



AGENDA

VALLEJO CITY COUNCIL SPECIAL MEETING VALLEJO HOUSING AUTHORITY APRIL 1, 2008

City Hall
555 Santa Clara Street
Vallejo, CA 94590

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- STUDY SESSION 6:15 P.M. CITY COUNCIL CHAMBERS

1. ROLL CALL
2. STUDY SESSION
 - A. DISCUSSION OF THE PAVEMENT CONDITION OF CITY STREETS
3. ADJOURNMENT

VALLEJO HOUSING AUTHORITY
SPECIAL MEETING
6:45 P.M. CITY COUNCIL CHAMBERS

1. ROLL CALL
2. CONSENT CALENDAR
 - A. APPROVAL OF MINUTES OF A SPECIAL MEETING OF THE VALLEJO HOUSING AUTHORITY OF MARCH 11, 2008

PROPOSED ACTION: Approve the minutes.
3. PUBLIC HEARING
 - A. CONSIDERATION AND ADOPTION OF THE HOUSING AUTHORITY OF THE CITY OF VALLEJO STREAMLINED ANNUAL PLAN DESCRIBING HOUSING AUTHORITY GOALS AND ACTIVITIES FOR FISCAL YEAR 2008/2009

PROPOSED ACTION: Adopt the resolution approving the Annual Plan.
4. 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 COMMENORATING THE 60TH YEAR ANNIVERSARY OF THE FRIENDSHIP MISSIONARY BAPTIST CHURCH
 - B. PRESENTATION TO THE CITY COUNCIL ON "SAVE BENICIA STATE RECREATION AREA" BY GENE DOHERTY

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 CITY COUNCIL MINUTES FOR THE MEETING OF MARCH 11, 2008

PROPOSED ACTION: Approve the minutes.

- B. APPROVAL OF A RESOLUTION DECLARING THE WEEK OF MARCH 31, 2008 "COMMUNITY DEVELOPMENT WEEK"

PROPOSED ACTION: Adopt the resolution declaring the week of March 31, 2008 "Community Development Week."

- C. APPROVAL OF A RESOLUTION DECLARING THE MONTH OF APRIL 2008 "FAIR HOUSING MONTH"

PROPOSED ACTION: Adopt the resolution declaring the month of April 2008 "Fair Housing Month."

- D. APPROVAL OF A RESOLUTION AUTHORIZING STREET MAINTENTANCE PROJECTS USING CURRENT FISCAL YEAR ALLOCATION OF PROP 1B FUNDS IN THE AMOUNT OF \$1,953,038.45

PROPOSED ACTION: Adopt the resolution authorizing the Public Works Department to perform street maintenance projects using the current fiscal year allocation of Proposition 1B funds in the amount of \$1,953,038.45.

8. PUBLIC HEARINGS - NONE

9. POLICY ITEMS – NONE

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

- B. CONSIDERATION OF A RESOLUTION AUTHORIZING AN AMENDED AND RESTATED EXCLUSIVE RIGHT TO NEGOTIATE AGREEMENT BETWEEN THE CITY OF VALLEJO AND TOURO UNIVERSITY

PROPOSED ACTION: Adopt the resolution authorizing the City Manager to execute the Amended and Restated Exclusive Right to Negotiate Agreement between the City of Vallejo and Touro University.

- C. PRESENTATION OF CONCEPTUAL PLAN OF DOWNTOWN BUS TRANSFER/VALLEJO STATION

PROPOSED ACTION: Informational item only. No action will be taken.

11. APPOINTMENTS TO BOARDS, COMMISSIONS, AND COMMITTEES - NONE

12. 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.

13. CITY MANAGER'S REPORT

14. CITY ATTORNEY'S REPORT

15. 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. Each speaker is limited to three minutes pursuant to Vallejo Municipal Code Section 2.20.300.

16. REPORT OF THE PRESIDING OFFICER AND MEMBERS OF THE CITY COUNCIL

17. CLOSED SESSION - NONE

18. ADJOURNMENT

VALLEJO HOUSING AUTHORITY
MARCH 11, 2008

MINUTES

A special meeting of the Vallejo Housing Authority was held on the above date in the Council Chambers of the Vallejo City Hall. The meeting was called to order at 6:50 p.m. by Chairman Osby Davis..

1. CALL TO ORDER

A. ROLL CALL

Present: Chairman Davis, Vice Chair Bartee, Member Gomes, Hannigan, Pitchford, Schivley, Sunga and Wilson

Absent: Member Everheart (excused)

Staff: Executive Director Jospheh Tanner
City Attorney Fred Soley
Secretary Mary Ellsworth

2. CONSENT CALENDAR

Chairman Davis referred to Consent Item A and asked why the voucher is not denied if there is information that is misleading or untrue; why isn't verification provided at the time the application is submitted.

Laura Simpson, Program Manager, explained how applicants are qualified stating that people are asked to apply, but because of the amount of paperwork involved, staff verifies the application as it moves up on the waiting list. She noted that eligibility for preferences changes over time. Therefore, it could change between the time the application is submitted to the time the application is pulled from the waiting list. Ms. Simpson further explained the qualification criteria and placement on the waiting list.

Commissioner Sunga asked if the Authority will be adding a category for seniors under preferences. Ms. Simpson replied that seniors are included under the single persons category (Category 5, elderly, disabled, homeless or displaced). HUD only allows seniors under Category 5, they do not allow an exclusive category for seniors.

Chairman Davis noted a correction to the minutes of November 27, in the opening paragraph, the Chairman should be Anthony J. Intintoli, Jr., rather than Osby Davis.

Speakers: Mustafa Abdul Ghanee expressed concern about staff's characterization of preferences as time consuming and unproductive. He

explained that preferences allows staff to bring people such as veterans, disabled persons and families that are homeless to the top of the list which he believes is extremely productive. He stated that he wants to make sure when the matter comes before the Housing Authority to make a determination about preferences that the importance of the work is recognized, that it should not be considered unproductive.

Ms. Simpson responded to Mr. Ghanee's comments.

Hearing no additions, corrections or deletions, the agenda was approved as received and the following resolution and minutes were offered by Vice Chairman Bartee:

RESOLUTION NO. 08-01 APPROVING THE REVISIONS TO CHAPTER FOUR OF THE ADMINISTRATIVE PLAN ADDING CLARIFICATION OF LANGUAGE PERTAINING TO APPLICANT PREFERENCE PLACEMENT

APPROVAL OF VALLEJO HOUSING AUTHORITY MINUTES FOR THE SPECIAL MEETING OF NOVEMBER 27, 2007, AND THE REGULAR MEETING OF DECEMBER 18, 2007

The resolution was adopted and the minutes were approved as corrected by the following vote:

AYES:	Chairman Davis, Vice Chairman Bartee, Authority Members Gomes, Hannigan, Pitchford, Schivley, Sunga and Wilson
NOES:	None
ABSENT:	Member Everheart (excused)
ABSTENTIONS:	None

4. ADJOURNMENT

The meeting adjourned at 7:00 p.m.

OSBY DAVIS, CHAIRMAN

ATTEST:

MARY ELLSWORTH, SECRETARY



VALLEJO HOUSING AUTHORITY

Date: April 1, 2008

TO: Chair and Members

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

SUBJECT: PUBLIC HEARING: CONSIDERATION AND ADOPTION OF THE HOUSING AUTHORITY OF THE CITY OF VALLEJO STREAMLINED ANNUAL PLAN DESCRIBING HOUSING AUTHORITY GOALS AND ACTIVITIES FOR FISCAL YEAR 2008/2009

BACKGROUND AND DISCUSSION

The U. S. Department of Housing and Urban Development (HUD) requires Housing Authorities to prepare an Annual Plan for its Section 8 Housing Choice Voucher (HCV) Program, one of the programs administered by the City's Housing and Community Development Division. The Annual Plan is due to HUD 75 day prior to the commencement of Fiscal Year 2008/2009. The draft Plan, with a fiscal year from July 1 to June 30, provides details regarding the Authority's immediate operations, and is enclosed as Attachment "B". HUD regulations require that the Housing Authority hold a public hearing to receive comments on the Plan. This Plan must be submitted to HUD by April 16, 2008.

The Vallejo Housing Authority (VHA) was established in 1942 pursuant to the State of California Housing Authorities Law. This law states that there is a shortage of safe or sanitary housing at rents affordable to low-income families. The State of California declared the provision of affordable housing as a public purpose.

The VHA has adopted By-Laws that empower it to utilize all the powers granted pursuant to the Housing Authorities Law. As such, the VHA has adopted a resolution directing staff to seek, and apply for, rental assistance programs.

The VHA's primary source of rental assistance is through HUD's HCV program. The Federal Government (in the original Housing Act of 1937) has also declared that citizens are entitled to safe, decent housing. The VHA has entered into an agreement with HUD, which allows it to provide HCV assistance to low-income families. The VHA has also agreed to comply with the regulations, requirements, and laws associated with the HCV program.

The VHA administered rental assistance to 2,091 privately owned units within the City of Vallejo as of February 29, 2008. As of February 29, 2008, there were 6,024 families on the VHA waiting list. The VHA also provides homeownership opportunities for tenants, and intends to offer project-based vouchers in Fiscal Year 2008/2009. As of February 29, 2008 there were nine families participating in the HCV Homeownership program.

In 2000, the VHA formed a Resident Advisory Board (RAB) made up of assisted clients. The Housing Authority is required to consider the comments of the RAB when preparing the Annual Plan. The RAB met on January 31, 2008 to review and comment on the Annual Plan. RAB comments have been incorporated into the Plan as Attachment C.

The Housing and Redevelopment Commission (HRC) also reviewed and commented on the Plan, at their regular meeting held on March 12, 2008. HRC comments and suggestions are incorporated into the Plan, as Attachment I.

The Annual Plan is provided electronically by HUD, in template format. HUD regulations allow Housing Authority's who administer the Section 8 HCV program only, and do not administer any public housing projects, to submit a streamlined Annual Plan. However, even the streamlined Plan contains several areas which are not applicable to Section 8 HCV-only Housing Authorities. HUD requires that no changes are made to the template format, and that the Housing Authority skip over any sections which do not apply to the programs they administer.

The Annual Plan describes several areas identified as priorities by the VHA. The topics covered in the Fiscal Year 2008/2009 Annual Plan include the Section 8 Homeownership Program; Project Based Voucher program; consistency with the City of Vallejo's Consolidated Plan; and a Statement of Progress in Meeting the Five-Year Plan Mission and Goals of the VHA. Strategies are selected and proposed based on the following factors: funding constraints, staffing constraints, the influence of the housing market on Housing Authority programs, recommendations by the Housing and Redevelopment Commission and the Resident Advisory Board, and direction by the Housing Authority Board.

FISCAL IMPACT

The submission of the Annual Plan is a requirement associated with the Section 8 Housing Choice Voucher program. By submitting this document, the VHA meets this requirement and maintains its eligibility for Federal housing program funding.

RECOMMENDATION

After conducting a public hearing to receive comments on the draft Annual Plan for Fiscal Year 2008/2009, approve the Plan.

ALTERNATIVES CONSIDERED

The submission of the Annual Plan is required by HUD in order to access funding for the Section 8 Housing Choice Voucher program. No alternatives were considered.

ENVIRONMENTAL REVIEW

There is no environmental impact associated with this action.

PROPOSED ACTION

Conduct a public hearing. Adopt the enclosed resolution approving the Annual Plan.

DOCUMENTS AVAILABLE FOR REVIEW

Attachment A – Resolution

Attachment B – Draft Streamlined Annual Plan, Fiscal Year 2008/2009, Housing Authority of the City of Vallejo

PREPARED BY:

Melinda Nestlerode, Senior Community Development Analyst, (707) 648-4408,
mnestlerode@ci.vallejo.ca.us

CONTACT:

Craig Whittom, Assistant City Manager/Community Development, (707) 648-4579,
cwhittom@ci.vallejo.ca.us, or
Laura Simpson, Housing and Community Development Manager, (707) 648-4393,
lsimpson@ci.vallejo.ca.us, or
Melinda Nestlerode, Senior Community Development Analyst, (707) 648-4408,
mnestlerode@ci.vallejo.ca.us

RESOLUTION NO. _____

BE IT RESOLVED by the Housing Authority of the City of Vallejo as follows:

THAT WHEREAS, Housing Authorities are required by the U. S. Department of Housing and Urban Development (HUD) to prepare Annual Plans for their Section 8 Housing Choice Voucher Programs.

WHEREAS, the Housing Authority has conducted a public hearing to receive comments on the attached draft Streamlined Annual Plan for Fiscal Year 2008/2009, and has reviewed the Plan.

NOW THEREFORE BE IT RESOLVED that the Vallejo Housing Authority hereby approves the Streamlined Annual Plan for Fiscal Year 2008/2009, (Attachment "B" in the attached staff report); and

BE IT FURTHER RESOLVED that the Vallejo Housing Authority hereby authorizes the Executive Director, or either of his designees, the Assistant City Manager/Community Development, and the Housing and Community Development Manager, to prepare and submit a Streamlined Annual Plan and all related documents regarding the Section 8 Housing Choice Voucher Program, and any amendments or corrections as needed to such Plan and documents, to HUD.

PHA Plans
Streamlined Annual
Version

**U.S. Department of Housing and
Urban Development**
Office of Public and Indian
Housing

OMB No. 2577-0226
(exp. 08/31/2009)

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937 that introduced 5-year and annual PHA Plans. The full PHA plan provides a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission and strategies for serving the needs of low-income and very low-income families. This form allows eligible PHAs to make a streamlined annual Plan submission to HUD consistent with HUD's efforts to provide regulatory relief for certain types of PHAs. Public reporting burden for this information collection is estimated to average 11.7 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development, Federal Housing Administration, is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Information in PHA plans is publicly available.

Streamlined Annual PHA Plan

for Fiscal Year: 2009

**PHA Name: Housing Authority of the
City of Vallejo**

NOTE: This PHA Plan template (HUD-50075-SA) is to be completed in accordance with instructions contained in previous Notices PIH 99-33 (HA), 99-51 (HA), 2000-22 (HA), 2000-36 (HA), 2000-43 (HA), 2001-4 (HA), 2001-26 (HA), 2003-7 (HA), and any related notices HUD may subsequently issue.

Streamlined Annual PHA Plan Agency Identification

PHA Name: Housing Authority of the City of Vallejo **PHA Number:** CA055

PHA Fiscal Year Beginning: (mm/yyyy) 07/2008

PHA Programs Administered:

Public Housing and Section 8 **Section 8 Only** **Public Housing Only**
 Number of public housing units: Number of S8 units: 2266 Number of public housing units:
 Number of S8 units:

PHA Consortia: (check box if submitting a joint PHA Plan and complete table)

Participating PHAs	PHA Code	Program(s) Included in the Consortium	Programs Not in the Consortium	# of Units Each Program
Participating PHA 1:				
Participating PHA 2:				
Participating PHA 3:				

PHA Plan Contact Information:

Name: Melinda Nestlerode
 TDD: (800)735-2929

Phone: (707) 648-4408
 Email (if available): mnestlerode@ci.vallejo.ca.us

Public Access to Information

Information regarding any activities outlined in this plan can be obtained by contacting:
 (select all that apply)

PHA's main administrative office PHA's development management offices

Display Locations For PHA Plans and Supporting Documents

The PHA Plan revised policies or program changes (including attachments) are available for public review and inspection. Yes No.

If yes, select all that apply:

- Main administrative office of the PHA
- PHA development management offices
- Main administrative office of the local, county or State government
- Public library PHA website Other (list below)

PHA Plan Supporting Documents are available for inspection at: (select all that apply)

Main business office of the PHA PHA development management offices

Other (list below)

Streamlined Annual PHA Plan

Fiscal Year 2009

[24 CFR Part 903.12(c)]

Table of Contents

[24 CFR 903.7(r)]

<u>Annual Plan</u>	<u>Page #</u>
PHA Plan Components.....	3
Hard Copy Submission Instructions.....	3
Section 8 Tenant Based Assistance Homeownership Program	6
Use of Project Based Voucher Program	8
PHA Statement of Consistency with the Consolidated Plan.....	9
Supporting Documents Available for Review.....	10

Certifications

Attachments

A. PHA PLAN COMPONENTS

- 1. Site-Based Waiting List Policies - N/A Not applicable to Section 8 Only PHA's
903.7(b)(2) Policies on Eligibility, Selection, and Admissions
- 2. Capital Improvement Needs - N/A Not applicable to Section 8 Only PHA's
903.7(g) Statement of Capital Improvements Needed
- 3. Section 8(y) Homeownership
903.7(k)(1)(i) Statement of Homeownership Programs
- 4. Project-Based Voucher Programs
- 5. PHA Statement of Consistency with Consolidated Plan. Complete only if PHA has changed any policies, programs, or plan components from its last Annual Plan.
- 6. Supporting Documents Available for Review
- 7. Capital Fund Program and Capital Fund Program Replacement Housing Factor, Annual Statement/Performance and Evaluation Report - N/A Not applicable to Section 8 Only PHA's
- 8. Capital Fund Program 5-Year Action Plan - N/A Not applicable to Section 8 Only PHA's

B. SEPARATE HARD COPY SUBMISSIONS TO LOCAL HUD FIELD OFFICE

Form HUD-50076, PHA Certifications of Compliance with the PHA Plans and Related Regulations: Board Resolution to Accompany the Streamlined Annual Plan identifying policies or programs the PHA has revised since submission of its last Annual Plan, and including Civil Rights certifications and assurances the changed policies were presented to the Resident Advisory Board for review and comment, approved by the PHA governing board, and made available for review and inspection at the PHA's principal office;

For PHAs Applying for Formula Capital Fund Program (CFP) Grants:

Form HUD-50070, *Certification for a Drug-Free Workplace*; N/A Not applicable to Section 8 Only PHA's

Form HUD-50071, *Certification of Payments to Influence Federal Transactions*; and N/A Not applicable to Section 8 Only PHA's

Form SF-LLL & SF-LLLa, *Disclosure of Lobbying Activities*. N/A Not applicable to Section 8 Only PHA's

1. Site-Based Waiting Lists (Eligibility, Selection, Admissions Policies)

[24 CFR Part 903.12(c), 903.7(b)(2)]

Exemptions: Section 8 only PHAs are not required to complete this component.

A. Site-Based Waiting Lists-Previous Year

1. Has the PHA operated one or more site-based waiting lists in the previous year? If yes, complete the following table; if not skip to B.

Site-Based Waiting Lists				
Development Information: (Name, number, location)	Date Initiated	Initial mix of Racial, Ethnic or Disability Demographics	Current mix of Racial, Ethnic or Disability Demographics since Initiation of SBWL	Percent change between initial and current mix of Racial, Ethnic, or Disability demographics

2. What is the number of site based waiting list developments to which families may apply at one time?
3. How many unit offers may an applicant turn down before being removed from the site-based waiting list?
4. Yes No: Is the PHA the subject of any pending fair housing complaint by HUD or any court order or settlement agreement? If yes, describe the order, agreement or complaint and describe how use of a site-based waiting list will not violate or be inconsistent with the order, agreement or complaint below:

B. Site-Based Waiting Lists – Coming Year

If the PHA plans to operate one or more site-based waiting lists in the coming year, answer each of the following questions; if not, skip to next component.

1. How many site-based waiting lists will the PHA operate in the coming year?
2. Yes No: Are any or all of the PHA's site-based waiting lists new for the upcoming year (that is, they are not part of a previously-HUD-approved site based waiting list plan)?
If yes, how many lists?
3. Yes No: May families be on more than one list simultaneously?
If yes, how many lists?
4. Where can interested persons obtain more information about and sign up to be on the site-based waiting lists (select all that apply)?
 - PHA main administrative office
 - All PHA development management offices
 - Management offices at developments with site-based waiting lists
 - At the development to which they would like to apply
 - Other (list below)

2. Capital Improvement Needs

[24 CFR Part 903.12 (c), 903.7 (g)]

Exemptions: Section 8 only PHAs are not required to complete this component.

A. Capital Fund Program

1. Yes No Does the PHA plan to participate in the Capital Fund Program in the upcoming year? If yes, complete items 7 and 8 of this template (Capital Fund Program tables). If no, skip to B.
2. Yes No: Does the PHA propose to use any portion of its CFP funds to repay debt incurred to finance capital improvements? If so, the PHA must identify in its annual and 5-year capital plans the development(s) where such improvements will be made and show both how the proceeds of the financing will be used and the amount of the annual payments required to service the debt. (Note that separate HUD approval is required for such financing activities.).

B. HOPE VI and Public Housing Development and Replacement Activities (Non-Capital Fund)

Applicability: All PHAs administering public housing. Identify any approved HOPE VI and/or public housing development or replacement activities not described in the Capital Fund Program Annual Statement.

1. Yes No: Has the PHA received a HOPE VI revitalization grant? (if no, skip to #3; if yes, provide responses to the items on the chart located on the next page, copying and completing as many times as necessary).

2. Status of HOPE VI revitalization grant(s):

HOPE VI Revitalization Grant Status	
a. Development Name:	
b. Development Number:	
c. Status of Grant:	
<input type="checkbox"/>	Revitalization Plan under development
<input type="checkbox"/>	Revitalization Plan submitted, pending approval
<input type="checkbox"/>	Revitalization Plan approved
<input type="checkbox"/>	Activities pursuant to an approved Revitalization Plan underway

3. Yes No: Does the PHA expect to apply for a HOPE VI Revitalization grant in the Plan year?
If yes, list development name(s) below:

4. Yes No: Will the PHA be engaging in any mixed-finance development activities for public housing in the Plan year? If yes, list developments or activities below:

5. Yes No: Will the PHA be conducting any other public housing development or replacement activities not discussed in the Capital Fund Program Annual Statement? If yes, list developments or activities below:

3. Section 8 Tenant Based Assistance--Section 8(y) Homeownership Program
(if applicable) [24 CFR Part 903.12(c), 903.7(k)(1)(i)]

1. Yes No: Does the PHA plan to administer a Section 8 Homeownership program pursuant to Section 8(y) of the U.S.H.A. of 1937, as implemented by 24 CFR part 982 ? (If "No", skip to the next component; if "yes", complete each program description below (copy and complete questions for each program identified.)

2. Program Description: **The Housing Authority of the City of Vallejo (VHA) administers a Homeownership program. Preference for participation in this program is given to Family Self-Sufficiency program participants. The Homeownership program is funded through an annual FSS grant. The grant amount for Calendar Year 2008 is \$65,500. The VHA employs one part time Homeownership Coordinator.**

a. Size of Program: **Nine families currently own a home under the Homeownership program.**

Yes No: Will the PHA limit the number of families participating in the Section 8 homeownership option?

If the answer to the question above was yes, what is the maximum number of participants this fiscal year? **227, or 10% of total Housing Choice Voucher allocation**

b. PHA-established eligibility criteria

Yes No: Will the PHA's program have eligibility criteria for participation in its Section 8 Homeownership Option program in addition to HUD criteria? If yes, list criteria: **Participation in the Family Self-Sufficiency program.**

c. What actions will the PHA undertake to implement the program this year (list)?

- 1. Homeownership Coordinator will contact and encourage all FSS participants to enroll in the Homeownership program.**
- 2. Participation in the IDEA and WISH grant programs to finance down payment assistance through the Federal Home Loan Bank.**
- 3. Mandatory financial management counseling and home buyer's training for all new participants in the Family Self-Sufficiency program.**
- 4. Homeownership orientations for new and existing participants in the Family Self-Sufficiency program.**

3. Capacity of the PHA to Administer a Section 8 Homeownership Program:

The PHA has demonstrated its capacity to administer the program by (select all that apply):

- Establishing a minimum homeowner down payment requirement of at least 3 percent of purchase price and requiring that at least 1 percent of the purchase price comes from the family's resources.
- Requiring that financing for purchase of a home under its Section 8 homeownership will be provided, insured or guaranteed by the state or Federal government; comply with secondary mortgage market underwriting requirements; or comply with generally accepted private sector underwriting standards.
- Partnering with a qualified agency or agencies to administer the program (list name(s) and years of experience below):
- Demonstrating that it has other relevant experience (list experience below):

4. Use of the Project-Based Voucher Program

Intent to Use Project-Based Assistance

Yes No: Does the PHA plan to "project-base" any tenant-based Section 8 vouchers in the coming year? If the answer is "no," go to the next component. If yes, answer the following questions.

1. Yes No: Are there circumstances indicating that the project basing of the units, rather than tenant-basing of the same amount of assistance is an appropriate option? If yes, check which circumstances apply:

- low utilization rate for vouchers due to lack of suitable rental units
 access to neighborhoods outside of high poverty areas
 other (describe below:)

2. Indicate the number of units and general location of units (e.g. eligible census tracts or smaller areas within eligible census tracts):

The Housing Authority of the City of Vallejo (VHA) proposes to use the Project-Based Voucher program to provide assistance to twenty-one (21) of the 87 rental units at Avian Glen Apartments. This development is within Census Tract 2502.00, on the east side of the City of Vallejo, and not in an area of high minority or poverty concentration. The Avian Glen Apartment project is located at 301 Avian Drive, in an area designated by the Vallejo City Council as a comprehensive Neighborhood Revitalization area as defined by the California Debt Limit Allocation Committee.

The VHA also proposes to use the Project-Based Voucher program to provide assistance to twenty-five (25) of the 125 rental units at Sereno Village Apartments. This development is within Census Tract 2518.02, located at 750 Sereno Drive.

The Vallejo Housing Authority has concluded that project-basing of this assistance, rather than tenant-basing of the assistance, is an appropriate option because the need for affordable housing in Vallejo is apparent by increasing rents, long waiting lists for Housing Authority-assisted units, and the displacement of long-time City residents. To address these conditions, the City of Vallejo proactively encourages market-rate and affordable housing developments.

Both the City's Housing Element and Consolidated Plan identify a need for affordable multi-family housing in the City of Vallejo. Therefore, project-basing of housing units in certain strategic locations is needed to ensure the availability of units for a period of years.

5. PHA Statement of Consistency with the Consolidated Plan

[24 CFR Part 903.15]

For each applicable Consolidated Plan, make the following statement (copy questions as many times as necessary) only if the PHA has provided a certification listing program or policy changes from its last Annual Plan submission.

1. Consolidated Plan jurisdiction: **City of Vallejo**

2. The PHA has taken the following steps to ensure consistency of this PHA Plan with the Consolidated Plan for the jurisdiction: (select all that apply)

- The PHA has based its statement of needs of families on its waiting lists on the needs expressed in the Consolidated Plan/s.
- The PHA has participated in any consultation process organized and offered by the Consolidated Plan agency in the development of the Consolidated Plan.
- The PHA has consulted with the Consolidated Plan agency during the development of this PHA Plan.
- Activities to be undertaken by the PHA in the coming year are consistent with the initiatives contained in the Consolidated Plan. (list below)
- Other: (list below)

3. The Consolidated Plan of the jurisdiction supports the PHA Plan with the following actions and commitments:

The one year Action Plan for Fiscal Year 2008/2009 in the Consolidated Plan will outline a program of investment of over \$2.2 million in new Federal Community Development Block Grant (CDBG) Program funds, HOME Investment Partnerships Program funds, and program income (revenue). Funds will primarily be spent on housing, neighborhood improvements, and social services.

The Consolidated Plan establishes priorities for various housing programs by weighting the severity of needs for assistance among the population groups most in need, analyzing the housing stock and market conditions, and addressing the resources likely to be available over the life of the Consolidated Plan.

One of the groups that has been identified as a high priority for assistance is very low-income renters, through HUD Housing Choice Vouchers; the Family Self-Sufficiency program; and the preservation, rehabilitation, and construction of housing for very low-income persons.

6. Supporting Documents Available for Review for Streamlined Annual PHA Plans

PHAs are to indicate which documents are available for public review by placing a mark in the "Applicable & On Display" column in the appropriate rows. All listed documents must be on display if applicable to the program activities conducted by the PHA.

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Related Plan Component
X	<i>PHA Certifications of Compliance with the PHA Plans and Related Regulations and Board Resolution to Accompany the Standard Annual, Standard Five-Year, and Streamlined Five-Year/Annual Plans;</i>	5 Year and Annual Plans
X	<i>PHA Certifications of Compliance with the PHA Plans and Related Regulations and Board Resolution to Accompany the Streamlined Annual Plan</i>	Streamlined Annual Plans
X	<i>-Certification by State or Local Official of PHA Plan Consistency with Consolidated Plan.</i>	5 Year and standard Annual Plans
X	<i>Fair Housing Documentation Supporting Fair Housing Certifications: Records reflecting that the PHA has examined its programs or proposed programs, identified any impediments to fair housing choice in those programs, addressed or is addressing those impediments in a reasonable fashion in view of the resources available, and worked or is working with local jurisdictions to implement any of the jurisdictions' initiatives to affirmatively further fair housing that require the PHA's involvement.</i>	5 Year and Annual Plans
X	Housing Needs Statement of the Consolidated Plan for the jurisdiction(s) in which the PHA is located and any additional backup data to support statement of housing needs for families on the PHA's public housing and Section 8 tenant-based waiting lists.	Annual Plan: Housing Needs
X	Most recent board-approved operating budget for the public housing program	Annual Plan: Financial Resources
N/A	Public Housing Admissions and (Continued) Occupancy Policy (A&O/ACOP), which includes the Tenant Selection and Assignment Plan [TSAP] and the Site-Based Waiting List Procedure.	Annual Plan: Eligibility, Selection, and Admissions Policies
N/A	Deconcentration Income Analysis	Annual Plan: Eligibility, Selection, and Admissions Policies
N/A	Any policy governing occupancy of Police Officers and Over-Income Tenants in Public Housing. <input type="checkbox"/> Check here if included in the public housing A&O Policy.	Annual Plan: Eligibility, Selection, and Admissions Policies
X	Section 8 Administrative Plan	Annual Plan: Eligibility, Selection, and Admissions Policies
N/A	Public housing rent determination policies, including the method for setting public housing flat rents. <input type="checkbox"/> Check here if included in the public housing A & O Policy.	Annual Plan: Rent Determination
N/A	Schedule of flat rents offered at each public housing development. <input type="checkbox"/> Check here if included in the public housing A & O Policy.	Annual Plan: Rent Determination
X	Section 8 rent determination (payment standard) policies (if included in plan, not necessary as a supporting document) and written analysis of Section 8 payment standard policies. <input checked="" type="checkbox"/> Check here if included in Section 8 Administrative Plan.	Annual Plan: Rent Determination
N/A	Public housing management and maintenance policy documents, including policies for the prevention or eradication of pest infestation (including cockroach infestation).	Annual Plan: Operations and Maintenance
N/A	Results of latest Public Housing Assessment System (PHAS) Assessment (or other applicable assessment).	Annual Plan: Management and Operations
N/A	Follow-up Plan to Results of the PHAS Resident Satisfaction Survey (if necessary)	Annual Plan: Operations and Maintenance and Community Service & Self-

List of Supporting Documents Available for Review		
Applicable & On Display	Supporting Document	Related Plan Component
		Sufficiency
X	Results of latest Section 8 Management Assessment System (SEMAP)	Annual Plan: Management and Operations
X	Any policies governing any Section 8 special housing types <input checked="" type="checkbox"/> Check here if included in Section 8 Administrative Plan	Annual Plan: Operations and Maintenance
N/A	Public housing grievance procedures <input type="checkbox"/> Check here if included in the public housing A & O Policy	Annual Plan: Grievance Procedures
X	Section 8 informal review and hearing procedures. <input checked="" type="checkbox"/> Check here if included in Section 8 Administrative Plan.	Annual Plan: Grievance Procedures
N/A	The Capital Fund/Comprehensive Grant Program Annual Statement /Performance and Evaluation Report for any active grant year.	Annual Plan: Capital Needs
N/A	Most recent CIAP Budget/Progress Report (HUD 52825) for any active CIAP grants.	Annual Plan: Capital Needs
N/A	Approved HOPE VI applications or, if more recent, approved or submitted HOPE VI Revitalization Plans, or any other approved proposal for development of public housing.	Annual Plan: Capital Needs
X	Self-evaluation, Needs Assessment and Transition Plan required by regulations implementing Section 504 of the Rehabilitation Act and the Americans with Disabilities Act. See PIH Notice 99-52 (HA).	Annual Plan: Capital Needs
N/A	Approved or submitted applications for demolition and/or disposition of public housing.	Annual Plan: Demolition and Disposition
N/A	Approved or submitted applications for designation of public housing (Designated Housing Plans).	Annual Plan: Designation of Public Housing
N/A	Approved or submitted assessments of reasonable revitalization of public housing and approved or submitted conversion plans prepared pursuant to section 202 of the 1996 HUD Appropriations Act, Section 22 of the US Housing Act of 1937, or Section 33 of the US Housing Act of 1937.	Annual Plan: Conversion of Public Housing
N/A	Documentation for required Initial Assessment and any additional information required by HUD for Voluntary Conversion.	Annual Plan: Voluntary Conversion of Public Housing
N/A	Approved or submitted public housing homeownership programs/plans.	Annual Plan: Homeownership
X	Policies governing any Section 8 Homeownership program (Section 24 of the Section 8 Administrative Plan)	Annual Plan: Homeownership
N/A	Public Housing Community Service Policy/Programs <input type="checkbox"/> Check here if included in Public Housing A & O Policy	Annual Plan: Community Service & Self-Sufficiency
N/A	Cooperative agreement between the PHA and the TANF agency and between the PHA and local employment and training service agencies.	Annual Plan: Community Service & Self-Sufficiency
X	FSS Action Plan(s) for public housing and/or Section 8.	Annual Plan: Community Service & Self-Sufficiency
N/A	Section 3 documentation required by 24 CFR Part 135, Subpart E for public housing.	Annual Plan: Community Service & Self-Sufficiency
N/A	Most recent self-sufficiency (ED/SS, TOP or ROSS or other resident services grant) grant program reports for public housing.	Annual Plan: Community Service & Self-Sufficiency
N/A	Policy on Ownership of Pets in Public Housing Family Developments (as required by regulation at 24 CFR Part 960, Subpart G). <input type="checkbox"/> Check here if included in the public housing A & O Policy.	Annual Plan: Pet Policy
X	The results of the most recent fiscal year audit of the PHA conducted under the Single Audit Act as implemented by OMB Circular A-133, the results of that audit and the PHA's response to any findings.	Annual Plan: Annual Audit
	Other supporting documents (optional) (list individually; use as many lines as necessary)	(specify as needed)
N/A	Consortium agreement(s) and for Consortium Joint PHA Plans <u>Only</u> : Certification that consortium agreement is in compliance with 24 CFR Part 943 pursuant to an opinion of counsel on file and available for inspection.	Joint Annual PHA Plan for Consortia: Agency Identification and Annual Management and Operations

7. Capital Fund Program Annual Statement/Performance and Evaluation Report and Replacement Housing Factor

Annual Statement/Performance and Evaluation Report

Capital Fund Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary

PHA Name:

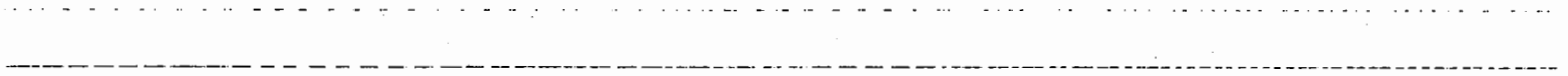
Grant Type and Number
Capital Fund Program Grant No:
Replacement Housing Factor Grant No:

Federal FY
of Grant:

Original Annual Statement Reserve for Disasters/Emergencies Revised Annual Statement (revision no:)
 Performance and Evaluation Report for Period Ending: Final Performance and Evaluation Report

Line No.	Summary by Development Account	Total Estimated Cost			Total Actual Cost
		Original	Revised	Obligated	
1	Total non-CFP Funds				Expended
2	1406 Operations				
3	1408 Management Improvements				
4	1410 Administration				
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs				
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures				
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Nondwelling Structures				
13	1475 Nondwelling Equipment				
14	1485 Demolition				
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs				
18	1499 Development Activities				
19	1501 Collateralization or Debt Service				
20	1502 Contingency				
21	Amount of Annual Grant: (sum of lines 2 – 20)				
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 compliance				
24	Amount of line 21 Related to Security -- Soft Costs				
25	Amount of Line 21 Related to Security -- Hard Costs				
26	Amount of line 21 Related to Energy Conservation Measures				

REQUIRED CERTIFICATIONS



**Streamlined PHA Plan
PHA Certifications of Compliance**

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

**PHA Certifications of Compliance with the PHA Plans and Related Regulations:
Board Resolution to Accompany the *Streamlined Annual PHA Plan***

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the streamlined Annual PHA Plan for PHA fiscal year beginning _____, hereinafter referred to as the Streamlined Annual Plan, of which this document is a part and make the following certifications, agreements with, and assurances to the Department of Housing and Urban Development (HUD) in connection with the submission of the Streamlined Plan and implementation thereof:

1. The streamlined Annual Plan is consistent with the applicable comprehensive housing affordability strategy (or any streamlined Plan incorporating such strategy) for the jurisdiction in which the PHA is located.
2. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, and provided this Board or Boards an opportunity to review and comment on any program and policy changes since submission of the last Annual Plan.
3. The PHA made the proposed streamlined Annual Plan, including policy and program revisions since submission of the last Annual Plan, and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the streamlined Plan and invited public comment.
4. The PHA will carry out the streamlined Annual Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
5. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
6. For streamlined Annual Plans that include a policy or change in policy for site-based waiting lists:
The PHA regularly submits required data to HUD's MTCS in an accurate, complete and timely manner (as specified in PIH Notice 99-2);
 - The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
 - Adoption of site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
 - The PHA shall take reasonable measures to assure that such waiting list is consistent with affirmatively furthering fair housing;
 - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR part 903.7(b)(2).
7. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
8. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
9. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
10. The PHA has submitted with the streamlined Plan a certification with regard to a drug-free workplace required by 24 CFR Part 24, Subpart F.
11. The PHA has submitted with the streamlined Plan a certification with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment and implementing regulations at 49 CFR Part 24.
12. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
13. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
14. The PHA will provide HUD or the responsible entity any documentation that the Department needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58.
15. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
16. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.

- 17. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.
- 18. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments.).
- 19. The PHA will undertake only activities and programs covered by the streamlined Annual Plan in a manner consistent with its streamlined Annual Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its streamlined Plan.
- 20. All certifications and attachments (if any) to the streamlined Plan have been and will continue to be available at all times and all locations that the PHA streamlined Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the streamlined Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its streamlined Annual Plan and will continue to be made available at least at the primary business office of the PHA.
- 21. The PHA certifies that the following policies, programs, and plan components have been revised since submission of its last Annual PHA Plan (check all policies, programs, and components that have been changed):

- 903.7a Housing Needs
- 903.7b Eligibility, Selection, and Admissions Policies
- 903.7c Financial Resources
- 903.7d Rent Determination Policies
- 903.7h Demolition and Disposition
- 903.7k Homeownership Programs
- 903.7r Additional Information
 - A. Progress in meeting 5-year mission and goals
 - B. Criteria for substantial deviation and significant amendments
 - C. Other information requested by HUD
 - 1. Resident Advisory Board consultation process
 - 2. Membership of Resident Advisory Board
 - 3. Resident membership on PHA governing board

22. The PHA provides assurance as part of this certification regarding its streamlined annual PHA Plan that:
- (i) The Resident Advisory Board had an opportunity to review and comment on the changes to the policies and programs before implementation by the PHA;
 - (ii) The changes were duly approved by the PHA board of directors (or similar governing body); and
 - (iii) The revised policies and programs are available for review and inspection, at the principal office of the PHA during normal business hours.

PHA Name

PHA Number

Streamlined Annual PHA Plan for Fiscal Year: _____

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

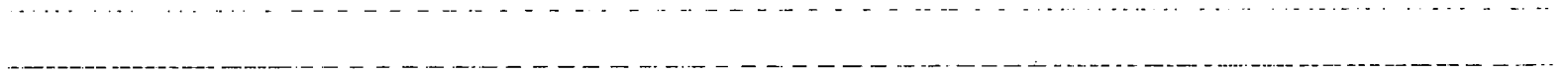
Name of Authorized Official	Title
Signature X	Date

**Certification by State or Local Official of PHA Plans Consistency with
the Consolidated Plan**

I, Joseph M. Tanner the Executive Director certify
that the Five Year and Annual PHA Plan of the Housing Authority of the City of Vallejo is
consistent with the Consolidated Plan of the City of Vallejo prepared
pursuant to 24 CFR Part 91.

Signed / Dated by Appropriate State or Local Official

ATTACHMENTS



ANNUAL PLAN – FISCAL YEAR 2008/2009
Attachment A

Statement of Progress in Meeting the Five-Year Plan Mission and Goals

The Housing Authority of the City of Vallejo (VHA) identified the following goals in the Five Year Plan spanning 2005 through 2009:

- 1) Expand the supply of assisted housing. Leverage private or other public funds to create additional housing opportunities: Assist in the production of 26 units of 2 or more bedrooms for persons at 50% AMI or less.
- 2) Improve the quality of assisted housing. Concentrate efforts to improve specific management functions: Assisted housing finance.
- 3) Increase assisted housing choices. Implement voucher homeownership program.
- 4) Promote self-sufficiency and asset development of assisted households. Increase the number and percentage of employed persons in assisted families. Provide or attract supportive services to improve assistance recipients employability.
- 5) Ensure equal opportunity and affirmatively further fair housing. Undertake affirmative measures to ensure access to assisted housing regardless of race, color, religion, national origin, sex familial status, and disability.

On December 19, 2006, the Vallejo City Council approved resolutions authorizing the issuance of a Housing Request for Qualifications and Conceptual Proposals (RFP) to award up to \$5.5 million in Housing funds toward an affordable multifamily rental development. The RFP was posted on the City website and mailed out to more than 50 private for-profit and nonprofit developers throughout northern California. Eden Housing Inc. was chosen as the developer. Due to the need for the rehabilitation and preservation of rental housing, and after receiving input from the Vallejo community, the City Council directed Eden Housing Inc. to analyze possible rehabilitation projects.

On January 9, 2008, the VHA Executive Director executed a Consultant Agreement with Eden Housing, Inc. enabling them to assess opportunities for the acquisition and rehabilitation of existing deteriorated affordable rental housing in Vallejo. Sites will be evaluated for the feasibility as well as the ability to improve neighborhoods and preserve affordability.

The VHA has implemented a successful voucher homeownership program. Ten voucher participants have purchased homes through this program. Unfortunately, the first homeowner passed away one month after purchasing her home. There are nine current participants in the voucher homeownership program. Eight of the nine current homeowners have purchased their homes since 2005. Additionally, 12 Housing Choice Voucher participants left the program to purchase homes without assistance.

Two Homeownership Orientations were held for Family Self-Sufficiency (FSS) clients in 2006. In 2007 the VHA co-sponsored a First Time Home Buyer Tour in Vallejo, with Wells Fargo bank and Vallejo Neighborhood Housing Services

(VNHS). The VHS sends letters to all working FSS participants announcing upcoming Home Buyers classes presented by VNHS. Other efforts we make to ensure a successful homeownership program are:

- Annually, apply for and acquire down payment assistance and closing cost grants through the Federal Home Loan Bank.
- Conducted Escrow and Title Training class for clients.
- Sponsored a Guild/Home's Home Choice Training enabling all Bay Area FSS and Homeownership Coordinators to learn about homeownership opportunities for the disabled
- Signed Participation Agreement with Guild Mortgage for low interest loans for families with disabilities
- Met with Travis Credit Union to explain program to new employees
- Notified existing homeowners of beneficial post purchase events or activities

The VHA FSS Coordinator and Homeownership Coordinator participate in myriad activities designed to promote employment and self-sufficiency opportunities for program participants. They attend all local job fairs in order to network with employers; gather job information which is posted in the VHA lobby; refer unemployed participants to the Workforce Investment Board (WIB); notify unemployed participants of upcoming job fairs; and participate in Solano Employment Connection meetings.

On July 26, 2007 the VHA held a *Tools for Success* workshop. All program participants, and the general public, were invited to attend this workshop. Speakers included representatives from the Workforce Investment Board, Global Center for Success, Family Resource Center, Vallejo Adult School, and the Napa and Solano County Community College Small Business Development Center and Hospitality Program.

Currently, the average annual income for all program participants is \$15,972. Forty-six percent of all participants are between the ages of 18 and 61. Thirty-nine percent of the participants report wages as a type of income, while 50 percent report receiving Social Security, Supplemental Security or a pension. Fourteen percent of the families earn between \$15,001 and \$20,000, 10 percent earn between \$20,001 and \$25,000, and 17 percent earn over \$25,000.

On September 14, 2006, the VHA hosted a Fair Housing Workshop for all program participants. The guest speakers were from Legal Services of Northern California and Yolo County, who operate the Fair Housing Hotline for Northern California. Additionally, the VHA provides maps and spreadsheets which demonstrate the number of Housing Choice Voucher participants living in each census tract to program participants. A listing of units in Vallejo with accessibility features for disabled clients is also available.

ANNUAL PLAN – FISCAL YEAR 2008/2009
Attachment B

Announcement of Membership of the Resident Advisory Board (RAB)

Addie Everhart - Chair
Lydia Pitchford
Theresa Papillion
Laura (Janice) Goodson
Wallace Ingalls
Denise Rincon
Kay Armstrong
Roschelle Pierce

ANNUAL PLAN – FISCAL YEAR 2008/2009
Attachment C

Resident Advisory Board Recommendations

The Resident Advisory Board (RAB) met on January 31, 2008 to review and comment on the Annual Plan. The RAB comments during that meeting follow:

Public housing is bad, and it is a good thing that Vallejo does not have any public housing. With public housing good, decent tenants can end up living next to bad tenants, and then the entire project gets a reputation for being crime-ridden.

The Vallejo Housing Authority (VHA) should look into co-op home purchases for their clients. One of the RAB members lives in a 4-plex and would like to assist the VHA in researching co-op purchase options.

The City of Vallejo should focus on rehabilitating the beautiful and historic downtown buildings, look into acquiring grants for the historic properties, and make them available as affordable housing.

ANNUAL PLAN – FISCAL YEAR 2008/2009
Attachment D

Resident Membership of the PHA Governing Board

Osby Davis – Chair
Joanne Shively - Commissioner
Erin Hannigan - Commissioner
Michael Wilson - Commissioner
Stephanie Gomes - Commissioner
Tom Bartee - Commissioner
Hermie Sunga - Commissioner
Lydia Pitchford – Resident Commissioner
TBD – Resident Commissioner

ANNUAL PLAN – FISCAL YEAR 2008/2009

Attachment E

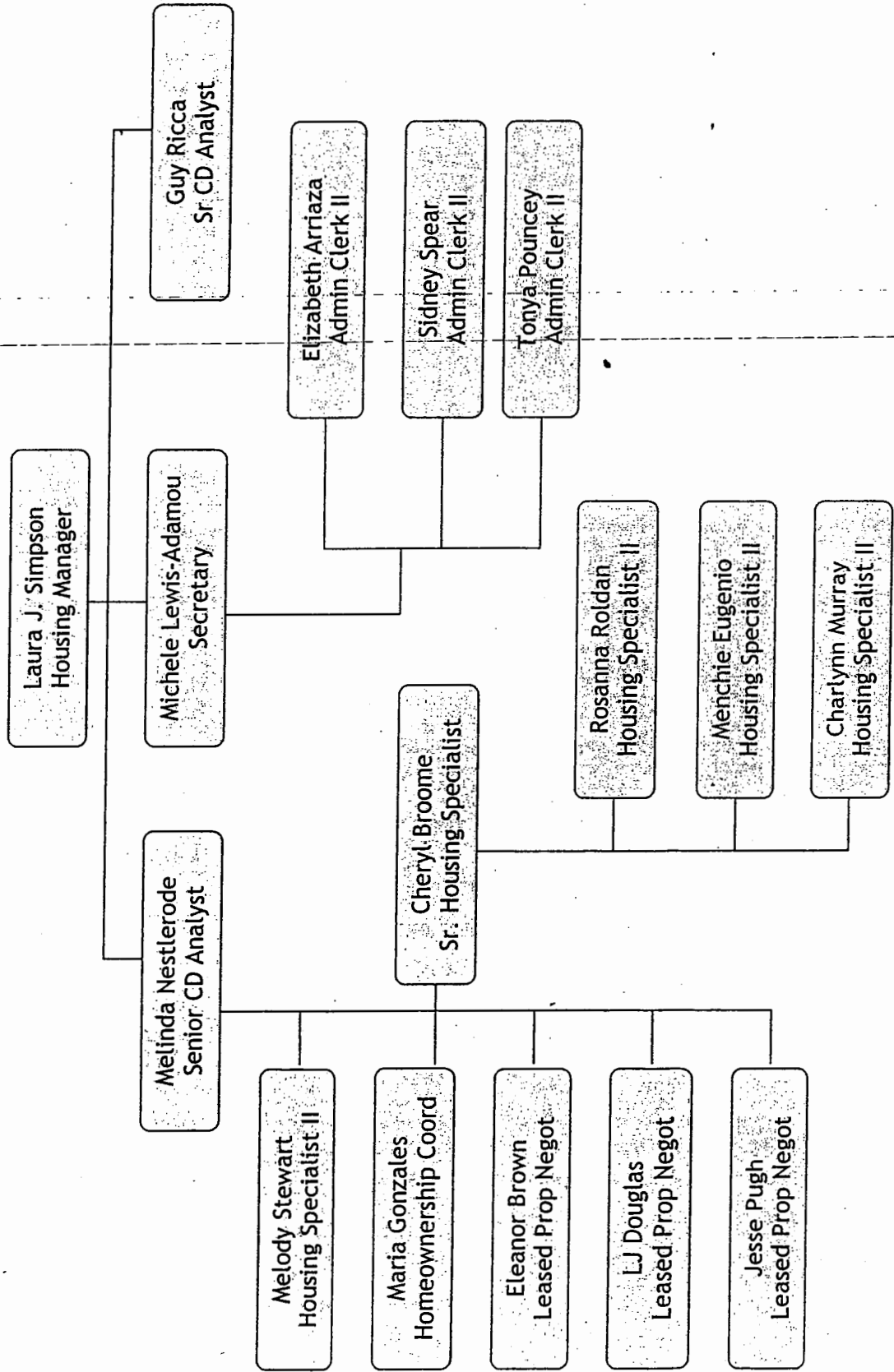
Definition of Substantial Deviation and Significant Amendment or Modification

The Housing Authority of the City of Vallejo defines a substantial deviation from the policies set forth in the Five Year Plan as a change in policies affecting the eligibility of applicants on the waiting list, or other administrative policy changes which impact a significant number of Housing Choice Voucher program participants.

A significant amendment or modification is defined as a revision required by an unforeseen change in funding or policy set forth by the Department of Housing and Urban Development, or a Board approved change to administrative policy impacting a significant number of Housing Choice Voucher applicants and/or program participants.

ANNUAL PLAN - FISCAL YEAR 2008/2009
ATTACHMENT F

CITY OF VALLEJO - COMMUNITY DEVELOPMENT DEPARTMENT
HOUSING AND COMMUNITY DEVELOPMENT DIVISION
ORGANIZATIONAL CHART



ANNUAL PLAN – FISCAL YEAR 2008/2009

ATTACHMENT G

Section 8 PHA Project-Based Vouchers

The Vallejo Housing Authority proposes to use the Project-Based Voucher Program to provide assistance to twenty-one (21) of the 87 rental units at Avian Glen Apartments. This development is within Census Tract 2502.00, on the east side of the City of Vallejo, and not in an area of high minority or poverty concentration. The Avian Glen Apartment project is located at 301 Avian Drive, in an area designated by the Vallejo City Council as a comprehensive Neighborhood Revitalization area as defined by the California Debt Limit Allocation Committee.

The Vallejo Housing Authority has concluded that project-basing of this assistance, rather than tenant-basing of the assistance, is an appropriate option because the need for affordable housing in Vallejo is apparent by increasing housing prices and rents, long waiting lists for Housing Authority-assisted units, and the displacement of long-time City residents. To address these conditions, the City of Vallejo proactively encourages market-rate and affordable housing developments.

Both the City's Housing Element and Consolidated Plan identify a need for affordable multi-family housing in the City of Vallejo.

Therefore, project-basing of housing units in certain strategic locations is needed to ensure the availability of units for a period of years.

ANNUAL PLAN – FISCAL YEAR 2008/2009

ATTACHMENT H

Section 8 Homeownership Program Capacity Statement

The Housing Authority of the City of Vallejo's Homeownership Action Plan is contained in Chapter 24 of its Administrative Plan. Section A.4.(a) and (b) state that (a) "The family must demonstrate the ability to provide a minimum of three percent (3%) downpayment on the home, (b) At least one percent (1%) of this downpayment must come from the family's personal resources".

Section E of Chapter 24 the Administrative Plan states that "The mortgage must be provided, insured, or guaranteed by the state or Federal government and comply with secondary mortgage market underwriting standards; or the mortgage must comply with generally accepted private sector underwriting standards".

ANNUAL PLAN – FISCAL YEAR 2008/2009

ATTACHMENT I

Housing and Redevelopment Commission Comments and Suggestions

The Housing and Redevelopment Commission (HRC) met on March 12, 2008 to review the Annual Plan, and to recommend adoption of a resolution approving the Annual Plan to the Housing Authority Board. Comments and recommendations from the HRC follow:

The Housing Authority should leverage their position of providing rental assistance to Housing Choice Voucher (HCV) families to ensure that the recipients of the assistance are held to a high standard of citizenship in our community. The Housing Authority should ensure that the children of HCV participant families attend school regularly. Children who regularly attend school have a positive impact on the community as a whole.

Vouchers should not be kept by any family for an extended period of time. The HCV program should be used as a tool to help families for a finite period of time. The Housing Authority should do as much as possible to transition families off of the program, and report on strategies and successes.

Housing Authority staff have indicated that they would change the selection criteria for the Project Based Voucher (PBV) program. The Housing Authority should revise the selection criteria to ensure that owners of small apartment communities and single family homes have as much chance of qualifying for the PBV program as the owners of large developments.

The Housing Authority should establish a threshold for police calls for service at the affordable housing developments in the City. All affordable housing complexes should be held to this standard.

The Housing Authority only has 9 participants in the Homeownership program. The Administrative Plan provides that up to 227 HCV families may participate in the Homeownership program. We should be doing more to promote the Homeownership program, and enable our clients to become successful homeowners.

VALLEJO CITY COUNCIL
MINUTES

MARCH 11, 2008

A special meeting was held to conduct interviews for the appointment of tenant commissioners to the Housing Authority Board of Commissioners. The meeting was called to order at 6:00 p.m. by Mayor Davis. All Councilmembers were present.

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 7:15 p.m. by Mayor Osby Davis.

2. PLEDGE OF ALLEGIANCE - was led by Mayor Davis.

3. 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

4. PRESENTATIONS AND COMMENDATIONS - None

5. PUBLIC COMMENT REGARDING CONSENT CALENDAR ITEMS

6. CONSENT CALENDAR AND APPROVAL OF AGENDA

Councilmember Gomes requested that Item 6B, an ordinance repealing Chapter 5.32 of the Vallejo Municipal Code concerning Vehicles for Hire, be removed from the Consent Calendar.

Councilmember Schivley requested that Item 6A concerning funds for training for Architectural Heritage & Landmarks Commission members be removed from the Consent Calendar.

Vice Mayor Bartee requested that item 6C, establishing the date of April 1 for a public hearing for the abandonment of a three-foot width on Sacramento Street, Virginia Street and Indian Alley, be removed from the agenda to be heard at a future meeting as requested by staff.

Hearing no further additions, corrections or deletions, the Consent Calendar was approved as amended removing Item 6B to 6.1; removing 6A to be heard as 6.2 and removing Item 6C from the agenda, the following resolutions and minutes were offered by Vice Mayor Bartee:

APPROVAL OF RESOLUTION AUTHORIZING FUNDS FOR TRAINING SESSION FOR ARCHITECTURAL HERITAGE AND LANDMARKS COMMISSION MEMBERS (AHLC) TO ATTEND THE CALIFORNIA PRESERVATION FOUNDATION ANNUAL CONFERENCE TO BE HELD APRIL 23-26, 2008 IN NAPA TO MEET MANDATORY TRAINING REQUIREMENTS
Removed to be heard as Item 6.2.

APPROVAL OF A RESOLUTION OF INTENTION TO REPEAL CHAPTER 5.32 OF THE VALLEJO MUNICIPAL CODE ENTITLED "VEHICLES FOR HIRE" AND ADD A NEW REVISED CHAPTER 5.32 ENTITLED "TAXICAB STANDARDS ORDINANCE". Removed to be heard as Item 6.1

APPROVAL OF A RESOLUTION ESTABLISHING APRIL 1, 2008 AS THE DATE FOR A PUBLIC HEARING ON THE ABANDONMENT OF A THREE-FOOT WIDTH ON SACRAMENTO STREET, VIRGINIA STREET AND INDIAN ALLEY
This item was removed.

RESOLUTION NO. 08-31 N.C. APPOINTING THE MARE ISLAND SHORELINE HERITAGE PRESERVE ADVISORY BOARD

APPROVAL OF CITY COUNCIL MINUTES FOR THE SPECIAL MEETINGS OF FEBRUARY 5 AND 19, 2008

- F. RESOLUTION NO. 08-32 N.C. RATIFYING THE PAYMENT OF CLAIMS FOR THE TIME PERIOD OF FEBRUARY 1, 2008 TO FEBRUARY 28, 2008 TOTALING \$6,628,188.48.

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

AYES:	Mayor Davis, Vice Mayor Bartee, Councilmembers Gomes, Hannigan, Schivley, Sunga and Wilson
NOES:	None
ABSENT:	None
ABSTENTIONS:	None

- 6.1 APPROVAL OF A RESOLUTION OF INTENTION TO REPEAL CHAPTER 5.32 OF THE VALLEJO MUNICIPAL CODE ENTITLED "VEHICLES FOR HIRE" AND ADD A NEW REVISED CHAPTER 5.32 ENTITLED "TAXICAB STANDARDS ORDINANCE".

Councilmember Gomes asked staff to respond to the following questions when the matter is brought back to Council: Who pays the vendor for inspections? How many taxicabs are currently operating in the City? How was the \$15,000 in additional fees determined? She expressed concern about adding to the duties of the Police Department when staffing is an issue. She does not want to see fees being done in a piecemeal fashion.

Police Chief Robert Nichelini explained that the current ordinance is cumbersome to administer. Staff currently does a tremendous amount of work dealing with taxi permits for which there is no remuneration. This is a cost covering ordinance. In auditing the permitted taxi drivers, they

found a number of them had felony convictions, including one registered sex offender. Chief Nichelini stated that staff met with the taxi employees and they are supportive of the ordinance.

Mayor Davis stated that he has questions but will provide them in writing for answers when the matter is brought back to Council.

RESOLUTION NO. 08-29 N.C. offered by Vice Mayor Bartee approving the intention to repeal Chapter 5.32 (Vehicles for Hire) and adding a new revised Chapter 5.32 entitled Taxicab Standards Ordinance of the Vallejo Municipal Code.

The resolution was adopted by the following vote:

AYES: Mayor Davis, Vice Mayor Bartee, Councilmembers Gomes,
Hannigan, Schivley, Sunga and Wilson
NOES: None
ABSENT: None
ABSTENTIONS: None

6.2 APPROVAL OF RESOLUTION AUTHORIZING FUNDS FOR TRAINING SESSION FOR ARCHITECTURAL HERITAGE AND LANDMARKS COMMISSION MEMBERS (AHLIC) TO ATTEND THE CALIFORNIA PRESERVATION FOUNDATION ANNUAL CONFERENCE TO BE HELD APRIL 23-26, 2008 IN NAPA TO MEET MANDATORY TRAINING REQUIREMENTS

Councilmember Schivley questioned the cost of the training requirement in the amount of \$2,200 and asked if the City can afford this.

Don Hazen, Planning Manager, stated in order to maintain the City's certified local government status, it is required that the Architectural Heritage and Landmarks Commissioners attend at least one conference each year. Therefore, staff has budgeted for the training.

RESOLUTION NO. 08-28 N.C. offered by Councilmember Schivley authorizing the expenditure of training budget funds to allow six members of the Architectural Heritage and Landmarks Commission to attend the annual California Preservation Foundation Conference to be held April 23 to April 26, 2008.

The resolution was adopted by the following vote:

AYES: Mayor Davis, Vice Mayor Bartee, Councilmembers Gomes,
Hannigan, Schivley, Sunga and Wilson
NOES: None
ABSENT: None
ABSTENTIONS: None

7. RECESS TO SPECIAL JOINT MEETING OF THE REDEVELOPMENT AGENCY

The Council recessed to a special joint meeting with the Redevelopment Agency at 7:13 p.m.

8. PUBLIC HEARINGS

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

Vice Mayor Barteo, Councilmembers Gomes and Wilson recused themselves from participating in this item due to a conflict of interest.

Councilmember Schivley asked the City Attorney to research the conflict of interest of the Councilmembers who are recused because it places an undue burden on the remainder of the Councilmembers. Fred Soley, City Attorney, stated that staff has reviewed the status for all three Councilmembers and determined that they could not advise any of them to participate. One Councilmember has a letter pending before the Fair Political Practices Commission with regard to conflict of interest but a reply has not been received.

Annette Taylor, Senior Community Development Analyst, reported that Fred Grimm, Principal, Triad Downtown Vallejo, LLC, is not able to attend the meeting and staff is still in negotiations with Triad over certain components of the Disposition and Development Agreement and are therefore requesting that the matter be continued to March 25, 2008.

Ms. Taylor noted that the date in the Council resolution should be corrected to March 25, 2008.

Mayor Davis opened the public hearing.

Speaker: Mustafa Abdul Ghane, stated that his question was concerning the date which has already been corrected.

RESOLUTION NO. 08-33 N.C. offered by Councilmember Schivley continuing a joint public hearing regarding the consideration of a Third Amendment to the Disposition and Development Agreement between the City of Vallejo and Triad Downtown Vallejo, LLC TO March 25, 2008.

The resolution was adopted by the following vote:

AYES:	Mayor Davis, Councilmembers Hannigan, Schivley, Sunga and
NOES:	None
ABSENT:	None
ABSTENTIONS:	Vice Mayor Barteo, Councilmembers Gomes and Wilson

9. RECONVENE TO CITY COUNCIL MEETING

The Council meeting convened at 7:35 p.m. Vice Mayor Barteo, Councilmembers Gomes and Wilson returned to the dais at 7:36 p.m.

10. POLICY ITEMS – None

11. ADMINISTRATIVE ITEMS

A. CONSIDERATION OF A RESOLUTION AMENDING FISCAL YEAR 2007-2008
BUDGET AND APPROVAL OF NEW STAFFING PLAN

Speakers: J.D. Miller addressed the City's financial situation as it relates to the Public Safety contracts which he characterized as unsustainable. Leon Singleton stated that he will provide Council with his comments in writing.

Councilmember Schivley provided information on the comparison of salaries of public safety employees between the City of Vallejo and the cities of Alameda, Berkeley, Concord, Emeryville, Fremont, Hayward, Napa, Richmond, San Francisco, San Leandro, Vacaville and Oakland. She reported that Vallejo's salaries are higher. She stated that to solve the financial problem, new contracts with salaries in line with what the City of Vallejo can afford needs to be negotiated. She thanked Acting Finance Director Susan Mayer for her efforts on the budget.

Ms. Mayer responded to questions of Councilmember Schivley concerning why the four positions that were included in the Fiscal Emergency Plan that was approved on March 3 are not included in the Plan that is being presented tonight.

Councilmember Schivley referred to Mobile Home Fees under General Fund Revenues and stated that this does not belong in the General Fund. She asked staff to research this to be sure the amount that has been contributed to that fund (\$36,000) is the actual amount and not an estimate, noting that the amount might be higher.

Councilmember Gomes referred to page 4 of the staff report which addresses litigation and arbitration grievances involving VPOA and IAFF and requested that these issues be resolved prior to negotiating the economic concessions. She referred to the terms of the proposed supplemental agreement on page 5, stating that it does not note that last week there was a vote that approved the resolution of all grievances and litigation and she would like that noted for the record.

Councilmember Gomes again referred to page 4, "Undetermined state budget deficits solutions may also significantly impact local agencies" and asked for an update on how much money the City will not be getting from the state and what impact that will have.

Ms. Mayer responded to questions of Councilmember Gomes concerning the \$200,000 spent for attorneys and financial consultants and what the time period is for these expenses. Councilmember Gomes also questioned the retiree benefit payout being paid half now and half in December and if the letters were signed.

Councilmember Gomes stated that she would not be supporting the resolution due to the revenue and cost assumptions.

Councilmember Gomes reported that the Transportation Ad Hoc Committee met on March 10 and she requested a presentation by the Public Works Department on street repair.

Councilmember Gomes asked if there would be a limit on the number of employees participating for VPOA and IAFF, and who is going to be part of the City's mediation team.

Mr. Tanner stated that negotiations are extremely delicate and he would prefer to discuss this in closed session.

Councilmember Gomes stated that she wants a balance between the Sunshine Ordinance and privacy and possibly this can be discussed at the next Council meeting.

Councilmember Schivley stated there were five representatives from VPOA and seven representatives from IAFF that were involved in the negotiations for several weeks. She is concerned about the City being out numbered in any future negotiations.

RESOLUTION NO. 08-34 N.C. offered by Vice Mayor Bartee amending the Fiscal Year 2007-2008 budget and approval of a new staffing plan.

The resolution was adopted by the following vote:

AYES:	Mayor Davis, Vice Mayor Bartee, Councilmembers Hannigan, Sunga and Wilson
NOES:	Councilmembers Gomes and Schivley
ABSENT:	None
ABSTENTIONS:	None

B. CONSIDERATION OF A RESOLUTION OF INTENTION TO AMEND THE FISCAL YEAR 2007-2008 TRANSPORTATION BUDGET AND TO AUTHORIZE TRANSPORTATION STAFF TO BEGIN PROCEEDINGS TO IMPLEMENT A FUEL SURCHARGE ON PASSENGER FARES AND FARE RATE INCREASE NO LATER THAN JULY 1, 2008

Crystal Odom Ford made a power point presentation addressing the current status of the transportation fund, the budget for 2007-2008, and introduced actions that will need to be considered in the budget for 2008-2009.

Ms. Odom Ford explained the fuel surcharge and how it is implemented; and addressed the proposed fare increase. She stated that the fare increase would not be implemented until after July 1. She further stated that staff is asking Council to approve amending the fiscal year 2007-2008 budget by increasing operating revenues by \$1.6 million, the expenditure budget by \$1.7 million and the capital revenue expenditure budget by \$7.43 million. Further, staff is proposing to contract with the Solano Transportation Authority to operate the new Route No.70. This route will create a convenient commuter style service. The Route 70 service is funded through a combination of Regional Measure 2 bridge toll funding and Transit Development Act funds provided by all seven cities and Solano County through an intercity funding agreement. Per the cost sharing agreement for 2007-2008, Vallejo will be required to contribute \$225,294 of TDA funds for the operation of this route whether Vallejo operates it or not. Staff is therefore recommending to contract with Solano Transportation Authority to mitigate some of the risk. If Vallejo does not take over Route 70, we stand to lose approximately \$353,000 in Measure 2 funding. The new service is scheduled to begin operation April 7, 2008. She stated that as a short-term solution to balance the fiscal year 2007-2008 budget staff is recommending utilizing funds previously budgeted for a ferry engine overhaul for routine maintenance costs incurred by the ferry operation. She explained that the ferry engine overhaul that is scheduled for this year has been moved to next year; therefore, there will not be any impact.

Ms. Odom Ford responded to the following questions of Councilmembers: the use of fuel efficient vehicles, smaller buses and charging for ferry parking; did the decrease in ridership

result from the increase in fares; the loss of grant money if we don't participate in the Route 70 route. Is there any cash outlay for Vallejo based on the Intercity Funding Agreement outside of the \$300,000; why the City doesn't buy fuel in quantity; are we getting paid adequately by the other cities that participate.

Councilmember Wilson stated that we need a long-term plan that matches fares to the level of service we provide.

Councilmember Sunga expressed concern about the decrease in ridership if the fares continue to increase, particularly on the buses, and the impact the increase of the fares will have on senior citizens. He asked that these matters be considered.

Councilmember Gomes asked that staff make sure there is plenty of opportunity for public participation in the process, include businesses and the Chamber of Commerce who should be taking a lead role in trying to find other solutions to keep the ferry fares from increasing to the point where it kills the system. Keep in mind that the ferry system is important to the City, particularly in relationship to the development of the waterfront. We should be implementing scheduled sustainable rate increases, perhaps linked to COLA or CPI.

Councilmember Schivley would like to see ferry fare increases linked to CPI and COLA the next time this is brought back to Council. She would like paid parking at the park and ride lots opposed to having it at the ferry.

At the request of Councilmember Schivley, Mr. Leach explained the removal of \$300,000 from the Transportation Fund to balance the General Fund. He also addressed the rate increases over the past several years.

Mayor Davis addressed the proposed route Solano College's Vallejo campus. He asked staff to consider a route that goes directly to the College.

Speakers: The following speakers addressed the fare increases and the impact the increase will have on senior citizens, and why the City doesn't have a light rail system: Bill Haines, Ed Celestina, James Moore.

Vice Mayor Bartee stated that he supports a grant writer for the Transportation Division to try to generate revenue as opposed to raising fees. He addressed the possibility of a more fuel efficient ferry; adding bus routes that were eliminated last year, such as Route 3 in the Glen Cove Area. He also supports including the Solano College Vallejo Campus in the bus routes. He supports the public meeting process. He reported that a group is considering the concept of light rail in Vallejo to connect the Ferry and Wine Train in Napa Valley. He feels that this concept should include Mare island.

RESOLUTION NO. 08-35 N.C. offered by Vice Mayor Bartee of intention to amend the fiscal year 2007-2008 Local Transportation Budget to balance revenues and expenditures and to authorize Transportation staff to begin proceedings to implement a fuel surcharge on passenger fares and a fare increase no later than July 1, 2008.

The resolution was adopted by the following vote:

AYES: Mayor Davis, Vice Mayor Bartee, Councilmembers Gomes, Hannigan, Schivley, Sunga and Wilson
NOES: None
ABSENT: None
ABSTENTIONS: None

C. CONSIDERATION OF A RESOLUTION ACCEPTING QUARTERLY RIDGECREST REPORT

Mayor Davis noted an amended resolution . Gary Leach, Public Works Director, stated that an amended resolution was distributed tonight correcting the language "first quarter" to read "second quarter."

Speaker: Katy Meissner addressed the use of restricted funds for general fund expenses that are not allowable which was the reason for the lawsuit which mandated that a report on the Ridgecrest Landscape Maintenance District be agendized each quarter.

Mr. Soley responded to Ms. Meissner's comments stating that one of the elements of the lawsuit was the quarterly report; however, at some point staff may choose to go to Court to get the matter moved to the Consent Calendar or make it an annual report.

RESOLUTION NO. 08-36 N.C. offered by Vice Mayor Bartee accepting the report documenting the reimbursement to the Landscape Maintenance District Program for the period of October 1, 2007 through December 31, 2007, for non-LMD inspection services provided by the LMD program in the amount of \$25,289.69 which has been transferred from the General Fund into the Landscape Maintenance Fund.

The resolution was adopted by the following vote:

AYES: Mayor Davis, Vice Mayor Bartee, Councilmembers Gomes, Hannigan, Schivley, Sunga and Wilson
NOES: None
ABSENT: None
ABSTENTIONS: None

12. APPOINTMENTS TO BOARDS, COMMISSIONS, AND COMMITTEES

A. CONSIDERATION OF APPOINTMENTS OF TENANT COMMISSIONERS TO THE HOUSING AUTHORITY

Mayor Davis reported that five applicants were interviewed earlier tonight. All five applicants were nominated. A roll call vote was taken with Patricia Creswell and Lydia Pitchford receiving the majority votes.

RESOLUTION NO. 08-37 N.C. offered by Mayor Davis reappointing Lydia Pitchford and appointing Patricia Creswell as tenant commissioners to the Housing Authority Board for four-year terms ending December 31, 2011.

The resolution was adopted by the following vote:

AYES: Mayor Davis, Vice Mayor Bartee, Councilmembers Gomes, Hannigan, Schivley, Sunga and Wilson
NOES: None
ABSENT: None
ABSTENTIONS: None

13. WRITTEN COMMUNICATIONS - None

14. CITY MANAGER'S REPORT - None

15. CITY ATTORNEY'S REPORT

Mr. Soley reported on a request for an extension of the five minute time limit for speakers to address non community forum items stating that pursuant to the Council's Rules of Order, Vallejo Municipal Code Section 2.02.420, a request of this nature will be granted only with the permission of the presiding officer and subject to the consent of the Council. Concerning comments made by speakers, the Brown Act does not allow for discussion or action on items not on the agenda, it allows members of the Council or staff to briefly respond to comments or questions from members of the public. Members of the Council or a staff member may ask for information, request a report back, or to place a matter of business on the agenda for subsequent meetings subject to the Council's Rules of Procedure; i.e., make a brief announcement, ask a question for clarification, or briefly report on his or her activities. This is pursuant to Government Code Section 54954.2A(2). Mr. Soley stated that caution should be used to avoid any discussion or action on such items. He further stated that the Council's Rules of Order and Procedure are found in the Vallejo Municipal Code Section 2.02.

Councilmember Schivley stated that members of the public can compliment or criticize individual Councilmembers as long as it is regarding some activity on the Council or some political item but they cannot make personal comments. Mr. Soley stated that the law makes a distinction that any speaker addressing the Council should not engage in personal attacks against anyone. There are certain rules that address preservation of order such as preserving decorum, preventing attacks on personalities, or impugning the notice of Councilmembers but they must be read in the context that a person has a right to criticize the policies of the City and the officials and employees.

Councilmember Schivley asked Mr. Soley to research the Council's fiduciary responsibility.

16. COMMUNITY FORUM

Speakers: Scott Jeffries presented suggestions relating to the City's financial situation. Sam Kursham addressed violation of his first right amendment relating to a incident at the Council meeting of March 3, 2008. Tyler Brandy addressed the need for civic pride and civic identification. Joseph Johnson announced the tribute to be held for Philmore Graham on May 10 at McCormick Hall and asked the Council and public to attend. Leon Singleton addressed government spending. Charles Williams addressed the opportunity to come together as a city—Vallejo is the city of opportunity. He questioned what the public safety salaries were initially compared to what they are now. Lou Delgado questioned when the public forum was going to be included on the agenda at the beginning of the meeting. Saint Betty Lee requested the Council consider including prayer at the beginning of each Council meeting.

Councilmember Gomes questioned the prayer at the beginning of the meeting being a conflict of with separation of church and state. Mr. Soley stating that it would have to be a non-denominational type prayer. If the Council wants to consider this, he will provide more information at a later date.

17. REPORT OF THE PRESIDING OFFICER AND MEMBERS OF THE CITY COUNCIL

Councilmember Schivley reported that on February 20 three civilians and an off-duty firefighter pulled an 11-year old boy from a burning automobile. She requested that these people be recognized at a future Council meeting. Councilmember Schivley noted that several citizens have offered to volunteer their time to help the City. She asked staff to reconsider the elimination of the parking violation officer position, stating that this position is responsible for producing over \$400,000 a year in parking fines and jobs that produce revenue should not be ones that are eliminated.

Councilmember Sunga stated that 35 people attended the seminar held on March 8 on foreclosures. It was very successful and they had requests to present other seminars. He suggested recognizing Philmore Graham by declaring May 10 Philmore Graham Day.

Councilmember Hannigan reported that the St. Vincent St. Patrick High School Girls Varsity Basketball team has won the North Coast Section Division 4 Championship. They will be playing for the State Championship at Arco Arena on March 14, 3:30.

Councilmember Gomes announced that the "Tom Cat Special" a low income program for neutering cats, is in its final week. Contact her for further information.

Vice Mayor Bartee asked the City Manager to provide information to Council on how volunteers could be used to help the City. He reported that the Senior Round Table will be held on March 13, 2:00 p.m. at the Douglas Senior Center.

18. CLOSED SESSION: The Council recessed to Closed Session at 9:49 p.m. regarding:

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). No action was taken.

19. ADJOURNMENT

The meeting adjourned at 10:30 p.m.

OSBY DAVIS, MAYOR

ATTEST:

MARY ELLSWORTH, CITY CLERK

RESOLUTION NO. _____ N.C.

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

THAT WHEREAS, the Federal Community Development Block Grant (CDBG) Program was started 33 years ago with the intention of providing local governments with monies to address the needs of persons of low- and moderate-income.

WHEREAS, Community Development Block Grant funds are used to address pressing neighborhood, affordable housing, and human service needs.

WHEREAS, the City of Vallejo has used CDBG funds to pay for critically-needed public improvements, social services, and housing activities.

WHEREAS, the Community Development Block Grant Program has assumed increasing importance for meeting pressing community problems.

WHEREAS, the CDBG Program is important and vital to the City of Vallejo.

NOW THEREFORE, I, Osby Davis, Mayor of the City of Vallejo, and the Vallejo City Council, do hereby declare the week of March 31, 2008 "Community Development Week."

ADOPTED by the Council of the City of Vallejo at a regular meeting held on April 1, 2008 with the following vote:

RESOLUTION NO. _____ N.C.

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

THAT WHEREAS, April 2008 marks the 40th anniversary of Title VIII of the Civil Rights Act of 1968, the Federal Fair Housing Act, which provided for equal opportunity for all Americans in the sale, rental, and financing of housing, and prohibited housing discrimination on the basis of race, color, religion, sex, age, or national origin.

WHEREAS, the Fair Housing Amendments Act of 1988 added familial status and handicap to those classes protected by Title VIII for the first time in Federal law and added strong new rights, remedies, monetary penalties, and judicial and administrative enforcement procedures.

WHEREAS, it is the solemn and sworn duty of government at all levels to protect and defend the rights of all its citizens and oppose housing discrimination whenever and wherever it occurs.

WHEREAS, legal barriers to equal opportunity in housing, no matter how subtle, that diminish the rights of some of our citizens diminish the rights of all.

WHEREAS, the City of Vallejo fully supports the intents and purposes of the Federal Fair Housing Act and pursues policies and practices to achieve these ends.

WHEREAS, the City of Vallejo and its elected leaders exhort all agencies, institutions, and individuals, public and private, in the community to do the same.

NOW THEREFORE, I, Osby Davis, Mayor of the City of Vallejo, and the Vallejo City Council, do hereby declare April 2008 "Fair Housing Month."

ADOPTED by the Council of the City of Vallejo at a regular meeting held on April 1, 2008 with the following vote:



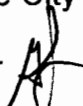
CONSENT D

Agenda Item No.

COUNCIL COMMUNICATION

Date: April 1, 2008

TO: Honorable Mayor and Members of the City Council

FROM: Gary A. Leach, Public Works Director 

SUBJECT: APPROVAL OF A RESOLUTION AUTHORIZING STREET MAINTENANCE PROJECTS USING CURRENT FISCAL YEAR ALLOCATION OF PROPOSITION 1B FUNDS IN THE AMOUNT OF \$1,953,038.45

BACKGROUND

Proposition 1B (Prop 1B) provided \$19.925 billion in bond funds for a variety of transportation priorities, including \$2 billion for cities and counties to fund the maintenance and improvement of local transportation facilities. The 2007 Budget Act and Chapter 181, Statutes of 2007 (SB 88), appropriate a total of \$950 million of these Prop 1B funds in 2007-08. Of this amount, Chapter 314, Statutes of 2007 (AB 196), specifies that \$550 million be allocated to cities and \$400 million be allocated to counties. The share that each city or county is allocated is determined by the State Controller's Office (SCO), with county shares being calculated based on the number of registered vehicles and the number miles of road in the county, and the city being calculated based on population, except that each city is to get a minimum of \$400,000. The City of Vallejo has been allocated \$1,953,038.45 for 2007-08.

The City Council approved the budget on June 26, 2007, including the Capital Improvement Projects budget for citywide street overlay in the amount of \$3.4 million. This budget item represents the anticipated Proposition 1B funding for streets projects.

The Proposition 1B funds available in 2007-08 in the amount of \$1,953,038.45 will be used for street maintenance for the following streets, including but not limited to:

- Vervais Avenue (from Henry to Fleming)
- Columbus Parkway (from I-80 to Admiral Callaghan)
- Mini Drive (from Echo to Diamond Springs)
- Sacramento Street (from Redwood to Fresbie)
- Broadway (from Mare Island RR to Nebraska)
- Fairgrounds Drive (from SR37 to Sage)



Fiscal Impact

No fiscal impact. Proposition 1B funding has been budgeted in the City of Vallejo Approved Budget for FY 2007-08.

RECOMMENDATION

Staff recommends that the City Council adopt a Resolution authorizing the Public Works Department to perform street maintenance projects using the current fiscal year allocation of Proposition 1B funds in the amount of \$1,953,038.45.

ENVIRONMENTAL REVIEW

A California Environmental Quality Act (CEQA) Categorical Exemption will be filed with the County of Solano. Therefore, no additional environmental review is required.

PROPOSED ACTION

Approve the resolution authorizing the Public Works Department to perform street maintenance projects using the current fiscal year allocation of Proposition 1B funds in the amount of \$1,953,038.45.

DOCUMENTS AVAILABLE FOR REVIEW

- a. A resolution authorizing the Public Works Department to perform street maintenance projects using the current fiscal year allocation of Proposition 1B funds
- b. Site Location Map

CONTACT PERSONS

David Kleinschmidt, City Engineer
648-4301
dkleinschmidt@ci.vallejo.ca.us

Gary A. Leach, Public Works Director
648-4315
garyl@ci.vallejo.ca.us

APRIL 1, 2008
J:\PUBLIC\AI\PW\2008\Engineering\PWSR4234.doc

RESOLUTION NO. 08-_____ N.C.

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

WHEREAS, Proposition 1B (Prop 1B) provided \$19.925 billion in bond funds for a variety of transportation priorities, including \$2 billion for cities and counties to fund the maintenance and improvement of local transportation facilities; and

WHEREAS, the 2007 Budget Act and Chapter 181, Statutes of 2007 (SB 88), appropriate a total of \$950 million of these Prop 1B funds in 2007-08, of which the City of Vallejo has been allocated \$1,953,038.45 for 2007-08; and

WHEREAS, on June 26, 2007, the City Council through Resolution No. 07-166 N.C. approved the budget for the City of Vallejo for fiscal year 2007-2008; and

WHEREAS, the approved budget included, in the section for Capital Project Funds, a line item in the amount of \$3,400,000 in fund #221 Capital Grants/Contributions Fund for PW9786 Citywide Street Overlay, representing the approximate Proposition 1B funding anticipated for maintenance and improvement of streets; and

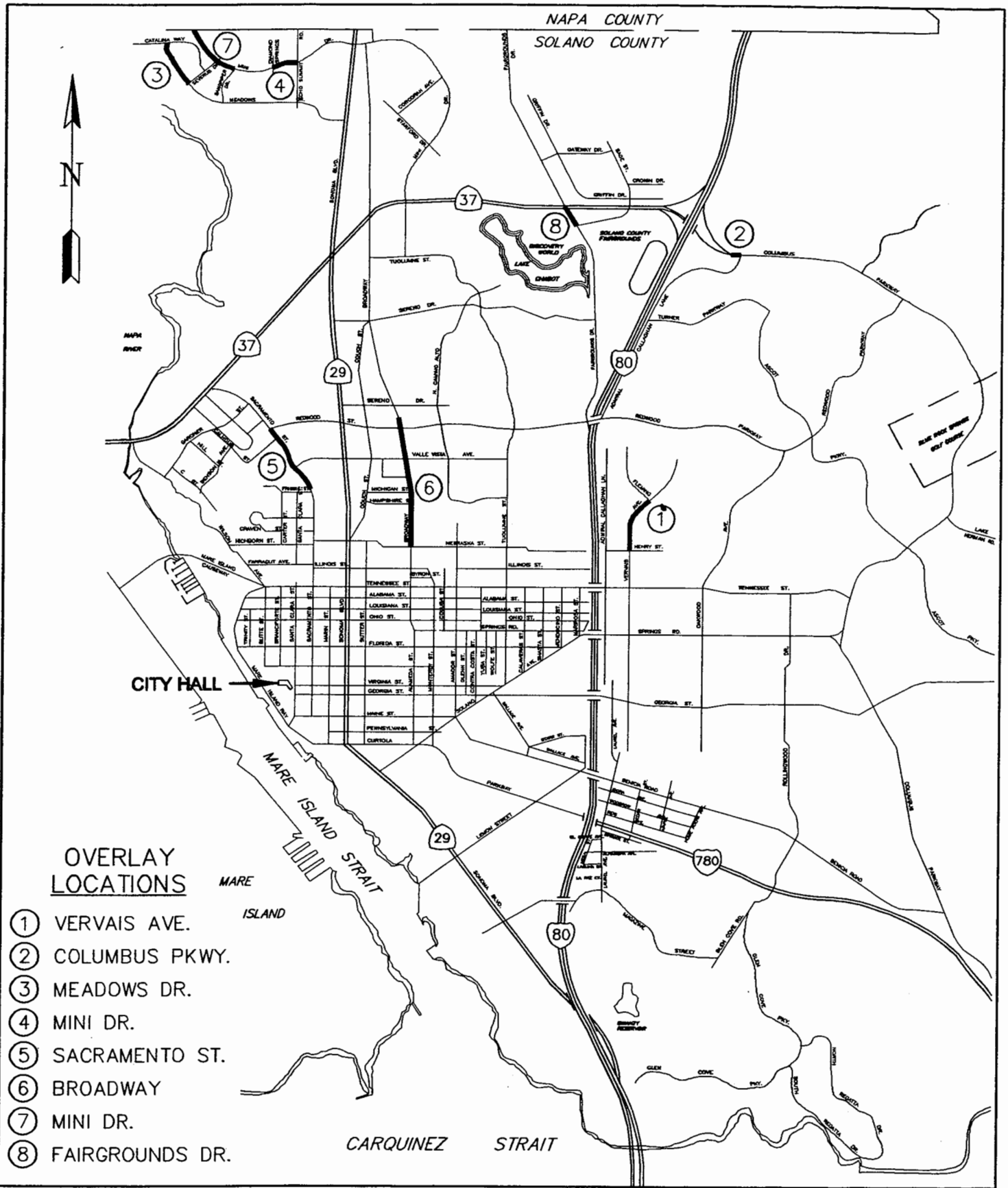
WHEREAS, the Public Works project PW9786 is currently in the planning stages and will include improvements to the following streets including but not limited to:

Vervais Avenue (from Henry to Fleming)
Columbus Parkway (from I-80 to Admiral Callaghan)
Mini Drive (from Echo to Diamond Springs)
Sacramento Street (from Redwood to Fresbie)
Broadway (from Mare Island RR to Nebraska)
Fairgrounds Drive (from SR37 to Sage)

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Vallejo that the Public Works Department is authorized to perform street maintenance projects as listed above, using fiscal year 2007-08 allocation of Proposition 1B funds in the amount of \$1,953,038.45.

APRIL 1, 2008

J:\PUBLIC\AI\PW\2008\Engineering\PWSR4234.doc



OVERLAY LOCATIONS

- ① VERVAIS AVE.
- ② COLUMBUS PKWY.
- ③ MEADOWS DR.
- ④ MINI DR.
- ⑤ SACRAMENTO ST.
- ⑥ BROADWAY
- ⑦ MINI DR.
- ⑧ FAIRGROUNDS DR.

CITY OF VALLEJO

DEPARTMENT OF PUBLIC WORKS
ENGINEERING DIVISION

DWG. NO. —
DRAWN BY EVA
DATE 3/25/08
CHECKED FGS

SHEET 1 OF 1
FILE NM. —
PROJ. NO. 9786
SCALE N.T.S.

9786 CITYWIDE ST. OVERLAY PROP 1B
PROJECT LOCATION MAP

APPROVED: _____ ON _____ DATE _____
CITY ENGINEER



ADMIN A

Agenda Item No.

COUNCIL COMMUNICATION

Date: April 1, 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 ($57 \times \$50 = \$2,850$).
- If five new drivers are hired each month, initial permit fees will generate approximately \$4,800 ($60 \times \$100 = \$6,000$).

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.

Should there be an appeal process outside the Police Department?

Section 5.32.300 has been added to provide for the City Manager to hear any appeal relating to the denial, suspension or revocation of any permit required under the proposed ordinance.

Why does the Police Department approve taxicab color schemes?

Section 5.32.030 has been modified to require the submission of photographs depicting the "proposed color scheme for each vehicle in the fleet" and to prohibit color schemes that resemble authorized emergency vehicles, vehicles operated by the City of Vallejo, County of Solano or any other permitted taxicab operator. Police Department "approval" is not required.

Should the revenue generated under the proposed ordinance be appropriated to the Police Department and "dedicated to off-set enforcement costs?"

That portion of Section 5.32.200 has been deleted. However, it has been common practice to appropriate cost-covering fees to the involved Department. Without these funds the cost of needed supplies and equipment will, of necessity, be charged to other programs.

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. Section 5.32.070.K has been modified to permit alternative fee structures.

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.

APRIL 1, 2008

**AN ORDINANCE OF THE CITY OF VALLEJO REPEALING
CHAPTER 5.32 OF TITLE 5 (VEHICLES FOR HIRE) AND ADDING A NEW
CHAPTER 5.32 ENTITLED TAXICAB STANDARDS ORDINANCE TO TITLE 5
OF THE VALLEJO MUNICIPAL CODE**

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

SECTION 1. Chapter 5.32 of Title 5 (Vehicles for Hire) of the Vallejo Municipal Code is hereby repealed.

SECTION 2. There is hereby added to the Vallejo Municipal Code a new Chapter 5.32 which is to read as follows:

TAXICAB STANDARDS ORDINANCE

Section:

<u>5.32.000</u>	<u>Title.</u>
<u>5.32.010</u>	<u>Findings and purpose.</u>
<u>5.32.020</u>	<u>Definitions.</u>
<u>5.32.030</u>	<u>Fleet Management Permit.</u>
<u>5.32.035</u>	<u>Telephone and dispatch system.</u>
<u>5.32.050</u>	<u>Operating Permit.</u>
<u>5.32.070</u>	<u>Driver Permits.</u>
<u>5.32.075</u>	<u>Temporary Driver Permit.</u>
<u>5.32.080</u>	<u>Permit Administration.</u>
<u>5.32.090</u>	<u>Insurance Requirements.</u>
<u>5.32.095</u>	<u>Controlled Substance and Alcohol Testing Certification Program.</u>
<u>5.32.150</u>	<u>Taxicabs from Other Municipalities.</u>
<u>5.32.150</u>	<u>Taxicabs from Other Municipalities.</u>
<u>5.32.200</u>	<u>Fees.</u>
<u>5.32.210</u>	<u>Rates of fare – deviations.</u>
<u>5.32.215</u>	<u>Rates of fare – posted fares.</u>
<u>5.32.220</u>	<u>Taxi stands – designation.</u>
<u>5.32.230</u>	<u>Taxicab stands – use.</u>
<u>5.32.240</u>	<u>Failure to complete trip.</u>
<u>5.32.250</u>	<u>Receipt and discharge of passengers.</u>
<u>5.32.300</u>	<u>Right to Appeal Denial, Suspension or Revocation</u>

5.32.000 Title.

This chapter shall be known as the Taxicab Standards Ordinance.

5.32.010 Findings and purpose.

The City Council of Vallejo does find that:

- A. Taxicabs provide an essential component of the public transit system which serves the City; and
- B. Taxicabs are operated by private companies which utilize public rights-of-way in the delivery of their service; and
- C. Appropriate efforts must be undertaken to ensure that taxicab companies, their employees, and drivers take all reasonable actions to ensure protection of the public health and safety when providing taxicab services; and
- D. The City's administration of taxicab regulations should not unduly burden the taxicab industry; however, the protection of the public health and safety shall be deemed paramount in the enforcement and interpretation of taxicab regulations.

5.32.020 Definitions.

The following words and phrases, whenever used in this chapter, shall be construed as defined in this section:

- A. "Driver" means every person driving a taxicab as defined by this chapter.
- B. "Driver permit" means the annual permit issued by the Department which authorizes the recipient to drive a taxicab for a specified fleet manager within the City.
- C. "Fleet Management Permit" means the permit issued by the Department which authorizes the overall operation and management of all taxicabs using the same name and vehicle color combinations.
- D. "Fleet manager" means that person designated by the holder of the fleet management permit as the person responsible for all operations under the fleet management permit.
- E. "Operating permit" means the permit, issued by the Department, which evidences that a vehicle is authorized by the Department to operate for a specific fleet has been inspected and certified to operate as a taxicab.
- F. "Owner" means any person, partnership, cooperative, corporation, firm, or association who is named as the registered owner of a vehicle which is used as a taxicab in the City, including but not limited to, receivers or trustees appointed by any court.
- G. "Police Department" or "Department" means that member of the Vallejo Police Department designated to enforce the provisions of this Chapter.

- H. "Taxicab" means every passenger vehicle designed for carrying not more than eight persons, excluding the driver, used to carry passengers for hire, and which is operated at rates per mile or upon a waiting time basis or both. "Taxicab" does not include ambulance vans ("ambuvans") or limousines.
- I. "Taximeter" means a mechanical or electronic device by which the charge for the hire of a taxicab is automatically calculated, either for distance traveled or for waiting time, or both, and upon which such charge is plainly registered by means of figures indicating dollars and cents and which is visible in the rear passenger compartment.

5.32.030 Fleet Management Permit.

- A. It is unlawful for any person, partnership, cooperative, corporation, firm, or association to engage in the business of operating or managing a taxicab company, fleet, or taxi service in the City without first obtaining a fleet management permit as specified by this section.
- B. Application for a fleet management permit shall be filed with the Department. The form and contents of such application shall be specified by the Department; however, the following shall constitute the minimum requirements to qualify for a fleet management permit:
 - 1. Proof that the fleet management permit applicant has insurance which satisfies the requirements of Section 5.32.090 and which is adequate to cover all vehicles permitted under the name and vehicle colors for which the applicant is responsible;
 - 2. Designation of a manager to whom all correspondence and official notices may be directed and who is authorized to and is responsible for the conduct of all business with City officials charged with enforcing the provisions of the Chapter;
 - 3. Disclosure of the names, residence, and business addresses of the designated manager, all directors, officers, partners, and associates directly or indirectly holding a financial interest in the applicant and the proposed fleet management permit. A copy of the current, valid fictitious business name certificate under which the applicant does, or intends to do, business;
 - 4. A complete description of the fleet's proposed operations, including the type of dispatching service provided either by the applicant or another party under contract;
 - 5. Photographs of the proposed color scheme for each vehicle in the fleet. The color scheme shall not be substantially similar to that used by

authorized emergency vehicles, any vehicle operated by the City of Vallejo, the County of Solano or any other permitted taxicab operator.

6. Proof that the fleet's operations are conducted in conformance with zoning laws.
- C. Fleet management permittees are required to maintain for a period of not less than one year all records pertaining to the fleet manager's operation and management, including but not limited to all trip sheets completed by drivers, all dispatch logs, all vehicle inspection records, passenger complaints, citation records, leasing records, and insurance records. Fleet managers shall make available for inspection, Monday through Friday from 8:00 a.m. to 4:00 p.m., all such records. Fleet managers shall take reasonable efforts to ensure the completeness and accuracy of all records. Any records which are determined to be inadequate, inaccurate, or any request which is not complied with may result in the suspension or revocation of the fleet management permit pursuant to Section 5.32.080.
- D. Fleet management permittees shall be responsible for all aspects of the fleet management and day-to-day management operations, including but not limited to drivers and vehicles operated under the fleet management permit. Any violation of any provision of this chapter by a driver or vehicle may be grounds for suspension or revocation of the fleet management permit pursuant to Section 5.32.080.
- E. The Department may deny the granting of any fleet management permit if the applicant has been convicted of any felony or any crime involving moral turpitude, taking into consideration the nature and circumstance of the conviction, the age of the applicant at the time of conviction, the time elapsed since the conviction, and any evidence of rehabilitation.
- F. Fleet management permits issued under the provisions of this chapter shall be effective for the calendar year for which the permit is issued only. All fleet management permits shall expire on December 31st of the year for which the permit is issued. Fleet management permits must be renewed annually by the fleet management permittee by submitting a completed application with required documents as set forth in this section no later than November 15th.
- G. Any person, partnership, cooperative, corporation, firm, or association in receipt of a fleet management permit shall designate one person as the fleet manager. The fleet manager shall be jointly and severally liable with the fleet management permittee for all acts and omissions arising from the operation of the fleet.
- H. Every fleet management permittee shall operate the number of permitted vehicles reasonably necessary to meet the daily public demand for such service.
- I. Fleet management permits are non-transferable.

5.32.035 Telephone and dispatch system.

- A. Each fleet management permittee shall maintain an adequate telephone and dispatch system in operation at all times permittee's taxicabs are available for hire.
- B. Failure to comply with this requirement is grounds for suspension or revocation of the fleet management permit.

5.32.050 Operating Permit.

- A. Application for an operating permit shall be filed with the Department. The form and contents of the application shall be specified by the Department; provided, however, the following standards constitute the minimum requirements to qualify for an operating permit:
 - 1. Written acknowledgment by the manager of a fleet management permittee that the vehicle for which the operating permit is issued is authorized to operate using the color scheme and name of the fleet management permittee and that the fleet management permittee assumes responsibility for the operation of the vehicle;
 - 2. Proof that the vehicle is covered by the insurance of the fleet management permittee;
 - 3. Presentation of a valid City of Vallejo Business License;
 - 4. Presentation of a valid certificate of registration for the vehicle issued by the California Department of Motor Vehicles. The permit applicant must be named as the registered owner of the vehicle;
 - 5. Proof that a taximeter of a type approved by the Department has been installed in the vehicle and has been certified by the County of Solano Division of Weights and Measures subsequent to its installation in the vehicle;
 - 6. Proof that the vehicle is equipped with suitable two-way communications equipment, in good working order, to be used for taxicab service dispatch purposes;
 - 7. Disclosure of the names, residence, and business addresses of the owner(s), all partners, and associates directly or indirectly having a financial interest in the ownership of the vehicle or the operation authorized by the operating permit for which application has been made. A certified copy of any fictitious business name certificate, evidence of publication, and an affidavit of publication, under which the applicant does, or intends to do, business;

8. State of California Certificate of Compliance - Brake Adjustment which is valid at the time of the annual inspection;
 9. State of California Certificate of Compliance - Motor Vehicle Pollution Control which is valid at the time of the annual inspection;
 10. State of California Certificate of Adjustment - Lamp Adjustment which is valid at the time of the annual inspection;
 11. The above certificates must be dated within sixty (60) days of the date of the inspection by the Department.
- B. Applicants for an operating permit must demonstrate that the vehicle meets specified safety and equipment standards. The Department shall publish safety and equipment standards and/or reference other standards with which each vehicle must comply.
- C. The Department shall conduct an inspection of all vehicles for which permits are granted under the provisions of this chapter prior to the issuance of an operating permit and at regular annual intervals thereafter on a schedule to be determined by the Department.

Such inspections shall determine compliance with all applicable laws and standards.

Standards for such inspections as set by the Department shall include the following:

1. Any door, window, hood, or trunk which fails to open or close securely;
2. Peeling, defaced, or improperly repaired exterior decals, lettering or numbering;
3. Exterior paint or color schemes which are different from those submitted by the fleet manager;
4. Dirt, broken fixtures, or other conditions in the passenger compartments which could soil or tear a patron's clothes;
5. Rust, dents, or chips in the vehicle's exterior which are more than trivial, or missing components, including, but not limited to, chrome, rubber strips, or other component parts which might snag, tear, or injure a driver, pedestrian, or passenger. Any such damage will be considered to be more than trivial when single or multiple areas of damage affect an aggregate area of at least three linear feet of the cab exterior. The measurement of each damaged area will be taken between the two most widely spread points of the affected surface;

6. Dirty luggage compartments or luggage compartments which are maintained in a condition which would soil or damage baggage;
 7. Driver or passenger compartments which have litter or trash;
 8. Torn or improperly repaired upholstery, headliners or floor covering;
 9. Safety standards as published pursuant to the provisions of Subsection B of this section.
- D. All taxicabs operating within the City shall have signs containing the following information permanently affixed to the vehicle:
1. On the exterior sides of the vehicle shall appear the name of the fleet management permittee, the insignia of such permittee, and the telephone number of the fleet management permittee. The size and location of vehicle numbers shall be designated by the Department.
 2. On the exterior sides of the vehicle shall appear the vehicle permit number in a size specified by the Department.
 3. On the exterior sides of the vehicle, and within the interior of the vehicle in a location readily visible to the passenger, shall appear a sign which states "Driver carries only \$10.00 in change."
 4. Within the interior of the vehicle, and in a location readily visible to the passenger, shall appear a sign which states the name of the fleet management permittee, such permittee's address and telephone number. In addition the sign shall state:

Vallejo Police Department - Traffic Division
111 Amador Street
Vallejo, CA 94590
(707) 648-4329
- Such sign shall be no smaller than four by six inches in size.
5. Within the interior of the vehicle shall appear a copy of the operating permit. The form, contents, and location of the operating permit shall be designated by the Department. A vehicle permittee shall be issued a metallic medallion for each vehicle upon full completion of the annual vehicle permit renewal and vehicle inspection.
- E. In addition to the annual inspections provided for in Subsection C of this section, and as authorized under the California Vehicle Code, the Department may cause spot inspections to be made of any taxicab vehicle, provided that at the time of

such spot inspection the vehicle is in service and not transporting a paying customer. If the taxi vehicle fails to pass the spot inspection, the vehicle permit and operating permit may be suspended pursuant to Section 5.32.080.

- F. The Department shall issue a metallic medallion for each vehicle upon approval of each operating permit. During all hours of operation of a taxicab, the medallion shall be secured as designated by the Department and shall be clearly visible from the exterior of the taxicab.
- G. Any individual who affixes or removes an operating permit without the permission of the Department shall be in violation of this chapter. It is unlawful for any person to operate or permit to be operated a taxicab within the City without having an operating permit affixed to the vehicle. Any taxi driver permittee or fleet management permittee found in violation of this paragraph may have their permit suspended or revoked pursuant to Section 5.32.080.
- H. All citations issued for violations of Subsections (C)(1) through (C)(9) of this section, inclusive, shall require the person to whom the notice to appear is issued to produce evidence which is satisfactory to the Department that the vehicle has been made to conform with the requirements of this chapter within thirty (30) days.
- I. Operating permits shall be renewed annually on a date to be set for each permit by the Department; provided, however, that the renewal date so set shall be within ninety (90) days from the calendar anniversary of the date on which the vehicle was last inspected and passed. Such renewal date shall also be within thirty (30) days of the date the registration for that vehicle is renewed with the California Department of Motor Vehicles.
- J. Operating permits are non-transferable.

5.32.070 Driver Permits.

- A. It is unlawful for any person to drive a taxicab for hire within the City without first obtaining a driver permit as specified in this section.
- B. Application for a driver permit shall be filed with the Department. The form and contents of the application shall be specified by the Department; however, the following constitute the minimum requirements to qualify for a driver permit:
 - 1. Presentation and maintenance of a valid California Driver's License;
 - 2. Written acknowledgment by the manager of a permitted fleet management permittee that the applicant is authorized to drive vehicles operated and managed by that permittee;

3. Satisfactory completion of an examination approved by the Department demonstrating knowledge of the streets, ways and principal public places in Vallejo, the traffic regulations of the City, and the provisions of this chapter. All taxicab drivers shall receive training annually on safety, appearance, customer relations, and promoting the City of Vallejo;
 4. Evidence that the driver is covered under the fleet management permittee's insurance policy under whom the driver operates;
 5. Evidence that the applicant will be a lease driver or an employee of a fleet management permittee and has an offer of leasing a vehicle or employment from a fleet management permittee unless the applicant himself or herself is an individual holding a fleet management permit;
 6. Evidence that a person has tested negative for drugs and alcohol through an approved drug and alcohol testing provider within thirty (30) days prior to submitting their driver permit application. A positive test result is grounds for denial or revocation of a driver permit;
 7. The Department may deny the granting or renewal of any driver permit if the applicant has been convicted of a felony or any crime involving moral turpitude, taking into consideration the nature and circumstances of the conviction, the age of the applicant at the time of conviction, the time elapsed since the conviction, and any evidence of rehabilitation.
- C. Drivers shall take the most direct route possible that will carry passengers safely, lawfully, and expeditiously to their desired destination.
- D. Drivers shall not refuse a reasonable request for service from any legitimate customer. Service may be refused when, in the opinion of the driver, accepting a passenger would threaten the safety of the driver.
- E. All persons driving taxicabs are required to post their driver permit within the taxicab as directed by the Department and in full view of passengers.
- F. Drivers shall maintain trip sheets which fully and accurately report all fares paid and distances traveled while hired by a passenger. Trip sheets shall be deposited with the fleet manager for filing. Such trip sheets shall contain the following information:
1. The driver's name;
 2. The correct date;
 3. The vehicle permit number;

4. The time each paid trip is begun and completed, entered contemporaneously;
 5. The origin and destination of each paid trip, entered contemporaneously;
 6. The amount of fare paid for each trip.
- G. Fleet management permittees may require drivers to complete a vehicle inspection report in conjunction with other required trip sheets information.
- H. Upon request, drivers shall present their permits or trip sheets to Department officials, the vehicle permit holder, or the fleet manager.
- I. Upon request, drivers shall issue to any passenger a receipt for the fare paid for hiring the taxicab.
- J. No driver shall permit any taxicab to be parked unattended in any taxi stand for a period of time in excess of ten minutes.
- K. Every driver shall operate the taximeter to correctly indicate whether or not the taxicab is available for hire, and shall turn the taximeter on at the beginning and off at the end of each trip. Persons operating a taxi vehicle shall not accept fees or compensation for taxi services in an amount other than that indicated on the taximeter at the end of a trip except for services rendered pursuant to special programs or activities identified and approved by the City Council.
- L. Driver permits shall be renewed on the birthday of the permit holder each year. Driver permit renewal applicants must show compliance with Subsections 5.32.070(B)(1), (B)(2), and (B)(4) through (B)(7) of this section, in order to renew his or her driver permit. If a driver permit is not renewed as set forth above, it shall be deemed to have lapsed. No driver shall operate a taxi while his or her driver permit is lapsed.

Any driver permit which has lapsed for thirty-one (31) days or less may be renewed upon the payment of the fee set forth in this ordinance. Any driver permit that has lapsed for thirty-two (32) days or more shall not be renewed, but instead that driver must file for a new driver permit and will be considered a new driver permit applicant.

- M. Test results pursuant to mandatory drug and alcohol testing set forth in Subsection (B)(6) of this section shall be released directly to the fleet management permittee. The fleet management permittee shall notify the Department of any positive test results.
- N. The taxi driver permittee or applicant will be charged for the cost of the drug and alcohol test by the fleet management permittee.

- O. Test results shall not be released without the taxi driver permittee's or applicant's consent, except as set forth above or as authorized or required by law.
- P. Each driver permit issued pursuant to this section must state the fleet management permittee's name on the face of the permit. In the event the taxi driver's lease or employment is terminated for any reason, such driver permit shall be void. The Department shall be notified within ten days of the termination of lease or employment of any permitted driver, and the driver permit must be returned to the Department.
- Q. An applicant whose driver permit application is denied must wait sixty (60) days from the date of a denial before he or she may reapply. Any application received prior to the sixty (60) day expiration period will not be acted upon until expiration of the sixty (60) day period. Any person whose permit application has been denied shall be notified of the reason(s) for such denial within ten (10) days of the date such decision is made. Any person whose permit application has been denied may appeal such decision pursuant to Section 5.32.300 of this Chapter.
- R. Driver permits are non-transferable.

5.32.075 Temporary Driver Permit.

The Department may grant a ninety (90) day temporary driver permit to an individual whose application for a permanent driver permit is pending. A temporary driver permit shall be in the possession of the applicant while operating a taxicab. Temporary driver permits may not be extended beyond the ninety (90) day period.

5.32.080 Permit Administration.

- A. The Department is designated as having responsibility for the administration of the City's taxicab regulations. The Department is authorized to develop standards and procedures which are necessary to implement the requirements of this chapter.
- B. Any person, partnership, cooperative, corporation, firm, or association is entitled to apply for a fleet management permit or a vehicle permit. Any natural person is entitled to apply for a driver permit. A separate application is required for each permit specified in this chapter. Each permit application must be accompanied by the fee set forth in this ordinance.
- C. Every fleet management permittee shall notify the Department of any change in the information originally supplied on the permittee's permit application form within ten days of any such change.
- D. Fleet management permits shall expire upon the failure to pay the annual City business tax.

- E. Application for renewal of any permit issued under the provisions of this chapter shall be made in the conformity with, and shall contain such information as may be required by, rules prescribed by the Department. Each renewal application must be accompanied by the appropriate fee set forth in this ordinance.
- F. The Department shall have the discretion to revoke or suspend the permit of any taxicab driver for good cause. "Good cause" shall include, but shall not be limited to, violations of this chapter or standards promulgated by the Department pursuant to the provisions hereof, or violations of the California Vehicle Code. Permit revocations or suspensions may be appealed pursuant to Section 5.32.300 of this Chapter.
- G. If, in the judgment of the Department, suspension of any permit specified in this chapter is necessary to protect the public health and safety, including but not limited to compliance with the insurance requirements of this chapter, the Department is authorized to suspend permits preemptorily on an emergency basis. An appeal of an emergency suspension may be made informally to the Department. Emergency suspensions will expire when the conditions which forced the suspension are corrected to the satisfaction of the Department. An emergency suspension shall last no longer than fifteen (15) days. However, an emergency suspension may be renewed by the Department if the condition or conditions on which the suspension was made continues.
- H. If, in the judgment of the Department, the impoundment of a taxicab is necessary in association with the emergency suspension of an operating permit, such impoundment is authorized.
- I. All permit holders are required to maintain their current business and home address on file with the Police Department and to give written notification of any changes thereof to the Department within ten (10) calendar days thereof.

5.32.090 Insurance Requirements.

- A. It is unlawful for any fleet management permittee or any holder of a vehicle permit to operate or allow to be operated any taxicab unless a valid insurance policy, indicating that a motor vehicle liability policy is in effect which covers such taxicab, has been filed with the Department. The insurance policy must be issued by a company holding a certificate of authority to do insurance business in the State of California, or by a company doing business through an authorized surplus lines broker. Such insurance shall remain in full force and effect at all times for each taxicab permit; provided, however, that the fleet management permittee may temporarily suspend coverage for any covered vehicle not actually in service or being operated on public streets or ways provided that written notice to the Department has first been provided by the fleet management permittee.

- B. An insurance policy evidencing motor vehicle liability insurance made by a company doing business through an authorized surplus lines broker shall have on it an endorsement substantially as follows:

It is agreed that in the event of a dispute as to the validity of any claim made by the insured under this insurance policy, or in the event of any suit instituted by the insured against the company upon this contract, the company hereon will submit to the jurisdiction of the courts of the State of California, and will comply with all legal requirements necessary to give such courts jurisdiction; and for this purpose said company hereby appoints _____ at _____ Street, _____, California, its agent for the purpose of service of process; and in any suit instituted against the company upon this contract, the company will abide by the final decision of the courts of said State and settle accordingly.

- C. The motor vehicle liability policy required under the provisions of Subsection A of this section shall name and insure the registered vehicle owner, the fleet management permittee, any permitted taxi driver, and any other person using or responsible for the use of any such vehicle, with the consent, express or implied, of the owner or fleet management permittee, against loss from liability imposed upon such owner or fleet management permittee by law for injury to, or death of, any person, or damage to property growing out of the maintenance, operation, or ownership of any taxicab, to the amount limit of five hundred thousand dollars (\$500,000.00).
- D. Every insurance policy required under the provisions of Subsection A of this section shall certify that the motor vehicle liability policy shall not be canceled, nor the policy limits thereof changed, except upon thirty (30) days' prior written notice to:

Vallejo Police Department
Traffic Division
111 Amador Street
Vallejo, CA 94590

Such motor vehicle liability insurance shall be continuing liability up to the full amount thereof, notwithstanding any recovery thereon; and such insurance policy shall so certify. The Department is authorized to impose additional requirements for the form or content of any insurance policy, provided the additional requirements are not inconsistent with or prohibited by the provisions of this chapter or with state law.

Each fleet management permittee shall be required to provide the Department with written notice within thirty (30) days of any changes or amendments to an insurance policy.

If at any time there arises a question as to the existence, continued validity, adequacy, or sufficiency of a motor vehicle liability policy, the Department may temporarily suspend the fleet management permit or operating permit in accordance with Section 5.32.080 and/or may require the registered owner of the motor vehicle or the fleet management permittee named on the policy, or both, to replace such policies within ten days with other policies which meet the requirements established by this chapter. If the owner, fleet management company, or both fails to replace the insurance policy or policies within the said ten-day period with sufficient policies the Department may then continue to suspend or revoke the permits issued to the owner, fleet management permittee, or both in accordance with Section 5.32.080.

In the event that an insurer has amended or changed a policy four times from the date of its issuance, the fleet management permittee shall be required to file a new, reissued insurance policy with the Department within thirty (30) days after the effective date of any fourth amendment or change.

- E. The following endorsement shall be made a part of the comprehensive motor vehicle liability policy in the exact language listed below:

The City, its Council members, officers, agents, and employees are hereby added as additional insureds.

- F. Every fleet management permittee or holder of a operating permit shall provide to the Department written notice within ten days of any final judgment being entered against him or her or against any taxicab company or vehicle under his or her control if that judgment arises from any accident or injury occurring within the limits of the City or if the person injured entered a Vallejo permitted taxicab in the City regardless of where the accident occurred. Failure to provide such notice is grounds for revocation of the fleet management permit or operating permit in accordance with Section 5.32.080. Failure of a fleet management permittee or taxi vehicle permittee to satisfy a final judgment arising under the conditions heretofore set forth herein within six months of entry of such judgment shall be grounds for revoking the fleet management permit under which the vehicle permittee operated, revoking the operating permit, or both.
- G. Failure to comply with the insurance requirements set forth in this section shall be grounds for revocation pursuant to Section 5.32.080.

5.32.095 Controlled Substance and Alcohol Testing Certification Program.

Each driver shall participate in a mandatory controlled substance and alcohol testing certification program pursuant to California Government Code Section 53075.5(E)(3)(A), in compliance with the terms and procedures set forth in Title 49 of the Code of Federal Regulations Part 40, Section 40.1 through 40.111.

5.32.150 Taxicabs from Other Municipalities.

The driver of a taxicab authorized to operate in any municipality other than the City may transport passengers from such municipality to a destination within or beyond the city limits of the City of Vallejo, provided that the driver of such taxicab shall not seek or accept passengers within the City of Vallejo.

5.32.200 Fees.

The following fees shall be in effect immediately upon adoption of this ordinance. The fees shall be adjusted on July 1st of each year following enactment of this ordinance by the Annual Average Percentage Increase in the U.S. Department of Labor Consumer Price Index for the San Francisco-Oakland-San Jose Area for the preceding calendar year, rounded up to the nearest dollar.

Initial Taxi Driver Permit – \$150.00.

Taxi Driver Permit Annual Renewal – \$50.00.

Taxi Driver Permit Replacement or Transfer – \$25.00.

Initial Annual Taxi Cab Inspection – \$200.00 (includes medallion and one re-inspection).

Replacement Taxi Cab Medallion – \$50.00.

Fleet Management Permit – No charge. Must have valid City of Vallejo Business License.

5.32.210 Rates of Fare – Deviations.

- A. It is unlawful for the owner or driver of any vehicle-for-hire to demand or charge for services any amount greater than the rates that shall be established by resolution from time to time by the Council.
- B. A proposed charge in a rate schedule if less than the rates established by the Council may be filed with the City Clerk once a year in September and no changes shall be made thereon until consent is granted by the order of the Council.

5.32.215 Rates of Fare – Posted Fares.

- A. Fares shall remain in effect until a new schedule of fares has been adopted.
- B. The schedule of fares in effect must be posted in a place conspicuous from the passenger's compartment of the vehicle-for-hire at all times, and must be printed or typewritten, in letters and figures as directed by the Department.

5.32.220 Taxi Stands – Designation.

The Department may designate taxi stands at particular locations in the City recommended by the traffic engineer. The Department may also regulate the use of said stands.

5.32.230 Taxicab Stands – Use.

It is unlawful for the operator of any vehicle-for-hire/public motor vehicle other than a motorbus to stand or park in an officially designated motorbus zone, or for any public motor vehicle other than a taxicab to stand or park in an officially designated taxi stand, except that the operator of any passenger motor vehicle may temporarily stop in any such zone or stand for the purpose of and while actually engaged in the loading or unloading of passengers.

5.32.240 Failure to Complete Trip.

It is unlawful for any driver of any taxicab who has received a passenger for an announced trip to fail to complete said trip with all reasonable dispatch and without any extra payment of fare.

5.32.250 Receipt and Discharge of Passengers.

In all cases, reception and discharge of passengers from a public motor vehicle shall be at a point as near the curb as practical, and shall be through and from the right-hand side door of the nearest street curb.

5.32.300 Right to Appeal Denial, Suspension or Revocation

Any person excepting to any denial, suspension or revocation of a permit required under this Chapter shall have the right to appeal to the City Manager, or a hearing officer designated by the City Manager, such denial, suspension or revocation. A written request for such an appeal must be received by the City Clerk with ten (10) days following such a denial, suspension or revocation. Absent extenuating circumstances, the appeal shall be heard and the appellant notified of the results within thirty (30) days following receipt of the appeal request.



ADMIN. B

Agenda Item No. _____

COUNCIL COMMUNICATION

Date: April 1, 2008

TO: Honorable Mayor and Members of the City Council

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

SUBJECT: CONSIDERATION OF APPROVAL OF A RESOLUTION
AUTHORIZING AN AMENDED AND RESTATED EXCLUSIVE
RIGHT TO NEGOTIATE AGREEMENT BETWEEN THE CITY OF
VALLEJO AND TOURO UNIVERSITY

BACKGROUND AND DISCUSSION

On January 9, 2007, the City Council authorized a 180-day Exclusive Right to Negotiate (ERN) Agreement with Touro University (Touro) for Reuse Area 1A, consisting of 190 acres north of G Street on Mare Island. The ERN period was extended by City Council action and by City Manager action (upon findings of substantial progress, as authorized by the City Council). The current ERN extension period expires on April 5, 2008.

Based on the continuing progress and the complexity of both Project #1 and Project #2, staff recommends approval of an Amended and Restated ERN Agreement, which would extend the ERN period for sixty to one-hundred twenty days for Project #1 (a proposed cancer treatment center) and for an additional eighteen to twenty-one months for Project #2 (a proposed University Village).

DISCUSSION

Substantial progress has been made by Touro representatives and City staff in developing a land use proposal and terms and conditions for the disposition and use of 26 acres of Reuse Area 1A for an advanced particle beam cancer treatment facility.

Touro representatives have submitted a Unit Plan application for approval of this proposed 125,000 square foot advanced particle beam cancer treatment center. Touro representatives and City staff continue to meet weekly to negotiate terms for the conveyance of property, assurance for revenue neutral City services, demolition of obsolete structures, land

acquisition costs, environmental remediation issues, financial commitments, installation of infrastructure, and other terms and conditions for the disposition and use of the property. These issues will be addressed in an Acquisition Agreement (AA) and a Development Agreement (DA) that are currently scheduled to be presented to the City Council for consideration by June 1, 2008.

Because the cancer treatment center will require a relatively long construction period, Touro representatives have placed a priority on the processing of the Unit Plan application and the negotiation of the AA and DA for Project #1. It is expected that the Unit Plan application, the DA and the AA will be presented to the Planning Commission in May and to the City Council by June 1, 2008. The proposed Amended and Restated ERN Agreement would extend the ERN period for Project #1 for sixty days (through June 4, 2008) and would authorize the City Manager to extend the period to August 5, 2008.

The remainder of Reuse Area 1A has been identified as Project #2 which is proposed as a separate and distinct project from Project #1. Project #2 is currently envisioned as a University Village that would include academic facilities, student and faculty housing, research and development facilities, a hotel, retail uses, a community learning center and park facilities.

Project #2 may require a Specific Plan Amendment and a supplemental EIR. These requirements will take longer to accomplish than the Project #1 requirements. In addition, the Navy has informed the City that it has terminated early transfer agreement discussions with Weston, which will likely extend the date of environmental remediation and transfer of Navy-owned Project #2 parcels to the City. Staff is currently attempting to re-engage the Navy on the Early Transfer discussion. Accordingly, staff has proposed an eighteen month extension of the ERN as it applies to Project #2 (with an additional three month extension permitted by the City Manager).

PERFORMANCE BENCHMARK TASKS

PROJECT #2	TARGET DATE
Complete fiscal impact analysis	June 2008
Complete property appraisal (Project #2)	June 2008
Review and approve Project #2 real estate economic analysis/ pro forma	June 2008
Complete vision statement and staff preliminary approval	July 2008
Negotiate and propose benefit assessment district	September 2008

PROJECT #2	TARGET DATE
Determine interest/requirements for CFD for infrastructure improvements	September 2008
Seek City preliminary consent to land use plan and issues	May 2009
Prepare Specific Plan Amendment and General Plan amendment, if necessary; public review and approval	July 2009
Complete environmental review; public review and certification	July 2009
Complete negotiations on terms for conveyance of property, revenue neutral City services, demolition of obsolete structures, CFD funding, financial commitments and installation of infrastructure, proposed land uses and other terms and conditions for the disposition and use of the property, and include in Acquisition and Development Agreements	August 2009
Complete Acquisition Agreement; public review and approval	September 2009
Complete Development Agreement; public review and approval	September 2009
Complete Public Improvements Construction Agreement; public review and approval	September 2009
Complete negotiations for the Early Transfer Processing Agreement (ETPA)	TBD
Complete negotiations for an Environmental Services Cooperative Agreement (ESCA)	TBD

The proposed Amended and Restated ERN Agreement includes performance benchmarks for Project #1 and Project #2, as well as estimates for City costs expected to be incurred during the next eighteen months.

Finally, the Amended and Restated ERN Agreement also acknowledges the role of Lennar Mare Island, LLC, (LMI), as the principal developer of Mare Island. Pursuant to the Acquisition Agreement between the City and LMI, Touro and the City will coordinate with LMI regarding the status of development on Reuse Area 1-A consistent with LMI's role as principal developer.

FISCAL IMPACT

The proposed Amended and Restated Exclusive Right to Negotiate Agreement requires Touro to continue to reimburse the City for all City out-of-pocket costs.

RECOMMENDATION

Staff recommends that the City Council approve the resolution authorizing the “Amended and Restated Exclusive Right to Negotiate Agreement” between Touro University and the City of Vallejo. The Amended and Restated Exclusive Right to Negotiate Agreement would extend the negotiating period for Project #1 (a cancer treatment center) for sixty days, and permit the City Manager to extend the Project #1 period for an additional sixty days. For Project #2, it would extend the negotiating period for Project #2 (a University Village) for eighteen months, and permit the City Manager to extend the Project #2 period for an additional three months.

PROPOSED ACTION

Approve the resolution authorizing the Amended and Restated Exclusive Right to Negotiate Agreement between the City of Vallejo and Touro University.

DOCUMENTS ATTACHED

Attachment A Resolution
Attachment B Amended and Restated Exclusive Right to Negotiate Agreement

CONTACT: Craig Whittom, Assistant City Manager/Community Development
707-648-4579 or cwhittom@ci.vallejo.ca.us

Susan McCue, Economic Development Program Manager
707-553-7283 or smccue@ci.vallejo.ca.us

April 1, 2008

K:\PUBLIC\AIED\CC040108 - Touro ERN Extension.doc

RESOLUTION NO. _____ N.C.

**RESOLUTION APPROVING AND AUTHORIZING EXECUTION
OF THE AMENDED AND RESTATED EXCLUSIVE RIGHT TO
NEGOTIATE AGREEMENT BETWEEN THE CITY OF
VALLEJO AND TOURO UNIVERSITY**

WHEREAS, on January 9, 2007, the City Council authorized a 180-day Exclusive Right to Negotiate (ERN) between the City and Touro University related to North Mare Island Reuse Area 1A for the purpose of negotiating potential development and acquisition agreements; and

WHEREAS, during the initial 180 days, the City and Touro made substantial progress in meeting the performance benchmarks set forth in the initial ERN; and

WHEREAS, the City Manager exercised his administrative authority to extend the ERN for an additional 90 days to October 8, 2007, based upon continuing progress in developing business terms and completing due diligence tasks; and

WHEREAS, on October 2, 2007, the City Council authorized a First Amendment to the ERN which, among other things, provided an additional 120 days and a subsequent administrative 60-day extension to facilitate completion of negotiations and drafting of development and acquisition agreements and performance of key benchmarks; and

WHEREAS, the ERN, as amended, is set to expire on April 5, 2008; and

WHEREAS, as contemplated by the ERN, City and Touro have been involved in extensive negotiations of proposed development and acquisition agreements (Project One Agreements) for Touro to provide an advanced particle beam cancer treatment facility on 26 gross acres (18.8 net developable acres) immediately north of G Street on North Mare Island; and

WHEREAS, City and Touro desire to continue negotiating the terms of the Project One Agreements beyond the current expiration date of the negotiation period as set forth in the ERN, as amended; and

WHEREAS, City and Touro also desire to continue negotiating the terms of proposed acquisition and development agreements (Project Two Agreements) for a separate university village proposed to be developed on the remaining North Mare Island Reuse Area 1A acreage; and

ATTACHMENT A

WHEREAS, the Amended and Restated ERN would provide for (i) continued negotiation of the proposed Project One Agreements; (ii) continued negotiation of the proposed Project Two Agreements; (iii) increasing the estimated amount of costs anticipated to be incurred by the City and reimbursed by Touro in connection with the Project One Agreements and Project Two Agreements; (iv) City's continued negotiations with the Navy for remediation and transfer of those North Mare Island parcels owned by the Navy; and (v) updating of the performance benchmarks set forth in the ERN; and

WHEREAS, the Amended and Restated ERN acknowledges the role of Lennar Mare Island, LLC, (LMI), as the principal developer. Pursuant to the Acquisition Agreement between the City and LMI, Touro and the City will coordinate with LMI regarding the status of development on Reuse Area 1-A consistent with LMI's role as principal developer.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the Amended and Restated ERN in the form attached to the Staff Report and authorizes the City Manager to sign the Amended and Restated ERN on behalf of the City, subject to minor technical changes approved by the City Attorney, and take such further actions as may be necessary to carry out the purpose of the Amended and Restated ERN, including but not limited to the execution of contracts for consultant and professional services and for any other service he determines are necessary to assist the City in connection with implementing the ERN or necessary to achieve the benchmarks in the ERN.

April 1, 2008

K:\PUBLIC\ANED\CC040108 - Touro ERN Extension_reso.DOC

**AMENDED AND RESTATED
EXCLUSIVE RIGHT TO NEGOTIATE AGREEMENT**

THIS AMENDED AND RESTATED EXCLUSIVE RIGHT TO NEGOTIATE AGREEMENT ("Agreement") is entered into as of the 1st day of April, 2008 ("Effective Date"), by and between CITY OF VALLEJO, a California municipal corporation ("City"), and TOURO UNIVERSITY, a California non-profit public benefit corporation ("Touro").

RECITALS

A. City and Touro have entered into that certain Exclusive Right to Negotiate Agreement dated for reference purposes as of January 9, 2007, as amended by a First Amendment dated October 2, 2007. The Exclusive Right to Negotiate Agreement as so amended is hereinafter referred to as the "ERN". The ERN provides, among other things, for City and Touro to exclusively negotiate agreements for Touro's potential acquisition and development of certain Mare Island property known as Reuse Area 1A, including funding of Touro's proportionate share of Mare Island infrastructure improvements. The ERN currently expires on April 5, 2008.

B. Reuse Area 1A consists of (i) approximately 98.40 acres of land that has been conveyed by the United States of America, acting by and through the Department of the Navy ("Navy"), to the City ("City-Owned Property"), and (ii) approximately 92.40 acres of land that is still owned by the Navy ("Navy-Owned Property") and is depicted in Exhibit A, attached hereto.

C. City and Weston Solutions, Inc., a Pennsylvania corporation ("Weston"), have entered into an Early Transfer Processing Agreement dated March 19, 2007 ("ETPA") whereby Weston has assumed responsibility for negotiating an Economic Development Conveyance ("EDC") of all remaining Navy-owned EDC parcels, including the Navy-Owned Property, and performing other related tasks and functions relating to remediation of the EDC parcels.

D. On or about January 16, 2008, the Navy notified City and Weston that Navy was terminating negotiations with Weston and City for the early transfer and remediation of all remaining EDC parcels in a single transaction. However, Navy also indicated it would be willing to explore a more limited early transfer and clean up involving those high priority EDC parcels that might be remediated at a cost that is within Navy's current budgeted funds. City and Weston are presently exploring options with Navy to restart early transfer negotiations for some or all of the remaining EDC parcels. In light of the uncertainty as to the status of the Navy early transfer negotiations, it is unclear whether or when the Navy-Owned Property will be in a condition to be conveyed for development purposes.

E. Although it is not reasonably foreseeable when and what type of development may occur on the Navy-Owned Property, Touro and City have determined that an approximately 19.8 acre portion of the City-Owned Property commonly known as Parcel XV-A(2), as depicted in Exhibit A attached hereto ("Project One Site") is potentially suitable for development, at the present time, of a separate, stand-alone project consisting of an approximately 125,000 square foot advanced particle beam cancer-treatment center ("Project One") and ancillary related research and administrative/office space.

F. As contemplated by the ERN, City and Touro have been involved in extensive negotiations of proposed development and acquisition agreements for the Project One Site ("Project One Agreements"), and are currently providing comments and modifications to drafts of the proposed Project One Agreements.

G. Touro has submitted and City is processing a Unit Plan Application for the proposed Project One development.

H. Touro and City desire to continue negotiating the terms of the Project One Agreements beyond the current expiration date of the negotiation period as set forth in the ERN. Touro and City also desire to continue negotiating the terms of proposed acquisition and development agreements ("Project Two Agreements") for a separate university village ("Project Two") proposed to be developed on the remainder of Reuse Area 1A (excluding the Project One Site) ("Project Two Site"). It is possible that Project Two will require an amendment to the Mare Island Specific Plan and related environmental analysis.

I. Touro and City now desire to amend and restate the ERN in its entirety to among other things, provide for (i) continued negotiation of the proposed Project One Agreements, (ii) continued negotiation of the proposed Project Two Agreements, (iii) confirmation of the validity, and propriety of those City Costs, Prior Costs and Future Costs (as those terms are defined hereunder) that Touro has paid to date pursuant to the ERN, (iv) increasing the amount of Anticipated Project One City Costs and Anticipated Project Two City Costs, as those terms are defined in Section 5 hereunder, and adding additional categories of such costs, (v) City's continued negotiations with the Navy for remediation and transfer of some or all of the remaining EDC parcels, including the Navy-Owned Property, and (vi) update of certain performance benchmarks for the development of Project One and Project Two, all as set forth herein.

NOW, THEREFORE, CITY AND TOURO HEREBY MUTUALLY AGREE AS FOLLOWS:

AGREEMENT

1. Amended and Restated ERN.

This Agreement amends, restates and replaces the ERN.

2. Incorporation of Recitals.

The recitals set forth above, and all defined terms set forth in such recitals and in the introductory paragraph preceding the recitals, are material terms of this Agreement and are hereby incorporated herein.

3. Good Faith Negotiations.

a. Project One Negotiation Period. City and Touro agree to continue negotiating exclusively with each other on the terms of the proposed Project One Agreements for the Project One Site for an additional sixty (60) days until June 4, 2008 ("Project One Negotiation Period").

The City Manager may approve one further extension of the Project One Negotiation Period, in his or her sole discretion, until August 5, 2008. Any further extension of the Project One Negotiation Period shall require the approval of the City Council, which may be granted or denied in its sole, absolute discretion.

b. Project Two Negotiation Period. Unless earlier terminated as provided below, City and Touro shall negotiate with each other until October 4, 2009 ("Project Two Negotiation Period") to prepare the proposed Project Two Agreements for the Project Two Site. The City Manager may approve an extension of the Project Two Negotiation Period for up to an additional ninety (90) days until January 2, 2010, if he or she determines in his or her sole discretion that Touro and City have made substantial progress towards meeting the Project Two Benchmarks set forth in Exhibit C attached hereto. Any further extension of the Project Two Negotiation Period shall require the approval of the City Council, which may be granted or denied in its sole, absolute discretion.

c. City and Touro Negotiations. During the Project One Negotiation Period and the Project Two Negotiation Period, the parties shall negotiate exclusively with each other (and, as necessary to address Mare Island-wide infrastructure, remediation and EDC issues, Lennar Mare Island, LLC, a California limited liability company ("LMI") and Weston) and shall use good faith, diligent efforts in connection with such negotiations. If, during the course of negotiations with the City, Touro determines that it is not commercially feasible for Touro to develop Project One and/or Project Two, Touro shall have the right to terminate negotiations for such project or projects upon five (5) days written notice to the City.

4. Collaboration with Weston Regarding ETPA.

a. Touro acknowledges and understands that City has entered into the ETPA with Weston pursuant to which Weston, in cooperation with the City, has taken the lead in negotiating early transfer of the remaining EDC parcels, including the Navy-Owned Property, from the Navy pursuant to the provisions of 42 U.S.C. 9620(h)(3)(C) and a Finding of Suitability for Early Transfer, including the terms for remediation of all hazardous materials impacted parcels in accordance with all applicable laws, including requirements of the State Department of Toxic Substances Control ("DTSC").

b. Touro further acknowledges and agrees that, in light of Navy's decision to terminate negotiations with City and Weston for the early transfer and remediation of all remaining EDC early transfer parcels in a single transaction as described in Recital D above, Weston's potential role in negotiating the early transfer of a more limited number of high priority EDC parcels, which may include the Navy-Owned Property, is unclear at this point.

c. During the Project One Negotiation Period and Project Two Negotiation Period, City shall invite Touro to participate in meetings with Weston and/or the Navy which pertain to the Navy's EDC early transfer process and/or remediation of the Navy-Owned Property, and shall endeavor to provide Touro with access to all documents relating to the Navy-Owned Property; provided, however, City may meet confidentially with Navy to the extent requested by Navy staff. Notwithstanding Navy's decision to terminate negotiations with City and Weston for the early transfer and remediation of all remaining EDC early transfer parcels in a single

transaction, Touro, at its expense, shall cooperate diligently and in good faith with City and Weston to achieve the purposes of the ETPA unless and until the ETPA has been terminated in accordance with its terms or otherwise by mutual agreement of City and Weston.

5. Touro Payment of City Costs.

a. As used in this Agreement, "City Costs" shall mean all of City's out-of-pocket costs and expenses paid to third parties in connection with: (i) negotiation, approval and implementation of the proposed Project One Agreements and proposed Project Two Agreements, including costs of City's outside legal counsel, McDonough, Holland & Allen PC ("MHA"); City's appraiser, Garland & Associates ("GA"); City's project manager, Sinclair & Associates ("S&A") (including S&A's subconsultants' Wayne Rasmussen of Rasmussen Planning, Inc., and John Lisenko, P.E.); City's financial/economic consultants, ERA; City's benefit assessment district consultant; City's bond counsel and fiscal advisor, but only to the extent such costs are not paid out of the costs of issuance; (ii) preparation of Reuse Area 1A feasibility plans and/or master plans, including costs of any amendments or supplements to the Mare Island Base Reuse Plan and/or Amended and Restated Mare Island Specific Plan reasonably necessary to effectuate Project One and/or Project Two; (iii) preparation and review of environmental documents for Project One and/or Project Two pursuant to NEPA and/or CEQA; (iv) negotiation of acquisition of the Navy-Owned Property from the Navy; (v) transfer of the Navy-Owned Property to Weston or another environmental contractor and, following Weston or such other environmental contractor's completion of remediation work, subsequent transfer of the Navy-Owned Property by Weston or other environmental contractor to City or Touro; (vi) negotiation, drafting and implementation of an Early Transfer Cooperative Agreement ("ETCA") (referred to in the ETPA as the ESCA), DTSC Consent Agreement, and other environmental documents for the transfer, including, potentially, early transfer, of some or all of the remaining Mare Island EDC Parcels, but only if and to the extent Navy resumes transfer/early transfer negotiations with City and Weston; and (vii) negotiation, drafting and implementation of the Weston MIRA No. 2 (as defined in the Weston ETPA), if and to the extent City and Weston have resumed negotiations with Navy and reached conceptual agreement with Navy on the terms of a transfer or early transfer of some or all of the remaining Mare Island EDC Parcels; provided, however, with respect to those costs set forth in clauses (vi) and (vii), Touro shall only be responsible for such costs to the extent they are attributable to Reuse Area 1A and not the LMI EDC Parcels (as defined in the Weston ETPA) or other parcels. City Costs do not include any Future Costs (as defined in the Weston ETPA) payable to Weston pursuant to the ETPA.

b. As of March 21, 2008, Touro has approved and paid pursuant to the ERN City Costs in the amount of \$313,219.68.

City anticipates incurring additional City Costs relating to Project One through the termination or expiration of the Project One Negotiation Period ("Anticipated Project One City Costs"). The Anticipated Project One City Costs are set forth in the reference chart attached hereto as Exhibit D. City will promptly notify Touro in the event the actual Project One related City Costs are expected to exceed the Anticipated Project One City Costs.

c. City anticipates incurring additional City Costs relating to Project Two through the termination or expiration of the Project Two Negotiation Period ("Anticipated Project Two

City Costs"). The Anticipated Project Two City Costs are set forth in the reference chart attached hereto as Exhibit D. City will promptly notify Touro in the event the actual Project Two related City Costs are expected to exceed the Anticipated Project Two City Costs.

d. Touro has previously delivered to City, and City is currently holding, an irrevocable standby letter of credit in the amount of \$316,915.00 ("City Cost Security") dated May 8, 2007, issued by US Bank ("Bank") naming City as beneficiary, which secures Touro's obligation to reimburse City for all City Costs. Within ten days of the Effective Date, Touro shall deliver to City an amendment to or replacement of the existing City Cost Security to reflect the increased, total City Cost Security amount of \$1,274,350.00 which may be allocated between two separate letters of credit, one for Project One related City Costs and one for Project Two related City Costs. If Touro fails to timely pay any City Costs as provided in this Section 5, City may pay such City Costs by drawing upon the City Cost Security, provided that prior to making any such draw City shall provide ten (10) days prior notice ("City Draw Down Notice") to Touro of City's intent to draw upon the City Cost Security. If, following expiration of the City Draw Down Notice period, City draws upon the City Cost Security to pay such City Costs, Touro, within five (5) business days of the date of such draw, shall cause the City Cost Security to be restored to the amount of the City Cost Security in place prior to the date of such draw. The City Cost Security may be reduced from time to time, but not more than monthly, to the extent the remaining Anticipated Project One City Costs and Anticipated Project Two City Costs are substantially less than the amount of the City Cost Security. Such reduction shall be subject to approval by the City Manager, or his or her designee, and in any event the City Cost Security shall not be reduced below the amount that is equal to the total remaining Anticipated Project One City Costs plus the Anticipated Project Two City Costs.

e. Touro acknowledges and agrees that if it fails to timely pay City Costs for a particular project or timely replenish the City Cost Security attributable to such project, City shall have no obligation to continue processing any pending or new development applications related to that particular project, incurring any City Costs for that particular project or continue negotiating in connection with the proposed Project One and Project Two Agreements, as applicable. Touro further covenants that if City ceases negotiation of the proposed Project One Agreements and Project Two Agreements or refuses to continue incurring City Costs or processing any applications as a result of Touro's failure to timely pay City Costs or failure to replenish the City Cost Security, Touro shall not directly or indirectly initiate any litigation against City or its officials, employees, agents, contractors or volunteers in connection with such City action.

f. City shall continue to transmit to Touro, not more frequently than monthly, a copy of each invoice, bill or other evidence that City has incurred City Costs. City's legal invoices shall be redacted as necessary to preserve attorney-client privilege for work that is not billed to Touro for payment. Touro shall have thirty (30) days following receipt of such invoices, bills or other evidence in which to review and approve and to pay, in full, all such approved City Costs. Touro shall not unreasonably withhold or condition its approval of any City Costs. Touro's failure to approve or disapprove any submitted City Costs within such thirty (30)-day period shall be deemed Touro's approval of the submitted City Costs and such City Costs shall be immediately due and payable in full. If Touro disapproves of any submitted City Costs as provided above, Touro shall nevertheless timely pay such disputed City Costs, in full, within

thirty (30) days of City's submittal; provided, however, such disputed City Costs, or portion thereof, will be promptly reimbursed by City to Touro in the event Touro is the prevailing party in the binding arbitration proceeding set forth in subparagraph g. below.

g. In the event City and Touro are unable to agree upon the reasonableness of any City Costs, the dispute shall be resolved as follows:

- i. In the event of a dispute arising under this Agreement regarding the reasonableness of any City Costs, the parties shall attempt in good faith to informally resolve such dispute for a period of ten (10) calendar days, or such additional time as may be agreed upon by the parties. After the expiration of the informal resolution period, if the parties have not been able to resolve the dispute, the parties shall submit the dispute to arbitration. Pending arbitration proceedings as herein provided, a party shall not be deemed to be in default with respect to the dispute submitted to arbitration. At the conclusion of the arbitration proceedings, if the determination is that a party is in default under the terms of this Agreement, the cure and remedies provisions of Section 13 of this Agreement regarding defaults shall apply.
- ii. The party invoking arbitration under this Section 5, subparagraph g. shall notify the other party of its intent to arbitrate, specifying the nature of the dispute or matter of disagreement ("Notice of Arbitration").
- iii. The Arbitrator shall not consider issues of remedies or other relief, but shall limit its determinations to the reasonableness of City Costs, whether a party is in default under the terms of this Agreement and the award of attorneys fees to the prevailing party in accordance with Section 21 of this Agreement.
- iv. Within seven (7) calendar days after the Notice of Arbitration, the party so electing ("Electing Party") shall provide to the other party ("Non-Electing Party") the names, addresses, telephone numbers and qualifications of five (5) persons chosen by the Electing Party as being acceptable to act as Arbitrator of the dispute, each of whom must be a former judge of the Superior Court of California. Within seven (7) calendar days after receipt of the names of the proposed Arbitrators chosen by the Electing Party, the Non-Electing Party shall select in writing one of the proposed Arbitrators chosen by the Electing Party as the sole Arbitrator. If the Non-Electing Party fails to select an Arbitrator within said seven (7) calendar day period, then after the expiration thereof, the Electing Party may select the Arbitrator from the list previously delivered to the Non-Electing Party. If after selection the selected Arbitrator is determined to be unavailable to serve within the period required hereunder, the parties may agree to waive the time requirements hereunder to enable such Arbitrator to hear the dispute. If both parties do not waive the time requirements, then the Electing Party, within seven (7) calendar days of determining the unavailability of the selected Arbitrator, shall submit a new list of five (5) proposed Arbitrators meeting the qualifications described above and the above selection process shall be repeated.

- v. Upon appointment of the Arbitrator, the matter shall be set for arbitration at a time not less than fifteen (15) calendar days, nor more than thirty (30) calendar days, from the effective date of the appointment of the Arbitrator. The arbitration shall be conducted under the procedures set forth in Chapter 3 of Title 9 of Part 3 of the California Code of Civil Procedure, or such other procedures agreeable to both parties. The provisions of the California Code of Civil Procedure pertaining to discovery and the provisions of the California Evidence Code shall not be applicable to such proceeding, however, the Arbitrator may take account of evidentiary rules in considering the weight of the evidence. In all cases, the Arbitrator shall make findings on all issues of fact raised by the parties in the Notice of Arbitration. The Arbitrator shall issue his or her determination within fifteen (15) calendar days following the conclusion of the arbitration proceedings. The determination of the Arbitrator shall be conclusive, final and binding between the parties, and the order of the Arbitrator may be enforced in the same manner as a judgment in a civil action pursuant to the applicable provisions of the California Code of Civil Procedure. The determination of the Arbitrator shall, however, be subject to vacation or correction on the grounds set forth in California Code of Civil Procedure Sections 1286.2 and 1286.6.
- vi. The cost of any such arbitration shall be borne equally by the parties.
- vii. Nothing in this Agreement shall preclude the parties from mutually agreeing to submit to arbitration under this Section 5, subparagraph g. any other dispute arising under this Agreement.

6. Touro Payment of City's Percentage Share of Prior Costs.

City acknowledges that prior to the Effective Date, Touro has fully paid, in accordance with the ERN, City's Percentage Share (defined in Section 7, below) of Prior Costs (as such term is defined in the ETPA).

7. Touro Payment of City's Percentage Share of Future Costs.

a. Touro shall continue to pay City (or, at City's option, directly to Weston on City's behalf) from time to time as provided below, the full amount of City's Percentage Share of approved Future Costs payable by City to Weston pursuant to the ETPA up to the Future Costs Cap (which is \$814,503.21, as defined in the ETPA). "Future Costs" is defined in the ETPA and shall include, but not be limited to, costs relating to the preparation of the Weston Mare Island Remediation Agreement ("Weston MIRA No. 2"), the amendment to the California State Lands Commission Settlement and Exchange Agreement, an ETCA with Navy concerning the EDC Parcels, and any environmental documents pursuant to NEPA and/or CEQA relating to any of the foregoing. "City's Percentage Share" of Future Costs is currently fifty-six and six-tenths percent (56.6%), as provided in the ETPA. Touro acknowledges that, consistent with Navy's prior stated desire to transfer all remaining EDC Parcels in a single transfer/early transfer, Future Costs as defined in the ETPA were contemplated to concern all or most of the remaining EDC

Parcels and not just Reuse Area 1A. If and to the extent City and/or Weston are successful in resuming transfer/early transfer negotiations with the Navy regarding a limited number of high priority EDC Parcels, including Reuse Area 1A, Touro agrees to pay an adjusted City's Percentage Share of such Future Costs attributable to those portions of Reuse Area 1A subject to this Agreement, with the adjusted City's Percentage Share to be calculated either based on (i) the ratio that the land area of Reuse Area 1A bears to the total land area of such high priority EDC Parcels, including Reuse Area 1A; or (ii) the ratio that the environmental remediation costs attributable to Reuse Area 1A bears to the environmental remediation costs of the total land area of such high priority EDC Parcels; or (iii) some other method mutually agreed upon by Touro, City and Weston. Such adjusted City's Percentage Share of Future Costs would be set forth in a future amendment to the ETPA, which would be subject to approval by Touro, not to be unreasonably conditioned, withheld or delayed.

b. Touro acknowledges that Future Costs have been and will continue to be incurred by Weston for the benefit of Weston and Touro, and that City would not have agreed to reimburse Weston for City's Percentage Share of such approved Future Costs under the ETPA without Touro's agreement to timely pay City, without deduction or offset except as otherwise provided, the full amount of City's Percentage Share of such Future Costs. Weston shall continue to deliver to Touro duplicate copies of Weston's monthly invoices at the same time as such monthly invoices are sent to the City. If Weston fails to deliver copies of invoices to Touro, City shall deliver copies of the same to Touro for review. Touro may contest the Weston invoices for Future Costs to the same extent the City has such right under the ETPA. Touro shall continue to pay City's Percentage Share of all approved Future Costs to City within twenty-five (25) days of receipt of the copies of the Weston invoices.

c. For any contested Future Costs for which Touro and City cannot reach agreement, the parties agree to submit the matter to binding arbitration before a single arbitrator pursuant to the dispute resolution procedures set forth in the ETPA.

d. Touro has previously delivered to City, and City is currently holding, an irrevocable standby letter of credit in the amount of \$814,503.21 ("Future Cost Security") dated May 8, 2007, issued by Bank naming City as beneficiary, which secures Touro's obligation to pay City's Percentage Share of Future Costs payable by City to Weston pursuant to the ETPA. As of February 27, 2008, Touro has approved and paid, pursuant to the ERN, Future Costs in the amount of approximately \$676,037.79. The Future Cost Security may be reduced from time to time, but not more frequently than monthly, by the amount of Future Costs actually paid to City by Touro. The Future Cost Security may be increased to the extent City's Percentage Share increases pursuant to a future amendment to the ETPA, which increase must be approved by Touro, as provided in Section 7.a., above. To the extent Touro fails to timely pay any Future Costs, City may draw upon the Future Cost Security to pay City's Percentage Share of such Future Costs.

e. Touro acknowledges that Weston's legal bills will be redacted to the extent necessary to ensure preservation of attorney-client privilege for work that is not billed to Touro for payment and that other Weston invoices and bills will be redacted to protect the confidentiality of Weston's proprietary information not directly related to Weston's performance of the ETPA and the account of Future Costs.

f. In the event City and Touro fail to enter into the proposed Project One Agreements prior to expiration of the Project One Negotiation Period, or any extension thereof, as a result of City's default under this Agreement following notice and expiration of any applicable cure period, then (i) Touro shall have no obligation to pay City's Percentage Share of Future Costs that are incurred after the expiration or earlier termination of the Project One Negotiation Period, or any extension thereof; (ii) City shall return to Touro the unexpended and uncommitted portion of the City Cost Security and Future Cost Security within fifteen (15) days after notice from Touro; and (iii) City shall undertake reasonable efforts to reimburse Touro for Touro's payments of Prior Costs and Future Costs, in accordance with the provisions of Section 7(h) below.

g. In the event City and Touro fail to enter into the proposed Project One Agreements and/or Project Two Agreements, prior to expiration of the Project One Negotiation Period and Project Two Negotiation Period, as applicable, or any extension thereof, for any reason other than an uncured default by City hereunder, then (i) Touro shall remain obligated to pay the full amount of City's Percentage Share of Future Costs and City shall retain Touro's Future Cost Security until all such Future Costs have been paid in full up to the Future Costs Cap; (ii) City shall immediately cease incurring City Costs with respect to the applicable Project One or Project Two and Touro shall have no responsibility to pay for or reimburse City for any City Costs incurred with respect to such project after the date the applicable Negotiation Period expires or is terminated; and (ii) City shall undertake reasonable efforts to reimburse Touro for Touro's payments of Prior Costs and Future Costs in accordance with the provisions of Section 7(h) below.

h. In the event Touro is prevented from developing the EDC Parcels designated for the Project One Site and Project Two Site ("Touro EDC Parcels") due to termination of this Agreement, failure to enter into the Project One Agreements and/or Project Two Agreements, or any other reason, Touro acknowledges and agrees that some or all of the Touro EDC Parcels may be sold, leased, released, transferred or conveyed to one or more other parties ("Third Parties") for any lawful purpose. Depending upon the intended use of the Touro EDC Parcels by the Third Parties, the timing of such conveyance, and other intervening events and circumstances, such Third Parties may be benefited by the EDC early transfer work paid for by Touro's payments of Prior Costs and Future Costs. Should the City determine in its reasonable discretion that such Third Parties have materially benefited from the EDC early transfer work paid for by Touro, City shall make reasonable efforts, consistent with applicable law and procedure, to cause the benefited Third Parties to reimburse to Touro the Third Parties' fair share of the Prior Costs and Future Costs paid by Touro. Such reasonable efforts may include the establishment of fees and other funding mechanisms, or imposition of conditions of approval on land use and development entitlements. The provisions of this Section 7(h) shall survive the termination of this Agreement.

8. Estoppels.

a. Touro hereby certifies and reaffirms, for the benefit of City, that all City Costs, Prior Costs and Future Costs paid by Touro prior to the Effective Date pursuant to the ERN have been properly incurred, documented and billed by City and/or Weston, as applicable. Touro further certifies and reaffirms, for the benefit of City, that Touro has no claims and will have no

claims against City, Weston or any other person or entity in the future for reimbursement of all or any portion of such previously incurred City Costs, Prior Costs and Future Costs, regardless of whether or not City and Touro reach agreement on the terms of the Project One Agreements and/or the Project Two Agreements, except as otherwise expressly provided in Section 7(h) with respect to the potential reimbursement of Prior Costs and Future Costs from Third Parties.

b. Each party further acknowledges and certifies that, as of the Effective Date, the other party has fully and faithfully performed all of its obligations hereunder and under the ERN, the other party is not in default under this Agreement or the ERN and each party knows of no event that has occurred or is continuing which, with the passage of time or the giving of notice, or both, would constitute a default by the other party under this Agreement or the ERN.

c. City is relying upon Touro's acknowledgments and certifications in this Section 8 in establishing the Project One Negotiation Period and Project Two Negotiation Period, and in consideration of such material reliance, Touro shall now and forever be estopped from denying the validity of the certifications and acknowledgments in this Section 8. City shall now and forever be estopped from denying the validity of the certifications and acknowledgements in the preceding subparagraph b.

9. Environmental Remediation of Reuse Area 1A.

City will attempt to address in the Weston MIRA No. 2 or other remediation agreement the potential that Touro may desire to take title to the Navy-Owned Property in order to clean up the property to a higher standard than otherwise would be required. Touro acknowledges and agrees that any such transfer to Touro will be subject to the consent of those governmental agencies with regulatory authority over the EDC Parcels, including DTSC, the Regional Water Quality Control Board and United States Environmental Protection Agency.

10. Acknowledgement of Principal Developer.

Touro acknowledges that, pursuant to section 8.3 of that certain Acquisition Agreement entered into between Touro and Lennar Mare Island, LLC, a California limited liability company ("LMI"), dated December 21, 1999, City has designated LMI as the principal developer of Mare Island, and that as principal developer, LMI, in cooperation with City, has been tasked with "coordinating all aspects of the development, operation and maintenance of Mare Island on an island-wide basis; provided that such coordination shall not include the right to participate in the negotiation of agreements between City and any other party.". Touro agrees to coordinate with City to keep LMI reasonably informed of the status and nature of all development on Reuse Area 1A in a manner consistent with LMI's rights as principal developer, but in no event will 1) Touro be required to have LMI participate in Touro negotiations with the City; and, 2) LMI be provided copies of any draft agreements between Touro and City without Touro's prior written authorization.

11. Performance Benchmarks.

Touro and City shall use good faith diligent efforts to complete the performance benchmarks for completion of development plans on the Project One Site and the Project Two

Site as set forth in Exhibit B and Exhibit C, respectively, attached hereto within the time frames set forth therein.

12. Limitations of this Agreement.

By execution of this Agreement, the City is not committing to or agreeing to (1) the disposition of and transfer of any real property to Touro; or (2) undertake any acts or activities requiring the subsequent independent exercise of discretion by the City or any department thereof, other than as specifically set forth and agreed to by the City under this Agreement. Execution of this Agreement by the City is merely an agreement to enter into a period of exclusive negotiations with Touro according to the terms hereof, reserving final discretion and approval by the City as to any Project One Agreements and Project Two Agreements and all proceedings and decisions in connection therewith, and to take such City actions as are otherwise expressly contemplated by Section 11 above. By execution of this Agreement, Touro is not committing to or agreeing to acquire any City-Owned Property or Navy-Owned Property. Notwithstanding the foregoing or any other provision hereof to the contrary, nothing in this Agreement shall be deemed to require either City or Touro to enter into any Project One Agreements or Project Two Agreements or any other contract or agreement unless such proposed agreements or other contracts or agreements are acceptable to City and Touro in each party's sole and absolute discretion.

13. Defaults.

The following shall constitute events of default under this Agreement: (a) failure by either party to negotiate diligently and in good faith regarding the Project One Agreements and/or the Project Two Agreements as provided herein; (b) failure by either party to take such actions as are reasonably necessary, expedient, or proper to implement the terms of this Agreement; (c) failure by Touro to make payments or perform other actions required pursuant to this Agreement, including any failure to timely pay all City Costs and City's Percentage Share of Future Costs; provided, however, with respect to the first occasion on which Touro fails to timely pay City Costs or City's Percentage Share of Future Costs, it is expressly agreed that Touro will not be in default under this Agreement if, following City's draw upon the City Cost Security or Future Cost Security, as applicable, Touro timely replenishes such security as provided by this Agreement, or if the applicable security is in place and available and City refuses to draw upon such security; or (d) failure by either party to use good faith diligent efforts to meet the performance benchmarks set forth in Exhibit B and Exhibit C.

In the event of a default hereunder, the non-defaulting party shall provide the defaulting party with written notice of the alleged default. The defaulting party shall have ten (10) days from receipt of such notice in which to cure the default or, in the case of any non-monetary default which cannot reasonably be cured within ten (10) days, to commence such cure within said ten (10)-day period and thereafter diligently pursue such cure to completion. If the defaulting party fails to so cure the default, the non-defaulting party may terminate this Agreement by written notice to the defaulting party and/or may pursue any other legal or equitable remedies.

14. City's Rights Following Expiration or Termination.

Following expiration or termination of this Agreement, Touro shall have no right to participate in the development of Reuse Area 1A, and the City shall have the absolute right to pursue disposition and development of Reuse Area 1A in any manner and with any party or parties it deems appropriate. Following expiration or earlier termination of this Agreement, Touro shall have no obligation to pay any City Costs incurred after the date this Agreement terminates or expires; provided, however, in the case of a discretionary termination by Touro as provided in Subsection 3.c. above, Touro shall remain obligated to pay those City Costs incurred between the date of Touro's notice of termination and the date which is five (5) days thereafter.

15. Notices.

Any approval, disapproval, demand or other notice which either party may desire to give to the other party under this Agreement must be in writing and may be given by any commercially acceptable means, including first class mail, personal delivery, or overnight courier, to the party to whom the notice is directed at the address of the party as set forth below, or at any other address as that party may later designate by notice:

City: City of Vallejo
555 Santa Clara Street
Vallejo, CA 94590
Attn: Joseph Tanner, City Manager
(tel.): (707) 648-4576
(fax): (707) 648-4426

with copies to: Frederick G. Soley, City Attorney
555 Santa Clara Street
Vallejo, CA 94590
(tel.): (707) 648-4545
(fax): (707) 648-4687

Susan McCue, Economic Development Manager
555 Santa Clara Street
Vallejo, CA 94590
(tel.): (707) 649-5452
(fax): (707) 648-4499

Touro: Touro University - California
1310 Johnson Lane
Vallejo, CA 94592
Attn: Richard Hassel
(tel): (707) 638-5200
(fax): (707) 638-5255

with a copy to: Andersen & Bonnifield
One Corporate Centre
1320 Willow Pass Road, Suite 500
Concord, CA 94520-5269
Attn: Nicholas Roscha, Esq.
(tel): (925) 602-1400
(fax): (925) 825-0143

And to: Franklyn H. Snitow, Esq.
Snitow Kanfer Holtzer & Millus, LLP
575 Lexington Avenue, 14th Floor
New York, New York 10022
(tel): (212) 317-8500
(fax): (212) 317-1308

Any notice shall be deemed received on the date of delivery if delivered by personal service, three (3) business days after mailing if sent by first class mail, and on the date of delivery or refused delivery as shown by the records of the overnight courier if sent via overnight courier.

16. Assignment.

The qualifications and identity of Touro are of particular concern to the City. It is because of those unique qualifications and identity that City has entered into this Agreement with Touro. Accordingly, Touro may not assign its right to negotiate exclusively with City to any other person or entity, without the prior written approval of the City. Any purported voluntary or involuntary assignment of Touro's exclusive negotiation rights without such City written approval shall be null and void.

17. Applicable Law; Venue.

This Agreement shall be construed in accordance with the law of the State of California without reference to choice of laws principles, and venue for any action under this Agreement shall be in Solano County, California.

18. Severability.

If any provision of this Agreement or the application of any such provision shall be held by a court of competent jurisdiction to be invalid, void or unenforceable to any extent, the remaining provisions of this Agreement and the application thereof shall remain in full force and effect and shall not be affected, impaired or invalidated.

19. Integration.

This Agreement contains the entire understanding between the parties relating to the matters set forth herein. All prior or contemporaneous agreements, understandings,

representations and statements, oral or written, are merged in this Agreement and shall be of no further force or effect.

20. Modifications.

Any alteration, change or modification of or to this Agreement, in order to become effective, shall be made in writing and in each instance signed on behalf of each party.

21. Attorneys' Fees.

Should any action or proceeding be brought arising out of this Agreement, including without limitation, an arbitration proceeding pursuant to Section 5, any action for declaratory or injunctive relief or arising out of a termination of this Agreement, the prevailing party (as determined by the court or arbitrator) shall be entitled to reimbursement for attorneys' fees and costs.

22. Indemnity.

Touro shall indemnify, defend (with counsel reasonably acceptable to City), protect and hold City and its officers, employees, agents and representatives, harmless from, all third-party claims, demands, damages, defense costs or liability of any kind or nature, including reasonable attorneys' fees and costs (collectively, "Claims"), arising directly or indirectly from approval of this Agreement or from Touro's acts, omissions, negligence or willful misconduct in connection with the implementation or performance of this Agreement, whether such implementation or performance thereof be by Touro or by anyone directly or indirectly employed or contracted with by Touro, and whether such damage shall accrue or be discovered before or after expiration or termination of this Agreement. Touro's indemnity obligations under this Section 22 shall not extend to Claims to the extent occasioned by the active negligence or willful misconduct of City or its officers, employees, agents or representatives.

23. Interpretation.

As used in this Agreement, masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others where and when the context so dictates. The word "including" shall be construed as if followed by the words "without limitation." This Agreement shall be interpreted as though prepared jointly by both parties. Titles and captions are for convenience of reference only and do not define, describe or limit the scope or the intent of this Agreement or any of its terms.

24. Authority.

Each person executing this Agreement on behalf of Touro does hereby covenant and warrant that (1) Touro is duly incorporated and validly existing under the laws of California, (2) Touro has full corporate power and authority to enter into this Agreement and to perform all of Touro's obligations hereunder, and (3) each person (and all of the persons if more than one signs) signing this Agreement on behalf of Touro is duly and validly authorized to do so.

25. List of Exhibits.

The following Exhibits are attached hereto and incorporated herein by reference:

- a. Exhibit A – Diagram Reuse Area 1A.
- b. Exhibit B – Project One Performance Benchmarks.
- c. Exhibit C – Project Two Performance Benchmarks.
- d. Exhibit D – Anticipated City Costs.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date set opposite their signatures. The Effective Date of this Agreement shall be the date this Agreement is signed on behalf of the City as shown opposite the City's signature below, and which date will also be written into the preamble on the first page of this Agreement.

[Signatures on following page]

"CITY"

_____, 2008

CITY OF VALLEJO, a municipal corporation

By: _____

Joseph M. Tanner
City Manager

Approved as to Form:

Frederick G. Soley
City Attorney

"TOURO"

_____, 2008

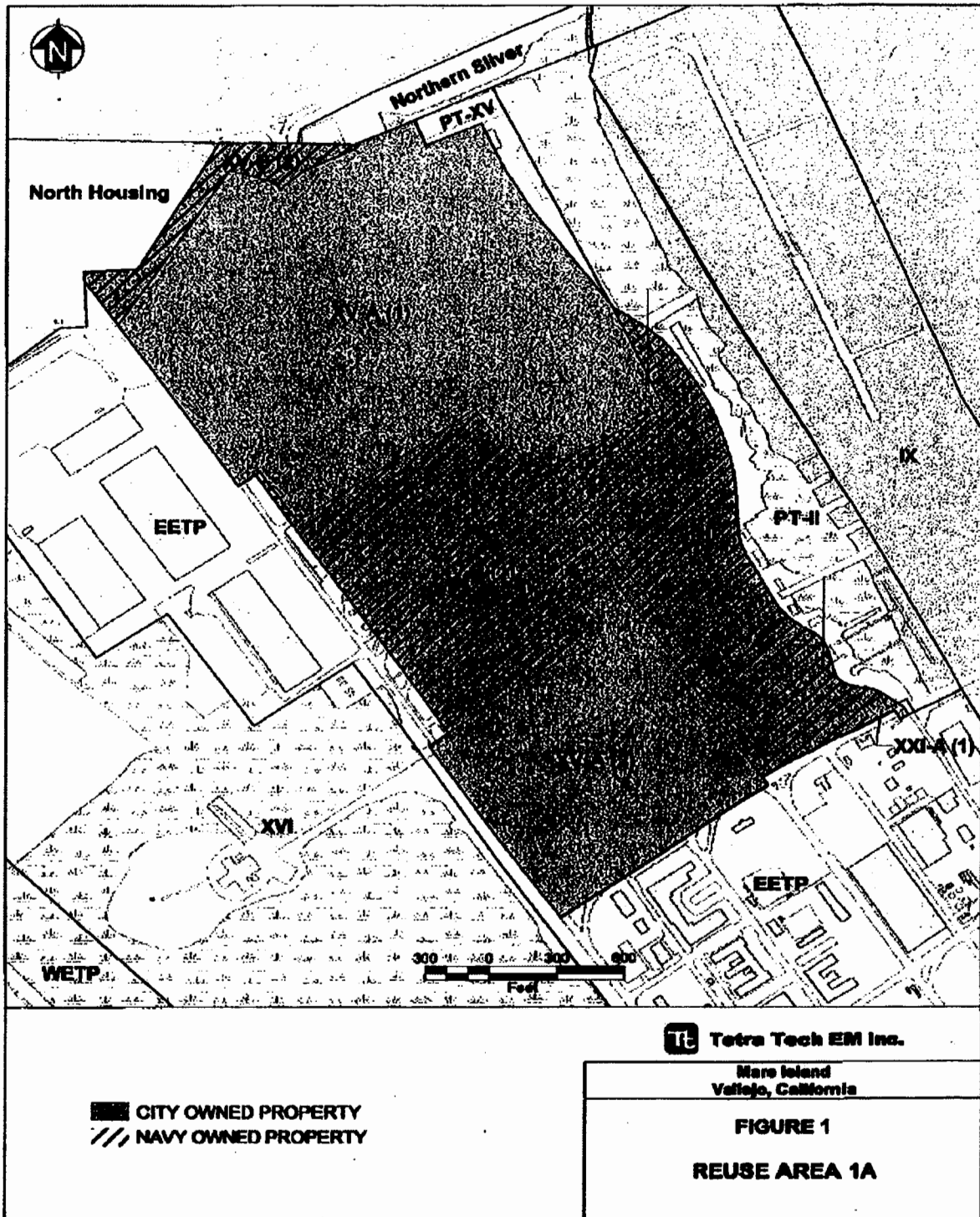
TOURO UNIVERSITY,
a California non-profit public benefit corporation

By: _____

Dr. Bernard Lander, President

EXHIBIT A

Diagram of Reuse Area 1A



2003-08-23 v:\marine_island\projects\reuse\reuse.mxd TSEM-BF c:\nrc\cand\h

EXHIBIT B

Project One Performance Benchmarks

PROJECT #1	TARGET DATE
Complete property appraisal (Project #1)	March 2008
Complete fiscal impact analysis	April 2008
Review and approve cancer treatment center real estate economic analysis / pro forma	April 2008
Complete negotiations on terms for conveyance of property, revenue neutral City services, demolition of obsolete structures, CFD funding, financial commitments and installation of infrastructure, proposed land uses and other terms and conditions for the disposition and use of the property and include in Acquisition and Development Agreements	May 2008
Complete draft Acquisition Agreement; public review and approval	May 2008
Complete draft Development Agreement; public review and approval	May 2008
Complete draft Public Improvements Construction Agreement; public review and approval	May 2008
Complete Unit Plan application review; public review and approval	May 2008
Complete environmental review; public review and certification	May 2008
Initiate negotiations on benefit assessment district	May 2008
Determine interest/requirements for CFD for infrastructure improvements	May 2008

EXHIBIT C

Project Two Performance Benchmarks

PROJECT #2	TARGET DATE
Complete fiscal impact analysis	June 2008
Complete property appraisal (Project #2)	June 2008
Review and approve Project #2 real estate economic analysis/ pro forma	June 2008
Complete vision statement and staff preliminary approval	July 2008
Negotiate and propose benefit assessment district	September 2008
Determine interest/requirements for CFD for infrastructure improvements	September 2008
Seek City preliminary consent to land use plan and issues	May 2009
Prepare Specific Plan Amendment and General Plan amendment, if necessary; public review and approval	July 2009
Complete environmental review; public review and certification	July 2009
Complete negotiations on terms for conveyance of property, revenue neutral City services, demolition of obsolete structures, CFD funding, financial commitments and installation of infrastructure, proposed land uses and other terms and conditions for the disposition and use of the property, and include in Acquisition and Development Agreements	August 2009
Complete Acquisition Agreement; public review and approval	September 2009
Complete Development Agreement; public review and approval	September 2009
Complete Public Improvements Construction Agreement; public review and approval	September 2009
Complete negotiations for the Early Transfer Processing Agreement (ETPA)	TBD
Complete negotiations for an Environmental Services Cooperative Agreement (ESCA)	TBD

EXHIBIT D

Anticipated City Costs – Project One

	CITY COSTS	CONTRACT
PROJECT #1		
Complete fiscal impact analysis	\$ 1,500	Fiscal consultant
Complete property appraisal	\$ 24,900	Appraiser
Review cancer treatment center real estate economic analysis / pro forma	\$ 2,500	Fiscal consultant
Benefit assessment district (1)	\$ 29,220	Assessment engineer
Legal fees (2)	\$ 50,000	Legal counsel
Project management (2)	\$ 17,000	Project manager
Contract planning costs (ERN tasks, not including Unit Plan processing)	\$ 4,950	Planning consultant
Contract engineering costs	\$ 3,400	Engineer consultant
Highway 37 environmental/engineering costs	\$187,905	Engineer and CEQA consultants, City staff
Total (3)	\$321,375	

- (1) Represents thirty per cent of the benefit assessment district formation cost.
- (2) Fees associated with performance benchmark tasks during the sixty-day ERN extension.
- (3) Does not include cost of researching or forming a Community Facility District for infrastructure improvements.

EXHIBIT D

Anticipated City Costs – Project Two

	CITY COSTS	CONTRACT
PROJECT #2		
Complete fiscal impact analysis	\$ 1,500	Fiscal consultant
Complete property appraisal	\$ 24,900	Appraiser
Review Project #2 real estate economic analysis/ pro forma	\$ 2,500	Fiscal consultant
Prepare Specific Plan Amendment and General Plan amendment, if necessary; public review and approval	\$ 67,650	Planning consultant
CEQA coordination	\$ 70,125	Planning consultant
CEQA EIR Supplement (4)	\$ 400,000	Environmental firm
Legal fees (5)	\$ 170,000	Legal counsel
Project management (5)	\$ 153,000	Project manager
Contract planning costs (not including Specific Plan Amendment or environmental review) (5)	\$ 33,000	Planning consultant
Contract engineering costs	\$ 30,300	Engineering consultant
Total (6)	\$ 952,975	

- (4) CEQA costs do not include review of hospital or out-patient facilities, if proposed. If additional CEQA analysis is required, City Cost Security will be adjusted as necessary.
- (5) Fees associated with performance benchmark tasks during the eighteen month ERN extension.
- (6) Does not include cost of researching or forming a Community Facility District for infrastructure improvements.

ADMIN. C

NO REPORT

INFORMATION ONLY