State CEQA Guidelines.

#### PROPOSED ACTION

Adoption of an urgency ordinance pursuant to Cal. Gov. Code § 65858, extending until March 27, 2009, a moratorium on the establishment of any new activity or facility selling tobacco or tobacco related products or paraphernalia.

**DOCUMENTS ATTACHED**

- a. An urgency ordinance pursuant to Cal. Gov. Code § 65858, extending until March 27, 2009, a moratorium on the establishment of any new activity or facility selling tobacco or tobacco related products or paraphernalia.
- b. City Council Minutes and Agenda Packet for May 22, 2007 Meeting
- c. City Council Minutes excerpts from March 27, 2007 Meeting

**CONTACT PERSON**

Don Hazen  
Planning Manager  
(707) 648-4326  
[dhazen@ci.vallejo.ca.us](mailto:dhazen@ci.vallejo.ca.us)

**ORDINANCE NO. \_\_\_\_\_**

**AN URGENCY ORDINANCE, PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 65858, EXTENDING UNTIL MARCH 27, 2009, A MORATORIUM ON THE ESTABLISHMENT OF ANY NEW ACTIVITY OR FACILITY SELLING TOBACCO OR TOBACCO RELATED PRODUCTS OR PARAPHERNALIA.**

WHEREAS, on March 27, 2007, the City Council adopted Urgency Ordinance No. 1585 N.C.(2d) establishing an emergency 45-day moratorium on the establishment of any new activity or facility selling tobacco or tobacco related products or paraphernalia; and

WHEREAS, on May 22, 2007, the City Council adopted Urgency Ordinance No. 1589 N.C. (2d) extending until March 27, 2008, a moratorium on the establishment of any new activity or facility selling tobacco or tobacco related products or paraphernalia; and

WHEREAS, on March 25, 2008, the City Council considered extending the moratorium until March 27, 2009 and received oral and written evidence on the matter; and

WHEREAS, the legislative process by which any proposed permanent amendment to the City's Zoning ordinance requires public input, study for consistency with the general plan, public hearings before the Planning Commission, as well as two readings before the City Council; and

WHEREAS, various local organizations, including Fighting-Back Partnership and the Solano County Tobacco Education Coalition, among others have expressed an interest in being involved in the process of drafting regulations which will be effective; and

WHEREAS, due notice of the hearing requesting this extension of the moratorium has been given as required by law; and

WHEREAS, the City of Vallejo has an overriding interest in planning and regulating the use of property within the City and implicit in any plan or regulation is the City's interest in maintaining the quality of urban life and the character of the City's neighborhoods. Without stable, well-planned neighborhoods, sections of the City can quickly deteriorate, with tragic consequences to social, environmental and economic values; and

WHEREAS, the proliferation of establishments that sell or display smoking, drug/and or tobacco paraphernalia, and other items promoting the use of tobacco products or promoting the use of illegal drugs or controlled substances and characterizing such paraphernalia as intended for use with tobacco products,

may adversely affect the City's ability to attract and retain businesses and shoppers to the City; and

WHEREAS, the Council of the City of Vallejo has heard evidence that nitrous oxide products are commonly being sold at these establishments, and the ingestion of this gas may result in loss of consciousness and death for minors and adults alike; and

WHEREAS, permitting the sale of smoking, drug and/or tobacco paraphernalia may adversely affect the City's economic vitality, may promote the illegal consumption and purchase of illegal drugs by children and minors by increasing their exposure to drug paraphernalia, may result in high concentration of illegal drug-related uses in certain neighborhoods, may result in a threat to public health, safety and welfare and may not be compatible with existing and potential uses of similarly zoned businesses; and

WHEREAS, it is the City's intent, in consideration of other existing and potential uses within the City, to assure a degree of compatibility between the location of establishments selling and displaying smoking, drug and/or tobacco paraphernalia and surrounding commercial properties. This intent will be effectuated by a period of community input, and staff study possibly resulting in additional revisions to the Zoning Ordinance; and

WHEREAS, proper consideration of the appropriate zoning designation for these establishments will help effectuate Vallejo General Plan Urban Design Goal 2, "To have within each neighborhood an image, sense of purpose and means of orientation" and Urban Design Goal 3, "To have attractive, exciting shopping areas"; and

WHEREAS, the continued indiscriminate establishment of certain tobacco retailers who sell and display smoking, drug and tobacco paraphernalia may result in potential conflict with some of the policies and objectives of the Urban Design Element of the General Plan; and

WHEREAS, the City Council hereby requests that the Planning Division, together with the City Attorney's Office, initiate and follow the process as outlined in the staff report to amend the Zoning Ordinance to regulate the location and manner of use concerning facilities selling and displaying tobacco and tobacco related products and paraphernalia with the goal of adopting needed changes to the current regulations, including changes to the Zoning Ordinance to protect the public health, safety, and welfare from the negative effects of smoke shops; and

WHEREAS, until such time that the City concludes its review and adopts new land use controls over such activities or facilities selling and displaying tobacco and tobacco related products and paraphernalia, the community is in jeopardy that such businesses could be instituted, modified, or expanded prior to the

imposition of new controls necessary for the protection of public health and welfare; and

WHEREAS, during the period of time that staff undertakes this task, the City is concerned that absent the adoption of an emergency moratorium, activities and facilities that conflict with contemplated changes to the City's regulatory schemes could be established in the city thereby frustrating the realization of the City goals; and

WHEREAS, until such time that the City concludes its review and adopts new land use controls over such activities or facilities selling and displaying tobacco and tobacco related products and paraphernalia, the community is in jeopardy that such businesses could be instituted, modified, or expanded prior to the imposition of new controls necessary for the protection of public health and welfare; and

WHEREAS, issuance or approval of any building, planning or other permit for activities or facilities selling and displaying tobacco and tobacco related products and paraphernalia prior to the City's completion of such investigation and amendment process would result in a current and immediate threat to the public health, safety or welfare; and

WHEREAS, pursuant to California Government Code section 65858, a city, including a charter city, may adopt an interim ordinance prohibiting any uses that may be in conflict with a contemplated general plan or a zoning proposal that the legislative body is considering or intends to study within a reasonable time; and

WHEREAS, for the reasons set forth above and in Ordinance No.1585 N.C. (2d) and Ordinance No. 1589 N.C. (2d), this Ordinance is declared by the City of Vallejo to be necessary for preserving the public peace, health, or safety and to avoid a current, immediate and direct threat to the health, safety, or welfare of the community, and those reasons, together with the "Whereas" clauses above, constitute the City Council's statement of the reasons constituting such necessity and urgency.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF VALLEJO does ordain as follows:

SECTION 1. The City Council finds and determines the foregoing recitals to be true and correct and hereby makes them a part of this ordinance.

SECTION 2. The City Council finds and determines, for the reasons stated in the recitals, the adoption of this Ordinance is exempt from CEQA under Sections 15060 (c)(3), 15061(b)(3), 15301, 15303, and 15307 of the State CEQA Guidelines.

SECTION 3. Until such time as the City concludes the review described above, and adopts new land use controls pertaining to activities or facilities selling and displaying tobacco and tobacco related products and paraphernalia, the City of Vallejo hereby declares a moratorium on the permitting or approval of any new, modified, or expanded establishments selling and displaying tobacco or tobacco related products and paraphernalia as defined in Section 4 below.

SECTION 4. For purposes of this Ordinance, the following definitions shall apply:

Tobacco related products are defined as

- a) any substance containing tobacco including but not limited to cigarettes, cigars, chewing tobacco, flavored tobacco and dipping tobacco,
- b) any implement or object that is or may be used in conjunction with the consumption, inhalation or ingestion of tobacco, or other dried plant material or like substance including but not limited to cigarette papers; or any other instruments or paraphernalia for the smoking or ingestion of tobacco and products prepared from tobacco.

For the purposes of this Ordinance, the following activities shall be exempt:

- (1) Any activity using more than 7500 square feet.
- (2) Any activity that sells tobacco or tobacco related products in conjunction with any the following principal uses:
  - a. Gasoline Sales as defined in Vallejo Municipal Code section 16.06.390.
  - b. Convenience Sales and Personal Services as defined in Vallejo Municipal Code sections 16.06.330
  - c. Convenience Market as defined in Vallejo Municipal Code section 16.04.131.
- (3) The Principal Uses described in section 2 must constitute at least 70% of the total sales of the business to qualify for any exemption. No part of any tobacco or tobacco-related paraphernalia sales qualifies as (a) 'small personal item' (s) within the meaning of Vallejo Municipal Code section 16.06.330 for purposes of qualifying for an exemption from this Urgency Ordinance.

SECTION 5. In accordance with California Government Code section 65858, this Ordinance shall be in full force and effect for a period of 12 months until March 27, 2009.

SECTION 6. During the term of this ordinance as set forth in Section 5 hereof, no license, use permit, building, zoning or other permit that has been issued for



any activity or facility selling anything as set forth in Section 4 above for which rights to proceed with the permit have not vested pursuant to the provisions of State law shall proceed, and no license, use permit, building, zoning or other permit shall be issued by any department, agency, employee or agent of the City of Vallejo to allow for any activities or facilities selling items as set forth in Section 4 above.

SECTION 7. The City Clerk shall certify to the passage and adoption of this Ordinance causing it to be posted, as required by law, and it shall thereafter be in full force and effect. This Ordinance shall become effective immediately as an interim urgency ordinance, in order to protect the public health, safety and welfare.

SECTION 8. For the term of this Ordinance, as set forth in Section 5 hereof, the provisions of this Ordinance shall govern, to the extent there is any conflict between the provisions of this Ordinance and the provisions of any other City code, ordinance, resolution or policy, and all such conflicting provisions shall be suspended.

SECTION 9. This Ordinance is enacted pursuant to the City of Vallejo's general police powers, Section 200 of the Charter of the City of Vallejo, Article XI of the California Constitution and Government Code section 65858.

SECTION 10. Petition for Relief from Moratorium. Any person who has applied to license, construct, modify, or establish an activity selling tobacco or tobacco related products which would be affected by this Moratorium, and who contends that the Moratorium as applied to him or her would be unlawful under Federal, State, or local law or regulation, may submit a written application to the Planning Director requesting relief from the Moratorium. The request for relief from moratorium shall identify the name and address of the applicant, the affected application number, and shall state how the Moratorium as applied to him or her would be unlawful under Federal, State, or local law or regulation. Within fourteen (14) calendar days of receipt of the completed request for relief, the City Manager, or his designee, shall mail to the applicant a written determination accepting or rejecting the request for relief from Moratorium.

SECTION 11. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council declares that it would have adopted this Ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more section, subsection, sentence, clause, or phrase be declared invalid.

May 22, 2008

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**VALLEJO CITY COUNCIL  
MINUTES  
MAY 22, 2007**

The City Council met in a special meeting to interview applicants for the Design Review Board the meeting was called to order at 5:00 p.m. by Mayor Anthony J. Intintoli, Jr. All Councilmembers were present, Councilmember Davis was excused.

**1. CALL TO ORDER**

A regular meeting of the Vallejo City Council was held on the above date in the Council Chambers of the Vallejo City Hall. The meeting was called to order at 7:00 p.m. by Mayor Anthony J. Intintoli, Jr.

**2. PLEDGE OF ALLEGIANCE**

**3. ROLL CALL**

Present: Mayor Intintoli, Vice Mayor Cloutier, Councilmembers Bartee, Davis, Gomes, Pearsall, and Sunga

Absent: None

Staff: City Manager Joseph Tanner  
City Attorney Fred Soley  
Acting City Clerk Mary Ellsworth

**4. PRESENTATIONS AND COMMENDATIONS**

**A. Presentation of Proclamation Declaring June as Philippine Cultural Month in Vallejo**

Mayor Intintoli read and presented the Proclamation declaring June as Philippine Cultural Month in Vallejo. The Chair of the Philippine Cultural Committee and Committee members conveyed their gratitude for honoring them and for approving the proclamation. The Council was invited to attend an event on June 2 at the Vallejo Waterfront from 10:00 a.m. to 6:00 p.m. as well as several cultural events on June 10, June 16, and June 23, 2007.

**5. PUBLIC COMMENT REGARDING CONSENT CALENDAR ITEMS - None**

**6. CONSENT CALENDAR AND APPROVAL OF AGENDA**

At the request of Councilmember Pearsall, Mayor Intintoli asked that Consent Item 6G be heard as Item 6.1; Councilmembers Bartee and Gomes recused themselves from participating on Item 6E due to real property interests. Mayor Intintoli asked that Item 6E be heard as Item 6.2, and noted there was also public comment on the item.

Councilmember Sunga recused himself on Items 6B and 6C due to property interests, Councilmember Davis recused himself on 9A and corresponding items on the Housing Authority and Redevelopment Agency.

Hearing no further additions, corrections, or deletions, the agenda was approved as amended and the following resolutions were offered by Vice Mayor Cloutier:

- A. RESOLUTION NO. 07-111 N.C. ACCEPTING THE WORK UNDER THE CONTRACT FOR THE ANNUAL REPAIR OF SIDEWALKS FOR FISCAL YEAR 2006/2007 WITH POTTRATZ EQUIPMENT AS COMPLETE
- B. RESOLUTION NO. 07-112 N.C. SETTING A PUBLIC HEARING DATE FOR ESTABLISHING AD VALOREM ASSESSMENTS FOR FOURTEEN (14) LANDSCAPE MAINTENANCE DISTRICTS: CIMARRON HILLS/MADIGAN; COLLEGE HILLS; COSTA DEL RIO (SEAVIEW); SOMERSET HIGHLANDS I/II; HUNTER RANCH I/II; MONICA PLACE; RIDGECREST; SOMERSET HIGHLANDS III; SPRINGTREE/FLEMING HILL; SUMMIT II; TOWN AND COUNTRY I; WOODRIDGE; AND GLEN GOVE I/II AND GREENMONT/SEAPORT HILLS FOR FISCAL YEAR 2007/2008
- C. RESOLUTION NO. 07-113 N.C. INITIATING PROCEEDINGS FOR THE LEVY AND COLLECTION OF ASSESSMENTS, PRELIMINARY APPROVAL OF ENGINEER'S REPORT AND DECLARATION OF INTENTION FOR THE LEVY AND COLLECTION OF ASSESSMENTS FOR TEN (10) LANDSCAPE MAINTENANCE DISTRICTS: CARRIAGE OAKS, GARTHE RANCH, GLEN COVE 3, HUNTER RANCH 3, MARINE WORLD/FAIRGROUNDS, MARINVIEW, SANDPIPER POINT, SOUTH VALLEJO BUSINESS PARK, TOWN AND COUNTRY 2-5, NORTHEAST QUADRANT WITH NORTHEAST QUADRANT ZONE A FOR FY 2007/2007 AND SETTING A PUBLIC HEARING
- D. RESOLUTION NO. 07-114 N.C. ACCEPTING FROM ANTHONY MINTON RICHARDS, AN ADDITIONAL RIGHT-OF-WAY, A PUBLIC UTILITY EASEMENT AND A BUS SHELTER EASEMENT ACROSS FROM CERTAIN PROPERTY LOCATED ON BROADWAY STREET BETWEEN SALA AND GARIBALDI STREETS
- F. RESOLUTION NO. 07-116 N.C. AUTHORIZING CONTRACT CHANGE ORDER NO. 1 IN THE AMOUNT OF \$63,750 TO THE EXISTING AGREEMENT BETWEEN THE CITY OF VALLEJO & VULCAN CONSTRUCTION & MAINTENANCE, INC. FOR THE FISCAL YEAR 2006/2007 WATER METER REPLACEMENT PROJECT

The above resolutions were approved by the following vote:

AYES:	Mayor Intintoli, Vice Mayor Cloutier, Councilmembers, Bartee, Davis, Gomes, Pearsall and Sunga
NOES:	None
ABSENT:	None
ABSTAINING:	Councilmember Bartee and Gomes (on Item 6E; Sunga on 6B and 6C).

**(G) 6.1 APPROVAL OF A RESOLUTION OF INTENTION TO ADOPT AN ORDINANCE REGULATING CAMPING IN CITY OF VALLEJO PARKS**

Councilmember Pearsall asked the reason for the ordinance and how urgent the ordinance was.

Claudia Quintana, Assistant City Attorney, said the ordinance as crafted was to deal with activities at River Park, such as garbage, refuse, and criminal activities, and it would apply to anyone who chooses to camp at the park. Lieutenant Reggie Garcia said they

have been responding to numerous calls for service in the downtown area regarding individuals camping illegally, including those camping in flower beds owned by merchants in the downtown area. The amount of debris illegal campers leave behind was one of the major reasons they have asked for an ordinance to be approved.

Councilmember Pearsall also noted the police department will be working with the mental health and social services to deal with the homeless population at the park as well as dealing with chronic homeless people.

Ms. Quintana noted the ordinance would apply to anyone who chooses to camp overnight, and the City has not singled out any one particular portion of the population. Lieutenant Garcia further discussed the enforcement process and said they are directing referral services.

RESOLUTION NO. 07-117 N.C. offered by Councilmember Pearsall adopting the resolution of intent to adopt an ordinance regulating camping in City of Vallejo parks.

The above resolution was approved by the following vote:

AYES: Mayor Intintoli, Vice Mayor Cloutier,  
Councilmembers, Bartee, Davis, Gomes, Pearsall  
and Sunga  
NOES: None  
ABSENT: None

(E) 6.2 APPROVAL OF A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONSULTANT SERVICES AGREEMENT WITH BELLECI & ASSOCIATES, INC., FOR THE DOWNTOWN VALLEJO SQUARE SIDEWALK AND STREET IMPROVEMENT PROJECT

Joanne Schivley stated it was not clear where the Vallejo Square project is and asked staff for clarification prior to public comments.

City Engineer David Kleinschmidt said this project is comprised of nine blocks within the downtown area beginning at Virginia Street to Maine Street bounded in the other direction by Sonoma Boulevard and Santa Clara Street. There will be a comprehensive design of the entire downtown area and it will be phased for construction for the first funded area.

Staff has provided a substitute resolution to clarify that the agreement was a three-party agreement between Belleci & Associates, Inc., the City and Triad, which was somewhat unclear in the staff report.

Joanne Schivley questioned whether this project was contingent on Triad's project downtown, and Mr. Kleinschmidt said yes, the construction phase would be contingent on development of the Virginia Street parcel. Ms. Schivley then suggested that since the Triad project was somewhat uncertain and keeps being moved into the future, that this action be delayed and no money be spent on a consultant services agreement.

Robert Rowe agreed with Ms. Schivley.

Assistant City Manager/Community Development Craig Whittom said the project is grant funded from transportation enhancement grant monies; staff is running into a deadline in

spending that money so they need to move forward. The purpose of the three-party agreement was to have Triad ensure that if that scenario does happen, they would pay for the design contract.

Mayor Intintoli questioned if staff was confident the funding was in place to do this in the event that liability arises, and also asked for confirmation that the work would improve the City. Mr. Whittom said the City would secure in the agreement with Triad to ensure the City has that funding in the event the granting agency sought reimbursement; and the streetscape designs from the downtown plan would greatly enhance the downtown.

Councilmember Sunga questioned why none of the four bidders are local. Mr. Whittom said he was not aware of any local civil engineering firms in Vallejo. Councilmember Sunga also expressed concern about the Triad project and questioned if there was a way to word the agreement so that it will be contingent on the Triad project's proceeding in order to avoid future liability. Mr. Whittom said this was covered in the three-party agreement and Triad will be liable for any monies spent on the design contract. Mr. Whittom discussed the timeline for completion of the project within a six month period. Every six months staff must send an invoice to Caltrans to comply with project requirements, the deadline was a total of five years from the date of the grant receipt, and there are three years remaining.

Mr. Whittom responded to a question of Councilmember Sunga concerning why the Council could not wait until the Triad project was certain before entering into a contract with three years left. Councilmember Sunga also confirmed with Mr. Whittom that the design could be used in the downtown area with or without the Triad project.

Councilmember Pearsall stated that he believes timing is everything on a project like this especially in the downtown, and acknowledged that Triad has been delayed. He remembered putting in trees, benches and plants in the downtown area, attracted people using the amenities for drug deals and lounging. He asked that this be taken into account.

RESOLUTION NO. 07-115 N.C. offered by Councilmember Pearsall authorizing the City Manager to Enter into a consultant services agreement with Belleci & Associates, Inc., for the Downtown Vallejo Square Sidewalk and Street Improvement Project.

The above resolution was approved by the following vote:

AYES:	Mayor Intintoli, Vice Mayor Cloutier, Councilmembers, Davis, Pearsall and Sunga
NOES:	None
ABSENT:	None
ABSTAIN:	Bartee and Gomes

## 7. PUBLIC HEARINGS

- A. CONSIDERATION OF AN APPEAL OF THE PLANNING COMMISSION'S APPROVAL OF PLANNED DEVELOPMENT UNIT PLAN PERMIT #06-0018 FOR AN 11,754 SQUARE FOOT CUSTOM SINGLE FAMILY HOME LOCATED AT 1757 DURROW COURT IN HIDDENBROOKE

On March 19, 2007, the Planning Commission considered a Planned Development (Unit Plan) application (#06-0018) for a custom single family home located at 1757 Durrow

Court. The Planning Division staff had recommended that the proposed project be approved provided the size of the home was reduced. The Planning Commission unanimously approved the proposal as submitted after viewing a full-scale model of the proposed home, hearing presentations from staff and neighbors opposed to the project, the applicant's lawyer and designer and a Hiddenbrooke Architectural Review Committee (HARC) representative. On March 29, 2007, Larry Seamer filed an appeal of the Planning Commission's approval of Planned Development #06-0018.

Mayor Intintoli opened the public hearing.

Planning Manager Don Hazen introduced staff Marcus Adams, Associate Planner, Claudia Quintana, Assistant City Attorney, and Charles Legalos, Chairman of the Planning Commission.

Mr. Hazen described the one-acre site located within the Hiddenbrooke Specific Plan Area. The application is for a six bedroom, six baths, split level home totaling approximately 11,754 square feet with access from Durrow Court. He said the application required a unit plan which is typically approved at the staff level. Staff sent notices to neighbors, and based on comments received, the item was sent to the Planning Commission for a public hearing.

Mr. Hazen made a power point presentation, which showed homes on the same street and related square footage as compared to the proposed home. He stated that at the Planning Commission hearing, staff recommended the size of the home be reduced to 6,400 square feet and eight percent of lot coverage. He stated that staff could not find that the size proposed for the home was consistent with the intent and purpose of the Hiddenbrooke Specific Plan. He noted the findings for a unit plan were very subjective, and staff's approach was to attempt to use some reasonable standard, and therefore used a comparative analysis of other homes on similar sized lots on that street.

After hearing testimony, the Planning Commission voted unanimously to approve the project as submitted.

Mr. Hazen summarized two alternatives for Council consideration: a resolution that grants the appeal and requires the applicant to reduce the square footage to the size staff recommends; 6,400 square feet, 8 percent lot coverage with findings consistent with the Hiddenbrooke Specific Plan. The applicant would then be required to redesign the home, and the public noticing would occur again and staff would be in a position to administratively approve the re-design; a resolution denying the appeal and approving the project as submitted, which would be consistent with the Planning Commission's decision.

Planning Commission Chairman Charles Legalos reported that he believes the main issue considered by the Commission was the scale of the house, noting that the project is larger than most of the other homes and the Commission felt that the existing homes on Durrow Court should not necessarily set the standard for the size of the homes of the remaining three lots. There was also consensus that a home of this size might stimulate other homes of similar sizes which would be a good thing for the City. He noted the Hiddenbrooke Architectural Review Committee was in favor of construction moving forward.

Appellant Larry Seamer stated in his opinion the house is too large. At nearly 12,000 square feet of living space, 14,000 square feet of total lot coverage, this will be the

largest house in Hiddenbrooke and possibly in the entire City. He expressed concern about the visual impact from Landmark Drive. Mr. Seamer read from the Hiddenbrooke Specific Plan, "Residential units shall be compatible with neighboring units in terms of architectural design and scale," and stated that this was the basis upon which the appeal should be approved. Lastly, he referred to page 22 of the specific plan, which states, "The protection of significant views from all properties shall be considered by the City through the unit plan approval process in the design of all structures." He therefore felt the specific plan provides homeowners a remedy through the City Council.

In conclusion, without any avenue available to neighbors for input into HARC and with the Planning Commission seemingly insensitive to their concerns, Mr. Seamer said he asked the Council to intervene on the neighbors' behalf and require the applicant to reduce the footprint and visual impact of the house.

Jason Buckingham, Counsel representing Ron and Eunice Perez, owners, asked the Council to consider only the points Mr. Seamer raised in his written appeal. If new items were presented verbally tonight, those not be considered by the Council but continued in order for him to properly address and rebut those items. Mr. Buckingham responded to the points raised by Mr. Seamer concerning staff ignoring the Planning Commission's recommendation; the general and specific plan requirements regarding similar scale for neighboring properties, and Commissioner Salvadore's comments at the Planning Commission meeting. He stated that the Perez's did everything HARC required and obtained their final approval. The Commission took this into consideration and many commented on the fact that the owners followed the procedure in place.

In light of these facts and circumstances, Mr. Buckingham said he believes that the staff recommendation regarding a significant size reduction for a custom home on a one acre lot under a specific plan would be arbitrary, capricious and would not stand a judicial review. He stated that Council should focus on what Mr. Seamer's real objection is and that is that he does not want to have to look at a large, custom home up the hill from him. Further, Mr. Seamer signed a disclosure statement when he bought his house with the full knowledge that his views would be negatively impacted by a variety of future occurrences which would include construction of rooftops, buildings, decks, landscaping or other future development.

Vice Mayor Cloutier stated that the two large houses used as comparison models are significantly smaller than the 11,754 square foot house the Perez's want to build, and questioned why they were comparable.

Mr. Buckingham said the infill standards specifically state that any approved infill project must be "consistent with houses within a 200 foot radius." There are other flexibility standards under the design guidelines and in the specific plan that would encourage this type of development on a lot this large. Mr. Buckingham went on to say that they looked at what the proper limiting factors should be; setback requirements and height limitation, and this proposed design absolutely meets those standards under the general plan and specific plan.

Vice Mayor Cloutier asked how a house of this size enhanced the community as contended in the presentation. Mr. Buckingham stated they want to raise the bar higher for future custom home development in the City of Vallejo and give the city and community at Hiddenbrooke something to be proud of.



Mayor Intintoli thanked Mr. Buckingham, and stated, however, that he did not believe a home of this size would help remedy conditions in the core city.

*Rebuttal:* Planning Manager Don Hazen stated that the specific plan has findings such as the residential unit needing to be compatible with neighboring units in terms of architecture design and scale. It does not say that as long as a home meets the setback requirements, that whatever is left over on the property could be a home. Also, when staff analyzes the compatibility of the project with the surrounding neighborhood, they have to establish a zone of visual impact. They did not take all of Hiddenbrooke into consideration; they looked at the immediate neighborhood which would be visually impacted by this project.

Planning Commission Chairman Legalos stated that the Commission's feeling was that these are very large lots, are somewhat separated from the other more standard homes in Hiddenbrooke and larger than those constructed on Durrow Court. The Commission felt this would stimulate people to make more of an investment in Vallejo.

*Rebuttal:* Mr. Seamer stated that neither he nor the neighbors objected to the diverse uses of land in Hiddenbrooke. They feel this particular house goes beyond good taste and size. This house will come quite a ways down the hill and will be close to the other big houses next to it. He also said that their position is held and supported by six of the ten homes along Landmark Drive and signatures have been turned in from the other owners. Finally, his contract with the developer does not abrogate his right to try to maintain the high quality of his community, which was what they were seeking.

The following speakers spoke in support of the appeal, expressing concern about how the proposed building will affect their quality life, harmony and aesthetics of an already established neighborhood; the possibility of additional traffic, and parking. They did not believe the house was in the best interest of the community: Margaret Kristof, Lina Nelson, Erick Nelson, Robert Schussel.

David Elias, five year member of Hiddenbrooke Architectural Review Committee (HARC), stated that HARC is a voluntary group who evaluates projects based on guidelines developed by City Planning staff and this is the only tool they have. He explained what the guidelines define and stated that they review projects based on design guidelines of meeting architectural quality standards and setbacks. He believes the home met all of those guidelines, and part of the HARC's goal was to raise the quality of all homes in Hiddenbrooke.

In answer to a question of Vice Mayor Cloutier, Mr. Hazen described the method used to determine the reduction of 6,400 square feet.

Associate Planner Marcus Adams further explained how staff came up with the 6,000 square feet.

Vice Mayor Cloutier said the applicant's request is for 11,754 square feet which is much larger in terms of square feet to the two comparison homes. He felt the standard should certainly be the houses that are in the vicinity of the house on Durrow Court. He does not believe gigantic homes enhance the community and he felt the issue was one of developing a reasonable standard which staff has done.

Councilmember Bartee questioned the comment regarding whether or not the staff proposal would withstand judicial review. Mr. Hazen said they could not provide an

opinion as to whether it would stand judicial review, but standards are set forth in the zoning ordinance, facts have been presented, and what the Council should do is to apply the facts as they see reasonable. If this is done, there is an argument that can be made that whatever decision the Council makes should be given deference by a court. He felt it was not a legal issue but an issue that needs to be decided by the Council.

Councilmember Bartee agreed with Vice Mayor Cloutier's comments, felt the fair thing to do would be to bring the project back to a scale that matches something similar to the local area.

Councilmember Bartee made a motion that the Council adopt Exhibit 1 as the staff proposal, but rather than suggesting 6,400 square feet as a maximum and eight percent of lot coverage, that they be allowed to have a structure that is as large as other existing structures in the area at 7,100 square feet be the maximum with 9.6 percent lot coverage as a maximum, and all other information in the staff recommendation to remain the same.

Councilmember Sunga said the lot was originally 68,000 square foot and was subdivided into two lots. He asked if the other lot was buildable. Mr. Hazen said because of a large easement that crosses the property, the actual footprint was very small.

Councilmember Gomes stated that HARC and the neighbors also have an interest in the project. She felt staff came to the correct conclusion that the home is way too large for the area, does not compliment the community identity and it is not compatible with neighboring units in terms of scale. She questioned what Councilmember Bartee proposed and the lot size comparison.

Mr. Adams explained the lot size comparison referred to in Table 2 on page 4 of the staff report.

Mr. Hazen said the resolution contains the recommendation to reduce the size to 8 percent lot coverage, which works out to roughly 6,400 square feet. The home on Durrow Court is 9.6 percent. So, the 9.1 percent was higher than staff's recommendation.

Councilmember Gomes questioned if this was the new standard in the community, and Mr. Hazen said no, but staff had to first define compatible scale for the neighborhood and would use this methodology in the future because it helps establish expectations on the neighbor's point of view, as well.

Mr. Adams added that the recommendation made tonight was made prior to the recent lot split and so the rationale they arrived at was not to just allow a slightly larger home. Staff's original recommendation was taking into consideration the lot size comparisons and what they felt would be appropriate while still being fair.

Councilmember Gomes stated that she supports staff's recommendation.

Councilmember Bartee questioned the logic behind allowing the property owner to split the lot if staff feels that now the percentage of lot coverage was inappropriate. He felt in fairness to the applicant, the Council should hold them to no less a standard than someone already approved through the existing process, and also not be in a position of encouraging larger homes each time. He felt Council should be fair and allow 7,100 square feet with 9.6 percent lot coverage.

Mayor Intintoli questioned how to build fairness into the process, noting that there will be other property owners in the same position as the Perez's. Mr. Hazen said most of the other homes built here did not have to go through a public process because they received positive responses or no responses from the required notification. This was an exception. He believes the process works.

In answer to a question of Mayor Intintoli concerning the preliminary review process, Mr. Hazen said based on this meeting, he would recommend that when the Hiddenbrooke Architectural Review Committee receives an request from an interested property owner, they advise the applicant to submit the plans to the City at the same time. Staff's preliminary review process is free of charge and City staff would become more involved with the community. He sees a role for City staff to become involved and working side by side with HARC to help avoid these types of issues. All of the custom homes currently at Hiddenbrooke apparently met with the approval of the community and this was the first one he was aware of that had opposition, but he agreed it was not a perfect process.

RESOLUTION NO. 07-118 N.C. offered by Councilmember Bartee to grant the appeal of Planned Development Unit Plan Permit #06-0018 and require the applicant to revise the plans to allow for a not to exceed 7,100 square foot custom single family home, with lot coverage not to exceed 9.6%, located at 1757 Darrow Court in Hiddenbrooke.

The resolution was adopted by the following vote:

AYES:	Councilmembers Bartee, Davis, Gomes, Pearsall and Sunga
NOES:	Mayor Intintoli and Vice Mayor Cloutier
ABSENT:	None
ABSTAINING:	None

**8. ADJOURN TO A JOINT REGULAR MEETING OF THE VALLEJO CITY COUNCIL, THE VALLEJO HOUSING AUTHORITY AND SPECIAL MEETING OF THE VALLEJO REDEVELOPMENT AGENCY**

At 9:07 p.m., the Council adjourned to a joint regular meeting of the City Council, the Housing Authority and special meeting of the Redevelopment Agency. All members were present.

**9. ADMINISTRATIVE ITEMS**

**A. CONSIDERATION OF RESOLUTIONS APPROVING EDEN HOUSING AS THE PREFERRED NON-PROFIT HOUSING DEVELOPER WITH WHICH TO NEGOTIATE A PROJECT LOAN AGREEMENT TO DEVELOP AFFORDABLE FAMILY RENTAL HOUSING AT THE SITE LOCATED AT CURTOLA PARKWAY AND LEMON STREET**

Councilmember Davis recused himself from participating in this matter due to a conflict of interest and left the dais at 9:07 p.m.

Housing and Community and Development Manager Laura Simpson stated the item before Council is a recommendation to negotiate a loan agreement with Eden Housing for a new affordable housing development at Lemon Street and Curtola Parkway. In

December 2006, the Council approved a resolution to issue a RFQ and conceptual proposals for a new affordable rental development. The RFP was issued in December to over 50 for profit and non-profit developers throughout California, who researched sites throughout the city and submitted proposals. One requirement was that development sites would be reviewed to ensure a de-concentration of assisted housing development. The programs target a range of income levels, the first being the Housing Choice Vouchers program or Section 8 which serves extremely low incomes and with federal funding received annually. The second program is the New Rehabilitative Affordable Rental Housing Program which serves very low income household, and is funded by redevelopment housing set-aside funds, federal HUD funds, CDBG funds, and Housing Authority reserves. The third program is Down Payment Assistance and Homeowner Rehab Loan Programs which are funded by the City to serve 80 percent of area median or below income, which is the low income category. Another program also provides new construction and rental units, developed through Vallejo Neighborhood Housing Services, a local community housing development organization.

Ms. Simpson explained how funds are allocated through ownership and rental programs, and also explained the funding sources for 2007/08 for rental housing development.

Ms. Simpson said the Housing Authority opened their waiting list in January 2007 and received over 6,000 applications from families in need of housing assistance. About 4,000 applications have indicated a Vallejo residency and she further discussed the benefits and legal requirements of affordable housing at various income levels.

Ms. Simpson noted five proposals were received on April 16, 2007 from experienced affordable housing developers on five different sites; an interview panel was convened on April 26, and Eden Housing scored the highest. The Housing and Redevelopment Commission reviewed and approved staff's recommendation to select Eden Housing as the preferred developer on May 9, 2007. She briefly identified the various proposals received, scores, and staff's recommendations, stating the Housing and Redevelopment Commission recommended approval and their concerns were met by Eden Housing regarding balancing neighborhoods versus community revitalization and she gave a brief description of the Eden Housing's proposal. She said next steps would include community outreach meetings, preliminary meetings with Planning Division, developer and staff review of budget, proposed subsidy and loan terms, and then they would return to the Housing and Redevelopment Commission and City Council with a proposed loan agreement. A planning application would likely be submitted in the fall, returned to the Planning Commission, to the City Council, tax credit would be sent to the State, TCAC would be awarded, and construction would begin in early 2009.

Linda Mandolini, Executive Director, Eden Housing, introduced Katie Lamont, Senior Project Manager; Jan Peters, Director of Property Management; and Rick Williams from Van Meter, Williams and Pollack. She noted that should they be selected, they envision a community process, noting the site plans were not final. She discussed Eden Housing's 39 year background and provided a presentation of current developments.

Katie Lamont, Senior Project Developer, Eden Housing, said Eden was proposing a development of 56 affordable apartments and associated community space, said the site is a gateway to the City, they liked its location to transit, schools, shopping and park services amenities. She briefly described the unit mix of the project, rents, and common occupations.

Rick Williams, Van Meter, Williams and Pollack, said the idea is to develop a gateway into the neighborhood and into the City that brings people into the downtown. He presented the site location, discussed the site plan, elevations, open spaces and design elements.

Mayor Intintoli suggested speakers be limited to three minutes per person due to the time of evening. There were no objections from Councilmembers.

The following people spoke in opposition to the project citing a number of issues including affordable housing should be spread throughout the community, the project being too large, poor location, would exacerbate existing crime problems, impact on existing neighborhood by increasing traffic and parking, clustering people in large complexes does not work, unprecedented increase in population and density: Katy Miessner, Adrienne Waterman Joann Schivley, Peter Laurent, Doug Darling, Celeste Langstaff, Robert Bancrof, Linda Lawless, Jill Brown, Dave Arnold, Melinda Carmichael.

Judy Irvin, representing the Vallejo Architectural Heritage Foundation, voiced concerns over development, density and social problems in the west side (the historic area of the city). She referred to the Historic Preservation Act in 1966, which requires all federal monies be tied to compliance with the act, and noted that the request for public input on the historic section of the city has not been done.

Marti Brown stated she agreed more homeownership and more mixed income projects was needed, but the city needs to meet its housing numbers, rental units are needed, and hopes the Council approves the project.

Mr. Whittom responded to questions and comments of speakers stating that there is a need in the community for rental housing. What is being proposed tonight achieves the objectives; it is the smallest proposed development that the City would have considered funding over the past 10 years in terms of subsidized rental housing. It is not in the downtown but in the area west of I-80.

Mr. Whittom stated that staff is recommending the Council provide the authority to move forward with the developer and the community on negotiating a loan agreement, and engaging the community in a community design process and provide the opportunity to work with Eden and the community on a development.

Mayor Intintoli noted he inadvertently missed a speaker request card from Thom Howard and called upon him to speak.

Vice Mayor Cloutier stated that the area was partly unincorporated, and Mr. Whittom agreed it would require an annexation process. Vice Mayor Cloutier further reported that the City not only has a legal obligation to provide housing and rental housing to people of all income levels, but also a moral duty. However, the City wants to make sure it does it well and equitably. He is not comfortable with the site selection process and feels it is not only unfair to the neighborhood but it is also unfair to the Council as they were unaware of the location. The developer has contended the sound wall was blighted and he saw no evidence of this; and he did not follow the developer's logic in saying this is an optimal site. Given the process followed, he is not comfortable enough to support the proposal tonight.

Councilmember Gomes stated that 15 percent of housing is required to be affordable. Unfortunately, the new neighborhoods that are created do not include affordable units;

the developers pay in-lieu fees so the older neighborhoods are forced to bear the burden of these new developments. The historic districts in the city are bearing the burden of affordable housing. Overall, she believes the planning was a very piece-meal process and a master plan is needed for the area, to include retail, other housing, and make it a revitalized, transit-oriented area. Lastly, Mr. Whittom indicated the Council could approve moving forward with the loan agreement while the community outreach effort is going on; she believes the community process should have been done first. Further, it has not yet been proven to her that an affordable rental housing project could be built that works; one that is healthy, safe and with neighborhood agreement.

Linda Mandolini, Eden Housing, described the screening requirements used by Eden Housing.

Jan Peters, Director of Property Management, said one month after the tenant has moved in, an inspection of the unit is conducted and from then on, they hold six month inspections. Annually, they re-certify the tenant to ensure those living in the unit are certified and on the lease.

Councilmember Bartee questioned if Eden Housing could possibly make a proposal to take over the management of the property at 201 Maine Street and Sereno Village. He confirmed with Ms. Simpson that Section 8 had no residency requirement, but a preference rating for Vallejo residents. Ms. Simpson explained the residency requirement and the rating for Vallejo residents.

Councilmember Bartee agreed that having the proposal come to the Council with such short notice given the scope and location of the project, and not having some community input in advance was not right, and he felt it puts the Council and the community in a difficult position.

Councilmember Bartee asked staff to comment on the Historic Preservation Act and the implication that there was a deficiency on the City's part. Mr. Whittom felt this was not the case, but staff could provide further information on it.

Councilmember Bartee said he believes they should look at spreading this type of housing throughout the city in a more balanced way rather than focusing affordable housing in one location. And, until then, our history to date has not proven that these types of projects can be well managed and he could not support the project at this time. This was not to say he would not support one in the future, given safety and security measures in place and a better site selected.

Mayor Intintoli stated he would support the resolution because he feels strongly about the need for this type of housing in the city and his belief that it can be done properly, said staff went through a significant selection process and felt Eden Housing was the right developer to work with the neighborhood and obtain buy-in.

A resolution was offered by Chairman Intintoli, authorizing the Executive Director of the Housing Authority of the City of Vallejo to approve Eden Housing as the preferred nonprofit housing developer and directing staff to negotiate a project loan agreement of up to \$5.1 million to support the development of affordable workforce rental housing at the site bounded by Curtola Parkway, Lemon Street and Cypress Avenue.

The resolution failed by the following vote (4-4-0-1):

AYES: Chair Intintoli and Members Sunga, Everheart,  
Pitchford  
NOES: Vice Chair Cloutier, Members Pearsall and Barteo,  
Gomes  
ABSENT: None  
ABSTAINING: Member Davis

A resolution was offered by Mayor Intintoli, authorizing the Executive Director of the Vallejo Redevelopment Agency of the City of Vallejo to approve Eden Housing as the preferred nonprofit housing developer and directing staff to negotiate a project loan agreement of up to \$5.1 million to support the development of affordable workforce rental housing at the site bounded by Curtola Parkway, Lemon Street and Cypress Avenue.

The resolution failed by the following vote (2-4-0-1):

AYES: Chair Intintoli and Member Sunga  
NOES: Vice Chair Cloutier, Members Pearsall and Barteo,  
Gomes  
ABSENT: None  
ABSTAINING: Member Davis

A resolution was offered by Mayor Intintoli, authorizing the City Manager of the City of Vallejo to approve Eden Housing as the preferred nonprofit housing developer and directing staff to negotiate a project loan agreement of up to \$5.1 million to support the development of affordable workforce rental housing at the site bounded by Curtola Parkway, Lemon Street and Cypress Avenue.

The resolution failed by the following vote (2-4-0-1):

AYES: Chair Intintoli and Councilmember Sunga  
NOES: Vice Mayor Cloutier, Members Pearsall and Barteo,  
Gomes  
ABSENT: None  
ABSTAINING: Councilmember Davis

**10. RECONVENE TO THE VALLEJO CITY COUNCIL MEETING**

Mayor Intintoli reconvened the regular City Council meeting at 10:55 p.m.

Councilmember Davis returned to the dais at 10:55 p.m.

**11. POLICY ITEMS**

- A. AN URGENCY ORDINANCE, PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 65858, EXTENDING UNTIL MARCH 27, 2008, A MORATORIUM ON THE ESTABLISHMENT OF ANY NEW ACTIVITY OR FACILITY SELLING TOBACCO OR TOBACCO RELATED PRODUCTS OR PARAPHERNALIA

This action would extend the original 45-day interim moratorium on any new activities or facilities selling tobacco or tobacco related products and paraphernalia for an additional

period of time until March 27, 2008 in order to allow staff to draft regulations on such uses.

Assistant City Attorney Claudia Quintana reported that the ordinance would extend through March 27, 2008, and would apply to certain new tobacco paraphernalia retailers. It includes a more tailored definition affected by the moratorium, and will exclude grocery and convenience stores and gas retailers. She reported that at Councilmember Barte's request, staff engaged in a voluntary compliance effort to assess whether existing tobacco retailers would be receptive to removing offending merchandise.

Lieutenant Garcia said a letter was drafted which listed items staff wished retailers to voluntarily delete from their store and they also requested the retailer sign the letter. Of the 13 stores, 7 owners signed the letter; however, only some of the items have been removed and parts of other items still remain. He said they have gained compliance for removal of whippets, all stores except one has only removed the crackers and blooms but still carries the whippets. Another store sold packaged items which are felonies to possess and that store has removed them from their inventory.

The following speakers spoke in support of the ordinance citing the public nuisances and the crime created by the smoke shops: Velia Young, Rick Davis, Kevin Botti, David Sells, Yann Jouvenot, Moises Ramirez, Katy Miessner, Mary Ann Parker.

ORDINANCE NO. 1589 offered by Councilmember Pearsall, adopting an urgency ordinance extending the original 45 day moratorium until March 27, 2008.

The ordinance was adopted by the following vote:

AYES:	Mayor Intintoli, Vice Mayor Cloutier, Councilmembers Barte, Davis, Gomes, Pearsall and Sunga
NOES:	None
ABSENT:	None
ABSTAINING:	None

**B. CONSIDERATION BY THE CITY COUNCIL OF A RESOLUTION HOLDING ON FIRST READING AN ORDINANCE CONTAINING A DESCRIPTION OF THE REDEVELOPMENT AGENCY OF VALLEJO'S PROGRAM TO ACQUIRE REAL PROPERTY IN THE MERGED DOWNTOWN / WATERFRONT REDEVELOPMENT PROJECTS BY EMINENT DOMAIN, IN COMPLIANCE WITH HEALTH AND SAFETY CODE SECTION 33342.7.**

In 2006, the legislature passed Senate Bill 52, which took effect January 1, 2007, adding Section 33342.7 to the Health and Safety Code. Pursuant to Section 33342.7, a legislative body that adopted a redevelopment plan before January 1, 2007, must adopt an ordinance on or before July 1, 2007, that contains a description of the redevelopment agency's program to acquire real property by eminent domain. The Vallejo Redevelopment Agency's program to acquire real property by eminent domain is set out in several sections of the Redevelopment Plan, in Ordinance No. 1576 (2d), which approved and adopted the Amended and Restated Redevelopment Plan, and in the Report to City Council prepared at the time the Amended and Restated Redevelopment Plan was adopted (November 28, 2006).



Councilmember Bartee and Gomes recused themselves from participating on the project due to conflict of interest involving property rights and left the dais

Bonnie Robinson, Economic Development Division, introduced Iris Yang, Outside Legal Counsel. Ms. Robinson-Lipscomb noted that the eminent domain program was approved in November, and staff was not modifying or changing anything regarding the program. The action tonight is to address compliance with the recently enacted legislation.

There was no public comment.

RESOLUTION NO. 07-119 N.C. offered by Mayor Intintoli, adopting a Resolution of the City of Vallejo holding on first reading an ordinance containing a description of the Vallejo Redevelopment Agency's program to acquire real property by eminent domain in the Merged Downtown / Waterfront Redevelopment Projects.

The resolution was adopted by the following vote:

AYES:	Mayor Intintoli, Vice Mayor Cloutier, Councilmembers Pearsall and Sunga
NOES:	None
ABSENT:	Davis (excused)
ABSTAINING:	Bartee and Gomes

C. CONSIDERATION OF TWO RESOLUTIONS AUTHORIZING THE CITY MANAGER TO EXECUTE 1) A CONSULTANT AND PROFESSIONAL SERVICES AGREEMENT WITH MAZE & ASSOCIATES ACCOUNTANCY CORPORATION FOR FINANCIAL AUDITING SERVICES AND 2) A WORKERS' COMPENSATION ADMINISTRATION SERVICES AGREEMENT WITH GREGORY B. BRAGG & ASSOCIATES, INC. FOR WORKERS' COMPENSATION CLAIMS ADMINISTRATION

Councilmembers Bartee and Gomes returned to the dais.

Finance Director Robert Stout said he was available to answer questions.

Mr. Stout responded to comments of Councilmember Gomes concerning the bidding process stating that the auditor contract typically was a three-year contract and it was difficult to replace the contract with a new auditor this late in the year. Staff also discovered the Bragg contract ended this year and the Risk Manager had left the City. He said when going out for a third party administrator, there are significant issues involved, the City needed at least a year to plan, but staff did not realize it was in such a time crunch.

Councilmember Sunga questioned if it were possible to approve an extension with a shorter timeframe to allow staff to prepare an RFP. Mr. Stout said staff did not know when they would get a new Risk Manager hired; the City Manager wants to look at the entire way risk management is organized which is why the Bragg contract is for three years. Maze & Associates' contract is two-years to extend it to the standard five year contract, but both could be shortened if Council wished. He also confirmed that the annual increase was common in the industry.

There was no public comment.

RESOLUTION NO. 07-120 N.C. offered by Vice Mayor Cloutier, adopting a Resolution of the City of Vallejo approving the Consultant and Professional Services Agreement with Maze & Associates Accountancy Corporation for financial auditing services, and authorizes the City Manager to execute the Agreement on behalf of the City;

The resolution was adopted by the following vote:

AYES: Mayor Intintoli, Vice Mayor Cloutier,  
Councilmembers Bartee, Gomes, Pearsall and  
Sunga  
NOES: None  
ABSENT: Davis (excused)  
ABSTAINING: None

RESOLUTION NO. 07-121 N.C. offered by Mayor Intintoli, adopting a Resolution of the City of Vallejo Approving the Workers' Compensation Administrative Services Agreement with Gregory B. Bragg & Associates, Inc. for workers' compensation claims administration services, and authorize the City Manager to execute the agreement on behalf of the City.

The resolution was adopted by the following vote:

AYES: Mayor Intintoli, Vice Mayor Cloutier,  
Councilmembers Bartee, Gomes, Pearsall and  
Sunga  
NOES: None  
ABSENT: Davis (excused)  
ABSTAINING: None

**13. APPOINTMENTS TO BOARDS, COMMISSIONS AND COMMITTEES**

**A. APPOINTMENTS TO THE DESIGN REVIEW BOARD**

Mayor Intintoli said the Council interviewed a number of applicants for seven vacancies on the new Design Review Board. He explained that the terms will be staggered terms.

Councilmember Pearsall nominated Julie Anderson, Marty Brown, Kevin Foreman, Michael Lin, Dragana Monson, Kim White. Councilmember Gomes nominated Adam Chavez. Councilmember Sunga nominated Mark Miller. Vice Mayor Cloutier nominated Joe Holtz, Nestor Tandock and Paul Vitalli.

A roll call vote resulted in the following individuals receiving the majority votes: Kim White, Dragana Monson, Michael Lin, Kevin Foreman, Marty Brown, Adam Chavez, and Julie Anderson.

Marty Brown and Michael Lin were nominated for appointment to the four-year term.

Kevin Foreman and Kim White were nominated for appointment to the three year term.

Adam Chavez and Dragana Monson were unanimously nominated to the two-year term.

Julie Anderson was unanimously nominated for a one year term.

RESOLUTION NO. 07-122 N.C. offered by Mayor Intintoli, to appoint Michael Lin and Marty Brown (four year terms); Kevin Foreman and Kim White (three year terms); Adam Chavez and Dragana Monson (two year terms); and Julie Anderson (one year term).

The resolution was adopted by the following vote:

AYES: Mayor Intintoli, Vice Mayor Cloutier,  
Councilmembers Bartee, Davis, Gomes, Pearsall  
and Sunga  
NOES: None  
ABSENT: None  
ABSTAINING: None

**14. WRITTEN COMMUNICATIONS**

Mayor Intintoli noted a letter was received from Carol Gordon and a letter from the Vallejo Architectural Heritage Foundation, signed by Adrienna Waterman, dated May 16, 2007, both of which were referred to the City Manager.

**15. CITY MANAGER'S REPORT - None**

**16. CITY ATTORNEY'S REPORT - None**

**17. COMMUNITY FORUM - None**

**18. REPORT OF THE PRESIDING OFFICER AND MEMBERS OF THE CITY COUNCIL**

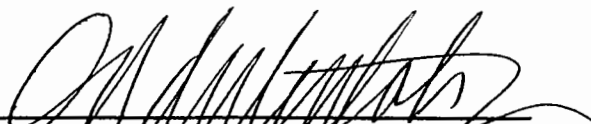
Councilmember Sunga reported the ALERT program received \$23,000 for funding for disaster preparedness.

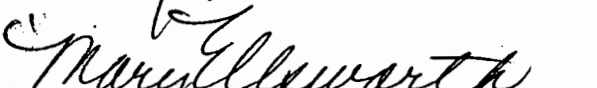
Mayor Intintoli said there was no immediate need for a liaison to be appointed to the Design Review Board, and asked Councilmembers to notify him by Friday if they want to be considered.

**19. CLOSED SESSION - None**

**20. ADJOURNMENT**

The meeting adjourned at 11:44 p.m.

  
\_\_\_\_\_  
ANTHONY J. INTINTOLI, JR., MAYOR

Attest:   
\_\_\_\_\_  
MARY ELLSWORTH, ACTING CITY CLERK



POLICY A

Agenda No.

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**COUNCIL COMMUNICATION**

**Date: May 22, 2007**

**TO:** Honorable Mayor and Members of the City Council

**FROM:** Frederick G. Soley, City Attorney *F.G.S.*  
Claudia Quintana, Assistant City Attorney *CQ*  
Craig Whitton, Assistant City Manager/Community Development *CW*  
Brian Dolan, Development Services Director *BD*  
Don Hazen, Planning Manager *DH*

**SUBJECT:** Consideration of an urgency ordinance pursuant to California Government Code § 65858, extending until March 27, 2008, a moratorium on the establishment of any new activity or facility selling tobacco or tobacco related products or paraphernalia.

**BACKGROUND AND DISCUSSION**

On March 27, 2007, City Council adopted an urgency ordinance prohibiting new retailers of tobacco and tobacco related products based on documented health, safety and general welfare concerns. A number of legal findings regarding the urgency of the situation were made at that time.

Notice regarding this public hearing for extension of the moratorium was duly published pursuant to Cal. Gov. Code § 65858 and Vallejo Municipal Code § 16.86.080.

Since adoption of the urgency ordinance imposing the 45 day moratorium, staff has coordinated with the Solano County District Attorney's Office to arrange for a Community Prosecutor position to work on this and other quality-of-life issues within City of Vallejo boundaries.

Additionally, the City Attorney's Office, working with the Vallejo Police Department has sent out a Voluntary Compliance Letter to each smoke shop owner asking each of them to voluntarily refrain from selling items on a list. (See attached.) Lt. Garcia will report to City Council on May 22, 2007 as to the amount of success obtained through voluntary compliance.

A number of meetings have been set up and will continue to be arranged in the future with staff and community members to voice their thoughts on how this issue may best be addressed.

The following is a time line for action to address this issue.

**June 2007:**

**Phase 1:** Meeting with stake holders.  
Meet with Tobacco Coalition.  
Meet with Solano County.  
Meet with Planning staff re best way to implement regulation of shops.  
Meet with property owners/shop owners.

**September 2007 to December 2007:**

**Phase 2:** Initial Drafting and Circulation.  
Drafting by September 30, 2007; incorporate feedback by December 2007  
Draft changes to the Zoning ordinance.  
Circulate proposed changes to staff.  
Receive feedback from staff.  
Circulate proposed changes to community members/stake holders.  
Receive feedback from community members/stake holders.

**March 2008:**

City Council Review of work so far including draft/possible extension of Moratorium.  
(Resolution of Intent to Amend Zoning Ordinance)

**April 2008:**

**Phase 3:** Gathering facts and figures regarding the fee.  
Obtaining evidence to support a Regulatory Fee component for a "Deemed Approved" ordinance/Fee study.  
Organizing evidence into a fee structure and setting a figure.

**June 2008-July 2008:**

**Phase 4:** Final Draft and Circulation.  
Final Draft of Ordinance/Planning Commission Staff Report.  
Circulate among staff/receive final comments.

**August 2008-September 2008:**

**Phase 5:** Legislative process.  
Planning Commission Review.  
City Council Consideration.  
First Reading.  
Second Reading.  
Ordinance becomes effective.

As the Council may remember, evidence presented at the study session on March 13, 2007, showed that certain local retailers selling tobacco and tobacco related products offer to the general public a variety of illegal items, such as a shurikens, nitrous oxide canisters, and paraphernalia for smoking prohibited substances, as well as items that are ostensibly sold for legal purposes – such as the consumption of tobacco – but are actually used for the consumption of illegal substances. The ease with which minors, and the general public may access illegal items, or items that promote the consumption of illegal drugs threaten the health and welfare of Vallejo residents. The sale of candy and t-shirts alongside tobacco related products increases the likelihood that minors will be attracted by tobacco related paraphernalia.

Staff proposes to amend the Zoning ordinance of the City of Vallejo in at least two ways:

1. Limit the areas where new retailers of tobacco and tobacco related products may operate (i.e. prohibit them within 500 feet of schools, parks or places where children may frequent).
2. Create a CUP process and modify the current “deemed approved” ordinance affecting liquor establishments to articulate standards for smoke shops, including a funding mechanism to sustain the regulatory compliance with the standards.

#### RECOMMENDATION

It is recommended that the attached urgency ordinance be adopted.

#### ALTERNATIVES CONSIDERED

There is a “no-action” alternative. If no action is taken, it would mean that the smoke shops would continue to be not specifically regulated, and no restrictions would be placed on zoning.

#### ENVIRONMENTAL REVIEW

The adoption of this urgency ordinance is exempt from CEQA under Sections 15060 (c)(3), 15061(b)(3), 15301, 15303, and 15307 of the State CEQA Guidelines.

#### PROPOSED ACTION

Adoption of an urgency ordinance pursuant to Cal. Gov. Code § 65858, extending until March 27, 2008, a moratorium on the establishment of any new activity or facility selling tobacco or tobacco related products or paraphernalia.

**DOCUMENTS ATTACHED**

- a. An urgency ordinance pursuant to Cal. Gov. Code § 65858, extending until March 27, 2008, a moratorium on the establishment of any new activity or facility selling tobacco or tobacco related products or paraphernalia.
- b. Sample Voluntary Compliance letter with list.

**AVAILABLE FOR REVIEW**

- a. An interim ordinance of the City of Vallejo adopted as an urgency measure pursuant to California Government Code section 65858 making findings and establishing a 45 day temporary moratorium on the Establishment of any new activity or facility selling tobacco or tobacco related products or paraphernalia.
- b. Materials from the March 13, 2007 study session.
- c. Letters from supporters.
- d. Powerpoint presentation from Vallejo Police Department given on March 13, 2007.

**CONTACT PERSON**

Claudia Quintana  
Assistant City Attorney  
(707) 648-4545  
[cquintana@ci.vallejo.ca.us](mailto:cquintana@ci.vallejo.ca.us)

May 22, 2007

J:\CLAUDIA\smokeshops\Moratorium Tobacco Retailer Staff Report2.1.doc

# **ATTACHMENT**

**A**



**ORDINANCE NO. \_\_\_\_\_**

**AN URGENCY ORDINANCE, PURSUANT TO CALIFORNIA  
GOVERNMENT CODE SECTION 65858, EXTENDING UNTIL  
MARCH 27, 2008, A MORATORIUM ON THE ESTABLISHMENT  
OF ANY NEW ACTIVITY OR FACILITY SELLING TOBACCO OR  
TOBACCO RELATED PRODUCTS OR PARAPHERNALIA.**

**WHEREAS, on March 27, 2007, the City Council adopted Urgency Ordinance No. 1585 N.C.(2d) establishing an emergency 45-day moratorium on the establishment of any new activity or facility selling tobacco or tobacco related products or paraphernalia; and**

**WHEREAS, the legislative process by which any proposed permanent amendment to the City's Zoning ordinance requires public input, study for consistency with the general plan, public hearings before the Planning Commission, as well as two readings before the City Council; and**

**WHEREAS, various local organizations, including Fighting-Back Partnership and the Solano County Tobacco Education Coalition, among others have expressed an interest in being involved in the process of drafting regulations which will be effective; and**

**WHEREAS, due notice of the hearing requesting this extension of the moratorium has been given as required by law; and**

**WHEREAS, the City of Vallejo has an overriding interest in planning and regulating the use of property within the City and implicit in any plan or regulation is the City's interest in maintaining the quality of urban life and the character of the City's neighborhoods. Without stable, well-planned neighborhoods, sections of the City can quickly deteriorate, with tragic consequences to social, environmental and economic values; and**

**WHEREAS, the proliferation of establishments that sell or display smoking, drug/and or tobacco paraphernalia, and other items promoting the use of tobacco products or promoting the use of illegal drugs or controlled substances and characterizing such paraphernalia as intended for use with tobacco products, may adversely affect the City's ability to attract and retain businesses and shoppers to the City; and**

**WHEREAS, the Council of the City of Vallejo has heard evidence that nitrous oxide products are commonly being sold at these establishments, and the ingestion of this gas may result in loss of consciousness and death for minors and adults alike; and**

**WHEREAS, permitting the sale of smoking, drug and/or tobacco paraphernalia may adversely affect the City's economic vitality, may promote the illegal**

consumption and purchase of illegal drugs by children and minors by increasing their exposure to drug paraphernalia, may result in high concentration of illegal drug-related uses in certain neighborhoods, may result in a threat to public health, safety and welfare and may not be compatible with existing and potential uses of similarly zoned businesses; and

WHEREAS, it is the City's intent, in consideration of other existing and potential uses within the City, to assure a degree of compatibility between the location of establishments selling and displaying smoking, drug and/or tobacco paraphernalia and surrounding commercial properties. This intent will be effectuated by a period of community input, and staff study possibly resulting in additional revisions to the Zoning Ordinance; and

WHEREAS, proper consideration of the appropriate zoning designation for these establishments will help effectuate Vallejo General Plan Urban Design Goal 2, "To have within each neighborhood an image, sense of purpose and means of orientation" and Urban Design Goal 3, "To have attractive, exciting shopping areas"; and

WHEREAS, the continued indiscriminate establishment of certain tobacco retailers who sell and display smoking, drug and tobacco paraphernalia may result in potential conflict with some of the policies and objectives of the Urban Design Element of the General Plan; and

WHEREAS, the City Council hereby requests that the Planning Division, together with the City Attorney's Office, initiate and follow the process as outlined in the staff report to amend the Zoning Ordinance to regulate the location and manner of use concerning facilities selling and displaying tobacco and tobacco related products and paraphernalia with the goal of adopting needed changes to the current regulations, including changes to the Zoning Ordinance to protect the public health, safety, and welfare from the negative effects of smoke shops; and

WHEREAS, until such time that the City concludes its review and adopts new land use controls over such activities or facilities selling and displaying tobacco and tobacco related products and paraphernalia, the community is in jeopardy that such businesses could be instituted, modified, or expanded prior to the imposition of new controls necessary for the protection of public health and welfare; and

WHEREAS, during the period of time that staff undertakes this task, the City is concerned that absent the adoption of an emergency moratorium, activities and facilities that conflict with contemplated changes to the City's regulatory schemes could be established in the city thereby frustrating the realization of the City goals; and

**WHEREAS, until such time that the City concludes its review and adopts new land use controls over such activities or facilities selling and displaying tobacco and tobacco related products and paraphernalia, the community is in jeopardy that such businesses could be instituted, modified, or expanded prior to the imposition of new controls necessary for the protection of public health and welfare; and**

**WHEREAS, issuance or approval of any building, planning or other permit for activities or facilities selling and displaying tobacco and tobacco related products and paraphernalia prior to the City's completion of such investigation and amendment process would result in a current and immediate threat to the public health, safety or welfare; and**

**WHEREAS, pursuant to California Government Code section 65858, a city, including a charter city, may adopt an interim ordinance prohibiting any uses that may be in conflict with a contemplated general plan or a zoning proposal that the legislative body is considering or intends to study within a reasonable time; and**

**WHEREAS, for the reasons set forth above and in Ordinance No.1585 N.C.(2d), this Ordinance is declared by the City of Vallejo to be necessary for preserving the public peace, health, or safety and to avoid a current, immediate and direct threat to the health, safety, or welfare of the community, and those reasons, together with the "Whereas" clauses above, constitute the City Council's statement of the reasons constituting such necessity and urgency.**

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF VALLEJO does ordain as follows:**

**SECTION 1. The City Council finds and determines the foregoing recitals to be true and correct and hereby makes them a part of this ordinance.**

**SECTION 2. The City Council finds and determines, for the reasons stated in the recitals, the adoption of this Ordinance is exempt from CEQA under Sections 15060 (c)(3), 15061(b)(3), 15301, 15303, and 15307 of the State CEQA Guidelines.**

**SECTION 3. Until such time as the City concludes the review described above, and adopts new land use controls pertaining to activities or facilities selling and displaying tobacco and tobacco related products and paraphernalia, the City of Vallejo hereby declares a moratorium on the permitting or approval of any new, modified, or expanded establishments selling and displaying tobacco or tobacco related products and paraphernalia as defined in Section 4 below.**

**SECTION 4. For purposes of this Ordinance, the following definitions shall apply:**

Tobacco related products are defined as

- a) any substance containing tobacco including but not limited to cigarettes, cigars, chewing tobacco, flavored tobacco and dipping tobacco,
- b) any implement or object that is or may be used in conjunction with the consumption, inhalation or ingestion of tobacco, or other dried plant material or like substance including but not limited to cigarette papers; or any other instruments or paraphernalia for the smoking or ingestion of tobacco and products prepared from tobacco.

For the purposes of this Ordinance, the following activities shall be exempt:

- (1) Any activity using more than 7500 square feet.
- (2) Any activity that sells tobacco or tobacco related products in conjunction with any the following principal uses:
  - a. Gasoline Sales as defined in Vallejo Municipal Code section 16.06.390.
  - b. Convenience Sales and Personal Services as defined in Vallejo Municipal Code sections 16.06.330
  - c. Convenience Market as defined in Vallejo Municipal Code section 16.04.131.
- (3) The Principal Uses described in section 2 must constitute at least 70% of the total sales of the business to qualify for any exemption. No part of any tobacco or tobacco-related paraphernalia sales qualifies as (a) 'small personal item' (s) within the meaning of Vallejo Municipal Code section 16.06.330 for purposes of qualifying for an exemption from this Urgency Ordinance.

**SECTION 5.** In accordance with California Government Code section 65858, this Ordinance shall be in full force and effect for a period of ten months and forty-two days until March 27, 2008.

**SECTION 6.** During the term of this ordinance as set forth in Section 5 hereof, no license, use permit, building, zoning or other permit that has been issued for any activity or facility selling anything as set forth in Section 4 above for which rights to proceed with the permit have not vested pursuant to the provisions of State law shall proceed, and no license, use permit, building, zoning or other permit shall be issued by any department, agency, employee or agent of the City of Vallejo to allow for any activities or facilities selling items as set forth in Section 4 above.

**SECTION 7.** The City Clerk shall certify to the passage and adoption of this Ordinance causing it to be posted, as required by law, and it shall thereafter be in full force and effect. This Ordinance shall become effective immediately as an

interim urgency ordinance, in order to protect the public health, safety and welfare.

**SECTION 8.** For the term of this Ordinance, as set forth in Section 5 hereof, the provisions of this Ordinance shall govern, to the extent there is any conflict between the provisions of this Ordinance and the provisions of any other City code, ordinance, resolution or policy, and all such conflicting provisions shall be suspended.

**SECTION 9.** This Ordinance is enacted pursuant to the City of Vallejo's general police powers, Section 200 of the Charter of the City of Vallejo, Article XI of the California Constitution and Government Code section 65858.

**SECTION 10. Petition for Relief from Moratorium.** Any person who has applied to license, construct, modify, or establish an activity selling tobacco or tobacco related products which would be affected by this Moratorium, and who contends that the Moratorium as applied to him or her would be unlawful under Federal, State, or local law or regulation, may submit a written application to the Planning Director requesting relief from the Moratorium. The request for relief from moratorium shall identify the name and address of the applicant, the affected application number, and shall state how the Moratorium as applied to him or her would be unlawful under Federal, State, or local law or regulation. Within fourteen (14) calendar days of receipt of the completed request for relief, the City Manager, or his designee, shall mail to the applicant a written determination accepting or rejecting the request for relief from Moratorium.

**SECTION 11.** If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council declares that it would have adopted this Ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more section, subsection, sentence, clause, or phrase be declared invalid.

May 22, 2007

J:\CLAUDIA\smokeshops\Moratorium Ordinance2.1.doc

# **ATTACHMENT**

**B**

**DATE**

**NAME**  
**ADDRESS**

**RE: VOLUNTARY COMPLIANCE PROGRAM/TOBACCO RETAILERS**

Dear Mr/Mrs. NAME,

As you may be aware, the City of Vallejo is embarking on an effort to deal with certain nuisance conditions found in and around smoke shops within City limits. The Vallejo City Council will hold a public hearing to consider an extension of the moratorium applicable to new tobacco retailers on May 8, 2007, in the Council Chambers at City Hall at 7:00 p.m.

I am writing to you because our records show that you are the proprietor of one of these establishments. I am asking you to consider voluntarily removing certain noxious or illegal items from your store. Please find enclosed a list of items that the City of Vallejo would like to ask you to voluntarily remove from your site and refrain from selling.

Additionally, we are asking you and your staff to adhere to all local and state laws, including the laws regulating the display of advertising posters, which are limited to 15% of the window area per the City of Vallejo Zoning Ordinance, and the manner of sale of tobacco within your establishment. This is not an item of voluntary compliance. This is a requirement.

As to voluntary compliance regarding the items listed in the attached compliance list, if voluntary compliance is achieved by May 3, 2007, your favorable participation will be reported to the City Council and considered. Your participation, or lack thereof, will be taken into account as recommendations for legal action to abate the nuisance conditions are studied.

**RE: Voluntary Compliance Program/Tobacco Retailers**

**DATE**

**Page 2**

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You are not being compelled to participate in this voluntary compliance program, and you are encouraged to seek your own independent legal counsel on this issue. However, if you would like to participate in this voluntary compliance program, or if you have any questions as to how to achieve compliance, please do not hesitate to call Lt. Reggie Garcia of the Vallejo Police Department at (707) 648-5297.

You are encouraged to participate in this process, and if you have any other questions, please feel free to contact me.

Very truly yours,

**FREDERICK G. SOLEY**  
City Attorney

**CLAUDIA M. QUINTANA**  
Assistant City Attorney

Enclosure

cc: Lt. Reggie Garcia, Vallejo Police Department



**SMOKING, DRUG AND/OR TOBACCO PARAPHERNALIA INCLUDE, BUT ARE NOT LIMITED TO, THE FOLLOWING:**

1. Kits intended for use or designed for use in planting, propagating, cultivating, growing or harvesting of any species of tobacco plant or any plant which is a controlled substance or from which a controlled substance can be derived.
2. Kits intended for use or designed for use in manufacturing, compounding, converting, producing, processing, or preparing tobacco or controlled substances.
3. Isomerization devices intended for use or designed for use in increasing the potency of any species of tobacco plant or plant which is a controlled substance.
4. Testing equipment intended for use or designed for use in identifying or in analyzing the strength, effectiveness or purity of tobacco or controlled substances.
5. Scales and balances intended for use or designed for use in weighing or measuring tobacco or controlled substances.
6. Separation gins (grinders) and sifters intended for use or designed for use in removing twigs, stems, seeds, or other foreign material from or in otherwise cleaning or refining, tobacco or marijuana.
7. Blenders, bowls, containers, spoons, and mixing devices intended for use or designed for use in compounding tobacco substances or substances containing marijuana.
8. Envelopes, pouches, capsules, balloons, and other containers intended for use or designed for use in packaging small quantities of tobacco or controlled substances.
9. Containers and other objects intended for use or designed for use in storing or concealing tobacco or controlled substances.
10. Objects intended for use or designed for use in ingesting, inhaling or otherwise introducing tobacco or controlled substances into the human body, such as the following:
  - a) Metal, wooden, acrylic, glass, stone, plastic or ceramic pipes with or without screens, permanent screens, or punctured metal bowls.
  - b) Water pipes.
  - c) Carburetion tubes and devices.
  - d) Smoking and carburetion masks.
  - e) Clips or other devices intended to hold burning material, such as a marijuana cigarette, that has become too small or too short to be held in the hand.
  - f) Miniature cocaine spoons and cocaine vials.
  - g) Chamber pipes.
  - h) Carburetion pipes.
  - i) Electric pipes.
  - j) Air driven pipes.
  - k) Chillums.
  - l) Bong.
  - m) Ice pipes or chillers.
  - n) Grinders.
  - o) Crackers/Whippits/Nitrous Oxide containers as described in Penal Code § 381(b).
  - p) Balloons.
  - q) Shurikens/Throwing stars and any object as described in Penal Code § 12020(a).
  - r) Switchblade knives as described in Penal Code § 653(k).

VALLEJO CITY COUNCIL  
MINUTES

MARCH 27, 2007

1. CALL TO ORDER

A regular meeting of the Vallejo City Council was held on the above date in the Council Chambers of the Vallejo City Hall. The meeting was called to order at 7:02 p.m. by Vice Mayor Gary Cloutier.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

Present: Vice Mayor Cloutier, Councilmembers Bartee, Davis, Gomes, Pearsall and Sunga

Absent: Mayor Intintoli, excused

Staff: City Manager Joseph Tanner  
Assistant City Attorney John Nagel  
Acting City Clerk Mary Ellsworth

4. PRESENTATIONS AND COMMENDATIONS - None

5. PUBLIC COMMENT REGARDING CONSENT CALENDAR ITEMS

John Osborne noted that the payment of claims is not being included as part of the agenda.

6. CONSENT CALENDAR AND APPROVAL OF AGENDA

At the request of Councilmember Pearsall, Consent Item 6F concerning the City Attorney's compensation was removed to be heard as Item 6.1. At the request of Councilmember Gomes, Consent Item 6-B was removed to be heard as Item 6.2. Hearing no further additions, corrections or deletions, the agenda was approved as amended and the following minutes and resolutions were offered by Councilmember Pearsall:

CITY COUNCIL MINUTES FEBRUARY 27 AND MARCH 13, 2007

APPROVAL OF A LEASE AGREEMENT BETWEEN THE CITY OF VALLEJO ND  
VALLEJO CONVENTION AND VISITORS BUREAU FOR OFFICE SPACE LOCATED AT 289  
MARE ISLAND WAY (This Item was moved to 6.2)

RESOLUTION NO. 07-66 N.C. ACCEPTING THE RESIGNATION OF JOYCE SCHARF  
FROM THE COMMISSION ON CULTURE AND THE ARTS

RESOLUTION NO. 07-67 N.C. IN SUPPORT FOR SB 286, ALLOCATION OF PROPOSITION  
1B LOCAL STREETS AND ROAD FUND

RESOLUTION NO. 07-68 N.C. CONSIDERATION OF FIRST AMENDMENT TO THE CITY MANAGER'S EMPLOYMENT AGREEMENT

The above minutes and resolutions were adopted by the following vote:

AYES: Vice Mayor Cloutier, Councilmembers Bartee, Davis, Gomes,  
Pearsall and Sunga  
NOES: None  
ABSENT: Mayor Intintoli, excused  
ABSTAINING: None

6.1 CONSIDERATION OF PERFORMANCE BASED SALARY ADJUSTMENT FOR THE CITY ATTORNEY AND THE FOURTH AMENDMENT TO HIS EMPLOYMENT AGREEMENT (This item was moved from 6F)

Speakers: Robert Schussel addressed the survey conducted by the City for comparable salaries, and why department heads' salaries are more than Mr. Soley's.

Dennis Morris, Human Resources Director, responded to Mr. Schussel's questions concerning how and by whom the surveys were conducted. He noted that of the cities surveyed, Mr. Soley was significantly below the rate of compensation for full time city attorneys.

Councilmember Pearsall stated that Mr. Soley is paid far below the city attorneys in other comparable cities. He asked the City Manager and the Human Resources Director to research this. He suggested postponing the resolution for the salary increase pending information as he requested; but approving the PERS contribution paid for by the City.

Councilmember Gomes stated that Mr. Soley is deserving of the pay increase noting that he has relinquished pay increases in the past to help the City; however, she questioned whether this was the appropriate time to be considering increasing Mr. Soley's salary as is being suggested due to the financial situation the City is in.

Councilmember Sunga addressed the fact that a negotiating team consisting of two Councilmembers and the Mayor reviewed Mr. Soley's contract. He agrees that Mr. Soley is doing a great job, but the salary has already been negotiated and he does not agree with delaying the action.

Joseph Tanner, City Manager, responded to questions of Councilmembers Bartee and Sunga. He stated that Mr. Soley is the lowest paid department head in the City.

Councilmember Davis stated that he was on the negotiating committee. He stated that the Committee based its recommendation on the market rate. He noted that paying a portion of the retirement cost is an additional benefit.

Councilmember Gomes stated that it should be noted that the Council as a whole is not bound by a subcommittee's recommendation.

RESOLUTION NO. 07-69 N.C. (substitute resolution) offered by Councilmember Pearsall delaying the approval of the City Attorney's salary adjustment pending further review and bring it back to the Council at an appropriate time.

The resolution was adopted by the following vote:

AYES: Vice Mayor Cloutier, Councilmembers Bartee, Davis, Gomes,  
Pearsall  
NOES: Councilmember Sunga  
ABSENT: Mayor Intintoli, excused  
ABSTAINING: None

RESOLUTION NO. 07-70 N.C. offered by Vice Mayor Cloutier, to report and pay the value of the Employer Paid Member Contributions for the Council Appointed Executive Group.

The resolution was adopted by the following vote:

AYES: Vice Mayor Cloutier, Councilmembers Bartee, Davis, Gomes,  
Pearsall and Sunga  
NOES: None  
ABSENT: Mayor Intintoli, excused  
ABSTAINING: None

6.2 APPROVAL OF A LEASE AGREEMENT BETWEEN THE CITY OF VALLEJO  
AND VALLEJO CONVENTION AND VISITORS BUREAU FOR OFFICE  
SPACE LOCATED AT 289 MARE ISLAND WAY

Councilmember Gomes expressed concern about the City's one dollar a year leases and stated that during the three months this lease will be in effect, the VCVB should be encouraged to pay market rate. Councilmember Gomes further questioned if this was the best use of the waterfront property, suggesting that there may be another space for the VCVB in the City. She believes the ferry building space can be better utilized. She stated that she is supporting the resolution tonight with the caveat that this lease be discussed over the next three months.

RESOLUTION NO. 0765 N.C. offered by Councilmember Bartee authorizing the City Manager to execute the lease agreement between the City of Vallejo and Vallejo Convention and Visitors Bureau through June 30, 2007 and to execute any other documents necessary to effect the agreement.

The resolution was adopted by the following vote:

AYES: Vice Mayor Cloutier, Councilmembers Bartee, Davis, Gomes,  
Pearsall and Sunga  
NOES: None  
ABSENT: Mayor Intintoli, excused  
ABSTAINING: None

7. PUBLIC HEARINGS

- A. CONSIDERATION OF A MITIGATED NEGATIVE DECLARATION AND MONITORING PROGRAM, ZONING MAP AMENDMENT #05-0002 TO REZONE TWO PARCELS FROM INTENSIVE USE LIMITED (IU-L) TO PLANNED DEVELOPMENT RESIDENTIAL (PDR), AND A

PLANNED DEVELOPMENT (MASTER PLAN / UNIT PLAN) #05-0012 TO CONSTRUCT SIX DETACHED SINGLE FAMILY MANUFACTURED HOMES. THE PROJECT IS LOCATED ON ILLINOIS STREET APPROXIMATELY 500 FEET WEST OF BROADWAY AND 1,050 FEET EAST OF SONOMA BOULEVARD AT FERN STREET.

On November 20, 2006 the Planning Commission voted 5 to 0 to recommend that the City Council approve the Mitigated Negative Declaration; adopt the Zoning Map Amendment #05-0002 to rezone two parcels from Intensive Use Limited (IU-L) to Planned Development Residential (PDR); and to adopt a Planned Unit Development (Master Plan / Unit Plan) #05-0012 to construct six detached single family manufactured homes on lots ranging from 2,936 square feet to 3,915 square feet with an overall project density of 12.76 units per acre. The project is located on Illinois Street approximately 500 feet west of Broadway and 1,050 feet east of Sonoma Boulevard at Fern Street.

Don Hazen, Planning Manager, presented the staff report. He described the proposed zoning changes and the units planned for the site, including the different designs proposed. He stated that the Planning Commission gave staff approval to upgrade the design of the units, and to work with the applicant on architectural upgrades that would best blend in with the materials and character of the neighborhood prior to the issuance of a building permit. Mr. Hazen also addressed the five potentially significant environmental impacts that were identified: air quality, cultural resources, hydrology and water quality, and noise. He stated that it was determined that with the conditions of approval this project would not have a significant impact on the environment, and explained the measures to be taken. Mr. Hazen noted a correction to the resolution.

Vice Mayor Cloutier opened the public hearing.

Vice Mayor Cloutier asked if there was any reason to delay voting on this if the details have not been worked out. Mr. Hazen replied that the Planning Commission was comfortable with staff working with the applicant to get the details worked out.

Kent Peterman, Chair, Planning Commission, stated that the Planning Commission asked that trees be planted in keeping with the trees on the street so they will blend in with the existing environment.

Councilmember Gomes stated a policy for infill development needs to be considered to avoid "patch work" development throughout the city. She asked how manufactured homes will fit in with the 1920-1930 style homes.

Mr. Hazen explained the options available with manufactured homes. He stated that staff will be addressing style, including roof pitches, exterior building materials, and porch design with the applicant.

Councilmember Gomes questioned why Council wasn't shown the presentation that the Planning Commission saw. She stated that although this appears to be a good project, she is not comfortable approving something not knowing what it will look like. Mr. Hazen explained the presentation by the applicant that was shown to the Planning Commission.

Mr. Peterman stated that after seeing the presentation, the Planning Commission felt comfortable that the standards required for homes in Vallejo would be met.

Councilmember Gomes stated that she would like more assurance and amended the resolution to include that the architecture be reviewed by the Planning Commission.

In answer to a question of Councilmember Pearsall concerning the price range of the homes, Mr. Hazen replied between \$410,000 to \$430,000.

Councilmember Davis stated that he was at the Planning Commission meeting and was pleased with the presentation that the applicant made and believes the applicant will do a good job.

Councilmember Sunga asked if the issues raised in the petition that was submitted by the neighbors have been addressed, noting that Council received a letter tonight from a neighbor on Morningside Avenue. He asked staff if any other letters had been received. Mr. Hazen replied the issues have been addressed, and no additional correspondence has been received.

Vice Mayor Cloutier stated that prefabricated homes in older neighborhoods can sometimes be a huge contribution in the revitalization of those neighborhoods. He agrees with Councilmember Gomes suggestion to return the matter back to the Planning Commission for final review.

Mr. Hazen referred to Condition No. 4 in the resolution which addresses the changes that need to be made prior to building permit issuance. He suggested that if that is the desire of the Council that it be modified to require that prior to issuance of a building permit, the Planning Commission shall approve the design changes.

The applicant, John Piccolo, stated that he concurs with the condition that he work with the Planning Commission.

Vice Mayor Cloutier closed the public hearing.

**RESOLUTION NO. 07-71 N.C.** offered by Vice Mayor Cloutier approving the Mitigated Negative Declaration, holding on first reading an ordinance amending the Vallejo Zoning Map from Intensive Use Limited to Planned Development Residential (Zoning Map amendment #05-0002), and holding on first reading an ordinance approving the Planned Development Residential Master Plan/Unit Plan. (Planned Development Master Plan/Unit Plan #05-0012) to include in Condition No. 4, to the Master Plan/Unit Plan Ordinance to issuance of a building permit, the Planning Commission approve the design changes.

The resolution was adopted by the following vote:

AYES: Vice Mayor Cloutier, Councilmembers Bartee, Davis, Gomes,  
Pearsall and Sunga  
NOES: None  
ABSENT: Mayor Intintoli, excused  
ABSTAINING: None

## 8. POLICY ITEMS

- A. CONSIDERATION OF AN INTERIM ORDINANCE OF THE CITY OF VALLEJO ADOPTED AS AN URGENCY MEASURE PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION ESTABLISHMENT OF CERTAIN NEW ACTIVITIES AND FACILITIES INVOLVING THE SALE OF TOBACCO OR TOBACCO RELATED PRODUCTS OR PARAPHERNALIA.

Consideration of an urgency ordinance prohibiting new retailers of tobacco and tobacco related products from establishing new or expanded uses within the City of Vallejo for a period of 45 days and making findings of urgency regarding the health, safety and general welfare of Vallejo citizens.

Assistant City Attorney Claudia Quintana presented the staff report and stated that the ordinance is broad in scope, but short in duration. Ms. Quintana referred to the arrest reports associated with the smoke shops over the past year.

Speakers: Robert Schussel; Kent Peterman, Chair, Planning Commission, Liat Meitzenheimer, Vallejo Alcohol Tobacco Coalition, Katie Miessner, and Elaine Rairden spoke in support of the moratorium.

Councilmember Gomes read an excerpt from one of the police reports concerning illegal items found in one of the smoke shops. She thanked the City Attorney's office and the Police Department for their work on this matter.

Councilmember Pearsall asked if there was work being done to amend the deemed approved ordinance to include the smoke shops, noting the more regulations the better. Ms. Quintana stated that those issues will be explored and discussed during the next 45 days.

Vice Mayor Cloutier questioned what the immediate response is to the issue of some of the smoke shops selling products that are injurious to minors. Lt. Reggie Garcia replied that the Police Department will be going to the smoke shops and will take proper action against them if necessary.

Councilmember Bartee suggested asking the smoke shop owners to voluntarily remove the items. Lt. Garcia replied that that is something they will do.

ORDINANCE NO. 1585 N.C. (2D) offered by Councilmember Pearsall prohibiting new retailers of tobacco and tobacco related products from establishing new or expanded uses within the City of Vallejo for a period of 45 days and making findings of urgency regarding the health, safety and general welfare of Vallejo citizens.

The ordinance was adopted by the following vote:

AYES:	Vice Mayor Cloutier, Councilmembers Bartee, Davis, Gomes, Pearsall and Sunga
NOES:	None
ABSENT:	Mayor Intintoli, excused
ABSTAINING:	None

9. ADMINISTRATIVE ITEMS - None
10. APPOINTMENTS TO BOARDS, COMMISSIONS, AND COMMITTEES - None
11. WRITTEN COMMUNICATIONS - None
12. CITY MANAGER'S REPORT - None
13. CITY ATTORNEY'S REPORT - None

**14. COMMUNITY FORUM**

Speakers: Robert Schussel addressed the status of the upgrade of the interchange at I-80 and American Canyon Road; and addressed increasing the ferry fares.

Vice Mayor Cloutier asked the City Manager to provide an update on the status of the upgrade to the I-80 and American Canyon Road Interchange to Council.

Beth Garber, Vallejoans for Responsible Growth, expressed concern that the list of possible consultants on the City's website is predominantly composed of firms that have worked for Walmart in the past and asked that the City keep the process open and public and insist on the selection of an independent consulting firm. John Osborne addressed the issue of the Redevelopment Agency owing the City money that is not included in the financial statement; City Council goals including financial stability; the sale of City property for commercial or industrial purposes would generate money on the tax rolls; was the decision not to include the redevelopment debt to the City a Council or staff decision.

**15. REPORT OF THE PRESIDING OFFICER AND MEMBERS OF THE CITY COUNCIL**

Councilmember Sunga requested a study session on the possibility of having a free trade zone designation on Mare Island and other parts of the City.

Councilmember Gomes reported that the first Front Porch Forum held in the Council Chambers on March 21 concerning quality of life issues was a great evening. The next Forum is scheduled for April 18 at the Norman King Center.

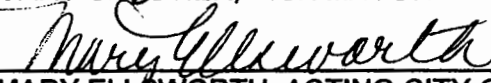
Councilmember Pearsall reported on the grand opening of Six Flags Discovery Kingdom and noted the dramatic changes that have been made to enhance the park.

**16. CLOSED SESSION - None**

**17. ADJOURNMENT**

The meeting adjourned at 8:24 p.m.

  
\_\_\_\_\_  
GARY CLOUTIER, VICE MAYOR

Attest:   
\_\_\_\_\_  
MARY ELLSWORTH, ACTING CITY CLERK





ADMIN. A

Agenda Item No.

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## COUNCIL COMMUNICATION

Date: March 25, 2008

TO: Honorable Mayor and Members of the City Council

FROM: Robert W. Nichelini, Chief of Police *RWN*

SUBJECT: CONSIDERATION OF A RESOLUTION REPEALING CHAPTER 5.32 OF THE VALLEJO MUNICIPAL CODE ENTITLED "VEHICLES FOR HIRE" AND HOLDING ON FIRST READING AN ORDINANCE ENACTING A NEW, AMENDED CHAPTER 5.32 ENTITLED "TAXICAB STANDARDS ORDINANCE"

### SUMMARY

On March 11, 2008, Council passed Resolution No. 08-29 N.C., expressing the intent to repeal Chapter 5.32 of Title 5 of the Vallejo Municipal Code entitled "Vehicles for Hire" and add a new revised Chapter 5.32 entitled "Taxicab Standards Ordinance". As a result, an appropriate ordinance has been prepared for Council consideration.

**Adoption of the proposed ordinance will produce approximately \$15,000 in additional fees to cover Police Department costs for taxicab enforcement. Currently the Police Department devotes officer time equal to approximately \$7,000 to \$10,000 per year for taxicab enforcement for which we receive no remuneration.**

### BACKGROUND

In December 1999, Xiana Fairchild was kidnapped and eventually murdered by a Vallejo taxicab driver. Then in August 2000, Midsi Sanchez was abducted by the same subject but, fortunately, she escaped after being held captive and chained to the floor of his car. Both children were abducted from Vallejo city streets by someone they may have felt safe associating with – a City of Vallejo permitted taxicab driver. Since that time, Police Department staff have been attempting to work within the parameters of the existing ordinance to enhance public safety. Because taxicab drivers have access to Vallejo's most vulnerable population – the young, the old, the infirmed and the ill – this is a high priority public safety concern. During a recent audit it was determined that convicted felons, parolees and one registered sex offender were either working as or in the process of being hired as taxicab drivers. Because of this problem, one neighboring jurisdiction may ban Vallejo taxicabs from their city unless corrective action is taken.

Despite our best efforts, the existing ordinance does not offer the level of protection needed to ensure taxicab drivers are properly vetted and that the taxicabs are maintained in a safe and hazard free condition. The current Municipal Code provisions need updating and modernizing to meet current public safety and industry standards.

## **DISCUSSION**

When this matter was initially presented on March 11, 2008, Council asked staff for the following information:

*How many officers will be needed to enforce the proposed ordinance?*

Permitting and inspection duties will be assigned to one officer on a part-time basis. The officer's time will be fully cost-covered by the proposed fees. Other Patrol and Traffic officers will enforce taxicab regulations as time permits.

*Are there problems being created by unsafe, unlicensed or uninsured drivers now?*

Yes. Current Municipal Code provisions provide that the City shall conduct background investigations on all drivers. In an effort to comply with current code requirements, we reviewed the background of all permitted drivers and discovered that approximately 10% are not qualified. More importantly, the current code does not provide for ongoing monitoring for potential criminal activity and license status.

*What happens to passengers if a non-compliant driver or taxi is taken out of service immediately?*

Absent an emergency, enforcement action will not be taken while a taxicab is transporting a fare. If emergency enforcement is required, the taxicab company would be required to dispatch another vehicle to continue transportation.

*Who is the private vendor that conducts the inspections and who pays that fee?*

Currently, taxicabs are taken to private automobile service centers for a limited inspection. The taxicab companies are charged \$70.00 per vehicle and that amount is paid directly to the service center by the taxicab company. A taxicab company is free to select any vendor; however, most have been using Melson's Auto Services, 2040 Ohio Street. Inspections are not supervised by the Police Department and we have no way of monitoring compliance with inspection requirements.

*What is the number of taxicabs being operated in the City?*

There are 24 taxicabs operating in Vallejo divided equally between Vallejo City Cab and Yellow Cab.

*How did you arrive at the projected \$15,000 in revenue?*

- We anticipate inspecting 30 taxicabs per year. Therefore, the taxicab inspection fees will generate approximately \$6,000 (30 x \$200 = \$6,000).

- There currently are 76 permitted drivers. Assuming that 75% remain employed each year, the permit renewal fees will generate approximately \$1,900 (57 x \$50 = \$2,850).
- If five new drivers are hired each month, initial permit fees will generate approximately \$4,800 (60 x \$100 = \$6,000).

Therefore, the total amount of revenue would be \$14,850, plus other miscellaneous fees. All fees are based on the actual cost of providing the service.

*Considering the short staffing levels, why should we consider this now?*

The regulation of taxicabs and taxicab drivers is directed by the Municipal Code and we already devote a considerable amount of time to this activity. However, our time is not being used effectively and we receive little compensation a service that provides a direct benefit to taxicab operators and the public. As stated above, the proposed ordinance ensures taxicab drivers are properly vetted and that the taxicabs are maintained in a safe and hazard free condition.

## **OTHER ISSUES**

City Business License fees for taxicabs are very low by Bay Area standards (\$60.00 per cab per year) and do not raise sufficient revenue to off-set enforcement costs.

We received an objection to the proposed ordinance from the Southern Solano Alcohol Council (SSAC) because it prohibits contracting with a taxicab company for flat-rate transportation from the Recovery Center to a medical facility. Flat-rate transportation is prohibited by current Municipal Code Section 5.32.140 and such arrangements are already illegal and unaffected by the proposed ordinance. If SSAC desires to continue such arrangements, they will need to petition the City for a change in the fare structure.

## **PROPOSED ACTION**

Adopt the resolution repealing Chapter 5.32 of the Vallejo Municipal Code and holding on first reading an ordinance enacting a new, amended Chapter 5.32 entitled "Taxicab Standards Ordinance".

## **DOCUMENTS ATTACHED**

- a. Resolution repealing Chapter 5.32 of Title 5 (Vehicles for Hire) and adding new Chapter 5.32 entitled Taxicab Standards Ordinance to Title 5 of the Vallejo Municipal Code.
- b. Proposed Ordinance – Taxicab Standards.

## **CONTACT PERSON**

Robert W. Nichelini, Chief of Police  
(707) 648-4540

RESOLUTION NO. \_\_\_\_\_ N.C.

A RESOLUTION REPEALING CHAPTER 5.32 OF THE VALLEJO MUNICIPAL CODE ENTITLED "VEHICLES FOR HIRE" AND HOLDING ON FIRST READING AN ORDINANCE ENACTING A NEW, AMENDED CHAPTER 5.32 ENTITLED "TAXICAB STANDARDS ORDINANCE"

BE IT RESOLVED by the Council of the City of Vallejo as follows:

THAT WHEREAS; existing taxicab regulations fail to ensure consistent safe and comfortable taxicab service for Vallejo residents and visitors, and

WHEREAS; better quality safety and taxicab appearance inspections enhance the image of the City, and

WHEREAS; taxicab drivers should be subject to more stringent screening and driver's license verification to ensure the safety of passengers and the motoring public; and

WHEREAS, on March 11, 2008, Council passed Resolution No. 08-29 N.C., expressing intent to repeal Chapter 5.32 of Title 5 of the Vallejo Municipal Code entitled "Vehicles for Hire" and add a new revised Chapter 5.32 entitled "Taxicab Standards Ordinance"; and

WHEREAS, as explained in the staff report, the fees contained in the proposed ordinance do not exceed the reasonable cost of providing the service or regulatory activity for which the fee is charged and the fee is not levied for general revenue purposes.

NOW, THEREFORE, BE IT RESOLVED that current Chapter 5.32 of Title 5 entitled "Vehicles for Hire" is hereby repealed, and

BE IT FURTHER RESOLVED THAT an ordinance containing a new amended Chapter 5.32 entitled "Taxicab Standards Ordinance", attached to this resolution, is hereby held on first reading.

MARCH 25, 2008

**ADMINISTRATIVE ITEM A**

**ORDINANCE WILL BE DELIVERED  
UNDER SEPARATE COVER**



Agenda Item No. ADMIN B

**COUNCIL COMMUNICATION**

Date: March 25, 2008

TO: Honorable Mayor and Members of the City Council

FROM: Dennis Morris, Human Resources Director *DM*

SUBJECT: Approve Resolution of Intention to Amend the Vallejo Municipal Code, Chapter 2.60, Employment Regulations, Part XII, Section 2.60.960 - Frequency of Performance Evaluations and Section 2.60.970 - Reports of Completion on Performance Evaluations

**BACKGROUND AND DISCUSSION**

The Human Resources staff continually reviews the Human Resources policies and procedures to ensure their effectiveness. During this review it came to our attention that the Performance Evaluation System was not as effective as it could be. When the new program was implemented in 1998, the Performance Evaluation Ordinance was amended to provide evaluations more frequently throughout an employee's probationary period. Currently, the entry level employees are scheduled to receive evaluations at two (2), four (4), six (6) and twelve (12) months. Additionally, the eighteen (18) month probationary employees are scheduled to receive evaluations at two (2), four (4), six (6), twelve (12), fifteen (15), and eighteen (18) months. Employees who are transferred or promoted receive evaluations at two (2), four (4) and six (6) months, and annually thereafter.

After speaking with the various managers who provide the probationary evaluations to their employees and reviewing the statistics of meeting those goals, we found that this schedule is no longer necessary. Also, it is not as effective as it could be in terms of timeliness and providing meaningful feedback to the employees due to the redundancy associated with the number of reviews that are currently required.

Previously, the Council had requested that staff provide an annual update to Council on the completion of required performance evaluations based on a high percentage of the evaluations not being done on a timely basis. Based on the initial automation of the performance evaluations, the percentage of evaluations being completed in a timely manner has improved and now with the recommended reduced frequency, staff believes that it is no longer necessary to report to the Council annually on the completion of evaluations.



Therefore, staff is recommending the following:

1. Entry level employees receive evaluations at six (6), and twelve (12) months.
2. Employees who serve an eighteen (18) month probationary period receive evaluations at six (6), twelve (12) and eighteen (18) months.
3. Employees who are transferred or promoted would receive evaluations at three (3) and six (6) months, and annually thereafter.
4. Add a section to address the special need of providing a minimum of one additional evaluation of employees who are less than satisfactory during any review period.
5. Delete the section on reporting completion results of the performance reviews to the Council.

Staff considers this schedule to be more effective in providing feedback to the employees; not only in a timelier manner, but the end results will be more meaningful to the employee due to the less frequent schedule. Additionally, by providing a minimum of one additional evaluation for employees who may be performing less than satisfactory will provide an opportunity for the employee to be informed of their deficiencies in a timelier manner, while providing time to improve.

The Human Resources staff is also currently working with the Information System staff to implement an upgrade to the existing performance evaluation software. The upgrade will provide easier access for the managers; electronic routing for review and signature; email reminders; and use of attaching documents to the review. We believe that the enhancements to the software will further provide for timelier and more meaningful feedback to the employee.

The Human Resources staff has consulted with the International Brotherhood of Electrical Workers (IBEW), the Vallejo Police Officer's Association (VPOA), the International Association of Firefighters (IAFF) and the Confidential, Administrative, Managerial, and Professional Association (CAMP) regarding the recommended changes. All of the bargaining groups expressed no concerns with the changes, with the exception of IAFF. IAFF wanted to meet and confer over this item after the current mediation has concluded. Staff decided, with the concurrence of the City Manager, to move forward with this item because we believe that the frequency of the performance evaluations is a management right and not subject to meet and confer. However, the performance standards are subject to meet and confer and we will do so with IAFF prior to implementation of their performance standards.



**RECOMMENDATION**

Staff is recommending that the City Council approve the Resolution of Intention to Amend Section 2.60.960 – Frequency of Performance Evaluations of the Muni Code and Section 2.60.960 - Reports of Completion on Performance Evaluations and to direct staff to finalize the amended Ordinance as recommended and bring back to Council as a public hearing for the first reading at the April 8, 2008 Council meeting.

**ENVIRONMENTAL REVIEW**

Not applicable.

**PROPOSED ACTION**

Adopt Resolution of Intention directing staff to amend Chapter 2.6, Employment Regulations, Part XII. Performance Evaluations, Section 2.60.960 – Frequency of Performance Evaluations and Section 2.60.970 - Reports of Completion on Performance Evaluations

**DOCUMENTS AVAILABLE FOR REVIEW**

- A. Resolution of Intention
- B. Draft Ordinance – Chapter 2.6, Employment Regulations, Part XII. Performance Evaluations

**CONTACT:** Dennis Morris, HR Director (707) 648-4362, dmorris@ci.vallejo.ca.us

**PREPARED BY:** Debora Boutté, HR Ops Mgr (707) 648-4436, dboutte@ci.vallejo.ca.us



RESOLUTION NO. \_\_\_\_\_ N.C.

**RESOLUTION OF INTENTION OF THE CITY COUNCIL DIRECTING STAFF TO PREPARE AN AMENDMENT TO TITLE 2, CHAPTER 2.6, EMPLOYMENT REGULATIONS, PART XII. PERFORMANCE EVALUATIONS, SECTION 2.60.960 – FREQUENCY OF PERFORMANCE EVALUATIONS AND SECTION 2.60.970 -**

BE IT RESOLVED by the City Council of the City of Vallejo as follows:

WHEREAS, staff has reviewed the effects of the number of performance evaluations that are currently required by the Muni Code; and

WHEREAS, staff has found that the current required frequency of providing performance evaluations to the employees does not provide the same impact as it did in previous years; and

WHEREAS, staff determined that providing the performance evaluations less frequently will provide timelier and more meaningful feedback to the employees; and

WHEREAS, staff has requested that the City Council consider reducing the frequency of performance evaluations currently being provided for entry level, probationary, transferred or promoted employees; and

WHEREAS, staff has requested that the City Council consider amending the Muni Code to address employees who may perform less than satisfactory during their review period, by adding language that will provide for a minimum of one evaluation in addition to the required frequency at any time during their review period to provide them the opportunity for more feedback and additional time to improve; and

WHEREAS, staff has requested that City Council consider amending the Muni Code to delete the annual reporting to Council, as it is no longer necessary with the improved timeliness of the reviews and the additional automation of the performance evaluation system; and

NOW THEREFORE BE IT RESOLVED that the City Council hereby directs staff to prepare an amendment to Chapter 2.60, Part XII, Section 2.60.960 and Section 2.60.970 of the Vallejo Municipal Code to reduce the frequency of the evaluations provided for entry level, probationary, transferred or promoted employees; add the necessary language to provide for more direct feedback to employees who may be performing less than satisfactory during their review period; and delete the language regarding the reporting of the completion of said evaluations.

ADOPTED by the Council of the City of Vallejo at a regular meeting held on \_\_\_\_\_, 2008 with the following vote:

**AN ORDINANCE OF THE CITY OF VALLEJO AMENDING VALLEJO MUNICIPAL CODE, CHAPTER 2.60, EMPLOYMENT REGULATIONS, BY AMENDING THERETO PART XII, SECTION 2.60.960 AND SECTION 2.60.970, INCLUSIVE, PERTAINING TO PERFORMANCE EVALUATIONS FOR EMPLOYEES OF THE CITY OF VALLEJO**

**THE COUNCIL OF THE CITY OF VALLEJO DOES ORDAIN AS FOLLOWS:**

SECTION 1. The Vallejo Municipal Code is hereby amended by enacting, adopting and amending thereto Chapter 2.60, of Title 2, Section 2.60.960 and Section 2.60.970 to read as follows:

**Part XII. Performance Evaluations**

**Section 2.60.960. Frequency of Performance Evaluations.**

- A. Regular full-time and part-time employees will receive performance evaluations a minimum of once per year. Nothing shall prevent a supervisor from conducting additional evaluations as deemed necessary for any employee during the course of the given year.
- B. In order to determine eligibility for step increases, employees will receive performance evaluations in accordance with Section 2.60.340. Entry level employees at a minimum will receive performance evaluations at ~~two, four, six and twelve~~ months. For employees whose probationary period is eighteen months, performance evaluations will also occur at ~~fifteen and eighteen~~ months. Employees who are transferred or promoted will also receive performance evaluations at three ~~two, four, and six~~ months, and annually thereafter.
- C. Employees whose overall performance is less than satisfactory during probation or at any time during the evaluation period, the supervisor shall provide a performance evaluation no less than one additional time to the required evaluations as noted above during the evaluation period.

**Section 2.60.970. Reports On Completion of Performance Evaluations.**

~~The City Manager and City Attorney shall report annually in writing to the City Council on completion of the performance evaluations for their respective employees. Their reports will be submitted at the first regular meeting of the Council conducted after the close of the preceding fiscal year.~~

**SECTION 2. SEVERABILITY:**

If any provision of this ordinance or the application thereof to any person or circumstances, is held invalid, such invalidity shall not affect other provisions or applications of this ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are declared to be severable.

**SECTION 3. EFFECTIVE DATE.**

The provisions of this ordinance shall take effect and be in full force and effect from and after thirty (30) days after its final adoption.



**COUNCIL COMMUNICATION**

Date: March 25, 2008

TO: Mayor and Members of the City Council

FROM: Craig Whittom, Assistant City Manager / Community Development *W*  
Susan McCue, Economic Development Program Manager *SMC*

SUBJECT: Consideration of Management Agreement with the Central Core Restoration Corporation Regarding the Management of Services and Improvements Provided Through the Downtown Management District

**BACKGROUND & DISCUSSION**

On January 7, 1997, the City Council authorized the formation of the Downtown Vallejo Management District (DVMD). In December 1997 the City Council approved an agreement with Central Core Restoration Corporation (CCRC) that requires CCRC to provide the services called for in the DVMD Management Plan. The District has a five-year limit and must be reestablished after five years. In July 2002 the City Council approved the establishment of the DVMD Management Plan and the establishment of City baseline services for the District. The District was renewed for another five years until December 2007.

In anticipation of the five-year term limit of the DVMD, in March 2007 CCRC prepared and released the Downtown Vallejo Management District Plan which proposed renewal of the Property and Business Improvement District for the purpose of implementing certain improvements in the downtown area. CCRC completed the property owner petition drive in June. On June 5, 2007, the City Council approved the Resolution of Intention to establish the DVMD, approved the Management Plan of the DVMD, and set the date for the public hearing to consider approval of the DVMD for July 24, 2007. On July 24, 2007 the City Council, after receiving a majority of voting property owners requesting establishment of this District, renewed the Downtown Vallejo Management District in conformance with State law.

This District will generate approximately \$204, 207 per year for the five year period beginning in December 2007. These funds are generated through an assessment on the property tax bills of owners of property within the geographic area of the District. The improvements and services to be provided by the District include expanded maintenance program, an economic development/marketing program, and a public safety program that go above those services provided by the City of Vallejo.

**Management Agreement with CCRC**

An agreement has been negotiated between the City and CCRC which requires CCRC to manage the services and improvements provided through the District (Attachment B) during the five years of the District's existence. The key elements of the Agreement include requirements that CCRC:

- Submit an annual proposed calendar year budget for District services and improvements by December 1 of year.
- Submit an audited accounting of the previous calendar year's activities by March 1 of each year.
- Administer all subcontracts necessary for providing District improvements and services.
- Present an annual report to the City Council.
- Perform all standard requirements as outlined in the Agreement.

The term of the Agreement begins January 1, 2008 and is for five years. The PBID assessments collected in December 2007 will be allocated to CCRC upon execution of this Agreement and review of their annual audit.

The improvements and/or services to be provided by the District include a maintenance program to provide additional cleaning, debris removal, graffiti removal, landscape maintenance and maintenance of streetscape improvements within public right of ways; an economic development and marketing program to provide an internet presence, hand-out publications and improved signage; and a security program to support additional security services, and other services or improvements as described in the District Plan.

#### FISCAL IMPACT

The Agreement will have a limited fiscal impact on the City of Vallejo. The City will be responsible for nominal administrative costs associated with the collection of District funds from Solano County and the cost associated with administering the proposed agreement with CCRC.

#### RECOMMENDATION

Adopt the attached resolution authorizing the execution of the management agreement with the Central Core Restoration Corporation (CCRC) to manage the services and improvements provided through the renewed Downtown Vallejo Management District.

#### ENVIRONMENTAL REVIEW

There is no environmental impact associated with approving the resolution authorizing the execution of the management agreement of the Downtown Vallejo Management District.

#### PROPOSED ACTION

Approve the resolution authorizing the execution of the management agreement with CCRC.

#### DOCUMENTS ATTACHED

Attachment A - Resolution authorizing the execution of the Management Agreement with Central Core Restoration Corporation

Attachment B - Downtown Management Plan

Attachment C - Proposed Service Agreement between City and CCRC

CONTACT: Annette Taylor, Senior Community Development Analyst

649-3510, [annette@ci.vallejo.ca.us](mailto:annette@ci.vallejo.ca.us)

Susan McCue, Economic Development Program Manager  
553-7283, [smccue@ci.vallejo.ca.us](mailto:smccue@ci.vallejo.ca.us)

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RESOLUTION NO. \_\_\_\_\_ N.C.

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VALLEJO APPROVING AND AUTHORIZING THE EXECUTION OF THE MANAGEMENT AGREEMENT BETWEEN THE CITY OF VALLEJO AND THE DOWNTOWN VALLEJO MANAGEMENT DISTRICT**

BE IT RESOLVED by the City Council of the City of Vallejo as follows:

**THAT WHEREAS**, in accordance with California Streets and Highways Code Section 36621, the City of Vallejo received written petitions signed by property owners in the Downtown Vallejo Management District (DVMD) asking to that the City Council renew the DVMD; and

**WHEREAS**, pursuant to Streets and Highways Code Section 36621, the City Council adopted a Resolution of Intention to renew the DVMD, Resolution No. 07-134, on June 5, 2007; and

**WHEREAS**, in accordance with California Streets and Highways Code Section 36621, Resolution No. 07-134 contained a brief description of the activities and improvements to be done in the DVMD, the amount of the proposed assessment, a statement as to whether bonds will be issued, a description of the exterior boundaries of the DVMD; and

**WHEREAS**, the Management District Plan describes the activities and improvements proposed for the DVMD, including: (1) a maintenance program to provide additional cleaning, debris removal, graffiti removal, landscape maintenance and maintenance of streetscape improvements within public right of ways; (2) an economic development and marketing program to provide an internet presence, hand-out publications and improved signage; and (3) a security program to support additional security services; and

**WHEREAS**, in accordance with the California Government Code Section 53753, the City Clerk has determined that the number of assessment ballots submitted and not withdrawn in opposition to the renewal of the DVMD does not exceed the number of ballots submitted and not withdrawn in favor of the renewal of the DVMD, with ballots weighted according to the amount of the assessment to be imposed upon the parcel for which each ballot was submitted; and

**WHEREAS**, on July 24, 2007 the City Council of the City of Vallejo authorized the City Manager, or his designee, to take all necessary actions to finalize the renewal of the DVMD and to levy the assessment; and

**WHEREAS**, an agreement regarding the Downtown Vallejo Management District has been negotiated with the Central Core Restoration Corporation (CCRC) to manage and administer the improvements with the DVMD;

**NOW, THEREFORE, BE IT RESOLVED** that the City Council authorizes the City Manager or his designee to execute all the necessary documents related to the execution of an agreement with the CCRC regarding the management and administration of improvements within the Downtown Management District.

**BE IT FURTHER RESOLVED** that the City Manager, or his designee, are hereby authorized to execute any other document or instrument, and take any additional action, including an amendment to the terms of this agreement, that does not require the expenditure of City funds as may be necessary to carry out the purpose of the agreement.

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# **DOWNTOWN VALLEJO**

## **PROPERTY AND BUSINESS IMPROVEMENT DISTRICT**

### **MANAGEMENT DISTRICT PLAN**

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*Prepared pursuant to the State of California  
Property and Business Improvement District Law of 1994  
for the renewal of the Downtown Vallejo PBID*

*Submitted to the*

*Downtown Vallejo Property Owners*

July 24, 2007

Prepared by



***Downtown Vallejo  
Property and Business Improvement District  
Management District Plan***

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**APPENDIX 2: CITY OF VALLEJO DRAFT RESOLUTION: BASE LEVELS OF SERVICE POLICY AND EVALUATION OF THE BASELINE SERVICES**



## I. INTRODUCTION AND OVERVIEW

Property owners within the existing Downtown Vallejo Property and Business Improvement District (PBID) have been pleased with the services provided with the current PBID funding and created this Management District Plan to renew the PBID. The renewed Downtown Vallejo PBID establishes an expanded maintenance program including trash and debris collection, an economic development/marketing program, and a public safety program that go above and beyond those services provided by the City of Vallejo (the "City").

**Location:** The District includes approximately 16 blocks of the central core of downtown Vallejo. The District boundaries include 154 parcels and include Santa Clara St. to the West, Curtola Parkway to the South, up to Pennsylvania St., North along Sonoma Blvd. over to portions of Sutter St., up to Capitol St., including a portion on the North side of Capitol between Sonoma and Marin. West back to Santa Clara St. For a complete description of the District boundaries, please see Section IV of this Plan. Please see the map in Section V of this Plan.

**Services:** A maintenance program to provide additional cleaning, debris removal, graffiti removal, landscape maintenance and maintenance of streetscape improvements within public right of ways; an economic development and marketing program to provide an internet presence, hand-out publications and improved signage; and a security program to support additional security services.

**Budget:** Total maximum district budget for each year of its five (5) year operation is a base of approximately \$198,500 per year with a maximum 3% increase in the assessment rates per year.

**Cost:** All properties will be assessed at a base rate of \$0.027 per parcel square foot per year. The PBID has three benefit zones, which charge differing rates per linear front foot based on the service received. Zone 1, which receives the most service, would pay \$13.30 per linear front foot per year. Zone 2 would pay \$10.64 per linear front foot per year. Zone 3 would pay \$6.40 per linear front foot per year.

**Formation:** District formation requires submittal of petitions from property owners representing at least 50% of the total annual assessment and a favorable ballot vote of the property owners conducted by the City. The "Right to Vote on Taxes Act" (also known as Proposition 218) requires that more than 50% of the ballots received, weighted by assessment, be in support of the District. There will also be City Council hearings.

**Duration:** The proposed District will have a five-year life. After five years, the petition process, ballot process, and City Council hearing process must be repeated for the District to be reestablished.

## **II. WHY CONTINUE THE PBID FOR DOWNTOWN VALLEJO?**

There are several reasons why it is imperative to renew the PBID in downtown Vallejo:

### **1. *The Need to Reverse Downtown Vallejo's Negative Image.***

By keeping the focus on downtown and advocating positive sustainable change, we are changing the real or perceived negative image that downtown Vallejo carries as an unsafe and deteriorating environment. The District's image affects businesses, whether retail, leased office space, or residential. The PBID would continue to provide a stable funding source to be used for visible and effective maintenance and marketing services, which continues to build a positive image for the downtown area.

### **2. *The Need to Provide Effective Supplemental Services in a Cost Effective Manner.***

The City of Vallejo is responsible for providing services on a citywide basis. The District will continue to build on those services to make downtown Vallejo cleaner and safer than it has ever been. The PBID will also continue to provide unified programming and direct accountability to those who pay.

### **3. *An Opportunity to Establish Private Sector Control and Accountability.***

These services will continue to be managed by the Central Core Restoration Corporation (CCRC), a non-profit private sector business organization formed for the sole purpose of improving downtown Vallejo. Annual service plans and budgets will be developed by the CCRC Board, composed of stakeholders that own businesses and property in downtown Vallejo. In addition, all downtown Vallejo stakeholders are encouraged to attend PBID meetings and their comments and suggestions are welcome. Additional security, maintenance, and economic development services will be subject to private sector performance standards, controls, and accountability.

### **III. WHAT IS A MANAGEMENT DISTRICT?**

The International Downtown Association estimates that more than 1,200 Districts currently operate throughout the United States and Canada.

A PBID may provide services, identity formulation, market research, and economic development in addition to those provided by local government. In addition, PBID's may provide physical improvements such as entry features, benches, or lighting. These services are concentrated within a distinct geographic area and are paid for by means of a special property owner assessment. A Board of Directors representing those who pay would govern the organization responsible for providing these services.

PBIDs are proven to work by providing services that improve the overall viability of commercial districts, resulting in higher property values and sales volumes.

The Downtown Vallejo PBID will be formed pursuant to a State Law that took effect in January of 1995. The "Property and Business Improvement District Law of 1994," which was signed into law by then Governor Pete Wilson, ushered in a new generation of PBID's or Management Districts in California by allowing a greater range of services and independence from government. The PBID law:

- Allows property owners to undertake services ranging from security to maintenance, and from business advocacy to economic development.
- Allows revenue for services to be raised from annual assessments on real property.
- Allows formation of a district designed and governed by those who will pay the assessment.
- Requires petition support from property owners paying over 50% of the annual proposed property assessments to form a PBID.
- Requires limits for assessments to ensure that they do not exceed pre-established levels.
- Provides a multi-year life for PBID's. Renewal of a PBID requires a new petition process, Proposition 218 ballot vote, and City or County hearings. The Downtown Vallejo PBID will have a five (5) year term.

The "Property and Business Improvement Business District Law of 1994" (AB 3754) as amended January 1, 2004 is provided in Appendix 1 of this document.

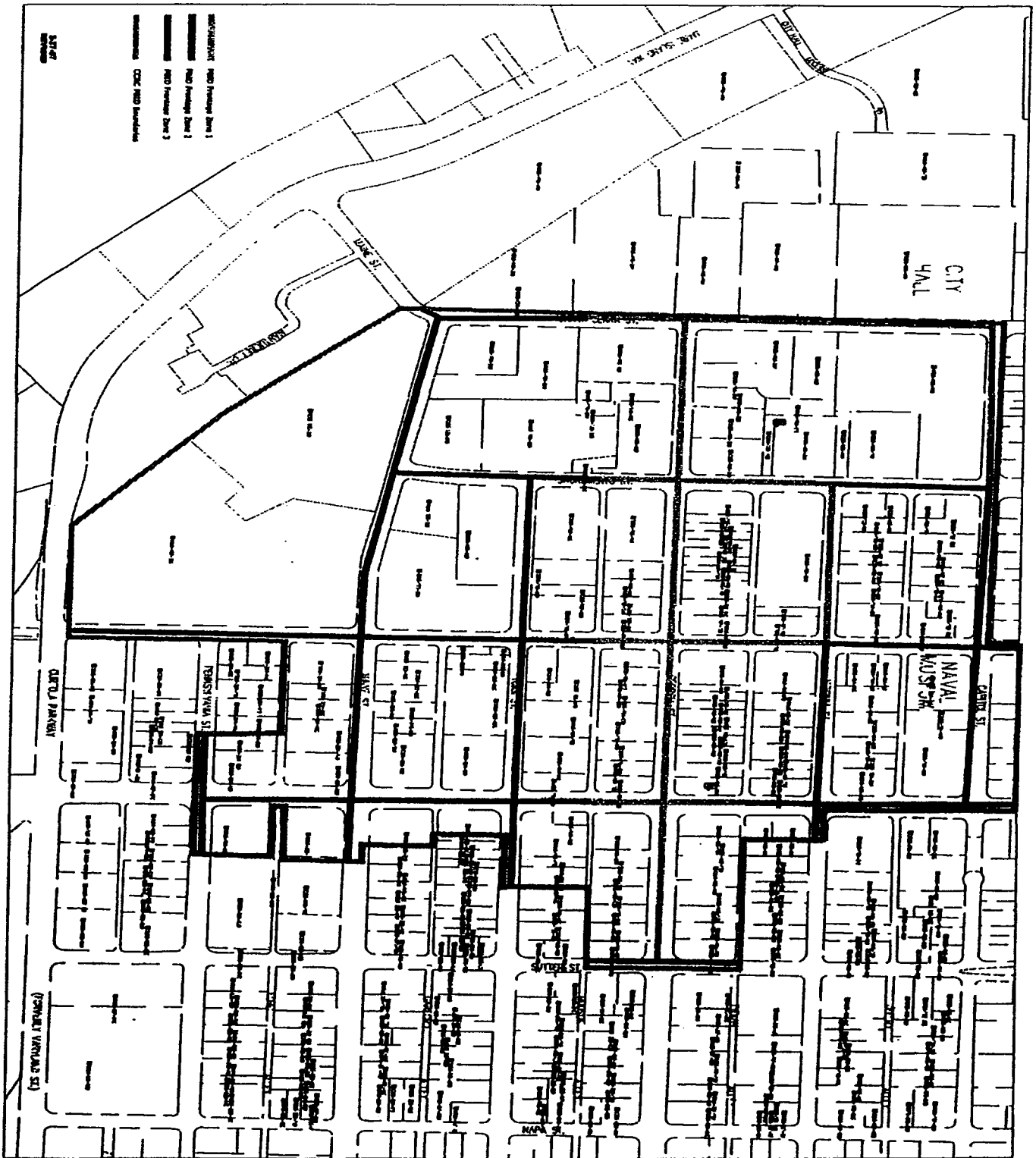
#### **IV. DOWNTOWN VALLEJO PBID BOUNDARIES**

The CCRC will deliver services provided by the PBID funding in an approximately 16-block area of downtown Vallejo. The District boundaries are as follows:

The District includes approximately 16 blocks of the central core of downtown Vallejo. The District boundaries begin in the center of the intersection of Capitol Street and Santa Clara Street, thence running south along the center of Santa Clara Street to its intersection with Maine Street, thence southwesterly along the center of Maine Street to a point opposite the southeast boundaries of parcels 0055-170-310 and 0055-170-350, thence southeasterly along the southeast boundaries of parcels 0055-170-310 and 0055-170-350 to the north right-of-way line of Curtola Parkway, thence easterly along the north right-of-way line of Curtola Parkway to the center of Marin Street, thence north along the center of Marin Street to the center of Ford Alley, thence easterly along the center of Ford Alley to a point opposite the west boundary of parcel 0056-224-080, thence southerly along the west boundary of parcel 0056-224-080 to the center of Pennsylvania Street, thence east along the center of Pennsylvania Street to a point opposite the east boundary of parcel 0056-226-020, thence north along the east boundary of parcel 0056-226-020 to the south line of vacated Ford Alley, thence west, along the south line of vacated Ford Alley to the east right-of-way line of Sonoma Boulevard, thence north along the east right-of-way line of Sonoma Boulevard to the north line of vacated Ford Alley, thence east along the north line of vacated Ford Alley to the east boundary of parcel 0056-226-100, thence north along the east boundary of parcel 0056-226-100 to the center of Maine Street, thence west to a point opposite the east boundary line of parcel 0056-225-210, thence north along the east boundary line of parcel 0056-225-210 to the center of Garford Alley, thence west along the center of Garford Alley to a point opposite to the east line of parcel 0056-225-010, thence north along the east line of parcel 0056-225-010 to the center of York Street, thence east along the center of York Street to a point opposite the east boundary line of parcel 0056-196-130, thence north along the east boundary line of parcel 0056-196-130 to the center of Hudson Alley, thence east along the center of Hudson Alley to the center of Sutter Street, thence north along the center of Sutter Street to the center of Indian Alley, thence west along the center of Indian Alley to a point opposite the east boundary line of parcel 0056-195-170, thence along the east boundary of parcels 0056-195-170 and 0056-195-010 to the center of Virginia Street, thence west along the center of Virginia Street to the center of Sonoma Boulevard, thence north along the center of Sonoma Boulevard to the intersection of Kissel Alley, thence west along the center of Kissel Alley to the center of Marin Street, thence south along the center of Marin Street to the center of Capitol Street, thence west, along the center of Capitol Street to the point of beginning.

The service area includes approximately 154 parcels. The map on the next page illustrates the PBID boundaries. Please Section VI of this plan for the specific assessment formula based on a combination of parcel square footage and parcel front footage along major streets. A larger map is available on request by calling (707) 649-3510 or (800) 999-7781.

**A. Downtown Vallejo Management District Map**



## **V. SERVICE PLAN AND BUDGET**

### **A. History of the Service Plan**

Property and Business Improvement Districts (PBID's) provide a mechanism for property owners, business owners, and the government to join forces to improve their downtown areas. The owners within the Downtown Vallejo PBID have seized the opportunity to utilize this tool to provide efficient supplemental services in a cost-effective manner and wish to continue the service with some changes.

Property owners in the Downtown Vallejo PBID have been concerned about the need for additional security, maintenance within public rights-of-way, cleaning, and marketing in the downtown. The existing Downtown Vallejo PBID primarily provides a marketing program, with lesser emphasis on security and maintenance. The property owners have indicated a willingness to continue the Downtown Vallejo PBID provided more emphasis is placed on security and maintenance. Owners have also requested marketing efforts to promote the downtown as a clean, safe, and friendly place to do business, including out-of-district signage to direct people to the downtown. City services and efforts in these areas have been welcomed, but limited City resources and limited resources of the existing PBID have not allowed for a more comprehensive approach to managing this District.

The following Service Plan details the nature and extent of the services proposed and provides an itemized budget.

### **B. Downtown Vallejo Management District Service Plan**

In the renewed PBID, the Service Plan provides for an increased security effort, cleaning, debris removal, graffiti removal, landscape maintenance and maintenance of streetscape improvements within public right of ways, image enhancement, and business advocacy services, above and beyond those currently provided by the City of Vallejo. Existing City services will remain intact pursuant to a "base levels of service" policy discussed in Section VIII of this Plan.

PBID service levels will vary depending on varying demand. All benefits to parcels shall be provided based on the amount paid into the District. For a more detailed discussion of the assessments, please see Section VI, Part A, Section 2, "Determination of Special Benefit." Program descriptions and budgets of the proposed programs for public safety, maintenance, image enhancement, business advocacy, and administrative services are provided in the following pages.

The first step in preparing the Service Plan was to identify the existing "baseline" level of services provided by the City of Vallejo. In order to identify the aspects of the District that needed additional services, several property owner meetings were conducted. In addition, numerous meetings were held with City of Vallejo staff, property owners, and business owners. Based on the information and opinions collected during this process, service priorities

were identified. The information from each step of this process was integrated and this Service Plan was developed. The following are some key aspects of the Service Plan budget:

### **1. Public Safety**

The service plan budget allows for a security program which will provide a security program to reduce criminal activity in the Downtown Vallejo area. The security patrol shall coordinate with the Vallejo City Police department to act as additional "eyes and ears" for the police and the property owners. Coordination with the local law enforcement is vital to decreasing crime, educating property owners, and improving the appearance and perception of the downtown. The security program would work to limit areas where crimes can occur. In addition, the District will work closely with the Vallejo Police Department to ensure that downtown receives a heightened level of police service.

### **2. Internet and Out-of-District Signage**

As part of its marketing services, the Downtown Vallejo PBID will operate a unified advocacy and marketing program that will work in collaboration with the businesses and property owners within the District. This program will include marketing the District through a website and signage that will extend out of the District boundaries to bring people into Downtown Vallejo. The intent of this program is to allow the public to view the area as a single destination with a rich collection of attractions, events, and services.

### **3. Community Services**

A Community Services program will include a maintenance program, landscaping, publications for the public, and a signage program.

The maintenance program will work to keep the District clean and lit. District personnel or sub-contractors will be on the streets removing illegal dumping, other litter and graffiti within city rights-of-way. They will also trim trees, replace trees that become damaged or diseased, perform upkeep on the flower pots along the sidewalks, and repair and periodically repaint the acorn-style light posts, lighted bollards, drinking fountains and park-style benches. Maintenance personnel will perform bulb replacement in the lighted bollards and acorn lights only.

The District shall also be responsible for various signage programs. This will include the replacement of existing signs that appear deteriorated throughout the Downtown area, and the erection of new way-finding signage deemed appropriate by the District. The District will administer a program to install walking tour signage. These signage programs are in addition to the out-of-district signage program referred to in section 2, above.

The PBID will also be responsible for installing and removing holiday decorations and banners.

**C. Service Plan Budget**

A Service Plan budget has been developed by CCRC to deliver service levels throughout the District. Annual service plans and budgets will be developed and approved by the CCRC Board of Directors. Please see the budget exhibit on the following page for more detailed information. Should the CCRC Board approve, funds may be appropriated for the renewal effort. If there are funds remaining at the end of the District term and the owners choose to renew the District, these remaining funds could be transferred to the renewed District.

It is anticipated that certain district personnel (such as guides, ambassadors, or similar patrol personnel) will perform a dual function of security and maintenance. To the extent that these personnel perform sidewalk and street maintenance functions, including reporting maintenance needs and assisting with maintenance services, staffing costs attributable to the performance of these functions shall be acceptable expenditures of the funds described the budget on the next page.



*Table V-1*  
**DRAFT Annual Budget for DOWNTOWN VALLEJO PBID - 2008**

<i>Services Provided</i>	<i>Descriptions</i>	<i>Total</i>
<b>I. Security</b>		<b>\$81,000</b>
	The security portion of the program shall provide for private, semi-private or private city partnered security patrol(s) (bicycle patrol is an example)	
<b>II. Administration, Bookkeeping &amp; Insurance</b>		<b>\$46,200</b>
	The Administration program provides for office personnel; office rent; office utilities; photocopy expenses; miscellaneous office expenses; bookkeeping expenses; audit expenses; insurance; 1/5 <sup>th</sup> cost of PBID renewal; administration of the program to place walking tour plaques and signs in District at the property owner's expense.	
<b>III. Internet &amp; Out-of-District Signage</b>		<b>\$ 8,400</b>
	This portion of the program shall be used for the following: Website consultant; website management; website hosting; out-of-district signage (for example, freeway signs). Any surplus in this fund shall be devoted to security.	
<b>IV. Community Services</b>		<b>\$62,900</b>
	The Community Services portion of the District shall include the following: Hand-out publications; in-district signage (replacement of existing signage, such as deteriorated parking signs); finding way signage; graffiti removal within the city right-of-ways within the district; debris removal (illegal dumping of sofas, mattresses, etc.); painting of poles, bollards, acorn light posts (no cobra light posts), within city right-of-way within the district, on a rotational basis (different section of district painted each year); repairs of hardscape (drinking fountains, benches, acorn lights, bollards with lights, no cobra lights), including bulb replacement; installation and removal of December Holiday decorations; annual flower landscaping (replanting, watering, weeding and trimming of barrel type flower pots); tree maintenance in city right-of-way within district (trimming on a rotational basis, different section of district each year), and replacement of individual trees on an "as needed, where needed" basis (i.e. dead, damaged and diseased trees)	
<b>PBID Budget from Assessments</b>		<b>\$198,500</b>
<b>GRAND TOTAL BUDGET</b>		<b>\$198,500</b>

**D. Budget Notes**

- 1. The budget contained in this document is only for funds which the CCRC receives from the assessments levied through the PBID.**
- 2. Specific purpose funds received from third parties are not included within the budget in this document. Any funds received and accepted by the CCRC from third parties, for specific purposes, shall be devoted to those purposes, even if such purposes are not within the description of a category in the above budget. (Such funds would include, but are not limited to, purpose specific donations, and purpose specific funds received from the City of Vallejo).**
- 3. Donations without purpose specific restrictions may be devoted to any use that benefits the PBID, even if such benefit is not within the description of a category in the above budget.**
- 4. Any assessments collected in excess of the total budget may be devoted to any purpose benefiting the PBID, even if such a purpose is not within the description of a category in the above budget.**
- 5. The budget in this document does not reflect any annual increase in the assessments as permitted by the PBID plan. Nothing in this budget shall prevent the Board of Directors of the CCRC from adopting an annual increase in the assessments, provided such increase is consistent with the PBID plan.**
- 6. The Board of Directors of the CCRC, for good cause, shall have the authority to roll-over and/or reallocate any funds that were unspent, in a previous year's budget, to a different category.**
- 7. If a cost reduction is anticipated in any category within the budget, the Board of Directors of the CCRC shall have the authority to: (a) reallocate the savings to another category within the budget; and/or (b) create a new category within the budget, provided that such a new category shall benefit the PBID.**

## **VI. ENGINEER'S REPORT (ASSESSMENT METHODOLOGY)**

### **A. Assessment Methodology**

#### **1. Base Formula**

Property owners, merchants, and other Downtown Vallejo stakeholders have emphasized that an assessment formula for the proposed PBID be fair, balanced, and commensurate with benefits received.

Each property owner will pay based on benefit received. The variables used for the base formula are gross parcel square footage and parcel front footage. Parcel square footage is relevant to the highest and best use of a property and will reflect the long-term value implications of the Management District. Parcel front footage directly reflects the value of certain of the services to be provided to the parcels.

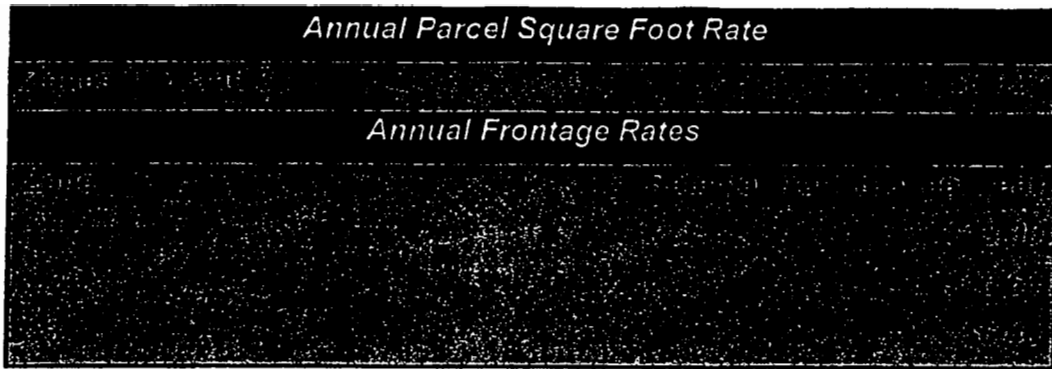
The proposed initial annual assessment on parcels will be based upon a rate of \$0.027 per parcel square foot plus an annual frontage rate dependent on their location. The frontage rates are broken into three different zones.

Zone 1 includes properties with frontage along Georgia Street from Santa Clara St to Sutter St., along Santa Clara St. from parcel number 0055-170-180 north to Capitol St., and east along the boundary of parcel 0055-160-170. It continues on Sacramento St. from parcel 0056-192-140, north to Virginia St, east on Virginia St. to Marin and south on Marin St. to the end of parcel 0056-192-060. Also included is Sonoma Blvd. from the alley between York and Georgia St. north to the alley between Georgia and Virginia Streets. Zone 1 will be assessed \$13.30 per front foot per year.

Zone 2 includes properties with frontage along Santa Clara Street, Sacramento Street, Capitol Street, Marin Street, Sonoma Blvd., properties fronting the east side of Sutter Street, Virginia Street, and York Street. Zone 2 properties will be assessed \$10.64 per front foot per year.

Zone 3 includes properties fronting Maine St. from Santa Clara St. to parcel number 0056-226-020, and Marin Street from Curtola Parkway north to Maine Street. The Curtola Parkway frontage is not included in the PBID, and therefore it is not assessed in any zone. Zone 3 properties will be assessed \$6.40 per front foot per year.

Note that the annual frontage assessment will be combined with the annual parcel square foot assessment. If a property has frontage along two different streets, the greatest length frontage will be assessed for the appropriate rate (for example, if a parcel has a frontage of 250 ft. along Georgia Street and 200 ft. on Sonoma Boulevard, the parcel will be assessed the rate for the frontage along Georgia Street plus the parcel square foot rate).



If you would like more information about your property assessment, please call (707) 649-3510 or (800) 999-7781.

As members of the community, the CCRC Board of Directors will maintain every effort to be careful stewards of the annual budget; however the Board may at its discretion raise the assessment by no more than the lesser of three-percent (3%) per year, or the Consumer Price Index.

## **2. Determination of Special Benefit**

California Constitution Section 4, Article XIII D (Proposition 218) states, "while assessment district programs may confer a combination of general and special benefits to properties, only the special parcel-related benefits can be funded through assessments."

The law provides that the expenses of the District shall be apportioned in proportion to the special benefit received by each parcel. In addition, Proposition 218 requires that parcel assessments may not exceed the reasonable cost of the proportional special benefit conferred on that parcel. Only special benefits are assessable.

A special benefit is a particular and distinct benefit over and above general benefits conferred on the public at large, including real property within the District. Conversely, a general benefit is a benefit to properties in the area and in the surrounding community or a benefit to the public in general, resulting from the improvement, activity, or service to be provided by the assessment levied. Many general benefits to the public at large are conveyed by municipal services such as fire protection, police services, and public transit services. These services are targeted to serve the public at large and do not confer special benefits on particular parcels. The general benefits that may be received include the perception of a more aesthetically pleasing District area. These benefits cannot be measured. All general benefits, if any, are intangible and not quantifiable.

The programs and services in the Downtown Vallejo Property and Business Improvement District's Management District Plan are designed to provide targeted services to parcels within the District. These programs and services are tailored not to serve the general public, but rather the specific assessable parcels of the District. For example, the proposed maintenance program is focused on the assessed parcels in the District. The proposed security program shall provide private, semi private or private city partnered security patrols. The proposed

street maintenance program will work to keep the District clean and lit, by removing illegal dumping, other litter and graffiti within city rights of way. It will also aesthetically improve the District with tree trimming, tree replacement, as needed, and upkeep of landscaping along sidewalks, as well as other duties previously mentioned. These programs and services will directly benefit each of the assessed parcels adjacent to the areas being maintained. The proposed security program, internet marketing, out of district signage and community services will improve economic development within the District, thereby benefiting the commercial and public parcels within the District.

The programs and services paid for from assessment revenue are parcel services conferring special benefit on the assessable parcels within the District. In addition, these services are not for the benefit of the general public and do not provide general benefit, as defined above. The programs and services provide special benefits, and all benefits derived from assessments outlined in the Management District Plan, go only for programs and services directly benefiting the parcel. The services are designed to increase foot traffic, improve the commercial core, increase marketing of commercial entities in the District, and improve the aesthetic appearance of the District and to provide these services only to assessed properties within the District boundaries. It is therefore appropriate that these special parcel-related benefits be funded by special assessments. The fact that the proposed District assessments will only be levied on properties within its District boundaries and, in turn, assessment revenues will only be spent on programs, improvements and services that provide direct or special benefit to properties within the District boundaries, it is hereby determined that any general benefits are not quantifiable, measurable or tangible in the District area and to the surrounding community or the public in general. The programs and services listed in the Management District Plan will contribute to a special benefit of each of the assessable parcels within the District.

The expenses of the District will be apportioned in proportion to the benefit received by each parcel. Proposition 218 requires that a parcel's assessment may not exceed the reasonable cost of the proportional special benefit conferred on that parcel. The Proposition provides that only special benefits are assessable, and that the City must separate the general benefits from the special benefits conferred on a parcel. A special benefit is a particular and distinct benefit over and above general benefits conferred on the public at large, including real property within the District. The general enhancement of property value does not constitute a special benefit.

Each parcel within the District, except for exempt parcels (discussed below), receives a particular and distinct benefit from the proposed improvements and activities, over and above general benefits conferred by the improvements and activities of the District. The proposed security program will reduce street disorder and help to prevent crime, thereby protecting the properties within the District and increasing their attractiveness to potential customers. The proposed marketing program will improve economic development within the District, thereby benefiting all businesses within the District.

### **3. 501(c)(3) Exemption**

Properties owned by charitable tax-exempt organizations, such as churches, typically do not have commercial component and are exempt from property tax. Such properties will also be

exempt from this assessment. However, if such a property has a commercial component and pays a percentage of the property tax, the same percentage will be applied to this assessment.

#### **4. Residential Property Exemption**

Parcels used exclusively for as low-density residential, such as single family homes or those with four units or less, do not derive sufficient benefit from the proposed improvements to be assessed. The primary purpose of the PBID is to benefit commercial parcels. Therefore, parcels with residential uses of 4 units or less within the boundaries of the District will not be assessed. Properties used exclusively for multi-family residential use (i.e. apartments) are considered commercial income-producing property and will be subject to PBID assessments.

#### **5. Government-Owned Property**

Under "The Right to Vote on Taxes Act" (also known as Proposition 218) all publicly owned parcels are required to pay assessments unless they can demonstrate by clear and convincing evidence that their property does not receive benefit. It is proposed that all government agencies pay their "fair share" of all assessment.

#### **6. Assessment Notice**

An Assessment Notice will be sent to owners of each parcel in the PBID. The Assessment Notice provides an estimated assessment based upon the square footage and front footage of each parcel. The final individual assessment for any particular parcel may change if the parcel square footage or frontage differs from those found on the Assessment Notice. A Downtown Vallejo PBID Assessment Calculation Table follows this Engineer's Report. Assessments will be calculated based on the most recent available property data provided by the County of Solano. The assessment data will be as accurate as possible; however, the data may contain errors. Changes in property owner and parcel information may take up to one year to transpire. If a property owner discovers an error in the data or calculation please contact Downtown Resources at (916) 325-0604 or 1-800-999-7781. A list of properties to be included in the Management District is provided within Appendix 1.

#### **B. Time and Manner for Collecting Assessments**

The Downtown Vallejo PBID assessment will appear as a separate line item on the annual property tax bills prepared by the County of Solano. Property tax bills are generally distributed in the fall, and payment is expected by lump sum or installment. The County of Solano shall distribute funds collected to the City of Vallejo and then to the CCRC pursuant to the authorization of this Plan. Existing laws for enforcement and appeal of property taxes apply to the PBID assessments.

**Review of this Management District Plan and preparation of the Engineers Report was completed by:**

**Orin N. Bennett  
State of California  
Registered Civil Engineer No. 25169**

**Downtown Vallejo Property and Business Improvement District Assessment Calculation Table**

<b>APN</b>	<b>Owner name</b>	<b>COIF</b>	<b>Assessment</b>	<b>Percentage</b>
0055-160-170	REDEVELOPMENT AGENCY OF VJO	1.00	\$8,036.85	3.94%
0055-160-180	MARINA TOWER ASSOCIATES	1.00	\$2,354.11	1.15%
0055-160-190	REDEVELOPMENT AGENCY OF VJO	0.50	\$233.85	0.11%
0055-160-210	AMIDI PARTNERSHIP	1.00	\$2,560.00	1.25%
0055-160-240	REDEVELOPMENT AGENCY OF VJO	1.00	\$1,274.33	0.62%
0055-160-300	MARE ISLAND FED CREDIT	1.00	\$1,647.79	0.81%
0055-160-310	REDEVELOPMENT AGENCY OF VJO	0.50	\$89.34	0.04%
0055-160-380	VALLEJO CITY HOUSING AUTHORITY	1.00	\$3,679.04	1.80%
0055-160-390	MARINA ANNEX ASSOCIATES	1.00	\$2,488.87	1.22%
0055-160-540	TRIAD 236 GEORGIA STREET LLC	1.00	\$2,649.23	1.30%
0055-170-160	201 GEORGIA STREET	1.00	\$3,845.08	1.88%
0055-170-170	REDEVELOPMENT AGENCY OF VJO	1.00	\$1,049.10	0.51%
0055-170-200	REDEVELOPMENT AGENCY OF VJO	1.00	\$326.17	0.16%
0055-170-220	REDEVELOPMENT AGENCY OF VJO	1.00	\$126.90	0.06%
0055-170-230	REDEVELOPMENT AGENCY OF VJO	1.00	\$3,576.87	1.75%
0055-170-240	MCGOWAN ROBERT C & P C	1.00	\$1,803.19	0.88%
0055-170-250	AL ROSS VICTORY STORES	1.00	\$2,177.12	1.07%
0055-170-260	REDEVELOPMENT AGENCY OF VJO	1.00	\$2,821.99	1.38%
0055-170-270	CHANDLER LLOYD M JR	1.00	\$94.50	0.05%
0055-170-280	REDEVELOPMENT AGENCY OF VJO	1.00	\$3,802.15	1.86%
0055-170-290	BRINSON DENNIS J	1.00	\$4,496.38	2.20%
0055-170-300	KASHANI AHMAD A	1.00	\$1,533.10	0.75%
0055-170-310	VALLEJO MAINE I PARTNERS	1.00	\$8,760.15	4.29%
0055-170-350	VALLEJO MAINE II PARTNERS	1.00	\$11,065.03	5.42%
0055-170-390	BAYLIES BRIAN F	1.00	\$3,389.00	1.66%
0056-162-010	GOOD SAMARITAN MISSIONARY	0.00	\$0.00	0.00%
0056-162-020	GOOD SAMARITAN MISSIONARY	0.00	\$0.00	0.00%
0056-162-030	GOOD SAMARITAN MISSIONARY	0.00	\$0.00	0.00%
0056-162-040	GOOD SAMARITAN MISS BAPTIST CH	0.00	\$0.00	0.00%
0056-162-050	GOOD SAMARITAN MISS BAPT CH VJ	0.00	\$0.00	0.00%
0056-162-060	GLENN L M	1.00	\$1,250.98	0.61%
0056-162-070	PLASCENCIA LUIS R & ANA A	1.00	\$1,106.68	0.54%
0056-162-080	HISTORICAL RESTORATION INC	1.00	\$1,734.20	0.85%
0056-162-090	EMPRESS THEATRE ASSOCIATES LLC	1.00	\$830.98	0.41%
0056-162-100	324 VIRGINIA VALLEJO LLC	1.00	\$850.02	0.42%
0056-162-110	VICTORY CHURCH OF DELIVERANCE	0.00	\$0.00	0.00%
0056-162-120	VICTORY CHURCH OF DELIVERANCE	0.00	\$0.00	0.00%
0056-162-150	PEZZUTO MERILYN R MERILYN	1.00	\$839.30	0.41%
0056-162-160	PEZZUTO MERILYN R MERILYN	1.00	\$719.40	0.35%
0056-162-170	HENSON KAREN H TRUST	0.00	\$0.00	0.00%
0056-162-180	VICTORY CHURCH	0.00	\$0.00	0.00%
0056-163-090	STARK L SUSAN	1.00	\$1,558.70	0.76%
0056-163-100	STARK L SUSAN	0.50	\$353.75	0.17%
0056-163-110	ANNIE MASON	1.00	\$707.50	0.35%
0056-163-120	KAMPHAUSEN BUCK	1.00	\$1,415.00	0.69%
0056-163-130	KAMPHAUSEN BUCK	0.50	\$176.88	0.09%
0056-163-180	KAMPHAUSEN BUCK	0.50	\$910.98	0.45%
0056-164-010	VALLEJO CITY	1.00	\$2,122.50	1.04%



0056-164-020	MARLOWE MELVIN SURV	1.00	\$616.38	0.30%
0056-164-030	VALLEJO HOUSING PARTNERS	1.00	\$2,921.13	1.43%
0056-164-040	VANPELT TERRY A	1.00	\$1,646.45	0.81%
0056-164-050	VANPELT TERRY A	0.50	\$353.75	0.17%
0056-164-060	VANPELT TERRY A	1.00	\$707.50	0.35%
0056-164-070	VALLEJO OUTREACH INC	1.00	\$1,061.25	0.52%
0056-164-080	VANPELT TERRY A	0.50	\$530.63	0.26%
0056-164-090	JOHNSON SARGENT B & C	1.00	\$939.75	0.46%
0056-164-100	CIRIMELE JOE	1.00	\$316.63	0.16%
0056-164-110	KUTLAS JOHN	1.00	\$443.28	0.22%
0056-191-100	VALLEJO CITY	1.00	\$420.25	0.21%
0056-191-110	LEMKE RICHARD H & C C	1.00	\$1,904.50	0.93%
0056-191-120	SAN PABLO LODGE 43	1.00	\$1,904.50	0.93%
0056-191-130	SYLVAIN JOHN & JANET	1.00	\$840.50	0.41%
0056-191-140	RIVERBANK LLC	1.00	\$840.50	0.41%
0056-191-150	RIVERBANK LLC	1.00	\$420.25	0.21%
0056-191-160	RIVERBANK LLC	0.50	\$210.13	0.10%
0056-191-170	MORRIS GEORGE JOEL	1.00	\$420.25	0.21%
0056-191-180	MORRIS GEORGE JOEL	1.00	\$420.25	0.21%
0056-191-190	BROWN ROBERT C JR	1.00	\$420.25	0.21%
0056-191-200	FISCHER DAVID RANDALL	1.00	\$420.25	0.21%
0056-191-210	FISCHER DAVID R & KIRSTEN	1.00	\$420.25	0.21%
0056-191-220	CHANG YIH-JEN L	1.00	\$420.25	0.21%
0056-191-230	CHANG YIH-JEN L	1.00	\$1,904.50	0.93%
0056-191-260	VALLEJO CITY	1.00	\$5,463.25	2.68%
0056-192-030	A J HIGGINS CO	1.00	\$840.50	0.41%
0056-192-040	ALLYN JUDD	1.00	\$840.50	0.41%
0056-192-050	SYLVAIN RICHARD	1.00	\$840.50	0.41%
0056-192-060	VANPELT TERRY A	1.00	\$1,904.50	0.93%
0056-192-070	VALLEJO CITY PARKING AUTHORITY	1.00	\$1,734.20	0.85%
0056-192-080	VALLEJO CITY	1.00	\$424.50	0.21%
0056-192-090	VALLEJO CITY	1.00	\$990.50	0.49%
0056-192-140	BARCEWSKI JAMES D	1.00	\$3,362.00	1.65%
0056-192-150	BARCEWSKI JAMES D	0.50	\$1,415.00	0.69%
0056-193-010	MYRTLE STREET FLATS LLC	1.00	\$2,080.00	1.02%
0056-193-020	VANPELT TERRY A	1.00	\$707.50	0.35%
0056-193-030	MCENTEE JAMES	1.00	\$707.50	0.35%
0056-193-040	VANPELT TERRY A	0.50	\$353.75	0.17%
0056-193-050	VANPELT TERRY A	1.00	\$707.50	0.35%
0056-193-070	WALNUT HILL ESTATE ENT LLC	1.00	\$1,558.70	0.76%
0056-193-090	NEADS WILLIAM ROLAND	1.00	\$827.88	0.41%
0056-193-100	NEADS WILLIAM ROLAND	1.00	\$840.50	0.41%
0056-193-110	EVERGREEN CEMETERY ASSOCIATION	1.00	\$420.25	0.21%
0056-193-120	ELLISON GREGORY	1.00	\$420.25	0.21%
0056-193-130	BWB PROPERTIES INC	1.00	\$840.50	0.41%
0056-193-140	WONG LAP CHI & LAURA	1.00	\$420.25	0.21%
0056-193-150	FISCHER DAVID R & KIRSTEN	1.00	\$420.25	0.21%
0056-193-160	BUCK KARL E	1.00	\$420.25	0.21%
0056-193-190	SNYDER RAYMOND	1.00	\$420.25	0.21%
0056-193-200	SNYDER RAYMOND	1.00	\$420.25	0.21%
0056-193-210	PLAZA DELASAMERICAS RANCHO SQ	1.00	\$1,992.25	0.98%

0056-194-010	VANPELT TERRY A	1.00	\$1,904.50	0.93%
0056-194-020	K & T COMPANY	1.00	\$840.50	0.41%
0056-194-030	K & T COMPANY	1.00	\$840.50	0.41%
0056-194-060	SAMOSET HALL ASSOC	1.00	\$840.50	0.41%
0056-194-100	BRINSON DENNIS J	1.00	\$1,904.50	0.93%
0056-194-110	VALLEJO CITY PARKING AUTHORITY	1.00	\$1,558.70	0.76%
0056-194-120	VALLEJO CITY PARKING AUTHORITY	1.00	\$1,415.00	0.69%
0056-194-130	VALLEJO CITY PARKING AUTHORITY	1.00	\$1,415.00	0.69%
0056-194-140	VALLEJO CITY	1.00	\$1,574.60	0.77%
0056-194-150	VALLEJO CITY PARKING AUTHORITY	1.00	\$1,239.50	0.61%
0056-194-170	VILLANUEVA DAISY	1.00	\$1,681.00	0.82%
0056-194-180	BARTEE THOMAS W	1.00	\$840.50	0.41%
0056-195-010	BURSTEIN JACK B & L	1.00	\$959.20	0.47%
0056-195-100	MCKAY-SUTTER STREET LLC	1.00	\$1,558.70	0.76%
0056-195-110	BROWN LEWIS F & D J	1.00	\$840.50	0.41%
0056-195-120	BRUNK LLOYD S & RENEE E	1.00	\$840.50	0.41%
0056-195-130	LITWIN ROBERT	1.00	\$1,152.86	0.56%
0056-195-140	HIGGINS A J COMPANY	1.00	\$1,362.03	0.67%
0056-195-150	CLARKE C DIXON	1.00	\$840.50	0.41%
0056-195-160	MCDONALD JACK J	1.00	\$1,904.50	0.93%
0056-195-170	BURSTEIN JACK & LEATRICE	1.00	\$732.50	0.36%
0056-196-010	WHITMORE WELLES III & M	1.00	\$2,080.00	1.02%
0056-196-020	BONDEROW ALBERT J	1.00	\$840.50	0.41%
0056-196-030	PORI TIM A	1.00	\$840.50	0.41%
0056-196-040	PORI TIM A	1.00	\$840.50	0.41%
0056-196-050	MONETTA BERNARD	1.00	\$840.50	0.41%
0056-196-060	MANNING GAIL	1.00	\$840.50	0.41%
0056-196-070	BAUM BARRY & LUANN	1.00	\$1,558.70	0.76%
0056-196-130	MCILHATTAN THOMAS J & H H	1.00	\$707.50	0.35%
0056-196-140	MCILHATTAN THOMAS J & H H	1.00	\$396.20	0.19%
0056-196-150	MCILHATTAN THOMAS J & H H	1.00	\$1,664.88	0.82%
0056-196-160	URIBE KARL	1.00	\$753.03	0.37%
0056-223-010	PHILLIPS VIRGIL N & CAROL J	1.00	\$452.74	0.22%
0056-223-020	LOUIE TSE MIN	1.00	\$353.75	0.17%
0056-223-030	VALLEJO CITY	1.00	\$2,830.00	1.39%
0056-223-040	KAMPHAUSEN BUCK	1.00	\$2,122.50	1.04%
0056-223-050	KUKURUZA SAMUEL	1.00	\$1,486.50	0.73%
0056-223-060	IMHOFF G E & Z E 1987 TRUST	0.50	\$247.75	0.12%
0056-223-070	IMHOFF G E & Z E 1987 TRUST	1.00	\$495.50	0.24%
0056-223-080	IMHOFF G E & Z E 1987 TRUST	1.00	\$495.50	0.24%
0056-223-090	KAMPHAUSEN BUCK	0.50	\$247.75	0.12%
0056-223-100	KAMPHAUSEN BUCK	0.50	\$779.35	0.38%
0056-223-110	BETTENCOURT MERVIN	1.00	\$1,018.22	0.50%
0056-224-010	KAMPHUSEN BUCK	1.00	\$1,183.00	0.58%
0056-224-020	LEBARD MORRIS & ALLISON	1.00	\$495.50	0.24%
0056-224-030	ELLISON ROBERT O	0.50	\$247.75	0.12%
0056-224-040	KAMPHAUSEN BUCK	1.00	\$991.00	0.49%
0056-224-050	BRACE RONALD W & JOAN	1.00	\$1,734.20	0.85%
0056-224-080	SOLANO MOTORS INC	1.00	\$495.50	0.24%
0056-224-150	SOLANO MOTORS INC	1.00	\$1,734.20	0.85%
0056-225-010	LANGIT MANUEL & AURORA	1.00	\$2,090.70	1.02%

0056-225-210	CHRISTOV MICHAEL JR	1.00	\$1,734.20	0.85%
0056-226-020	ARRIGHI JOSEPH L & P L	1.00	\$1,821.95	0.89%
0056-226-100	ONG ILDEFONSO C & T P	1.00	\$1,303.41	0.64%
0095-371-100	CAMPBELL DAVID R & TAMSYN A	1.00	\$1,904.50	0.93%
			<b>\$204,207.96</b>	<b>100.00%</b>

## VII. IMPLEMENTATION TIMETABLE

The Downtown Vallejo PBID is expected to be approved by August 2007 and funded by January 2008. In order to meet these goals, the following timetable must be followed:

<u>DATE</u>	<u>ACTIVITY</u>
<i>March 2007</i>	Initiate petition drive.
<i>May 2007</i>	Submit petitions that have been signed by property owners who will pay more than 50% of the district assessments.
<i>June 2007</i>	City Council adopts resolution of intention to renew the Downtown Vallejo Property and Business Improvement District.
<i>June 2007</i>	Notice of public hearing and 218 ballots are mailed.
<i>July 2007</i>	Public Hearing is held on Vallejo PBID. City council adopts resolution of formation establishing the District.
<i>August 2007</i>	City Clerk submits PBID assessment information on magnetic tape to the County Assessor. The secured tax roll and bills are printed. Tax bills are mailed. First installment property tax bill including PBID assessment is due. First payment from the County is received by December 2007.

Pursuant to state law, the Downtown Vallejo PBID will have a defined life. The life of the PBID is set at five (5) years. In order to continue the PBID for another set term, the preceding petition, ballot drive, and public hearing process must be repeated.

## VIII. CONTINUATION OF CITY SERVICES

### A. Citywide Base Levels of Service Policy

Throughout the process of establishing the Downtown Vallejo PBID, property owners have voiced concerns that the City of Vallejo maintains existing services at verifiable "baseline" service levels. A formal base levels of service policy ensures that existing City services are enhanced, not replaced, by Downtown Vallejo PBID services.

### B. City Council Resolution

The CCRC has requested that the Vallejo City Council adopt a resolution committing the City to establish and maintain base levels of service within the Management Districts. The policy states that "basic service levels" provided to the area must be paid for by the general City revenues, and not subsidized by revenue which the Downtown Vallejo PBID generates for enhanced and supplemented levels of service.

The policy allows for adjustments in the "basic service levels" commensurate with changes in the City's overall financial condition. Citywide service reductions can trigger a proportionate reduction in base levels of service within a Management District.

A draft City of Vallejo Resolution establishing this policy and an estimate of current services is provided in Appendix 2.

Consistent with this proposed City policy, the Downtown Vallejo PBID's base levels of service will be quantified in an "area specific current services agreement" between the City of Vallejo and the Downtown Vallejo PBID.

## **IX. DISTRICT GOVERNANCE**

### **A. Downtown Vallejo PBID - Corporation Board of Directors**

The Central Core Restoration Corporation (CCRC) is the independent non-profit corporation contracted to provide services to the Downtown Vallejo PBID. CCRC, a 501(c)(6) non-profit corporation formed in 1996 by industrial business and property owners, has managed the Downtown Vallejo PBID since its creation.

The Board of Directors shall be comprised of a total of 11 Board Members of which nine (9) Board members shall be property owners within the PBID, and two (2) Board members may be property owners or non-property owners within the PBID. The CCRC Board of Directors intends to consider a name change for the corporation.

## APPENDIX 1: LIST OF PROPERTIES TO BE ASSESSED BY APN

APN	Owner name	Site Address
0055-160-170	REDEVELOPMENT AGENCY OF VJO	
0055-160-180	MARINA TOWER ASSOCIATES	601 SACRAMENTO ST
0055-160-190	REDEVELOPMENT AGENCY OF VJO	
0055-160-210	AMIDI PARTNERSHIP	250 GEORGIA ST
0055-160-240	REDEVELOPMENT AGENCY OF VJO	212 GEORGIA ST
0055-160-300	MARE ISLAND FED CREDIT	536 SANTA CLARA ST
0055-160-310	REDEVELOPMENT AGENCY OF VJO	
0055-160-380	VALLEJO CITY HOUSING AUTHORITY	200 GEORGIA ST
0055-160-390	MARINA ANNEX ASSOCIATES	575 SACRAMENTO ST
0055-160-540	TRIAD 236 GEORGIA STREET LLC	236 GEORGIA ST
0055-170-160	201 GEORGIA STREET	201 GEORGIA ST
0055-170-170	REDEVELOPMENT AGENCY OF VJO	
0055-170-200	REDEVELOPMENT AGENCY OF VJO	
0055-170-220	REDEVELOPMENT AGENCY OF VJO	
0055-170-230	REDEVELOPMENT AGENCY OF VJO	
0055-170-240	MCGOWAN ROBERT C & P C	303 SACRAMENTO ST
0055-170-250	AL ROSS VICTORY STORES	400 SANTA CLARA ST
0055-170-260	REDEVELOPMENT AGENCY OF VJO	
0055-170-270	CHANDLER LLOYD M JR	237 GEORGIA ST
0055-170-280	REDEVELOPMENT AGENCY OF VJO	
0055-170-290	BRINSON DENNIS J	401 MARIN ST
0055-170-300	KASHANI AHMAD A	200 MAINE ST
0055-170-310	VALLEJO MAINE I PARTNERS	201 MAINE ST
0055-170-350	VALLEJO MAINE II PARTNERS	201 MAINE ST
0055-170-390	BAYLIES BRIAN F	241 GEORGIA ST
0056-162-010	GOOD SAMARITAN MISSIONARY	407 CAPITOL ST
0056-162-020	GOOD SAMARITAN MISSIONARY	
0056-162-030	GOOD SAMARITAN MISSIONARY	
0056-162-040	GOOD SAMARITAN MISS BAPTIST CH	427 CAPITOL ST
0056-162-050	GOOD SAMARITAN MISS BAPT CH VJ	435 CAPITOL ST
0056-162-060	GLENN L M	439 CAPITOL ST
0056-162-070	PLASCENCIA LUIS R & ANA A	717 MARIN ST
0056-162-080	HISTORICAL RESTORATION INC	707 MARIN ST
0056-162-090	EMPRESS THEATRE ASSOCIATES LLC	330 VIRGINIA ST
0056-162-100	324 VIRGINIA VALLEJO LLC	324 VIRGINIA ST
0056-162-110	VICTORY CHURCH OF DELIVERANCE	318 VIRGINIA ST
0056-162-120	VICTORY CHURCH OF DELIVERANCE	316 VIRGINIA ST
0056-162-150	PEZZUTO MERILYN R MERILYN	300 VIRGINIA ST
0056-162-160	PEZZUTO MERILYN R MERILYN	
0056-162-170	HENSON KAREN H TRUST	616 SACRAMENTO ST
0056-162-180	VICTORY CHURCH	
0056-163-090	STARK L SUSAN	1901 SONOMA BLVD
0056-163-100	STARK L SUSAN	536 CAPITOL ST
0056-163-110	ANNIE MASON	528 CAPITOL ST
0056-163-120	KAMPHAUSEN BUCK	524 CAPITOL ST
0056-163-130	KAMPHAUSEN BUCK	
0056-163-180	KAMPHAUSEN BUCK	512 CAPITOL ST

0056-164-010	VALLEJO CITY	728 MARIN ST
0056-164-020	MARLOWE MELVIN SURV	519 CAPITOL ST
0056-164-030	VALLEJO HOUSING PARTNERS	531 CAPITOL ST
0056-164-040	VANPELT TERRY A	1801 SONOMA BLVD
0056-164-050	VANPELT TERRY A	
0056-164-060	VANPELT TERRY A	426 VIRGINIA ST
0056-164-070	VALLEJO OUTREACH INC	420 VIRGINIA ST
0056-164-080	VANPELT TERRY A	410 VIRGINIA ST
0056-164-090	JOHNSON SARGENT B & C	700 MARIN ST
0056-164-100	CIRIMELE JOE	710 MARIN ST
0056-164-110	KUTLAS JOHN	714 MARIN ST
0056-191-100	VALLEJO CITY	
0056-191-110	LEMKE RICHARD H & C C	625 MARIN ST
0056-191-120	SAN PABLO LODGE 43	342 GEORGIA ST
0056-191-130	SYLVAIN JOHN & JANET	336 GEORGIA ST
0056-191-140	RIVERBANK LLC	330 GEORGIA ST
0056-191-150	RIVERBANK LLC	326 GEORGIA ST
0056-191-160	RIVERBANK LLC	324 GEORGIA ST
0056-191-170	MORRIS GEORGE JOEL	320 GEORGIA ST
0056-191-180	MORRIS GEORGE JOEL	318 GEORGIA ST
0056-191-190	BROWN ROBERT C JR	316 GEORGIA ST
0056-191-200	FISCHER DAVID RANDALL	312 GEORGIA ST
0056-191-210	FISCHER DAVID R & KIRSTEN	308 GEORGIA ST
0056-191-220	CHANG YIH-JEN L	306 GEORGIA ST
0056-191-230	CHANG YIH-JEN L	300 GEORGIA ST
0056-191-260	VALLEJO CITY	
0056-192-030	A J HIGGINS CO	325 GEORGIA ST
0056-192-040	ALLYN JUDD	331 GEORGIA ST
0056-192-050	SYLVAIN RICHARD	337 GEORGIA ST
0056-192-060	VANPELT TERRY A	343 GEORGIA ST
0056-192-070	VALLEJO CITY PARKING AUTHORITY	340 YORK ST
0056-192-080	VALLEJO CITY	332 YORK ST
0056-192-090	VALLEJO CITY	326 YORK ST
0056-192-140	BARCEWSKI JAMES D	301 GEORGIA ST
0056-192-150	BARCEWSKI JAMES D	310 YORK ST
0056-193-010	MYRTLE STREET FLATS LLC	616 MARIN ST
0056-193-020	VANPELT TERRY A	415 VIRGINIA ST
0056-193-030	MCENTEE JAMES	417 VIRGINIA ST
0056-193-040	VANPELT TERRY A	429 VIRGINIA ST
0056-193-050	VANPELT TERRY A	431 VIRGINIA ST
0056-193-070	WALNUT HILL ESTATE ENT LLC	1717 SONOMA BLVD
0056-193-090	NEADS WILLIAM ROLAND	438 GEORGIA ST
0056-193-100	NEADS WILLIAM ROLAND	436 GEORGIA ST
0056-193-110	EVERGREEN CEMETERY ASSOCIATION	428 GEORGIA ST
0056-193-120	ELLISON GREGORY	424 GEORGIA ST
0056-193-130	BWB PROPERTIES INC	418 GEORGIA ST
0056-193-140	WONG LAP CHI & LAURA	414 GEORGIA ST
0056-193-150	FISCHER DAVID R & KIRSTEN	412 GEORGIA ST
0056-193-160	BUCK KARL E	410 GEORGIA ST
0056-193-190	SNYDER RAYMOND	437 VIRGINIA ST
0056-193-200	SNYDER RAYMOND	439 VIRGINIA ST



0056-193-210	PLAZA DELASAMERICAS RANCHO SQ	400 GEORGIA ST
0056-194-010	VANPELT TERRY A	401 GEORGIA ST
0056-194-020	K & T COMPANY	415 GEORGIA ST
0056-194-030	K & T COMPANY	417 GEORGIA ST
0056-194-060	SAMOSET HALL ASSOC	431 GEORGIA ST
0056-194-100	BRINSON DENNIS J	445 GEORGIA ST
0056-194-110	VALLEJO CITY PARKING AUTHORITY	1601 SONOMA BLVD
0056-194-120	VALLEJO CITY PARKING AUTHORITY	432 YORK ST
0056-194-130	VALLEJO CITY PARKING AUTHORITY	426 YORK ST
0056-194-140	VALLEJO CITY	508 MARIN ST
0056-194-150	VALLEJO CITY PARKING AUTHORITY	500 MARIN ST
0056-194-170	VILLANUEVA DAISY	419 GEORGIA ST 10
0056-194-180	BARTEE THOMAS W	437 GEORGIA ST
0056-195-010	BURSTEIN JACK B & L	1726 SONOMA BLVD
0056-195-100	MCKAY-SUTTER STREET LLC	807 SUTTER ST
0056-195-110	BROWN LEWIS F & D J	538 GEORGIA ST
0056-195-120	BRUNK LLOYD S & RENEE E	530 GEORGIA ST
0056-195-130	LITWIN ROBERT	524 GEORGIA ST
0056-195-140	HIGGINS A J COMPANY	514 GEORGIA ST
0056-195-150	CLARKE C DIXON	510 GEORGIA ST
0056-195-160	MCDONALD JACK J	1700 SONOMA BLVD
0056-195-170	BURSTEIN JACK & LEATRICE	1714 SONOMA BLVD
0056-196-010	WHITMORE WELLES III & M	501 GEORGIA ST
0056-196-020	BONDEROW ALBERT J	515 GEORGIA ST
0056-196-030	PORI TIM A	521 GEORGIA ST
0056-196-040	PORI TIM A	
0056-196-050	MONETTA BERNARD	531 GEORGIA ST
0056-196-060	MANNING GAIL	539 GEORGIA ST
0056-196-070	BAUM BARRY & LUANN	545 GEORGIA ST
0056-196-130	MCILHATTAN THOMAS J & H H	520 YORK ST
0056-196-140	MCILHATTAN THOMAS J & H H	
0056-196-150	MCILHATTAN THOMAS J & H H	1600 SONOMA BLVD
0056-196-160	URIBE KARL	1610 SONOMA BLVD
0056-223-010	PHILLIPS VIRGIL N & CAROL J	401 YORK ST
0056-223-020	LOUIE TSE MIN	405 YORK ST
0056-223-030	VALLEJO CITY	435 YORK ST
0056-223-040	KAMPHAUSEN BUCK	1521 SONOMA BLVD
0056-223-050	KUKURUZA SAMUEL	1507 SONOMA BLVD
0056-223-060	IMHOFF G E & Z E 1987 TRUST	326 MAINE ST
0056-223-070	IMHOFF G E & Z E 1987 TRUST	320 MAINE ST
0056-223-080	IMHOFF G E & Z E 1987 TRUST	314 MAINE ST
0056-223-090	KAMPHAUSEN BUCK	
0056-223-100	KAMPHAUSEN BUCK	400 MARIN ST
0056-223-110	BETTENCOURT MERVIN	420 MARIN ST
0056-224-010	KAMPHUSEN BUCK	340 MARIN ST
0056-224-020	LEBAR D MORRIS & ALLISON	315 MAINE ST
0056-224-030	ELLISON ROBERT O	321 MAINE ST
0056-224-040	KAMPHAUSEN BUCK	327 MAINE ST
0056-224-050	BRACE RONALD W & JOAN	1425 SONOMA BLVD
		330 PENNSYLVANIA ST
0056-224-080	SOLANO MOTORS INC	1401 SONOMA BLVD
0056-224-150	SOLANO MOTORS INC	

0056-225-010	LANGIT MANUEL & AURORA	1518 SONOMA BLVD
0056-225-210	CHRISTOV MICHAEL JR	1500 SONOMA BLVD
0056-226-020	ARRIGHI JOSEPH L & P L	1400 SONOMA BLVD
0056-226-100	ONG ILDEFONSO C & T P	1416 SONOMA BLVD
0095-371-100	CAMPBELL DAVID R & TAMSYN A	

**APPENDIX 2: CITY OF VALLEJO DRAFT RESOLUTION: BASE LEVELS OF SERVICE POLICY AND EVALUATION OF BASELINE SERVICES**

RESOLUTION NO.

ADOPTED BY THE VALLEJO CITY COUNCIL  
ON DATE OF

**RESOLUTION ADOPTING CITY POLICY REGARDING BUSINESS IMPROVEMENT DISTRICTS: BASE LEVELS OF SERVICE**

WHEREAS, business areas often face a need for collective efforts to promote their businesses and to improve the overall business climate and health of their districts, and

WHEREAS, businesses often seek enhanced city services and infrastructure improvements.

NOW BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VALLEJO,

1. Revenues garnered from a Property and Business Improvement District (PBID) or other assessment district should be used to improve the overall business climate of the area through various promotional programs and service enhancements. To that end, base service level measures have been established and agreed to at the inception of the financing district. Please see the attached chart.
2. In the event of a significant downturn in citywide revenues, the Council may be forced to reduce base levels of municipal services citywide unless a substitute source of citywide revenues is available.

**MAYOR**

**ATTEST:**

**CITY CLERK:**

**City of Vallejo Baseline Services  
FY 2007-08 – FY 2012-13**

The purpose of creating a Property and Business Improvement District for Downtown Vallejo is to finance needed additional services. A critical step in designing these additional services is identifying the services that are currently provided by the City. An agreement will be made with the City to guarantee that the existing level of services, or "baseline," will be continued. The Baseline Services Agreement will help ensure that the District's funds will be used to *enhance*, rather than replace, the current level of downtown services.

There are two types of City services that will be addressed in the Baseline Services Agreement: maintenance and security. In the following two tables are estimates of the current level of services provided by the City:

**City of Vallejo Maintenance Services**

Activity	Level of Service	Comments
Street Sweeping – Mechanical	3/Week for streets 1/Week for parking lots	
Landscaping ( Maintaining shrubs and weeding)	Quarterly	
Landscaping - Planters	2 times per year (plus trouble calls)	
Tree-trimming	Public hazards only (ongoing tree trimming a PBID function)	
Graffiti Removal (Public facilities / street signs)	As requested. Subject to overall City wide graffiti backlog	
Trash Collecting	None (Vallejo Garbage Service)	City to ensure next franchise agreement includes no fewer than two pick ups per week of sidewalk public trash containers
Fountain Maintenance	As Needed	Consists of cyclical cleaning and repairs when found necessary.
Sidewalk Repair	Per City standard	Repairs are made to defects of cracks that are ½" or wider and a rise of ¾" or more.
Lawn Mowing (parcel on 200 block of GA Street adjacent to Vallejo Housing Authority)	1/week	
Christmas Decorations	None (PBID function)	

<i>Illegal Dumping</i>	Specific hot spots only	Balance of area is covered, although it will be picked up by Vallejo Garbage .
<i>Street lights (Cobra)</i>	Re-lamp as required	Goal is to respond within 10 business days
<i>Street lights (Acom)</i>	None (PBID function)	

**Police Services**

Activity	Level of Service	Comments
<i>Police Patrol</i>	Beat officer patrols	
<i>Cadet Patrol</i>	When available	

## CONSULTANT AND PROFESSIONAL SERVICES AGREEMENT

This Consultant and Professional Services Agreement ("Agreement") is made at Vallejo, California, dated for reference this \_\_\_\_\_ day of \_\_\_\_\_, 2008 by and between the City of Vallejo, a municipal corporation ("City"), and the Central Core Restoration Corporation, a California non-profit public benefit corporation, hereinafter referred to as "CCRC, who agree as follows:

1. **Services.** Subject to the terms and conditions set forth in this Agreement, CCRC shall provide the City professional services as specified in Exhibit A, entitled "Scope of Work."

2. **Payment.** City shall pay CCRC for services rendered pursuant to this Agreement at the times and in the manner set forth in Exhibit B, entitled "Compensation." The payments specified in Exhibit B shall be the only payments to be made to CCRC for services rendered pursuant to this Agreement.

3. **Facilities and Equipment.** CCRC shall, at its sole cost and expense, furnish all facilities and equipment which may be required for furnishing services pursuant to this Agreement.

4. **Indemnification.** CCRC shall indemnify, hold harmless, and defend City, its officers, officials, directors, employees, agents, volunteers and affiliates and each of them from any and all claims, demands, causes of action, damages, costs, expenses, actual attorney's fees, consultant's fees, expert fees, losses or liability, in law or in equity, of every kind and nature whatsoever arising out of or in connection with CCRC's operations, or any subcontractor's operations, to be performed under this agreement for CCRC's or subcontractor's tort negligence including active or passive, or strict negligence, including but not limited to personal injury including, but not limited to bodily injury, emotional injury, sickness or disease, or death to persons and/or damage to property of anyone, including loss of use thereof, caused or alleged to be caused by any act or omission of CCRC, or any subcontractor, or anyone directly or indirectly employed by any of them or anyone for the full period of time allowed by the law, regardless to any limitation by insurance, with the exception of the sole negligence or willful misconduct of the City. The provisions of this section shall survive the expiration or termination of this Agreement.

5. **Insurance Requirements.** CCRC agrees to comply with all of the Insurance Requirements set forth in Exhibit C, entitled "Insurance Requirements." Failure to maintain required insurance at all times shall constitute a default and material breach.

**6. Accident Reports.** CCRC shall immediately report (as soon as feasible, but not more than 24 hours) to the City Risk Manager any accident or other occurrence causing injury to persons or property during the performance of this Agreement. The report shall be made in writing and shall include, at a minimum: (a) the names, addresses, and telephone numbers of the persons involved, (b) the names, addresses and telephone numbers of any known witnesses, (c) the date, time and description of the accident or other occurrence.

**7. Conflict of Interest.** CCRC warrants and represents that to the best of its knowledge, there exists no actual or potential conflict between its business, real property or financial interests and the services to be provided under this Agreement. CCRC shall comply with the City of Vallejo Conflict of Interest Code and not enter into any contract or agreement during the performance of this Agreement which will create a conflict of interest with its duties to City under this Agreement. In the event of a change in its family, business, real property or financial interests occurs during the term of this Agreement that creates an actual or potential conflict of interest, then CCRC shall disclose such conflict in writing to City.

**8. Independent Contractor.** CCRC is an independent contractor. Neither CCRC nor any of CCRC's officers, employees, agents or subcontractors, if any, is an employee of City by virtue of this Agreement or performance of any services pursuant to this Agreement. City shall have the right to control CCRC only insofar as the results of CCRC's services rendered pursuant to this Agreement; however, City shall not have the right to control the means by which CCRC accomplishes services pursuant to this Agreement.

**9. Licences, Permits, Etc.** CCRC represents and warrants to City that all CCRC services shall be provided by a person or persons duly licensed by the State of California to provide the type of services to be performed under this Agreement and that CCRC has all the permits, qualifications and approvals of whatsoever nature which are legally required for CCRC to practice its profession. CCRC represents and warrants to City that it shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals which are legally required for CCRC to practice its profession.

**10. Business License.** CCRC, and its subcontractors, has obtained or agrees to apply prior to performing any services under this Agreement to City's Finance Department for a business license, pay the applicable business license tax and maintain said business license during the term of this Agreement. The failure to obtain such license shall be a material breach of this Agreement and grounds for termination by City. No payments shall be made to CCRC until such business license(s) has been obtained.

**11. Standard of Performance.** CCRC shall provide products and perform all services required pursuant to this Agreement in accordance with generally accepted

professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised under similar conditions by a member of CCRC's profession currently practicing in California.

CCRC is responsible for making an independent evaluation and judgment of all conditions affecting performance of the work, including without limitation applicable federal, state, and local laws and regulations, and all other contingencies or considerations.

CCRC's responsibilities under this section shall not be delegated. CCRC shall be responsible to City for acts, errors, or omissions of CCRC's subcontractors.

Whenever the scope of work requires or permits review, approval, conditional approval or disapproval by City, it is understood that such review, approval, conditional approval or disapproval is solely for the purposes of administering this Agreement and determining whether the CCRC is entitled to payment for such work, and not be construed as a waiver of any breach or acceptance by the City of any responsibility, professional or otherwise, for the work, and shall not relieve the CCRC of responsibility for complying with the standard of performance or laws, regulations, industry standards, or from liability for damages caused by negligent acts, errors, omissions, noncompliance with industry standards, or the willful misconduct of CCRC.

**12. Force Majeure.** Neither party shall be considered in default of this Agreement to the extent performances are prevented or delayed by any cause, present or future, by circumstances beyond either party's reasonable control, such as war, riots, strikes, lockouts, work slow down or stoppage, acts of God, such as floods or earthquakes, and electrical blackouts or brownouts.

In the event that the CCRC is unable to meet the completion date or schedule of services, CCRC shall inform the City Representative of the additional time required to perform the work and the City Representative may adjust the schedule.

**13. Time is of the Essence.** Time is of the essence in this Agreement. Any reference to days means calendar days, unless otherwise specifically stated.

**14. Personnel.** CCRC agrees to assign only competent personnel according to the reasonable and customary standards of training and experience in the relevant field to perform services under this Agreement. Failure to assign such competent personnel shall constitute grounds for termination of this Agreement.

The payment made to CCRC pursuant to this Agreement shall be the full and complete compensation to which CCRC and CCRC's officers, employees, agents, and subcontractors are entitled for performance of any work under this Agreement. Neither CCRC nor CCRC's officers or employees are entitled to any salary or



wages, or retirement, health, leave or other fringe benefits applicable to employees of the City. The City will not make any federal or state tax withholdings on behalf of CCRC. The City shall not be required to pay any workers' compensation insurance on behalf of CCRC.

CCRC shall pay, when and as due, any and all taxes incurred as a result of CCRC's compensation hereunder, including estimated taxes, and shall provide City with proof of such payments upon request.

**15. Consultant Not Agent.** Except as authorized under this Agreement or as City may authorize in a letter of authorization signed by the City Manager or his or her designee, CCRC shall have no authority, express or implied to act on behalf of City in any capacity whatsoever as an agent. CCRC shall have no authority, express or implied, under this Agreement, to bind City to any obligation whatsoever.

**16. Term.** The term of this Agreement shall commence on January 1, 2008 and shall continue in full force and effect until December 31, 2012.

**17. Termination or Abandonment by City.** The City may terminate this Agreement if CCRC fails to perform or observe any of its obligations, covenants or agreements hereunder that is not cured within thirty (30) days after written notice of any such failure has been given by City. Upon receipt of a notice of termination, CCRC shall perform no further work except as specified in the notice. Before the date of termination, CCRC shall deliver to City all work product, whether completed or not, as of the date of termination and not otherwise previously delivered.

The City shall pay CCRC for services performed in accordance with this Agreement before the date of termination. If this contract provides for payment of a lump sum for all services or by task and termination occurs before completion of the work or any defined task which according to the performance schedule was commenced before the notice of termination, the fee for services performed shall be based on an amount mutually agreed to by City and CCRC for the portion of work completed in conformance with this Agreement before the date of termination. In addition, the City will reimburse CCRC for authorized expenses incurred and not previously reimbursed. The City shall not be liable for any fees or costs associated for the termination or abandonment except for the fees, and reimbursement of authorized expenses, payable pursuant to this section.

**18. Products of Consulting Services.** The work product, including without limitation, all writings, work sheets, reports, recordings, drawings, files, detailed calculations and other work products, whether complete or incomplete, of CCRC resulting from services rendered pursuant to this Agreement, shall become the property of City. CCRC agrees that all copyrights which arise from creation of the work under this Agreement shall be vested in the City and waives and relinquishes all claims to copyright or other intellectual property rights in favor of the City. City

acknowledges that its use of the work product is limited to the purposes contemplated by the scope of work and that CCRC makes no representation of the suitability of the work product for use in or application to circumstances not contemplated by the scope of work.

Documents submitted to the City in electronic format shall be formatted according to specifications provided by the City, or if not otherwise specified, in Microsoft Word, Excel, PowerPoint or other Microsoft Office Suite (2002) format as appropriate for the particular work product or, if directed by the City Representative in Adobe Acrobat PDF format.

**19. Cooperation by City.** City shall, to the extent reasonable and practicable, assist and cooperate with CCRC in the performance of CCRC's services hereunder.

**20. Assignment and Subcontracting.** CCRC shall not subcontract, assign or transfer voluntarily or involuntarily any of its rights, duties or obligation under this Agreement without the express written consent of the City Manager or his or her designee in each instance. Any attempted or purported assignment of any right, duty or obligation under this Agreement without said consent shall be void and of no effect.

If subcontracting of work is permitted, CCRC shall pay its subcontractor within ten (10) days of receipt of payment by City for work performed by a subcontractor and billed by CCRC. Use of the term subcontractor in any other provision of this contract shall not be construed to imply authorization for CCRC to use subcontractors for performance of any service under this Agreement.

The City is an intended beneficiary of any work performed by CCRC's subcontractor for purposes of establishing a duty of care between the subcontractor and City.

**21. Successors and Assigns.** All terms, conditions, and provisions of this Agreement shall apply to and bind the respective heirs, executors, administrators, successors, and assigns of the parties. Nothing in this section is intended to affect the limitation on assignment.

**22. Non-Discrimination/Fair Employment Practices.**

(a) Consultant shall not, because of race, religious creed, color, sex, national origin, ancestry, disability, medical condition, age, marital status or sexual orientation of any person, refuse to hire or employ, or to bar or discharge from employment, or to discriminate in compensation, or in terms, conditions or privileges any person, and every employee will receive equal opportunity for employment and shall be granted equal treatment with respect to compensation, terms, conditions or other privileges of employment, without regard to his race, religious creed, color, sex, national origin, ancestry, or disability, medical condition, age, marital status or

sexual orientation.

Consultant warrants and represents it is an equal opportunity employer and agrees it shall not discriminate on the basis of race, religious creed, color, sex, national origin, ancestry, disability, medical condition, age, marital status or sexual orientation in the selection and retention of employees, subcontractors or procurement of materials or equipment.

In all solicitations either by competitive bidding or negotiations made by Consultant for work to be performed under any subcontract, including procurement of materials or equipment, each potential subcontractor or supplier shall be notified by Consultant of Consultant's obligation under this Agreement relative to nondiscrimination and fair employment practices.

Consultant shall include the above provisions of this section in every subcontract, including procurement of materials or equipment.

(b) CCRC agrees to comply with Title VII of the Civil Rights Act of 1964, as amended, the California Fair Employment Practices Act, the Americans with Disabilities Act of 1990, any other applicable federal and state laws and regulations and City ordinances and regulations hereinafter enacted.

**23. Notices.** All notices or instruments required to be given or delivered by law or this Agreement shall be in writing and shall be effective upon receipt thereof and shall be by personal service or delivered by depositing the same in any United States Post Office, registered or certified mail, postage prepaid, addressed to:

If to City:

Susan McCue  
Economic Development Program Manager  
Community Development  
555 Santa Clara Street  
Vallejo, CA 94590

If to CCRC:

Janet Sylvain  
President  
Central Core Restoration Corporation  
301 Georgia Street, Suite 290  
Vallejo, CA 94590

Any party may change its address for receiving notices by giving written notice of such change to the other party in accordance with this section.

Routine administrative communications shall be made pursuant to section 1 of Exhibit A.

**24. Integration Clause.** This Agreement, including all Exhibits, contains the entire agreement between the parties and supersedes whatever oral or written understanding they may have had prior to the execution of this Agreement. This Agreement shall not be amended or modified except by a written agreement executed by each of the parties hereto.

**25. Severability Clause.** Should any provision of this Agreement ever be deemed to be legally void or unenforceable, all remaining provisions shall survive and be enforceable.

**26. Law Governing.** This Agreement shall in all respects be governed by the law of the State of California without regard to its conflicts of law rules. Litigation arising out of or connected with this Agreement shall be instituted and maintained in the courts of Solano County in the State of California or in the United States District Court, Eastern District of California, Sacramento, California, and the parties consent to jurisdiction over their person and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.

**27. Waiver.** Waiver by either party of any default, breach or condition precedent shall not be construed as a waiver of any other default, breach or condition precedent or any other right hereunder.

**28. Ambiguity.** The parties acknowledge that this is a negotiated agreement, that they have had the opportunity to have this Agreement reviewed by their respective legal counsel, and that the terms and conditions of this Agreement are not to be construed against any party on the basis of such party's draftsmanship thereof.

**29. Gender.** All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural, as the identifications of the person or persons, firm or firms, corporation or corporations may require.

**30. Headings.** The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

**31. Compliance with Laws.** CCRC will comply with all statutes, regulations and ordinances in the performance of all services under this Agreement.

**32. Confidentiality of City Information.** During the performance of services under this Agreement, CCRC may gain access to and use City information regarding, but not limited to, procedures, policies, training, operational practices, and other vital information (hereafter collectively referred to as "City Information") which are valuable, special and unique assets of the City. CCRC agrees that it will

not use any information obtained as a consequence of the performance of services under this Agreement for any purpose other than fulfillment of CCRC's scope of work , to protect all City Information and treat it as strictly confidential and proprietary to City, and that it will not at any time, either directly or indirectly, divulge, disclose or communicate in any manner any City Information to any third party, other than its own employees, agents or subcontractors who have a need for the City Information for the performance of services under this Agreement, without the prior written consent of City, or as required by law.

CCRC shall treat all records and work product prepared or maintained by CCRC in the performance of this Agreement as confidential.

A violation by CCRC of this section shall be a material violation of this Agreement and will justify legal and/or equitable relief.

CCRC's obligations under this section shall survive the completion of services, expiration or termination of this Agreement.

**33. News and Information Release.** CCRC agrees that it will not issue any news releases in connection with either the award of this Agreement, or any subsequent amendment of or efforts under this Agreement, without first obtaining review and approval of said news releases from City through the City Representative.

**34. City Representative.** The City Representative specified in Exhibit A, or the representative's designee, shall administer this Agreement for the City.

**35. Counterparts.** The parties may execute this Agreement in one or more counterparts, each of which shall be deemed an original, but all of which together shall be deemed one and the same instrument.

**36. Authority.** The person signing this Agreement for CCRC hereby represents and warrants that he/she is fully authorized to sign this Agreement on behalf of CCRC.

**37. Exhibits.** The following exhibits are attached hereto and incorporated herein by reference:

Exhibit A, entitled "Scope of Work," including any attachments.

Exhibit B, entitled "Compensation," including any attachments.

Exhibit C, entitled "Insurance Requirements," including any attachments.

(SIGNATURES ARE ON THE FOLLOWING PAGE)

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year shown below the name of each of the parties.

CENTRAL CORE RESTORATION CORPORATION,  
a California non-profit public benefit corporation

By: \_\_\_\_\_  
Janet Sylvain  
President

DATE: \_\_\_\_\_

\_\_\_\_\_  
Vallejo Business License No.

(City Seal)

CITY OF VALLEJO,  
a municipal corporation

By: \_\_\_\_\_  
Joseph M. Tanner  
City Manager

DATE: \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
Mary Ellsworth, Acting City Clerk

APPROVED AS TO CONTENT:

\_\_\_\_\_  
Susan McCue  
Economic Development Program  
Manager

APPROVED AS TO INSURANCE  
REQUIREMENTS:

\_\_\_\_\_  
Harry B. Maurer  
Risk Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
Frederick G. Soley  
City Attorney

## **EXHIBIT A**

### **SCOPE OF WORK**

#### **1. Representatives.**

The City Representative for this Agreement is:

Susan McCue  
Economic Development Program Manager  
Community Development  
555 Santa Clara Street  
Vallejo CA 94590  
707-553-7283  
707-648-4499

The CCRC's Representative for this Agreement is:

Janet Sylvain  
President  
Central Core Restoration Corporation  
301 Georgia Street, Suite 290  
Vallejo, CA 94590  
707-557-6762  
707-557-6040

All routine administrative communications between the parties will be between the above named representatives and may be by personal delivery, mail, facsimile transmission or electronic mail as agreed between the CCRC Representative and City's Representative.

#### **2. District Improvements and Services**

CCRC shall provide services related to the administration of the Downtown Vallejo Property and Business Improvement District ("District"), which shall include a maintenance program to provide additional cleaning, debris removal, graffiti removal, landscape maintenance and maintenance of streetscape improvements within public right of ways; an economic development and marketing program to provide an internet presence, hand-out publications and improved signage; and a security program to support additional security services, and other services or improvements as described in the District Plan, as set forth in Attachment 1 of Exhibit A, attached hereto and incorporated herein by this reference.

### **3. Time for Performance**

CCRC shall provide, manage, and administer all District Improvements and Services during the following time periods:

<b>Year 1</b>	<b>January 1, 2008 through December 31, 2008</b>
<b>Year 2</b>	<b>January 1, 2009 through December 31, 2009</b>
<b>Year 3</b>	<b>January 1, 2010 through December 31, 2010</b>
<b>Year 4</b>	<b>January 1, 2011 through December 31, 2011</b>
<b>Year 5</b>	<b>January 1, 2012 through December 31, 2012</b>

### **4. Audited Financial Reports**

CCRC shall submit to the City, for review, comment and approval, an Audited Financial Report describing the District Improvements and Services, expenses by category and revenues by category for the prior year of operations. Said report shall be submitted on or before March 1, 2009 for Year 1, March 1, 2010 for Year 2, March 1, 2011 for Year 3, March 1, 2012 for Year 4, and March 1, 2013 for Year 5.

### **5. Advisory Board Meetings**

An Advisory Board has been established to oversee the administration of the District. CCRC shall conduct no fewer than four Advisory Board meetings per year.

### **6. Reports to the City Council**

CCRC shall make annual reports to the City Council regarding the progress of the District on or before December 1 each year, beginning December 1, 2008.

### **7. Work in Public Right-of-Way**

CCRC shall comply with all federal, state, and local laws and shall secure all necessary permits and authorizations pertaining to work within public right-of-ways including, but not limited to, sidewalks, alleys, streets, pedestrian malls, public easements, public buildings and public parking areas.

### **8. Maintain Data Base**

CCRC shall maintain a complete Data Base of all parcel square footages and street front footages of assessed properties within the District. Said Data Base shall be updated at least once each year during District operations to reflect changed conditions and to accurately reflect status of assessed parcels.



## **9. District Administration**

The City shall provide administration of the annual District proceedings including preparation of the assessment spread, assessment roll, annual City Council reports, noticing to property owners and any changes to the District organization or cost spread formulas.

## **10. Billing and Collecting**

The City will coordinate the annual levy and collecting of all assessments for the District.

## **11. General Fund Not Liable**

Neither the City's General Fund nor any other fund or monies of the City except the actual District revenues, shall be liable for payment of any obligations arising from this Agreement. Said obligations are not a debt of the City's General Fund, nor a legal or equitable pledge, charge, lien, or encumbrance upon its income, receipts, or revenues. This Agreement embodies all of CCRC's reimbursement rights and no further note or other document shall be required to be executed by the City.

## **12. Disestablishment of the District**

If the District is disestablished pursuant to Streets and Highways Code, Sections 36650, et seq., this Agreement shall terminate. Any remaining revenues derived from the levy of assessments, or any revenues derived from the sale of assets acquired with the revenues, shall be refunded to the owners of the property then located and operating within the District in which assessments were levied by applying the same method and basis that was used to calculate the assessments levied in the fiscal year in which the district is disestablished. If the disestablishment occurs before an assessment is levied for the fiscal year, the method and basis that was used to calculate the assessments levied in the immediate prior fiscal year shall be used to calculate the amount of any refund.

## **EXHIBIT B**

### **COMPENSATION**

#### **1. Payments to CCRC.**

The annual District Assessments will be collected with the regular County property taxes. Based upon the annual levy approved by City Council, the City will pay CCRC all revenue received from the County of Solano. Revenues will be paid to CCRC within thirty (30) days of receipt by the City. The City agrees to participate in the Teeter Plan with the County of Solano with respect to the assessments.

B. All invoices submitted by CCRC shall contain the following information:

1. Description of services billed under this invoice
2. Date of Invoice Issuance
3. Sequential Invoice Number
4. City's Purchase Order Number (if issued)
5. Social Security Number or Taxpayer Identification Number
6. Amount of this Invoice (Itemize all Reimbursable Expenses")
7. Total Billed to Date

C. Items shall be separated into Services and Reimbursable Expenses. Billings that do not conform to the format outlined above shall be returned to CCRC for correction. City shall not be responsible for delays in payment to CCRC resulting from CCRC's failure to comply with the invoice format described above.

D. Request for payment shall be sent to:

Susan McCue  
Economic Development Program Manager  
Community Development Department  
555 Santa Clara Street  
Vallejo CA 94590

#### **2. Proposed Budgets.**

CCRC shall submit to the City for review, comment and approval, a report describing the proposed District improvements and Services and Proposed Budget by category for each year of operation. Said report

shall be submitted on or before the first day of December of each year. The Proposed Budgets from years 2-5 shall declare the projected budget surplus (or deficit) for the prior year.

**3. CCRC Expenditure Funds.**

CCRC shall expend funds within the line item categories described in the Year 1 Budget and Subsequent Year budgets. CCRC shall obtain written City approval of any expenditures of more than ten percent (10%) above the budget in any line item category. In no event shall CCRC obligate or expend funds in an amount that exceeds the total budget (\$204,207.96) of the District.

**4. Accounting Records of CCRC.**

CCRC shall maintain for three (3) years after completion of all services hereunder, all records under this Agreement, including, but not limited to, records of CCRC's direct salary costs for all Services and Additional Services performed under this Agreement and records of CCRC's Reimbursable Expenses, in accordance with generally accepted accounting practices. CCRC shall keep such records available for audit, inspection and copying by representatives of the City's Finance Department or other government agencies during regular business hours upon twenty four (24) hours notice.

The obligations of CCRC under this section shall survive this Agreement.

**5. Taxes.**

CCRC shall pay, when and as due, any and all taxes incurred as a result of CCRC's compensation hereunder, including estimated taxes, and shall provide City with proof of such payments upon request.

**6. Taxpayer Identification Number.** CCRC shall provide City with CCRC's complete Request for Taxpayer Identification Number and Certification, Form W-9, as issued by the Internal Revenue Service, and any other State or local tax identification number requested by City.

## EXHIBIT C

### INSURANCE REQUIREMENTS

CCRC shall procure and maintain for the duration of this Agreement, including any extensions thereto, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of services hereunder by the CCRC, their agents, representatives, or employees or subcontractors.

#### **A. Minimum Scope of Insurance**

Coverage shall be at least as broad as:

1. Insurance Services Office form number GL 0002 (Ed. 1/73) covering Comprehensive General Liability and Insurance Services Office form number GL 0404 covering Broad Form Comprehensive General Liability; or Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).
2. Insurance Services Office form number CA 0001 (Ed. 1/78) covering Automobile Liability, code 1 any auto and endorsement CA 0025.
3. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

#### **B. Minimum Limits of Insurance**

CCRC shall maintain limits no less than:

1. General Liability: \$2,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.
3. Workers' Compensation and Employer's Liability: \$1,000,000 per accident for bodily injury or disease. If CCRC is not subject to California Workers' Compensation requirements, CCRC shall file a

completed certificate of exemption form which may be obtained from the City prior to commencing any activity authorized hereunder.

**C. Deductible and Self-Insured Retention**

Any deductibles or self-insured retention must be declared to and approved by the City. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the City of Vallejo, its officers, officials, employees and volunteers; or the CCRC shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

**D. Other Insurance Provisions**

The general liability and automobile liability policies, as can be provided, are to contain, or be endorsed to contain, the following provisions:

1. The City of Vallejo, its officers, officials, employees, agents and volunteers are to be covered as additional insureds as respects; liability, including defense costs, arising out of activities performed by or on behalf of the CCRC; products and completed operations of the CCRC; premises owned, occupied or used by CCRC; or automobiles owned, leased hired or borrowed by CCRC. The coverage shall contain no special limitations on the scope of protection afforded to the City of Vallejo, its officers, officials, employees, agents or volunteers. The insurance is to be issued by companies licensed to do business in the State of California.
2. For any claims related to this project, CCRC's insurance coverage shall be primary insurance as respects the City of Vallejo, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the City of Vallejo, its officers, officials, employees, agents or volunteers shall be excess of CCRC's insurance and shall not contribute with it.
3. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the City, its officers, officials, employees, agents or volunteers.
4. CCRC's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
5. Each insurance policy required by this clause shall be endorsed to

state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

The workers' compensation and employer's liability policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against City, its officers, officials, employees, agents and volunteers, which might arise by reason of payment under such policy in connection with CCRC's performance under this Agreement.

**E. Acceptability of Insurers**

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII.

**F. Verification of Coverage**

CCRC shall furnish the City with certificates of insurance and original endorsements effecting general and automobile liability insurance coverage required by this clause. The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received and approved by the City before work commences.

**G. Subcontractors**

CCRC shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

**H. Payment Withhold**

City will withhold payments to CCRC if the certificates of insurance and endorsements required in Paragraph F, above, are canceled or CCRC otherwise ceases to be insured as required herein.

**VALLEJO REDEVELOPMENT AGENCY**  
**SPECIAL JOINT MEETING**  
**JANUARY 8, 2008**  
**MINUTES**

**1. CALL TO ORDER**

A special joint meeting of the Vallejo Redevelopment Agency was called to order at 7:27 p.m. by Chairman Osby Davis.

**2. ROLL CALL**

Present: Chairman Davis, Vice Chair Bartee, Members Gomes, Hannigan, Schivley, Sunga and Wilson

Absent: None

Staff: Executive Director Joseph Tanner  
City Attorney Fred Soley  
Secretary Mary Ellsworth

**3. ADMINISTRATIVE ITEMS**

**A.. CONSIDERATION OF THIRD AMENDMENT TO THE TRIAD DOWNTOWN DISPOSITION AND DEVELOPMENT AGREEMENT**

On October 28, 2005, the Redevelopment Agency of the City of Vallejo (Agency) entered into a Disposition and Development Agreement with Triad Downtown Vallejo LLC (Triad), which was subsequently amended by a First Amendment to Disposition and Development Agreement executed on January 13, 2006, amended by a Second Amendment to Disposition and Development Agreement, executed on January 9, 2007, and further amended by Operating Memorandum No.1 executed on April 19, 2007 (collectively the DDA). The DDA provides for the development of certain public and private parcels (Site), a portion of which is located within the boundaries of the Vallejo Central Redevelopment Project Area and a portion of which is located within the Marina Vista Redevelopment Project Area, both of which Redevelopment Project Areas have, since the Second Amendment, been merged with the Vallejo Waterfront Redevelopment Project Area and are a part of the Merged Downtown / Waterfront Redevelopment Project Area. Agency staff and the Developer have cooperated in the preparation of a Third Amendment to Disposition and Development Agreement (Third Amendment) to make certain modifications to the DDA, including modifications to Section 705 (Affordability Covenants), Schedule of Performance (Attachment No. 3), Scope of Development (Attachment No. 4), and Method of Financing (Attachment No. 6), to further reflect actions and procedures to be employed during development of the Project with respect to Parcel A, and to make other conforming or clarifying changes to the DDA.

Vice Mayor Bartee and Councilmembers Gomes and Wilson recused themselves from participating in this discussion due to a conflict of interest. They left the dais at 7:30 p.m.

Craig Whittom, Assistant City Manager-Community Development, introduced Iris Yang, Outside Counsel, Susan McCue, Economic Development Manager, and Annette Taylor, Senior Community Development Analyst.

Ms. Taylor presented information on the background of the Downtown Development Agreement from October 28, 2005 through April 19, 2007. She stated that the Third Amendment makes modifications to Section 705 Affordability Covenants; Schedule of Performance, Scope of Development and Method of Financing. Ms. Taylor reviewed Section 104, the site; Section 108, the deposit; Section 704, CC&R's, Homeowners Association; and Section 705, affordability covenant. She addressed the Revised and Restated Schedule of Performance, the Scope of Development; the Method of Financing, and the Streetscape Budget. Ms. Taylor further referred to other confirming and clarifying amendments; and the supplement to the Section 33433 Report, and Affordable Housing Alternatives. She stated that the Housing and Redevelopment Commission adopted a resolution recommending the City Council and Agency approve the Third Amendment to the Triad Downtown DDA. Should the Council/Agency decide not to accept the staff recommendation in the amendment regarding inclusionary housing requirements, the Commission recommends Alternative 1, which states that there will be no affordable units in this first building of Phase 1 of the project; Agency may purchase up to five percent of the units in buildings two and three of Phase 1 at market rate; the Developer will provide five percent of units in Phase II for moderate income households.

Iris Yang, Outside Counsel, addressed the finding relating to the affordable housing exemption. She explained that the bulk of the housing that has been provided within the project areas has been affordable housing, there has been little or no housing that has been developed privately. The type of housing that Triad is proposing is primarily market rate housing. Therefore, the addition of housing to be developed by Triad at market rate including moderate income affordable housing will diversify the mix of housing that is available within the project area. This is why staff believes the Agency can make the finding that the abrogation of the affordable units that have been developed thus far in these project areas will not exacerbate the type of economic or social or racial segregation that otherwise might exist.

Speakers: Burky Worel asked why the Hip Grant was lost and what is the Grow Vallejo Fund.

Ms. Taylor responded that the Hip Grant expired. Susan McCue described the Grow Vallejo Fund which is a small business lending program.

Mustafa Abdul Ghanee questioned since this item should be is a public hearing why it is being heard under Administrative Items. He addressed affordable housing discrimination stating staff has presented no evidence, let alone substantial evidence that aggregation would not cause or exacerbate segregation. The staff report is misleading and if the Agency approved the resolution it would be exempting Triad from the affordable housing requirement when no evidence had been presented to support exemption. While there is an excess of rental housing in the areas, there is no such excess in for sale housing and thus aggregation did not provide an avenue for exemption of the affordable housing requirement in this case. Approval of the resolution was tantamount to the action that eventually led to the Buchongo suit and settlement



agreement. Mr. Ghanee referred to the resolution which states that the new homes have been built throughout the other areas, and he believes there is no indication that there have been homes built or substantially refurbished in the Waterfront Redevelopment Area. He suggested re-looking at the current DDA.

Ms. Yang responded to Mr. Ghanee's comments, stating that although the agenda does not list this matter as a public hearing, it was advertised as a public hearing as required, therefore the record should reflect that this is a public hearing. She went on to address the abrogation explaining how it differs from the Buchongo lawsuit.

John Osborne stated that he agrees with Mr. Ghanee's comments, and affordable housing should be given consideration. He does not agree with Staff's explanation of the Buchongo settlement. He commented on the notice for the public hearing, and the fact that this is a complicated issue that should have been the subject of a study session. He commented on Councilmembers recusing themselves, noting that when this is the case, the Councilmembers should locate in an area completely outside the Council Chambers and not the conference room. Those Councilmembers who leave the dais and go to the back room should be considered absent from the meeting and it should be so noted in the minutes. He stated that the \$200,000 the Agency will receive from Triad as a non-refundable deposit should go to the City as partial repayment for the money owed the City by the Agency. He stated that he would be against the inclusion of any option that the Redevelopment Agency would participate in using funds to buy back units that could become affordable units.

Fred Soley, City Attorney, responded to a question of Mayor Davis concerning the issue of the item being a public hearing stating that since the matter was properly noticed and the public has ample opportunity to address the issue, he believes all the requirements of the public hearing have been met.

Sam Kursham stated that the City should think about the type of image they want to convey to the rest of the community and Bay Area. He believes this is a bail out for the developer. He stated that there should be at least a mixed income inclusionary housing type development. The area should be rezoned for small businesses and art-related businesses.

Buck Kamphausen, local businessman and owner of property in the downtown area, stated that he is not in favor of the project. Vallejo is in need of jobs not housing. He stated that the properties were paid for by a bond that was placed on the buildings. All property owners in the area have a right to the properties. The parking proposal was deliberately flawed. The property owners are in a position to sue the City and the developer if they proceed with the parking plan that is now proposed. He stated that as a property owner, if this proceeds, he will enter into a lawsuit against the City relative to the rights that he has to the properties that he has paid for.

Mark Ruebsmen, representing Triad Communities, stated that this project will revitalize the area and benefit all the residents and business owners of downtown Vallejo if it can be built.

Katy Meissner disputed comments by Mr. Kamphausen and reminded people that there was a lot of community support for the project originally. She addressed the notice of public hearing and expressed concern about the affordable housing stating that

inclusionary housing is a creative way to address the affordable housing requirement. She questioned what the tax increment will be used for.

Diana Lang stated that there are a number of people who are working very hard to make the downtown a success. She stated that the question should be "where are we going as a community into the future—how are we going to strike the balance." We need to get behind the projects like the Empress Theater and move together for a more balanced future. She supports the project.

Marti Brown stated that we need people living downtown and using the retail and the services. The proposed amendments are modest and not a hand out to the developer. This plan went through a long process and there is a lot of support for the project. If Triad leaves, we will be in a bad situation. She asked what the future of the City is and do we want to start over?

Robert Becker stated that it is important that there is quality development in the City. Do not take away amenities and the attractiveness of this property.

Bill Neads stated his concern about the demand for the property that is located in the downtown area. He has heard many people make inquiries about office space. He asked if it is possible to explore creating interest from other developers for commercial development.

Ms. Taylor stated that there is approximately 11,000 square feet set aside for commercial development in Parcel A in the first building.

Mr. Soley stated that the notice of public hearing was published in the "Legal Notices" section of the Times Herald.

Ms. Taylor stated that the notice of public hearing was published in the Times Herald on December 25, 2007 and January 1, 2008.

In answer to a question of Councilmember Hannigan concerning how the \$200,000 amount was established, Mr. Whitton explained that it was a negotiated figure that was proposed by the agency as a proposed meaningful contribution to extend the term for another year. Staff believes that the downtown specific plan is a very good plan, which allows much more intensive development, whether it's office or residential above the ground floor. The product is very difficult to make feasible in the current environment. Staff attempted to negotiate this agreement including the \$200,000 to balance the reality of the market with a firm termination date of February 2009.

Councilmember Hannigan stated that she received a report from Carl Walker that indicated with complete build-out of the Triad Downtown Project the City would be at a parking space deficit, in some cases over 500 spaces, which includes the Empress Theater and all the other parking needs that will occur. She asked what the plans or alternatives are to mitigate those deficits.

Ms. Taylor stated that as part of the original DDA with Triad, there has to be a parking management plan in place to address the parking needs of the downtown. The parking management plan will provide options to mitigate the parking needs, which we have already started by doing diagonal parking on some of the downtown streets. Other

options include: parking meters, building one or two parking structures, and paid parking in the downtown. She stated that there is a parking management plan meeting on Thursday, where these questions will be answered and hopefully addressed, so we can move forward.

Councilmember Hannigan asked for clarification on the date construction would begin if Triad does not close escrow until February 28, 2009.

Ms. Taylor stated that if Triad exercises the option to extend for another year, the commencement date would be February 2009 and they would have thirty days.

Ms. Yang added that close of escrow is a very important date because it would mean that Triad would have everything ready to go.

Councilmember Hannigan asked if proof of financing has been provided.

Mr. Ruebsmen stated that Triad has evidence of financing for the building as originally designed at 158 units. Because of the additional units they have to get approval from the lender for additional funding for the increase in the building which they expect to have soon.

Councilmember Hannigan asked Mr. Ruebsmen if Council approves the extension with the \$200,000 unrefundable deposit, what is the best estimate for closing escrow and starting.

Mr. Ruebsmen stated that at this point it is difficult to say precisely when that is going to occur; his best guess would be within the next couple of months.

Mayor Davis stated that one of his concerns is the delay. He stated that he reviewed the tape of the Council meeting from January 9, 2007 and he heard a gentleman from Triad say the same thing they are saying tonight. One year later we have the same situation. Referring to the amendment, Mayor Davis stated that he wants to know exactly what items have been changed from one amendment to the next. He also questioned the parking and expressed concern about building a parking facility across the street from an establishment that will be used as a focal point for a gathering. He went on to say that he does not have a concern about the affordable housing element in Phase 1 because the City has a mix of housing within a two-block radius of this site and to make it all affordable in one area doesn't allow for the ability to infuse substantial capital in an area to bring it up. He doesn't agree that the Agency should buy any housing at market rate and fund the difference. The \$200,000 is "peanuts." The \$25,000 as a deposit was too low. Mayor Davis stated that if we go forward with this project, we should not be bound to use the \$200,000 in any particular manner to meet our obligations under the agreement or anything else. He stated that there are still questions he needs answered and he wants to see the red line version of the differences between the amendments. There are other issues with respect to the termination clause, under Section 511, which can be addressed before it comes back to Council. He recommended that this item be continued in order to get answers to questions.

Councilmember Sunga stated that it bothers him that six years after we entrusted the project to Triad we are in the same situation. There are a lot of projects proposed but none of them are moving and it is costing the City money. He previously asked Triad

staff specifically what happens if the project does not start in a year and he was told that they would have to extend again and this bothers him more. He questioned if we are not sure that we can get the funding within a year why put an important property on hold? If we open it up and start over again, Triad can be included in the applicants. He could not vote for an extension at this time because he has not seen any forward movement on the project. He supports the Mayor's recommendation to delay the decision on the project.

Councilmember Schivley stated that Triad has invested more than \$8 million in the project. In light of the current economic situation, it is amazing that Triad is willing to consider a start date a year from now. The City has been trying to get the downtown developed since 1969 and no one else has expressed an interest, especially a private developer who is willing to spend their own money. She stated that there needs to be compromise. The parking problem is a long way off. She stated that 57 percent of the downtown area is affordable housing which is a high concentration and therefore she doesn't believe we need any more affordable housing in the first phase, perhaps in Phase 2. Although it is not perfect and it is not exactly what she would like, she will support it.

Mr. Whittom proposed that the matter be heard again on January 29, 2008 to allow staff time to prepare the description and answer the questions.

Councilmember Schivley stated that she believes it is imperative that we all keep in mind why developers don't want to come to Vallejo—look what we are putting them through.

Mr. Whittom stated that during January there will be two additional public hearings, one with the Design Review Board and the other with the Planning Commission on the proposed design changes for this project. This will be an opportunity for the community to be further involved in the process.

RESOLUTION NO. 08-01 of the Vallejo Redevelopment Agency offered by Mayor Davis continuing the approval of the Third Amendment to the Downtown Disposition and Development Agreement to January 29, 2008.

The resolution was adopted by the following vote:

AYES:	Chairman Davis, Members Hannigan, Schivley and Sunga
NOES:	None
ABSENT:	None
ABSTENTIONS:	Vice Chairman Bartee, Members Gomes and Wilson

4. ADJOURN TO CITY COUNCIL MEETING

The joint meeting of the Redevelopment Agency and the City Council adjourned to the City Council meeting at 8:49 p.m.

\_\_\_\_\_  
OSBY DAVIS, CHAIRMAN

ATTEST: \_\_\_\_\_  
MARY ELLSWORTH, SECRETARY

**VALLEJO REDEVELOPMENT AGENCY**  
**SPECIAL JOINT MEETING**  
**JANUARY 29, 2008**  
**MINUTES**

**1. CALL TO ORDER**

A special joint meeting of the Vallejo Redevelopment Agency was called to order at 7:30 p.m. by Chairman Osby Davis.

**2. ROLL CALL**

Present: Chairman Davis, Vice Chair Bartee, Members Gomes, Hannigan, Schivley, Sunga and Wilson

Absent: None

Staff: Executive Director Joseph Tanner  
City Attorney Fred Soley  
Secretary Mary Ellsworth

**8. PUBLIC HEARINGS**

**A. CONTINUATION OF JOINT PUBLIC HEARING AND CONSIDERATION OF THIRD AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF VALLEJO AND TRIAD DOWNTOWN VALLEJO, LLC**

Vice Mayor Bartee, Councilmembers Gomes and Wilson excused themselves from participating in this matter due to a conflict of interest involving real property interest in the redevelopment area.

Mayor Davis opened the public hearing to allow the public an opportunity to speak.

Councilmember Schivley asked the City Attorney to review the recusals that were presented tonight to determine if there is a way to mitigate that between now and March 11, noting that one Councilmember is within 30 feet of the project area and another is a part owner in a business. She stated that this is an undue burden on the remainder of the Council.

The following individuals spoke in support of the project and approval of the amendment to the DDA: Marti Brown, Katy Meissner, Diana Lang, Thom Morgan, Buck Kamphausen, and Sam Kursham.

The speakers noted the overwhelming support for the project at its inception; the work the Downtown group put into the process for the project; the need for positive economic influence which this project will provide---this is the first step in revitalizing the downtown; construction costs will rise during the delay and the costs will be passed on to the City. They also stated that the downtown is the property of all the citizens not just the property owners in the area and Council needs to take this seriously. The \$200,000 fee for the extension should be forgiven

and the fee be added onto the end of the project. There should be a process to allow first time home buyers to have an opportunity to gain residence in the building.

Mustafa Abdul Gahnee expressed concern about the provision of lower and moderate income housing in the project as a requirement to provide such housing as it relates to Redevelopment law.

Fred Grimm, representing Triad, LLC, addressed Triad's commitment stating although it is disappointing that the project hasn't gotten started sooner, they are not losing faith in the City of Vallejo and are continuing moving forward. They are optimistic the details can be worked out.

RESOLUTION NO. 08-12 N.C. of the Vallejo City Council offered by Mayor Davis continuing to March 11, 2008 the public hearing to consider approving and authorizing the execution of a third amendment to Disposition and Development Agreement between the Redevelopment Agency of the City of Vallejo and Triad Downtown Vallejo, LLC and approving an addendum to the final environmental impact report relating thereto.

The resolution was adopted by the following vote:

AYES: Mayor Davis, Councilmembers Hannigan, Schivley and Sunga  
NOES: None  
ABSENT: None  
ABSTAINING: Vice Mayor Bartee, Councilmembers Gomes and Wilson

RESOLUTION NO. 08-02 of the Vallejo Redevelopment Agency offered by Chairman Davis, continuing to March 11, 2008 the public hearing to consider approving and authorizing the execution of a third amendment to Disposition and Development Agreement between the Redevelopment Agency of the City of Vallejo and Triad Downtown Vallejo, LLC and approving an addendum to the final environmental impact report relating thereto.

The resolution was adopted by the following vote:

AYES: Chairman Davis, Members Hannigan, Schivley and Sunga  
NOES: None  
ABSENT: None  
ABSTAINING: Vice Chairman Bartee, Members Gomes and Wilson

9. ADJOURN TO VALLEJO CITY COUNCIL MEETING

The joint meeting between the Redevelopment Agency and the City Council adjourned at 7:54 p.m.

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OSBY DAVIS, CHAIRMAN

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ATTEST: MARY ELLSWORTH, SECRETARY



**CITY COUNCIL COMMUNICATION  
REDEVELOPMENT AGENCY BOARD COMMUNICATION**

Date: March 25, 2008

TO: Mayor and Members of the City Council  
Chairperson and Members of the Redevelopment Agency

FROM: Craig Whittom, Assistant City Manager/Community Development   
Susan McCue, Economic Development Program Manager 

SUBJECT: Joint Public Hearing Regarding the Consideration of Third Amendment to the  
Triad Downtown Disposition and Development Agreement

**BACKGROUND & DISCUSSION**

A joint public hearing of the Redevelopment Agency of the City of Vallejo (Agency) and City Council of the City of Vallejo (City Council) commenced on January 8, 2008, to consider and act on a proposed Third Amendment to Disposition and Development Agreement between the Agency and Triad Downtown Vallejo LLC (Triad). Following presentations by staff and representatives from Triad, and receipt of public testimony on the proposed Amendment, the Agency/Council members raised several questions and requested additional information from staff. Consideration of approval of the Amendment was deferred until that additional information could be prepared and presented, and the joint public hearing was continued to January 29, 2008. On January 29, 2008 the Agency adopted Resolution No. 08-02 N.C. and the City Council adopted Resolution No. 08-12 N.C. continuing to March 11, 2008. On March 11, 2008 the Agency adopted Resolution No. 08-05 N.C. and the City Council adopted Resolution No. 08-33 N.C. continuing to March 25, 2008. The parties have not completed their negotiations. City staff is requesting the Public Hearing be canceled at this time. Upon completion of the negotiations staff will notice the Public Hearing for a date certain.

**PROPOSED ACTION**

Agency and City Council cancel the Joint Public Hearing.

**CONTACT**

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