



City Hall
555 Santa Clara Street
Vallejo, CA 94590

AGENDA

VALLEJO CITY COUNCIL

VALLEJO REDEVELOPMENT AGENCY

OCTOBER 23, 2007

VALLEJO SANITATION & FLOOD CONTROL
DISTRICT MEETING 6:00 P.M.

MAYOR
Anthony Intintoli, Jr.

CITY COUNCIL
Gary Cloutier, Vice Mayor
Gerald Davis
Tom Bartee
Hermie Sunga
Stephanie Gomes
Tony Pearsall

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 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 FOR DOMESTIC VIOLENCE AWARENESS MONTH
 - B. PRESENTATION OF A PROCLAMATION FOR NATIONAL ADOPTION MONTH
 - C. PRESENTATION OF PROCLAMATION RECOGNIZING NOVEMBER AS SOLANO KIDS READ MONTH

- D. PRESENTATION OF PROCLAMATION FOR CALIFORNIA STATE NUMISMATIC ASSOCIATION'S EIGHTH ANNUAL EDUCATIONAL SYMPOSIUM, SATURDAY, OCTOBER 27, 2007

5. 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.

6. CONSENT CALENDAR AND APPROVAL OF AGENDA

All matters are approved under one motion unless requested to be removed for discussion by a Councilmember, City Manager, or member of the public subject to a majority vote of the Council.

- A. APPROVAL OF MINUTES OF THE CITY COUNCIL MEETINGS OF AUGUST 1, AND SEPTEMBER 12, 2006 AND OCTOBER 2 AND OCTOBER 9, 2007

PROPOSED ACTION: Approve the minutes.

- B. CONSIDERATION OF TWO RESOLUTIONS RELATING TO MARE ISLAND: (1) A RESOLUTION DECLARING INTENTION TO ANNEX TERRITORY TO COMMUNITY FACILITIES DISTRICT NO. 2005-1A (MARE ISLAND) AND TO LEVY A SPECIAL TAX IN SUCH TERRITORY AND APPROVING ANNEXATION MAP NO. 2; AND (2) A RESOLUTION DECLARING INTENTION TO ANNEX TERRITORY TO COMMUNITY FACILITIES DISTRICT NO. 2005-1B (MARE ISLAND) AND TO LEVY A SPECIAL TAX IN SUCH TERRITORY AND APPROVING ANNEXATION MAP NO. 2.

PROPOSED ACTION: Adopt two resolutions relating to Mare Island: (1) a resolution declaring intention to annex territory (Coral Sea Village South Unit 3) to Community Facilities District No. 2005-1A (Mare Island) and to levy a special tax in such territory, and approving Annexation Map No. 2; (2) a resolution declaring intention to annex territory (Coral Sea Village South Unit 3) to Community Facilities District No. 2005-1B (Mare Island) and to levy a special tax in such territory, and approving Annexation Map No. 2.

- C. APPROVAL OF FISCAL YEAR 2007-2008 SERVICE AGREEMENT BETWEEN THE CITY OF VALLEJO AND SOLANO ECONOMIC DEVELOPMENT CORPORATION (SOLANO EDC)

PROPOSED ACTION: Adopt the resolution authorizing the City Manager or his designee to execute a service agreement with the Solano EDC for Fiscal Year 2007-2008.

- D. APPROVAL OF FISCAL YEAR 2007-2008 SERVICE AGREEMENT BETWEEN THE CITY OF VALLEJO AND SOLANO COLLEGE SMALL BUSINESS DEVELOPMENT CENTER FOR THE PROVISION OF TECHNICAL ASSISTANCE TO VALLEJO SMALL BUSINESSES

PROPOSED ACTION: Adopt the resolution authorizing the City Manager or his designee to execute a service agreement with the Solano College Small Business Development Center (SCSBDC) for the provision of technical assistance to Vallejo small businesses for Fiscal Year 2007-2008

- E. APPROVAL OF A RESOLUTION AMENDING THE CLASSIFICATION PLAN AND OTHER ACTIONS REGARDING THE CREATION OF A WATER OPERATIONS MAINTENANCE PLANNER AND AUTHORIZING THE CITY MANAGER TO SIGN A SUPPLEMENTAL AGREEMENT WITH THE CITY OF VALLEJO AND THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS (IBEW) LOCAL 2376, AFL-CIO TO PLACE THE CLASSIFICATION INTO THE BARGAINING UNIT IN ACCORDANCE WITH ARTICLE VIII, SECTION 801 OF THE CITY CHARTER

PROPOSED ACTION: Adopt a resolution concurring with the Civil Service Commission's action allocating the Water Operations Maintenance Planner classification to the Utilities Department and authorizing the City manager to sign a Supplemental Agreement with the International Brotherhood of Electrical Workers (IBEW) Local 2376, AFL-CIO that adds the Water Operations Maintenance Planner classification to salary range 37.

- F. APPROVAL OF A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A QUITCLAIM DEED FOR A CERTAIN EXISTING LANDSCAPE MAINTENANCE EASEMENT (LME) ACROSS THE PROPERTY LOCATED AT 300 KLEIN AVENUE TO TONYA TUCKER-JENKINS

PROPOSED ACTION: Adopt a resolution authorizing the City Manager to execute a quitclaim deed for a certain Landscape Maintenance Easement to Tonya Tucker-Jenkins.

- G. FINAL READING OF ORDINANCE AMENDING CHAPTER 3.18 OF THE VALLEJO MUNICIPAL CODE "LAND DEDICATION AND FEES FOR PARK AND RECREATION PURPOSES."

PROPOSED ACTION: Adopt the ordinance.

- H. APPROVAL OF A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSULTANT SERVICES AGREEMENT WITH KIMLEY-HORN AND ASSOCIATES, INC. TO PROVIDE ON-CALL TRAFFIC ENGINEERING SERVICES FOR THE CITY OF VALLEJO

PROPOSED ACTION: Adopt the resolution authorizing the City Manager or his designee to execute a Consultant Services Agreement between the City of Vallejo and Kimley-Horn and Associates, Inc. to provide traffic engineering services in the City of Vallejo Public Works Department for an amount not to exceed \$150,000.00 for the period October 24, 2007, through October 23, 2008.

- I. SUBMISSION OF THE CITY TREASURER'S INVESTMENT REPORT FOR THE QUARTER ENDED SEPTEMBER 30, 2007

PROPOSED ACTION: The report is an informational item only and does not require City Council action.

7. PUBLIC HEARINGS - NONE

8. POLICY ITEMS

- A. CONSIDERATION OF AN INTERIM ORDINANCE ADOPTED AS AN URGENCY MEASURE PURSUANT TO CALIFORNIA GOVERNMENT CODE §65858, INSTITUTING A MORATORIUM ON THE CONVERSION OF MOBILEHOME PARKS TO CONDOMINIUM OWNERSHIP UNTIL DECEMBER 7, 2007

Mobile home parks are a significant source of affordable housing in Vallejo, comprising almost 3 percent of the housing stock. A majority of mobile home park residents are estimated to be in the Low or Very Low income categories. Under current state law, when a mobile home park converts to resident ownership, the City of Vallejo is very limited in its ability to condition approvals or to protect low-income tenants through rent control. The number of park conversions has recently increased throughout the State, in part, to circumvent local rent control ordinances. Vallejo's largest park has submitted an application to convert to ownership.

PROPOSED ACTION: Adopt the proposed ordinance to provide staff the time to prepare a mobile home park conversion ordinance or policy other alternatives for the City Council's consideration.

9. ADMINISTRATIVE ITEMS

- A. CONSIDERATION OF PROPOSED FISCAL YEAR 2007-2008 SURPLUS PROPERTY DISPOSITION

Pursuant to the Real Property Asset Management Policy adopted by City Council on February 27, 2007, staff has identified an initial list of proposed surplus properties to be considered for sale and/or lease. Disposing of surplus real property assets is one component of the City's asset management program.

PROPOSED ACTION: Approve the resolution authorizing staff to pursue the disposition of surplus real property during Fiscal Year 2007-2008.

10. ADJOURN TO SPECIAL MEETING OF THE REDEVELOPMENT AGENCY

11. RECONVENE CITY COUNCIL MEETING

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

13. 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.

14. CITY MANAGER'S REPORT

15. CITY ATTORNEY'S REPORT

16. 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.

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

18. CLOSED SESSION: *May recess to consider matters of pending litigation (GC 54956.9), personnel (GC 54957), labor relations (GC 54957.6), and real property negotiations (GC 54956.8). Records are not available for public inspection.*

19. ADJOURNMENT

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

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

1. CALL TO ORDER

2. CONSENT CALENDAR

- A. APPROVAL OF A RESOLUTION OF INTENTION TO AMEND THE REDEVELOPMENT AGENCY FISCAL YEAR 2007-08 BUDGET BY \$394,000 TO PROVIDE FOR REVENUE AND EXPENDITURES RELATED TO A SERVICE AGREEMENT WITH THE NATIONAL DEVELOPMENT COUNCIL

PROPOSED ACTION: Adopt a Resolution of Intention to amend the Fiscal year 2007-2008 Redevelopment Agency budget by \$394,000.

- B. APPROVAL OF MINUTES OF SPECIAL MEETING AUGUST 28, 2007 AND REGULAR MEETING OF SEPTEMBER 11, 2007

PROPOSED ACTION: Approve the minutes.

3. ADJOURN TO CITY COUNCIL MEETING

**VALLEJO CITY COUNCIL
555 Santa Clara Street
Vallejo, CA 94590**

**MINUTES
August 1, 2006**

A special meeting of the Vallejo City Council was held on the above date in the Council Chambers of the Vallejo City Hall to interview applicants for the Community Development Commission and Code Enforcement Review Board. The meeting was called to order at 6:30 p.m. by Mayor Anthony J. Intintoli, Jr.

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

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

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

Absent: Cloutier, excused

Staff: Interim City Manager John P. Thompson
City Attorney Fred Soley
City Clerk Allison Villarante

4. PRESENTATIONS AND COMMENDATIONS

A. PRESENTATION OF PROCLAMATION FOR FARMERS MARKET WEEK
AUGUST 6-12, 2006

Mayor Intintoli presented the proclamation to representatives of the Farmers Market and the Downtown Merchants Association.

5. PUBLIC COMMENT REGARDING CONSENT CALENDAR ITEMS

Mr. Schussel asked several questions regarding providing information to the public on the City Manager recruitment.

6. CONSENT CALENDAR, APPROVAL OF AGENDA

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

A. RESOLUTION NO. 06-235 N.C. APPROVING AN EMPLOYMENT AGREEMENT WITH JOHN P. THOMPSON TO SERVE AS INTERIM CITY MANAGER ON A MONTH-TO-MONTH BASIS EFFECTIVE JULY 30, 2006 AND AUTHORIZING EXECUTION THEREOF BY THE MAYOR.

The above resolution was adopted with the following vote:

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

7. PUBLIC HEARINGS - None

8. POLICY ITEMS - None

9. ADMINISTRATIVE ITEMS

A. STUDY SESSION TO DISCUSS STATUS OF THE CITY OF VALLEJO
GENERAL PLAN

Mayor Intintoli introduced the item.

Brian Dolan, Acting Planning Director, presented a PowerPoint presentation on the City of Vallejo General Plan, including the elements, long range plans, and issues.

Robert McConnell, Planning Commissioner, supported updating the General Plan, utilizing UC Berkeley students to work on the project, and supported a surcharge to help fund future updates.

Judi Irvin expressed concern about the need to include a historic neighborhood element in the General Plan as a Certified Local Government.

Katy Meissner, expressed her concern regarding the need to involve the community in the General Plan upgrade process.

Councilmember Gomes expressed her concerns for the need to update the General Plan for both the citizens and developers and commented on ways to fund the project.

City Manager Thompson commented on the General Plan update process, support of staff to do the update, funding possibilities and the fact that this is not a process to be taken lightly.

Councilmember Bartee supported the need to update the General Plan, the need to start with portions considered 'low hanging fruit' that can be done soon, utilization of outside persons like students to help with the process, and reviewing the Vallejo Heights view ordinance. He stated an outline identifying the items that need to be addressed first over a 3 or 4 year process should be done.

Discussion ensued regarding inclusionary housing and density bonuses.

Councilmember Sunga questioned inclusion of enterprise districts and global warming issues in the General Plan.

Discussion ensued regarding returning to Council with a plan outlining a proposed process, funding sources, and staffing for the project.

B. PRESENTATION BY CITY STAFF OF THE TRAFFIC SAFETY EVALUATION STUDY REPORT PREPARED BY THE INSTITUTE OF TRANSPORTATION STUDIES TECHNOLOGY TRANSFER PROGRAM, UNIVERSITY OF CALIFORNIA BERKELEY

This is a staff presentation on the findings contained in the City of Vallejo Traffic Safety Evaluation Study prepared by the Institute of Transportation Studies Technology Transfer Program of the University of California Berkeley. The objective of this study was to evaluate the City's Traffic Engineering and Traffic Enforcement Programs to develop recommendations for improving these services, with specific attention given to pedestrian safety, speed related concerns and safety improvements to school areas.

Mayor Intintoli introduced the item.

City Manager Thompson stated that this was not a study but a needs evaluation for design engineering and enforcement.

Dolores Nafarete, Fil-Am Seniors of Solano County, commented that the safety plan should include seniors as well as children and that traffic issues surrounding seniors should be considered. She commented on the need for a crosswalk by the Redwood Shores senior complex.

City Manager Thompson commented that letters had already been sent to the developer and staff reported no response had been received.

Mayor Intintoli asked that council be informed when a response is received.

Dorrin Rosenfeld, 531 Georgia Street, expressed her concern for the need for more pedestrian safety enforcement.

Joyce Scharf, 22 Bayberry Street, commented on the need for the creation of a citizen's transportation committee.

Gary Leach, Acting Public Works Director, gave an overview of the report and outlined the traffic rankings, collision corridors, city and state maintained corridors, improved intersections.

Lt. Joel Salinas, Vallejo Police Department, reported on traffic safety enforcement recommendations.

Teresa Petersen, Traffic Analyst, reported on traffic engineering recommendations.

Gary Leach, Acting Public Works Director, addressed future plans, focus on education, encouragement, enforcement, and engineering.

Mayor Intinoli asked staff to check into what other communities are doing to fund traffic safety programs.

Councilmember Sunga asked staff to look into the possibility of obtaining safety grants.

Discussion ensued regarding what efforts are being made in the area of ADA compliance and the current CDBG funded curb cut program.

Vice Mayor Pearsall commented that the report confirms that the city has problems with pedestrian safety but that overall the City of Vallejo ranks very well against other cities for traffic safety. He complimented Officer Capoot for his Junior Traffic Safety Program which is coordinated with the Vallejo City Unified School District and commented on the awards ceremony held at the fairgrounds in which hundreds of parents and students attended.

Councilmember Bartee spoke in favor of creation of a commission for public safety with a focus on pedestrian safety.

Marc Armin, 932 Florida Street, thanked the city for placing the stop sign at the corner of Florida and Napa Streets and expressed his concerns that the current medium for citizen input regarding traffic safety is not working.

10. APPOINTMENTS TO BOARDS, COMMISSIONS, AND COMMITTEES

A. APPROVAL OF A RESOLUTION APPOINTING MEMBERS TO THE CODE ENFORCEMENT APPEALS BOARD

Interviews for this commission were held earlier this evening.

RESOLUTION NO. 06-236 N.C.: Offered by Councilmember Bartee reappointing James Stewart and appointing Patricia Bernard to the Code Enforcement Appeals Board.

The above resolution was adopted with the following vote:

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

B. APPROVAL OF A RESOLUTION APPOINTING MEMBERS TO THE COMMUNITY DEVELOPMENT COMMISSION

Interviews for this commission were held earlier this evening.

RESOLUTION NO. 06-237 N.C. offered by Councilmember Gomes appointing Evette Watt to the Community Development Commission

The above resolution was adopted with the following vote:

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

11. WRITTEN COMMUNICATIONS - None

12. CITY MANAGER'S REPORT

Interim City Manager Thompson reported on the evacuation and relocation of firefighters from Station 24 due to mold and other pollutants.

13. CITY ATTORNEY'S REPORT - None

14. REPORT OF PRESIDING OFFICER AND MEMBERS OF CITY COUNCIL

Councilmember Sunga asked that a presentation be scheduled at a future meeting for the students who won medals at the Junior Olympics.

Vice Mayor Pearsall reminded the public that Saturday would be the American Cancer Society Relay for Life at St. Patrick/St. Vincent High School.

Councilmember Gomes asked that the meeting be adjourned in memory of Doris Lowe.

15. COMMUNITY FORUM - None

9. CLOSED SESSION: - None

10. ADJOURNED

The meeting was adjourned in honor of Doris Lowe at 9:59 p.m.

ANTHONY J. INTINTOLI, JR., MAYOR

ATTEST:

ALLISON VILLARANTE, CITY CLERK

**VALLEJO CITY COUNCIL
MINUTES
SEPTEMBER 12, 2006**

The City Council met in a Special Meeting/Closed Session. The meeting was called to order at 4:00 p.m. by Mayor Anthony J. Intintoli, Jr. All Councilmembers were present.

The following items were addressed:

Conference with labor negotiator pursuant to Government Code 54957.6; negotiators: John Thompson, Interim City Manager; Dennis Morris, Human Resources Director, Employee organization(s): 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.

Public Employee Recruitment of City Manager, pursuant to Government Code Section 54957. (b)1. No action was taken.

Conference with Legal Counsel – Pending Litigation: Michael Kenner v. City of Vallejo, Workers' Compensation Appeals Board No. SFO0495187, pursuant to Government Code Section 54956.9(A). No action was taken.

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 7:39 p.m. by Mayor Anthony J. Intintoli, Jr.

2. PLEDGE OF ALLEGIANCE – Mayor Intintoli led the Pledge of Allegiance.

3. ROLL CALL

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

Absent: None

Staff: Interim City Manager John Thompson
City Attorney Fred Soley
City Clerk Allison Villarante

4. PRESENTATIONS AND COMMENDATIONS

A. PRESENTATION OF SOLANO COUNTY CONSTRUCTING CONNECTIONS PROGRAM, A CHILD-CARE CENTER-BASED PROGRAM BY GERRY RAYCRAFT & KIM JOHNSON OF THE CHILDREN'S NETWORK.

Kim Johnson, Child Care Program Director, The Children's Network, thanked the Mayor for his continued support on their Board. She stated that the project, Constructing

Connections, seeks to build the local capacity for financing and developing child care centers in the community, and to improve funding and regulatory environment in the County by strengthening cooperation between the child care community and community development sectors.

Mayor Intintoli thanked Ms. Johnson and Mr. Raycraft and the Children's Network for attempting to raise the visibility of the issue throughout the County.

B. PRESENTATION OF CERTIFICATE OF APPRECIATION TO ANDY ANDERSON OF TRAVIS FEDERAL CREDIT UNION FOR THEIR DONATION TO FIGHTING BACK PARTNERSHIP

Mayor Intintoli thanked the Travis Federal Credit Union for its significant contribution to the City's Fighting Back program.

Andy Anderson, Travis Credit Union, presented a check on behalf of the Board of Directors and Management Staff, and introduced Sherry Kordinare, Director of Corporate Relations and Noreen Diaz, Community Outreach Officer. Mr. Anderson said they were honored to present the check to the Fighting Back Partnership and they want to work with all community groups to make Vallejo a better place to live.

Mayor Intintoli thanked and presented a certificate of appreciation to Andy Anderson of Travis Federal Credit Union and introduced Al Fleming, Suzanne Herrington-Cole and Kathy Hoffman, representing Fighting Back Partnership.

Mayor Intintoli extended a welcome to former Councilmember Foster Hicks, who was present in his capacity as a government teacher at Hogan High School and welcomed his students as well.

5. PUBLIC COMMENT REGARDING CONSENT CALENDAR ITEMS - None
6. CONSENT CALENDAR AND APPROVAL OF AGENDA

Mayor Intintoli announced that Councilmembers Gomes, Davis and Bartee have a conflict of interest on Item 6F. They have real property interests that could conceivably be impacted. He said the Clerk would note their abstention on the item and because the item was under the Consent Calendar, they did not need to leave the dais.

Mayor Intintoli noted Items 6.B and 6.H were being removed.

Vice Mayor Pearsall recused himself on Item 8.C. because of his property interests near the downtown area. Councilmember Sunga said he had a comment regarding Item 6.A.

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

- A. RESOLUTION NO. 06-267 N.C. RESOLUTION OF INTENTION TO AMEND THE FISCAL YEAR 2006/2007 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM BUDGET

Councilmember Sunga questioned the unallocated funds and how long the City could hold the funds without losing them.

Laura Simpson, Housing Program Manager, said the unallocated funds must be spent before spending the new entitlement. She said the funds could be allocated as part of the next two year Notice of Funding Availability for the next cycles, and as part of this notice, staff could include the unallocated funds.

APPROVAL OF A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACT WITH BAY SHIP & YACHT, TO PERFORM FERRY DRYDOCKINGS. This item was removed.

RESOLUTION NO. 06-268 N.C. AUTHORIZING THE CITY MANAGER TO SIGN THE FIRST AMENDMENT TO THE "LEASE AGREEMENT FOR GREEN VALLEY GRAZING LAND" EXTENDING THE AGREEMENT UNTIL JUNE 2007

RESOLUTION NO. 06-269 N.C. 1) APPROVING CONTRACT CHANGE ORDER NO. 3 IN THE AMOUNT OF \$76,902.75 AND 2) ACCEPTING THE HOMEACRES WATERMAINS IMPROVEMENTS PROJECT PERFORMED BY THE SOARES PIPELINE, INC., OF HAYWARD, CA AS COMPLETE

RESOLUTION NO. 06-270 APPROVAL OF FISCAL YEAR 2006-07 SERVICE AGREEMENT BETWEEN THE CITY OF VALLEJO AND SOLANO EDC FOR MARKETING SERVICES

RESOLUTION NO. 06-271 N.C. ELECTING TO RECEIVE TAX INCREMENT REVENUES FROM THE REDEVELOPMENT AGENCY TO BE DEPOSITED INTO THE GENERAL FUND

RESOLUTION NO. 06-272 N.C. FOR THE PURCHASE OF AN ASPHALT PAVER FROM NIXON-EGLI EQUIPMENT CO., IN ACCORDANCE WITH THE REQUIREMENTS OF REQUIREMENTS OF REQUEST FOR QUOTATION #502-2902-07.

APPROVAL OF THE MINUTES OF FEBRUARY 3, 10, 24, 2004; MAY 25, 2004; FEBRUARY 1, MARCH 15, MARCH 22, APRIL 26, 2005. This item was removed.

The above resolutions were approved by the following vote:

AYES:	Mayor Intintoli, Vice Mayor Pearsall, Councilmembers Bartee, Cloutier, Davis, Gomes and Sunga
NOES:	None
ABSENT:	None
ABSTAIN:	Bartee, Davis and Gomes (on Item F)

7. PUBLIC HEARINGS

- A. CONSIDERATION OF: 1) A RESOLUTION HOLDING ON FIRST READING AN ORDINANCE AWARDDING A FRANCHISE TO VALLEJO GARBAGE SERVICE TO EXTEND THE EXISTING CURBSIDE RECYCLING FRANCHISE THROUGH JUNE 30, 2017 AND AUTHORIZING THE CITY MANAGER TO SIGN A REVISED AND RESTATED FRANCHISE AGREEMENT FOR COLLECTION AND

DISPOSAL OF SOLID WASTE AND RECYCLABLES; 2) A RESOLUTION HOLDING ON A FIRST READING AN ORDINANCE AMENDING CHAPTERS 7.40 THROUGH 7.52 OF THE VALLEJO MUNICIPAL CODE; 3) A RESOLUTION SETTING COMBINED SOLID WASTE AND CURBSIDE RECYCLING RATES FOR THE 2007 RATE YEAR, TO BE EFFECTIVE OCTOBER 1, 2006; AND 4) A RESOLUTION OF INTENTION TO AMEND THE SOLID WASTE AND GENERAL FUND BUDGETS.

Last month, in accordance with Section 901 of the City Charter, the City Council initiated the process of awarding a franchise to extend the existing curbside recycling franchise to Vallejo Garbage Service (VGS) by adopting a resolution of intention. At that meeting, Council also set a public hearing for September 5, 2006 to hear public comments on the proposed award. On September 5 this public hearing was continued to September 12, 2006.

Tonight's action will award a franchise to extend the existing curbside recycling franchise to VGS through June 30, 2017, and authorize the City Manager to sign a Revised and Restated Franchise Agreement for Collection and Disposal of Solid Waste and Recyclables. In addition, it will be necessary to amend the Vallejo Municipal Code to ensure that the franchise agreement and City's Municipal Code are consistent. Action tonight also includes approval of a combined curbside recycling and garbage rate of 9.26 percent.

City Manager John Thompson noted that garbage and recycling was one of the most important municipal services and is handled through a franchise agreement. It has been a long time since Vallejo has had an updated franchise agreement.

Public Works Director Gary Leach introduced Suzanne Schweitzer, Administrative Analyst, Eric Nyland from Newpoint Group Consultants, and Derek Crutchfield, Recycling Coordinator. Also in the audience were Pete Friesen and Robert Newborn from Vallejo Garbage Service.

Mr. Leach reported that the two franchise agreements with Vallejo Garbage Service are for refuse, yard waste, and commercial recycling collection. This 30 year agreement expires in June of 2017; for residential recycling only, a seven-year franchise agreement that expires June 30, 2008.

Mr. Leach further reported that in 2005, the Council requested staff evaluate and arrive at a strategy to automate collection of garbage and recycling services. An extensive study session was held in July 2006, and on July 25, 2006 a resolution of intent to award and extend the curbside recycling franchise agreement with Vallejo Garbage Service was approved by the Council. He introduced Eric Nyland who has been assisting the city in evaluating the garbage rates and the automation services that will be provided to the program.

Eric Nyland, Principal with the Newpoint Group, said he has assisted the city over the last three years as a rate consultant, said they looked at the "no change/status" option, looked at automating refuse in yard waste only which was the Council's original request, and also looked at automating all three services including refuse recycling and yard waste. In addition, they looked at negotiating some offsets as well as a ten-year extension as part of option three.

Mr. Nyland explained the three services and the conversion process including the various choices of roll out carts for yard waste, recycling and refuse and the various service levels and automated collection services, ease of rolling carts and cost impacts. He said the no change or status quo option would amount to about a \$3 million increase in cost; option two would result in a \$4 million increase; option three with negotiated offsets in the ten-year extension and longer lease period amounted to \$1.9 million.

Mr. Nyland said Newpoint Group conducted a formal rate review for Fiscal Year 2006/2007 which suggests that the cost used for planning purposes and revenue was fairly consistent with what was portrayed in the rate application and what they reviewed. They did some adjusting to revenues and costs, and the rate net increase would be 9.26 percent rather than the requested 9.15 percent, which is largely due to the fact that the market for curbside recyclables ebbed slightly subsequent to the original submission of the application.

Mr. Leach stated that as indicated, the 32 gallon would be the standard size provided by Vallejo Garbage Services with a rate increase of 9.26 percent. The 20-gallon service would be phased out by October 2008 and this grandfathered anyone using the 20-gallon service which allows people time to get used to the new rates for the 32 gallon. In addition, the package includes a low income option for those who qualify under the PG&E Care Program at \$19.57 per month rather than the \$25.10 per month.

Public Comment: Jane Bogner, Sierra Club and Valcore Recycling, spoke in support of the program. She thanked the Council for their support of Valcore Recycling for years.

Councilmember Gomes questioned why the City was charging residents for services they were not receiving for the nine-month period if we were already covering the cost of the new trucks and carts, and asked if the City could refund the money to customers. Mr. Nyland said because it was a rate setting process, staff could review how much Vallejo Garbage would have over-collected prior to the actual implementation of the new trucks and consider it in the future rate review. Councilmember Gomes stated that she wanted to see this happen during the next annual review.

Mr. Nyland explained how the rates were set.

At the request of City Manager John Thompson, Mr. Nyland addressed the rate increase if the City stayed at a status quo versus what is recommended now with automation stating the rate increase without automation under status quo is \$3.47. He said this includes a 95 cent per customer, per month, increase associated with the existing curbside recycling contract proposed, as well as one year of that increase that has not been paid for through the rate, which was \$1.01. Mr. Thompson stated that while there may not be a direct match in time with the rate change and delivery of service, ultimately the cost to the customer is about two-thirds of what they would be getting under the current process.

Councilmember Gomes stated she would like to review this next year for consideration. She said she was excited about the automated service, felt there were many options and liked the low-income option.

Councilmember Sunga questioned whether special needs such as all pick-ups were being addressed currently, or was there a plan for it. Mr. Nyland said it will be addressed before the trucks are delivered and service is started.

Councilmember Sunga said the low income process was new and asked if there were procedures for residents to start that service. Mr. Friesen said anyone who currently qualifies for the Care Program through PG&E would need to bring proof of that to them and they will make the adjustment.

Councilmember Bartee extended his thanks to City staff and Vallejo Garbage for what he feels is a good program for the citizens of Vallejo and should provide the citizens significant cost savings for garbage collection for years to come. He referred to page 16 of the presentation, stating that in 2008 it shows there would be a reduction in the rate from \$25.07 to \$24.61 and would continue for the following three years. The other two options would address this and every year or so a couple of trucks would be replaced. Mr. Leach said fuel, inflation, supplies, and wage increases would have an impact on the overall rate and this was correct for all options.

Bill Haines congratulated staff for their great presentation, felt Councilmember Gomes' question regarding nine months of service was important and suggested that the float period be paid for by the City and not the residents.

Mayor Intintoli confirmed there was no other speakers and closed the public hearing.

RESOLUTION NO. 06-273 N.C. offered By Mayor Intintoli Holding On First Reading An Ordinance Awarding A Franchise To Vallejo Garbage Service To Extend The Existing Curbside Recycling Franchise Through June 30, 2017 And Authorizing The City Manager To Sign A Revised And Restated Franchise Agreement For Collection And Disposal Of Solid Waste And Recyclables.

The resolution was adopted by the following vote:

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

RESOLUTION NO. 06-274 N.C. offered by Vice Mayor Pearsall Holding on a First Reading an Ordinance Amending Chapters 7.40 through 7.52 of the Vallejo Municipal Code.

The resolution was adopted by the following vote:

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

RESOLUTION NO. 06-275 N.C. offered by Councilmember Cloutier Setting Combined Solid Waste And Curbside Recycling Rates For The 2007 Rate Year, To Be Effective October 1, 2006.

The resolution was adopted by the following vote:

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

RESOLUTION NO. 06-276 N.C. offered by Councilmember Sunga to adopt Resolution of Intention to Amend the Solid Waste and General Fund Budgets.

The resolution was adopted by the following vote:

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

8. ADMINISTRATIVE ITEMS

A. CONSIDERATION OF A RESOLUTION TO CREATE A PERCENT FOR ART ADVISORY GROUP TO DEVELOP A "PERCENT FOR ART" PROGRAM FOR THE CITY OF VALLEJO

Over 350 cities across the country have established public art programs in the last 30 years. There are over 70 cities in California alone that have established "Percent for Art" programs. While "Percent for Art" programs vary from city to city, the majority of cities adopt ordinances dedicating a percentage of the total construction costs of major capital improvement projects and/or private development to the selection, acquisition, siting, maintenance, administration, community education and registration of public art. Both the Downtown Vallejo Specific Plan and the Waterfront Planned Development Master Plan contain provisions regarding the development of a "Percent for Art" program for the City of Vallejo. One consistent element among the majority of successful public art programs was the early involvement of the local community and various stakeholders in the planning and establishment of the public art program.

City Manager John Thompson said this was a project the Council had on its strategic plan for a few years, the action tonight starts the process. Staff would return with proposed details in the future.

Senior Community Development Analyst Bonnie Robinson-Lipscomb gave a brief background on the proposed program and elements of the process, stating the concept was codified in both the Downtown Vallejo Specific Plan and the Waterfront Planned Master Development Plan. She noted such programs are designated by ordinance and a percentage is calculated for construction costs and capital improvement projects or

private development for the selection of public art, citing, administration and maintenance.

Ms. Robinson-Lipscomb said the recommended process includes a creation of a percentage for the City's advisory group with the following objectives for the advisory group; 1) to develop a definition for public art specifically for Vallejo; 2) to define the parameters of a percent for art program including a set aside percentage typically seen as anywhere from 12 percent set-aside up to two percent set-aside for public art; 3) define a process for selection of art and artists and define an administering body of the program who will implement the program; and 4) finalize the percent for art ordinance for consideration by the City Council within six months.

The proposed membership is approximately 16 members, comprised of: three design professionals and/or artists selected by the City Manager via an application process on line which include architects, landscape architects, interior designers and artists; two members each of the Vallejo Community Arts Foundation and the Vallejo Commission on Culture and the Arts; two developer representatives on the working group; one member each of the Planning Commission, the Beautification Commission, Vallejo Artists Guild, and the Vallejo Naval and Historic Museum; two non-voting City staff members from Planning, Public Works and Economic Development to assist in staffing the working group.

If approved tonight, the proposed schedule and next steps include: Establishment of the advisory group--Applications for open positions (design professionals and the developer applicants) with a deadline of October 4, 2006; appointments and open position memberships would be established by October 14, 2006; Schedule and hold working group meetings--include six estimated meetings and two public workshops. All would be noticed to the public. Return within 6 months or February 13, 2007 for Council consideration of the ordinance--Ordinance would become effective 30 days later with the program operational.

Public Comments:

Leah Dreger, Callahan DeSilva, Vallejo, stated that a significant portion of the funds generated by the program would be coming out of the Waterfront project and they were highly interested in how those funds are used and put to good use in representing the community arts program.

Phil Kohlmetz, Commission on Culture and the Arts, spoke in support of the program, felt it is an excellent way for the city to make an investment in its culture and arts for the community.

Councilmember Sunga felt it was a good program, questioned why staff was proposing a body of 16 members. He felt there was no position for a community member at-large to apply unless they were members of art or cultural organizations, and suggested an at-large position be established.

Councilmember Gomes proposed the Council select the design professionals/artists and developer representatives, stating that the Council knows the community well, the process was used for other boards, and she wanted to be part of that selection process. Councilmember Gomes stated the resolution did not state that the City Manager would

select the two categories. She proposed an alternate resolution that the Council make the right selections. Overall, she felt the program was fabulous and was moving Vallejo in the direction that it needs to go, and she thanked the City Manager for pursuing this.

Councilmember Cloutier agreed also that the Council should be involved in the selection process and suggested having a two-three member subcommittee of the Council to work with the City Manager and review applications. He noted Attachment B which was the application and asked if it encouraged applicants to include a resume with their application. He asked that No. 9 be change to say 1) Provide a statement of qualifications; 2) Make a statement of interests in your appointment to the PAAG.

Vice Mayor Pearsall said he supported the resolutions, but felt that the group may be too large. He asked if the group was informal and did they need to have a quorum. City Manager Thompson said the group is not a formal entity and will not make legislative decisions. They are advisory to staff in the preparation of an ordinance that would return to Council. He said they would also not be governed by quorum issues.

Councilmember Bartee said he wanted to encourage whoever is appointed to the advisory group to look at the upper range of the one-half percent to two percent levy for public art. He felt one percent would not do what the City is looking for. He questioned if there were any covenants that would modify their contribution as opposed to the ordinance, and asked if any commitment or agreements were already made with them regarding public art. Ms. Robinson-Lipscomb said she did not think the City has anything in the DDA currently, but both in the Downtown Specific Plan and in the Waterfront Master Planned Development Plan, a policy is included for one percent set-aside for art that would be applied to their projects. However, this is something that can be determined additionally through this process.

Councilmember Bartee said assuming this goes through with the projected date of March of 2007, he confirmed that the one percent would apply to those developments then. He said he wanted to see 1.5 percent or whatever the system would bear because it would make a big difference. He also wanted to publicly acknowledge Councilmember Cloutier for bringing the idea forward formally through the process and he fully embraces his vision for public art.

Councilmember Cloutier questioned if the at-large members should be residents of Vallejo, and Councilmember Gomes said she preferred they be residents of Vallejo.

Councilmember Bartee felt the amendments were important and would enhance the committee, but he agrees with the City Manager's comments about adding another layer of bureaucracy to the process and encouraged everyone involved to move forward to get the ordinance in place. City Manager Thompson proposed that the application deadline would be March 4, with interviews scheduled on October 10.

RESOLUTION NO. 06-277 N.C. TO CREATE A PERCENT FOR ART ADVISORY GROUP TO DEVELOP A "PERCENT FOR ART" PROGRAM FOR THE CITY OF VALLEJO, AS AMENDED TO HAVE THE CITY COUNCIL MAKE THE SELECTIONS OF THE DESIGN PROFESSIONALS/ARTISTS AND DEVELOPER REPRESENTATIVES AND TO ADD TWO AT-LARGE, VALLEJO RESIDENT MEMBERS TO BE APPOINTED BY THE COUNCIL, BRINGING THE COMPOSITION OF MEMBERSHIP TO 18 MEMBERS.

The amended resolution was adopted by the following vote:

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

B. APPROVAL OF A RESOLUTION AUTHORIZING THE CITY MANAGER TO SIGN A REVISED SCOPE OF WORK AND FINANCIAL PLAN FOR THE PREDATOR MANAGEMENT PROGRAM ON MARE ISLAND.

Councilmember Gomes requested continuance of the item. She stated she has a list of ten amendments she would like to make to the contract; the contract had not been developed with the Human Society which she felt was unacceptable. She said her amendments were given to the City Manager and asked the Council if the item could be continued for two weeks to improve the program.

CONTINUANCE offered by Mayor Intintoli to September 26, 2006.

The continuance was approved by the following vote:

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

C. APPROVAL OF A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSULTANT SERVICES AGREEMENT WITH CARL WALKER, INC., TO PROVIDE THE CITY WITH A DETAILED PARKING MANAGEMENT PLAN & IMPLEMENTATION ASSISTANCE FOR DOWNTOWN VALLEJO

Mayor Intintoli noted Councilmembers Bartee, Davis and Gomes would be recusing themselves from participating on the matter.

Public Works Director Gary Leach introduced Annette Taylor who is coordinating the Downtown Project for the Economic Development Department and City Engineer David Kleinschmidt would be giving the presentation tonight.

City Engineer David Kleinschmidt said the item requests that Council authorize the City Manager enter into an agreement with Carl Walker and his consultant team to provide the Downtown Parking Management Plan, which is in response to mitigation measures required in the EIR for the project. Staff developed an RFP and solicited responses from various consultants and the only response received from a combination of three consultants who specialize in this type of program, was from Carl Walker, Inc.

Mr. Kleinschmidt explained the plan and addressed each firm's expertise. He also addressed the Scope of Service and described the two different components which

include the Recommendations Component and implementation strategy and parking structure options.

There were no public speakers.

RESOLUTION NO. 06-279 N.C. RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSULTANT SERVICES AGREEMENT WITH CARL WALKER, INC., TO PROVIDE THE CITY WITH A DETAILED PARKING MANAGEMENT PLAN & IMPLEMENTATION ASSISTANCE FOR DOWNTOWN VALLEJO

The resolution was adopted by the following vote:

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

D. STUDY SESSION ON ALTERNATIVES FOR MANAGEMENT AND RESPONSE TO SECURITY ALARMS

The study session addresses the concept of revised security alarm response regulations. The concept considers an alarm permit system and more stringent penalties to reduce false alarms and better recover the cost of responding to such alarms.

City Manager John Thompson said in March of 2005 the former Council adopted a goal where people who put a special burden on city services should pay for the cost of that service. Staff has some suggestions on how to address the growing problem of false alarms and introduced Police Chief Nichelini to provide the report.

Police Chief Robert Nichelini reported there are an estimated 6,400 residential alarms installed and 1,700 business alarms installed in Vallejo which is a huge increase over the last 35 years. There is no system or procedure in place that currently requires homeowners to notify the police department when alarm systems are installed, nor what type, where or how the alarm is installed. He said they contacted many local alarm companies to determine if they would tell them how many alarms were installed in Vallejo and the information was declined by the company. Therefore, staff made estimates based on alarm calls received.

He said the current situation wastes valuable time, creates dangerous conditions for officers and prevents them from engaging in other meaningful criminal activities. He presented a short training video of call-outs involving alarms and said in 2005 police responded to 6,914 alarms. Of this amount, 99 percent were false. This is happening all over the nation and many cities are trying various alternatives such as going to no-response policies unless crime is involved.

He said the department wants to update its alarm system procedures and standards for residences, establish an alarm permit system, establish a fee for the system, establish an alarm user education program, and train people on how to use their system, and establish a progressively higher fine or penalty system to promote responsible use of

alarm systems. The existing ordinance is outdated, with penalties beginning after five alarm calls, and they propose no charge for the first false alarm, \$150 for the second, \$300 for the third, etc., with an annual permit fee of \$50. Total revenue is estimated to be approximately \$730,000 in the first year and would go a long way in off-setting police costs. He asked for input from the Council and said he intends to return with an ordinance which would implement the program.

Mayor Intintoli said he believes the program is a good idea, but felt it would be better to tie the educational program in with the citations. In order for people to maintain the permit, after two false alarms it would be mandatory for them to take the course, or it could be offered as an option for expunging the costs of a second false alarm. He also felt the first fine of \$150 was too high, and questioned if it would be beneficial to license alarm companies in Vallejo, and rather than having someone pay for false alarms, fine owners of nuisance buildings where they are failing to manage tenants or property properly. He also asked what it costs the City for one officer to respond to false alarms.

Police Chief Nichelini said they believe that the \$150 fine would encourage the individual to take the training class, where the fee would be waived after completion. He said each alarm if handled properly should require the dispatch of two officers at a cost of at least one hour per call. Often times they cancel the cover of the second officer which is extremely dangerous. Mayor Intintoli said the state requires cities to charge only what it costs for the service and Police Chief Nichelini said the charge was not a service charge, but a penalty charge and equated it to the seatbelt law.

Public Comments:

Darrell Edwards felt the idea was good, but voiced concern with the rate structure and how it would affect seniors, particularly those on fixed incomes and asked that a reduced senior rate be considered. He also felt additional revenue could be raised by officers issuing citations to owners who do not follow the street-sweeping parking regulations, as well as enforcement of boom boxes and noise.

Police Chief Nichelini said the ordinance proposes a 50 percent reduction in permit costs for seniors and they would be entitled to attend two education classes per year. He stated that street sweeping is not a police function and offered to work with the City Manager on this.

Burky H. Worel said he is a retired police officer, spent an enormous amount of time responding to alarm calls and noted that a majority of calls were for businesses. He suggested raising the fee for businesses, not residential, and felt that a fair way of penalizing homeowners was to charge after the third false alarm, felt the officer could initially educate the homeowner after the first false alarm, and felt residential burglaries would increase if fines were cost-prohibitive.

Councilmember Cloutier stated he felt that any ordinance should address more of the chronic abuser and suggested the penalty system be accelerated significantly for those chronic abusers. He confirmed that existing systems were already in place in other communities and asked for examples of what other communities have done. He also felt the alarm companies were benefiting from our service and asked how police would require people to obtain a permit.

Police Chief Nichelini said staff believes they could not require people to obtain a permit, but they would find out about it through database tracking and enforcement. He felt an alternative would be for the alarm company to get a permit, require they notify police when they install alarms, or the City could charge the alarm company for false alarms, but the alarm company may pass the fee on to the end user.

Councilmember Cloutier felt the alarm company should share some of the costs because normally they would have a much greater incentive to educate their consumers and felt there was no education currently.

Vice Mayor Pearsall asked how collection was handled. Police Chief Nichelini said there would be administrative costs projected in their revenue. City Manager Thompson said there is a possibility of combining this annual process with others such as in Public Works and Finance, but more review was needed on this.

In answer to a question of Councilmember Davis concerning existing alarm system being grandfathered in, Police Chief Nichelini said the objective would be to create a comprehensive database of all alarms in the city that informs police about premises prior to their arrival. Councilmember Davis suggested setting some quality standards for alarm companies such as mandating monitored alarm systems by the alarm company or reducing the cost of those who have such systems in place.

Councilmember Sunga stated that the business license issue cost should be further researched. He supported the ordinance but was concerned about the stiffness of the penalties after the first false alarm and suggested allowing one free false alarm per month or allowing 1-3 false alarms prior to being penalized. He also expressed concern about mandating permits for alarm companies, felt existing alarm users should be discounted or grandfathered in, supports a senior discount and training.

Councilmember Gomes felt the City should not be in the alarm business and felt it was a lot of work. Instead, she would rather see more be done in charging the companies for each infraction, who would then increase their rates to customers which would reduce the work of the City. Police Chief Nichelini stated staff will research ordinances of other cities to determine if they place the burden on the alarm company.

Mayor Intintoli agreed with Mr. Worel in that penalties would be so high that it might entice homeowners to turn them off in fear of a fine and anyone having an alarm system knows false alarms are not an easy matter to avoid.

Councilmember Bartee asked if there was opportunity for the Fire Department to address the program. Police Chief Nichelini noted it was much more expensive for the Fire Department to respond to false alarms, felt it sounded like the majority of the Council was interested in establishing an ordinance, but with revision to certain areas.

Information Officer Bill Tweedy said he conducted a study for the Fire Department four years ago and they average about 90 percent false alarms.

9. POLICY ITEMS - NONE

10. APPOINTMENTS TO BOARDS, COMMISSIONS, AND COMMITTEES - None

- 11. WRITTEN COMMUNICATIONS - None
- 12. CITY MANAGER'S REPORT - None
- 13. CITY ATTORNEY'S REPORT

City Attorney Fred Soley reported on litigation filed against the City by Kurt Henke, plaintiff v. Otto Giuliani, Anthony Pearsall, Joanne Schivley, and Patricia Keener. The lawsuit was filed in December of last year, and alleged liable per se, slander per se, violation of the plaintiff's privacy rights, common law conspiracy and intentional and negligent infliction of emotional distress. In response to this lawsuit in which the City was not named as a defendant, the City Council voted to defend the City and former City defendants. As part of the defense, their outside counsel filed a motion to strike the complaint based on the Anti-SLAPP (Strategic Lawsuits against Public Participation) law. Today, the court granted the motion to strike in full. The court indicated that on the issue of attorney fees, it would consider that those are to be resolved with motions to be filed with the courts after this ruling. Mr. Soley stated he was happy with the result.

14. COMMUNITY FORUM

Galen Lawton, President of the Solano Patients' Group, distributed handouts to the Council, said they defend the rights of medical marijuana patients and their caregivers, and invited the Council and citizens to attend the Board of Supervisors meeting on September 26, 2006 at 8:30 a.m. where they will vote to implement the mandatory Medical Marijuana I.D. Program Act passed by Proposition 215 in 1996.

- 15. REPORT OF THE PRESIDING OFFICER AND MEMBERS OF THE CITY COUNCIL
- 16. CLOSED SESSION - None
- 17. ADJOURNMENT

The meeting adjourned at 9:38 p.m.

ANTHONY J. INTINTOLI, JR., MAYOR

Attest:

ALLISON VILLARANTE, CITY CLERK

VALLEJO CITY COUNCIL

MINUTES

OCTOBER 2, 2007

The Council met in closed session prior to the regular Council meeting. The Closed Session was called to order at 6:00 p.m. by Mayor Anthony J. Intintoli, Jr. Councilmember Davis was absent/excused. All other Councilmembers were present. The following matter was discussed: CONFERENCE WITH LEGAL COUNSEL - PENDING LITIGATION: JOHN GLENN ADJUSTERS & ADMINISTRATORS, INC. V. CALIFORNIA TRANSIT INSURANCE POOL, ET AL., SOLANO COUNTY SUPERIOR COURT, CASE NO. FCS 024828, PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a). No action was taken

1. CALL TO ORDER

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

2. PLEDGE OF ALLEGIANCE - was led by Mayor Intintoli

3. ROLL CALL

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

Absent: Councilmember Davis (excused)

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

4. PRESENTATIONS AND COMMENDATIONS

A. PRESENTATION OF PROCLAMATION DECLARING OCTOBER 5, 2007 AS CALIFORNIA ARTS DAY

Mayor Intintoli read the proclamation declaring October 5, 2007 as California Arts Day, and supporting the mission of the California Arts Council to advance California through arts and creativity.

5. PUBLIC COMMENT REGARDING CONSENT CALENDAR ITEMS

6. CONSENT CALENDAR AND APPROVAL OF AGENDA

Councilmember Pearsall requested that the meeting be dedicated to and adjourned in memory of WB Barnes who died September 29, 2007. Rev. Barnes was instrumental in starting the Vallejo Police Department Chaplaincy program and was a dedicated to the community.

Mayor Intintoli requested that Consent Item 6F relating to Mare Island Community Facilities District No. 2005-1A be removed from the agenda at the request of Lennar Mare Island.

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

RESOLUTION NO. 07-256 N.C. authorizing the City Manager or designee to execute purchase agreements for the acquisition of two (2) vehicles as described in RFQ #502-2902-28 in the amount of \$34,366.00 from Cornelius Ford of Vallejo, California.

RESOLUTION NO. 07-257 N.C. authorizing the City Manager to execute a 2nd Amendment to the Harris & Associates Consultant Service Agreement for the Vallejo Station Project.

RESOLUTION NO. 07-258 N.C. of Intention to amend the Fire Department Fiscal Year 2007-08 budget to accept the Solano County Office of Emergency Services Grant in the amount of \$23,872.52 and to appropriate the same amount for the purchase of equipment, training materials, supplies and instructor services for the ALERT Program.

RESOLUTION NO. 07-259 N.C. approving the Waterstone Unit 1A Final Map.

RESOLUTION NO. 07-260 N.C. approving the improvement plans and grading plan.

RESOLUTION NO. 07-261 N.C. authorizing the City Manager to sign the Subdivision Improvement Agreement for Waterstone Unit 1A.

RESOLUTION NO. 07-262 N.C. approving the dedication of the two mile Connector trail for the San Francisco Bay Area Ridge Trail Project. The resolution also congratulates the Solano Ridge Trail committee for its perseverance in seeing this trail through to completion with dedication ceremonies on October 27, 2007.

Consideration of two resolutions relating to Mare Island: (1) a resolution declaring intention to annex territory to Community Facilities District No. 2005-1A (Mare Island) and to levy a special tax in such territory and approving annexation map no. 2; and (2) a resolution declaring intention to annex territory to Community Facilities District No. 2005-1B (Mare Island) and to levy a special tax in such territory and approving annexation map no. 2. This item was removed from the agenda.

RESOLUTION NO. 07-263 N.C. ratifying the payment of claims, totaling \$9,573,455.54 for the time period of August 31, 2007 to September 26, 2007.

RESOLUTION NO. 07-264 N.C. to 1) amend the Fiscal Year 2007-2008 Water Enterprise Fund budget by increasing appropriations for the Water Mains Capital Improvements Project Fiscal Year 2006-2007; 2) authorize execution of the 400 Zone Water Facilities Funding Agreement between the City of Vallejo and Braddock and Logan Group II, L.P.; and 3) authorize Contract Change Order No. 4 for additional work to Soares Pipeline, Inc. of Hayward, California.

The resolutions were adopted by the following vote:

AYES: Mayor Intintoli, Vice Mayor Cloutier, Councilmembers Bartee, Gomes, Pearsall and Sunga
NOES: None
ABSENT: Councilmember Davis (excused)
ABSTAINING: None
7. PUBLIC HEARINGS - None

8. POLICY ITEMS - None

9. ADMINISTRATIVE ITEMS

A. STUDY SESSION TO PRESENT RESULTS FROM THE FRONT PORCH FORUMS

The Front Porch Initiative involved inviting the public to various locations throughout the City to discuss their concerns with quality of life issues in their neighborhoods and how they could be improved. The Front Porch Core Committee will present the summary of the discussions from the seven front porch forums that were held. There is no recommended action at this time. The Committee is requesting feedback from both the Council and the Community to incorporate into a final plan of action to be approved by the Council at a later date.

Councilmember Gomes presented background information on and the concept of the Front Porch Initiative. She stated that the focus was on issues that matter to people in the community. The questions the presenters wanted answers to included "what do you like about Vallejo, what do you like about your neighborhood, and what are some things you would like to improve". One of the gratifying things that came out of the meetings was that people really love Vallejo and want to make it better. She stated that this was a great opportunity for people to work together and "bond"—staff as well as the people in the neighborhoods. She expressed appreciation to the citizens who attended the neighborhood forums, staff, particularly Nimat Shakoor Grantham and Debora Boutte', Al Fleming, Fighting Back Partnership, Vallejo Neighborhood Housing, Liat Meitzenheimer, and Gail Hall, and the Human Relations Commission. Councilmember Gomes described how the meetings were conducted.

Nimat Shakoor Grantham, Code Enforcement Manager, explained the purpose of the forums which was to obtain feedback from the community on the quality of life issues in Vallejo. From this, they hoped to gain a better understanding of what the community concerns are by direct communication from the citizens, and to be able to explore creative workable solutions to the community concerns and introduce City services in a friendly and informative manner.

Ms. Shakoor Grantham stated that seven front porch forums were held in different locations throughout the City: at City Hall, Norman King Center, North Vallejo Center, Glen Cove Elementary School, Mare Island School, and Hiddenbrooke Golf Club. A total of 161 people attended the forums. The questions asked at the forums were: What do you like about your neighborhood? What are your concerns? What are your suggestions for solutions? The information gathered from the discussions was provided in paper format to the attendees.

Debora Boutte', Staff to Human Relations Commission, provided the summary of comments universal to most of the forums. She stated that what the residents like about Vallejo and their neighborhoods are the diversity, location, weather, history, and believe it is a scenic and friendly community. The residents' concerns included money/stability (economic development, city budget); public safety (drugs, gangs, low level crime: speeding, prostitution, vandalism, noise) and code enforcement (litter—illegal dumping, rentals—absentee landlords, maintenance of landscape and property); businesses (smoke shops, quality of shopping); community (lack of community involvement), youth (lack of youth activities, lack of youth involvement).

Ms. Boutte' reported that the solutions and suggestions from residents were: increase community participation (develop partnerships with City employees and residents, use neighborhood watch programs, community groups, and community associations, and provide feedback to citizens); create youth activities (modernize existing leisure businesses, develop volunteer/ apprenticeships/workshops for teens, invest/sponsor youth centers); Economic development (raise city revenues with tax; i.e., litter tax; bring in new businesses/revenues, create more job opportunities) develop civic pride (create inviting events such as music, dining, tours, promote positive perception of the City, preserve and promote historical sites, create more recreational sites); provide more police (reduce crime by District Attorney prosecutor, citizens report unusual activity, use security cameras, develop more neighborhood watch groups, increase traffic enforcement, provide fast response time) provide more code enforcement (D A prosecutor, quicker response time).

Ms. Shakoor Grantham presented what the residents like about their neighborhoods: Central Vallejo: community services, keeping good folks in the community, campaigns for community pride, common vision, and working together for the good of the community; South Vallejo: ferry; North Vallejo: convenience of parks, schools, hospital, freeway and longevity and investment in homes; Youth Forum: festivals and potential of the City; Glen Cove: pride in community, close to medical services; Mare Island: pride in neighborhood, accessibility of transportation, architecture; Hiddenbrooke: scenic, friendship, peaceful, security, golf course, open space, relative cost of living, club house.

The concerns expressed by the citizens for the individual neighborhoods included: Central Vallejo: overall quality of life, infrastructure; South Vallejo: deteriorated streets; North Vallejo: not enough citizens reporting illegal activity; Youth Forum: acceptance, lack of jobs, lack of quality teachers; Glen Cove: not enough city events and activities; Mare Island: vandalism, not enough recreation; Hiddenbrooke: single access, emergency response times, illegal parking.

The solutions distinctive to each area were: Central Vallejo: master plan needed, school improvement, use of grants, enhance parks and recreation, disperse affordable housing; North Vallejo: address speeding in certain neighborhoods; South Vallejo: support Chamber of Commerce; Youth Forum: more extracurricular activities, positive perception of teens; Glen Cove: revitalize downtown and Mare Island; Mare Island: more volunteering, preservation and promotion of historical sites, promote positive perception of the City; Hiddenbrooke: long-term planning, feedback from the City on interactive activities, increase traffic enforcement and an anchor store.

Ms. Boutte' addressed the importance of partnering with other agencies as a general solution. The partnering would include City employees, citizen volunteers, community groups, Solano County, the Vallejo City Unified School District, Fighting Back Partnership; Greater Vallejo Recreation District, Caltrans, City Commissions, and Businesses.

Community Prosecutor, Caroline DeBois, Deputy District Attorney, described the role of the Community Prosecutor. The solutions currently being done or being considered by the City through the Community Prosecutor include working with Code Enforcement and the Police Department to identify businesses and properties that are out of compliance with code or violating the law and prosecute through civil remedies to correct the problems. The businesses that have been identified to be looked at are smoke shops, alcohol outlets and properties that have violations.

Lt. Reggie Garcia, Vallejo Police Department, further addressed the solutions currently being done or being considered. He reported that a grant in the amount of \$125,000 for gang and gun violence has been initiated; and a grant for \$1 million for five years for "weed and seed" (addresses narcotics, gang and drug violence and quality of life crimes) is being pursued. They have applied for a grant from California Department of Corrections and Rehabilitation in the amount of \$1 million to address parolee reentry needs. Lt. Garcia stated that they are considering installing red base cameras at City parks. They are going to begin citing vehicles with amplified music. They will also be pursuing the speeding car program (also known as "ghost riding"), and a sting program for prostitution.

Ms. Shakoor-Grantham discussed the litter removal program, the Anti-Graffiti Task Force and the litter fee (tax) that is being reviewed. She stated that there are several non-profit groups who are interested in bidding on removing litter. The Beautification Advisory Commission has expressed interest in being involved with the Anti-Graffiti Task Force which is being established. She stated that a Council study session is planned for October 23 to present information on a litter fee (tax).

John Cerini, Maintenance Superintendent, reported that City staff and Vallejo Garbage have met to discuss illegal dumping. As a result they have established "hot spots", (areas that have frequent dumping) and are taking care of those areas first. Staff is also evaluating hiring an events coordinator who would coordinate events that would generate revenue for the City. The position would be funded out of the fees charged for events. The City received a \$500,000 grant from the California Department of Forestry for the tree program.

Ms. Shakoor-Grantham thanked the Public Works Department for cleaning up the hill area on Admiral Callaghan Lane between Turner Parkway and Avery Green Motors.

Ms. Boutte' addressed recreation and activities for youth and families. She reported that there are new parks and several older parks are being renovated. Children's Wonderland has been renovated and is now open.

The follow up to the Front Porch Forums will be to provide a forum for continuing community input to ensure residents, community groups, businesses, and civic organizations have the ability to actively participate in improvement initiatives.

Speaker: Michael Reddeg quoted from a recent article in the Times Herald regarding the opening of Children's Wonderland, and the fact that there is a place where families can go without the threat of drug dealers, etc. He also addressed the homeless people in the community and questioned why no one has told them about the Stand Down program in Dixon. This program would get them off the streets. He thanked the staff and the Councilmembers Cloutier, Gomes and Pearsall for their efforts, and looks forward to working with staff on these issues.

Councilmember Gomes stated that we need to clean up the city in order to attract new businesses. We cannot afford to wait. We need to take pride in the City and neighborhoods. People care about the City and want to come together and help. She thanked everyone who participated.

Councilmember Pearsall thanked the participants. He stated that the people care about the City. We need to pull the resources together and get long-term solutions. We have

the information, we have the people who can come together to have a city that we are all proud of. We are not going to stop here.

Vice Mayor Cloutier stated it is about the details and the quality of life. He hopes that every year when the Council does its goal setting the quality of life issues stay at the top of the list until the problems are fixed. He agreed with Councilmember Gomes that in order to attract businesses, we have to clean up the City. He thanked everyone who participated stating that he is pleased that they not only met with citizens and heard their complaints, but we are actually doing something about it.

Councilmember Sunga thanked everyone involved in the project. He stated that community involvement was mentioned in all the areas which indicates the citizens want to get involved. He asked the City Manager to check on a community volunteer program, and once we are sure there is no liability to the City, he would like to move forward with this. He noted that in all seven areas, citizens want economic development. He believes foreign trade zoning or enterprise zoning will help the City as well as a business vitality committee which he has asked the City Manager to check on also. He believes these are two very important initiatives that will support issues brought up by the citizens. All the surrounding cities have some type of business committee or business vitality program.

Councilmember Bartee stated that he agrees with all that has been said regarding the quality of life issues. He thanked the Councilmembers for their energy, and all the people who participated. He stated we have to make sure we follow up and take action with the resources we have. He agrees with Councilmember Sunga—we have an opportunity to create a vehicle for community volunteerism and we should keep this at the forefront of the solutions that we look forward to.

In response to a question of Councilmember Bartee concerning in a population of 42,000 people, there are 1,368 parolees/probationers, and what programs we have to address this, Lt. Garcia stated that grant money from the California Department of Corrections and Rehabilitation addresses reentry needs. Staff is working with the state to try to find bed space for parolees. They work closely with the Probation Department and the U. S. Marshall's office to enforce the terms of parole. Councilmember Bartee believes we should move forward with the noise ordinance. He also stated that the Vallejo Artist Guild is bringing artists from the community, mostly youth, to help beautify some of the anti-trash K rails. This is a pilot program and he hopes they will get support to move forward with this program.

Mr. Cerini responded to a question of Councilmember Bartee concerning the availability of the funds for the tree program.

Mayor Intintoli expressed thanks to the Human Relations Commissioners, Donald Jordan, Mustafa Ghanee, Maria Bitagon, Donald Chun, Clinton Dunbar, Ernestine Lawson, Marie Nelson, and former Commissioners Rev. Carmen Mason Jones and Sherrie Connelly.

Ms. Boutte' stated that the next steps will be to take the comments from the sessions and from Council and continue to work on solutions and recommendations and will bring those back for Council approval. Staff felt this was so important that they put this at the forefront in order to help make the City a better place for everyone.

B. APPROVAL OF A RESOLUTION AUTHORIZING THE FIRST AMENDMENT TO THE EXCLUSIVE RIGHT TO NEGOTIATE BETWEEN THE CITY OF VALLEJO AND TOURO UNIVERSITY

On January 9, 2007, the City Council approved several key actions related to Reuse Area 1A, the north end of Mare Island. Among these was granting an Exclusive Right to Negotiate (ERN), giving the City and Touro a 180 days to negotiate agreements for Touro's potential acquisition and development of Reuse Area 1-A, including Touro's funding of its proportionate share of the Island-wide infrastructure improvements. The proposed First Amendment to Exclusive Right to Negotiate Agreement would extend the ERN an additional 120 days to February 5th, 2008, with the potential for a one-time City Manager extension of an additional 60 days or April 2, 2008.

Craig Whittom, Assistant City Manager/Community Development introduced Tom Sinclair, Project Manager, and Susan McCue, Economic Development Manager.

Ms. McCue explained that in January, 2007, the City Council authorized a 180-day ERN between the City and Touro for Re-use Area 1-A, North Mare Island. The City Manager granted an additional 90-days extension of the ERN to October 8, 2007. Further, efforts are focused on a 19.8-acre parcel to capitalize on Touro's opportunity to build the first "heavy ion proton particle therapy" cancer treatment facility in the United States. Touro is proposing to construct a 125,000 square foot cancer treatment facility, plus two parking structures and substantial off-site infrastructure improvements to Azuar Drive, Railroad Avenue and the Highway 37 interchange. Additional time is needed to negotiate and prepare Development and Acquisition Agreements, seek Planning Commission review and return to City Council for approval of Development and Acquisition Agreements. Touro University would continue to reimburse the City for all outside legal and consulting costs.

Mayor Intintoli asked if the cancer center does not happen is there a commitment for the island wide infrastructure. Ms. McCue stated that the infrastructure improvements that Touro is proposing would benefit or facilitate the Siemen's facility and in addition would provide benefit to all of Mare Island. Staff has talked with Touro about providing language in the Acquisition Agreement that would provide a bucket of fall back uses if something happened to the Siemen's facility. Under the Mare Island Specific Plan there are a number of allowed uses and staff would look at that "bucket" to say that if something happened to the Seiman facility we can still go forward with the infrastructure and look at providing an equally exciting project under allowable uses.

Mayor Intintoli stated that we should assure that the financing is in place as part of the Acquisition Agreement both for the Re-use Area 1-A and for the cancer facility. He asked what kind of language/assurances would we have.

Mr. Sinclair replied that staff would be looking for language either through a bond or letter of credit or other security that would insure that the infrastructure would be built. This would be incorporated into the Development Agreement for project one for Siemen's as well as for project two.

Councilmember Gomes asked whether an EIR would be completed for project one. Ms. McCue stated that the outside Planning Consultant has determined that the project one

uses fit within the EIR that was completed for the Mare Island Specific Plan. Any other use would be reviewed to make sure it fit within the Mare Island Specific Plan EIR and if it didn't they would have to go through the entire CEQA process.

RESOLUTION NO. 07-265 N.C. offered by Mayor Intintoli authorizing the First Amendment to Exclusive Right to Negotiate Agreement between the City of Vallejo and Touro University.

The resolutions were adopted by the following vote:

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

10. APPOINTMENTS TO BOARDS, COMMISSIONS, AND COMMITTEES - None
11. WRITTEN COMMUNICATIONS - None
12. CITY MANAGER'S REPORT - None
13. CITY ATTORNEY'S REPORT - None
14. COMMUNITY FORUM – No speakers.
15. REPORT OF THE PRESIDING OFFICER AND MEMBERS OF THE CITY COUNCIL - None
16. CLOSED SESSION - None
17. ADJOURNMENT

The meeting adjourned at 8:20 p.m. in memory of W. B. Barnes.

ANTHONY J. INTINTOLI, JR., MAYOR

ATTEST: _____
MARY ELLSWORTH, CITY CLERK

VALLEJO CITY COUNCIL
MINUTES
OCTOBER 9, 2007

The Council met in closed session prior to the regular Council meeting. The Closed Session was called to order at 6:30 p.m. by Mayor Anthony J. Intintoli, Jr. Vice Mayor Cloutier, Councilmembers Gomes and Pearsall were absent/excused. All other Councilmembers were present. The matter concerning conference with legal counsel - anticipated litigation: significant exposure to litigation pursuant to Government Code Section 54956.9(B)(1) was cancelled. The following matter was discussed: conference with legal counsel - pending litigation: George Louie v. City of Dixon, et al.; Solano County Superior Court, Case No. FCS029906, pursuant to Government Code Section 54956.9(a). The following action was taken:

RESOLUTION NO. 07-275 N.C. offered by Mayor Intintoli that the City Attorney is hereby authorized to defend the City in the above-referenced litigation and to do so by retaining the law firm of Bertrand, Fox & Elliott, and Eugene B. Elliott, located in San Francisco, California, to provide legal services and act as co-counsel with respect to all legal proceedings involved in the defense of the above-mentioned litigation, with compensation for their services at the firm's customary hourly rates for attorneys' fees and reimbursement of costs and other expenses necessarily incurred in this matter; and that the fees for the professional services and expenses necessarily incurred for this purpose are to be made payable from Public Liability and Workers' Compensation Reserve Fund, or similar fund for litigation matters, of the City of Vallejo.

The resolution was adopted by the following vote:

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

1. CALL TO ORDER

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

2. PLEDGE OF ALLEGIANCE - was led by Mayor Intintoli

3. ROLL CALL

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

Absent: Councilmember Pearsall (excused)

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

4. PRESENTATIONS AND COMMENDATIONS

**A. PRESENTATION OF PROCLAMATION CELEBRATING MONTICELLO DAM
50TH ANNIVERSARY**

Mayor Intintoli read the proclamation and presented it to Eric Nugteren, Water Superintendent. Mr. Nugteren accepted the proclamation, noted the importance of the Monticello Dam and the Solano project to the prosperity, health and quality of life in the City of Vallejo and Solano County and invited the Council and the public to participate in the educational festivities at Solano Park on October 13, 2007.

B. PRESENTATION OF A PROCLAMATION DEDICATING THE RIDGE TRAIL ON OCTOBER 27, 2007

Mayor Intintoli read the proclamation for the dedication of the Ridge Trail which was started in 1988 with the goal of a continuous 500 mile multi-use ridge trail along the San Francisco Bay. The last segment of the two-mile Blue Rock Springs Corridor Trail has been completed to Columbus Parkway at Lake Herman Road where it connects to the Bay Area Ridge Trail. Mayor Intintoli presented the proclamation to Kathy Hoffman on behalf of the Bay Area Ridge Trail Council. Ms. Hoffman thanked the Mayor, Council, City Staff and GVRD. She invited the Council and public to the dedication ceremony on October 27, 2007.

5. PUBLIC COMMENT REGARDING CONSENT CALENDAR ITEMS

6. CONSENT CALENDAR AND APPROVAL OF AGENDA

At the request of Mayor Intintoli, Consent Calendar Items 6F, concerning the agreement with Vallejo Convention and Visitors Bureau for marketing services (Transient Occupancy Tax) and Item 6-H concerning the consultant and professional services agreement with Paul A. Jensen and Jordan Integral Communities, were removed to be heard as Items 6.1 and 6.2 on the regular agenda.

Councilmember Bartee stated that he would abstain on Item 6.B due to a conflict of interest.

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

APPROVED MINUTES OF THE APRIL 17 AND SEPTEMBER 25, 2007 CITY COUNCIL MEETINGS

RESOLUTION NO. 07-266 N.C. AMENDING THE FISCAL YEAR (FISCAL YEAR) 2007/2008 FEDERAL COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM BUDGET

RESOLUTION NO. 07-267 N.C. AMENDING THE FISCAL YEAR 2007/2008 HOME INVESTMENT PARTNERSHIPS PROGRAM BUDGET

RESOLUTION NO. 07-268 N.C. APPROVING AN HISTORIC PROPERTY PRESERVATION AGREEMENT (MILLS ACT CONTRACT) FOR 1320 MARIN STREET

RESOLUTION NO. 07-269 N.C. SUPPORTING VALLEJO SANITATION AND FLOOD CONTROL DISTRICT'S (VSFCD) SUBMITTAL OF A GRANT APPLICATION, THROUGH THE CALIFORNIA RIVER PARKWAY'S GRANT

PROGRAM, FOR THE BLUE ROCK SPRINGS CREEK/HANN'S MEMORIAL PARK RESTORATION PROJECT

APPROVAL OF FISCAL YEAR 2007-2008 SERVICE AGREEMENT BETWEEN THE CITY OF VALLEJO AND THE VALLEJO CONVENTION AND VISITORS BUREAU FOR MARKETING SERVICES (TRANSIENT OCCUPANCY TAX) This item was removed from the Consent Calendar to item 6.1 of the regular agenda.

RESOLUTION NO. 07-271 N.C. APPROVAL OF FISCAL YEAR 2007-2008 SERVICE AGREEMENT BETWEEN THE CITY OF VALLEJO AND THE VALLEJO CONVENTION AND VISITORS BUREAU FOR MARKETING SERVICES (VALLEJO TOURISM BUSINESS IMPROVEMENT DISTRICT)

CONSIDERATION OF A RESOLUTION AUTHORIZING: 1) THE CITY MANAGER TO EXECUTE A CONSULTANT AND PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF VALLEJO AND PAUL A. JENSEN FOR THE PROVISION OF CONTRACT PLANNING AND ENVIRONMENTAL SERVICES; AND 2) AUTHORIZING THE CITY MANAGER TO EXECUTE A REIMBURSEMENT AGREEMENT BETWEEN JORDAN INTEGRAL COMMUNITIES, LLC AND THE CITY OF VALLEJO FOR SAID PROFESSIONAL SERVICES This item was removed from the Consent Calendar to item 6.2 of the regular agenda.

The minutes and resolutions were approved by the following vote:

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

6.1 APPROVAL OF FISCAL YEAR 2007-2008 SERVICE AGREEMENT BETWEEN THE CITY OF VALLEJO AND THE VALLEJO CONVENTION AND VISITORS BUREAU FOR MARKETING SERVICES (TRANSIENT OCCUPANCY TAX)

Councilmember Gomes asked how we are operating without a service agreement when the money was paid in August. Craig Whittom, Assistant City Manager/Development Services replied that during the budget process in light of the reduction of the amounts to community based organizations, one of the elements was to pay the groups by August 1. He stated that VCVB's agreement with the City is different than most of the CBOs. Councilmember Gomes questioned the quarterly progress report and stated that next year during the budget process the progress reports should be reviewed to and determine what the City is getting for the services provided.

RESOLUTION NO. 07-270 N.C. offered by Councilmember Davis authorizing the City Manager or his designee to execute a service agreement with the Vallejo Convention and Visitors Bureau (CVB) for Marketing Services (Transient Occupancy Tax).

The resolution was adopted by the following vote:

AYES: Mayor Intintoli, Vice Mayor Cloutier, Councilmembers
NOES: Noes
ABSENT: Councilmember Pearsall (excused)
ABSTAINING: None

- 6.2 CONSIDERATION OF A RESOLUTION AUTHORIZING: 1) THE CITY MANAGER TO EXECUTE A CONSULTANT AND PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF VALLEJO AND PAUL A. JENSEN FOR THE PROVISION OF CONTRACT PLANNING AND ENVIRONMENTAL SERVICES; AND 2) AUTHORIZING THE CITY MANAGER TO EXECUTE A REIMBURSEMENT AGREEMENT BETWEEN JORDAN INTEGRAL COMMUNITIES, LLC AND THE CITY OF VALLEJO FOR SAID PROFESSIONAL SERVICES

Speakers: The following speakers spoke in opposition to the hiring of the consultants, and in opposition to the proposed project stating that the proposed project would eliminate the only bowling alley in Vallejo, and Vallejo needs recreation and businesses not additional housing: Ray Dowling, President, Vallejo Bowling Association, Linda Eakin. Gerald Hase asked the following questions: what requirements does the City have and is the total cost known to this project; if there are changes in the service provided by Mr. Jensen, what protection does the City have for cost overruns with regard to change orders done during the scope of the project.

Mayor Intintoli noted for the record correspondence received concerning this item from Ronald Eakin, and Christine and Garland Brinkley.

Don Hazen, Planning Manager explained that the action recommended is to hire an outside planning consultant to assist staff in reviewing the application to develop 11.4 acres of commercially zoned property currently occupied by a bowling alley and full service health club. The application will be subject to a comprehensive City planning process and environmental review and ultimately be presented to Council for approval. Jordan Integral Communities will fund all costs associated with the contract and will execute a reimbursement agreement prior to commencement of work by the consultant.

Mr. Hazen responded to the questions of the speakers stating that staff does not know what the total cost of the project will be. If the scope changes, by mutual agreement between the City and the consultant, staff would come back to Council to amend the contract. However, the contract covers the processing requirements of an application of this type and staff does not anticipate going being the scope of the project.

Mayor Intintoli asked Mr. Hazen for reassurance that in the future the applicant, who is investing a lot of money, does not come back and say that because the City went forward with the application that there is any conclusion that this project must move forward.

Mr. Hazen replied that the applicant realizes the risk involved in making a development proposal before the City, particularly when it involves an amendment to the General Plan and change in the Zoning. The burden is on the applicant to demonstrate to the Council that there are policies and off setting benefits that warrant the City to deviate from its existing commercial designation and changing to residential. There will be a minimum of one public meeting in addition to the Planning Commission meeting and City Council meeting. This will allow the applicant to be exposed to public input earlier enough to give them an opportunity to find out what the pulse of the community is.

Councilmember Gomes stated that the City continues to process applications that may or may not be in line with the vision that the Council may have for the City. She stated that there has been a lot of discussion about revitalizing the I-80 corridor and she does

not want to do this "piece meal." She asked how we can create a plan for the I-80 corridor so applicants can see what the City wants.

Mr. Hazen stated that one option would be for Council to provide feedback to the applicant at the beginning, such as what happened with the WalMart project. He stated that a study session is scheduled before the Planning Commission on October 15, 2007 to provide an update on land uses, etc., along the I-80 corridor. The Planning Commission will begin a series of discussions on what can be done to improve the I-80 corridor and the policy recommendations from that discussion will be brought to the City Council.

Councilmember Gomes questioned if this should be done first, before we begin processing applications? She stated that there is enough housing in Vallejo and housing does not pay for services.

Mr. Hazen stated that Council can defer making a decision on the consultant contract until staff brings back an analysis of whether the project should proceed; this would give the applicant an opportunity to rebut and provide their side of the issue. He went on to say that if the contract is approved tonight, the process is started.

Councilmember Gomes proposed that the matter of approving the Consultant Agreement be postponed until an analysis can be provided by staff and input can be received from the public and the applicant.

Vice Mayor Cloutier stated that he agrees that the I-80 corridor should not be done "piece meal." He asked if consideration could be given to the bowling alley when processing the application? Mr. Hazen stated that the owners of the bowling alley and the Millennium Health Club have consented to the application. It can be assumed that the owners are interested in selling. Staff recognizes that these are recreational amenities in Vallejo that are scarce.

Vice Mayor Cloutier stated that he agrees with Councilmember Gomes; that this matter should be delayed.

Councilmember Bartee stated that that part of the I-80 corridor is an eye sore. He noted that this is not the best site for commercial development because of the restricted access. However, he will support getting detailed information and input from the community.

Councilmember Gomes offered a substitute resolution that would delay consideration of the contract for Paul Jensen until more information is received from staff with an analysis of the proposal, input from the applicant, the public and the Planning Commission.

Darrell Leman, representing the applicant, stated that they understand the sentiments of the public concerning the bowling alley. However, in discussions with the owner of the bowling alley, the owner is in support of the applicant because he would like to sell his property. He believes the proposed project will be the first part of a renaissance of the I-80 corridor. He stated that the information that is being sought by the Council can be brought to Council in a public process which will include community workshops.

Councilmember Davis stated that he does not see any reason not to proceed with the approval of the consultant contract. He believes the information is necessary in order to

properly evaluate the decision. He would like to see a bowling alley in Vallejo continue. He will vote against the substitute resolution.

Councilmember Sunga asked what the financial impact would be by delaying the project. Mr. Lemman stated that a delay will impair the outcome of the project to the extent that there might not be a project depending on the length of the delay. He stated that moving forward will give the public an opportunity to comment as well as for the Planning Commission and City Council.

Councilmember Gomes stated that what she is hearing from the community is the need for the City to tell developers what we want, not for developers to tell us what they want to do. If housing is appropriate for that area, it should be done in context with the bigger picture of the I-80 corridor. She does not believe delaying the project for two months to get more information and input from the public is too much to ask.

The motion offered by Councilmember Gomes to delay consideration of the contract for Paul Jensen until we have more information from staff with an analysis of the proposal, input from the applicant, the public and the Planning Commission failed to pass by the following vote:

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

RESOLUTION NO. 07-272 N.C. offered by Mayor Intintoli authorizing: 1) the City Manager to enter into a consultant and professional services agreement between the City of Vallejo and Paul A. Jensen; 2) the City Manager to execute a reimbursement agreement between Jordan Integral Communities and the City of Vallejo for said professional services.

The resolution was adopted by the following vote:

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

7. PUBLIC HEARINGS

A. PUBLIC MEETING AND CONSIDERATION OF A RESOLUTION HOLDING ON FIRST READING AN ORDINANCE AMENDING CHAPTER 3.18 OF THE VALLEJO MUNICIPAL CODE, "LAND DEDICATION AND FEES FOR PARK AND RECREATION PURPOSES," TO FACILITATE INCREASES IN FEES AND TO PROVIDE CLARIFYING LANGUAGE

In 2005, the GVRD initiated the updating of its Park and Recreation Master Plan. During the preparation of the Master Plan, GVRD staff discovered that the existing park dedication fee authorized by Chapter 3.18 of the Vallejo Municipal Code (VMC) was not creating revenue sufficient to acquire and improve park land at current land prices. GVRD hired the firm of Government Financial Strategies (GFS), Inc. to evaluate the adequacy of the park dedication fee. An increase to the park dedication fee is recommended in addition to changes to improve the clarity of the ordinance.

Councilmember Bartee recused himself from participating in this item due to a conflict of interest.

Mayor Intintoli reported for the record that correspondence was received from Bob Glover, Executive Director, Eastern Division, Home Builders Association, requesting that the increase in fees be phased in over 36 month period and waive fees for secondary units and below market rate units.

Craig Whitton, Assistant City Manager/Development Services, addressed the partnership between the City and Greater Vallejo Recreation District in an attempt to enhance the parks, open space and quality of life in the community.

Shane McAfee, Executive Director, GVRD, introduced the members of the GVRD Board present, Liat Meitzenheimer, Dale Welsh, Janet Roberson, and William Pendergast. He introduced consultants Jonathan Edwards and Keith Woover from Government Financial Strategies. Mr. McAfee made a brief presentation on the background of the impact fees and the park fee justification study. He stated that the proposed fee is a one-time fee on new homes only. He explained the Quimby Act and Park Impact Fees which are mechanisms for funding parks; the two types of parks the fees could be used for—neighborhood parks and community parks. He also explained the formula used to determine the fees.

Brian Dolan, Planning Manager, addressed inaccuracies in the draft park justification fee study that was presented to Council when the Resolution of Intention was adopted, stating that some of the parks were omitted and open space was included in some of the calculations. This has been corrected by removing the information from the tables. The other issue that was raised at that time was whether or not the fee should include commercial development as well as new residential. In its research of other communities, GFS determined that this was very uncommon, and the return is not very great. Therefore GFS is not recommending that the City pursue that and staff agrees.

Another issue was whether the park impact fee should escalate in conjunction with unit size. The City's previous ordinance included a section on the number of bedrooms. GFS concluded that the data that we rely on to adopt the fee doesn't prove this out. It is more accurate to distribute the cost based on the unit type. GFS was able to provide a per square foot cost calculation which is included with the staff report but this is not recommended by either GFS or staff.

Mr. Dolan stated that how the City tracks the park impact fee as required by AB 1600 was an issue discussed earlier and although the Finance Director has regularly tracked the balance of the fee, staff recognizes that a more detailed and formal tracking review system is needed and the City Engineer is developing this process to meet the requirement.

Mr. Dolan addressed the issue of whether or not we are using an appropriate methodology of keeping the fee up to date based on cost. He explained the formula for increasing the fee on an annual basis. After serious consideration through consultation with realtors, appraisers, internal Economic Development staff, ABAG staff and economic consultants, they could not come up with an index where we could also track the increase in land prices that we could add to the equation in order to keep pace. They are not recommending a change; we would continue with the same index that we

have been using to track construction costs, recognizing that over a period of time, the fees will have to be adjusted based on land costs.

Mr. Dolan referred to the letter from the Home Builders Association which included two suggestions concerning the phasing in of the fees over a 36 month period and waiving the fees for second units. Staff does not recommend either of these requests.

Mr. Dolan stated that the City Attorney's office requested that more detail be added to the public notice requirements for adopting new fees. He also noted a minor correction to the staff report concerning the date of the public hearing.

There was discussion between Councilmember Davis and Mr. Dolan concerning the proposed Quimby Fee and a proposed GVRD Park Impact Fee.

Councilmember Davis asked if the land on the waterfront (Service Club Park, 3.5 acres) was included as parkland. Mr. Dolan stated that the primary conclusion is that we are 197 acres short. We cannot collect fees to acquire new parkland if we have already accomplished our need as established by the General Plan policy.

Councilmember Davis asked if there was any influence given to school ground sites for park purposes in the study? Mr. Dolan replied no.

Speaker: Victor Owens, East Vallejo Little League, spoke in support of the fee increase.

Councilmember Sunga thanked staff for addressing his concerns.

RESOLUTION NO. 07-273 N.C. offered by Councilmember Sunga holding on first reading an ordinance amending Chapter 3.18 of the Vallejo Municipal Code, "Land Dedication and Fees for Park and Recreation Purposes" to facilitate increases in fees and to provide clarifying language.

The resolution was adopted by the following vote:

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

8. POLICY ITEMS – None
9. ADMINISTRATIVE ITEMS
 - A. PUBLIC MEETING REGARDING INCREASED ASSESSMENT IN THE VALLEJO TOURISM BUSINESS IMPROVEMENT DISTRICT AND THE LEVYING AND COLLECTION OF ASSESSMENTS WITHIN THE DISTRICT AND CONSIDERATION OF A RESOLUTION CHANGING THE DATE OF THE PUBLIC HEARING

On August 28, 2007, the City Council adopted Resolution No. 07-223 N.C. declaring its intention to increase the existing Vallejo Tourism Improvement District assessments and to levy and collect assessments within the Vallejo Tourism Business Improvement District boundaries for fiscal year 2007-2008 pursuant to the Parking and Business Improvement Area Law of 1989 and Vallejo Municipal Code Chapter 14.50, and its

intention to amend Section 14.50.090 of the Vallejo Municipal Code. Under state law in order to increase the existing assessment, the City Council is required to hold first a public meeting and then a public hearing on the proposed increase. The City Council will hold the public meeting this evening to receive testimony regarding the proposed increased assessment. The City Council will also consider changing the date of the public hearing from the October 23, 2007 to November 6, 2007 to meet the public hearing notice requirements under state law.

Mayor Intintoli stated that he asked the City Manager to consider cancelling the November 6, 2007 meeting because it is election night.

Mr. Whitton stated that there is a noticing issue related to scheduling the meeting on November 13, and compliance with the state noticing requirement. The issue for the Convention and Visitors Bureau is that in light of the reduction in funding they have been working to get this new bid to take effect December 1.

Peter Freisen, Chairman of the Board, CVB, stated that because of the timing and funding issues, if it goes beyond November 6, they will likely lose the collection of funds during the month of December.

After some discussion as to the date and time this matter could be heard, it was agreed that the matter would be heard on November 6, at 7 p.m. with the stipulation that this will be the only item on the agenda.

RESOLUTION NO. 07-274 N.C. offered by Mayor Intintoli changing the date for the public hearing to November 6, 2007.

The resolution was adopted by the following vote:

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

10. APPOINTMENTS TO BOARDS, COMMISSIONS, AND COMMITTEES - None
11. WRITTEN COMMUNICATIONS - None
12. CITY MANAGER'S REPORT - None
13. CITY ATTORNEY'S REPORT - None
14. COMMUNITY FORUM

Speaker: Peter Wilson announced a celebration of Mayor Intintoli's 40 years of public service benefiting the animals of the Human Society, on October 21, 2007, 5:30 – 9:00 p.m. at McCormick Hall.

Councilmember Bartee suggested a fundraising technique to be used at the celebration. Mr. Wilson said he would consider it.

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

Councilmember Bartee invited the public to the Senior Round Table, October 11, 2 p.m. at the Douglas Senior Center. This will be a Council candidates' forum.

Mayor Intintoli thanked the organizations who have helped the City with the Ferry issue: Councilmembers, Chamber of Commerce, Solano Transportation Agency, Board of Supervisors, League of California Cities. He stated that he and the City Manager have met with staff of the San Francisco Water Transit Agency, and the City of Alameda. A conference call was held with the Governor's Legislative Secretary at which time they stressed the only fair way to deal with this process is to grant the veto and start over with a more cooperative and collaborative attitude. He stated that in the event the Governor signs the legislation, they emphasized that it is very critical to the City that the City participate in the process and the transition, which would include representation on the new WETA board which will be responsible for the new agency, and the importance of compensation to the City for all city property including the boats; that we expect guarantees concerning the continuation of service at its current levels and its expansion and guarantees as to the funding for the completion of the Vallejo Station which is expected to be about \$65 million when completed. We have accumulated about \$55 million, some of which is federal money. In case this should go through, we expect that the substitute organization would make good on every dime that the City has put together at great effort on behalf of the city staff, political leaders, etc.

16. CLOSED SESSION - None

17. ADJOURNMENT

The meeting adjourned at 8:37 p.m.

ANTHONY J. INTINTOLI, JR., MAYOR

ATTEST:

MARY ELLSWORTH, CITY CLERK




CONSENT B

Agenda Item No.

COUNCIL COMMUNICATION

Date: October 23, 2007

TO: Honorable Mayor and Members of the City Council

FROM: Gary Leach, Public Works Director 

SUBJECT: CONSIDERATION OF TWO RESOLUTIONS RELATING TO MARE ISLAND: (1) A RESOLUTION DECLARING INTENTION TO ANNEX TERRITORY TO COMMUNITY FACILITIES DISTRICT NO. 2005-1A (MARE ISLAND) AND TO LEVY A SPECIAL TAX IN SUCH TERRITORY AND APPROVING ANNEXATION MAP NO. 2; AND (2) A RESOLUTION DECLARING INTENTION TO ANNEX TERRITORY TO COMMUNITY FACILITIES DISTRICT NO. 2005-1B (MARE ISLAND) AND TO LEVY A SPECIAL TAX IN SUCH TERRITORY AND APPROVING ANNEXATION MAP NO. 2

BACKGROUND AND DISCUSSION

The proposed Council actions in these agenda items are (1) to declare the City's intention to add additional territory to CFD 2005-1A and CFD 2005-1B, as shown on the annexation maps included in the Council packages and on file with the City Clerk, and (2) to set a public hearing for each annexation proposed at the regular City Council meeting on November 27, 2007. The proposed Council actions in these agenda items do not commit the Council to approve the annexations or to levy special taxes on the territory proposed to be annexed. Those actions will be taken, if at all, after the public hearings on November 27, 2007.

Pursuant to the City's development agreement with Lennar Mare Island LLC, the City contemplates forming a series of additional "community facilities districts" on Mare Island. The formation of such districts would enable the City to levy a special tax on the property in such districts. The special tax would be used to fund a portion of the cost of the infrastructure and maintenance services required to support new development on Mare Island, thereby relieving pressure on the general fund or other funds of the City.

On April 26, 2005, the City Council formed two community facilities districts on Mare Island, designated the Mare Island Community Facilities District No. 2005-1A ("CFD 2005-1A") and Mare Island Community Facilities District No. 2005-1B ("CFD 2005-1B"). CFD 2005-1A was formed pursuant to the Mello-Roos Community Facilities Act of 1982 (Sections 53311 et seq. of the California Government Code) (the "Act"). The formation of CFD 2005-1A enables the City to levy a special tax to fund certain (i.e. park, landscape and open space maintenance, among others) and to fund infrastructure improvements through the use of bond debt. This bond debt would be payable solely from the special taxes levied on



property within CFD 2005-1A, not from the general fund or other funds of the City.

CFD 2005-1B was formed pursuant to the City of Vallejo-Mare Island Services Financing Code (Ord. 1471 N.C. (2d) Sec. 2 (part), 2002), including by reference therein the provisions of the Act (the "Code"). The formation of CFD 2005-1B enables the City to levy a special tax therein to fund certain services that are not otherwise permitted to be funded under the Act. CFD 2005-1A and CFD 2005-1B have identical boundaries, as set forth in the boundary maps approved by the City Council on March 22, 2005.

On April 26, 2005, the City Council also approved a Joint Community Facilities Financing Agreement, as amended and restated on November 29, 2005, ("Joint Agreement") with the Vallejo Sanitation and Flood Control District ("VSFCD"). The Joint Agreement allows the City to use the special taxes from CFD 2005-1A to fund storm drain and sanitary sewer facilities that will ultimately be owned and maintained by VSFCD.

As development on Mare Island progresses, the Developer has proposed forming additional financing districts on Mare Island, or annexing territory to existing financing districts. Such additional financing districts or annexations to the existing districts would be for the same purposes as CFD 2005-1A and CFD 2005-1B. The Developer has advised the City that Mare Island Subdivision Coral Sea Village South Unit 3 needs to be included in one or more community facilities districts in order to permit further development, and the Developer proposes to annex said subdivision into CFD 2005-1A and CFD 2005-1B.

Fiscal Impact

The City will collect levies from the private parcels of land within the boundaries of the territories proposed to be annexed in an amount sufficient to pay all costs of services and facilities, including annual debt service payments on future bond issues. This action is in accordance with the City's policy that the redevelopment of Mare Island be cost neutral to the General Fund.

Bonds issued by CFD 2005-1A to finance the authorized facilities will be repaid by special tax levies on properties within the boundaries of CFD 2005-1A and will not constitute obligations of the City.

RECOMMENDATION

The Council is being asked to initiate the annexation process so that the development of Mare Island will continue to be cost neutral of the General Fund.



ENVIRONMENTAL REVIEW

The annexation of territory to a community facilities district is not a project under the California Environmental Quality Act ("CEQA") pursuant to section 15378 (b)(4) of Title 14 of the California Code of Regulations and not subject to CEQA. As this action is creating a government funding mechanism and does not involve any commitment to a specific project, it is not considered a project under the CEQA Guidelines. When a specific public improvement project is undertaken with the taxes collected, an environmental review for that project under CEQA will be undertaken.

PROPOSED ACTION

Adopt two resolutions relating to Mare Island: (1) a resolution declaring intention to annex territory (Coral Sea Village South Unit No. 3) to Community Facilities District No. 2005-1A (Mare Island) and to levy a special tax in such territory, and approving Annexation Map No. 2; and (2) a resolution declaring intention to annex territory (Coral Sea Village South Unit No.3) to Community Facilities District No. 2005-1B (Mare Island) and to levy a special tax in such territory, and approving Annexation Map No. 2.

DOCUMENTS AVAILABLE FOR REVIEW

- a. A Resolution Declaring Intention to Annex Territory to Community Facilities District No. 2005-1A (Mare Island) and to Levy a Special Tax in Such Territory and Approving Annexation Map No. 2
- b. A Resolution Declaring Intention to Annex Territory to Community Facilities District No. 2005-1B (Mare Island) and to Levy a Special Tax in Such Territory and Approving Annexation Map No. 2.

CONTACT PERSON:

Gary Leach, Public Works Director
(707) 648-4315
garyl@ci.vallejo.ca.us

David Espinoza, Associate Civil Engineer
(707) 648-4538
despinoza@ci.vallejo.ca.us

OCTOBER 23, 2007

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RESOLUTION NO. 07- N.C.

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

WHEREAS, the City Council of the City of Vallejo (the "City Council") has determined that the public convenience and necessity require the annexation of additional parcels of land to Community Facilities District No. 2005-1A (Mare Island), City of Vallejo, County of Solano, State of California ("CFD No. 2005-1A"); and

WHEREAS, the land proposed to be annexed is included within the boundaries of a map, Exhibit A attached hereto, entitled "Annexation Map No. 2 of Community Facilities District No. 2005-1A (Mare Island), City of Vallejo, County of Solano, State of California" ("Annexation Map No. 2"), a copy of which is on file with the City Clerk of the City of Vallejo; and

WHEREAS, Annexation Map No. 2 cross-references the map entitled, "Proposed Boundaries of Community Facilities District No. 2005-1A (Mare Island), City of Vallejo, County of Solano, State of California," filed for record in the office of the County of Solano Recorder on April 5, 2005, in Book 23 of Maps of Assessment and Community Facilities Districts at pages 39-43; and

WHEREAS, the City Council finds that this annexation is to the advantage of the City of Vallejo and the owners of property within CFD No. 2005-1A;

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

Section 1. The foregoing recitals are true and correct and the City Council hereby so finds and determines.

Section 2. The facilities and services authorized to be financed by CFD No. 2005-1A are not proposed to be expanded or diminished by this annexation.

Section 3. The area to be annexed (the "Territory") shall be subject to a special tax, from the time of its inclusion in CFD No. 2005-1A, under the rate and method of apportionment contained in the resolution establishing CFD No. 2005-1A, adopted by the City Council on April 26, 2005. The Territory shall be added to and shall be deemed to be a part of "Tax Zone #3," as defined in said rate and method of apportionment. This special tax will be secured by the recordation of a continuing lien against all non-exempt real property in the area to be annexed.

Section 4. The City Council approves Annexation Map No. 2 and adopts the boundaries shown on the map as describing the extent of the territory being proposed for annexation to CFD No. 2005-1A.

Section 5. The City Council finds that Annexation Map No. 2 is in the form and contains the matters prescribed by Sections 3110 and 3110.5 of the California Streets and Highways Code.

Section 6. The City Council directs the City Clerk to certify the adoption of this resolution on the face of Annexation Map No. 2, and to file a copy of the map with the County Recorder of the County of Solano for recordation in the Book of Maps of Assessment and Community Facilities Districts no later than fifteen (15) days after the adoption of this resolution.

Section 7. No alteration of the rate and method of apportionment of the special tax within CFD No. 2005-1A is contemplated by these proceedings either as it pertains to the area already within CFD No. 2005-1A or as it pertains to the area to be annexed to CFD No. 2005-1A.

Section 8. The City Council hereby sets Tuesday, November 27, 2007, at 7:00 p.m., or as soon thereafter as the City Council may reach the matter, in the City Council chambers of the City of Vallejo, 555 Santa Clara Street, Vallejo, CA 94590, as the time and place for the public hearing on this resolution. At that hearing, the testimony of all interested persons for or against the foregoing annexation of territory to CFD No. 2005-1A or the foregoing levy of special taxes within the area proposed to be annexed to CFD No. 2005-1A will be heard. Written protests must be filed with the City Clerk of the City of Vallejo prior to the time set for the hearing. Pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (California Government Code Sections 53311 et seq.) (the "Act"), if 50 percent or more of the registered voters, or six registered voters, whichever is more, residing within the existing CFD No. 2005-1A, or if 50 percent or more of the registered voters or six registered voters, whichever is more, residing within the Territory proposed for annexation, or if the owners of one-half or more of the area of land within the existing CFD No. 2005-1A, or if the owners of one-half or more of the area of land in the Territory proposed to be annexed, file written protests against the proposed annexation of the Territory to CFD No. 2005-1A, and such protests are not withdrawn so as to reduce the protests to less than a majority, then no further proceedings to annex the Territory to CFD No. 2005-1A as proposed in this Resolution of Intention shall be taken for a period of one (1) year from the date of the decision by the City Council on the issues discussed at such public hearing. At the conclusion of such public hearing, the City Council may abandon the proceedings to annex the Territory to CFD No. 2005-1A or may, after passing upon all protests, determine to proceed to call an election to submit to the qualified electors of the Territory the question of annexing the Territory to CFD No. 2005-1A and authorizing the levy of special taxes of CFD No. 2005-1A within the Territory; and if the City Council determines at the conclusion of such public hearing to call such an election, the voting procedure at such election shall be by landowners in the Territory voting in accordance with the Act. If such protests are directed only against certain elements of the proposed improvements, services or special tax, only those elements shall be deleted from the proceedings.

Section 9. In the event an election is held in these annexation proceedings, it is anticipated that, in accordance with the Act, the voters will be the owners of land within the area proposed to be annexed which will be subject to the special tax, with each landowner eligible to cast one vote for each acre or portion of an acre owned therein.

Section 10. The City Clerk is hereby directed to arrange for publication of a Notice of Public Hearing on this resolution one time in the Times-Herald not less than 10 days prior to the public hearing.

Section 11. The City Clerk is hereby directed to mail a Notice of Public Hearing on this resolution to the owner of the property proposed to be annexed at its address as shown on the County Assessor's current records, or a more recent address if known to the City Clerk, not less than 15 days prior to the hearing.

RESOLUTION NO. 07-___ N.C.

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

WHEREAS, the City Council of the City of Vallejo (the "City Council") has determined that the public convenience and necessity require the annexation of additional parcels of land to Community Facilities District No. 2005-1B (Mare Island), City of Vallejo, County of Solano, State of California ("CFD No. 2005-1B"); and

WHEREAS, the land proposed to be annexed is included within the boundaries of a map, Exhibit A attached hereto, entitled "Annexation Map No. 2 of Community Facilities District No. 2005-1B (Mare Island), City of Vallejo, County of Solano, State of California" ("Annexation Map No. 2"), a copy of which is on file with the City Clerk of the City of Vallejo; and

WHEREAS, Annexation Map No. 2 cross-references the map entitled, "Proposed Boundaries of Community Facilities District No. 2005-1B (Mare Island), City of Vallejo, County of Solano, State of California," filed for record in the office of the County of Solano Recorder on April 5, 2005, in Book 23 of Maps of Assessment and Community Facilities Districts at pages 44-48; and

WHEREAS, the City Council finds that this annexation is to the advantage of the City of Vallejo and the owners of property within CFD No. 2005-1B;

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

Section 1. The foregoing recitals are true and correct and the City Council hereby so finds and determines.

Section 2. The services authorized to be financed by CFD No. 2005-1B are not proposed to be expanded or diminished by this annexation.

Section 3. The area to be annexed (the "Territory") shall be subject to a special tax, from the time of its inclusion in CFD No. 2005-1B, under the rate and method of apportionment contained in the resolution establishing CFD No. 2005-1B, adopted by the City Council on April 26, 2005. The Territory shall be added to and shall be deemed to be a part of "Tax Zone #3," as defined in said rate and method of apportionment. This special tax will be secured by the recordation of a continuing lien against all non-exempt real property in the area to be annexed.

Section 4. The City Council approves Annexation Map No. 2 and adopts the boundaries shown on the map as describing the extent of the territory being proposed for annexation to CFD No. 2005-1B.

Section 5. The City Council finds that Annexation Map No. 2 is in the form and contains the matters prescribed by Sections 3110 and 3110.5 of the California Streets and Highways Code.

Section 6. The City Council directs the City Clerk to certify the adoption of this resolution on the face of Annexation Map No. 2, and to file a copy of the map with the County Recorder of the County of Solano for recordation in the Book of Maps of Assessment and Community Facilities Districts at least five (5) days before the commencement of the hearing described in Section 8 hereof.

Section 7. No alteration of the rate and method of apportionment of the special tax within CFD No. 2005-1B is contemplated by these proceedings either as it pertains to the area already within CFD No. 2005-1B or as it pertains to the area to be annexed to CFD No. 2005-1B.

Section 8. The City Council hereby sets Tuesday, November 27, 2007, at 7:00 p.m., or as soon thereafter as the City Council may reach the matter, in the City Council chambers of the City of Vallejo, 555 Santa Clara Street, Vallejo, CA 94590, as the time and place for the public hearing on this resolution. At that hearing, the testimony of all interested persons for or against the foregoing annexation of territory to CFD No. 2005-1B or the foregoing levy of special taxes within the area proposed to be annexed to CFD No. 2005-1B will be heard. Written protests must be filed with the City Clerk of the City of Vallejo prior to the time set for the hearing. Pursuant to the City of Vallejo-Mare Island Services Financing Code (Ord. 1471 N.C. (2d) Sec. 2 (part), 2002), including by reference therein the provisions of the Mello-Roos Community Facilities Act of 1982, as amended (California Government Code Sections 53311 et seq.) (the "Code"), if 50 percent or more of the registered voters, or six registered voters, whichever is more, residing within the existing CFD No. 2005-1B, or if 50 percent or more of the registered voters or six registered voters, whichever is more, residing within the Territory proposed for annexation, or if the owners of one-half or more of the area of land within the existing CFD No. 2005-1B, or if the owners of one-half or more of the area of land in the Territory proposed to be annexed, file written protests against the proposed annexation of the Territory to CFD No. 2005-1B, and such protests are not withdrawn so as to reduce the value of the protests to less than a majority, then no further proceedings to annex the Territory to CFD No. 2005-1B as proposed in this Resolution of Intention shall be taken for a period of one (1) year from the date of the decision by the City Council on the issues discussed at such public hearing. At the conclusion of such public hearing, the City Council may abandon the proceedings to annex the Territory to CFD No. 2005-1B or may, after passing upon all protests, determine to proceed to call an election to submit to the qualified electors of the Territory the question of annexing the Territory to CFD No. 2005-1B and authorizing the levy of special taxes of CFD No. 2005-1B within the Territory; and if the City Council determines at the conclusion of such public hearing to call such an election, the voting procedure at such election shall be by landowners in the Territory voting in accordance with the Code. If such protests are directed only against certain elements of the proposed

services or the proposed special tax, only those elements shall be deleted from the proceedings.

Section 9. In the event an election is held in these annexation proceedings, it is anticipated that, in accordance with the Code, the voters will be the owners of land within the area proposed to be annexed which will be subject to the special tax, with each landowner eligible to cast one vote for each acre or portion of an acre owned therein.

Section 10. The City Clerk is hereby directed to arrange for publication of a Notice of Public Hearing on this resolution one time in the Times-Herald not less than five (5) days prior to the public hearing.

Section 11. The City Clerk is hereby directed to mail a Notice of Public Hearing on this resolution to the owner of the property proposed to be annexed at its address as shown on the County Assessor's current records, or a more recent address if known to the City Clerk, not less than 15 days prior to the hearing.

OCTOBER 23, 2007

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CITY OF VALLEJO

Agenda Item No. CONSENT C

COUNCIL COMMUNICATION

Date: October 23, 2007

TO: Mayor and Members of the City Council

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

SUBJECT: APPROVAL OF FISCAL YEAR 2007-08 SERVICE AGREEMENT BETWEEN THE CITY OF VALLEJO AND SOLANO ECONOMIC DEVELOPMENT CORPORATION (SOLANO EDC)

BACKGROUND AND DISCUSSION

Solano EDC supports the City's economic development efforts. Recent Solano EDC initiatives have included include touring prospective businesses, working with Touro University to support their efforts to create a life science campus resulting in attraction of a start up biotechnology company and support for the planning of a future campus biotechnology incubator, participating with the City in the Bay Area Community Investment Network (BACIN), and county-wide initiatives to support additional funding for critical transportation funding projects.

The City of Vallejo has entered into an agreement with Solano EDC to codify the services provided to the City and in support of its business attraction efforts. Solano EDC is a partnership of the cities of Vallejo, Benicia, Fairfield, Suisun, Vacaville, Rio Vista and Dixon, Solano County, business and industry, and education institutions to foster economic growth in Solano County. Solano EDC goals are to create an awareness of Solano County as a unique business location; build an effective marketing organization, which will add value to local efforts for business recruitment and expansion; target manufacturers, suppliers, and emerging technology business to promote location availability; and generate quality business leads and recruit new businesses.

A performance-based agreement has been negotiated with Solano EDC for services provided during FY 2007-08 (see Attachment A). A representative of the City's Economic Development Division attends monthly meetings with Solano EDC staff to ensure the benchmarks are met as outlined in the service agreement. Solano EDC also provides semi-annual written reports to the City (see Attachment C).

The FY 2007-08 Scope of Services requires the Solano EDC to perform the following services:

- Leads - Respond to inquiries, coordinate presentations to companies, advise City of contact information sent to prospects, respond to State agencies on behalf of City, and provide no less than 3 tours for prospects interested in Vallejo

- Marketing – Continue to use software and internet tools to enhance the marketing efforts including upgrading Solano EDC's website with improved links to City websites.
- Reports – Prepare Progress Reports semi-annually.
- Events/Meeting Participation – Attend meetings of appropriate regional commissions, agencies, and other organizations and represent Team Solano at local and regional trade shows.

FISCAL IMPACT

The funding for this service agreement is for one year and is appropriated in the Economic Development Division's approved FY 2007-08 Budget. The service agreement is structured in a manner that eligible costs will be reimbursed up to an amount not to exceed \$19,800.

RECOMMENDATION

Authorize the City Manager or his designee to execute a service agreement with Solano EDC for business attraction services for FY 2007-08.

PROPOSED ACTION

Adopt the attached resolution authorizing the City Manger or his designee to execute a service agreement with Solano Economic Development Corporation (Solano EDC) for services during FY 2007-08.

DOCUMENTS AVAILABLE FOR REVIEW

Attachment A - Resolution
Attachment B – Service Agreement
Attachment C – FY 2006-07 Semi-Annual Report

CONTACT

Annette Taylor, Sr. Community Development Analyst
707-649-3510, annette@ci.vallejo.ca.us

Susan McCue, Economic Development Program Manager
707-553-7273, smccue@ci.vallejo.ca.us

RESOLUTION _____ N.C.

BE IT RESOLVED by the City of Vallejo as follows:

THAT WHEREAS, a service agreement has been negotiated with Solano EDC for services during Fiscal Year 2007-08, and

WHEREAS, the service agreement will benefit the City of Vallejo's economic development efforts, and

WHEREAS, funds are available for costs associated with the service agreement in the approved FY 2007-08 Economic Development Division budget,

NOW THEREFORE BE IT RESOLVED that the City Manager or his designee is authorized to execute a service agreement with Solano EDC for services during FY 2007-08; and

BE IT FURTHER RESOLVED that the City Manager or his designee are hereby authorized to execute amendments to the terms of this agreement, that do not require the expenditure of City funds a may be necessary to carry out the purpose of the agreement.

October 23, 2007

K:\PUBLIC\INED\CC 102307 Solano EDC Service Agreement 2007-08 - reso.doc

CONSULTANT AND PROFESSIONAL SERVICES AGREEMENT

This Agreement ("AGREEMENT") is made at Vallejo, California, on the ___ day of ___ 2007, by and between the CITY OF VALLEJO, a Municipal Corporation ("CITY"), and Solano Economic Development Corporation, a not-for-profit corporation, hereinafter referred to as CONSULTANT, who agree as follows:

1. **Services.** Subject to the terms and conditions set forth in this AGREEMENT, CONSULTANT shall provide the CITY professional services as specified in Exhibit A, entitled "Scope of Work", which is attached hereto and made a part hereof. The CITY'S Community Development Director is the representative of the CITY and will administer this agreement for the CITY.
2. **Payment.** CONSULTANT shall invoice the CITY for services rendered pursuant to this AGREEMENT at the times and in the manner set forth in Exhibit B, entitled "Fee", which is attached hereto and made a part hereof. The CITY shall pay CONSULTANT an amount not to exceed nineteen thousand eight hundred dollars (\$19,800), as specified in Exhibit B, for the services provided by CONSULTANT.
3. **Facilities and Equipment.** CONSULTANT shall, at its sole cost and expense, furnish all facilities and equipment which may be required for furnishing services pursuant to this AGREEMENT.
4. **Indemnification.** CONSULTANT shall defend and hold harmless CITY, its officers, officials, directors, employees, agents, volunteers and affiliates and each of them from any and all claims, demands, causes of action, damages, costs, expenses, actual attorney's fees, consultant's fees, expert fees, losses or liability, in law or in equity, of every kind and nature whatsoever arising out of or in connection with CONSULTANT'S operations, or any subcontractor's operations, to be performed under this agreement for CONSULTANT'S or subcontractor's tort negligence including active or passive, or strict negligence, including but not limited to personal injury including, but not limited to bodily injury, emotional injury, sickness or disease, or death to persons and/or damage to property of anyone, including loss of use thereof, caused or alleged to be caused by any act or omission of CONSULTANT, or any subcontractor, or anyone directly or indirectly employed by any of them or anyone for the full period of time allowed by the law, regardless to any limitation by insurance, with the exception of the sole negligence or willful misconduct of the CITY.

Approval of insurance coverage does not, in any way, relieve the CONSULTANT of any liability.
5. **Insurance Requirements.** CONSULTANT agrees to comply with all of the Insurance Requirements set forth in Exhibit C, entitled "Insurance Requirements For Consultant", which is attached hereto and made a part hereof.
6. **Conflict of Interest.** CONSULTANT shall not enter into any contract or agreement during the performance of this AGREEMENT which will create a conflict of interest with its duties to CITY under this AGREEMENT.
7. **Independent Contractor.** CONSULTANT shall be an independent contractor and shall not be an employee of CITY while performing services pursuant to this AGREEMENT. CITY

shall have the right to control CONSULTANT only insofar as the results of CONSULTANT'S services rendered pursuant to this AGREEMENT; however, CITY shall not have the right to control the means by which CONSULTANT accomplishes services pursuant to this AGREEMENT.

8. **Licences, Permits, Etc.** CONSULTANT represents and warrants to CITY that it has all professional licenses, permits, qualifications and approvals of whatsoever nature which are legally required for CONSULTANT to practice its profession. CONSULTANT represents and warrants to CITY that it shall, at its sole cost and expense, keep in effect at all times during the term of this AGREEMENT any licenses, permits, and approvals which are legally required for CONSULTANT to practice its profession.
9. **Standard of Performance.** CONSULTANT shall perform all services required pursuant to this AGREEMENT in a manner and according to the standards observed by a competent practitioner of the profession in which CONSULTANT is engaged. All products and services of any nature which CONSULTANT provides to CITY pursuant to this AGREEMENT shall conform to the standards of quality normally observed by licensed, competent professionals practicing in CONSULTANT'S profession.
10. **Time for Performance.** CONSULTANT shall devote such time to the performance of the services required by this AGREEMENT as may be reasonably necessary for the satisfactory performance of its obligations pursuant to this AGREEMENT. Neither party shall be considered in default of this AGREEMENT to the extent performances are prevented or delayed by any cause, present or future, which is beyond the reasonable control of the parties set forth in this AGREEMENT.
11. **Personnel.** CONSULTANT agrees to assign only competent personnel according to the reasonable and customary standards of training and experience in the relevant field to perform services pursuant to this AGREEMENT. Failure to assign such competent personnel shall constitute grounds for termination of this AGREEMENT pursuant to Section 14 of this AGREEMENT.
12. **Consultant Not Agent.** Except as CITY may authorize in writing, CONSULTANT shall have no authority, express or implied to act on behalf of CITY in any capacity whatsoever as an agent. CONSULTANT shall have no authority, express or implied, pursuant to this AGREEMENT, to bind CITY to any obligation whatsoever.
13. **Abandonment by CITY.** Upon abandonment of the project encompassed by this AGREEMENT by CITY, and written notification to CONSULTANT, this AGREEMENT shall terminate. CONSULTANT shall be entitled to compensation earned by it prior to the date of termination, computed prorated up to and including the date of termination. CONSULTANT shall not be entitled to any further compensation as of the date of termination. All charges incurred shall be payable by CITY within thirty (30) days following submission of a final statement by CONSULTANT.
14. **Termination by CITY.** Should CITY, at any time, and in its sole discretion, become dissatisfied with CONSULTANT'S performance under this AGREEMENT, it may terminate the AGREEMENT immediately upon giving notice to CONSULTANT. In the event of such a termination, CONSULTANT shall be compensated for all reasonably satisfactory work completed at the time of termination.

State of California. Litigation arising out of or connected with this AGREEMENT shall be instituted and maintained in the courts of Solano County in the State of California, and the parties consent to jurisdiction over their person and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.

23. **Waiver.** Waiver by either party of any default, breach or condition precedent shall not be construed as a waiver of any other default, breach or condition precedent or any other right hereunder.
24. **Confidentiality of CITY Information.** During performance of this AGREEMENT, CONSULTANT may gain access to and use City information regarding, but not limited to, Economic Development procedures, policies, training, operational practices, and other vital information (hereafter collectively referred to as "City Information") which are valuable, special and unique assets of the CITY. CONSULTANT agrees to protect all City Information and treat it as strictly confidential, and further agrees CONSULTANT will not at any time, either directly or indirectly, divulge, disclose or communicate in any manner any City Information to any third party without the prior written consent of CITY. A violation by CONSULTANT of this paragraph shall be a material violation of this AGREEMENT and will justify legal and/or equitable relief.
25. **CITY Representative.** The CITY Representative or the representative's designee, shall administer this AGREEMENT for the CITY.
26. **Counterparts.** The Parties may execute this AGREEMENT in two or more counterparts, which shall, in the aggregate, be signed by all the Parties; each counterpart shall be deemed an original of this AGREEMENT as against a Party who has signed it.
27. **Authority.** The person signing this Agreement for CONSULTANT hereby represents and warrants that he/she is fully authorized to sign this Agreement on behalf of CONSULTANT
28. **Exhibits.** The following exhibits are attached hereto and incorporated herein by reference:
 - A. Exhibit A, entitled "Scope of Work"
 - B. Exhibit B, entitled "Fees"
 - C. Exhibit C, entitled "Insurance Requirements For Consultant", consisting of 3 pages

(Signatures on next page)

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

**SOLANO EDC,
A Not-for-profit corporation**

By: _____
Michael S. Ammann
President

**CITY OF VALLEJO,
A Municipal Corporation**

By: _____
Joseph Tanner
City Manager

(City Seal)

ATTEST:

By: _____
Mary Ellsworth, Interim City Clerk

APPROVED AS TO CONTENT:

Susan McCue
Economic Development Program Manager

APPROVED AS TO INSURANCE REQUIREMENTS:

Risk Manager

APPROVED AS TO FORM:

Frederick G. Soley, City Attorney

**Exhibit A
To
Service Agreement between the City of Vallejo
And the Solano Economic Development Corporation (Solano EDC)**

Scope of Services

OBLIGATION OF CONSULTANT

As a means of assisting and complementing City efforts in the attraction of new businesses to Vallejo CONSULTANT shall:

A. Leads

1. Respond to requests for information and/or assistance from real estate professionals, consultants, corporate users, and City staff. SOLANO EDC will coordinate presentations to such companies interested in locating in Vallejo and copy CITY on all correspondence to such parties.
2. Respond to all CalBis, Team California or other state agency leads on behalf of the City, after consulting with the CITY.
3. Advise CITY (either by copying CITY on correspondence or through regular reports) of the names, and contact information sent to prospects, unless prospects have specifically requested confidentiality.
4. Provide no less than three (3) tours for prospects interested in properties located within the City of Vallejo. SOLANO EDC will advise City of such tours, unless the prospect requests confidentiality.

B. Marketing

1. Continue use of the following software and internet tools to enhance the marketing and sale of the CITY.

LoopNet Property Inventory – Link CITY web site to SOLANO EDC website and incorporate web-base searchable real estate inventory through LoopNet. City of Vallejo receives a Premium LoopNet account.

Site Selection Network – Solano EDC will continue its subscription to Site Selection Network which is a source of leads. CITY has been given access to the leads via a password to the site.

Economic Development Directory - Solano EDC will continue its subscription to the online Economic Development Directory, <http://www.ecodevdirectory.com>. It is a directory of economic development agency web sites listed by geographical location.

Google Earth Pro - Solano EDC will customize tours utilizing its subscription to Google Earth Pro.

Databases – Purchase or obtain through membership in targeted facility planning industry associations, electronic database covering Site Consultants, Targeted Businesses such as BioTech, Commercial/Industrial Real Estate Businesses, Media, and other community or external marketing Resources

Website Enhancements – Continue to upgrade SOLANO EDC's web site with improved links to CITY websites and post economic growth articles under Solano EDC news section.

2. Include CITY or CITY designee in all Marketing Task Force Committee meetings and Team Solano.
3. Make direct presentations to no fewer than 10 real estate brokerage firms, site consultants and/or corporate users discussing development opportunities in Vallejo and Solano County as part of the Team Solano program.
4. Maintain current demographic and site information provided by CITY on all marketing including, but not limited to, web-site, collateral materials, and maps.
5. Refer media news releases for local and Bay Area newspapers, real estate trade and business journals/magazines, and the various radio and television stations for newsworthy member events, business activities or announcements that promote the City.
6. As requested coordinate services for groundbreaking ceremonies and participate in other economic development activities, on behalf of the City.

C. Preparation of Reports to City of Vallejo and other Agencies

1. Solano EDC shall prepare Progress Reports describing the status of the implementation of each item in the scope of services identified in Section II (A-D) and shall be sent to the CITY as follows:
 - a. For the period between July 1 – December 31, 2007 the report due to CITY by February 15, 2008.
 - b. For the period between January 1 – June 30, 2008 the report due to CITY by August 15, 2008.
2. Solano EDC shall present Status Reports to the Vallejo City Council on a quarterly basis, if requested.

D. Events / Meeting Participation

1. Attend meetings of appropriate regional commissions, agencies, and other organizations and report on actions taken which directly affect the economic health of the City of Vallejo. These include, but are not limited to, Association for Corporate Growth; CoreNet Global; International Economic Development Council (IEDC); ISPE; CALED; Team California; UC Davis Innovation Access, Bay Area Council; Bay Area Economic Forum, BayBio, Comstock's and Bay Area Marketing Partnership.

2. CITY elected officials and staff will be automatically invited to all SOLANO EDC events such as the Member Breakfast series and Annual Meeting.
3. Represent Team Solano at local and regional trade shows. These include, but are not limited to, BIO; Bio Industrial, CALED, CoreNet Global, IEDC, NASFT Fancy Food; MD&M West; SemiCon West.

E. Funding from Solano County Cities

CONSULTANT shall actively pursue funding from all municipalities within Solano County to support marketing and sales efforts. Design and attempt to implement a funding program where each municipality is contributing in an equitable manner to the efforts of CONSULTANT. CONSULTANT shall provide copies of agreements with other municipalities to CITY as they are renewed or initially executed as requested unless confidential is invoked by another municipality.

III. OBLIGATIONS OF CITY

CITY shall:

- A. Appoint one City Councilmember to stand for election to the SOLANO EDC Board of Directors.
- B. Provide GRANTEE current demographic and site information.
- C. Provide data as appropriate for updates in the SOLANO EDC web database.
- D. Continue participation of City staff or designee in the Marketing Task Force and other appropriate committees.
- E. Assign appropriate staff or designee to participate in presentations to prospects and site consultants.

Exhibit B
to
Services Agreement between the City of Vallejo
and Solano Economic Development Corporation (Solano EDC)

Fees

Upon satisfactory completion of performance standards outlined in Section II.A., City will make payments to GRANTEE as follows:

- A. Upon receipt of signed service agreement with certificate of insurance - \$10,000
- B. Upon receipt of First Progress Report - \$ 4,900
- C. Upon receipt of Second Progress Report - \$4,900

EXHIBIT C

CONSULTANT AND PROFESSIONAL SERVICES AGREEMENT

INSURANCE REQUIREMENTS FOR CONSULTANT

CONSULTANT shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of work hereunder by the CONSULTANT, their agents, representatives, or employees or subconsultants:

A. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. Insurance Services Office form number GL 0002 (Ed. 1/73) covering Comprehensive General Liability and Insurance Services Office form number GL 0404 covering Broad Form Comprehensive General Liability; or Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).
2. Insurance Services Office form number CA 0001 (Ed. 1/78) covering Automobile Liability, code 1 any auto and endorsement CA 0025.
3. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.
4. Professional Liability insurance appropriate to the CONSULTANT'S profession (Errors and Omission).

B. Minimum Limits of Insurance

Consultant shall maintain limits no less than:

1. General Liability: \$2,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.
3. Workers' Compensation and Employer's Liability: \$1,000,000 per accident for bodily injury or disease.
4. Professional Liability (Errors and Omission): \$1,000,000 combined single

limit per occurrence, and annual aggregate.

C. Deductible and Self-Insured Retention

Any deductibles or self-insured retention must be declared to and approved by the City. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the City of Vallejo, its officers, officials, employees and volunteers; or the CONSULTANT shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

D. Other Insurance Provisions

The general liability and automobile liability policies, as can be provided, are to contain, or be endorsed to contain, the following provisions:

1. The City of Vallejo, its officers, officials, employees, agents and volunteers are to be covered as additional insureds as respects; liability, including defense costs, arising out of activities performed by or on behalf of the Consultant; products and completed operations of the Consultant; premises owned, occupied or used by the Consultant; or automobiles owned, leased hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the City of Vallejo, its officers, officials, employees, agents or volunteers. The insurance is to be issued by companies licensed to do business in the State of California.
2. For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the City of Vallejo, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the City of Vallejo, its officers, officials, employees, agents or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
3. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the City, its officers, officials, employees, agents or volunteers.
4. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
5. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

E. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII.

F. Verification of Coverage

Consultant shall furnish the City with original endorsements effecting general and automobile liability insurance coverage required by this clause. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received and approved by the City before work commences.

G. Subconsultants

Consultant shall include all subconsultants as insureds under its policies or shall furnish separate certificates and endorsements for each subconsultant. All coverages for subconsultants shall be subject to all of the requirements stated herein.



August 14, 2007

Ms. Annette Taylor
City of Vallejo
555 Santa Clara Street
Vallejo, CA 94590

Dear Annette,

The past six months have been ambitious ones for the Solano Economic Development Corporation marketing team. Solano County has a robust economy with predictions for continued job growth by several regional agencies.

Even so, the efforts of Solano EDC to support local city efforts to attract new business have never been more important. Competition in the economic development arena makes it imperative we continue our aggressive efforts and work in partnership with Vallejo and other Solano cities, the county, regional and state officials.

First, thank you for participating and contributing to Team Solano's monthly prospect and community marketing session. Working through the Solano EDC Marketing Task Force, composed of a member from each city's economic/community development staff, we have initiated an effective campaign to reach our target audiences and service prospect inquiries. The "Plant Your Business in Solano County" theme guides our everyday marketing campaign, backed up by "Solano's Got it!". An update of this "one pager" cooperative marketing plan is enclosed along with our report.

Biotech, food, alternative energy, office and tourism--these are the key areas of growth that we have projected for Solano County, and Vallejo is positioned to enjoy the many advantages of this marketing plan.

Solano EDC has worked to strengthen the partnership with Vallejo, and appreciates the continued commitment by the City of Vallejo's elected officials and staff. Vallejo's goal to attract new business investment projects has shown results which can be used to positively market your city's opportunities.

Our six month Report on Scope of Services (January-June 2007) is enclosed for your review. Following is a brief list of the past six month marketing highlights:

- I have been Team CA Trade Show Chairman this year and have attended 6 trade shows, including the world's largest biotech convention in Boston with over 22,000 attendees. Team CA created the California Pavilion with over 40 California companies, UC universities and communities participating with Solano EDC. Over 100 leads were delivered to Vallejo's staff and followed up individually. In addition, TeamCalifornia had a strong presence at this year's Medical Design and Manufacturing show in Anaheim. Ten TeamCA members joined in the TeamCA booth while another three members had

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Website:
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their own booth in TeamCA's California Pavilion. This year's show, the country's largest medical device show, attracted over 10,000 attendees. TeamCA booth participants generated over 90 qualified leads from the show.

- Worked more closely with Touro University to support their efforts to a new create a life science campus resulting in attraction of a startup biotechnology company (Jararaca Bio) and support for the planning of a future campus biotechnology incubator.
- Generated more than 50 news releases in the past six months, which has increased awareness and kept Solano County and it's communities in front of local and bay area media sources.
- Co-sponsored the Solano County Economic Summit with the County of Solano, Solano Transportation Authority and the County City Coordinating Council. The Solano EDC marketing task and other volunteers worked to guide the county through the process of creating a vision and begin the long range strategic planning that will map out Solano County's role in economic development.
- Obtained \$7,500 grant from PG&E which was used to offset costs of advertising in regional business publications.
- Commitment from City of Benicia and Solano County to increase membership contributions by \$27,500 next year which will allow for more outreach and marketing in Fiscal 2007-08.

Thank you again for your strong support and helping us position Solano County has an economic force in the minds of Bay area companies and decision makers.

Sincerely,

A handwritten signature in black ink that reads "Mike Ammann". The signature is written in a cursive style with a large, looped initial "M".

Mike Ammann
President

REPORT ON SCOPE OF SERVICES (JANUARY – JUNE 2007)

FY 2006-07 Solano EDC Contract

Solano EDC Events

- Solano EDC Annual Meeting luncheon (1/25/07)
- Solano County Economic Summit (Solano EDC was a partner) (2/15/07)
- Solano EDC Luncheon Event with Col. Steven Arquette, Travis AFB (3/20/07)
- Solano EDC Luncheon with Congresswoman Ellen Tauscher (4/4/07)
- Solano EDC Reception Honoring Carl Guardino to CA Transportation Commission (4/11/07)
- Solano EDC Reception Honoring Jim Earp to CA Transportation Commission (6/13/07)
- Solano County Economic Summit II (Solano EDC was a partner) (6/19/07)
- Solano EDC Dinner event with Ralph Grossi (6/27/07)

Conferences & Trade Shows

- NASFT Fancy Food Show (San Francisco) (1/21/07-1/23/07)
- DesignCon 2007 (Santa Clara) (1/29/07-2/1/07)
- MD&M West (Anaheim) (2/10/07-2/15/07)
- World Congress on Industrial Biotechnology and Bioprocessing (Orlando) (3/21/07-3/25/07)
- Transportation trip to Washington DC (3/25/07-3/28/07)
- CALED Annual Conference (Monterey) (5/2/07-5/4/07)
- BIO2007 (Boston) (5/6/07-5/9/07)

Regional Networking Events (Bay Area)

- CoreNet Global Chapter meetings
- ACG Monthly luncheon meetings
- ACG Breakfast meetings
- BayBio workshop: Relocation 101(1/9/07)
- Burill Biotech Reception (1/9/07)
- Financial Women Association of San Francisco event (1/11/07)
- Congresswoman Tauscher Small Business Fair (1/16/07)
- ISPE San Francisco Bay Area Chapter dinner meeting (1/18/07)
- BayBio member reception and mixer (1/18/07)
- Cornish & Carey Annual Real Estate Forecast Conference (1/23/07)
- NAIOP San Francisco Bay Area event (1/24/07, 2/20/07, 3/13/07)
- Union Bank Economic Forecast Seminar (2/21/07)
- Bay Area Economic Forum event (2/22/07)
- BayBio NEST tech showcase event (2/22/07)
- ACG 4th Annual West Coast Growth Capital Conference (3/1/07)
- Bay Area Outlook Conference (3/8/07)
- GE Capital March Madness event (3/15/07)
- Reception Honoring Jim Earp to California Transportation Commission (3/28/07)
- BayBio member orientation at Fenwick & West (3/29/07)
- Bay Planning Coalition Investing in the Future event (4/12/07)
- ACG Silicon Valley event (4/12/07)
- ABAG Spring General Assembly (4/19/07)
- Best Practices in eMail Marketing for Small Business seminar (4/23/07)
- Bay Bio Third Annual Conference (4/26/07)
- Big Event & Business Showcase Life Sciences Convergence Intelligent Systems (5/17/07)

- Manex Open House (5/24/07)
- San Francisco Investment Forum: Web for Real Estate Professionals (6/6/07)
- CoreNet CoRe Curriculum (6/12/07)
- BayBio: Capturing the attention of good potential investors and the media (6/19/07)
- San Francisco Business Times Bay Area Biotech Forum (6/20/07)
- East Bay Business Times Mid-Year Market Report (6/21/07)
- ISPE South SF Genentech Building B43 Facility Tour (6/21/07)
- BayBio Nest & Gladstone present: 28 on 28 (6/28/07)
- German American Business Association Reception at Genentech (6/28/07)

Regional Networking Events (Sacramento Area)

- Big Bang - UC Davis Graduate School of Management event (1/17/07)
- Big Bang - Intellectual Property and Legal Workshop (2/7/07)
- UC Davis Technology & Industry Alliances event (2/20/07)
- Metro Chamber 3rd Regional Economic Forum Growing Human Capital (2/23/07)
- TechCoire: Perfecting your Pitch with Prospect (2/28/07)
- SACTO Salute to Industry event (3/6/07)
- State Legislative trip to Sacramento (3/7/07)
- UC Davis GSM Dean's Distinguished Speaker event (3/7/07)
- Green California Summit and Exposition (3/13/07)
- Roots of Change: Bright Future for Healthy Communities (3/13/07)
- BayBio Sacramento Open House Reception (3/27/07)
- UCDavis Entrepreneurship Innovation Speaker Series event (4/4/07)
- Meeting with David Berry at Bucci's (4/6/07)
- UCDavis System Wide Technology Transfer Forum on Nanotechnology (4/13/07)
- Investorfest 2007 Vint Cerf TechCorie (4/16/07)
- UCDavis Reception for Graduate School Management Executive in Residence (4/17/07)
- UCDavis BigBang Final Presentation & Awards Ceremony (5/16/07)
- UCDavis Business Partners Breakfast (5/23/07 & 6/5/07)

Regional Networking Events (Solano County)

- Dixon Chamber of Commerce installation luncheon (1/20/07)
- Vallejo Chamber of Commerce installation event (1/20/07)
- Workforce Investment Board planning retreat (1/27/07)
- NorthBay VacaValley Hospital new emergency room opening (3/17/07)
- Presentation to Cordelia (3/28/07)
- Vallejo Legislative Day (4/5/07)
- Leadership Vacaville (4/12/07)
- 20th Annual Wine & Food Jubilee (4/20/07)
- Dedication ceremony at Sacramento Valley VA National Cemetery (4/22/07)
- Solano County thank you event for volunteers ceremony (4/24/07)
- Solano County Road Tour (5/15/07)
- Travis Air Force Base Change of Command Ceremony (5/15/07)
- Vacaville VIP Day (5/16/07)
- Gary Archer Annual Spring Luncheon (5/18/07)
- Travis Air Force Base Honorary Commander deployment exercise (6/7/07)
- Col. Watts Change of Command ceremony at Travis AFB (6/14/07)
- Solano County Mayors Conference (6/20/07)

Local and Regional Meetings (Bay Area)

- Monthly Bay Area Marketing Partnership meetings
- Bay Area Business Coalition monthly meetings
- Metropolitan Transportation Commission Advisory Council monthly meetings
- Travis Regional Armed Forces Committee meetings
- Meeting with Dennis Conaghan, San Francisco Center for Economic Development (1/9/07)
- Meeting with Peter Hartman, Pacific Gas & Electric Company (1/9/07)
- Northern California Trade Corridor Coalition meeting (1/22/07 & 5/22/07)
- Bay Area Economic Forum Public Policy Institute meeting (1/30/07)
- Broker Presentation meeting Keegan & Coppin in Larkspur (1/31/07)
- Broker Presentation meeting Orion in Petaluma (3/29/07)
- Meeting with Dennis Conaghan, San Francisco Center for Economic Development (4/16/07)
- Meeting with Laurie Lument Garty, Silicon Valley Bank along with Sofia (6/1/07)
- Meeting with Rob Dellenbach, Fenwick & West (6/6/07)
- Meeting with Manex (6/20/07)
- Joint meeting with MTC Advisors on Transportation 2035 Goals (6/25/07)
- Meeting with Sandy Richardson, Ascend (6/29/07)
- Lunch meeting with Martin Kan, Silicon Valley Bank (6/29/07)

Local and Regional Meetings (Sacramento Area)

- Comstock's Editorial Board monthly meetings
- Meeting with Wes Ervin, Yolo County Economic Developer (1/4/07)
- Meeting with Tracy Schaal, SACTO and Mary Ingersol, Team California (1/29/07)
- Meeting with Dave Freitas, CalBIS (1/29/07)
- Meeting at CALED (2/23/07)
- Meeting with Frank Rich and Marcus Crowder, UC Davis (3/19/07)
- Meeting with Barbara Celli and Nora Moore Jimenez, UC Davis (4/25/07)
- Meeting with Mona Ellerbrock, UC Davis (5/23/07)
- Meeting with Matt Gardner and John Igoe (6/22/07)
- Meeting with Mona Ellerbrock, David McGee and Matt Gardner (6/22/07)
- Meeting with Tracy Schaal, SACTO (6/22/07)
- Meeting with Gary Sandy, UC Davis (6/25/07)

Local and Regional Meetings (Solano County)

- Meeting with Jim Frische, BLVMA (1/10/07)
- Prospect Tour (1/10/07)
- Meeting with Craig Whittom, City of Vallejo (1/11/07)
- Meeting with Prospect (1/11/07)
- Meeting with Buntain Construction (1/12/07)
- Meeting with Prospect (1/12/07)
- Meeting with Sean Quinn, City of Fairfield (1/18/07)
- Meeting with John Thompson, JP Thompson Consulting (1/26/07)
- Touro University meeting with prospect (2/2/07)
- Meeting with Chris Draper, BayBio and Len Augustine, City of Vacaville (2/6/07)
- Meeting with Dick Banks, First American Title Company (2/7/07)
- Meeting with Morgan O'Brien (referral from Vallejo Chamber (2/21/07)
- Meeting with Marc Levine, Touro University and Robert Bloom, WIB (2/27/07)
- Meeting with County Supervisor Mike Reagan (2/28/07)

- Meeting at Touro University (3/2/07)
- Meeting at with Gerry Fisher and Tony Ubalde, Solano Community College (3/8/07)
- Meeting with Ron Vyse, Wells Fargo (3/9/07)
- Meeting with Vallejo City Manager, Joe Tanner (3/12/07)
- Travis Community Consortium meeting (3/19/07)
- Meeting with American Canyon City Manager (3/27/07)
- Presentation at City Managers meeting (3/28/07)
- Meeting with Don, California Green Builder program (4/4/07)
- Solano County Sister City Program meeting (4/9/07)
- Meeting with Jim Frische, BLVMA (4/11/07)
- Solano Transportation Authority Board meeting (4/11/07)
- Meeting with Mary Post and Chris Mallach, PG&E (4/17/07)
- Meeting with Craig Whittom, City of Vallejo (4/18/07)
- Solano College Occupational & Career Education Advisory Council meeting (4/24/07)
- Meeting with Joe Scholtes, KUIC (5/10/07)
- Meeting with Peter Matlock, Vitalea Science (5/14/07)
- Travis Community Consortium Economic Development Subcommittee meeting (5/14/07)
- Meeting with Rio Vista reps (5/17/07)
- Meeting with Sofia Robeiro, Jararaca Bio (5/21/07)
- Prospect tour of available buildings (5/24/07)
- Meeting with Supervisor Mike Reagan (5/30/07)
- Meeting with Roger King, Suisun Valley Grape Growers Association (6/1/07)
- Meeting with Prospect (6/8/07)
- Meeting with Rob Carter, Novartis (6/11/07)
- Meeting with Shelly Marone, The Reporter (6/12/07)
- Meeting with Doug Curley, Comstocks and Steve Huddleston, The Reporter (6/18/07)
- Meeting with Paul Demerly, Napa Valley Consulting Group (6/19/07)
- Meeting with Dick Hassel, Touro University (6/27/07)
- Prospect tour (6/28/07)
- Meeting with prospect (6/29/07)
- Team California Conference Calls (weekly)
- Solano County Economic Summit planning meetings
- Monthly Travis Regional Armed Forces Committee meetings
- Solano County Economic Development Summit I & II committee meetings
- I-80 Smart Growth study steering committee meetings
- Team California meetings and conference calls
- Monthly meetings of the Vacaville Economic Vitality Committee
- Monthly Vallejo Chamber of Commerce Economic Development Committee
- Attended Vallejo Chamber of Commerce Mixers
- Workforce Investment Board (WIB) Board of Directors meetings
- Solano Manufacturers Workforce Task Force meetings
- Solano EDC Marketing Task Force monthly meetings

A. July – December 2006 Prospect Activity

The following represents prospect activity:

#01-2007 – Jararaca Bio: Continue to work with the Berlex scientist developing startup opportunity in Solano/Mare Island for a drug bio-marker and development company. Finalizing incorporation, IP agreements, recruit of scientific advisory board and have accepted adjunct faculty positions at Touro University.

#02-2007 – CalBIS Steel Recycling Facility (CBIS07019GG): 80-100 acres with rail requirement. No proposals submitted.

#03-2007 – CalBIS Port (CBIS07017TL) Mare Island info requested by English catering equipment co seeking 20K sf

#04-2007 – CalBIS Nordic Windpower (CBIS07022GH) Startup wind turbine manufacturer looking for a location for a turbine assembly plant (50K-100K ft expandable to 500,000 sf). Fairfield submitted proposal (4/27/07).

#05-2007 – Biotech Service Company – Current Yolo County located company looking for 6-8,000 sq ft (3,000 for lab) Raising next round of financing and need more visibility plus proximity to Bay Area. (Client source: Mike Ammann contact)

#06-2007 – Manufacturing Company – Searching for up to 15 acres for 250,000 sq ft production facility starting with 85 jobs. Sent community background information along with available sites/buildings. Referred to WIB on availability of manufacturing labor sourcing. (Client source: BAMP/president and past San Francisco contact of Mike Ammann).

#07-2007 – Bio Chip Manufacturing (CBIS07029TL) UPDATE: Vacaville's former Large Scale Bio building toured on 7/28 – tour was limited to buildings with wet lab space only. Existing NoCal based biotech firm going from R&D to manufacturing seeking 10,000 sq ft and incentive assistance in Northern California. Fairfield and Vacaville submitted proposals.

#08-2007 – Back Office – Cushman & Wakefield Global Project "E" – requested preliminary information on work force only for 165 jobs at annual salary of \$35,000. No real estate information requested.

#09-2007 - Campbells Soup (Dixon Plant): New V-8 Splash product line requirement would include \$20 million in plant improvements. Interested in incentives to compete with Ohio and Mexico operations.

#10-2007 – Manufacturing (AI Gianini client): 40 acres shovel ready industrial zoned for manufacturer ready for development within 12 months

Still active from July – December 2006

#12-2006 – (ON HOLD) Project Centaur (state of the art cancer treatment clinic): Vacaville and Fairfield with CalBis & Fluor Daniel representatives 9/25. Vacaville & Fairfield selected as finalists for the next round – delayed till mid-2007.

#10-2006 – (ACTIVE) Renewable energy company seeking 500+ acres to develop bio-fuels facility. Continue on-going conversations with client to identify potential Solano sites.

#17-2006 – (ACTIVE) Referral from LNR/Mare Island for yacht manufacturer seeking to develop yacht building facility. Client currently negotiating lease terms with Port of Benicia.

#22-2006 – (ACTIVE) International renewable energy company (Airtricity) interested in locating wind farms in Solano.

B. Internet Directory: Jan-June 2007 report from the Economic Development Directory (an online advertising directory for economic development organizations) <http://www.ecodevdirectory.com/california.htm>

Directory users who asked for the California section of the Directory:

January.....	1456
February.....	1042
March.....	1198
April.....	1279
May.....	1298
June.....	1173

Directory users who requested your website

January	83
February	90
March.....	93
April.....	83
May	136
June.....	155

Who were these viewers?

1.- Regular users of the Directory – economic development professionals: consultants, company real estate departments, industrial brokers, for examples. They have the Directory bookmarked on their computers. One consultant estimates that he uses the Directory 4 to 5 times a week

2.- Viewers referred to your section of the Directory by Google, Yahoo or state agencies. Typically business people, often local people, on first time site searches.

Benefit: A text Box brings these local business people, consultants, and major company real estate departments to your website when they are deciding on the few communities they are going to contact. According to one national consultant the internet is used in over 90% of all location search projects

Solano EDC
Purpose of Marketing/Promotional Campaign

1. Continue the joint "Plant Your Business" branding campaign
2. Continue promoting awareness of Solano County and cities assets
3. Position Solano communities in the media mind as an attractive location for new business investment

2007 Marketing Task Force Action Plan

- **Media Relations & Communication**
 - Develop and implement annual PR Plan – Updated & in use.
 - Complete Solano County Business News web site (<http://www.solanocountybusinessnews.info>) Completed & continuously updated with positive articles.
 - Continue to meet monthly with publishers and reporters at Business Journal events.
 - Continue to meet one on one with reporters to orientate, provide background and share story ideas. Orientated Shelly Meron, The Reporter – Vacaville.
- **Electronic Communications & Contacts**
 - Continue the development of and issuance of Solano EDC electronic newsletter
 - Continue electronic single page information updates to targeted audiences including 100 businesses, Bay Area Ind/Com Real Estate, Biotech Companies working to establish visits with 10 businesses outside Solano in targeted markets
- **Advertising**
 - Committed to EB Business Journal for Book of Lists in December, 07. Plan to place additional ad with EBBJ Fairfield Insert & Comstock's Solano County insert in Nov/Dec 07.
- **Trade Shows 2007**
 - NASFT Fancy Food Show, San Francisco, CA – January '07 - Attended
 - MD&M West, Anaheim, CA – February '07 – Dixon & Solano EDC represented at Team CA Booth
 - BIO Industrial Processing, Orlando, FL – March '07 Solano EDC attended & marketed with Yolo County Economic Developer Wes Erwin
 - CALED, Monterey, CA – May '07 Attended arranged Mayor of Vacaville keynote, Mike Palombo presented on Tesla Motors and Mike Ammann presented with Team CA and Caled round table
 - BIO 2007, Boston, MA – May '07 Solano EDC marketed with Team CA as trade show chair
 - SemiCon West, San Francisco, CA – July '07 Did not attend – meeting conflicts.
 - IEDC Annual Conference, Phoenix, AZ – September '07
 - CoreNet Global, Atlanta, GA – October '07
 - Continue to use seed packets, post cards and Jelly Belly's at trade shows
 - Continue to immediately distribute trade show leads via e-mail to communities for follow-up
 - Solano EDC staff to screen trade show leads, follow up and track individual responses providing requested services
- **Guerilla Marketing**
 - Brain storm and try to take advantage of free promotional opportunities
 - Solano County insert and print overrun - Continue to explore "Plant Your Business in (city) community electronic sign boards – Recommend removing from plan.
- **Broker/Developer Presentations**
 - Visit 12 Solano County developers
 - Presentation visits to 12 Bay Area/ Sacramento brokers, Orion, Santa Rosa, Keegan and Coppin, Larkspur
 - Attend 6 real estate/developer regional chapter/association meetings – Two CoreNet Core Curriculum courses & 3 Chapter meetings @ Adobe; Salesforce.com; Mantra Restaurant, Palo Alto;
 - Sponsor/Cosponsor one real estate/developer regional chapter/association meetings – Discussion with CoreNet NorCal Chapter but no event agreed to yet.
 - Complete and launch "LoopNet" property search web site www.solanocountypropertysearch.info Completed
- **Tracking:** Track and document above action plan for annual presentations to city and private members



CITY OF VALLEJO

COUNCIL COMMUNICATION

Agenda Item No. ^{CONSENT D}

Date: October 23, 2007

TO: Mayor and Members of the City Council

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

SUBJECT: APPROVAL OF FISCAL YEAR 2007-08 SERVICE AGREEMENT BETWEEN THE CITY OF VALLEJO AND SOLANO COLLEGE SMALL BUSINESS DEVELOPMENT CENTER FOR THE PROVISION OF TECHNICAL ASSISTANCE TO VALLEJO SMALL BUSINESSES

BACKGROUND AND DISCUSSION

The SCSBDC provides free/low cost assistance to small businesses throughout Solano County. The assistance includes business plan development, marketing plan development, cash flow management, and personnel management. The SCSBDC is funded primarily through the State of California Community College and the U.S. Small Business Administration. A component of the SCSBDC's budget includes matching contributions from local cities.

During the past several years, the City of Vallejo has entered into a service agreement with the SCSBDC to ensure services are directed to Vallejo businesses. The proposed FY2007-08 service agreement (Attachment A) includes requirements that SCSBDC provide the following services to Vallejo businesses:

- A. Coordinate and collaborate with other business and economic development entities throughout the Solano/Napa region such as the Vallejo Business Alliance (Vallejo Chamber of Commerce, Napa Solano Hispanic Chamber of Commerce, Solano County Black Chamber, and Filipino American Chamber), Vallejo Main Street, Central Core Restoration Corporation (CCRC), and local business associations. The Center will coordinate meetings on an ad hoc basis to coordinate special events as the Fall Business Resource Fair/Lenders Fair. The Center will coordinate activities, market programs and services, and communicate progress throughout the collaborative.
- B. Provide technical assistance to Vallejo businesses. Offer no less than 6 hours per week of consulting services to Vallejo businesses at Vallejo locations, with at least two of these hours offered during evenings or on weekends.

- C. Conduct a cooperative marketing program advertising business assistance services to Vallejo businesses.
- D. Utilize the One Stop Resource Center, by appointment, to conduct individual consultations by professional consultants at no cost to the business owner. The Center has negotiated a Cooperative Agreement with the Vallejo Chamber for use of their space to conduct one-on-one counseling sessions with local businesses.
- E. Conduct workshops and training for Vallejo businesses, including a Lenders Fair (Business Resource Fair) to be held during the Fall of 2007.

These services are more fully described in the attached Service Agreement.

This agreement requires that SCSBDC submit regular reports documenting the level of services provided to Vallejo businesses.

FISCAL IMPACT

The City of Vallejo matching contribution for FY 2007-08 is \$12,000. This funding has been budgeted in the approved FY 2007-08 Economic Development Division budget.

RECOMMENDATION

Authorize the City Manager or his designee to execute a service agreement with the Solano College Small Business Development Center (SCSBDC) for the provision of technical assistance to Vallejo small businesses for FY 2007-08.

PROPOSED ACTION

Adopt the attached resolution authorizing the City Manager or his designee to execute a service agreement with the Solano College Small Business Development Center (SCSBDC) for the provision of technical assistance to Vallejo small businesses for FY 2007-08.

DOCUMENTS AVAILABLE FOR REVIEW

Attachment A – Resolution
Attachment B – Service Agreement
Attachment C – FY 2006-07 Semi-Annual Report

CONTACT

Annette Taylor, Sr. Community Development Analyst
707-649-3510, annette@ci.vallejo.ca.us

Susan McCue, Economic Development Program Manager
707-553-7273, smccue@ci.vallejo.ca.us

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RESOLUTION NO. ____ N.C.

BE IT RESOLVED by the City of Vallejo as follows:

THAT WHEREAS, providing technical assistance to Vallejo small businesses will enhance the success rate of businesses, and

WHEREAS, successful small businesses are important to the Vallejo economy, and

WHEREAS, the proposed service agreement with the Solano College Small Business Development Center will ensure technical assistance is available to Vallejo small businesses, and

WHEREAS, the funding has been budgeted in the approved FY 2007-08 Economic Development Division budget;

NOW THEREFORE BE IT RESOLVED that the City Manager or his designee is authorized to execute a service agreement with the Solano College Small Business Development Center for services during FY 2007-08; and

BE IT FURTHER RESOLVED that the City Manager or his designee are hereby authorized to execute amendments to the terms of this agreement, that do not require the expenditure of City funds as may be necessary to carry out the purpose of the agreement.

October 23, 2007

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CONSULTANT AND PROFESSIONAL SERVICES AGREEMENT

This Agreement ("AGREEMENT") is made at Vallejo, California, on the ___ day of September, 2007, by and between the CITY OF VALLEJO, a Municipal Corporation ("CITY"), and Solano College Small Business Development Center, a division of the Solano Community College District, hereinafter referred to as CONSULTANT, who agree as follows:

1. **Services.** Subject to the terms and conditions set forth in this AGREEMENT, CONSULTANT shall provide the CITY professional services as specified in Exhibit A, entitled "Scope of Work", which is attached hereto and made a part hereof. The CITY'S Community Development Director is the representative of the CITY and will administer this agreement for the CITY.
2. **Payment.** CONSULTANT shall invoice the CITY for services rendered pursuant to this AGREEMENT at the times and in the manner set forth in Exhibit B, entitled "Fee", which is attached hereto and made a part hereof. The CITY shall pay CONSULTANT an amount not to exceed twelve thousand dollars (\$12,000), as specified in Exhibit B, for the services provided by CONSULTANT.
3. **Facilities and Equipment.** CONSULTANT shall, at its sole cost and expense, furnish all facilities and equipment which may be required for furnishing services pursuant to this AGREEMENT.
4. **Indemnification.** CONSULTANT shall defend and hold harmless CITY, its officers, officials, directors, employees, agents, volunteers and affiliates and each of them from any and all claims, demands, causes of action, damages, costs, expenses, actual attorney's fees, consultant's fees, expert fees, losses or liability, in law or in equity, of every kind and nature whatsoever arising out of or in connection with CONSULTANT'S operations, or any subcontractor's operations, to be performed under this agreement for CONSULTANT'S or subcontractor's tort negligence including active or passive, or strict negligence, including but not limited to personal injury including, but not limited to bodily injury, emotional injury, sickness or disease, or death to persons and/or damage to property of anyone, including loss of use thereof, caused or alleged to be caused by any act or omission of CONSULTANT, or any subcontractor, or anyone directly or indirectly employed by any of them or anyone for the full period of time allowed by the law, regardless to any limitation by insurance, with the exception of the sole negligence or willful misconduct of the CITY.

Approval of insurance coverage does not, in any way, relieve the CONSULTANT of any liability.

5. **Insurance Requirements.** CONSULTANT agrees to comply with all of the Insurance Requirements set forth in Exhibit C, entitled "Insurance Requirements For Consultant", which is attached hereto and made a part hereof.
6. **Conflict of Interest.** CONSULTANT shall not enter into any contract or agreement during the performance of this AGREEMENT which will create a conflict of interest with its duties to CITY under this AGREEMENT.

7. **Independent Contractor.** CONSULTANT shall be an independent contractor and shall not be an employee of CITY while performing services pursuant to this AGREEMENT. CITY shall have the right to control CONSULTANT only insofar as the results of CONSULTANT'S services rendered pursuant to this AGREEMENT; however, CITY shall not have the right to control the means by which CONSULTANT accomplishes services pursuant to this AGREEMENT.
8. **Licences, Permits, Etc.** CONSULTANT represents and warrants to CITY that it has all professional licenses, permits, qualifications and approvals of whatsoever nature which are legally required for CONSULTANT to practice its profession. CONSULTANT represents and warrants to CITY that it shall, at its sole cost and expense, keep in effect at all times during the term of this AGREEMENT any licenses, permits, and approvals which are legally required for CONSULTANT to practice its profession.
9. **Standard of Performance.** CONSULTANT shall perform all services required pursuant to this AGREEMENT in a manner and according to the standards observed by a competent practitioner of the profession in which CONSULTANT is engaged. All products and services of any nature which CONSULTANT provides to CITY pursuant to this AGREEMENT shall conform to the standards of quality normally observed by licensed, competent professionals practicing in CONSULTANT'S profession.
10. **Time for Performance.** CONSULTANT shall devote such time to the performance of the services required by this AGREEMENT as may be reasonably necessary for the satisfactory performance of its obligations pursuant to this AGREEMENT. Neither party shall be considered in default of this AGREEMENT to the extent performances are prevented or delayed by any cause, present or future, which is beyond the reasonable control of the parties set forth in this AGREEMENT.
11. **Personnel.** CONSULTANT agrees to assign only competent personnel according to the reasonable and customary standards of training and experience in the relevant field to perform services pursuant to this AGREEMENT. Failure to assign such competent personnel shall constitute grounds for termination of this AGREEMENT pursuant to Section 14 of this AGREEMENT.
12. **Consultant Not Agent.** Except as CITY may authorize in writing, CONSULTANT shall have no authority, express or implied to act on behalf of CITY in any capacity whatsoever as an agent. CONSULTANT shall have no authority, express or implied, pursuant to this AGREEMENT, to bind CITY to any obligation whatsoever.
13. **Abandonment by CITY.** Upon abandonment of the project encompassed by this AGREEMENT by CITY, and written notification to CONSULTANT, this AGREEMENT shall terminate. CONSULTANT shall be entitled to compensation earned by it prior to the date of termination, computed prorated up to and including the date of termination. CONSULTANT shall not be entitled to any further compensation as of the date of termination. All charges incurred shall be payable by CITY within thirty (30) days following submission of a final statement by CONSULTANT.

14. **Termination by CITY.** Should CITY, at any time, and in its sole discretion, become dissatisfied with CONSULTANT'S performance under this AGREEMENT, it may terminate the AGREEMENT immediately upon giving notice to CONSULTANT. In the event of such a termination, CONSULTANT shall be compensated for all reasonably satisfactory work completed at the time of termination.
15. **Products of Consulting Services.** All information developed pursuant to this AGREEMENT, and all work sheets, reports and other work products, whether complete or incomplete, of CONSULTANT resulting from services rendered pursuant to this AGREEMENT, shall become the property of CITY. CONSULTANT does not assume any liability which may arise from the use of its work products created under this AGREEMENT for other than their specific intended purpose.
16. **Cooperation by CITY.** CITY shall, to the extent reasonable and practicable, assist and cooperate with CONSULTANT in the performance of CONSULTANT'S services hereunder.
17. **Assignment and Subcontracting Prohibited.** No party to this AGREEMENT may assign any right or obligation pursuant to this AGREEMENT. Any attempted or purported assignment of any right or obligation pursuant to this AGREEMENT shall be void and of no effect.

CONSULTANT shall not subcontract any services to be performed under this AGREEMENT without the prior written consent of CITY.

18. **Non-Discrimination/Fair Employment Practices.** CONSULTANT agrees to observe the provisions of CITY'S Public Works Contracts Affirmative Action Ordinance (Ordinance No. 36 N.C. (2d), as amended, Vallejo Municipal Code, Chapter 2.72) obligating every contractor or consultant under a contract or subcontract to CITY for public works or for goods or services to refrain from discriminatory employment practices on the basis of race, religious creed, color, sex, national origin, or ancestry of any employee of, or applicant for employment with, such contractor or consultant. By this reference, said Ordinance is incorporated in and made a part of this AGREEMENT.
19. **Notices.** All notices pursuant to this AGREEMENT shall be in writing and mailed, postage prepaid, first class mail or personally delivered as follows:

If to CITY:

Annette Taylor
Senior Community Development Analyst
Economic Development Division
555 Santa Clara Street
Vallejo, CA 94590

If to CONSULTANT:

Charles Eason, Director
Solano College SBDC
360 Campus Lane, Ste. 102

20. **Integration Clause.** This AGREEMENT constitutes the entire agreement of the parties and may not be amended, except in a writing signed by both parties.
21. **Severability Clause.** Should any provision of this AGREEMENT ever be deemed to be legally void or unenforceable, all remaining provisions shall survive and be enforceable.
22. **Law Governing.** This AGREEMENT shall in all respects be governed by the law of the State of California. Litigation arising out of or connected with this AGREEMENT shall be instituted and maintained in the courts of Solano County in the State of California, and the parties consent to jurisdiction over their person and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.
23. **Waiver.** Waiver by either party of any default, breach or condition precedent shall not be construed as a waiver of any other default, breach or condition precedent or any other right hereunder.
24. **Confidentiality of CITY Information.** During performance of this AGREEMENT, CONSULTANT may gain access to and use City information regarding, but not limited to, Economic Development procedures, policies, training, operational practices, and other vital information (hereafter collectively referred to as "City Information") which are valuable, special and unique assets of the CITY. CONSULTANT agrees to protect all City Information and treat it as strictly confidential, and further agrees CONSULTANT will not at any time, either directly or indirectly, divulge, disclose or communicate in any manner any City Information to any third party without the prior written consent of CITY. A violation by CONSULTANT of this paragraph shall be a material violation of this AGREEMENT and will justify legal and/or equitable relief.
25. **CITY Representative.** The CITY Representative or the representative's designee, shall administer this AGREEMENT for the CITY.
26. **Counterparts.** The Parties may execute this AGREEMENT in two or more counterparts, which shall, in the aggregate, be signed by all the Parties; each counterpart shall be deemed an original of this AGREEMENT as against a Party who has signed it.
27. **Authority.** The person signing this Agreement for CONSULTANT hereby represents and warrants that he/she is fully authorized to sign this Agreement on behalf of CONSULTANT
28. **Exhibits.** The following exhibits are attached hereto and incorporated herein by reference:

- A. Exhibit A, entitled "Scope of Work"
- B. Exhibit B, entitled "Fees"
- C. Exhibit C, entitled "Insurance Requirements For Consultant",
consisting of 3 pages

(Signatures on next page)

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

**SOLANO COLLEGE SMALL
BUSINESS DEVELOPMENT CENTER
A Not-for-profit corporation**

**CITY OF VALLEJO,
A Municipal Corporation**

By: _____
Gerald F. Fisher
Interim Superintendent/President
Solano Community College District

By: _____
Joseph Tanner
City Manager

(City Seal)

ATTEST:

By: _____
Mary Ellsworth, Interim City Clerk

APPROVED AS TO CONTENT:

Susan McCue
Economic Development Program
Manager

**APPROVED AS TO INSURANCE
REQUIREMENTS:**

Risk Manager

APPROVED AS TO FORM:

Frederick G. Soley, City Attorney

Exhibit A
To
Service Agreement between the City of Vallejo
and the Solano College Small Business Development Center

Scope of Services

OBLIGATION OF GRANTEE

CONSULTANT agrees to provide the following to CITY:

A. Collaborate with Existing Business Assistance Programs and Economic Development Entities

CONSULTANT will coordinate and collaborate with other business and economic development entities throughout the Solano/Napa region such as the Vallejo Business Alliance (Vallejo Chamber of Commerce, Napa Solano Hispanic Chamber of Commerce, Solano Black Chamber, and Filipino American Chamber), Vallejo Main Street, Central Core Restoration Corporation, and local business associations. The Center will coordinate meetings on an ad hoc basis to coordinate special events as the Fall Business Resource Fair/Lenders Fair. The Center will coordinate activities, market programs and services, and communicate progress throughout the collaborative.

B. Vallejo-based technical assistance

At least six hours of technical assistance (e.g., business planning, legal, operations, accounting, financing, marketing, and other small business development issues) per week will be available to Vallejo small businesses at a Vallejo location. At least two of these hours shall be offered during evenings or on weekends.

This assistance will include follow-up with clients to determine progress of business development.

CONSULTANT will market State and Small Business Administration (SBA) loan guarantee programs in Vallejo with a goal of 6 Vallejo loan recipients.

CITY will conduct one mailing to targeted Vallejo businesses to advertise services of CONSULTANT.

C. Cooperative Marketing Program

CONSULTANT will be responsible for coordinating and implementing marketing outreach activities. Activities will include:

Publishing an insert in the City of Vallejo Quarterly Business Newsletter. The insert will contain information on resources available to the business community and a calendar of events classes, and seminars.

Flyers/Postcards/Other. The Center proposes to utilize flyers, postcard mailings, and other outreach methods to further promote and communicate resource information to the Vallejo business community. Flyers and/or postcards will be mailed to announce upcoming events, such as the Lenders Fairs, as well as availability of one-on-one counseling services and other offerings.

Presentations to Business Groups. The Center will make at least one presentation to the Vallejo Chamber of Commerce, Solano/Napa Hispanic Chamber of Commerce, Filipino American Chamber of Commerce of Solano County, and Solano County Black Chamber of Commerce explaining CONSULTANT'S services and increased presence in Vallejo. These presentations will be a part of a comprehensive marketing program to advertise CONSULTANT'S services to Vallejo businesses.

D. One Stop Resource Center.

The One Stop Resource Center will be utilized, by appointment, to conduct individual consultations by professional consultants at no cost to the business owner. The Center has negotiated a Cooperative Agreement with the Vallejo Chamber for use of their space to conduct one-on-one counseling sessions with local businesses.

E. Workshops/Training Programs

CONSULTANT will conduct the following entrepreneurial training programs:

Lenders Fair (Business Resource Fair). The event will take place during the Fall of 2007. The 2007 event will consist of a panel of area financial institutions who will present information on various loan programs, a workshop, and an exhibit hall where attendees can speak with the lenders one-on-one. For 2007, the Center will propose co-sponsoring the event as a Lenders Faire/Business Expo with the Vallejo Business Alliance.

Seminars/Workshops. The Center plans to conduct a variety of seminars and workshops designed to assist regional businesses in market diversification and strengthening their competitive position. Proposed topics include:

- Starting and Managing a Business
- Business Planning
- Small Business Financial Management
- Small Business Financing
- Marketing
- Retaining and Motivating Employees
- Selling to the Government
- Customer Service
- E-Commerce
- Public Relations
- Basic Bookkeeping/Record Keeping
- Computerized Accounting

A series of no less than eight seminars focusing on small business issues will be conducted by CONSULTANT in Vallejo during the fiscal year. CONSULTANT shall market these programs to local business organizations.

F. Progress Reports

Progress reports describing the status of technical assistance provided to Vallejo clients (with client names, business names, addresses, telephone numbers, and number of hours served) will be sent to the CITY as follows:

1. For the period between July 1, 2007 - December 31, 2007.
Report due to CITY by February 15, 2008.
2. For the period between January 1, 2008 - June 30, 2008.
Report due to CITY by August 15, 2008.

The following listings shall also be included in the progress reports:

Vallejo seminars conducted.
Presentations to business groups.
Names, addresses and telephone numbers of
Businesses receiving individual counseling.

Exhibit B
To
Service Agreement between the City of Vallejo
And Solano Community College Small Business Development Center

Fees

Upon satisfactory completion of performance standards outlined in Section II.A., City will make payments to GRANTEE as follows:

- A. Upon receipt of First Progress Report - \$6,000
- B. Upon receipt of Second Progress Report - \$6,000

EXHIBIT C

CONSULTANT AND PROFESSIONAL SERVICES AGREEMENT

INSURANCE REQUIREMENTS FOR CONSULTANT

CONSULTANT shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of work hereunder by the CONSULTANT, their agents, representatives, or employees or subconsultants:

A. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. Insurance Services Office form number GL 0002 (Ed. 1/73) covering Comprehensive General Liability and Insurance Services Office form number GL 0404 covering Broad Form Comprehensive General Liability; or Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).
2. Insurance Services Office form number CA 0001 (Ed. 1/78) covering Automobile Liability, code 1 any auto and endorsement CA 0025.
3. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.
4. Professional Liability insurance appropriate to the CONSULTANT'S profession (Errors and Omission).

B. Minimum Limits of Insurance

Consultant shall maintain limits no less than:

1. General Liability: \$2,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
 2. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.
-

3. Workers' Compensation and Employer's Liability: \$1,000,000 per accident for bodily injury or disease.
4. Professional Liability (Errors and Omission): \$1,000,000 combined single limit per occurrence, and annual aggregate.

C. Deductible and Self-Insured Retention

Any deductibles or self-insured retention must be declared to and approved by the City. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the City of Vallejo, its officers, officials, employees and volunteers; or the CONSULTANT shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

D. Other Insurance Provisions

The general liability and automobile liability policies, as can be provided, are to contain, or be endorsed to contain, the following provisions:

1. The City of Vallejo, its officers, officials, employees, agents and volunteers are to be covered as additional insureds as respects; liability, including defense costs, arising out of activities performed by or on behalf of the Consultant; products and completed operations of the Consultant; premises owned, occupied or used by the Consultant; or automobiles owned, leased hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the City of Vallejo, its officers, officials, employees, agents or volunteers. The insurance is to be issued by companies licensed to do business in the State of California.
 2. For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the City of Vallejo, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the City of Vallejo, its officers, officials, employees, agents or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
 3. Any failure to comply with reporting or other provisions of the
-

policies including breaches of warranties shall not affect coverage provided to the City, its officers, officials, employees, agents or volunteers.

4. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
5. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

E. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII.

F. Verification of Coverage

Consultant shall furnish the City with original endorsements effecting general and automobile liability insurance coverage required by this clause. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received and approved by the City before work commences.

G. Subconsultants

Consultant shall include all subconsultants as insureds under its policies or shall furnish separate certificates and endorsements for each subconsultant. All coverages for subconsultants shall be subject to all of the requirements stated herein.

CITY OF VALLEJO SEMI-ANNUAL REPORT

**FY 06/07
JAN 1 – JUN 30**

**PREPARED BY:
SOLANO COLLEGE SMALL BUSINESS DEVELOPMENT CENTER**

July 20, 2007

I. Description of Services / Work

The Solano College Small Business Development Center (SBDC) continued provision of entrepreneurial training and business assistance to both existing and start-up business owners. During the current January 1 – June 30, 2007 reporting period, the following services were offered:

- *Start-up and SBDC services information*
- *Referral to appropriate resources for specific inquiries*
- *Start-up, management, expansion and financial consulting*
- *Short courses, workshops and entrepreneurial training program*

(A) Start-Up and SBDC Services Information

In response to phone inquiries, walk-ins and written requests, the SBDC continued delivery of small business information, advice, one-on-one consulting and technical assistance to City of Vallejo residents starting or considering starting their own small business. The number of phone inquiries varies daily, weekly and seasonally but ranges between 10 - 20 calls per day.

A total of 72 Vallejo residents visited the SBDC to obtain a complimentary "*Business Start-Up Kit*" which includes schedules of small business workshops and short-courses, an outline explaining the SBDC's "free" counseling services and a copy of the "*Business Resource Guide*", a self-published booklet covering comprehensive start-up, loan and local small business resource information. Most inquirers requested information on:

- *How to start a small business*
- *How to obtain loans (or grants) to finance a new business*
- *Where to apply for a business license*
- *Who to contact to file a fictitious name statement*
- *Questions relating to starting specific types of businesses*
- *How and where to begin writing a business plan*
- *Details on the SBDC's mission, services and one-on-one counseling*

(B) One-On-One Counseling Assistance

The SBDC assisted a total of 34 existing and prospective City of Vallejo business owners through 70 initial and follow-up sessions for a total of 118.25 hours of one-on-one counseling services. Demographics of the 27 existing, start-up and potential business owners are as follows:

1. Business Demographics

- Existing ventures operating a year or longer: 21
- Start-ups less than a year: 5
- Pre-venture businesses: 8
- Woman-owned: 11
- Minority-owned: 20
- Veteran-owned: 4

(B) One-On-One Counseling Assistance (cont.)

2. Areas of Counseling	No. of Sessions	No. of Hours
▪ Business Accounting / Budget	3	5.25
▪ Business Planning	17	33.75
▪ Cash Flow Management	2	3.25
▪ Customer Relations	1	3.25
▪ eCommerce	5	6.75
▪ Financing / Capital	8	14.50
▪ Government Contracting	3	8.75
▪ Managing a Business	3	3.00
▪ Marketing / Sales	19	27.00
▪ Start-Up Assistance	9	12.75
Totals	70	118.25

3. Types of Businesses

Business types were primarily service and retail establishments. However, there were a few construction and manufacturing businesses as well.

- **Construction**
 - Handyman
 - Remodeling contractor

- **Manufacturing / Production**
 - Clothing line, designer (2)

- **Retail**
 - Cafe, healthy soul food
 - Christian apparel
 - Gourmet kitchen & home accessories
 - Optical glasses, sun & reading
 - Restaurant, brew
 - Sundries store

- **Service**
 - Accounting & bookkeeping
 - Business services & consulting
 - Childcare, home-based
 - Christian counseling
 - Cosmetology school
 - House cleaning
 - Industrial battery maintenance - onsite
 - Landscaping
 - Limousine service
 - Medical billing

- Personal trainer
- Real estate, rental & leasing
- Seminar presenter
- Tutoring / home school, targeting inner-city youth
- Video production

(C) Short Courses, Workshops, Entrepreneurial Training and More

The SBDC continued provision of small business training through two-week short courses, workshops and the semi-annual NxLevelL Entrepreneurial Training Program. To ensure easy access to all residents, small business trainings are rotated throughout the county.

There were 4 small business workshops offered in the Vallejo area for a total of 59 attendees. In addition, many Vallejo residents traveled to attend one or more short courses and/or workshops held in Fairfield and other locations. Due to cost benefits and the convenience of a county-wide central location, several trainings are held at the SBDC, as well as Solano Community College's Fairfield campus, for an additional 27 short courses and workshops and 308 attendees.

A small business short course consists of 2 consecutive weekly 4-hour classroom sessions held at Solano Community College's Main Campus in Fairfield or one of the satellite campuses in Vallejo or Vacaville. A workshop is a 1 session event involving a speaker presentation and participant interaction.

Following is a list of trainings offered in the City of Vallejo and Fairfield areas:

1a. City of Vallejo

- ***How to Launch Your New Venture*** – 11 participants
- ***How to Use QuickBooks to Manage Your Finances*** – 20 participants
- ***Introduction to QuickBooks*** – 24 participants
- ***Starting & Managing a Small Business*** – 4 participants

1b. City of Fairfield

- ***Developing a Marketing Plan*** – 2 participants
- ***Doing Business with the GSA*** – 4 participants
- ***Get Started with Government Contracting*** - 7 participants
- ***How to Develop an Effective Marketing Plan*** - 9 participants
- ***How to Succeed in Business & Life*** – 7 participants
- ***How to Write Your Business Plan (2 trainings)*** – 17 participants
- ***SDB Certification & 8(a) Program*** – 13 participants
- ***Small Business Clinic (2 clinics)*** - 12 participants
- ***Small Business Financing (2 trainings)*** - 49 participants
- ***Small Business Recordkeeping*** - 12 participants
- ***Starting & Managing a Small Business (1 trainings)*** – 21 participants
- ***Starting a Specialty Food Business (2 trainings)*** – 18 participants
- ***Two-Cents SBIR Roundtable*** - 11 participants

2. NxLevelL Entrepreneurial Training Program

▪ Spring 2007 Program

The Center's NxLevelL Entrepreneurial Training Program commenced on February 2, 2007 and concluded on April 10, 2007 for a total of 10 weeks. Most class sessions were held weekly at Solano Community College's Fairfield Campus, 4000 Suisun Valley Road, in Fairfield, on Tuesday evenings, from 6 p.m. to 9 p.m. In addition, 2 half-day Saturday sessions were offered from 9 a.m. to noon.

Of the 14 participants, 10 business owners successfully graduated by attending the majority of class sessions, completing assigned work and meeting regularly with their mentor consultant. In addition, each business owner was responsible for developing a written business plan and orally presenting their business venture to their NxLevelL peers and instructors. A variety of business types were represented including:

▪ Types of Businesses

- *Alfonso P. Elena Vineyard Management* – Vineyard management
- *Cafe Kona* – Cafe & yogurt shop
- *DermaClick.com* – Tele-Medicine software developer
- *EmbroidMe of Vacaville, Inc.* – Embroidery & screen printing
- *Just for Kicks Soccer* – Recreation soccer school
- *Peri's Fine Art & Design* – Fine art & interior design
- *RetroDuck.com* – Personalized t-shirts
- *Smart Financial Solutions Now* – Finance
- *Solar Electric Supply* – Solar power
- *Songer Construction Management, Inc.* – Project management

(D) Technical Assistance to Vallejo-Based Businesses Seeking Loans

1. Counseling and Referrals to Appropriate Lenders

The SBDC continued to provide technical assistance to Vallejo residents in the area of small business financing to start-up, purchase or expand their business. Clients were provided one-on-one consulting and, based on individual needs, appropriate loan programs and/or prospective lenders were identified. In many cases, clients were counseled on the federal US Small Business Administration Guaranty and Micro-Loan Programs, State of California Loan Guaranty Program, and for businesses seeking loan amounts under \$25,000, other micro-loans lenders.

2. Certified Technical Assistance Provider

The SBDC continued to participate as a certified technical assistance provider for the SBA Community Express micro-loan programs with Innovative Bank and Business Loan Express. Potential loan applicants are pre-qualified and assisted in the completion of their loan requests. Average loan amounts range between \$5,000 and \$20,000.

(E) Client Milestones and Economic Impact

Several Vallejo businesses experienced positive economic changes as a direct and/or indirect result of consulting and technical assistance provided by the SBDC. Local owners improved in the following areas:

- Changed Legal Form: 1 business changed its legal structure
- Jobs Created: 8 new jobs
- Jobs Retained: 2 business retained 11 jobs
- Completed NxLevel: 2 Vallejo clients graduated small business training
- Success Story: Karla Santiago, 680 Graphic Design & Printing

(F) Government Procurement Assistance

1. Getting Started: Online Registration and Small Business Certifications

The SBDC continued to assist newly starting and existing business owners in the areas of small business certification and government contracting. Participating business owners were provided with an overview of the process for selling to local, state and federal government agencies; guidance to completing on-line registration with various procurement agencies; technical assistance in completing the U.S. Small Business Administration 8a (SBA 8a) and Small Disadvantaged Business (SBA SDB) certifications and State of California minority-business enterprise (MBE), woman-business enterprise (WBE), veteran-business enterprise (VBE) and disabled-veteran-business enterprise (DVBE) certifications.

In addition, clients were provided instruction on how to register on the Central Contractor Registry (CCR), a central database requiring a mandatory registration of all federal suppliers; SBA Pro-Net, an electronic procurement information gateway; guidance on applying for a Commercial and Government Code (CAGE) Code, which identifies companies doing or wishing to do business with the federal government; and a DUNS Number, an identification number provided by Dun & Bradstreet for use in bidding on federal contracts.

On the State level, business owners were introduced to the Procurement Division of the Department of General Services (DGS) and the electronic California State Contracts Register (CSCR), an electronic publication that provides daily bid information on state construction, service and community contracting opportunities. SBDC clients also learned about the California Multiple Award Schedule (CMAS), a program that allows state and local government agencies to choose products and services according to business needs without competitive bidding; the concept of "best value" contract awards, and statewide Master Agreements (MA) for services and consulting services that many state departments use.

2. Free Government Procurement Workshops

The SBDC continued efforts to help increase local small business' share of government and private sector procurement contracts. During the current reporting period, several government procurement workshops were presented by The Federal Technology Center and offered, by the SBDC, free of charge. Topics included:

- ***Doing Business with the GSA*** – 4 participants
- ***Get Started with Government Contracting*** - 7 participants
- ***SDB Certification & 8(a) Program*** – 13 participants

(G) Other Services

1. Market Outreach Collaborations

The SBDC continues to distribute a monthly e-mail newsletter to Vallejo-based businesses in addition to being an active member of the Vallejo Chamber of Commerce Economic Development Committee. The Center also co-operatively markets SBDC trainings and events through the sharing of press release information, placement of marketing flyers and distribution of the "*Business Resource Guide*" to an extended network of agencies, including the City of Vallejo, Vallejo Chamber of Commerce, Downtown Association of Vallejo and the Solano Community College Vallejo Center.

**COUNCIL COMMUNICATION**

Date: October 23, 2007

TO: Honorable Mayor and Members of the City Council

FROM: Dennis Morris, Human Resources Director *DM*

SUBJECT: Approve a Resolution amending the classification plan and other actions regarding the creation of a Water Operations Maintenance Planner and authorizing the City Manager to sign a Supplemental Agreement with the City of Vallejo and the International Brotherhood of Electrical Workers (IBEW) Local 2376, AFL-CIO to place the classification into the bargaining unit in accordance with Article VIII, Section 801 of the City Charter.

BACKGROUND AND DISCUSSION

Currently, there is a similar classification of Maintenance Planner that is allocated to the Maintenance Division of the Utilities Department. However, this classification is not an appropriate classification for the Water Division due to water operation functions. Therefore, the Water Superintendent requested the Human Resources Department to create a classification specification that is geared more toward water operations.

The Water Operations Maintenance Planner will receive direction from a Deputy Water Superintendent, Assistant Water Superintendent, or other supervisory staff. This position would be responsible for coordinating; planning and scheduling maintenance projects; property storage and accountability; waste management; fuel and or chemical distribution; material procurement; and equipment maintenance and repair scheduling which are associated with the electrical and mechanical nature of water operations.

Therefore, the Human Resources Department recommended that the Civil Service Commission approve the new classification Specification of Water Operations Maintenance Planner and its allocation to the Utilities Department. Staff further recommended that the classification be placed in the IBEW bargaining unit. On October 11, 2007, the Civil Service Commission approved the request. The City Council's concurrence is required to implement the Water Operations Maintenance Planner classification.

RECOMMENDATION

Staff recommends that the City Council approve the Resolution authorizing the City Manager to sign a Supplemental Agreement between the City of Vallejo and the International Brotherhood of Electrical Workers, Local 2376, AFL-CIO (IBEW) to amend the classification plan to include a new classification of Water Operations Maintenance Planner at salary range 37 (\$5,338 - \$6,488/monthly).

FISCAL IMPACT

None

ALTERNATIVES CONSIDERED

None.

ENVIRONMENTAL REVIEW

Not applicable.

PROPOSED ACTION

Approve the Resolution to:

1. Concur with the Civil Service Commission's action to approve the classification specification of Water Operations Maintenance Planner and allocate the classification specification to the Utilities Department.
2. Approve the salary range of 37.
3. Authorize the City Manager to sign a Supplemental Agreement with IBEW placing the classification into the bargaining unit.

DOCUMENTS AVAILABLE FOR REVIEW

- a. Resolution
- b. Supplemental Agreement with IBEW
- c. Classification Specification for Water Operations Maintenance Planner

CONTACT PERSON: Dennis Morris, Human Resources Director (707) 648-4362

PREPARED BY: Vivian Evans, Personnel Analyst II (707) 648-4366

RESOLUTION NO. _____ N.C.

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

WHEREAS, Article VIII, Section 801 of the City Charter of the City of Vallejo provides for the authorization of exempt offices and employment from the classified service; and

WHEREAS, on October 11, 2007 the Civil Service Commission approved the classification of Water Operations Maintenance Planner; and

WHEREAS, the existing collective bargaining agreement between the City of Vallejo and the International Brotherhood of Electrical Workers (IBEW) Local 2376, AFL-CIO contains a provision that salaries and working conditions must be negotiated; and

WHEREAS, authorized representatives of the City of Vallejo and IBEW have met to negotiate the salary and working conditions of the Water Operations Maintenance Planner classification; and

WHEREAS, the parties have written a Supplemental Agreement that includes the Water Operations Maintenance Planner classification at salary range 37; and

WHEREAS, a copy of the tentative Supplemental Agreement is presented to the City Council for their consideration and is attached as Attachment B;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Vallejo does hereby approve the amendment of the City classification plan to add the classification of Water Operations Maintenance Planner under Civil Service, and;

BE IT FURTHER RESOLVED, that the City Council of the City of Vallejo does hereby authorize the City Manager to enter into a Supplemental Agreement with IBEW for the purpose of modifying the labor agreement to include the Water Operations Maintenance Planner at salary range 37 (\$5,338 - \$6,488/monthly).

ADOPTED by the Council of the City of Vallejo at a regular meeting held on October 23, 2007 with the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

ANTHONY INTINTOLI JR., Mayor

ATTEST:

MARY ELLSWORTH, Acting City Clerk

**SUPPLEMENTAL AGREEMENT
THE CITY OF VALLEJO
AND
THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS (IBEW)
LOCAL 2376, AFL-CIO**

This Supplemental Agreement is between the City of Vallejo, hereinafter referred to as the City, and the International Brotherhood of Electrical Workers, Local 2376, AFL-CIO hereinafter referred to as the Association, for the purpose of modifying the Agreement between the parties dated October 23, 2007. The City and the Association agree to the following:

1. Add the Water Operations Maintenance Planner classification to salary range 37.

IN WITNESS WHEREOF, the parties hereto acting by, and through their duly authorized representatives, have executed this Supplemental Agreement this 23rd day of October 2007.

FOR THE CITY OF VALLEJO:

FOR THE IBEW:

JOSEPH M. TANNER DATE
CITY MANAGER

FRANK CABALLERO DATE
PRESIDENT

DENNIS MORRIS DATE
HUMAN RESOURCES DIRECTOR

Ken Shoemaker DATE
VICE-PRESIDENT

ATTEST:

MARY ELLSWORTH DATE
City Clerk

CITY OF VALLEJO

CLASSIFICATION SPECIFICATION

WATER OPERATIONS MAINTENANCE PLANNER

DEFINITION

To assist Water Division supervisory staff by coordinating, planning and scheduling maintenance projects, material procurement, equipment maintenance and repair scheduling, property storage and accountability, waste management , fuel and or chemical distribution; providing daily oversight of the supply and production control operations and to identify and describe projects, document project requirements and cost estimates, conduct inspections and maintain records, logs, and files.

SUPERVISION RECEIVED AND EXERCISED

Receives direction from a Deputy Water Superintendent, Assistant Water Superintendent, or other supervisory staff..

May exercise direct supervision over maintenance staff.

EXAMPLES OF IMPORTANT DUTIES AND RESPONSIBILITIES - *Important responsibilities and duties may include, but are not limited to, the following.*

Surveys municipal buildings, and other facilities to determine condition and kinds and levels of maintenance required; receives logs and clarifies work requests.

Orders stock, equipment and keeps inventory at a working level. Determines the kind of materials and equipment required for projects.

Organizes and coordinates the supply support and material management operations for electrical, mechanical and process instrumentation, including planning and establishing general work processes and flow patterns.

Ensures proper handling and storage of hazardous materials and related documentation.

Provides oversight of the warehouse and other storage areas to determine optimum space utilization. Develops methods for the improvement of storage space utilization.

Receives, inspects, inventories, lifts, loads, stores, issues and delivers supplies and equipment. Calculates quantities and estimates cost.

Develops, documents, reviews and analyzes maintenance records and reports for cost effectiveness.

Verifies authorization to proceed and coding of budget accounts to which projects will be charged in a computerized system.

Receives, plans, schedules and coordinates routine work requests and logs into the computer.

Deduces probable project priorities and generates discussion drafts of preliminary long-range forecasts and biweekly schedules; obtains input and finalizes schedule.

Assists with coordinating activities of work crews from the City, private contractors, special districts, and utility companies; informs appropriate agencies of significant maintenance projects that may affect emergency response.

Coordinates activities necessary to accomplish projects such as notification of residents and other City work units.

Receives and responds to complaints, emergency calls, and information requests; directs caller to or relays information to appropriate parties; dispatches crews with two-way radios.

Revises forms and updates guidance information such as maps, master street listings, City property listings, and equipment identification listings; maintains communications log.

Coordinates the review of items such as plans for City projects and bid specifications and provides input regarding maintenance implications.

May function as acting supervisor as needed.

Performs, studies, and develops recommendations pertaining to maintenance activities and procedures.

Performs related duties and responsibilities as required.

QUALIFICATIONS

Knowledge of:

Operations, services and activities of a variety of Public Works maintenance and repair activities.

Procedures, methods, equipment, materials, work practices, and terminology commonly used in water operations maintenance and repair activities.

Occupational hazards and standard safety practices associated with a variety of Public Works maintenance and repair activities.

Techniques commonly used in planning, estimating and scheduling projects.

Principles of supervision, training and performance evaluation.

Principles and procedures of record keeping and reporting.

Modern office procedures, methods, and computer equipment.

Ability to:

Accurately identify and describe project requirements, including material and staffing requirements.

Read and interpret blueprints and diagrams.

Learn and effectively apply related City policies, procedures and directives.

Effectively plan, organize, and schedule work.

Effectively coordinate equipment and personnel.

Effectively coordinate work involving different work units or outside agencies.

Effectively monitor and analyze workloads and accomplish appropriate adjustments in response to significant changes.

Supervise, organize, and review the work of maintenance personnel.

Maintain neat, accurate records and prepare clear and concise reports.

Perform responsible and difficult work involving the use of independent judgment and personal initiative.

Communicate clearly and concisely, both orally and in writing.

Establish and maintain effective working relationships with those contacted in the course of work.

Experience and Training Guidelines

A typical way to obtain the knowledge and abilities would be:

Experience:

Four years of increasingly responsible journey level experience in electrical and mechanical maintenance or construction of public works facilities, supplemented with computer managed maintenance software experience.

Experience:

Four years of increasingly responsible journey level experience in electrical and mechanical maintenance or construction of public works facilities, supplemented with computer managed maintenance software experience.

Training:

Equivalent to the completion of the twelfth grade supplemented by specialized training in public works electrical and mechanical maintenance, construction, and repair with emphasis in water operations or building maintenance and repair.

License or Certificate

Possession of, or ability to obtain, an appropriate, valid driver's license.

Working Conditions

Office and construction/maintenance site environment.

Department Head Signature _____

Date: _____

Date Adopted by CSC 10/11/07

Revised _____ **New** X

Class Code _____

Pay Grade 0037

Bargaining Unit IBEW

EEOC Category 08




CONSENT F

Agenda Item No.

COUNCIL COMMUNICATION

Date: October 23, 2007

TO: Honorable Mayor and Members of the City Council

FROM: Gary A. Leach, Public Works Director 

SUBJECT: APPROVAL OF A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A QUITCLAIM DEED FOR A CERTAIN EXISTING LANDSCAPE MAINTENANCE EASEMENT (LME) ACROSS THE PROPERTY LOCATED AT 300 KLEIN AVENUE TO TONYA TUCKER-JENKINS

BACKGROUND

There is an existing Landscape Maintenance Easement (LME) across the side yard of lot 1 as shown on certain map of "Farragut Village Unit No. 1".

On the east side of the LME is an eight foot wide multi-use trail with two foot wide graded shoulders on both sides. The graded shoulder immediately adjacent to the multi-use trail was constructed with lawn instead of the intended decomposed granite. In addition, the four foot wide LME was planted with lawn. The LME lawn is immediately adjacent to the homeowner's lawn, and as a result, the homeowner should maintain this small portion of lawn without her property encumbered by an easement.

Landscape Maintenance staff have indicated that the existing LME through lot 1 is not needed anymore and can be quitclaimed by the City of Vallejo.

Fiscal Impact

As a result of this proposed quitclaim, the amount of landscape maintenance staff time required to maintain the landscaping within the easement will be eliminated. No other fiscal impacts are anticipated.

RECOMMENDATION

Staff recommends the adoption of a resolution authorizing the City Manager to execute a quitclaim deed for a certain Landscape Maintenance Easement to Tonya Tucker-Jenkins.

ENVIRONMENTAL REVIEW



Under section 15305 of CEQA minor alterations in land use limitations, action on this easement which potentially will have minor alteration of land is exempt from environmental review process.

ALTERNATIVES CONSIDERED

There was not any alternative that should have been considered.

PROPOSED ACTION

Approve the resolution authorizing the City Manager to execute a quitclaim deed for a certain Landscape Maintenance Easement to Tonya Tucker-Jenkins.

DOCUMENTS AVAILABLE FOR REVIEW

- a. A resolution authorizing the City Manager to execute a quitclaim deed, for a certain Landscape Maintenance Easement to Tonya Tucker-Jenkins.
- b. Original Quitclaim Deed.
- c. Location Map.

CONTACT PERSON

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

Emi Pearce, Associate Civil Engineer
(707) 648-4697
epearce@ci.vallejo.ca.us

OCTOBER 23, 2007
J:\PUBLIC\A\IPW\2007\Engineering\PWSR4200.doc

RESOLUTION NO. 07-_____ N.C.

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

WHEREAS, the City Manager is authorized to execute and the City Clerk attest that certain Quitclaim Deed, quitclaiming to Tonya Tucker-Jenkins, a married woman as her sole and separate property an existing Landscape Maintenance Easement (LME) crossing lot 1 as shown on that Final Map of "Farragut Village Unit No. 1" filed on November 16, 2004 in Book 80 of Maps, Page 88-92, Solano County Records,

NOW, THEREFORE, BE IT RESOLVED that the City Clerk is directed to cause to be recorded said Quitclaim Deed in the office of the Solano County Recorder, a copy of said Quitclaim Deed being attached hereto and made a part hereof.

OCTOBER 23, 2007

J:\PUBLIC\A\PW2007\Engineering\PWSR4200.doc

RECORDING REQUESTED BY
City of Vallejo

**AND WHEN RECORDED MAIL DOCUMENT
AND TAX STATEMENT TO:**
Tonya Tucker-Jenkins
300 Klein Ave
Vallejo, CA 94592

Space Above This Line for Recorder's Use Only

A.P.N.: 0066-061-010

File No.: 0717-1178926 (BP)

The Undersigned Grantor(s) Declare(s):

CITY TRANSFER TAX \$

DOCUMENTARY TRANSFER TAX \$N/A- Quitclaim of easement

SURVEY MONUMENT FEE \$

[N/A] computed on the consideration or full value of property conveyed, OR

[] computed on the consideration or full value less value of liens and/or encumbrances remaining at time of sale,

[] unincorporated area; [] City of Vallejo, and

SURVEY MONUMENT FEE \$

EASEMENT QUITCLAIM DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, **City of Vallejo, a municipal corporation**

hereby remise, release and forever quitclaim to **Tonya Tucker-Jenkins, a married woman as her sole and separate property**

the real property in the City of **Vallejo**, County of **Solano**, State of California, described as:

It is the intent of the undersigned to divest themselves of all right, title and interest in that certain Landscape Maintenance easement as shown on the Final Map entitled Farragut Village Unit No. 1, filed November 16, 2004 in Book 80 of Maps, Pages 88-92, Solano County Records over, under and upon that property described on Exhibit "A" and delineated on Exhibit "B" attached hereto and made a part hereof

Dated: September 28, 2007

City of Vallejo, a municipal corporation

BY: _____
Joseph Tanner, City Manager

Attest: _____
Mary Ellsworth, City Clerk

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

State of California } ss.
County of Solano

On _____ before me, _____
Date
Personally appeared _____

Name(s) of Signer(s)
 personally known to me
 proved to me on the basis of Satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of the Attached Document

Title or Type of Document: _____

Document Date: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

Signer's Name: _____

- Individual
- Corporate Officer – Title(s): _____
- Partner -- Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____

Signer is Representing: _____

**RIGHT
THUMPRINT OF
SIGNER**

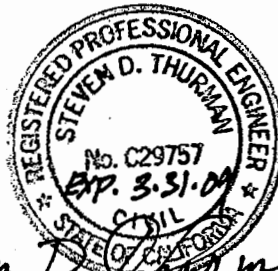
September 26, 2007

EXHIBIT A

LEGAL DESCRIPTION

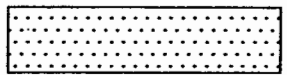
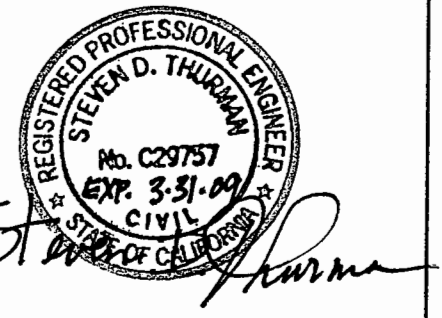
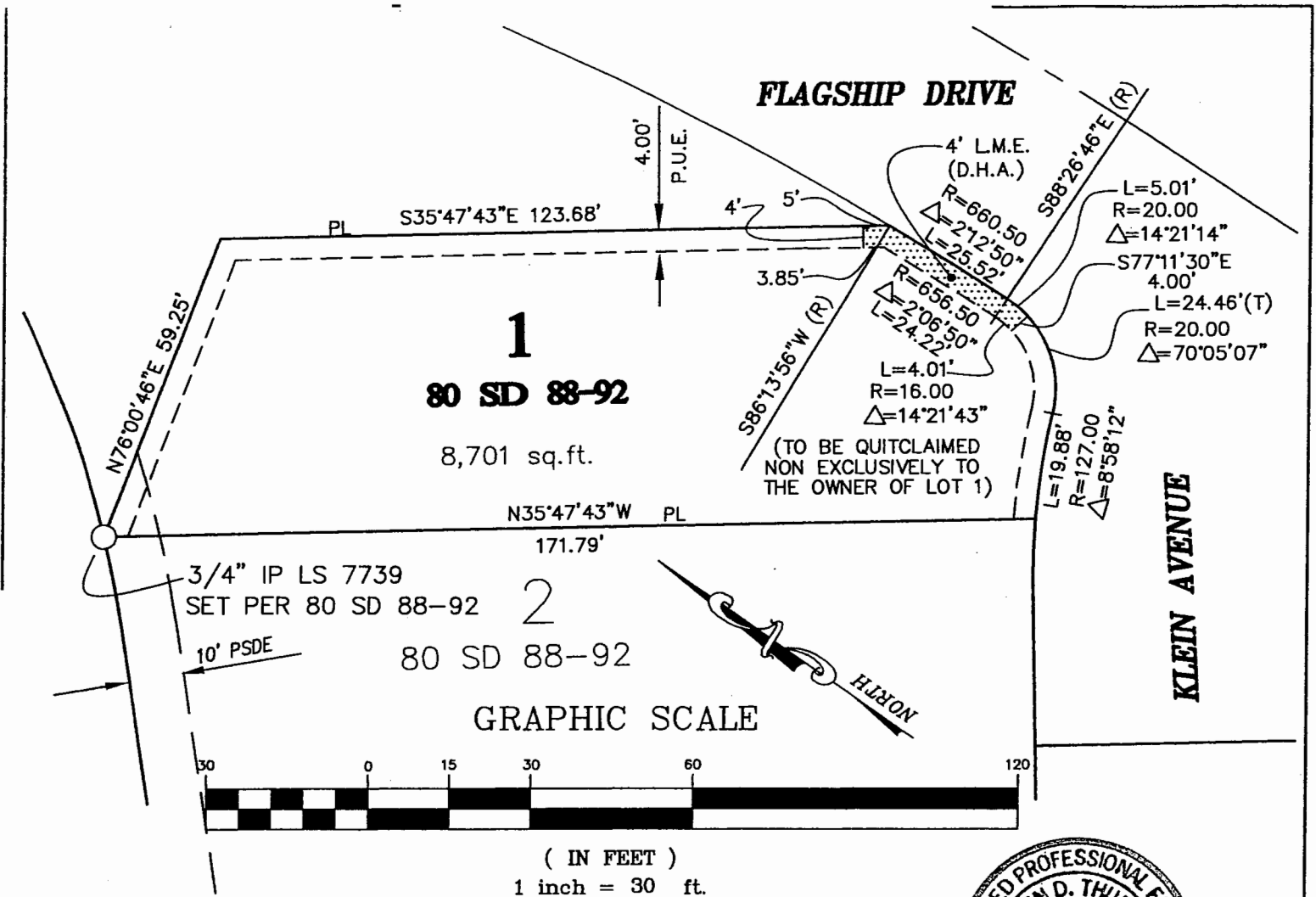
LANDSCAPE MAINTENANCE EASEMENT QUITCLAIM

All that real property situate on the Former Mare Island Naval Shipyard, City of Vallejo, County of Solano, State of California, more particularly described as follows:
That certain area delineated as Landscape Maintenance Easement (L.M.E.) as shown within a portion of Lot 1 on that certain map entitled "Final Map of Farragut Village Unit 1" recorded on November 16, 2004 at Book 80 of Subdivision Maps at pages 88-92 in the Office of the County Recorder of Solano County.



Signature Steven D. Thurman *Steven D. Thurman*
Licensed Civil Engineer (C29757)

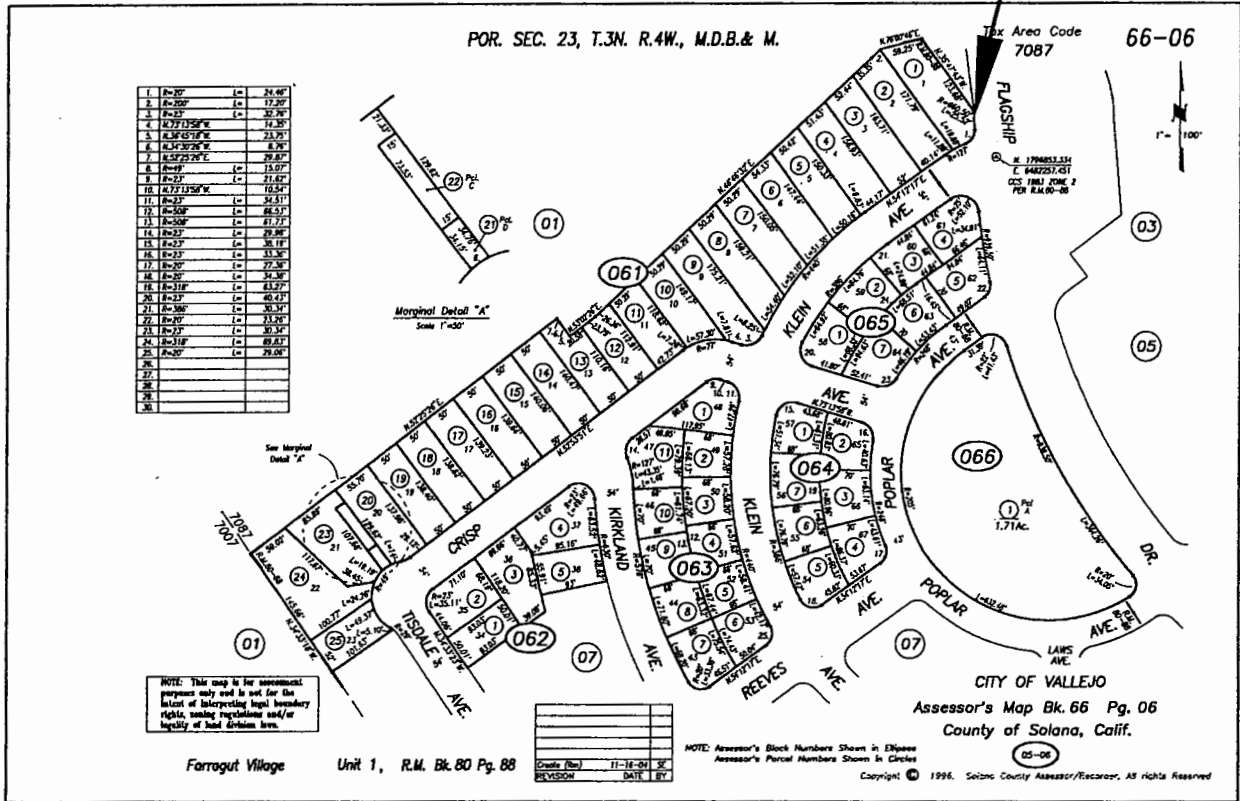
Date 9/26/07



HATCHED AREA TO BE QUITCLAIMED



LOCATION



CITY OF VALLEJO

DEPARTMENT OF PUBLIC WORKS
ENGINEERING DIVISION

DWG. NO. _____
DRAWN BY ERP
DATE 10/07
CHECKED _____

SHEET _____ OF _____
FILE NO. _____
REF. _____
SCALE N.T.S.

300 KLEIN AVENUE

SITE LOCATION MAP

APPROVED: _____ ON _____ DATE _____
DIRECTOR OF PUBLIC WORKS

**CITY OF VALLEJO
DEVELOPMENT SERVICES**

TO: Mayor Intintoli and City Council

FROM: Brian Dolan, Development Services Director *BD*

DATE: October 23, 2007

RE: Consent item G. Final Reading of Ordinance amending Chapter 3.18 of the Vallejo Municipal Code "Land Dedication And Fees for Park and Recreation Purposes."

Please note that a typographical error has been corrected in the attached ordinance for the second reading.

In Section 1.A of the ordinance, line 5, the per acre land acquisition cost referenced as \$5,829, has been corrected to be \$6,829, as is referenced later in that section of the ordinance.

ORDINANCE NO: _____ N.C. (2d)

AN ORDINANCE OF THE CITY OF VALLEJO AMENDING THE VALLEJO MUNICIPAL CODE TO REVISE CHAPTER 3.18—LAND DEDICATION AND FEES FOR PARK AND RECREATIONAL PURPOSES.

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

SECTION 1. [not to be codified]

A. Based on information supplied to it by the greater Vallejo recreation district in the Park Fee Justification Study (September 2007), each new residential development will require land dedication of 339 square feet to 565 square feet per unit, depending on the type of residential development, in order to maintain the park service standard for new residents. The equivalent park land acquisition cost is \$4,097 to \$6,829 per unit, depending on the type of residential development. Therefore, Quimby fees in lieu of park land dedication of \$4,097 to \$6,829 per unit on new residential developments are justified. Further, on average, each new residential development will create a total impact of \$5,990 to \$9,983 per unit depending on the type of development, in park land and improvement costs. Therefore, park impact fees of \$5,990 to \$9,983 per unit are justified on all new residential development as allowed by law.

B. Land dedication requirements and Quimby fees are authorized by Government Code section 66477 *et seq* "The Quimby Act." Park Impact fees are authorized by Government Code section 66000 *et seq*.

C. It is found and determined that the appropriate findings pursuant to California Government Code section 66001(a) have been articulated in the accompanying resolution, and the facts to support those findings have been presented in the staff report, the Park Justification Study and the evidence before the Council, so that this action is in compliance with the applicable law.

D. The greater Vallejo recreation district Park Fee Justification Study complies with California Government Code section 60001 by establishing the basis for imposition of fees on new development. In particular, the Park Fee Justification Study:

1. Identifies the purpose of the fee.
2. Identifies the use to which the fee will be put.
3. Shows a reasonable relationship between the fee's use and the type of development project on which the fee is imposed.
4. Shows a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed.
5. Shows a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development for which the fee is imposed.

E. The purpose of the impact fee is to provide for funds to assist in paying the cost of additional park land and park improvements needed to serve the residents of new development within the City.

F. The park impact fees will be used to assist in paying any and all expenses related to providing additional park land and park improvements and facilities needs to serve the residents of new development within the city.

G. There is a reasonable relationship between the use of the park fees and the type of development on which these fees will be imposed in that new residential development cannot be accommodated with existing parkland and park improvements and facilities and that these new residents will require additional park land and park improvements and facilities.

H. There is a reasonable relationship between the amount of the fee and the cost of the park improvements. As shown in this Study, dated September 2007, the cost of park land and park improvements and facilities to accommodate new residential development ranges from \$5,990 to \$9,983 per dwelling unit depending on the type of unit. Based on the Study, the amount of the fee was determined based on the number of persons per type of dwelling unit and the cost of park land and improvements. The fees will support only land acquisition and improvements required by new development and do not exceed the cost of acquiring the land and constructing the improvement. The fees will not be used for maintenance and operation expenses.

I. The projects and fee methodology identified in the Study are consistent with the City's General Plan.

SECTION 2. Ordinance No. 467 N.C. (2d) and Chapter 3.18 of the Vallejo Municipal Code, as amended, is hereby amended to read as follows:

“Chapter 3.18”

LAND DEDICATION AND FEES FOR PARK AND RECREATIONAL PURPOSES

- 3.18.010 Citation of chapter.**
 - I. Parkland dedication and Park In Lieu fees.**
- 3.18.020 Legal authority--Conformance to general plan.**
- 3.18.030 Legislative findings.**
- 3.18.040 Park, open space, and recreation classifications.**
- 3.18.050 Standard, formula, and fee schedule for park dedications or fees in lieu of parkland dedications.**
- 3.18.060 Where required.**
- 3.18.070 Park location.**
- 3.18.080 Dedication procedures.**
- 3.18.090 Partial credit for private open space.**
- 3.18.100 Option to dedicate improved park or recreational site.**
- 3.18.110 Full or partial credit given--When.**

- 3.18.120 **Schedule of improvements--Commitment of funds--Return of unused funds.**
- 3.18.130 **Use of funds.**
- 3.18.140 **Exceptions.**
- II. Park Impact Fees**
- 3.18.150 **Legal authority--Conformance to general plan.**
- 3.18.160 **Findings.**
- 3.18.170 **Park Impact Fees-Imposed.**
- 3.18.180 **Option to dedicate improved park or recreational site.**
- 3.18.190 **Payment of Park Impact Fee.**
- 3.18.200 **Full or partial credit given--When.**
- 3.18.210 **Exceptions.**
- 3.18.220 **Park and recreational facilities fund created--Use and disbursement.**

- 3.18.010 **Citation of chapter.**

This chapter shall be known and may be cited as the “park, recreation, and open space dedication and impact fee ordinance of the city.”

Article I. Parkland dedication and Park In Lieu fees

- 3.18.020 **Legal authority--Conformance to general plan.**

This article is enacted pursuant to the authority granted the city under the Constitution, the police power, and the home rule powers vested in Vallejo as a charter city and laws of the state. This article is enacted pursuant to the Subdivision Map Act, in particular, those provisions contained in Section 66477 of the Government Code. The dedication of parkland land and/or payment of fees in lieu thereof required by this article are in accordance with the public facilities and other services element of the general plan and the master park and recreation plan of the city.

- 3.18.030 **Legislative findings.**

The city council finds that substantial urban growth creates great demands to provide recreational opportunities for physical and mental well-being. Recreation planning should include the entire city, and provide facilities for intensive recreation, such as organized sports and community meetings, as well as areas of open space for more passive recreation to provide contact with the natural environment. The council further finds that these goals and the needs of residents of new residential developments can sometimes be better obtained by providing strategically placed large parks and recreational facilities, or more intensive use of existing parks, rather than a number of small neighborhood parks and facilities. The recreational needs of the community and of residents of new residential developments can be met by providing for and establishing the types of facilities classified in Section 3.18.040.

- 3.18.040 **Park, open space, and recreation classifications.**

A. **Neighborhood Parks.** These facilities are approximately four to seven acres in size, and are designed primarily to provide facilities for preschool, and elementary, age children. They

may be combined with or be located adjacent to elementary school site. They may include open, multiuse turfed playfields, play apparatus areas, park-like landscaped areas, multigame court areas, sanitation facilities and/or meeting facilities.

B. Community Parks. These facilities are approximately twelve to fifteen acres in size and are designed primarily for recreational activities of all age groups. They may be combined with or be located adjacent to junior high or high school sites. They may include open, multiuse turfed areas, sports field, play apparatus areas, park-like landscaped areas, tennis courts, swim centers, recreation buildings, lighted ballfields, picnic areas, parking, and sanitation facilities.

C. District/Citywide Parks. These facilities afford contact with the natural and/or historic environment and possess a unique character or function not found in neighborhood or community parks. Development should be consistent with the geographic and environmental characteristics of the park site, and may include a variety of special use facilities such as swimming, boating, fishing, golf, hiking, interpretive facilities, scenic overlooks, picnic areas, and other similar facilities.

D. Trail Systems. This includes district/citywide pathways using public easements, rights-of-way, and natural features such as watercourses and ridgelines, providing a nonvehicular circulation system throughout the city and district to connect major facilities and points of activity and interest. Such a trail system increases the effectiveness of recreational opportunities by providing the linkage between separate facilities to create a continuous recreational network. Such a system itself also provides recreation opportunities, such as walking, jogging, bicycling, nature study, photography, and the like.

E. Open Space Areas. Open space areas themselves have recreational value and merit, providing visual relief from the urban landscape and providing opportunities for passive and active recreation. Open space areas are defined in the public facilities and other services element of the general plan.

3.18.050 Standard, formula, and fee schedule for park dedications or fees in lieu of parkland dedications.

A. Standards. It is found and determined by the city council that the public interest, convenience, health, safety, and welfare require that four and one-quarter (4.25) acres of land for each one thousand persons within the city be acquired and developed to city standards for park and recreation purposes. It is further found and determined by the city council that said ratio (four and one-quarter acres of land for each one thousand persons) is justified and permissible under SB1785 (Chap. 1467, Stats.1982, [Government Code § 66477]) as established by the findings and conclusions in Section 1 of Ordinance 726 N.C.(2d) (uncodified).

B. Formula. Pursuant to the fee study done and accepted by city council, in order to provide for acquisition of park land, it is hereby determined that acquisition costs, are five hundred twenty-six thousand nine hundred eighteen dollars (\$526,918.00) per acre. The following formula shall be used to calculate a schedule of fees, rounded up to the nearest whole number, to support acquisition of park land:

$$4.25 \text{ acres} \times \text{Persons per Housing Unit} \times \$526.918.00 = \text{Fee for Housing Unit}$$

C. Fee schedule. The fee schedule shall be as follows:

<u>Type of Development:</u>	<u>Persons per Housing Unit:</u>	<u>Fee Amount:</u>
Single family detached	3.05	\$6,829 per unit
Single family attached	2.75	\$6,157 per unit
Duplex	2.49	\$5,575 per unit
Multi-family	2.09	\$4,680 per unit
Mobile home	1.83	\$4,097 per unit

Cost per person equals \$2,239.

D. Fee Schedule Escalation. Commencing January 1, 2009, the fees established in this section shall be automatically adjusted by the Engineering News Record Construction Cost Index for the San Francisco Bay Area.

F. Changes in Fee Schedule. The city council may also from time to time, at its discretion, revise, alter, amend and/or delete any of the changes set forth in this section by adoption of the appropriate ordinance or ordinances.

G. If a subdivider objects to the fair market value determination per acre of land, the subdivider may request that the city obtain an appraisal of property by a qualified real estate appraiser mutually agreed upon by the city and the subdivider, which appraisal will be considered by the city in determining the fair market value of land for the purpose of setting the subdivider's park fee pursuant to the Quimby Act, Government Code section 66477.

3.18.060 Where required.

A. As a condition of approval of a tentative subdivision map, the subdivider, shall dedicate land, pay a fee in lieu thereof, or both, at the option of the city, for park and recreation purposes according to the standards and formula contained in this chapter.

B. Payment of the fees or dedication of land, or both, required pursuant to a condition of a tentative map shall be made concurrently with the approval of the final subdivision map.

3.18.070 Park location.

A. Each park, recreation, and open space site shall be determined by the development services director of the city in consultation with the administrator of the greater Vallejo recreation district, or his designated representative, and approved by the planning commission of the city in consultation with the board of directors of the greater Vallejo recreation district.

B. In determining the location of park and recreation land, the development services director, in consultation with the administrator, shall consider the following:

1. The general plan, and in particular, the open space and conservation element and the master park and recreation plan;
2. The topography, geology, access, and location of suitable land; and
3. The size and shape of the proposed development, and its relationship to proposed and existing facilities.

C. When the proposed site falls within the confines of the proposed development, land shall be reserved or dedicated, at the city's option, with concurrence from the greater Vallejo recreation district for park, recreation, or open space purposes. Reservation shall be accomplished in the method described in Chapter 15.44 of this code.

3.18.080 Dedication procedures.

Dedication of the land shall be made concurrently with the approval of the final subdivision map. The property shall be dedicated free and clear of all encumbrances, except those approved by the City.

3.18.090 Partial credit for private open space.

A. Where private open space for park and/or recreational purposes is provided in a proposed subdivision is to be privately owned and maintained by the future residents of the subdivision or development, partial credit may be given by the city, not to exceed fifty percent against the requirement of land dedication and/or payment of fees in lieu thereof, if the planning commission of the city, after receiving recommendations from the administrator of the greater Vallejo recreation district, or his designated representative, and the development services director of the city, finds that it is in the public interest to do so and that all the following conditions and standards are met:

1. Yard, court areas, setbacks, and other open areas required to be provided or maintained by the zoning, building and other ordinances of the city, and the rules and regulations promulgated thereunder, shall not be included in the compilations of such private open space areas;
2. Private ownership and maintenance of the open space area is adequately provided for by virtue of recorded written agreement, conveyance or restrictions, as approved by the city attorney;
3. Use of the private, open space area is restricted for park and recreational purposes by a recorded conveyance, which runs with the land in favor of the future owners of the property, and which cannot be amended or eliminated without the consent of the city council, all as approved by the city attorney;
4. Proposed private, open space area is reasonably adaptable for use for park and/or recreational purposes, taking into consideration such factors as size, shape, topography, geology, access and location;
5. Facilities proposed for such open space area are in substantial accord with the provisions of the general plan and the master park and recreation plan; and
6. Area for which credit is granted shall be of sufficient size to satisfy the requirements of the general plan and provide a minimum of five of the following local park and basic recreational elements listed below, or a combination of such, and other recreational improvements which will meet the specific park or recreational needs of the future occupants or residents of the subdivision or development:

	<u>Criteria List</u>	<u>Acres</u>
a. Children's play apparatus area		.50 to .75

b. Landscape park-like and quiet areas	.50 to 1.00
c. Family picnic areas	.25 to .75
d. Game court area	.25 to .50
e. Turf play field	1 to 3
f. Swim pool (42 ft x 75 ft. w/adjacent deck and lawn	.25 to .50
g. Recreation center building	.15 to .25
h. Tennis courts	Minimum of 2 courts
i. Other	As determined by planning director

B. Before credit shall be given, the planning commission of the city shall make written findings that the standards set forth in subsection A of this section are in the judgment of the commission met.

3.18.100 Option to dedicate improved park or recreational site.

A subdivider, may request that the project dedicate an improved park or recreational site rather than dedicating land and/or fees in lieu of land. Such request shall be subject to the approval of the city, with concurrence from the greater Vallejo recreation district. At a minimum, any such improved park or recreational site shall:

- A. Consist of four and one-quarter acres of land per each one thousand persons to be housed in the proposed development, but in no event less than four acres;
- B. Be located in keeping with the criteria and principles as set forth in the general plan and further as delineated and prescribed by the then current neighborhood parks and services areas plan adopted by the city council;
- C. Be constructed to plans and specifications approved by the city council, upon recommendation of the planning commission of the city and the board of directors of the greater Vallejo recreation district; and
- D. Be completed and ready for public use within the time fixed by the city council.
- E. At the time of approval by the city council, the council shall determine that amount of credit that the dedication of such improved park or recreational site shall receive towards land dedication and/or fees in lieu thereof as required under the provisions of this chapter.

3.18.110 Full or partial credit given--When.

Any subdivider, developer, owner or builder may request a credit against park dedication or fees based on the particular land or project having dedicated land or paid fees for parks pursuant to a prior land use approval or entitlement. Upon request and after consultation with the development services director of the city and the administrator of the greater Vallejo recreation district, the city manager shall certify in writing that credit is due under the provisions of this section, the extent to which an exemption shall be granted, and a statement of facts in such detail as the city manager deems necessary to support his determination.

3.18.120 Schedule of improvements--Commitment of funds--Return of unused funds.

The city and the greater Vallejo recreation district shall develop a schedule specifying how, when and where it will use the land or fees or both to develop park or recreational facilities, or targeting certain improvements for acquisition, construction, and installation. Any fees collected

under this chapter shall be committed within five years after the payment of such fees or the issuance of building permits on one-half of the lots created by the subdivision, whichever occurs later. If such fees are not committed, they shall be distributed and paid to the then record owners of the subdivision pursuant to California Government Code § 66477(a)(6).

3.18.130 Use of funds.

Subject to the approval of the city and the greater Vallejo recreation district as set forth in section 3.18.120, monies in the fund may be used for acquisition of land for parks or recreational facilities or open space, for improvement thereto, for reasonable consultation fees, feasibility studies, environmental review, and professional services performed in connection with acquisition or improvement or parks, recreational facilities, or open space, or for other purposes appurtenant thereto.

3.18.140 Exceptions.

The provisions of this article shall not be applicable to second family residential units (as defined in Section 16.04.398), nor to nonresidential subdivision, developments, or construction, nor to the rehabilitation and/or conversion of existing motels, hotels, or rooming houses to residential projects within the area defined by the map of the Downtown Off-street Parking Assessment District, a copy of which is attached to and made a part of the ordinance codified in this section, even if an additional number of units, or additional square feet of gross floor area, is added; provided further, that the applicability of the provisions of this section is intended to and does have a retroactive effect upon any existing structure and does retroactively remove the obligation of such structures which have been rehabilitated or converted to residential projects to pay said fees. The provisions of this article shall also not be applicable to condominium projects which consist of the subdivision of air space in an existing apartment building which is more than five years old when no new dwelling units are added. If dwelling units are added, the new units shall pay the fees designated in this article which are in force at the time the units are added to the complex. If the apartment building being converted is less than five years old, it shall pay the fees for all the units, calculated at the difference between the current fees for such units and the fees which were or could have been imposed at the time of the original construction.

Article II: Park Impact Fees

3.18.150 Legal authority--Conformance to general plan.

This article is enacted pursuant to the authority granted the city under the Constitution, the police power, and the home rule powers vested in Vallejo as a charter city and laws of the state. The park, recreation, and open space facilities for which payment of fees is required by this article are in accordance with the public facilities and other services element of the general plan and the master park and recreation plan of the city.

3.18.160 Findings.

The city council finds that substantial urban growth creates great demands to provide recreational opportunities for physical and mental well-being. Recreation planning should include the entire city, and provide facilities for intensive recreation, such as organized sports and community meetings, as well as areas of open space for more passive recreation to provide contact with the natural environment. The council further finds that these goals and the needs of residents of new residential developments can sometimes be better obtained by providing strategically placed large parks and recreational facilities, or more intensive use of existing parks, rather than a number of small neighborhood parks and facilities. The recreational needs of the community and of residents of new residential developments can be met by providing for and establishing the types of facilities classified in Section 3.18.040.

The Council further finds and determines that:

- A. The purpose of this impact fee is to provide for funds to assist in paying the cost of additional park land and park improvements needed to serve the residents of new development within the City.
- B. The park impact fees will be used to assist in paying any and all expenses related to providing additional park land and park improvements and facilities needs to serve the residents of new development within the city.
- C. There is a reasonable relationship between the use of the park impact fees and the type of development on which these fees will be imposed in that new residential development cannot be accommodated with existing parkland and park improvements and facilities and that these new residents will require additional park land and park improvements and facilities.
- D. There is a reasonable relationship between the amount of the fee and the cost of the park improvements. The city and the greater Vallejo recreation district caused a fee impact study to be prepared. As shown in this Study, dated September 2007 and accepted by the city, the cost of park land and park improvements and facilities to accommodate new residential development ranges from \$5,990 to \$9,983 per dwelling unit depending on the type of unit. Based on the Study, the amount of the fee was determined based on the number of persons per type of dwelling unit and the cost of park land and improvements.

3.18.170 Park Impact Fees-Imposed.

A. Standards. It is found and determined by the city council that the public interest, convenience, health, safety, and welfare require that development within the city provide for its fair share of the cost of acquiring park land, improving parks and building park and open space facilities.

B. Formula. In order to provide for the construction of park and open space facilities, it is hereby determined that acquisition costs are five hundred twenty-six thousand nine hundred eighteen dollars per acre, and the improvement costs are two hundred forty-three thousand two hundred forty dollars. The following formula shall be used to calculate a schedule of fees to support acquisition of park land:

$$\begin{array}{rcccccc}
 4.25 \text{ acres} & & & & & & \\
 1,000 \text{ persons} & & \times & \text{Persons per} & & & \\
 & & & \text{Housing Unit} & & \times & \$770,158.00^* & = & \text{Fee for Housing} \\
 & & & & & & & & \text{Unit}
 \end{array}$$

*This cost is comprised of the cost of vacant land at \$526,918 per acre and the cost of improvements per acre at \$243,240.

C. Fee schedule. The fee schedule shall be as follows:

<u>Type of Development:</u>	<u>Persons per Housing Unit:</u>	<u>Fee Amount:</u>
Single family detached	3.05	\$9,983 per unit
Single family attached	2.75	\$9,001 per unit
Duplex	2.49	\$8,150 per unit
Multi-family	2.09	\$6,841 per unit
Mobile home	1.83	\$5,990 per unit
Cost per person equals \$3,273.		

D. Fee Schedule Escalation. Commencing January 1, 2009, the fees established in this section shall be automatically adjusted by the Engineering News Record Construction Cost Index for the San Francisco Bay Area.

E. Changes in Fee Schedule. The city council may also from time to time, at its discretion, revise, alter, amend and/or delete any of the changes set forth in this section by adoption of the appropriate ordinance or ordinances.

3.18.180 Option to dedicate improved park or recreational site.

A developer, owner or builder may request that the project dedicate an improved park or recreational site rather than dedicating land and/or fees in lieu of land and paying park impact fees. Such request shall be subject to the approval of the city, after concurrence from the greater Vallejo recreation district. At a minimum, any such improved park or recreational site shall:

- A. Consist of four and one-quarter acres of land per each one thousand persons to be housed in the proposed development, but in no event less than four acres;
- B. Be located in keeping with the criteria and principles as set forth in the general plan and further as delineated and prescribed by the then current neighborhood parks and services areas plan adopted by the city council;
- C. Be constructed to plans and specifications approved by the city council, upon recommendation of the planning commission of the city and the board of directors of the greater Vallejo recreation district; and
- D. Be completed and ready for public use within the time fixed by the city council.
- E. At the time of approval by the city council, the council shall determine that amount of credit that the dedication of such improved park or recreational site shall receive towards land dedication and/or fees in lieu thereof and park impact fees as required under the provisions of this chapter.

3.18.190 Payment of Park Impact Fee.

Except as otherwise provided by this Chapter, the park impact fee shall be paid at or prior to the issuance of any building permit for a structure that is subject to this Chapter, or such later date as required by Government Code section 66007.

3.18.200 Full or partial credit given--When.

A. Any subdivider, developer, owner or builder may request a credit against park dedication or fees based on the particular land or project having dedicated land or paid fees for parks pursuant to a prior land use approval or entitlement. Upon request and after consultation with the development services director of the city and the administrator of the greater Vallejo recreation district, the city manager shall certify in writing that credit is due under the provisions of this section, the extent to which an exemption shall be granted, and a statement of facts in such detail as the city manager deems necessary to support his determination.

B. If a project has dedicated land or paid fees in lieu of land dedication pursuant to Government Code section 66477 and Article 1 of this chapter, the subdivider, developer, owner or builder of such project shall receive a credit against the park impact fees due for the project for such dedicated land or fees paid in lieu thereof.

3.18.210 Exceptions.

The provisions of this article shall not be applicable to second family residential units (as defined in Section 16.04.398), nor to nonresidential subdivision, developments, or construction, nor to the rehabilitation and/or conversion of existing motels, hotels, or rooming houses to residential projects within the area defined by the map of the Downtown Off-street Parking Assessment District, copy of which is attached to (Attachment 1) and made a part of the ordinance codified in this section, even if an additional number of units, or additional square feet of gross floor area, is added; provided further, that the applicability of the provisions of this section is intended to and does have a retroactive effect upon any existing structure and does retroactively remove the obligation of such structures which have been rehabilitated or converted to residential projects to pay said fees. The provisions of this article shall also not be applicable to condominium projects which consist of the subdivision of air space in an existing apartment building which is more than five years old when no new dwelling units are added. If dwelling units are added, the new units shall pay the fees designated in this article which are in force at the time the units are added to the complex. If the apartment building being converted is less than five years old, it shall pay the fees for all the units, calculated at the difference between the current fees for such units and the fees which were or could have been imposed at the time of the original construction.

3.18.220 Park and recreational facilities fund created--Use and disbursement.

A. There is created a special fund of the city to be known as the park and recreational facilities fund, into which shall be deposited all fees received under the provisions of this chapter. The finance director shall keep records of fees paid by individual subdivisions, in case a request for credit is made or a return of funds becomes necessary pursuant to Section 3.18.120. Any interest accruing on account of time deposit of the fund, or otherwise, shall be deposited to the credit of the fund.

B. The greater Vallejo recreation district will submit a written application for disbursement of monies from the fund on account of expenditures made or proposed for the benefit or use of parks or recreational facilities. The timing of such request will be at the time of execution of the contract. Upon receipt of the request, the finance director shall immediately advise the city manager and the development services director of such request, and provide them with copies of any accompanying documents or papers that might have been submitted by the recreation district in support of the application. Within ten days after receipt of such notice, the development services director shall advise the city manager whether the disbursement made or proposed is in keeping with the general plan and the master park and recreation plan and whether a contract has been awarded and the funds are needed for payment for park land or improvements within a reasonable period of time from the time requested. If the development services director fails to so certify within ten days, it shall be presumed that he has made a positive finding therein. Within ten days thereafter, the city manager shall, if a positive finding has been made or presumed, approve payment as requested by the greater Vallejo recreation district.

C. The decision of the city manager disapproving the application is subject to review by the planning commission upon request of the greater Vallejo recreation district made within ten days of delivery of such notice of disapproval. The planning commission shall then make its recommendation on the matter to the city council. The city council shall consider the request within 90 days of the date of the planning commission's recommendation. The decision of the city council shall be final.

SECTION 3. If any section, subsection, sentence, clause, phrase or word of this Ordinance is for any reason held to be invalid by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed and adopted this Ordinance, and each and all provisions hereof, irrespective of the fact one or more provisions may be declared invalid.

SECTION 4. This Ordinance shall take effect and be in full force and effect sixty (60) days from its final passage.

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CONSENT H

Agenda Item No.

COUNCIL COMMUNICATION

Date: October 23, 2007

TO: Honorable Mayor and Members of the City Council

FROM: Gary A. Leach, Public Works Director 

SUBJECT: APPROVAL OF A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSULTANT SERVICES AGREEMENT WITH KIMLEY-HORN AND ASSOCIATES, INC. FOR ON-CALL TRAFFIC ENGINEERING SERVICES FOR THE CITY OF VALLEJO

BACKGROUND AND DISCUSSION

The Senior Engineer that has provided traffic engineering services in the City of Vallejo for the past 24 years retired in July 2007. Accordingly the Public Works Department has begun the administrative process of requesting that this important City staff position be filled. In order to allow sufficient time for recruitment and selection within the guidelines of the Civil Service Regulations, three transportation consulting firms were requested to provide the required services during the interim. Specifically, the request was made for an engineer to provide on-call traffic engineering services. Fehr & Peers Transportation Consultants had someone on their staff immediately available, with the applicable skills and experience to be able to provide on-call transportation engineering support to the City. The City Council approved a Consultant Services Agreement with Fehr & Peers on August 7, 2007. However, the approved agreement was never executed because the engineer providing the services left Fehr & Peers for employment with Kimley-Horn and Associates, Inc. in September 2007.

City staff has negotiated the final scope of work and related consulting fee. After Council approval, the City Manager will execute a Consultant Services Agreement with Kimley-Horn and Associates, Inc. for traffic engineering services for the City of Vallejo for the period August 15, 2007, through August 14, 2008.

Fiscal Impact

The fee for the traffic engineering services will be \$160.00 per hour on an as-needed basis, with the total amount not to exceed \$150,000.00. The cost of the contract will be funded by salary savings from the vacant Senior Civil Engineer (Traffic) position.



RECOMMENDATION

Staff recommends adopting the resolution authorizing the City Manager to execute a Consultant Services Agreement between the City of Vallejo and Kimley-Horn and Associates, Inc. to provide traffic engineering services for the City of Vallejo in an amount not to exceed \$150,000.00 for the period October 24, 2007, through October 23, 2008.

ALTERNATIVES CONSIDERED

Initially, three transportation consulting firms were contacted to provide on-call traffic engineering services. Two firms did not have staff with the requested skills and experience to provide on-call traffic engineering. Although Fehr & Peers was able to provide the requisite services immediately, their qualified engineer accepted employment with Kimley-Horn and Associates, Inc. before the agreement with Fehr & Peers had been executed.

ENVIRONMENTAL REVIEW

No environmental clearance required for this action.

PROPOSED ACTION

Approve the Resolution Authorizing the City Manager to Execute the Consultant Services Agreement with Kimley-Horn and Associates, Inc. to provide traffic engineering services to the City of Vallejo in an amount not to exceed \$150,000.00 for the period October 24, 2007, through October 23, 2008.

DOCUMENTS AVAILABLE FOR REVIEW

- a. A resolution authorizing the City Manager or his designee to execute a Consultant Services Agreement between the City of Vallejo and Kimley-Horn and Associates, Inc. to provide traffic engineering services in the City of Vallejo Public Works Department for an amount not to exceed \$150,000.00 for the period October 24, 2007, through October 23, 2008.
- b. Scope of Work to provide traffic engineering services.



CONTACT PERSON

Gary Leach, Public Works Director
(707) 648-4315
garyl@ci.vallejo.ca.us

David A. Kleinschmidt, City Engineer
(707) 648-4318
david@ci.vallejo.ca.us

OCTOBER 23, 2007
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RESOLUTION NO. 07-____ N.C.

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

WHEREAS, on June 26, 2007, the Vallejo City Council approved the Fiscal Year 2007/08 Proposed Budget; and

WHEREAS, the Fiscal Year 2007/08 budget contains funding for a Senior Civil Engineer to provide traffic engineering services in the Public Works Department; and

WHEREAS, the incumbent Senior Civil Engineer retired in July 2007; and

WHEREAS, a Personnel Requisition is being processed to fill the vacant Senior Civil Engineer position through a very thorough recruitment and selection process which may take several months to complete; and

WHEREAS, three transportation consulting firms were contacted with regard to providing interim on-call traffic engineering services; and

WHEREAS, City initially selected Fehr & Peers Transportation Consultants to be best qualified to fill the requirement for transportation engineering services; and

WHEREAS, the qualified engineer left the employ of Fehr & Peers to work for Kimley-Horn; and

WHEREAS, City selected Kimley-Horn and Associates, Inc. to be best qualified to fill the requirement for interim on-call transportation engineering services; and

WHEREAS, the consultant's fee for transportation engineering services will not exceed \$150,000.00 for the period October 24, 2007, through October 23, 2008.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby authorizes the City Manager or his designee to execute a Consultant Services Agreement for transportation engineering services with Kimley-Horn and Associates, Inc. in the City of Vallejo Public Works Department.

OCTOBER 23, 2007

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EXHIBIT A

SCOPE OF WORK

1. **Representatives.**

CITY Representative for this AGREEMENT is:

David Kleinschmidt, City Engineer
City of Vallejo Public Works Department
555 Santa Clara Street 4th Floor
Vallejo CA 94590

All CONSULTANT correspondence to the CITY will be addressed to and questions pertaining to this AGREEMENT will be referred to the City Representative or the Representative's designee.

CONSULTANT Representative for this AGREEMENT is:

[name]

[title]

Kimley Horn and Associates, Inc.
2000 Crow Canyon Place, Suite 410
San Ramon, CA 94583

All routine administrative communications between the parties will be between the above named representatives and may be by personal delivery, mail, facsimile transmission or electronic mail as agreed between the Design Professional Representative and City's Representative.

2. **Services to be Provided.**

CONSULTANT will provide on-call traffic engineering services for CITY.

Services include planning, organizing and supervising professional and technical engineering operations for traffic section within the Public Works Department Engineering Division.

CONSULTANT shall perform duties which may include:

Prepare various reports on operations and activities.

Recommend and assist in the implementation of goals and objectives; establish schedules and methods for providing traffic engineering services; implement policies and procedures.

Oversee and participate in the preparation of plans, specifications, cost and quantity estimates, and bid documents for public works construction projects; oversee the planning, design and construction of traffic related improvements.

Participate in the initial planning of projects to be proposed and assist in establishing schedules and budgets.

Assign and schedule projects such as street and traffic improvements; establish such specifications as alignments, and street widths.

Consult with developers, builders and other contractors to coordinate the design and construction of public improvements in the City.

Oversee the review of traffic studies to evaluate the impact of new development on existing traffic flows; recommend appropriate mitigation to reduce traffic impacts.

Direct, plan and coordinate various projects such as traffic circulation and traffic safety studies, traffic signal coordination program and bikeway planning.

Participate in budget preparation and administration; prepare cost estimates for budget recommendations; monitor and control expenditures.

Coordinate and prioritize design projects with other City departments, county and state highway departments, and other relevant agencies or parties.

Maintain surveillance over contracts in progress including progress of the work, costs reports, determination of payment for work accomplished; accept or reject methods, performance or completed work.

Oversee the maintenance of office records, maps, construction project documents and related records.

Attend City council meetings, planning commission meetings and other sessions as directed.

Exercise professional engineering judgment in accordance with current accepted practice of civil engineering and appropriate laws and codes.

Monitor and control performance in conformance with assigned objectives, plans, schedules and budgets; account for variances and implement necessary corrective action.

Answer questions and provide information to the public; investigate complaints and recommend corrective actions as necessary to resolve complaints.

Perform related duties and responsibilities as required.

3. Key Personnel. All of the individuals identified below are necessary for the successful prosecution of the services due to their unique expertise and depth and breadth of experience. There shall be no change in the personnel listed below, without written approval of the City Representative. Design Professional recognizes that the composition of this team was instrumental in the City's decision to award the work to

Design Professional and that compelling reasons for substituting these individuals must be demonstrated for the City's consent to be granted. Any substitutes shall be persons of comparable or superior expertise and experience. Failure to comply with the provisions of this section shall constitute a material breach of Design Professional's obligations under this Agreement and shall be grounds for termination.


Garland Wong



COUNCIL COMMUNICATION

Date: October 23, 2007

TO: Honorable Mayor and Members of the City Council

FROM: Robert V. Stout, Finance Director 

SUBJECT: SUBMISSION OF THE CITY TREASURER'S INVESTMENT REPORT FOR THE QUARTER ENDED SEPTEMBER 30, 2007

BACKGROUND AND DISCUSSION

At the end of each calendar quarter, the City Treasurer is required by the City's adopted Investment Policy to report on the status of investments to the City Council. The City Treasurer's Investment Report as of September 30, 2007, is submitted in accordance with California Government Code Section 53646. It is the policy of the City of Vallejo to use the State of California Government Code Sections 53601, 53635, and 53651 provisions for local government investments as guidelines in the developing and implementing of the City's allowable investment policies and practices.

Condensed investment information as of September 30, 2007, is as follows:

Description	Par Value Of Portfolio	Fair Value Of Portfolio	Cost Basis Of Portfolio	Percentage of Portfolio
U.S. Federal Agency Bonds	\$27,402,620.77	\$27,470,155.61	\$27,370,984.82	36.01%
Local Agency Investment Fund	22,105,246.25	22,105,246.25	22,105,246.25	29.08%
U.S. Treasury Securities	9,085,000.00	9,230,997.90	9,315,892.60	12.26%
Money Market Accounts	784,282.85	784,282.85	784,282.85	1.03%
Corporate Medium Term Notes	16,445,000.00	16,397,636.35	16,437,836.04	21.62%
Total Investments	\$75,822,149.87	\$75,988,318.96	\$76,014,242.56	100.00%

Footnote: In accordance with Government Code Section 53646, the value of the Local Agency Investment Fund (LAIF) shown above represents the value from the September 30, 2007, LAIF statement. At the time this report was prepared, the Local Agency Investment Fund did not have available the "Amortized Cost Factor" which is used in adjusting the statement balance to the actual "Fair Value" balance.



	<u>Current Quarter</u>	<u>Fiscal Year-to-Date²</u>
Portfolio Investment Earnings:	\$1,060,347.90	\$1,060,347.90
Net Change in Portfolio Balance:	<\$11,182,781.56>	<\$11,182,781.56>
Approximate Portfolio rate-of-return has been: (annualized yield)		5.00%

BENCHMARK COMPARISON RATE-OF-RETURN¹:

Local Agency Investment Fund	5.24%
2-Year U.S. Treasury Note Yield	3.95%

Footnotes:

1. These are the performance benchmarks stated in the City's Investment Policy. These are annualized yields.
2. The Fiscal year-to-date is the actual percentage earned for the 3-month period from July 1, 2007, to September 30, 2007, and then is annualized for comparison purposes.

California Government Code Section 53646 provides that quarterly reporting of investment balances may be rendered to the City Council. The composition of investments must conform to the City's Investment Policy which is adopted annually by the City Council, and also must provide the City the ability to meet all cash flow requirements that might be reasonably anticipated for the next six months. Investments in the attached report meet these requirements of the City of Vallejo's adopted investment policy.

Fair Value of individual securities has been provided by Wells Fargo Bank Global Trust & Custody.

The City utilizes Wells Fargo Bank Global Trust & Custody as its third-party safekeeping custodian for safekeeping of all investments with the exception of the Local Agency Investment Fund (LAIF). LAIF being a money market fund administered by the State Treasurer has many governmental agency participants, and holds securities through its own administrator.

Pooled cash and investments book balances are adjusted annually to reflect *fair value* as required by Generally Accepted Accounting Principles. The term *fair value* was formerly known as *market value* and became effective with the mandatory implementation of GASB 31 in the fiscal year 1998. The attached investment schedules meet these requirements.

This report is informational only and does not require City Council action. There is no fiscal impact from this report. The City's portfolio had total earnings of \$1,060,347.90 during the three month period ending September 30, 2007. In addition, the portfolio also had a cumulative *fair value* versus *cost value* unrealized, non-cash loss of approximately \$25,923.60 as of September 30, 2007. *Fair*



value fluctuates from one period to another depending on the changes in interest rates and the supply and demand for bonds at a particular time. Therefore, there is often a difference between the *cost value* (the value at the time of purchase) and the *fair value* (the market value of the same security at a certain later period) creating an unrealized gain or loss.

RECOMMENDATION:

Staff recommends acceptance of the City Treasurer's Investment Report.

ENVIRONMENTAL REVIEW

This action is not a project as defined by the California Environmental Quality Act and is not subject to CEQA review.

PROPOSED ACTION

This report is an informational item only and does not require City Council action.

DOCUMENTS ATTACHED:

1. Treasurer's Investment Report for the quarter ended September 30, 2007.

Prepared by: Jon R. Oiler, Auditor Controller (707) 648-4593

Contact: Robert V. Stout, Finance Director (707) 648-4592



CITY OF VALLEJO
QUARTERLY INVESTMENT REPORT
SUPPLEMENTAL INFORMATION

DEFINITIONS

- Coupon Rate*** - The interest rate established for a bond issuance at the original time of sale. This amount is fixed and cannot be changed.
- Par Value*** - Par Value is the face value of a security. The face value of a security, usually in \$1,000 increments, is fixed and cannot be changed. Depending on market conditions, buyers purchase securities at a premium or discount to yield an effective interest rate different than the coupon rate.
- Fair Value*** - Fair Value, formerly known as market value, is the amount at which a financial instrument could be exchanged in a current transaction between willing parties.
- Cost Basis*** - The actual principal amount paid for a security at the time of purchase.
- Premium or Discount*** - An investor may pay more or less than the face value of a security depending on the current market interest rates. Amounts paid greater than face are premiums while amounts paid less than face value are discounts.



City of Vallejo
Portfolio Management
Portfolio Summary
September 30, 2007

City of Vallejo
 555 Santa Clara Street
 Vallejo, CA 94590
 (707)648-4592

Investments	Par Value	Fair Value	Original Cost	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM
Federal Agency Issues - Coupon	27,402,620.77	27,470,155.61	27,370,984.82	36.01	1,273	796	4.693	4.758
Local Agency Investment Funds	22,105,246.25	22,105,246.25	22,105,246.25	29.08	1	1	5.168	5.240
U.S. Treasury Securities - Coupon	9,085,000.00	9,230,997.90	9,315,892.60	12.26	1,508	915	4.170	4.228
Money Market Accounts	784,282.85	784,282.85	784,282.85	1.03	1	1	3.482	3.540
Corporate Medium Term Notes	16,445,000.00	16,397,636.35	16,437,836.04	21.62	1,167	737	4.878	4.946
Investments	75,822,149.87	75,988,318.96	76,014,242.56	100.00%	896	559	4.795	4.861
Total Earnings		September 30 Month Ending	Fiscal Year To Date					
Current Year		338,717.62	1,060,347.90					

Average Daily Balance 78,797,517.62 **84,150,545.31**
Effective Rate of Return 5.23% **5.00%**

I hereby certify that the investments listed in this report conform to the City of Vallejo investment policy and California Government Code and that it provides sufficient cashflow to meet the City's anticipated cash needs for the next six months.

Robert V. Stout

Robert V. Stout, Finance Director/Treasurer

**City of Vallejo
Portfolio Management
Portfolio Details - Investments
September 30, 2007**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Fair Value	Original Cost	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Federal Agency Issues - Coupon												
31359MDU4	50147	Fed Natl Mtg Assn	900,000.00	08/08/2003	906,471.00	991,049.40	6,000	3.617	3.667	227	05/15/2008	
31359MDU4	50151	Fed Natl Mtg Assn	400,000.00	11/10/2003	402,876.00	440,125.00	6,000	3.525	3.574	227	05/15/2008	
31359MTF4	50177	Fed Natl Mtg Assn	140,000.00	02/10/2006	138,163.20	134,591.24	3,375	4.756	4.822	441	12/15/2008	
31359MTZ6	50178	Fed Natl Mtg Assn	1,000,000.00	03/07/2006	983,750.00	951,793.00	3,250	4.936	5.005	503	02/15/2009	
31359MTZ6	50182	Fed Natl Mtg Assn	400,000.00	04/06/2006	393,500.00	380,940.40	3,250	4.967	5.036	503	02/15/2009	
31359MYN7	50197	Fed Natl Mtg Assn	1,000,000.00	12/11/2006	995,000.00	986,722.00	4,250	4.581	4.645	1,049	08/15/2010	
31359MF81	50198	Fed Natl Mtg Assn	400,000.00	12/20/2006	407,376.00	402,732.00	5,050	4.797	4.864	1,225	02/07/2011	
31359MF40	50200	Fed Natl Mtg Assn	640,000.00	01/10/2007	641,401.60	631,081.60	4,500	4.812	4.879	1,233	02/15/2011	
31398ABT8	50210	Fed Natl Mtg Assn	1,000,000.00	07/03/2007	1,008,440.00	993,220.00	5,080	5.281	5.354	956	05/14/2010	
31398ABT8	50211	Fed Natl Mtg Assn	1,000,000.00	07/05/2007	1,008,440.00	992,758.00	4,125	5.385	5.460	581	05/04/2009	
31331VYF7	50187	Federal Farm Credit Bank	300,000.00	07/20/2006	303,657.00	289,265.10	4,250	4.661	4.726	949	05/07/2010	
31331VYF7	50188	Federal Farm Credit Bank	300,000.00	08/20/2007	302,250.00	300,168.00	4,750	4.661	4.726	949	05/07/2010	
31331XWL2	50213	Federal Farm Credit Bank	590,000.00	05/05/2004	586,495.40	585,147.25	3,875	4.169	4.227	837	01/15/2010	
31333VZ44	50156	Federal Home Loan Bank	1,000,000.00	03/08/2005	988,440.00	984,504.00	4,375	4.110	4.167	898	03/17/2010	
31333X9VB3	50165	Federal Home Loan Bank	675,000.00	05/10/2005	674,581.50	681,077.03	3,000	3.930	3.985	562	04/15/2009	
31333XBB20	50166	Federal Home Loan Bank	840,000.00	07/15/2005	822,150.00	811,172.88	3,840	4.971	5.040	674	08/05/2009	
31333X4ZC8	50169	Federal Home Loan Bank	897,539.92	08/07/2006	876,713.40	862,760.25	5,250	4.988	5.057	674	08/05/2009	
31333X9DV3	50189	Federal Home Loan Bank	475,000.00	08/31/2006	483,902.40	474,177.60	4,750	5.027	5.096	1,047	08/13/2010	
31333XGEO3	50190	Federal Home Loan Bank	480,000.00	09/15/2006	456,117.60	447,997.22	4,125	4.803	4.870	1,047	08/13/2010	
3133MFCM2	50192	Federal Home Loan Bank	460,000.00	10/10/2006	425,000.00	421,115.50	4,850	5.018	5.088	1,222	02/04/2011	
3133X06C7	50193	Federal Home Loan Bank	1,000,000.00	10/20/2006	1,028,750.00	1,023,158.00	5,375	4.730	4.796	1,418	08/19/2011	
3133XEMR7	50194	Federal Home Loan Bank	600,000.00	03/15/2007	606,378.00	597,084.00	4,875	4.984	5.053	956	05/14/2010	
3133XGDD3	50202	Federal Home Loan Bank	500,000.00	05/24/2007	505,315.00	497,270.00	4,875	5.006	5.075	956	05/14/2010	
3133XKXD2	50206	Federal Home Loan Bank	500,000.00	05/25/2007	505,315.00	497,270.00	4,875	5.006	5.075	956	05/14/2010	
3133XKPH9	50212	Federal Home Loan Bank	500,000.00	07/17/2007	505,315.00	490,943.50	4,875	5.271	5.344	1,509	11/18/2011	
31359MDJ9	50131	Federal National Mortgage Assn	750,000.00	03/07/2003	752,107.50	848,378.90	5,750	2.854	2.893	137	02/15/2008	
31359MDJ9	50150	Federal National Mortgage Assn	375,000.00	11/10/2003	376,053.75	408,574.22	4,250	5.154	5.226	592	05/15/2009	
31359MVEO	50184	Federal National Mortgage Assn	600,000.00	06/06/2006	603,750.00	593,298.00	4,875	5.215	5.293	562	04/15/2009	
31359MK69	50185	Federal National Mortgage Assn	710,000.00	06/15/2006	713,770.10	694,138.60	4,650	4.875	4.936	562	04/15/2009	
31359MK69	50186	Federal National Mortgage Assn	1,000,000.00	08/29/2006	1,006,250.00	995,350.00	4,875	4.996	5.066	562	04/15/2009	
31359MM26	50203	Federal National Mortgage Assn	1,360,000.00	03/15/2007	1,388,900.00	1,376,740.24	5,125	4.723	4.788	1,292	04/15/2011	
31344AVH4	50195	Federal Home Loan Mtg. Corp.	1,325,000.00	12/27/2006	1,326,656.25	1,318,064.95	4,625	4.829	4.896	445	12/19/2008	
3137EAAK5	50196	Federal Home Loan Mtg. Corp.	350,000.00	12/08/2006	352,408.00	350,570.15	4,750	4.624	4.688	764	11/03/2009	
3137EAAK5	50199	Federal Home Loan Mtg. Corp.	500,000.00	01/31/2007	503,440.00	495,397.50	4,750	5.034	5.104	764	11/03/2009	

Portfolio CITY
CP

**City of Vallejo
Portfolio Management
Portfolio Details - Investments
September 30, 2007**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Fair Value	Original Cost	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Federal Agency Issues - Coupon												
31395FCW7	50201	Federal Home Loan Mfg. Corp.		02/08/2007	510,080.85	510,805.16	506,773.29	5.000	5.125	5.196	988	06/15/2010
31344AVB7	50208	Federal Home Loan Mfg. Corp.		06/01/2007	1,000,000.00	992,190.00	971,157.00	4.125	5.086	5.137	1,015	07/12/2010
31344AUS1	50209	Federal Home Loan Mfg. Corp.		06/01/2007	1,000,000.00	997,190.00	983,100.00	4.250	5.031	5.101	653	07/15/2009
3137EAAAX7	50214	Federal Home Loan Mfg. Corp.		09/06/2007	700,000.00	713,125.00	710,059.00	5.125	4.537	4.600	1,057	08/23/2010
		Subtotal and Average	27,391,810.05		27,402,620.77	27,470,155.61	27,370,984.82		4.683	4.758	796	
Local Agency Investment Funds												
44740	04001	LAI of Vallejo			6,409,820.69	6,409,820.69	6,409,820.69	5.240	5.168	5.240	1	
36484	04003	LAI Housing Authority			8,706,371.81	8,706,371.81	8,706,371.81	5.240	5.168	5.240	1	
11929	04002	LAI Redevelopment Agency			6,989,053.75	6,989,053.75	6,989,053.75	5.240	5.168	5.240	1	
		Subtotal and Average	25,005,246.25		22,105,246.25	22,105,246.25	22,105,246.25		5.168	5.240	1	
U.S. Treasury Securities - Coupon												
9128274F6	5045	U.S. Treasury Notes		08/13/2003	850,000.00	857,573.50	944,595.70	5.625	3.047	3.089	227	05/15/2008
9128275N8	5062	U.S. Treasury Notes		09/07/2004	1,150,000.00	1,191,952.00	1,287,416.02	6.000	3.307	3.353	684	08/15/2009
9128286CL2	5063	U.S. Treasury Notes		12/06/2004	1,400,000.00	1,400,770.00	1,418,921.88	4.000	3.623	3.673	623	06/15/2009
912828FPO	5071	U.S. Treasury Notes		08/22/2006	100,000.00	101,609.00	100,226.56	4.875	4.727	4.792	684	08/15/2009
912828ED8	5072	U.S. Treasury Notes		08/04/2006	300,000.00	300,984.00	291,679.69	4.125	4.824	4.891	1,049	08/15/2009
912828FPO	5073	U.S. Treasury Notes		09/01/2006	1,200,000.00	1,219,308.00	1,204,968.75	4.875	4.658	4.722	684	08/15/2009
912828FPO	5075	U.S. Treasury Notes		11/03/2006	100,000.00	101,609.00	100,339.84	4.875	4.676	4.740	684	08/15/2009
912828ED8	5076	U.S. Treasury Notes		02/26/2007	235,000.00	235,770.80	230,538.67	4.125	4.660	4.724	1,049	08/15/2010
912828FH8	5077	U.S. Treasury Notes		03/15/2007	600,000.00	615,750.00	609,468.75	4.875	4.397	4.458	1,338	05/31/2011
912828ESS	5078	U.S. Treasury Notes		04/09/2007	500,000.00	503,085.00	495,097.66	4.250	4.472	4.534	1,202	01/15/2011
912828FU9	5079	U.S. Treasury Notes		06/04/2007	650,000.00	658,684.00	640,859.38	4.500	4.981	4.863	1,460	09/30/2011
912828FD7	5080	U.S. Treasury Notes		06/12/2007	700,000.00	718,102.00	695,679.69	4.875	4.794	4.861	1,399	04/30/2011
912828FNS	5081	U.S. Treasury Notes		06/04/2007	700,000.00	718,536.00	700,328.13	4.875	4.794	4.861	1,399	07/31/2011
912828ESS	5082	U.S. Treasury Notes		07/17/2007	230,000.00	231,419.10	224,959.77	4.250	4.873	4.940	1,202	01/15/2011
912828FU9	5083	U.S. Treasury Notes		08/20/2007	300,000.00	304,008.00	299,015.63	4.500	4.524	4.587	1,460	09/30/2011
912828FH8	5084	U.S. Treasury Notes		09/28/2007	70,000.00	71,837.50	71,796.48	4.875	4.057	4.113	1,338	05/31/2011
		Subtotal and Average	9,518,207.96		9,085,000.00	9,230,997.90	9,315,892.60		4.170	4.228	915	
Money Market Accounts												
SYS10014	10014	Wells Fargo Bank			779,545.14	779,545.14	779,545.14	3.540	3.492	3.540	1	
SYS10016	10016	Wells Fargo Bank			4,737.71	4,737.71	4,737.71	3.540	3.492	3.540	1	
		Subtotal and Average	85,709.97		784,282.85	784,282.85	784,282.85		3.492	3.540	1	

**City of Vallejo
Portfolio Management
Portfolio Details - Investments
September 30, 2007**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Fair Value	Original Cost	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
026351BC9	15170	American General Corp.		01/29/2007	645,000.00	682,203.60	689,711.40	7.500	5.248	5.321	1,045	08/11/2010
068050CV5	15180	Bank America Corp.		09/29/2006	700,000.00	706,825.00	713,321.00	5.875	4.950	5.018	503	02/15/2009
161445AB7	15158	Chase Auto Owner		06/13/2006	1,000,000.00	1,001,100.00	999,924.66	5.340	5.270	5.343	1,018	07/15/2010
17305EDDA0	15169	Citibank Credit Card		01/31/2007	1,000,000.00	999,720.00	991,313.00	4.850	5.018	5.087	1,228	02/10/2011
172967AX9	15144	Citigroup, Inc.		09/12/2005	850,000.00	864,416.00	900,422.00	6.200	4.287	4.356	531	03/15/2009
172967CH2	15171	Citigroup, Inc.		03/21/2007	725,000.00	712,240.00	707,114.25	3.625	4.943	5.012	497	02/09/2009
22541LAN3	15161	Credit Suisse FB USA, Inc.		09/08/2006	490,000.00	488,750.50	483,443.80	4.700	5.156	5.227	609	06/01/2009
22541LAL7	15172	Credit Suisse FB USA, Inc.		03/09/2007	450,000.00	444,285.00	441,643.50	3.875	4.826	4.893	472	01/15/2009
36962GZ31	15173	General Electric Capital Corp		03/14/2007	725,000.00	729,386.25	729,589.25	5.250	4.918	4.987	757	10/27/2009
38143UAA9	15164	Goldman Sachs Group		11/03/2006	300,000.00	295,803.00	292,515.00	3.875	5.015	5.084	472	01/15/2009
38143UBEO	15167	Goldman Sachs Group		11/21/2006	575,000.00	566,731.50	562,597.25	4.500	5.099	5.170	988	06/15/2010
38143UAA9	15168	Goldman Sachs Group		12/11/2006	400,000.00	394,404.00	392,228.00	3.875	4.793	4.860	472	01/15/2009
38143UBEO	15178	Goldman Sachs Group		04/09/2007	300,000.00	295,696.00	294,855.00	4.500	5.019	5.089	988	06/15/2010
423328BM4	15142	Heller Financial, Inc.		08/09/2005	680,000.00	712,048.40	750,862.80	7.375	4.566	4.630	762	11/01/2009
441812KC7	15100	Household Finance Corp.		06/05/2003	775,000.00	773,171.00	825,599.75	4.625	3.052	3.094	106	01/15/2008
441812KGB8	15165	Household Finance Corp.		11/03/2006	205,000.00	203,698.25	203,608.05	4.750	4.970	5.039	592	05/15/2009
441812KGB8	15177	Household Finance Corp.		04/05/2007	200,000.00	198,730.00	198,498.00	4.750	5.059	5.129	529	03/13/2009
52517PVU2	15174	Lehman Brothers Corp.		03/21/2007	400,000.00	391,224.00	389,128.00	3.600	4.960	5.029	861	02/08/2010
59018YUZZ	15156	Merrill Lynch & Company		05/08/2006	825,000.00	810,463.50	789,558.00	4.250	5.456	5.532	861	02/08/2010
59018YSX8	15162	Merrill Lynch & Company		10/31/2006	730,000.00	716,604.50	714,670.00	4.125	5.053	5.123	472	01/15/2009
61746SBC2	15157	Morgan Stanley		05/31/2006	475,000.00	464,060.75	451,710.75	4.000	4.979	5.048	472	01/15/2009
61746BAL0	15175	Morgan Stanley		03/09/2007	500,000.00	492,445.00	489,720.00	3.875	5.327	5.401	623	06/15/2009
87612EAA5	15180	Target Corp.		07/10/2007	500,000.00	503,175.00	499,745.00	5.375	4.947	5.015	1,353	06/15/2011
90327LAC4	15166	USAA Auto Owner Trust		11/21/2006	1,000,000.00	999,200.00	999,810.08	5.010	4.919	4.988	517	03/01/2009
90331HJKO	15148	US Bank		11/08/2005	645,000.00	628,604.10	614,104.50	3.400	4.780	4.846	974	06/01/2010
92976WAT3	15181	Wachovia Corporation		09/13/2007	750,000.00	738,585.00	741,045.00	4.375	4.573	4.637	548	04/01/2009
949746FC9	15146	Wells Fargo Bank		10/12/2005	600,000.00	584,076.00	571,098.00	3.125	4.878	4.946	737	
	Subtotal and Average		16,806,543.39		16,445,000.00	16,397,636.35	16,437,836.04		4.878	4.946	737	
	Total Investments and Average		78,797,517.62		75,822,149.87	75,988,318.96	76,014,242.56		4.795	4.861	559	

**City of Vallejo
Portfolio Management
Portfolio Details - Cash
September 30, 2007**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Fair Value	Original Cost	Stated Rate	YTM 380	YTM 365 Maturity	Days to Maturity
Total Cash and Investments			78,797,517.62		75,822,149.87	75,988,318.96	76,014,242.56		4.795	4.861	559



CITY OF VALLEJO

Agenda Item No. POLICY A

COUNCIL COMMUNICATION

Date: October 23, 2007

TO: Mayor and Members of the City Council

FROM: Craig Whitton, Assistant City Manager/Community Development
Laura J. Simpson, Housing and Community Development Manager
Brian Dolan, Development Services Director *BD*
Don Hazen, Planning Manager *DH*
Claudia Quintana, Assistant City Attorney *CQuintana*

SUBJECT: Consideration of an Interim Ordinance adopted as an Urgency Measure pursuant to California Government Code §65858, instituting a Moratorium on the Conversion of Mobilehome Parks to Condominium Ownership until December 7, 2007

BACKGROUND AND DISCUSSION

Mobilehomes in Vallejo

Mobilehome parks provide a significant source of affordable housing in the City of Vallejo. There are currently 11 parks within the city, containing approximately 1300 spaces, according to the 2000 U.S. Census. This represents almost 3% of the city's housing stock. The average household size for this housing type in Vallejo is 1.83 persons per unit; therefore, these units house an estimated 2,380 persons. Mobilehome park spaces are subject to local rent control under the City's Municipal Code, Chapter 5.64, Sections 5.64.010 through 5.64.180, except for spaces which are exempted by state law because they are covered by leases of 12 months or more that meet specified conditions set forth in the California Civil Code.

Mobilehome park residents usually own their mobilehomes and pay rent for the space that their mobilehome is located upon. Based upon a September 2007 phone survey of mobile home park management, it is estimated that tenants of mobile home parks in Vallejo pay space rents ranging from \$244 to \$500 per month, with an average rent of approximately \$400 per month.

Mobilehomes prices range from about \$50,000 to \$90,000 in Vallejo, making the purchase

of a mobilehome on a rental lot in an existing mobile home park affordable to low income households that could not afford to purchase condominiums or houses within the City.

In a recent survey of one of the largest mobilehome parks in the City, 40% of the respondents indicated that their household income was in the very low income category (less than \$30,000 for a two-person household.) 70% of the adults in the park were seniors. (36% of the 255 households provided responses to the survey questionnaire.) The City has not surveyed the residents of the other parks in the City. However, surveys of mobilehome park residents in other jurisdictions have consistently shown that a substantial portion of mobilehome park residents are low income.

Impact of the Conversion of Mobilehomes to Condominium Ownership

If mobilehome parks are converted into condominium ownership, the cost of mobilehome park space parcels will mostly likely become unaffordable to low income households that could afford previously to purchase mobilehomes on rented spaces and pay the space rent. While we do not have information on the sales prices after the conversion, if prices exceed \$80,000 per unit, the cost would be unaffordable to Very Low Income households. If prices exceed \$150,000 per unit, the units will be unaffordable to Low Income households.

Mobilehome park conversions to condominium ownership are subject to state law regarding the mitigation of the impacts of conversions. However, the scope of those protections is limited. Under the state law when a park is converted to condominium ownership it is no longer subject to local rent regulations. After the conversion, the space rents of non-purchasing **low-income** tenants (those low income tenants that choose not to purchase the land under their mobile home) may not be increased by more than the percentage increase in the Consumer Price Index (CPI). However, there are no limits on the rents that may be charged when new residents acquire land in a mobilehome park converted to condominium ownership. Therefore, at the time of an in-place sale of a mobilehome after a condominium conversion, the rents may be raised to a level unaffordable to low income residents.

The rents of the mobilehome park tenants who are **not in the low-income category** may be raised to market levels four years after the condominium conversion, thereby exposing these tenants to the possibility of exceptional rent increases and corresponding adverse effects on the values of their mobilehomes. In a park in American Canyon, a few years after a park conversion took place and the City's rent control ordinance was no longer applicable space rents in the park were raised from \$500 to \$1,300 per month.

When mobilehome owners are faced with rent increases or conversions costs that they cannot afford, they do not have any option to move their mobilehomes because as a practical matter mobilehomes are not portable. The cost of moving a mobilehome and

setting up the mobilehome in another park is substantial (e.g. \$10,000). Furthermore, virtually all mobilehome parks in the Bay Area will not accept mobilehomes that are more than a few years old. Therefore, as a practical matter, most mobilehomes cannot be moved within the Bay Area. Mobilehome park conversions are more likely to impact low-income households and seniors, due to the affordable nature of the housing stock. Currently, one park owner in the City has expressed an intent to convert a park to condominium ownership. Statewide, park owner initiated conversions have become widespread within the past few years.

City's Ability to Regulate the Conversion of Mobilehomes to Condominium Ownership

Under the Subdivision Map Act, local governments have some authority to regulate the conversion of a mobile home park to resident ownership or to non-mobile home park use; however, local governments' ability to control conversions is limited by Government Code 66427.5.

Under Government Code 66427.5, the park owner seeking the subdivision is required to:

- Obtain City approval of the conversion pursuant to Subdivision Map act including approval of a map
- Submit a report on the impact of the conversion
- Offer existing tenants an option to buy the lot on which their mobile home is located
- Survey each tenant to assess resident support for the conversion
- Limit the amount of any rent increase to tenants not purchasing their units

Under the state law in effect as of 2001, an appellate court ruled that a City could not prevent a park conversion on the basis that it was not bona fide and that a park was no longer subject to local rent regulation after a single space in the park was sold. (*El Dorado Palm Springs, Ltd. V. City of Palm Springs* (2001) 96 Cal.App.4th 1153).

Subsequently, the state law was amended to require that "The subdivider shall obtain a survey of support of residents of the mobilehome park for the proposed conversion". (Statutes 2002, ch. 1143). The bill also included uncodified language stating a legislative intent to ensure that a mobilehome park subdivision ... is a "bona fide" resident conversion. (Statutes 2002, ch. 1143, Sec. 2, p.3324.)

Moratorium on Conversion of Mobilehomes to Condominium Ownership

In order to protect mobilehome park residents from the adverse effects of park conversions, moratoriums on conversion of mobilehome parks to condominium ownership and/or ordinances governing such conversions have recently been adopted by a number of municipal and county agencies including, the Sonoma County, Santa Cruz County, Santa Rosa, Rohnert Park, American Canyon, and the City of Sonoma. For example, some

jurisdictions enacted a mobilehome zoning overlay to help set the standards.

The City's current zoning ordinance, including the condominium conversion ordinance, does not set forth any procedures or conditions for mobilehome park condominium conversions. Adoption of a moratorium by the City Council will provide City staff sufficient time to study the issue and determine how to implement the authority that it has to consider and address the impacts of proposed conversions on mobilehome park residents. Staff would review the results of regulatory approaches in other communities.

It is anticipated that the Planning Division staff would conduct one public workshop to solicit input to regulatory approaches by interested parties (e.g. mobile home residents, mobilehome park owners). The Planning Commission would also review any proposed regulatory changes.

Legal Analysis

Generally, a tentative map application is required to begin the subdivision process to convert mobilehome parks into condos. The Vallejo Municipal Code does have a Chapter 15.08 which sets forth the requirements for all subdivisions requiring a tentative map, but there is no local ordinance which specifically governs the subdivision of a mobilehome park to individual ownership.

These applications are strictly governed by California Government Code § 66427.5. Unlike common tentative map applications where the City retains a broad amount of discretion to approve and condition a map, the City has a very limited scope of review in mobilehome-to-condo conversions. Under current law, the scope of review is basically limited to whether the applicant has complied with §66427.5. (*El Dorado v. City of Palm Springs* (2001) 96 Cal.App.4th 1153). A recent amendment adds a requirement that the applicant provide a survey of support. Whether a conversion can be denied if there is insufficient support is an issue that is currently being litigated by other jurisdictions.

Whether cities have continuing land-use discretion through their police and regulatory power in approving this type of application and the scope of such powers is an issue that is now being tested in the courts in response to park owner challenges to recently adopted local conversion ordinances. Typically, applicants take the position that Cities may not apply any other provisions of the map act or of the municipal code, including, for instance, the provisions which typically allow cities to condition the application to protect the health and welfare of residents and public.

In order to place the legal terrain in perspective it may be noted that virtually every piece of legislation related the economic rights of mobilehome park owners comes under legal challenge. In fact, even absent a moratorium, the City may be challenged based on the applicability of existing ordinances to current applications. However, very few of the many

legal challenges to mobile home park rent regulations have been successful.

On October 14, 2007, the Governor vetoed the bill which would have broadened the scope of the hearing to provide broad discretion to the cities and would have subjected mobilehome-to-condominium conversions to the same type of review and conditioning as other tentative map applications. Given this veto, it seems that there will be no change to the State law in the foreseeable future unless an appellate court considers the interpretation of the applicable statutes in a court challenge. Park conversions have not been addressed in any appellate court decisions since the 2002 amendment to the state law.

Although it is possible and even desirable to enact a local ordinance regulating mobilehome to condominium conversions, the opportunity for imposing local conditions on these types of conversions continues to be severely restricted by Cal. Gov. Code § 66427.5

Nevertheless, a new ordinance could articulate the contents of the Conversion Report and provide guidelines for determining whether a conversion is “bona fide” through the Resident Survey of Support mentioned in 66427.5. The state law does not define the term bona fide or set forth what constitutes “a survey of support”.

Also, a local ordinance could set for conversion impact reports addressing such issues as vacancy rates, the availability of mobile home spaces, an analysis of moving an existing mobile home to another site, relocation assistance, if necessary, and similar information. It would not be possible to avoid the conversion altogether, and it would not be possible to exact rent restrictions for this type of application. Depending on how far the ordinance goes, it may also be subject to legal challenge. Further study would be necessary to determine what requirements and conditions are permissible within the scope of the state law. Also, in the forthcoming months, trial courts may issue some opinions in response to the challenges in other cities and provide some signs of judicial views about the scope of local powers.

Requirements for a Moratorium

In order to adopt a moratorium this council needs to have sufficient facts regarding urgency so that the enactment of the moratorium is deemed necessary for preserving the public peace, health, welfare or safety and to avoid a current, immediate and direct threat to the health, safety, or welfare of the community. Some of these facts may be based on the potential displacement of senior citizens and other vulnerable residents. Additionally, the potential approval of maps which are not physically suitable, or which pose health and safety risks that would normally be addressed by our local ordinances or other provisions of the map act lend a sense of urgency to this issue. Should the Council find that these facts exist, it may adopt the urgency ordinance which is attached to the staff report. In the

event that Council finds insufficient facts regarding urgency, Council may still direct staff to work on and bring back an ordinance which governs mobilehome conversions into condominiums.

Enacting a moratorium will almost certainly result in a legal challenge against the City, as it has resulted in Santa Cruz, Sonoma and Santa Rosa, following enactments of their moratoriums and their interim and/or permanent ordinances regulating these conversions.

However, the moratorium and any subsequent regulatory ordinance are the most logical instruments that are available to the City should the Council wish to clearly set forth what those regulations should be, and to obtain some degree of control over the health and safety of the residents and the public for this type of application. Such ordinances may possibly attempt to mitigate the possible displacement of citizens from their existing mobile homes.

The temporary moratorium must be approved by a 5/7 vote of the Council, and the initial effective period is 45 days. It is staff's intention to return prior to the expiration of that time period with a more specific recommendation for the zoning amendment or recommendation that Council extend the moratorium for additional time following a duly noticed public hearing.

Fiscal Impact

There would be no fiscal impact as a result of adopting the proposed ordinance. If the moratorium is legally challenged, however, there will be legal fees and costs that are difficult to quantify at this point. The short time span for this moratorium does mitigate any damages a potential plaintiff might have, but it is not failsafe.

RECOMMENDATION

Staff recommends adoption of the attached emergency ordinance establishing a moratorium on the conversion of mobile home parks to resident ownership through December 7, 2007.

ENVIRONMENTAL REVIEW

Adoption and implementation of an urgency ordinance is exempt from the provisions of the California Environmental Quality Act pursuant to State CEQA Guidelines section 15061(b)(3) in that it can be seen with certainty that there is no possibility that the ordinance or its implementation would have a significant effect on the environment.

PROPOSED ACTION

Adopt the proposed Ordinance, Attachment A.

DOCUMENTS AVAILABLE FOR REVIEW

Attachment "A" – Ordinance

PREPARED BY/CONTACT:

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

Laura J. Simpson, Housing and Community Development Manager, (707) 648-4393, or l.simpson@ci.vallejo.ca.us

Claudia Quintana, Assistant City Attorney, (707) 648-4547 or cquintana@ci.vallejo.ca.us

ORDINANCE NO. _____

**AN URGENCY ORDINANCE OF THE COUNCIL OF THE CITY OF VALLEJO
ADOPTING AND IMPOSING A TEMPORARY MORATORIUM ON THE
CONVERSION OF MOBILEHOME PARKS TO RESIDENT OWNERSHIP**

WHEREAS the City of Vallejo has an overriding interest in planning and regulating the use of property within the City, and implicit in any plan or regulation is the City's interest in maintaining the quality of urban life and the character of the City's neighborhoods; and

WHEREAS Without stable, well-planned neighborhoods, and sound housing policies for all sectors of the population, sections of the City can deteriorate with tragic consequences to social, environmental, and economic values and serious impacts to citizens whose living arrangement are predicated on access to safe, affordable housing; and

WHEREAS, the City Council has considered the contents of the staff report, as well as a presentation on the subject, and heard and read community testimony regarding the potential impacts of mobilehome park conversions into condominiums; and considered evidence at the duly noticed public hearing on October 23, 2007; and

WHEREAS, this Ordinance is enacted pursuant to the City of Vallejo's police power, Sections 200 and 312 of the Charter of the City of Vallejo, Article XI of the California Constitution, and

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

WHEREAS, it is the City's intent to exercise its police power, to study and review neighboring cities' regulations and to possibly enact regulatory land use ordinances not in conflict with State law which regulate the conversion of mobilehome parks to condominiums; within the next 45 days and

WHEREAS, such a time as the City concludes its review and adopts new land use controls over such activity the community is in jeopardy that such unregulated conversions may occur ; and

WHEREAS, such mobilehome to condominium conversions may result in the displacement of mobilehome park residents due to unaffordability, and may result in the approval of projects which are not 'bona fide' conversions under California Government Code § 66427.5, or are otherwise out of compliance with local ordinances and the remainder of the Subdivision Map Act,

NOW, THEREFORE, The Council of the City of Vallejo does ordain, find and determine as follows:

Section 1. The purpose of this ordinance is to prohibit the conversion of mobilehome parks to resident ownership within the City of Vallejo pending enactment of permanent regulations affecting such conversions. The purposes of the City's mobilehome rent review ordinance are set forth in Vallejo Municipal Code Chapter 5.64.020 and 5.46.025. The City Council finds that the statements and findings contained in those sections continue to be true and correct, and thus they are incorporated herein by this reference. The City of Vallejo additionally makes the following findings:

1. At present there are 11 mobilehome parks subject to rent control within Vallejo. These 11 parks contain approximately 1300 mobilehome spaces, housing an estimated 2400 residents.

2. In most instances, mobilehome residents own their mobilehomes and pay monthly rent for the land beneath. Annual rent increases for mobilehome spaces that have a lease of 12 months or less are regulated under Vallejo City Code Section 5.64.010 through 5.64.180.

3. State law permits a mobilehome park to be subdivided into separate lots, such that residents may own not only the mobilehome itself, but also the space beneath it. These subdivisions are known as "conversions to resident ownership." Upon such conversions to resident ownership, local rent control provisions are no longer applicable.

4. There is a growing movement by park owners themselves to initiate the conversion of mobilehome parks to resident ownership. Local experiences indicate that when local rent control is removed, rents are destabilized. Although state law provides some protection for mobilehome park residents, the protections appear inadequate for other residents. Furthermore, a substantial portion of the residents in mobilehome parks cannot afford the costs of purchasing individual condominium lots within mobilehome parks. The residents who cannot afford to pay face eviction and possible homelessness.

5. Many park residents have few options when faced with an owner-initiated conversion of a mobilehome park. The purchase of the lot itself may be financially out of reach. Moving a mobilehome is cost-prohibitive for many, and even if a resident can afford to move his or her mobilehome, there are no parks in the region with space available to receive older mobilehomes. For resident seniors in particular, moving outside of the region may break important social ties and critical support networks. For seniors and other citizens on a fixed income, even small escalations on their rent may result in their inability to pay their rent, and this may result in eviction and possible homelessness.

6. While state law establishes parameters for the conversion of a mobilehome park to resident ownership under the Subdivision Map Act, it appears to permit some level of local regulation. The Council finds that local regulation, in fact, may be essential to avoid the current and immediate loss of housing stock that is affordable to people of lower income households and to thereby protect the public health, safety and welfare.

7. It is in the interest of the City of Vallejo, of owners and residents of mobilehome parks, and of the community as a whole that the Council consider regulations to protect housing within mobilehome parks that is affordable to people of lower income households, while providing opportunities for resident ownership wherever feasible and appropriate. The moratorium is necessary at this time to provide staff sufficient time to study the issue and make recommendations on whether and how to regulate mobilehome park conversions at the local level.

8. City of Vallejo staff proposes to study zoning amendments and possible regulations not in conflict with state law that may govern and regulate mobile home park conversions. It would be destructive of any proposed future requirements and regulations if, during the period they are being studied and considered for adoption, parties seeking to avoid their operation and effect are permitted to convert existing mobilehome parks to resident ownership in a manner that might defeat in whole, or in part, the objectives of such requirements and regulations. As a result, it is necessary to establish a temporary moratorium on the conversion of mobilehome parks to resident ownership within the City of Vallejo pending the completion of the City's preparation and consideration of appropriate regulations.

9. In the absence of local regulation mobilehome park conversions under Cal. Gov. Code § 66427.5 may be approved in spite of not being a "bone fide" conversion by the tenants; Additionally, maps may be approved which are out of compliance with other more general local ordinances, or the remainder of the subdivision map act. This may result in approval of maps which should otherwise be denied under the grounds set forth in Vallejo Municipal Code section 15.08.060 (e.g., because the design of the subdivision may cause serious public health problems, there is a violation of water quality standards, or it otherwise does not comply with the general plan, or the Subdivision Map Act).

Section 2. During the period this ordinance remains in effect, no permit or approval shall be issued for the conversion of a mobilehome park to resident ownership within the City of Vallejo. Applications, however shall continue to be received.

Section 3. For the purposes of this ordinance, “mobilehome park” shall mean a mobilehome park as defined in Vallejo Municipal Code section 5.64.030 The “conversion of a mobilehome park to resident ownership” shall mean a subdivision of a mobilehome park for purposes or sale, lease or finance of one or more mobilehome spaces or lots pursuant to Government Code section 66427.5 or 66428.1. “Subdivision” shall mean subdivision as defined in Government Code section 66424.

Section 4. Based on the facts and conditions set forth and described in Section 1 of this ordinance, and on all the preceding ‘Whereas’ , which are hereby found to be true and correct, and hereby bade a part of this Ordinance, the Council declares this ordinance is necessary as an urgency measure for preserving the public health, safety, and welfare as described in Section 1. The Council determines that the impending conversion of mobilehome parks to resident ownership without local regulation would result in a threat to the public health, safety, and welfare.

Section 5. During the period this ordinance remains in effect, the provisions of this ordinance shall govern. If there is any conflict between the provisions of this ordinance and any provision of the Santa Rosa City Code, or any City ordinance, resolution, or policy, the provisions of this ordinance shall control.

Section 6. Environmental Determination. This ordinance is exempt from the California Environmental Quality Act (“CEQA”) pursuant to State CEQA Guidelines section 15061(b)(3) in that it can be seen with certainty that there is no possibility that this ordinance or its implementation would have a significant effect on the environment. The Director of Community Development is directed to file a notice of exemption in accordance with CEQA and the State CEQA Guidelines.

Section 7. Severability. If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be unconstitutional and invalid, such decision shall not affect the validity of the remaining portion of this ordinance. The Council hereby declares that it would have passed this ordinance and every section, subsection, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional or invalid.

Section 8. Effective Date. The City Clerk shall certify to the passage and adoption of this Ordinance causing it to be published, as required by Vallejo Municipal Code Chapter 2.04 and it shall thereafter be in full force and effect. This Ordinance shall become effective immediately as an interim urgency ordinance, in order to protect the public health, safety and welfare.

Section 9. Duration. This ordinance shall remain in effect for 45 days only through December 7, 2007, unless sooner terminated or extended. For the term of this Ordinance, the provisions of this Ordinance shall govern, to the extent there is any conflict between the provisions of this Ordinance and the provisions of any other City code, ordinance, resolution or policy, any and all such provisions shall be suspended.

Section 10. Petition for Relief from Moratorium. Any person who has applied or who seeks to apply to subdivide a mobilehome park into condominiums and who may be affected by this Moratorium, and who contends that the Moratorium as applied to him or her would be unlawful under Federal, State, or local law or regulation, may submit a written application to the Planning Director requesting relief from the Moratorium. The request for relief from Moratorium shall identify the name and address of the applicant, the affected application number, and shall state how the Moratorium as applied to him or her would be unlawful under Federal, State, or local law or regulation. Within fourteen (14) calendar days of receipt of the completed request for relief, the City Manager, or his designee, shall mail to the applicant a written determination accepting or rejecting the request for relief from Moratorium.

CITY OF VALLEJO
COUNCIL COMMUNICATION

Agenda Item No. ADMIN A

Date: October 23, 2007

TO: Mayor and Members of the City Council

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

SUBJECT: CONSIDERATION OF PROPOSED FY 2007-08 SURPLUS REAL PROPERTY DISPOSITION

BACKGROUND & DISCUSSION

On February 27, 2007, the City Council adopted the City-wide Real Property Asset Management Policy (see Attachment B). The purpose of the Real Property Asset Management Policy is to provide a workable framework for the efficient management of City owned and leased properties. Under Section 10.1.8, the City Manager, or his or her designee, has the authority to dispose of non-strategic improved or unimproved properties. Since the adoption of the Real Property Asset Management Policy, staff has reviewed City properties (primarily vacant properties) to identify those with no apparent short or long-term municipal purpose to the City. The properties can be generally characterized as those that are: fractional acreage, remnant land from prior development, lost and undocumented parcels, encroachments, old easements and right-of-ways, irregular lots and under-utilized sites. Disposing of non-performing or surplus assets is an integral component of an asset management program.

Staff anticipates presenting a list of proposed surplus properties on an annual basis based upon market conditions and staff capacity to implement the disposition process.

The properties identified in this report are the result of a comprehensive review of over 500 parcels (see Attachment C). The proposed properties were chosen because they did not currently meet one of the following criteria established in the City's Real Property and Asset Management Policy:

- Supports the municipal functions of the City
- Generates revenue that is sustainable
- Mitigates on-going expense to the City whenever possible
- Supports development of appropriate infrastructure in Vallejo (i.e., parking, roads, sewer and landscaping)
- Contributes to the City's tax revenue base
- Supports a specific social service, historic legacy or affordable housing need of the community that supports the City's mission statement/ goals and objectives

PROPOSED FY 2007-08 DISPOSITION STRATEGY

The proposed FY 2007-08 disposition strategy began with the pre-screening of all properties owned by the City. The result of this screening process is a short list of four candidate properties, or less than one percent of the properties screened.

PROPOSED FY 2007-08 SURPLUS PROPERTIES

Property 1

**LOCATION:**

3rd Street & Lemon Street

APN NUMBER:

061 065 130 thru 061 065
250

SQUARE FEET:

14,881

ACRES:

0.34

ZONING:

IU - Industrial Use

SALES PROCESS:

Request For Proposal
process managed by staff

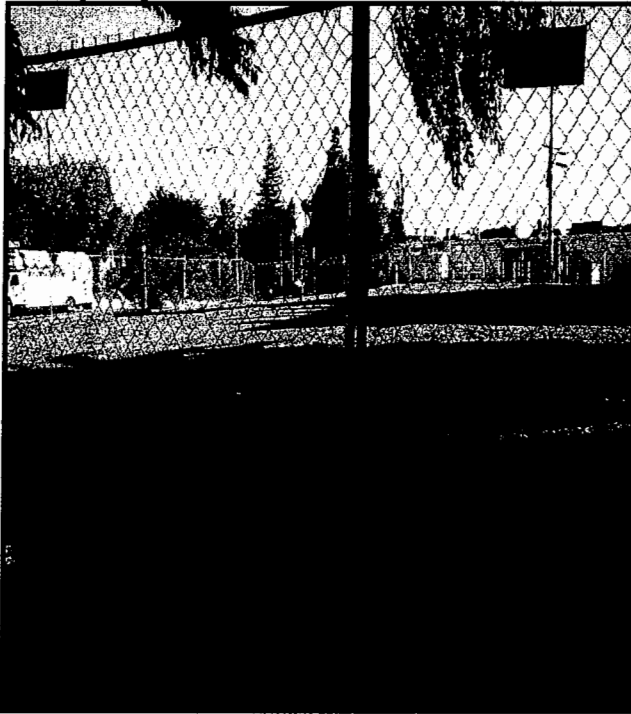
COMMENTS:

Multiple Parcels, history of
illegal dumping, interested
buyers

HOLD/SELL/LEASE DISCUSSION:

The property has had no prior use by the City, is zoned for industrial use, is unimproved and a local nuisance due to years of neglect and illegal dumping. Staff has determined that there is no appropriate municipal use of the property due to the lack of improvements, infrastructure, location, and adjacent current uses. The neighboring properties include residential properties, warehouses a construction logistic business and small churches. Staff has determined the parcel that it is too small for affordable housing. The highest and best use of the property would be an industrial use or assemblage by a developer willing to invest in the site to further maximize the use of the land. In the interim, the site remains a liability from a cost standpoint as well as a potential environmental risk due to illegal dumping.

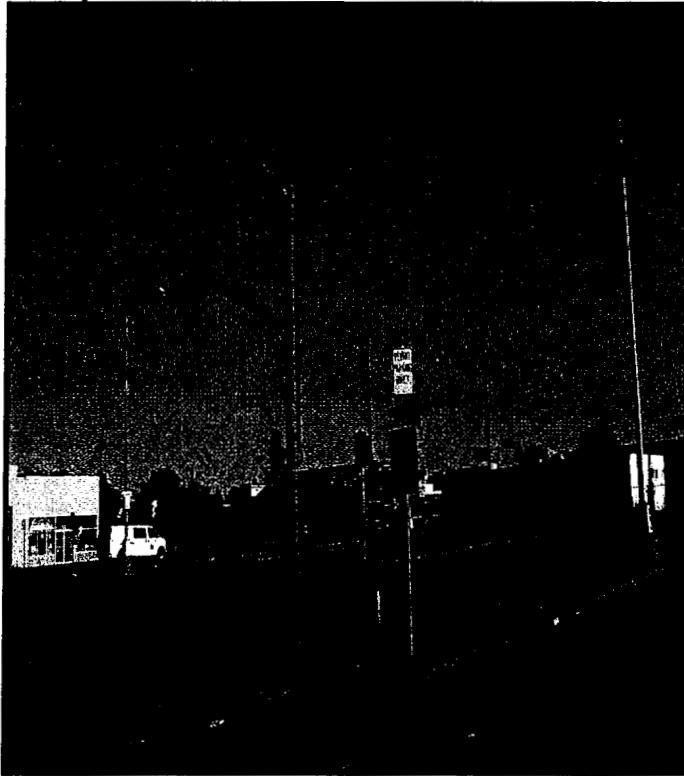
Property 2



LOCATION:
1200 Marin Street
APN NUMBER:
056 103 130
SQUARE FEET:
13,000
ACRES:
0.3
ZONING:
LDR - Low Density
Residential
SALES PROCESS:
Request for Proposal process
managed by staff
COMMENTS:
Vacant fenced lot, previously
improved parcel adjacent to
Fire House

HOLD/SELL/LEASE DISCUSSION:

The property is located on Marin Street in a low density neighborhood; the property was previously improved as a commercial property, demolished circa 2000-2001. The property was once considered for use as an Emergency Operations Center by the City. The City Council declared this property surplus in 2002 and directed staff to dispose of the property. There are no City plans to use this property for a municipal purpose. The City has continued to maintain rented fencing of the property over the past 5 years to prevent illegal dumping and reduce liability.

Properties 3 & 4**LOCATION:**

Tennessee & Broadway Streets

APN NUMBER:

1) # 056 062 200

2) # 056 622 210

SQUARE FEET:

26,211 combined total

ACRES:

0.6

ZONING:

PF - Public Facilities

SALES PROCESS:

Use Retail/ Commercial Broker

COMMENTS:

Site has been underutilized for 21 years. Reuse would require planning entitlement approvals (e.g. re-zoning).

HOLD/SELL/LEASE DISCUSSION:

The Tennessee & Broadway parking lot (2 parcels) was utilized by neighborhood retail shops and a theater more than twenty years ago. The theater use has not existed for years in this location. The church that now occupies the former theater building only uses the parking lot on Sundays. Based upon observations over the past 18 months, there is little or no use of the parking lot other than transient parking of vehicles, trucks, and camper/RV's. The City continues to clean the site and asphalt and striping will eventually need to be maintained by the City. No City use is planned for the space; it was evaluated for affordable housing. The highest and best use of the location appears to be neighborhood service retail.

Demand for the space should be tested and evaluated in the market of potential buyers. A retail or mixed-use project in this location could bring needed services and economic vitality to the neighborhood. Alternately, the parking lot could be leased to a use that could generate job opportunities, tax revenue and off-set the expense of maintaining the property and may involve the option to purchase. Any reuse would require standard planning entitlement approvals (e.g. rezoning).

As an integral part of the on-going asset management process, other properties will be identified and evaluated. Examples of properties that have been identified as possibilities include: various vacant lots in residential areas, industrial parcels located at the foot of Lemon Street, a hotel expansion site adjacent to Fairgrounds Drive and a recently leased property on Contra Costa Street. The City-owned property associated with the lakes system will also be explored to better understand the alternative uses and/or partial sale of non-watershed properties.

Recent Leasing Activity

The following section highlights examples of activity on current non-surplus property.

Facilities

The City has leased the former Mugg's space at the Ferry Building to the Panama Red Coffee Company. The café expects to open in its permanent location in the Ferry terminal eastern rotunda within the next 30 days. Replacement tenants have been identified for the west terminal space. A lease was recently signed with the Area Agency on Aging for a long vacant space on Contra Costa Street at a market rate on a triple-net basis. On August 27, 2007 the Vallejo Police Department occupied the former Chamber of Commerce building; this move allowed the City to save in excess of \$90,000 in rental costs annually. The Herbert House continues to draw interest and staff will continue to market this unique opportunity on the waterfront.

Cellular Site Leases

Staff has developed a cell site lease template and negotiated new leases as an expanding asset revenue source: Sunny Cove Court – Cingular, Clear Point – T-Mobile, Highland Park – T-Mobile, Hiddenbrooke – T-Mobile, Catalina Circle – T-Mobile. Three additional new sites are in the early stages of planning.

Park Properties

In collaboration with the Greater Vallejo Recreation District (GVRD) staff has developed an agreement template to ensure developer funded construction of new/enhanced parks in subdivisions on City property. Examples include: Northgate Neighborhood Park – the developer of Belvedere Homes LLC, is building a park and dedicating 5.10 acres to the City (to be managed by GVRD). Highlands Park- the developer Braddock & Logan, as part of Bordoni Ranch is up-grading the existing park and building an expanded 1 acre addition that will be dedicated to the City (to be managed by GVRD). Rollingwood Park – staff and GVRD are negotiating with the developer, KB Homes to build to City and GVRD specifications, a 4.1 acre multi-purpose park that will involve a land swap between the City and KB Homes and the build-out of the park.

Next Steps

If the City Council adopts the proposed resolution, the Asset Manager would launch the disposition process. This process typically involves at least 27 steps, from obtaining appraisals

through recording the transaction. This process is described in more detail in Attachment E. The disposition process could take from three to twelve months, depending on market conditions.

Also incorporated into the disposition process are procedures for the disposition of real property in accordance with California State Law (including Government Code Section (s) 33000, 37350, 37420 -37,430, 50800-54299, 50569, 65402, 66477). Depending on the type of property, this compliance may include offering properties to other government agencies. Any offering of the properties to government agencies will be at fair market value.

FISCAL IMPACT

The cost of the disposition of these properties is estimated to be 7 percent of gross proceeds. Administrative costs (e.g. appraisal) would be paid from the approved FY 2007-2008 Economic Development Division budget. Fiscal benefits from the sale of the properties could include: fees, sales and property taxes, reduced maintenance burden and a reduced insurance liability. As new buildings are developed on former vacant properties, new jobs could result.

Proceeds from the sale of these properties would be segregated in a separate account for the City Council's future discretionary approval. Staff recommends that all proceeds from the sale of surplus real property be expended on one-time reinvestment in City assets or City infrastructure.

RECOMMENDATION

Staff recommends that the City Council approve the resolution authorizing staff to pursue disposition of surplus properties and provide additional direction.

ALTERNATIVES CONSIDERED

The alternative to the disposition of these properties would be the retention of these properties as part of the City's real property portfolio.

ENVIRONMENTAL REVIEW

There are no environmental impacts resulting from a Council action to authorize staff to pursue a disposition strategy.

PROPOSED ACTION

Adopt the resolution authorizing staff to pursue the disposition of surplus real property during FY 2007-08.

DOCUMENTS ATTACHED

- Attachment A – Resolution
- Attachment B – Real Property and Asset Management Policy
- Attachment C – List of Vacant City Properties

Attachment D – Opportunity List
Attachment E – Disposition Process

CONTACT: Steve England, Real Property and Asset Manager
707/649-4848 or sengland@ci.vallejo.ca.us

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

OCTOBER 23, 2007

K:\PUBLIC\AIED\CC 102307 Property Disposition Strategy - REP.doc

RESOLUTION NO. _____ N.C.

BE IT RESOLVED BY THE City Council of the City of Vallejo as follows:

WHEREAS, the City of Vallejo ("City") owns the real property that, under the newly adopted asset management policy, staff has identified on an initial list of candidate surplus properties; and

WHEREAS, the properties under consideration can be generally characterized as those that are: fractional acreage, remnant land from prior development, lost or undocumented parcels, encroachments, old easements and right-of-ways, irregular lots and under-utilized sites; and

WHEREAS, the disposing of non-performing or surplus assets is an integral component of an asset management program; and

WHEREAS, the net proceeds from the sale of these properties would be segregated in a separate account for the City Council's future discretionary approval; and

WHEREAS, staff would recommend that all proceeds from the sale of surplus property be expended on one-time reinvestments in City assets or City infrastructure; and

NOW, THEREFORE, BE IT RESOLVED that the City Manager is hereby authorized to direct staff to pursue the disposition of the proposed properties during FY 2007-2008; and

BE IT FURTHER RESOLVED that the City Council hereby approves the pursuit of all actions necessary to effect the sale and/or lease of the proposed properties, subject to any changes recommended by the City Attorney or Risk Manager, and authorizes the City Manager's execution thereof and to take such further actions, including execution of any documents, determined to be necessary to carry out the purpose of this Resolution.

October 23, 2007

K:\PUBLIC\A\ED\CC 102307 Property Disposition Strategy. RESO.doc

Real Property Asset Management Policy



City of Vallejo

Economic Development Division

February 27, 2007

Approved by the
Vallejo City Council;
Resolution No. 07-43 N.C.
Adopted April 6, 2007

Ordinance No. - #1581
Section 3.28.229

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Exhibit I – Functional Organization

Real Property Asset Management Policy

1. Purpose

The purpose of the real property asset management policy is to define the City method by which the City of Vallejo will provide stewardship and manage its real estate assets, including real property interests owned and/or controlled by the City of Vallejo.

2. Scope of Policy

The Real Property Asset Management Policy applies to all real estate assets owned and/or controlled by the City of Vallejo, including but not limited to: City owned and occupied structures, owned properties licensed or leased to third parties, properties leased by the City from third parties, State Lands Trust Properties, Watershed and multi-party joint venture interests

3. Profile of City of Vallejo-owned Real Property

The City of Vallejo owns and controls a portfolio of real estate properties located throughout the City, including State Land Trust parcels primarily associated with shoreline and tidelands properties. Properties include unimproved land, vacant and occupied buildings, temporary buildings, shelters, corporation yards, transportation and energy production facilities, restaurant, entertainment, golf, marina and harbor, wetlands, parks, office space, historically significant properties, telecommunications facilities, infrastructure facilities, and shoreline and tidelands properties held in trust by the City of Vallejo on behalf of the State Lands Commission.

Real Property Data Estimates:

A. Land Area of City of Vallejo ¹	30.2 Square Miles
B. Value of the City's Real Estate ²	\$300-400,000,000
C. Land Only Allocation ²	\$140 to 200,000,000
D. Improved Buildings ^{3,4}	1,800,000 Square Feet
E. Lease Revenue ⁵	\$700,000
F. Leased Properties ⁶	100 +/-
G. Annual Cell Site Revenue (paid by Carriers)	\$240,000
H. Cell Sites Leased ⁷	10
I. Vacant/Unimproved Land Parcels ^{8,9}	80 +/-

- Notes:
1. Used for benchmarking comparisons
 2. 2001 Appraisals escalated to 2006 (estimates only)
 3. Owned and/or leased buildings and structures (incomplete list, work in progress)
 4. Lenar controlled Mare Island properties not included in the above totals
 5. Rent receivables forecasted for 2006, not including Six Flags revenue sharing or marina berth rentals.
 6. Properties leased by City, Subleased, Leased to City, GVRD, Telecom Cell Sites
 7. Cell sites on towers, PG & E power line easements, on buildings (25 year terms with escalation)
 8. Vacant land includes; un-improved lots, fractional parcels, easements (identification is a work in progress)
 9. The above data does not include State Land Trust property or Watershed properties such as; Lake Madigan, Frey, Green Valley, Lake Curry rights (identification of all holdings a work in progress)

4. Public Policy Objectives regarding the use of real property assets

- 4.1 City properties are currently used in various ways, that include but are not limited to; public assembly, administration, public safety, public health, education, Corporation Yard (shops), storage, private purposes, recreation, entertainment, passive and active parks, open space, marinas, lakes, waterways, bus stops, streets, infrastructure, water and utilities, landscape easements, telecommunications, public housing and properties the City leases as a Tenant. City-owned properties are also leased, subleased, licensed or permitted to third parties. The real estate may be used currently, or needed in the future, by the City for some public function or future planned use. In other cases the real estate is not part of a plan, has no use to the City improved or unimproved and should be identified as a candidate for disposition.
- 4.2 Use of the City real property regardless of the type of real property asset shall meet one or more of the following non-prioritized objectives:
- 1) Support the municipal functions of the City of Vallejo
 - 2) Generate revenue that is sustainable
 - 3) Mitigate on-going expense to the City whenever possible
 - 4) Supports development of appropriate Infrastructure in Vallejo (i.e., parking, roads, sewer, and landscaping)
 - 5) Contribute to the City's Tax revenue base
 - 6) Support a specific social service, historical legacy or affordable housing needs of the community that supports the City's mission statement / goals and objectives.

5. Types of Transactions

- 5.1 The following list describes the various transactions that the City would consider in the management of its assets. The transactions described are driven by a portfolio management plan that seeks to balance the cost of holding non-revenue producing properties versus revenue generating properties.
- 1) Acquisitions of real property, improved and land;
 - 2) Disposition of real property and/or partial interests
 - 3) Leasing/ sub-leasing property as Landlord or the City as a Tenant
 - 4) Land Leases with improvements by third party(s)
 - 5) Revenue Sharing Agreements
 - 6) Operating Agreements with third parties
 - 7) Granting Easements and/or Encroachments on land owned or controlled by the City
 - 8) Licensing Agreements (real and personal property), i.e., vending carts
 - 9) Granting of options, additional term, transfer rights, sale of business, assignment of lease, early termination, or any other right that may have

create economic benefit to the tenant by use of City owned or controlled property.

- 10) Order of an appraisal from a California Certified Appraiser with appropriate qualifying credentials for the specific property. Property transactions in excess of \$3,000,000 shall be reviewed by a MAI designated appraiser unless directed otherwise by the City Manager.

6. Analysis of Transactions

Transactions shall be analyzed to assure transparency relative to the public stewardship of City real property assets that are being executed by City Staff and to ensure that the City Council fully understands the short and long term impact that a real estate decision has on the City.

6.1 Analysis of real property transactions shall include, but is not limited to the following considerations:

- 1) Market analysis necessary to benchmark rates, price and terms of transaction
- 2) Title Report (preliminary and full title report)
- 3) Credit Check of third party through a nationally recognized credit verification organization such as Dunn and Bradstreet (D&B) Reports, Inc. or other comparable credit organization.
- 4) Review of bid estimates provided by tenant organization to ascertain reasonableness of project costs and/ or tenant improvements
- 5) Preparation of a cash flow project showing the financial benefits to the City over the initial term of the Agreement or Lease

7. Use of Brokers and Agents:

Use of brokers and agents to market, acquire, dispose of and lease properties owned or controlled by the City shall be used at the discretion of the City Manager. In the event a broker is used to acquire, sell or lease a property, it is the policy of the City to document the terms and the conditions of an "Exclusive or Non-exclusive Authorization to; Acquire, Sell or to Lease Property". All brokerage agreements should be treated as being negotiable for the purposes of this policy.

Essential terms of these agreements shall specifically include the following language and sections describing the terms of brokerage agreements:

- 1) Parties to the Agreement
- 2) Property Description
- 3) Price and Terms of the transaction
- 4) Extension of initial listing (extension of marketing period)
- 5) Commission Schedule and Payment Schedule (see Appendix B)
- 6) Lease terms of more than three (3) years
- 7) Month-To-Month tenancy commission statement and terms

- 8) Determination for the payment of a commission (s)
- 9) Extension of term or additional space leased or added to listing
- 10) Purchase of property by tenant
- 11) Obligation to pay commission (agree in advance who is to pay broker and how payment will be funded)
- 12) Cooperation by parties "Client/ Broker" to achieve objective
- 13) Non-discrimination language in the Agreement
- 14) Client Representations; owner of record, no other person or entity has rights over property, no delinquencies or defaults, not subject to court jurisdiction, both parties have made no promises or representations not included in the agreement
- 15) Disclosures, expert matters and responsibilities of client and brokers
- 16) Defense, Indemnity and Hold Harmless Clause
- 17) Dual Agency Disclosure and Authorization Clause
- 18) Mediation and Disputes
- 19) General Provisions clause and statements

8. Responsibilities of Stakeholders

The following section defines roles within the City government necessary for the successful management of real property assets. Software for the management and accounting of real estate assets should be obtained and integrated with the GIS database and the resources deployed to maintain a fully functional Asset Management and Accounting System that serves the needs of all City stakeholders.

- 1) *Asset Management Program in the Economic Development Division:* The Real Property and Asset Manager shall lead this program. The asset management program will encompass all real property owned, leased, managed, controlled or having an interest in by Agreement. The purpose of the Asset Management program is to provide a proactive program of City sponsored stewardship for the real property assets of the City of Vallejo which includes the integration of property planning and day-to-day operations into the decision process.
- 2) *City Attorney's Office:* The City Attorney's Office shall provide support to the function of Real Property and Asset Management in all matters effecting the management of City real estate matters. Supplemental legal services shall be provided to augment the City Attorney's services as required. Real Property and Asset Management transactions and activities shall be in conformance with rules and regulations governing the City of Vallejo.
- 3) *Development Services Group:* All projects on City property shall conform to the City's General Plan, Zoning Regulations and Planning Guidelines, and building code requirements.
- 4) *Housing & Community Development Division:* This division shall be included in the disposition of residential properties to ensure affordable housing development providers are provided the opportunity to acquire the property.

- 5) *Public Works Department:* The Public Works department shall provide facilities and property management support and maintenance services for properties within the City's real estate portfolio, i.e., cleaning, landscaping, heating, air condition and plumbing, electrical maintenance, fire alarm, security, landscaping, grounds, electrical maintenance, roof and structure repair.
- 6) *Risk Management Division:* Risk Management shall be included in the review of all transactions affecting the properties, tenants, operations or the construction or demolition of improvements. Liability and Property Insurance shall be maintained by the City or through tenant leases, as well as assuring that the City, Council, Staff are indemnified and named as additionally insured..
- 7) *Finance Department:* The Finance Department shall ensure that account methodology and processes shall be made sufficient to fully support and account for the city's real estate assets, e.g. budget tracking, accounts receivable/ payables, aging report, real property inventory system, fixed asset accounting, surplus property inventory, financial policies and guidelines.
- 8) *Information Services Division:* Provide technology and software platforms that support that will emphasize efficient asset management of the City's portfolio e.g., research databases, access to financial database, GIS, VEDIS Mapping, Title Records, Market Data, linkages to various City data sources ...
- 9) *City Clerk's Office:* File and maintain all agreements in accordance with established city policies and procedures, public record requirements and in compliance with all laws.

10. Approval and Authority

- 10.1. All purchases and sales of real estate and the execution of all lease agreements are governed by the provisions of Chapter 3.20 of the Vallejo Municipal Code, except that the City Manager, or his or her designee, shall have the authority to approve, subject to the City Attorney's review and approval to form the following real estate transactions:
 - 1) Lease renewals and rate adjustments up or down that affect no more than twenty percent (20%) of the current rental rate and impact the lease term for a period of no greater than three years.
 - 2) Leases or sub-leases of three years or less with no automatic options to extend the term or with a leasehold value of \$25,000.00 or less.
 - 3) Termination of lease or sub-leases based upon original term (not a forced action).

- 4) Initiate unlawful detainer actions, foreclosures, requests for reconveyance when promissory notes are paid in full and other administrative management responsibilities of a minor nature.
- 5) Regarding Agency or Non-Profit real property transactions with tenant expectations for below market rent, property expense and/or capital investment partially or fully funded by the City of Vallejo, the City Manager must have City Council approval of all business terms.
- 6) Lease Assignments to qualified third parties, name changes (lessee entity), approval of sale of business to a new operator (subject to City licensing, planning and permitting processes).
- 7) Tenant improvements affecting less than twenty percent (20%) of the space (subject to City licensing, planning and permitting processes).
- 8) Disposition of surplus non-strategic improved or un-improved property valued at \$500,000 or less for a single asset or group of assets.
- 9) Licenses for temporary use of City-owned properties for permitted uses (1 year or less with provisions to renew annually with 30 day notice to cancel at City's option).
- 10) Emergency Actions that are required to repair, replace or taken to reduce life threatening situations (public safety), structure (s) or City infrastructure pursuant to the Vallejo Municipal Code 3.20.080.
- 11) Commission rates and schedules for brokers for their participation in Sales and Purchase Agreements and Leasing activities (pre-approved in agreements by the City Manager).
- 12) Assignments and name changes, Renewal of lease based upon stated terms of lease, CPI adjustments, tenant improvements, exercising previously approved options to renew, terminations, lot line adjustments, easements agreements and encroachment permits.

10.2 Real estate transactions, including but not limited leases, sales of surplus property and acquisitions of property are projects under the California Environmental Quality Act ("CEQA"), (California Public Resources Code Sections 210000 et seq.). All determinations about real estate transactions under this Policy shall comply with CEQA.

11. Real Property and Asset Management Reporting

11.1. The City Manager shall prepare a Real Property Activity Report and activities to the City Council no later than July 31st of each year. The content of the report will included the following:

- 1) Portfolio Statistics (acres, square feet, occupancy, revenue, vacant parcels, and capital projects);
- 2) Updated Portfolio Management Plan;
- 3) Leases Executed or Renewed;
- 4) Leases on Month – to – Month;
- 5) Licenses (new and existing);
- 6) Leases Terminated;
- 7) Agency and Non-Profit Leases;
- 8) Properties Acquired;
- 9) Properties Sold;
- 10) Planned activities for the up-coming (6) months; and
- 11) Report on any outstanding or anticipated litigation

11.2. The disposition strategy for each real estate asset shall be identified and which policy objectives are being met by the strategy.

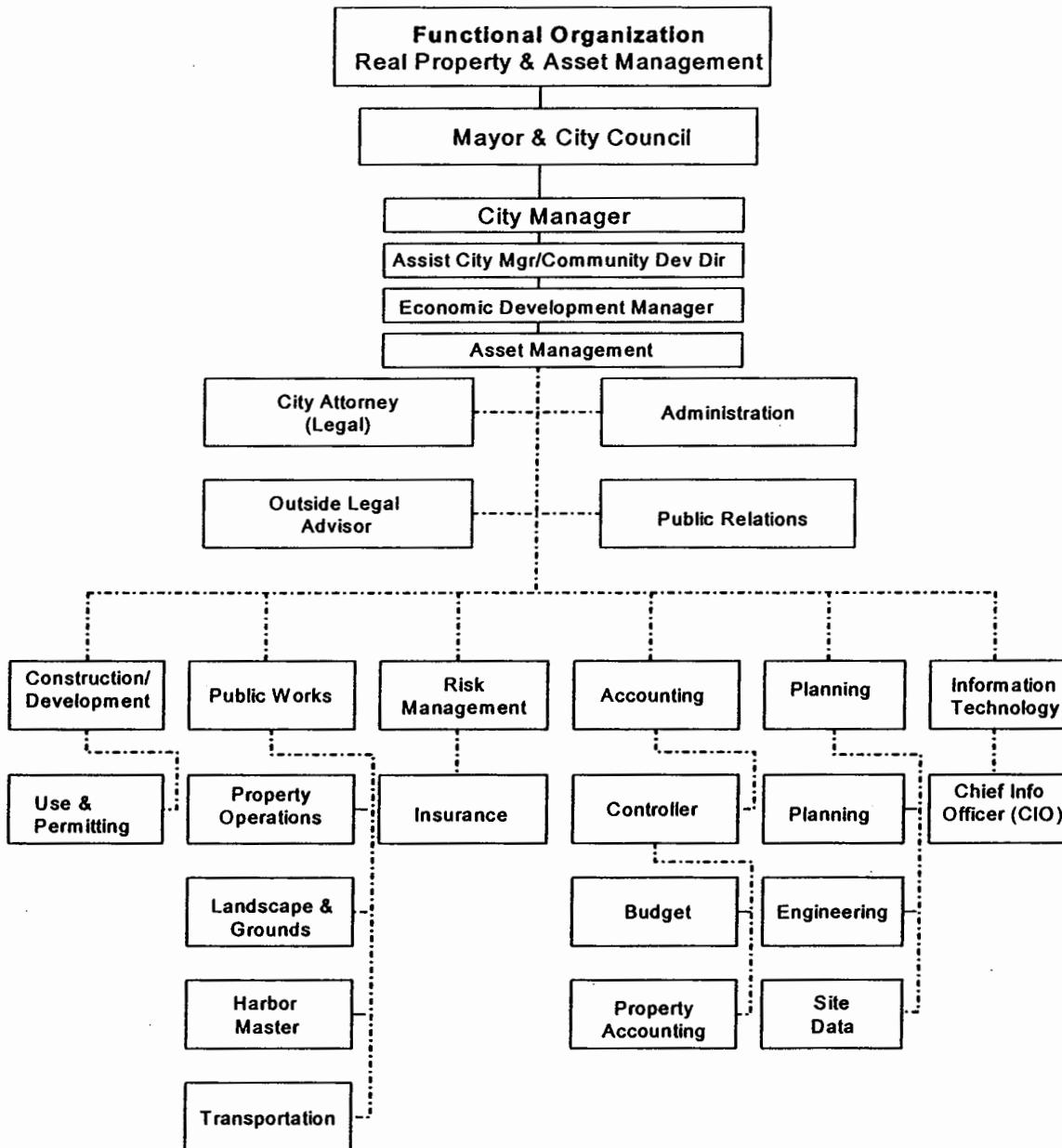
12. Severability

If any section, subsection, sentence, clause, phrase, or portion of this Policy is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Policy. The City Council hereby declares that it would have adopted this policy and each section, subsection, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions be declared invalid or unconstitutional.

Exhibit I

Real Property and Asset Management Function Organization Chart (2006)

The functional organization chart below represents the various stakeholders within the City of Vallejo that have impact and share accountability for the management of the City's real estate assets. It is the intent of this policy to maximize the use of the City's real estate assets through improved management processes, stewardship, and fiscal transparency. The achievement of this goal can only be achieved by the various City Departments noted below working productively to produce sustainable results.



REVISED MARCH 1, 2007-viced

Revised February 27, 2007

Appendix A

Definitions

Appraisals: The determination of what constitutes a fair price; valuation, estimation of worth, the preparation of a report representing the method of determining the value.

Asset Accounting and Finance: The systematic and accurate accounting of income and expenses for properties and interests identified in the property listing. The accounting should be of such material substance that timely reports reflect the current status of all properties owned and/or leased by the City of Vallejo, including but not limited to; revenues (accounts receivables and aging report), expenses (accounts payable), capital projects (WIP), budget to actual reporting, real property inventory, fixed asset inventory and any other specialized reports or subsidiary reports required to manage the real estate portfolio in a manner consistent with best practices used in portfolio management and accounting.

Authority to Act: Any agreement between the City and a third party must be executed pursuant to the authority granted in Chapter 3.20 of the Vallejo Municipal Code and this Policy.

Brokers and Agents: An agent who acts as an intermediary or negotiator, between prospective buyers and sellers; a person employed to make bargains and contracts between other persons in matters of trade, commerce, and navigation. The procuring party who introduced parties in a transaction will generally be due a brokerage fee for their action, however limited or immaterial. Leasing commissions will represent shall be included in cash flow projections over the term of the initial lease in the analysis of transaction benefits to the City and economic impact.

Business Agreements: Are primarily business arrangements that involve the use of a City asset. The rental/ lease payment for the Business Agreement should be market-driven and periodically adjusted. These agreements are frequently assigned a program manager.

Capital Projects: A comprehensive approach for the management of capital projects from inception through close-out including but not limited to the following; project conceptual plans, preliminary estimates, schedule, design, estimates, value engineering, design review, permits, construction bids, award, construction, change orders, field orders, inspection, commissioning, acceptance, as-built drawings, occupancy permit, accounting and job close out. The steps for capital projects, although somewhat scalable are required for successful completion of any project, by-passing steps will only compromise the success of the project.

Collaborative Agreements: Generally these are partnership arrangements whereby the lessee/designed contactor works with the City in the operation of a facility or delivery of a service. These agreements should be associated with a strategic outcome that may, if appropriate, justify the collection of below market rents/leases or the City's direct support of the service. All collaborative agreements must be assigned a program manager to fix accountability for specific performance of the agreement(s).

Consultants: Firm's and individuals who sell their time, expertise and contacts to assist a principal in diagnosing and solving problems, supplementing the lack of staff resources or fulfilling a staff position on a long term basis. Consultants generally are employed on a rate per hour basis, and at times for a fixed fee. Agreeing on terms, scope of work (SOW), Limiting Conditions, Reimbursable Expenses, Project Schedule and expected Deliverable (agreed upon completed product to be delivered at the conclusion of the contract).

Lease: A contract by which a rightful possessor of real property conveys the right to use and occupy that property in exchange for consideration, usually rent. Such a conveyance plus all covenants attached to it. The written instrument memorializing such conveyances and covenants. The piece of real property is so conveyed. Lease forms; assignable lease, commercial lease, concurrent lease, consumer lease, durable lease, finance lease, full-service lease, graduated lease, gross lease, ground lease, leveraged lease, master lease, month-to-month lease, oil and gas lease, and sandwich lease.

Market Research: An in-depth study of a specific market, property, rental rates, sales comparables, demographics and economics locally or regionally. Multiple sources should be used to confirm data, conformation of data received, use statistical methods to sort and analyze, normal time that material was gathered versus newer data, place precise limits on the data being collected and assure that data is comparable data. Attempt to determine why data was gathered originally, for what purpose, what time period and assumptions used to define data sets. Beware of canned reports that are free or available on the Web, these may be of low value in assessing a market or establishing value.

Measurement Standard: Standards for the measurement of real property area maintained by the American Standards Testing and Materials (ASTM), standard methodology for measurement is ASTM document E 1836-96 (up-dated) Standard Classification for Building area Measurement (also administered through the Building Owners and Managers Association International (BOMA and International Facilities Management Association (IFMA); Gross Area, Rentable Area, Usable Area, Assignable Area are the common measurement terms used in leases to identify the demised space.

Non-Profit Organizations: The City from time to time will elect to make available City property for the exclusive use of a community based service. The use of the space, condition and level of maintenance agreed upon shall be monitored and tracked by the designated program manager and/or asset manager.

Personal Property: Any movable or intangible thing that is subject to ownership and not classified as real property.

Portfolio Tracking: Methodology and supporting systems to maintain record keeping necessary to account for real estate assets in the form of leased and owned properties, vacant parcels and partial interests. Tracking may be a paper based system, spreadsheet or commercially available software program. Any method used should have defined reports, input/output quality assurance, and be routinely used and reviewed in the day-to-day management of the portfolio to assure compliance, contractual performance, to maximize cash flow to the City and to mitigate risk.

Possessor Interest Tax: A taxable possessory interest (PI) is created when a private party is granted use of real property owned by a non-taxable entity. The key criteria that must exist to have a taxable possessory interest is the right to possession of the real property owned by the non-taxable entity. The possession must be independent, durable, and exclusive of rights of others. It must be a private benefit to the possessor above which is granted to the general public (i.e., commercial office, restaurants, retail stores, uncertified non-profits, etc....).

Possessory interests include such property as; boat slips on public lakes, marinas or rivers, mini-storage facilities, private walkways, airplane tie-downs, telecommunication antennas and equipment houses, cattle grazing rights on Federal, State and City land, tenant concessionaires at conventions or fairs, cabins on U.S. Forest lands, public golf courses leased to private operators, ski resorts, airline and cargo space at airports, container operators at major harbors, the right to grow crops by land owned by community colleges, the right to have vending machines located on government owned buildings.

Real Property: Land and anything growing on, attached to, or erected on it, excluding anything that may be severed without injury to the land. Real property can be either corporeal (soil and buildings) or incorporeal (easements).

Repairs and Maintenance: Routine repair of property architectural elements, systems, components, grounds, including but not limited to roof, structure, landscaping, parking surfaces, fire and security systems, sewage, domestic water and ingress/ egress pathways.

Tax Properties: Properties that have been improved and entered into the County Assessors Property Tax records, including those properties eligible to pay Possessor interest Tax.

Telecommunications: Antenna sites, microwave towers and dishes, cell sites, underground communications, video, digital and optical cables/ fiber, supporting infrastructure, back-up and emergency service equipment, including but not limited to

street and building "points-of-presence". "POP's, "point-of-entry"(POE's), "network operations control centers" "NOC's" , aquatic cable crossings, buried conduit and building networks including local area networks (LANS), WiFi/ Max WiFi transmitter/ receiver installations. All of these installations may require licensing, long term leases, easements and/ or permission to encroach on an existing easement (s).

Third Party Agreements: Any agreement between the owner/ Lessor with a party disassociated with the ownership whereby a contract is agreed upon for specific services, performance over a specified period of time.

Use Agreements: A Use Agreement grant a privilege or right (exclusive or non-exclusive) to a party to conduct commercial or non-commercial business activity at a defined site or area. These agreements are typically for a fixed term, but may have options to extend the initial term.

Appendix B

1. Lease Commission Schedule and Payment (example only)

Amount of commission (always subject to negotiations): The commission is based upon the value of the rent to be paid by the tenant, rent being defined as the dollar value of consideration paid by the tenant for the benefit of the Owner of the property. In consideration of being the procuring party through a pre-existing agreement (listing), the owner has agreed to pay commissions to a Broker(s) for services provided. Size of the tenant, Gross (full serviced) or Net (Tenant pays expenses), who pays the broker's commission and the market for a specific property (difficulty), terms of payment and month-to-month tenancies are variables in setting the commission rate. The full amount if the leasing commission is generally due upon tenant occupancy or at the time of the first rental payment. Care must be taken not to give away exclusive "listings" present or future, commissions on future renewals or option extensions (always requested by brokers). Costs associated with brokerage commissions should be included in staff reports and included in the cash flow analysis and City budgeting.

Typical Lease Commission Schedule:

Gross Lease	Net Lease
6% of the rent for the first 12 months	7% of the rent for the first 12 months
6% of the rent for the second 12 months	7% of the rent the second 12 months
6% of the rent for the third 12 months	6% of the rent for the third 12 months
4% of the rent for the fourth 12 months	5% of the rent for the fourth 12 months
4% of the rent for the fifth 12 months	5% of the rent for the fifth 12 months
3% of the rent for the next 60 months	4% of the rent for the next 60 months
2% of the rent for the balance of the term	3% of the rent for the balance of the term

2. Purchase and Sales Agreements (example only)

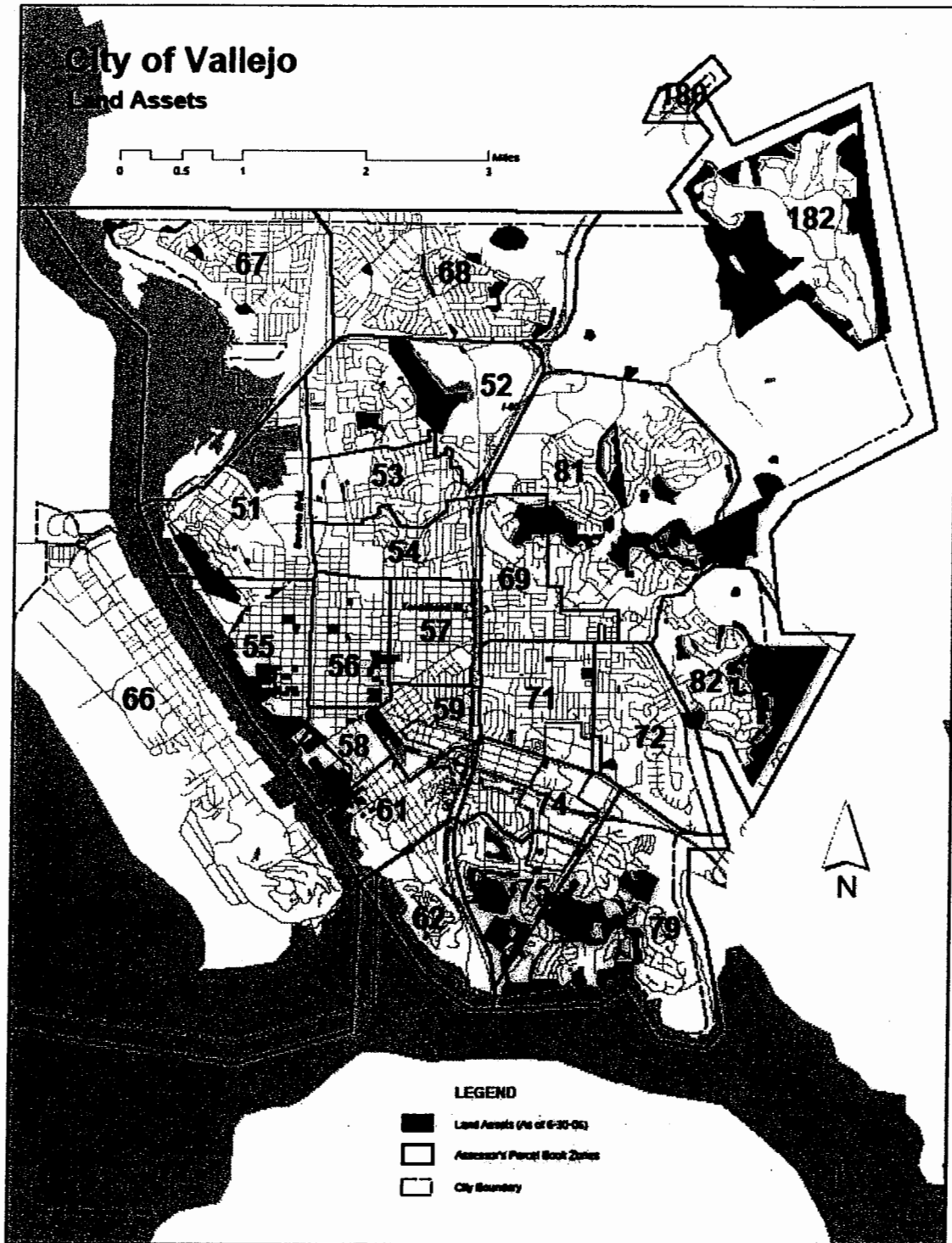
The Purchase and Sale Agreement used to buy and sell property is a detail document that requires adherence by all parties. The Broker is the primary driver in satisfying all of the requirements addressed by the State of California in the conveying real property. A typical range of Broker (s) Commission is between 2 – 6% of the sale price achieved. The lease/ sales commission is based upon many variables: terms of sale, financing, down payments, Title Report, property tax, closing costs, possession, document delivery, contingencies, inspections, pest report, personal property, lease review, permits, zoning, escrow, warranties and guaranties, specific performance, liquidated damages,

Government Acts and Regulations, dispute resolution, Broker's disclosure, maintenance provisions, risk management considerations, tax deferred exchanges, estoppel certification, condition of property, assignments, hazardous

substances, tests, indemnifications, encumbrances, encroachments and pending litigation. Costs associated with brokerage commissions should be included in staff reports and included in the cash flow analysis and City budgeting for all transactions.

Appendix C

City of Vallejo Map (geographic boundaries)



Attachment C
List of Vacant City Property Parcels

Item	Parcel Number	Owned By	Item	Parcel Number	Owned By
1	0042-120-230	City of Vallejo	69	0055-071-040	City of Vallejo
2	0051-114-010	City of Vallejo	70	0055-072-010	City of Vallejo
3	0051-133-030	City of Vallejo	72	0055-072-120	City of Vallejo
4	0051-134-230	City of Vallejo	73	0055-072-140	City of Vallejo
5	0051-134-250	City of Vallejo	74	0055-074-130	City of Vallejo
6	0051-134-270	City of Vallejo	75	0055-092-140	City of Vallejo
7	0051-162-030	City of Vallejo	76	0055-092-160	City of Vallejo
8	0051-162-040	City of Vallejo	77	0055-092-170	City of Vallejo
9	0051-171-270	City of Vallejo	78	0055-092-200	City of Vallejo
10	0051-201-020	City of Vallejo	79	0055-160-120	City of Vallejo
11	0051-201-030	City of Vallejo	80	0055-160-480	City of Vallejo
12	0051-201-040	City of Vallejo	81	0055-160-500	City of Vallejo
13	0051-201-080	City of Vallejo	82	0055-160-510	City of Vallejo
14	0051-201-090	City of Vallejo	83	0055-170-040	City of Vallejo
15	0051-201-100	City of Vallejo	84	0055-170-090	City of Vallejo
16	0051-210-010	City of Vallejo	85	0055-180-080	City of Vallejo
17	0051-260-010	City of Vallejo	86	0056-015-270	City of Vallejo
18	0051-270-160	City of Vallejo	87	0056-062-200	City of Vallejo
19	0052-021-020	City of Vallejo	88	0056-062-210	City of Vallejo
20	0052-031-310	City of Vallejo	89	0056-072-010	City of Vallejo
21	0052-090-260	City of Vallejo	90	0056-103-020	City of Vallejo
22	0052-151-050	City of Vallejo	91	0056-103-130	City of Vallejo
23	0052-220-330	City of Vallejo	92	0056-103-170	City of Vallejo
24	0052-220-570	City of Vallejo	93	0056-113-010	City of Vallejo
25	0052-230-360	City of Vallejo	94	0056-122-270	City of Vallejo
26	0052-230-390	City of Vallejo	95	0056-122-280	City of Vallejo
27	0052-230-420	City of Vallejo	96	0056-122-310	City of Vallejo
28	0052-251-100	City of Vallejo	97	0056-122-330	City of Vallejo
29	0052-252-220	City of Vallejo	98	0056-122-360	City of Vallejo
30	0052-252-260	City of Vallejo	99	0056-156-010	City of Vallejo
31	0052-252-280	City of Vallejo	100	0056-156-030	City of Vallejo
32	0052-252-300	City of Vallejo	101	0056-164-010	City of Vallejo
33	0052-320-350	City of Vallejo	102	0056-184-090	City of Vallejo
34	0052-330-240	City of Vallejo	103	0056-184-100	City of Vallejo
35	0052-341-080	City of Vallejo	104	0056-184-220	City of Vallejo
36	0052-363-090	City of Vallejo	105	0056-185-030	City of Vallejo
37	0052-463-340	City of Vallejo	106	0056-185-060	City of Vallejo
38	0052-463-350	City of Vallejo	107	0056-186-010	City of Vallejo
39	0053-010-220	City of Vallejo	108	0056-186-040	City of Vallejo
40	0053-010-290	City of Vallejo	109	0056-191-100	City of Vallejo
41	0053-021-010	City of Vallejo	110	0056-191-260	City of Vallejo
42	0053-030-030	City of Vallejo	111	0056-192-080	City of Vallejo
43	0054-191-010	City of Vallejo	112	0056-192-090	City of Vallejo
44	0055-010-050	City of Vallejo	113	0056-194-140	City of Vallejo
45	0055-010-220	City of Vallejo	114	0056-214-090	City of Vallejo
46	0055-010-230	City of Vallejo	115	0056-215-010	City of Vallejo
47	0055-010-240	City of Vallejo	116	0056-216-080	City of Vallejo
48	0055-010-250	City of Vallejo	117	0056-216-100	City of Vallejo
49	0055-010-260	City of Vallejo	118	0056-223-030	City of Vallejo
50	0055-010-290	City of Vallejo	119	0056-243-080	City of Vallejo
51	0055-010-310	City of Vallejo	120	0056-243-090	City of Vallejo
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53	0055-021-030	City of Vallejo	122	0056-245-020	City of Vallejo
54	0055-021-040	City of Vallejo	123	0056-245-030	City of Vallejo
55	0055-021-050	City of Vallejo	124	0056-245-030	City of Vallejo
56	0055-021-060	City of Vallejo	125	0056-245-040	City of Vallejo
57	0055-021-070	City of Vallejo	126	0056-245-050	City of Vallejo
58	0055-021-080	City of Vallejo	127	0056-245-060	City of Vallejo
59	0055-044-160	City of Vallejo	128	0056-245-070	City of Vallejo
60	0055-044-180	City of Vallejo	129	0056-245-100	City of Vallejo
61	0055-044-190	City of Vallejo	130	0056-245-110	City of Vallejo
62	0055-044-200	City of Vallejo	131	0057-135-090	City of Vallejo
63	0055-051-010	City of Vallejo	132	0057-135-100	City of Vallejo
64	0055-051-020	City of Vallejo	133	0057-136-300	City of Vallejo
65	0055-051-090	City of Vallejo	134	0057-136-310	City of Vallejo
66	0055-051-100	City of Vallejo	135	0057-136-360	City of Vallejo
67	0055-051-150	City of Vallejo	136	0057-146-110	City of Vallejo
68	0055-071-010	City of Vallejo	137	0057-162-090	City of Vallejo

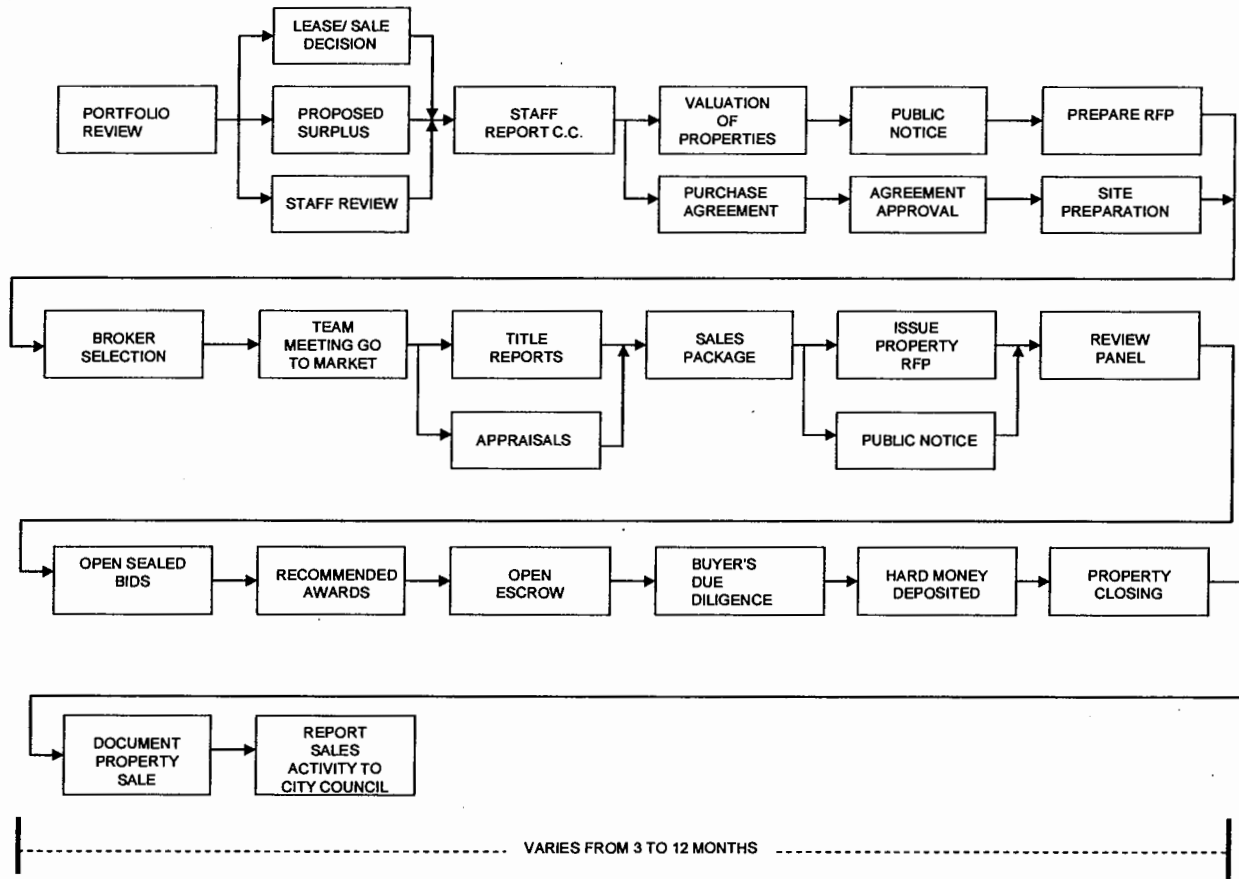
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139	0057-202-010	City of Vallejo	214	0068-217-180	City of Vallejo
140	0057-214-280	City of Vallejo	215	0068-254-160	City of Vallejo
141	0057-215-060	City of Vallejo	216	0068-261-260	City of Vallejo
142	0057-215-070	City of Vallejo	217	0068-402-010	City of Vallejo
143	0057-215-080	City of Vallejo	218	0068-460-040	City of Vallejo
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146	0057-215-110	City of Vallejo	221	0068-501-020	City of Vallejo
147	0057-215-120	City of Vallejo	222	0068-521-010	City of Vallejo
148	0057-215-130	City of Vallejo	223	0068-541-010	City of Vallejo
149	0057-215-140	City of Vallejo	224	0069-010-690	City of Vallejo
150	0057-215-150	City of Vallejo	225	0069-010-720	City of Vallejo
151	0057-215-160	City of Vallejo	226	0069-070-330	City of Vallejo
152	0058-040-010	City of Vallejo	227	0069-070-350	City of Vallejo
153	0058-042-010	City of Vallejo	228	0069-254-040	City of Vallejo
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155	0058-090-110	City of Vallejo	230	0071-051-020	City of Vallejo
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157	0058-100-090	City of Vallejo	232	0071-204-240	City of Vallejo
158	0058-100-100	City of Vallejo	233	0071-291-140	City of Vallejo
159	0058-100-360	City of Vallejo	234	0072-042-230	City of Vallejo
160	0058-100-470	City of Vallejo	235	0072-072-300	City of Vallejo
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459	0055-160-170	RDA Vallejo
460	0055-160-190	RDA Vallejo
461	0055-160-240	RDA Vallejo
462	0055-160-310	RDA Vallejo
463	0055-160-360	RDA Vallejo
464	0055-160-410	RDA Vallejo
465	0055-160-420	RDA Vallejo
466	0055-160-430	RDA Vallejo
467	0055-160-450	RDA Vallejo
468	0055-160-470	RDA Vallejo
469	0055-160-490	RDA Vallejo
470	0055-170-010	RDA Vallejo
471	0055-170-020	RDA Vallejo
472	0055-170-030	RDA Vallejo
473	0055-170-050	RDA Vallejo
474	0055-170-060	RDA Vallejo
475	0055-170-080	RDA Vallejo
476	0055-170-100	RDA Vallejo
477	0055-170-170	RDA Vallejo
478	0055-170-200	RDA Vallejo
479	0055-170-220	RDA Vallejo
480	0055-170-230	RDA Vallejo
481	0055-170-260	RDA Vallejo
482	0055-170-280	RDA Vallejo
483	0055-170-360	RDA Vallejo
484	0055-170-400	RDA Vallejo
485	0055-170-410	RDA Vallejo
486	0055-170-460	RDA Vallejo
487	0055-170-470	RDA Vallejo
488	0055-180-010	RDA Vallejo
489	0055-180-020	RDA Vallejo
490	0055-180-030	RDA Vallejo
491	0055-180-040	RDA Vallejo
492	0055-180-050	RDA Vallejo
493	0055-180-060	RDA Vallejo
494	0055-180-070	RDA Vallejo
495	0058-050-040	RDA Vallejo
496	0058-050-050	RDA Vallejo
497	0058-050-070	RDA Vallejo
498	0058-050-090	RDA Vallejo
499	0058-090-040	RDA Vallejo
500	0058-090-070	RDA Vallejo
501	0058-090-090	RDA Vallejo
502	0058-090-130	RDA Vallejo
503	0058-090-190	RDA Vallejo
504	0058-090-200	RDA Vallejo
505	0058-090-210	RDA Vallejo
506	0058-100-300	RDA Vallejo
507	0058-100-320	RDA Vallejo
508	0058-100-450	RDA Vallejo
509	0058-110-130	RDA Vallejo
510	0072-044-100	RDA Vallejo
511	0072-044-100	RDA Vallejo

Attachment E

Typical Steps in a Disposition Process



CITY OF VALLEJO

Agenda Item No.

BOARD COMMUNICATION

Date: October 23, 2007

TO: Mayor and Members of the Redevelopment Agency Board

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

SUBJECT: APPROVAL OF A RESOLUTION OF INTENTION TO AMEND THE REDEVELOPMENT AGENCY FISCAL YEAR 2007-08 BUDGET BY \$394,000 TO PROVIDE FOR REVENUE AND EXPENDITURES RELATED TO A SERVICE AGREEMENT WITH THE NATIONAL DEVELOPMENT COUNCIL

RECOMMENDATION

Adopt a Resolution of Intention to amend the Redevelopment Agency's Fiscal Year 2007-2008 Budget by increasing the total amount by \$394,000.

BACKGROUND & DISCUSSION

On June 12, 2007, the Agency Board authorized the Executive Director to execute the Agreement for Consulting Services between the Redevelopment Agency and the National Development Council (NDC). This agreement was a benefit of the New Market Tax Credit transaction related to the Empress Theatre, which the Redevelopment Agency and City Council also authorized. Pursuant to the Agreement, NDC will provide a range of financial and consulting services to the City and Downtown businesses, including managing the Grow Vallejo Fund.

Subsequent to the adoption of the FY 2007-2008 Redevelopment Agency budget, the Agency received a \$394,000 allocation of funds generated by the New Market Tax Credit transaction. A budget amendment is necessary to increase the FY 07-08 Redevelopment Agency budget by \$394,000. These funds have been received by the Redevelopment Agency. The funds will be disbursed to NDC. \$250,000 will be provided to the NDC to seed the Grow Vallejo Fund and \$144,000 will pay for NDC consulting services. An amendment to the agreement is necessary to acknowledge the payment of the \$250,000 to NDC.

Fiscal Impact

There is no fiscal impact to the Redevelopment Agency's budget as the \$394,000 was generated by the New Market Tax Credit transaction related to the Empress Theatre.

RECOMMENDATION

Adopt a Resolution of Intention to amend the Redevelopment Agency's FY 07-08 Budget by increasing the total amount by \$394,000 and authorize the Executive Director to make any amendments to the Agreement that are needed regarding the expenditure of these funds.

ENVIRONMENTAL REVIEW

Adoption of a budget is not a project under the California Environmental Quality Act (CEQA), CEQA Section 15378 (b) (4).

DOCUMENT ATTACHED

Attachment A - Resolution

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

October 23, 2007

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RESOLUTION NO. _____ N.C.

**RESOLUTION OF INTENTION TO AMEND FISCAL YEAR 2007-2008
REDEVELOPMENT AGENCY BUDGET**

BE IT RESOLVED by the Redevelopment Agency of the City of Vallejo as follows:

WHEREAS, on June 12, 2007, the Redevelopment Agency Board authorized the Executive Director to execute an Agreement for Consulting Services between the Redevelopment Agency and the National Development Council to manage the Grow Vallejo Fund, and provide other consulting and financial services; and

WHEREAS, the New Market Tax Credit transaction related to the Empress Theatre generated a total of \$394,000 in new funds for the Redevelopment Agency for the purposes of allocating \$250,000 to be used to "seed" the Grow Vallejo Fund, a small business loan program and \$144,000 to be used to meet the Agency's obligations to compensate the National Development Council for its services under a two-year Agreement; and

WHEREAS, the budget amendment would increase the Redevelopment Agency's Fiscal Year 2007-2008 budget by \$394,000,

NOW, THEREFORE, BE IT RESOLVED that the Redevelopment Agency Board hereby proposes the amendment to the Redevelopment Agency Fiscal Year 2007-2008 budget of an additional \$394,000 by this Notice of Intention.

October 23, 2007

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VALLEJO REDEVELOPMENT AGENCY
SPECIAL MEETING
AUGUST 28, 2007
MINUTES

1. CALL TO ORDER

A special meeting of the Vallejo Redevelopment Agency was called to order at 8:15 p.m. by Chairman Anthony J. Intintoli, Jr. Agency Member Davis was absent/excused. All other Members were present.

2. CONSENT CALENDAR

The agenda was approved as received and the following items were offered by Vice Chairman Cloutier:

A. BUCHANGO SETTLEMENT AGREEMENT ANNUAL REPORT FOR CALENDAR YEAR 2006

This was an information item. No action was needed.

B. APPROVAL OF MINUTES OF SPECIAL MEETINGS MARCH 6, MARCH 13, MAY 22, AND JUNE 26, 2007 AND REGULAR MEETING OF JUNE 5, 2007

The minutes of the special meetings of March 6, March 13, May 22 and June 26, 2007 and the regular meeting of June 5, 2007 were approved by the following vote:

AYES:	Chairman Intintoli, Vice Chairman Cloutier, Agency Members Bartee, Gomes, Pearsall and Sunga
NOES:	None
ABSENT:	Agency Member Davis
ABSTAINING:	None

3. ADJOURN TO CITY COUNCIL MEETING

The meeting adjourned to the City Council meeting at 8:15 p.m.

ANTHONY J. INTINTOLI, JR., CHAIRMAN

ATTEST: MARY ELLSWORTH, ACTING SECRETARY

**VALLEJO REDEVELOPMENT AGENCY
SEPTEMBER 11, 2007**

MINUTES

A special joint meeting of the Vallejo Redevelopment Agency, and the Vallejo City Council was scheduled on the above date in the Council Chambers of the Vallejo City Hall. The meeting was cancelled. The matter will be rescheduled to a future date.

3. ADMINISTRATIVE ITEM

- A. CONSIDERATION OF RESOLUTIONS OF THE CITY COUNCIL OF THE CITY OF VALLEJO AND OF THE REDEVELOPMENT AGENCY OF THE CITY OF VALLEJO APPROVING THE ISSUANCE AND SALE OF 1) NOT TO EXCEED \$2,500,000 AGGREGATE PRINCIPAL AMOUNT OF REDEVELOPMENT AGENCY OF THE CITY OF VALLEJO MERGED PROJECT AREA TAX ALLOCATION BONDS, SERIES 2007-A, AND 2) NOT TO EXCEED \$6,350,000 AGGREGATE PRINCIPAL AMOUNT OF REDEVELOPMENT AGENCY OF THE CITY OF VALLEJO MERGED PROJECT AREA TAX ALLOCATION BONDS, SERIES 2007-B AND 3) NOT TO EXCEED \$5,850,000 AGGREGATE PRINCIPAL AMOUNT OF REDEVELOPMENT AGENCY OF THE CITY OF VALLEJO HOUSING SET ASIDE TAX ALLOCATION BONDS, SERIES 2007-A; AND AUTHORIZING THE EXECUTION AND DELIVERY OF INDENTURES, SUPPLEMENTAL INDENTURES AND A BOND PURCHASE AGREEMENT; APPROVING OFFICIAL STATEMENTS IN CONNECTION THEREWITH; AND AUTHORIZING RELATED ACTIONS

The refunding of the Redevelopment Agency Bonds and Vallejo Public Financing Authority Bonds will take advantage of current interest rates in the bond market and will result in a net reduction of total debt service payments.

PROPOSED ACTION:

City Council: Adopt a resolution approving the issuance and sale of not to exceed \$2,500,000 aggregate principal amount of Redevelopment Agency of the City of Vallejo Merged Project Area Tax Allocation Bonds, Series 2007-A, not to exceed \$6,350,000 aggregate principal amount of Redevelopment Agency of the City of Vallejo Merged Project Area Tax Allocation Bonds, Series 2007-B and not to exceed \$5,850,000 aggregate principal amount of Redevelopment Agency of the City of Vallejo Housing Set Aside Tax Allocation Bonds, Series 2007-A.

Redevelopment Agency: Adopt a resolution authorizing the issuance of the Agency's Merged Project Area Tax Allocation Bonds, Series 2007-A, the Agency's Merged Project Area Tax Allocation Bonds, Series 2007-B and the Agency's Housing Set Aside Tax Allocation Bonds, Series 2007-A; authorizing the execution and delivery of indentures, supplemental indentures and a bond purchase agreement; approving official statements in connection therewith; and authorizing related actions.

4. ADJOURN TO CITY COUNCIL MEETING

ANTHONY J. INTINTOLI, JR., CHAIRMAN

ATTEST:

MARY ELLSWORTH, SECRETARY