

City Hall
555 Santa Clara Street
Vallejo, CA 94590

AGENDA

VALLEJO CITY COUNCIL SPECIAL MEETING VALLEJO HOUSING AUTHORITY

MAYOR
Osby Davis

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

OCTOBER 21, 2008

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.

Notice of Availability of Public Records: All public records relating to an open session item, which are not exempt from disclosure pursuant to the Public Records Act, that are distributed to a majority of the City Council will be available for public inspection at the City Clerk's Office, 555 Santa Clara Street, Vallejo, CA at the same time that the public records are distributed or made available to the City Council. Such documents may also be available on the City of Vallejo website at <http://www.ci.vallejo.ca.us> subject to staff's ability to post the documents prior to the meeting. Information may be obtained by calling (707) 648-4527, TDD (707) 649-3562.



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

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

VALLEJO CITY COUNCIL **SPECIAL MEETING – CLOSED SESSION** **5:00 P.M. CITY COUNCIL CHAMBERS**

1. CALL TO ORDER
2. ROLL CALL
3. CLOSED SESSION
 - A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54956.8:
PROPERTY: APN 056-191260 AND APN 056-191-100 (PARCEL A); APN 055-160-170 (PARCEL B); APN 055-160-300, APN 055-160-380, AND APN 055-160-240 (PARCEL C); APN 055-170-280 AND APN 055-170-290 (PARCEL D); APN 056-192-070, APN 056-192-080, AND APN 056-192-090 (PARCEL E); APN 056-194-110, APN 056-194-120, APN 056-194-130, AND APN 056-194-140 (PARCEL F); AND APN 056-223-030 (PARCEL G) (SEVEN CERTAIN PARCELS ASSOCIATED WITH THE DISPOSITION

AND DEVELOPMENT AGREEMENT BY AND BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF VALLEJO AND TRIAD DOWNTOWN VALLEJO, LLC.
CITY NEGOTIATORS: JOE TANNER, CITY MANAGER; CRAIG WHITTON, ASSISTANT CITY MANAGER/COMMUNITY; ANNETTE TAYLOR, SENIOR COMMUNITY DEVELOPMENT ANALYST
NEGOTIATING PARTIES: TRIAD DOWNTOWN VALLEJO, LLC
UNDER NEGOTIATION: PRICE AND TERMS OF PAYMENT

- B. CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION: IN RE: CITY OF VALLEJO, CALIFORNIA, DEBTOR; UNITED STATES BANKRUPTCY COURT, EASTERN DISTRICT OF CALIFORNIA, CASE NO. 08-26813-A-9, PURSUANT TO SUBDIVISION (C) OF GOVERNMENT CODE SECTION 54956.9.
- C. CONFERENCE WITH CITY'S LABOR NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54957.6 CONCERNING THE FOLLOWING EMPLOYEE 1186 (IAFF); VALLEJO POLICE OFFICERS' ASSOCIATION (VPOA); INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL 2376 (IBEW), AND CONFIDENTIAL, ADMINISTRATIVE, MANAGERIAL, AND PROFESSIONALS (CAMP). THE CITY'S NEGOTIATORS ARE: JOSEPH M. TANNER, CITY MANAGER, CRAIG WHITTON, ASSISTANT CITY MANAGER / COMMUNITY DEVELOPMENT; ROBERT STOUT, FINANCE DIRECTOR; SANDY SALERNO, ACTING HUMAN RESOURCES DIRECTOR

NOTE: The Council will be meeting in closed session with its negotiators and staff to review its position and to give instructions to its negotiators concerning labor negotiations with the above-named employee organizations. No negotiations take place in the closed session between the Council and the employee organizations.

4. ADJOURNMENT

VALLEJO HOUSING AUTHORITY
SPECIAL MEETING – SEPTEMBER 16, 2008
6:30 P.M. – CITY COUNCIL CHAMBERS

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

1. CALL TO ORDER

2. ROLL CALL

3. CONSENT CALENDAR

- A. APPROVAL OF HOUSING AUTHORITY MINUTES FOR THE SPECIAL MEETING OF JUNE 24, 2008

PROPOSED ACTION: Approve the minutes of the Housing Authority for the special meeting of June 24, 2008.

4. ADMINISTRATIVE ITEM

- A. SUBJECT: REVISIONS OF ADMINISTRATIVE PLAN CHAPTERS THREE, FOUR, TWENTY-TWO AND TWENTY-FOUR

PROPOSED ACTION: Adopt the proposed revisions to Chapters Three, Four, Twenty-Two and Twenty-Four of the Administrative Plan

- B. STATUS OF COMMUNITY LAND TRUST OPTION TO PROVIDE AFFORDABLE HOUSING

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

5. ADJOURNMENT

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

1. **CALL TO ORDER**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL**
4. **PRESENTATIONS AND COMMENDATIONS**
 - A. **PROCLAMATION DECLARING OCTOBER 21-27, 2008 AS RED RIBBON WEEK IN THE CITY OF VALLEJO**

5. **FIRST COMMUNITY FORUM**

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

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

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

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

- A. **APPROVAL OF FISCAL YEAR 2008-09 SERVICE AGREEMENT BETWEEN THE CITY OF VALLEJO AND THE VALLEJO CONVENTION AND VISITORS BUREAU FOR MARKETING SERVICES (VALLEJO TOURISM BUSINESS IMPROVEMENT DISTRICT)**

PROPOSED ACTION: Adopt the resolution authorizing the City Manager or his designee to execute a service agreement with the Vallejo Convention and Visitors Bureau (CVB) for marketing services (Vallejo Tourism Business Improvement District).

- B. **APPROVAL OF A RESOLUTION OF INTENTION DIRECTING STAFF TO PREPARE AN AMENDED DOWNTOWN VALLEJO SPECIFIC PLAN AND EXPRESSING ITS INTENT TO REVISE ORDINANCE 1553 N.C. (2d), THE MASTER PLAN FOR DOWNTOWN VALLEJO, TO ACCOMMODATE THOSE AMENDMENTS.**

PROPOSED ACTION: Adopt the Resolution of Intention to amend the Downtown Vallejo Specific Plan to provide greater flexibility of land uses along the Georgia Street Corridor, eliminate temporary land use regulations, and provide for a more streamlined application process. The draft Resolution and Ordinance will be forwarded to the Planning Commission for their consideration and recommendation to the City Council on November 3, 2008.

- C. APPROVAL OF A RESOLUTION CONFIRMING THE APPOINTMENT OF COUNCILMEMBERS SUNGA, HANNIGAN, AND WILSON TO THE UTILITY FINANCING PLAN AND RATE STUDY AD HOC COMMITTEE TO FACILITATE EVALUATION OF VARIOUS WATER RATE SETTING OPTIONS TO ENSURE FISCAL STABILITY OF THE WATER ENTERPRISE FUND

PROPOSED ACTION: Adopt the resolution confirming the appointment of Councilmembers Sunga, Hannigan and Wilson to the Utility Financing Plan and Rate Study Ad Hoc Committee to facilitate evaluation of various water rate setting options to ensure fiscal stability of the Water Enterprise Fund.

- D. APPROVAL OF A RESOLUTION ADOPTING COUNCIL'S 2008 AREAS OF FOCUS

PROPOSED ACTION: Adopt the resolution approving Council's 2008 areas of focus.

- E. APPROVAL OF A RESOLUTION AWARDED THE BUS AND FERRY TERMINAL ADVERTISING CONTRACT AND THE FERRY ADVERTISING CONTRACT TO CITY BUS ADVERTISING, A SOLE PROPRIETORSHIP AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH CITY BUS ADVERTISING, SANTA ROSA, CALIFORNIA

PROPOSED ACTION: Adopt the resolution awarding Bus and Ferry Terminal Advertising contract and the Ferry Advertising contract to City Bus Advertising, a Sole Proprietorship and authorizing the City manager to enter into a contract with City Bus Advertising, Santa Rosa, California.

- F. APPROVAL OF A RESOLUTION AWARDED THE FERRY ENGINE OVERHAUL CONTRACT TO VALLEY POWER SYSTEMS NORTH, A CALIFORNIA CORPORATION, AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH VALLEY POWER SYSTEMS NORTH, SAN LEANDRO, CALIFORNIA

PROPOSED ACTION: Adopt the resolution awarding the Ferry Engine Overhaul Contract to Valley Power Systems North, a contract with Valley Power Systems North of San Leandro, California.

- G. APPROVAL OF A RESOLUTION OF INTENTION TO AMEND CHAPTERS 2.06 AND 2.52 OF THE CITY OF VALLEJO MUNICIPAL CODE, AND ADOPT A TRAVEL AND EXPENSE REIMBURSEMENT POLICY FOR CITY OFFICIALS WHICH COMPLIES WITH STATE LAW (AB 1234)

PROPOSED ACTION: Approve the resolution of intention to amend Sections 2.06 and 2.52 of the Vallejo Municipal Code and to ADOPT the travel and expense reimbursement policy in compliance with State law (AB 1234).

8. PUBLIC HEARINGS

- A. CONSIDERATION OF A RESOLUTION HOLDING ON FIRST READING AN ORDINANCE AMENDING THE ZONING MAP TO REZONE PROPERTY LOCATED AT THE SOUTHEAST CORNER OF SOLANO AVENUE AND NINTH STREET AND A RESOLUTION AMENDING THE GENERAL PLAN AND APPROVE PLANNED DEVELOPMENT UNIT PLAN AND MINOR EXCEPTION TO FACILITATE DEVELOPMENT OF FOURTEEN RESIDENTIAL CONDOMINIUM TOWNHOME UNITS

PROPOSED ACTION: Adopt the ordinance rezoning the property to Planned Development Residential; the resolution amending the General Plan land use classification to High Density Residential; the Mitigated Negative Declaration; and approve Planned Development #07-0008 and Minor Exception #07-0004 to facilitate development of fourteen residential condominium townhome units, subject to the conditions of approval.

9. POLICY ITEMS

- A. CONSIDERATION OF AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF VALLEJO EXTENDING A TEMPORARY MORATORIUM ON THE CONVERSION OF MOBILE HOME PARKS TO RESIDENT OWNERSHIP FOR A PERIOD OF 90 DAYS THROUGH AND INCLUDING JANUARY 21, 2009

PROPOSED ACTION: Approve an urgency ordinance extending the temporary moratorium on mobile home park conversions until January 21, 2009 in order to enable staff to present the proposed ordinance and hold public hearing before the City Council in November.

10. ADMINISTRATIVE ITEMS - NONE

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

12. WRITTEN COMMUNICATIONS

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

13. CITY MANAGER'S REPORT

14. CITY ATTORNEY'S REPORT

15. COMMUNITY FORUM

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

17. CLOSED SESSION

18. ADJOURNMENT

VALLEJO HOUSING AUTHORITY
SPECIAL MEETING
JUNE 24, 2008
MINUTES

1. CALL TO ORDER

A special meeting of the Vallejo Housing Authority was held on the above date in the Council Chambers of the Vallejo City Hall. The meeting was called to order at 6:45 p.m. by Chairman Osby Davis.

ROLL CALL

Present: Chairman Davis, Vice Chairman Bartee, Members Creswell, Gomes, Hannigan, Pitchford, Schivley, Sunga and Wilson

Absent: None

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

2. CONSENT CALENDAR

A motion was made by Mayor Davis to remove the item concerning the Land Trust Feasibility Study which involves the Vallejo Neighborhood Housing services item from the budget to be heard separately. Hearing no further additions, corrections or deletions, the agenda was approved as amended and the Housing Authority minutes for the special meeting of March 11, 2008 were presented by Vice Chairman Bartee:

The minutes were approved by the following vote:

AYES: Chairman Davis, Vice Chairman Bartee, Members Sunga, Gomes, Wilson, Schivley, Hannigan, Creswell, Pitchford
NOES: None
ABSENT: None
ABSTENTIONS: None

3. PUBLIC HEARING

A. ADOPTION OF HOUSING AUTHORITY FISCAL YEAR 2008-2009 BUDGET

Melinda Nestlerode, Acting Housing Program Manager, noted a typo on the resolution, where it refers to Exhibit A twice, the second Exhibit A should be Exhibit B. The City Clerk will make the change.

Ms. Nestlerode explained the programs administered by the Vallejo Housing Authority which include the Housing Choice Voucher Program, Family Self-sufficiency Program and Section 8 Homeowner Program. She stated that the Housing Authority provides affordable home ownership and administer the Mobile Home Program. Ms. Nestlerode addressed the highlights of the programs for Fiscal Year 2007-2008; the program reserves, and the Mobile Home Park

Program. She stated that staff hopes to return to the Housing Authority Board in September to reassess the use of the affordable housing funding.

Member Schivley referred to the Mobile Home Park Program which was instituted approximately three years ago and stated that this money is contributed by mobile home owners and mobile home park owners and is to be used to offset consultant and legal fees when those fees arise; the funds are not for City use. There should be approximately \$24,000 in the general fund that needs to be transferred to this restricted fund that is now been set. She asked staff to research this and make the appropriate transfer. She further stated that there cannot be any expenditure made from that fund without explicit Council approval. That was in the resolution when this was approved. .

Councilmember Schivley asked staff to contact the management of Marina Vista Apartments and ask them to provide private security. She went on to say that the night of the shooting there were two other calls for service at that complex. We should not be using the Police Department to enforce management at Marina Vista Apartments.

Craig Whittom, Assistant City Manager-Community Development, stated that staff has been working more closely with the management at that complex and the management has retained an enhanced security through a private security company. However, staff will continue discussions with the management at Marina Vista concerning the security. Mr. Whittom stated that staff will provide an accounting for the mobile home fund.

Vice Mayor Bartee stated that the Marina Vista Apartments at 201 Maine Street have been negatively impacting the downtown for a long time. They have private security in conjunction with CCRC and although they have made efforts to make improvements, it is not enough. He supports Councilmember Schivley's suggestion.

RESOLUTION NO. 08-03 offered by Councilmember Sunga approving the Housing Authority budget for Fiscal Year 2008-2009 minus the Community Land Trust funding.

Chairman Davis recused himself from participating in the next item and turned the meeting over to Vice Chairman Bartee.

AYES:	Chairman Davis, Vice Chairman Bartee, Members Creswell, Gomes, Hannigan, Pitchford, Schivley, Sunga and Wilson
NOES:	None
ABSENT:	None
ABSTENTIONS:	None

RESOLUTION NO. 08-04 offered by Vice Chairman Bartee that the Executive Director, or his designee, the Assistant City Manager/Community Development, is hereby authorized to utilize \$25,000 from funds appropriated in FY 2006/2007 to fund a Community Land Trust Feasibility Study.

AYES:	Vice Chairman Bartee, Members Creswell, Gomes, Hannigan, Pitchford, Sunga and Wilson
NOES:	None
ABSENT:	None

ABSTENTIONS: Chairman Davis, Member Schivley

4. ADJOURNMENT

The meeting adjourned at 7:01 p.m.

OSBY DAVIS, CHAIRMAN

ATTEST: MARY ELLSWORTH, SECRETARY



VALLEJO HOUSING AUTHORITY

Date: October 21, 2008

TO: Chair and Members

FROM: Craig Whittom, Assistant City Manager/Community Development *CW*
Melinda Nestlerode, Acting Housing and Community Development Manager

M. Nestlerode

SUBJECT: REVISION OF ADMINISTRATIVE PLAN CHAPTERS THREE, FOUR
TWENTY-TWO AND TWENTY-FOUR

BACKGROUND AND DISCUSSION

Housing Authorities are required to maintain Administrative Plans by the U.S. Department of Housing and Urban Development (HUD). The purpose of the administrative plan is to establish policies for carrying out programs in a manner consistent with HUD requirements and local goals and objectives. Local goals and objectives are contained in the Housing Authority of the City of Vallejo's (VHA) one year and five year Agency Plans, the Consolidated Plan and the Housing Element. HUD requires that the Administrative Plan be made available for public review. The full Administrative Plan is available on the City website at www.ci.vallejo.ca.us. From the home page, select "Departments", then "Community Development", then "Housing and Community Development Division". Choose "Housing Choice Voucher Program" from the left side of the screen, then click on the "Administrative Plan" hyperlink.

The administrative plan is set forth to define the VHA's local policies for operation of housing programs in conjunction with Section 8 of the United States Housing Act of 1937. At this time the VHA administers the Section 8 Housing Choice Voucher (HCV) program, as well as the Family Self Sufficiency, Homeownership and Project Based Voucher programs. All issues related to these programs not addressed in the Administrative Plan are governed by federal regulations, HUD handbooks and guidebooks, notices and other applicable law. The revisions addressed below were presented to the Housing and Redevelopment Commission at their regular meeting on October 8, 2008. HRC comments and recommendations have been incorporated into the revised chapters, or are discussed below.

Administrative Plan Revisions As A Result Of Annual Plan Comments

Housing Authorities are required to submit an Annual Plan to HUD, 75 days prior to commencement of the Fiscal Year (FY). Annual Plan regulations require a 45 day public review and comment period. The VHA's Resident Advisory Board (RAB) is a mandatory participant in the Annual Plan process. The role of the RAB is to assist and make recommendations regarding the development of the Plan and any significant amendments or modifications to it.

On April 11, 2008 Legal Services of Northern California and the National Housing Law Project (LSNC/NHLP) submitted joint comments regarding the Annual Plan (Attachment B).

The majority of the comments focused on their recommendations for revisions to the Administrative Plan. A special meeting of the RAB was scheduled to review the comments. The revisions to the Administrative Plan outlined below represent the changes advised by LSNC/NHLP, and approved by the RAB. Half of the suggestions are addressed in this staff report. The remaining revisions will come before the HRC and the HAB in December 2008.

Chapter Three - Eligibility

Section 3-I.C: Family Break-Up and Remaining Member of Tenant Family - Page 3-3 of Administrative Plan:

LSNC/NHLP's suggestion pertains to family break ups, for both applicants on the waiting list, and participants in the HCV program. Current Administrative Plan language provides for only one segment of the broken family to retain their place on the waiting list or the voucher. LSNC/NHLP contend that there may be equally compelling reasons for both families to remain on the waiting list or to continue assistance. The current language provides some discretion to the VHA:

"In the absence of a judicial decision, or an agreement among the original family members, the HA will determine which family retains their placement on the waiting list, or will continue to receive assistance taking into consideration the following factors: (1) the interest of any minor children, including custody arrangements, (2) the interest of any ill, elderly, or disabled family members, (3) any possible risks to family members as a result of domestic violence or criminal activity, and (4) the recommendations of social service professionals."

In addition to the language indicated above, the VHA will include the following sentences:

"In the case of a family break up where both parties include a responsible adult and minor children, and/or a person or persons with disabilities, the Executive Director, or his/her designee may decide to allow both parties to remain on the list or retain a voucher. In order for the Executive Director, or his/her designee, to consider this arrangement, the family must request the exception in writing, and all family members must have been listed on the initial application. In the case of program participants, all members of the family must have been authorized family members for at least three years prior to the break up."

At HRC recommendation, the following sentence has been added: "If no vouchers are available to offer to program participants when the family breaks up and the Executive Director/designee has decided the circumstances warrant that both parties receive a voucher, the family member leaving the household will be placed on a waiting list for the next available voucher."

Section 3-I.L: Absent Family Members: Return of Permanently Absent Family Members - Page 3-6 of Administrative Plan

LSNC/NHLP's concern was the requirement that returning family members were included in the subsidy calculation only through birth, marriage, adoption or court awarded custody. The VHA realizes that current economic conditions may necessitate the return of family

members, and has revised the language in this section to address LSNC/NHLP's concerns. The Absent Student policy has been adjusted to incorporate students of all ages. The Return of Permanently Absent Family Members section has been revised to eliminate the restrictive subsidy increase requirements. Any family member approved to rejoin the family by the VHA will be included in the subsidy calculation. The subsidy size will be adjusted at the time of the family's annual recertification, or when the family moves, whichever comes first.

Section 3-III.A: Forms of Denial of Assistance - Page 3-15 of Administrative Plan

LSNC/NHLP's comments concerned itemized definitions of actions that would classify as forms of denial of assistance. The VHA has revised this section of the Administrative Plan as follows, to include LSNC/NHLP's suggestions:

Not placing the family's name on the waiting list

Denying or withdrawing a voucher

Not approving a request for tenancy or refusing to enter into a HAP contract,

Refusing to process a request for or to provide assistance under portability procedures

Removal of the family's name from the waiting list, or

Refusal to schedule an eligibility interview once a family's name has been selected from the waiting list

Two of LSNC/NHLP's suggestions were not used in this section, as they pertain to the granting of preferences. The withdrawal or revision of a preference does not qualify as "denial of assistance". If preferences are revised based on verification of a family's claimed preferences, the family remains on the waiting list.

Section 3-III.C: Other Permitted Reasons for Denial of Assistance – Page 3-18 of Administrative Plan

LSNC/NHLP's concerns involve VHA policies which require denial of assistance "if the family has not reimbursed any HA for amounts the HA paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease, unless the family repays the full amount of the debt prior to being selected from the waiting list."

Based on the advice provided by LSNC/NHLP's, this section of the Administrative Plan has been revised to create exceptions for debts whose statute of limitations has passed. The VHA will continue to comply with the Consideration of Circumstances policy outlined at part 3-III.E of the Administrative Plan.

Chapter Four – Applications, Waiting List and Tenant SelectionSection 4-II.F: Updating the Waiting List – Purging the Waiting List – Page 4-6 of Administrative Plan

It is typical Housing Authority industry practice to “purge” the waiting list on a regular basis, in order to remove family’s who are no longer interested or available for a voucher. LSNC/NHLP’s comments requested additional notification to families who did not respond to update notices, prior to removal of their names from the waiting list.

This section of the Administrative Plan has been updated. The new policy will allow non-responses for two consecutive updates, prior to removal from the waiting list. A second non-response will illicit a notice to the family describing their informal review rights.

Administrative Plan Revisions to Revise Emergency Preference LanguageChapter Four – Applications, Waiting List and Tenant SelectionSection 4-III.C: Selection Method – Page 4-9 of Administrative Plan

On August 19, 2008, the HAB adopted a revised resolution approving the revision of VHA preference categories to incorporate an emergency preference. The revision was predicated by the Casa de Vallejo fire, which displaced 120 senior citizens. The HAB requested that the revised emergency language return for their review in 60 days. The VHA has incorporated suggestions from the HRC and the HAB, has reviewed similar language in Administrative Plans from other Housing Authorities, and proposes the following revised language:

“The highest priority on the VHA waiting list will be reserved for emergency assistance for families or individuals who reside in dwelling units within the City of Vallejo, which have been rendered uninhabitable by natural or fire related disasters. In order to avoid negatively impacting the current applicants on the VHA waiting list, the disaster must be of significant magnitude to invoke emergency assistance. Any multifamily building in which four or more units have been deemed uninhabitable, or any four single family homes which have been impacted by a single disaster and made uninhabitable, would trigger the implementation of this emergency assistance. The affected families or individuals must be able to verify the uninhabitable condition of their immediate residence through official documentation, such as a report from the Vallejo Fire Department; documentation that the building is uninhabitable by the Vallejo Building Official, Solano County Health Department, or other local, state or federal branch of government; and they must qualify for assistance through the Federal Emergency Management Agency (FEMA) and/or the American Red Cross. This preference category will be considered “targeted assistance”, and will only be utilized in the case of an emergency situation meeting the criteria described above. Due to the emergency nature of this preference category, families and individuals meeting the criteria may apply regardless of whether the VHA waiting list is open. Families or individuals requesting emergency assistance will be required to verify their authorized “head of household” residence in the impacted building.

Families and individuals meeting the criteria for emergency disaster assistance must meet all eligibility guidelines required by the Housing Authority, including income eligibility, and must pass a criminal background check. Applicants meeting all requirements described above will receive first preference for a voucher as soon as one becomes available. ”

Administrative Plan Revisions Due to Policy Updates

Chapter 22 – Family Self Sufficiency – Entire Chapter

Chapter 22 was reviewed in its entirety to assess areas requiring updates or improvements. The new chapter includes Purpose and Objectives sections to more clearly outline the goals of the Family Self Sufficiency (FSS) program. Other revisions are designed to address improvements made to VHA FSS policies, and include:

- ❖ The addition of Interest Forms and a waiting list in the selection process
- ❖ Codification of the fact that we now have a voluntary FSS program, rather than HUD mandated
- ❖ Clarification of portability procedures and participant responsibilities under portability
- ❖ Definition of GED, high school diploma, and suitable employment graduation criteria

Chapter 24 – Homeownership Action Plan – Entire Chapter

Chapter 24 was revised to include current HUD guidance and clarify the current language. Highlights of the revisions to Chapter 23 include:

- ❖ Reduced families total housing cost to 55%, from 65%
- ❖ Added special provisions available to disabled families
- ❖ Included new HUD provision which allows the purchase of newly constructed housing
- ❖ Added Homeownership Family Obligations

FISCAL IMPACT

There is no fiscal impact caused by the revision of the Administrative Plan.

ALTERNATIVES CONSIDERED

Recommendations made by LSNC/NHLP were carefully considered by the RAB and staff. The final proposed language is the result of weighing various alternatives and determining the best fit for the VHA given current staffing and HUD requirements.

ENVIRONMENTAL REVIEW

An environmental review is not required for the revision of the Administrative Plan.

PROPOSED ACTION

Adopt the proposed revisions to Chapters Three, Four, Twenty-Two and Twenty-Four of the Administrative Plan.

DOCUMENTS AVAILABLE FOR REVIEW

Attachment A – Resolution

Attachment B – Chapter Three - Eligibility

Attachment C – Chapter Four - Applications, Waiting List and Tenant Selection

Attachment D – Chapter Twenty-Two - Family Self Sufficiency

Attachment E – Chapter Twenty-Four - Homeownership Action Plan

CONTACT:

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

or

Melinda Nestlerode, Acting Housing and Community Development Manager, (707) 648-4408, mnestlerode@ci.vallejo.ca.us

ATTACHMENT "A"

RESOLUTION NO. _____

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

WHEREAS, the Housing Authority Board has reviewed the revisions to Chapters Three, Four, Twenty-Two and Twenty-Four of the Administrative Plan,

NOW, THEREFORE, BE IT RESOLVED that Chapters Three, Four, Twenty-Two and Twenty-Four of the Housing Authority's Administrative Plan, as amended, are hereby adopted.

ATTACHMENT "B"

Chapter 3

(Revised and Approved by Housing Authority Resolution # _____, on _____)

ELIGIBILITY

INTRODUCTION

The Housing Authority of the City of Vallejo (HA) is responsible for ensuring that every individual and family admitted to the HCV program meets all program eligibility requirements. This includes any individual approved to join the family after the family has been admitted to the program. The family must provide any information needed by the HA to confirm eligibility and determine the level of the family's assistance.

To be eligible for the HCV program:

- The applicant family must:
 - Qualify as a family as defined by HUD and the HA.
 - Have income at or below HUD-specified income limits.
 - Qualify on the basis of citizenship or the eligible immigrant status of family members.
 - Provide social security number information for family members as required.
 - Consent to the HA's collection and use of family information as provided for in HA-provided consent forms.
- The HA must determine that the current or past behavior of household members does not include activities that are prohibited by HUD or the HA.

This chapter contains three parts:

Part I: Definitions of Family and Household Members. This part contains HUD and HA definitions of family and household members and explains initial and ongoing eligibility issues related to these members.

Part II: Basic Eligibility Criteria. This part discusses income eligibility, and rules regarding citizenship, social security numbers, and family consent.

Part III: Denial of Assistance. This part covers factors related to an applicant's past or current conduct (e.g. criminal activity) that can cause the HA to deny assistance.

PART I: DEFINITIONS OF FAMILY AND HOUSEHOLD MEMBERS

3-I.A. OVERVIEW

Some eligibility criteria and program rules vary depending upon the composition of the family requesting assistance. In addition, some requirements apply to the family as a whole and others apply to individual persons who will live in the assisted unit. This part provides information that is needed to correctly identify family and household members, and to apply HUD's eligibility rules.

3-I.B. FAMILY AND HOUSEHOLD [24 CFR 982.201(c), HUD-50058 IB, p. 13]

The terms *family* and *household* have different meanings in the HCV program.

Family

To be eligible for assistance, an applicant must qualify as a family. *Family* is defined by HUD as a single person or a group of persons, a family with a child or children, two or more elderly or disabled persons living together, and one or more elderly or disabled persons, with one or more live-in aides. The HA has the discretion to determine if any other group of persons qualifies as a family.

HA Policy

Each family must identify the individuals to be included in the family at the time of application, and must update this information if the family's composition changes.

To qualify as a family when proposed family members are not related by blood, marriage, adoption, or other operation of law, the HA will require applicants to demonstrate that the individuals have lived together previously, or certify that each individual's income and other resources will be available to meet the needs of the family.

Household

Household is a broader term that includes additional people who, with the HA's permission, live in an assisted unit, such as live-in aides, foster children, and foster adults.

3-I.C. FAMILY BREAK-UP AND REMAINING MEMBER OF TENANT FAMILY

Family Break-up [24 CFR 982.315]

The HA has discretion to determine which members of an assisted family continue to receive assistance if the family breaks up. However, if a court determines the disposition of property between members of the assisted family in a divorce or separation decree, the HA is bound by the court's determination of which family members continue to receive assistance.

HA Policy

When a family on the waiting list breaks up into two otherwise eligible families, only one of the new families may retain the original application date. Other former family members may make a new application with a new application date if the waiting list is open.

If a family breaks up into two otherwise eligible families while receiving assistance, only one of the new families will continue to be assisted.

In the absence of a judicial decision, or an agreement among the original family members, the HA will determine which family retains their placement on the waiting list, or will continue to receive assistance taking into consideration the following factors: (1) the interest of any minor children, including custody arrangements, (2) the interest of any ill, elderly, or disabled family members, (3) any possible risks to family members as a result of domestic violence or criminal activity, and (4) the recommendations of social service professionals.

In the case of a family break up where both parties include a responsible adult and minor children, and/or a person or persons with disabilities, the Housing and Community Development Manager may decide to allow both parties to remain on the list or retain the voucher. In order for the Housing and Community Development Manager to consider this arrangement, the family must request the exception in writing, and all family members must have been listed on the initial application. In the case of program participants, all members of the family must have been authorized family members for at least three years prior to the break up. If no vouchers are available to offer to program participants when the family breaks up and the Executive Director/designee has decided the circumstances warrant that both parties receive a voucher, the family member leaving the household will be placed on a waiting list for the next available voucher.

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Remaining Member of a Tenant Family [24 CFR 5.403]

The HUD definition of family includes the *remaining member of a tenant family*, which is a member of an assisted family who remains in the unit when other members of the family have left the unit. Household members such as live-in aides, foster children, and foster adults do not qualify as remaining members of a family.

If dependents are the only “remaining members of a tenant family” and there is no family member able to assume the responsibilities of the head of household, see Chapter 6 for the policy on “Caretakers for a Child.”

3-I.D. HEAD OF HOUSEHOLD [24 CFR 5.504(b)]

Head of household means the adult member of the family who is considered the head for purposes of determining income eligibility and rent. The head of household is responsible for ensuring that the family fulfills all of its responsibilities under the program, alone or in conjunction with a co head or spouse.

HA Policy

The family may designate any qualified family member as the head of household.

The head of household must have the legal capacity to enter into a lease under state and local law. A minor who is emancipated under state law may be designated as head of household.

3-I.E. SPOUSE, COHEAD, AND OTHER ADULT

A family may have a spouse or co head, but not both [HUD-50058 IB, p. 13].

Spouse means the marriage partner of the head of household.

HA Policy

A *marriage partner* includes the partner in a "common law" marriage as defined in state law. The term "spouse" does not apply to friends, roommates, or significant others who are not marriage partners. A minor who is emancipated under state law may be designated as a spouse.

A *co head* is an individual in the household who is equally responsible with the head of household for ensuring that the family fulfills all of its responsibilities under the program, but who is not a spouse. A family can have only one co head.

HA Policy

Minors who are emancipated under state law may be designated as a co head.

Other adult means a family member, other than the head, spouse, or co head, who is 18 years of age or older. Foster adults and live-in aides are not considered other adults.

3-I.F. DEPENDENT [24 CFR 5.603]

A *dependent* is a family member who is under 18 years of age or a person of any age who is a person with a disability or a full-time student, except that the following persons can never be dependents: the head of household, spouse, co head, foster children/adults and live-in aides. Identifying each dependent in the family is important because each dependent qualifies the family for a deduction from annual income as described in Chapter 6.

Joint Custody of Dependents

HA Policy

Dependents that are subject to a joint custody arrangement will be considered a member of the family, if they live with the applicant or participant family 51 percent or more of the time.

When more than one applicant or participant family is claiming the same dependents as family members, the family with primary custody at the time of the initial examination or reexamination will be able to claim the dependents. If there is a dispute about which family should claim them, the HA will make the determination based on available documents such as court orders, or an IRS return showing which family has claimed the child for income tax purposes.

3-I.G. FULL-TIME STUDENT [24 CFR 5.603, HVC GB p. 5-29]

A full-time student (FTS) is a person who is attending school or vocational training on a full-time basis. The time commitment or subject load that is needed to be full-time is defined by the educational institution.

Identifying each FTS is important because (1) each family member that is an FTS, other than the head, spouse, or co head, qualifies the family for a dependent deduction and (2) the income of such an FTS is treated differently from the income of other family members.

3-I.H. ELDERLY AND NEAR-ELDERLY PERSONS, AND ELDERLY FAMILY [24 CFR 5.100 and 5.403]

Elderly Persons

An *elderly person* is a person who is at least 62 years of age.

Near-Elderly Persons

A *near-elderly person* is a person who is at least 50 years of age but below the age of 62.

Elderly Family

An *elderly family* is one in which the head, spouse, co head, or sole member is an elderly person. Identifying elderly families is important because these families qualify for special deductions from income as described in Chapter 6.

3-I.I. PERSONS WITH DISABILITIES AND DISABLED FAMILY [24 CFR 5.403]

Persons with Disabilities

Under the HCV program, special rules apply to persons with disabilities and to any family whose head, spouse, or co head is a person with disabilities. The technical definitions of individual with handicaps and persons with disabilities are provided in Exhibit 3-1 at the end of this chapter. These definitions are used for a number of purposes including ensuring that persons with disabilities are not discriminated against based upon disability.

As discussed in Chapter 2, the HA must make all aspects of the HCV program accessible to persons with disabilities and consider reasonable accommodations requested based upon a person's disability.

Disabled Family

A *disabled family* is one in which the head, spouse, or co head is a person with disabilities. Identifying disabled families is important because these families qualify for special deductions from income as described in Chapter 6.

Even though persons with drug or alcohol dependencies are considered persons with disabilities for the purpose of non-discrimination, this does not prevent the HA from denying assistance for reasons related to alcohol and drug abuse following policies found in Part III of this chapter, or from terminating assistance following the policies in this Plan.

3-I.J. GUESTS [24 CFR 5.100]

A *guest* is a person temporarily staying in the unit with the consent of a member of the household who has express or implied authority to so consent.

HA Policy

A guest can remain in the assisted unit no longer than 30 consecutive days or a total of 90 cumulative calendar days during any 12 month period.

Children who are subject to a joint custody arrangement or for whom a family has visitation privileges, that are not included as a family member because they live outside

of the assisted household more than 51 percent of the time, are not subject to the time limitations of guests as described above.

A family may request an exception to this policy for valid reasons (e.g., care of a relative recovering from a medical procedure is expected to last 40 consecutive days). An exception, requiring landlord/owner approval, will not be made unless the family can identify and provide documentation of the residence to which the guest will return.

3.I.K. FOSTER CHILDREN AND FOSTER ADULTS

Foster adults are usually persons with disabilities, unrelated to the tenant family, who are unable to live alone [24 CFR 5.609].

The term *foster child* is not specifically defined by the regulations.

Foster children and foster adults that are living with an applicant or assisted family are considered household members but not family members. The income of foster children/adults is not counted in family annual income and foster children/adults do not qualify for a dependent deduction [24 CFR 5.603 and HUD-50058 IB, p. 13].

HA Policy

A *foster child* is a child that is in the legal guardianship or custody of a state, county, or private adoption or foster care agency, yet is cared for by foster parents in their own homes, under some kind of short-term or long-term foster care arrangement with the custodial agency. Written documentation of the foster care relationship must be provided to the HA.

Foster children or foster adults will be included in determining unit size only if the family has been continuously providing foster care for at least the previous 120 days. Only one extra bedroom may be provided, regardless of the number of foster children or adults.

The family must also provide the VHA with a copy of its current foster care license. A foster child or foster adult may be allowed to reside in the unit, with the prior approval of the VHA and the landlord/owner, only if their presence would not result in a violation of HQS space standards according to 24 CFR 982.401.

Children that are temporarily absent from the home as a result of placement in foster care are discussed in Section 3-I.L.

3-I.L. ABSENT FAMILY MEMBERS

Individuals may be absent from the family, either temporarily or permanently, for a variety of reasons including educational activities, placement in foster care, employment, illness, incarceration, and court order.

Definitions of Temporarily and Permanently Absent

HA Policy

Generally, an individual who is or is expected to be absent from the assisted unit for more than 30 consecutive days will be considered permanently absent and no longer a family member. Exceptions to this general policy are discussed below.

Absent Students

HA Policy

HUD regulations treat the income of adult full-time students other than the head, spouse, or co-head differently from the income of other adult family members. If a full-time student other than the head, spouse or co-head receives any income from employment, only \$480 is counted toward the family income. Student financial assistance in excess of amounts received for tuition are also included in the family income.

For the purposes of this chapter, students who attend school and live away from home, but return home on all regular school holidays, will continue to be considered family members if they were previously approved family members prior to attending school. Full time students must provide documentation of full time status from their educational institution.

Adult students who live away from home must attend the family's regularly scheduled recertification appointment. If they are not able to attend the appointment, it will be incumbent upon the Head of Household to mail the recertification documents to the student for signature, and return them to the VHA within the specified timeframe. The Head of Household must be prepared to show verification that the documents were mailed to the student. Failure to obtain student's signatures timely may jeopardize the family's continued participation in the HCV program.

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Absences Due to Placement in Foster Care [24 CFR 5.403]

Children temporarily absent from the home as a result of placement in foster care are considered members of the family.

HA Policy

If a child has been placed in foster care, the HA will verify with the appropriate agency whether and when the child is expected to be returned to the home. If the time period is to be greater than 3 months from the date of removal of the child/ren, the voucher size will be reduced. If all children are removed from the home permanently, the voucher size will be reduced in accordance with the HA's subsidy standards.

Absent Head, Spouse, or Co head

HA Policy

An employed head, spouse, or co head absent from the unit more than 180 consecutive days due to employment will continue to be considered a family member, if documentation of employment is provided, and the HA is using the income to determine the families portion of the rent.

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Students who attend school and live away from the home full-time (more than six months total from the date of the school term's start until school year end) will be considered permanently absent from the unit. Families failing to report a student's absence from the unit in a timely manner (within 10 days) will be charged for any rent overpayment, retroactively to the date of the school term's start. ¶ Students who were approved family members prior to attending school, may be added back into the household until the age of 23. The family must complete an interim Adding Family Member's form and follow all VHA procedures. ¶ Income from students must be used while they are members of the household. Full time students, (taking 12 or more units per semester), must provide documentation of their full time status. The full gross income of non-full time students who are household members must be used to calculate the family's portion of rent. ¶

Family Members Permanently Confined for Medical Reasons [HCV GB, p. 5-22]

If a family member is confined to a nursing home or hospital on a permanent basis, that person is no longer considered a family member and the income of that person is not counted [HCV GB, p. 5-22].

HA Policy

If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, the HA will seek advice from a reliable qualified source as to the likelihood and timing of their return. If the verification indicates that the family member will be permanently confined to a nursing home, the family member will be considered permanently absent. If the verification indicates that the family member will return in less than 90 consecutive days, the family member will not be considered permanently absent. The family may present evidence that the family member is confined on a permanent basis and request that the person not be considered a family member.

Return of Permanently Absent Family Members

HA Policy

The family must request HA approval for the return of any adult family members that the HA has determined to be permanently absent. The individual is subject to the eligibility and screening requirements discussed elsewhere in this chapter. If the returning family member is deemed eligible according to program guidelines, the voucher size will be increased at the families first regularly scheduled annual recertification, or when the family moves to a new unit, whichever comes first.

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¶

3-I.M. LIVE-IN AIDE

Live-in aide means a person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who: (1) is determined to be essential to the care and well-being of the persons, (2) is not obligated for the support of the persons, and (3) would not be living in the unit except to provide the necessary supportive services [24 CFR 5.403].

The HA must approve a live-in aide if needed as a reasonable accommodation in accordance with 24 CFR 8, to make the program accessible to and usable by the family member with disabilities.

A live-in aide is a member of the household, not the family, and the income of the aide is not considered in income calculations [24 CFR 5.609(b)]. Relatives may be approved as live-in aides if they meet all of the criteria defining a live-in aide. However, a relative who serves as a live-in aide is not considered a family member and would not be considered a remaining member of a tenant family.

HA Policy

A family's request for a live-in aide must be made in writing. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or case worker, that the live-in aide is essential for the care and well-being of the elderly, near-elderly, or disabled family member.

In addition, the family and live-in aide will be required to submit a certification stating that the live-in aide is (1) not obligated for the support of the person(s) needing the care,

and (2) would not be living in the unit except to provide the necessary supportive services.

The HA will not approve a particular person as a live-in aide, and may withdraw such approval if [24 CFR 982.316(b)]:

The person commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;

The person commits drug-related criminal activity or violent criminal activity; or

The person currently owes rent or other amounts to the HA or to another HA in connection with Section 8 or public housing assistance under the 1937 Act.

The HA will notify the family of its decision in writing, within a reasonable time of receiving a request for a live-in aide, including all required documentation related to the request.

PART II: BASIC ELIGIBILITY CRITERIA

3-II.A. INCOME ELIGIBILITY AND TARGETING

Income Limits

HUD is required by law to set income limits that determine the eligibility of applicants for HUD's assisted housing programs, including the housing choice voucher program. The income limits are published annually and are based on HUD estimates of median family income in a particular area or county, with adjustments for family size.

Types of Low-Income Families

Low-income family. A family whose annual income does not exceed 80 percent of the median income for the area, adjusted for family size.

Very low-income family. A family whose annual income does not exceed 50 percent of the median income for the area, adjusted for family size.

Extremely low-income family. A family whose annual income does not exceed 30 percent of the median income for the area, adjusted for family size.

HUD may establish income ceilings higher or lower than 30, 50, or 80 percent of the median income for an area if HUD finds that such variations are necessary because of unusually high or low family incomes.

Using Income Limits for Eligibility [24 CFR 982.201]

Income limits are used for eligibility only at admission. Eligibility is established by comparing a family's annual income with HUD's published income limits. To be income-eligible, a family must be one of the following:

- A *very low-income* family
- A *low-income* family that has been "continuously assisted" under the 1937 Housing Act. A family is considered to be continuously assisted if the family is already receiving assistance under any 1937 Housing Act program at the time the family is admitted to the HCV program [24 CFR 982.4]

HA Policy

The HA will consider a family to be continuously assisted if the family was leasing a unit under any 1937 Housing Act program at the time they were issued a voucher by the HA.

- A low-income family that qualifies for voucher assistance as a non-purchasing household living in HOPE 1 (public housing homeownership), HOPE 2 (multifamily housing homeownership) developments, or other HUD-assisted multifamily homeownership programs covered by 24 CFR 248.173
- A low-income or moderate-income family that is displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract on eligible low-income housing as defined in 24 CFR 248.101

HUD permits the HA to establish additional categories of low-income families that may be determined eligible. The additional categories must be consistent with the HA plan and the consolidated plans for local governments within the HA's jurisdiction.

HA Policy

The HA has not established any additional categories of eligible low-income families.

Using Income Limits for Targeting [24 CFR 982.201]

At least 75 percent of the families admitted to the HA's program during a HA fiscal year must be extremely low-income families. HUD may approve exceptions to this requirement if the HA demonstrates that it has made all required efforts, but has been unable to attract an adequate number of qualified extremely low-income families.

Families continuously assisted under the 1937 Housing Act and families living in eligible low-income housing that are displaced as a result of prepayment of a mortgage or voluntary termination of a mortgage insurance contract are not subject to the 75 percent restriction.

3-II.B. CITIZENSHIP OR ELIGIBLE IMMIGRATION STATUS [24 CFR 5, Subpart E]

Housing assistance is available only to individuals who are U.S. citizens, U.S. nationals (herein referred to as citizens and nationals), or noncitizens that have eligible immigration status. At least one family member must be a citizen, national, or noncitizen with eligible immigration status in order for the family to qualify for any level of assistance.

All applicant families must be notified of the requirement to submit evidence of their citizenship status when they apply. Where feasible, and in accordance with the HA's Limited English Proficiency Plan, the notice must be in a language that is understood by the individual if the individual is not proficient in English.

Declaration [24 CFR 5.508]

HUD requires each family member to declare whether the individual is a citizen, a national, or an eligible noncitizen, except those members who elect not to contend that they have eligible immigration status. Those who elect not to contend their status are considered to be ineligible noncitizens. For citizens, nationals and eligible noncitizens the declaration must be signed personally by the head, spouse, co head, and any other family member 18 or older, and by a parent or guardian for minors. The family must identify in writing any family members who elect not to contend their immigration status (see Ineligible Noncitizens below). No declaration is required for live-in aides, foster children, or foster adults.

U.S. Citizens and Nationals

In general, citizens and nationals are required to submit only a signed declaration that claims their status. However, HUD regulations permit the HA to request additional documentation of their status, such as a passport.

HA Policy

Family members who declare citizenship or national status will not be required to provide additional documentation unless the HA receives information indicating that an individual's declaration may not be accurate.

Eligible Noncitizens

In addition to providing a signed declaration, those declaring eligible noncitizen status must sign a verification consent form and cooperate with HA efforts to verify their immigration status as described in Chapter 7. The documentation required for establishing eligible noncitizen status varies depending upon factors such as the date the person entered the U.S., the conditions under which eligible immigration status has been granted, the person's age, and the date on which the family began receiving HUD-funded assistance.

Lawful residents of the Marshall Islands, the Federated States of Micronesia, and Palau, together known as the Freely Associated States, or FAS, are eligible for housing assistance under section 141 of the Compacts of Free Association between the U.S. Government and the Governments of the FAS [Public Law 106-504].

Ineligible Noncitizens

Those noncitizens who do not wish to contend their immigration status are required to have their names listed on a noncontending family members listing, signed by the head, spouse, or co head (regardless of citizenship status), indicating their ineligible immigration status. The HA is not required to verify a family member's ineligible status and is not required to report an individual's unlawful presence in the U.S. to the United States Citizenship and Immigration Services (USCIS).

Providing housing assistance to noncitizen students is prohibited [24 CFR 5.522]. This prohibition extends to the noncitizen spouse of a noncitizen student as well as to minor children who accompany or follow to join the noncitizen student. Such prohibition does not extend to the citizen spouse of a noncitizen student or to the children of the citizen spouse and noncitizen student. Such a family is eligible for prorated assistance as a mixed family.

Mixed Families

A family is eligible for assistance as long as at least one member is a citizen, national, or eligible noncitizen. Families that include eligible and ineligible individuals are considered *mixed families*. Such families will be given notice that their assistance will be prorated, and that they may request a hearing if they contest this determination. See Chapter 6 for a discussion of how rents are prorated, and Chapter 16 for a discussion of informal hearing procedures.

Ineligible Families [24 CFR 5.514(d), (e), and (f)]

A HA may elect to provide assistance to a family before the verification of the eligibility of the individual or one family member [24 CFR 5.512(b)]. Otherwise, no individual or family may be assisted prior to the affirmative establishment by the HA that the individual or at least one family member is eligible [24 CFR 5.512(a)].

HA Policy

The HA will not provide assistance to a family before the verification of at least one family member.

When a HA determines that an applicant family does not include any citizens, nationals, or eligible noncitizens, following the verification process, the family will be sent a written notice within 10 business days of the determination.

The notice will explain the reasons for the denial of assistance, that the family may be eligible for proration of assistance, and will advise the family of its right to request an appeal to the United States Citizenship and Immigration Services (USCIS), or to request an informal hearing with the HA. The informal hearing with the HA may be requested in lieu of the USCIS appeal, or at the conclusion of the USCIS appeal process. The notice must also inform the applicant family that assistance may not be delayed until the conclusion of the USCIS appeal process, but that it may be delayed pending the completion of the informal hearing process.

Informal hearing procedures are contained in Chapter 19 of this Administrative Plan.

Timeframe for Determination of Citizenship Status [24 CFR 5.508(g)]

For new occupants joining the assisted family the HA must verify status at the first interim or regular reexamination following the person's occupancy, whichever comes first.

If an individual qualifies for a time extension for the submission of required documents, the HA must grant such an extension for no more than 30 days [24 CFR 5.508(h)].

Each family member is required to submit evidence of eligible status only one time during continuous occupancy.

HA Policy

The HA will verify the status of applicants at the time other eligibility factors are determined.

3-II.C. SOCIAL SECURITY NUMBERS [24 CFR 5.216 and 5.218]

For every family member age 6 or older the family must provide documentation of a valid Social Security Number (SSN) or a certification stating that no SSN has been issued. If a family member who is required to execute a certification is less than 18 years old, the certification must be executed by the individual's parent or guardian [24 CFR 5.216(j)]. Assistance cannot be provided to a family until all SSN documentation requirements are met. A detailed discussion of acceptable documentation is provided in Chapter 7.

If a new member who is at least six years of age is added to the family, the new member's SSN documentation must be submitted at the family's next interim or regular reexamination, whichever comes first. If any member of the family who is at least six years of age obtains a previously undisclosed SSN, or has been assigned a new SSN, the documentation must be submitted at the family's next regularly scheduled reexamination.

The HA must deny assistance to an applicant family if they do not meet the SSN disclosure, documentation and verification, and certification requirements contained in 24 CFR 5.216.

3-II.D. FAMILY CONSENT TO RELEASE OF INFORMATION [24 CFR 5.230, HCV GB, p. 5-13]

HUD requires each adult family member, and the head of household, spouse, or co head, regardless of age, to sign form HUD-9886, Authorization for the Release of Information/

Privacy Act Notice, and other consent forms as needed to collect information relevant to the family's eligibility and level of assistance. Chapter 7 provides detailed information concerning the consent forms and verification requirements.

The HA must deny admission to the program if any member of the applicant family fails to sign and submit the consent forms for obtaining information in accordance with 24 CFR 5, Subparts B and F [24 CFR 982.552(b)(3)].

PART III: DENIAL OF ASSISTANCE

3-III.A. OVERVIEW

A family that does not meet the following eligibility criteria discussed in Parts I and II, must be denied assistance.

In addition, HUD requires or permits the HA to deny assistance based on certain types of current or past behaviors of family members.

Forms of Denial [24 CFR 982.552(a)(2); HCV GB, p. 5-35]

Denial of assistance includes any of the following:

- Not placing the family's name on the waiting list,
- Denying or withdrawing a voucher,
- Not approving a request for tenancy or refusing to enter into a HAP contract, or
- Refusing to process a request for or to provide assistance under portability procedures.
- Removal of the family's name from the waiting list, or
- Refusal to schedule an eligibility interview once a family's name has been selected from the waiting list.

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Prohibited Reasons for Denial of Assistance [24 CFR 982.202(b)]

HUD rules prohibit denial of assistance to the program based on any of the following criteria:

- Age, disability, race, color, religion, sex, or national origin. (See Chapter 2 for additional information about fair housing and equal opportunity requirements.)
- Where a family lives prior to admission to the program
- Where the family will live with assistance under the program. Although eligibility is not affected by where the family will live, there may be restrictions on the family's ability to move outside the HA's jurisdiction (See Chapter 13, for portability requirements.)
- Whether members of the family are unwed parents, recipients of public assistance, or children born out of wedlock
- Whether the family includes children
- Whether a family decides to participate in a family self-sufficiency program

3-III.B. MANDATORY DENIAL OF ASSISTANCE [24 CFR 982.553(a)]

HUD requires the HA to deny assistance in the following cases:

- Any member of the household has been evicted from federally-assisted housing in the last 3 years for drug-related criminal activity. HUD permits but does not require the HA to admit an otherwise-eligible family if the household member has completed a HA-approved drug rehabilitation program or the circumstances which led to eviction no longer exist (e.g. the person involved in the criminal activity no longer lives in the household).

HA Policy

The HA will admit an otherwise-eligible family who was evicted from federally-assisted housing within the past 3 years for drug-related criminal activity, if the HA is able to verify that the household member who engaged in the criminal activity has completed a supervised drug rehabilitation program approved by the HA, or the person who committed the crime, is no longer living in the household.

- The HA determines that any household member is currently engaged in the use of illegal drugs.

HA Policy

Currently engaged in is defined as any use of illegal drugs during the previous twelve months, or pattern of drug use over the last five years.

- The HA has reasonable cause to believe that any household member's current use or pattern of use of illegal drugs, or current abuse or pattern of abuse of alcohol, may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

HA Policy

In determining reasonable cause, the HA will consider all credible evidence, including but not limited to, any record of convictions, arrests, or evictions of household members related to the use of illegal drugs or the abuse of alcohol.

- Any household member has ever been convicted of drug-related criminal activity for the production or manufacture of methamphetamine on the premises of federally assisted housing
- Any household member is subject to a lifetime registration requirement under a state sex offender registration program

3-III.C. OTHER PERMITTED REASONS FOR DENIAL OF ASSISTANCE

HUD permits, but does not require the HA to deny assistance for the reasons discussed in this section.

Criminal Activity [24 CFR 982.553]

HUD permits, but does not require, the HA to deny assistance if the HA determines that any household member is currently engaged in, or has engaged in during a reasonable time before the family would receive assistance, certain types of criminal activity.

HA Policy

If any household member is currently engaged in, or has engaged in any of the following criminal activities, within the past five years, the family will be denied assistance.

Drug-related criminal activity, defined by HUD as the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug [24 CFR 5.100].

Violent criminal activity, defined by HUD as any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to

cause, or be reasonably likely to cause, serious bodily injury or property damage [24 CFR 5.100].

Criminal activity that may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity; or

Criminal activity that may threaten the health or safety of property owners and management staff, and persons performing contract administration functions or other responsibilities on behalf of the HA (including a HA employee or a HA contractor, subcontractor, or agent).

Immediate vicinity means within a three-block radius of the premises.

Evidence of such criminal activity includes, but is not limited to:

Conviction for drug-related or violent criminal activity within the past 5 years.

Any arrests for drug-related or violent criminal activity within the past 5 years.

Any record of eviction from public or privately-owned housing as a result of criminal activity within the past 5 years.

In making its decision to deny assistance, the HA will consider the factors discussed in Section 3-III.E. Upon consideration of such factors, the HA may, on a case-by-case basis, and upon receipt of verifiable documentation, decide not to deny assistance.

Previous Behavior in Assisted Housing [24 CFR 982.552(c)]

HUD authorizes the HA to deny assistance based on the family's previous behavior in assisted housing:

HA Policy

The HA **will not** deny assistance to an otherwise eligible family because the family previously failed to meet its obligations under the Family Self-Sufficiency (FSS) program or the Welfare to Work voucher program.

The HA **will** deny assistance to an applicant family if:

The family does not provide information that the HA or HUD determines is necessary in the administration of the program.

The family does not provide complete and true information to the HA.

Any family member has been evicted from federally-assisted housing in the last five years.

Any HA has ever terminated assistance under the program for any member of the family.

Any family member has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program.

The family owes rent or other amounts to any HA in connection with the HCV, Certificate, Moderate Rehabilitation or public housing programs, unless the family repays the full amount of the debt prior to being selected from the waiting list.

If the family has not reimbursed any HA for amounts the HA paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease, unless the family repays the full amount of the debt prior to being selected from the waiting list.*

The family has breached the terms of a repayment agreement entered into with the HA, unless the family repays the full amount of the debt covered in the repayment agreement prior to being selected from the waiting list.*

*The family will be exempted from repaying any debt whose statute of limitations has passed.

A family member has engaged in or threatened violent or abusive behavior toward HA personnel.

Abusive or violent behavior towards HA personnel includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior.

Threatening refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

Prior to denial of assistance, the family will receive notice describing the VHA proposed action, and will be entitled to an Informal Review in order to submit evidence rebutting the allegation. In making its decision to deny assistance, the HA will consider the factors discussed in Section 3-III.E. Upon consideration of such factors, the HA may, on a case-by-case basis, decide not to deny assistance.

3-III.D. SCREENING

Screening for Eligibility

HA's are authorized to obtain criminal conviction records from law enforcement agencies to screen applicants for admission to the HCV program. This authority assists the HA in complying with HUD requirements and HA policies to deny assistance to applicants who are engaging in or have engaged in certain criminal activities. In order to obtain access to the records the HA must require every applicant family to submit a consent form signed by each adult household member [24 CFR 5.903].

HA's are required to perform criminal background checks necessary to determine whether any household member is subject to a lifetime registration requirement under a state sex offender program in the state where the housing is located, as well as in any other state where a household member is known to have resided [24 CFR 982.553(a)(2)(i)].

If the HA proposes to deny assistance based on a criminal record or on lifetime sex offender registration information, the HA must notify the household of the proposed action and must provide the subject of the record and the applicant a copy of the record and an opportunity to dispute the accuracy and relevance of the information prior to a denial of admission. [24 CFR 5.903(f) and 5.905(d)].

Screening for Suitability as a Tenant [24 CFR 982.307]

The HA has no liability or responsibility to the owner for the family's behavior or suitability for tenancy. The HA may opt to conduct additional screening to determine whether an applicant is likely to be a suitable tenant.

HA Policy

The HA will always conduct a criminal background check and registered sex offender check for all adult applicants. The HA will not conduct additional screening to determine an applicant family's suitability for tenancy.

The owner is responsible for screening and selection of the family to occupy the owner's unit. The HA must inform the owner that screening and selection for tenancy is the responsibility of the owner. An owner may consider a family's history with respect to factors such as: payment of rent and utilities, caring for a unit and premises, respecting the rights of other residents to the peaceful enjoyment of their housing, criminal activity that is a threat to the health, safety or property of others, and compliance with other essential conditions of tenancy.

HUD requires the HA to provide prospective owners with the family's current and prior address (as shown in HA records) and the name and address (if known) of the owner at the family's current and prior addresses. HUD permits the HA to provide owners with additional information, as long as families are notified that the information will be provided, and the same type of information is provided to all owners.

HA Policy

The HA will inform owners of their responsibility to screen prospective tenants, and will provide owners with the required known name and address information of previous owners, at the prospective owners request. Any HA staff member may provide any additional information to the owner, such as tenancy history, criminal history, inspection history, etc., after reviewing the tenant's file. The HA will not provide information to owners which is prohibited under the Privacy Act (5 U.S.C. 552a).

3-III.E. CRITERIA FOR DECIDING TO DENY ASSISTANCE

Evidence [24 CFR 982.553(c)]

HA Policy

The HA will use the concept of the preponderance of the evidence as the standard for making all admission decisions.

Preponderance of the evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not.

Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

Consideration of Circumstances [24 CFR 982.552(c)(2)]

HUD authorizes the HA to consider all relevant circumstances when deciding whether to deny assistance based on a family's past history except in the situations for which denial of assistance is mandated (see Section 3-III.B).

HA Policy

The HA will consider the following factors when making its decision:

The seriousness of the case, especially with respect to how it would affect other residents

The effects that denial of assistance may have on other members of the family who were not involved in the action or failure

The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities

The length of time since the violation occurred, the family's recent history and the likelihood of favorable conduct in the future

In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully

The HA will require the applicant to submit evidence of the household member's current participation in or successful completion of a supervised drug or alcohol rehabilitation program, or evidence of otherwise having been rehabilitated successfully.

Removal of a Family Member's Name from the Application [24 CFR 982.552(c)(2)(ii)]

HUD permits HAs to impose as a condition of admission, a requirement that family members who participated in or were culpable for an action or failure to act which results in the denial of assistance, to not reside in the unit.

HA Policy

As a condition of receiving assistance, a family may agree to remove the culpable family member from the application. In such instances, the head of household must certify that the family member will not be permitted to visit or to stay as a guest in the assisted unit.

After admission to the program, the family must present evidence of the former family member's current address upon HA request.

Reasonable Accommodation [24 CFR 982.552(c)(2)(iv)]

If the family includes a person with disabilities, the HA's decision concerning denial of admission is subject to consideration of reasonable accommodation in accordance with 24 CFR Part 8.

HA Policy

If the family indicates that the behavior of a family member with a disability is the reason for the proposed denial of assistance, the HA will determine whether the behavior is related to the disability. If so, upon the family's written request, the HA will determine

whether alternative measures are appropriate as a reasonable accommodation. The HA will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed denial of assistance. See Chapter 2 for a discussion of reasonable accommodation.

3-III.F. NOTICE OF ELIGIBILITY OR DENIAL

Eligible for Assistance

If the family is eligible for assistance, the HA will notify the family when it extends the invitation to attend the voucher briefing appointment.

If the HA determines that a family is not eligible for the program for any reason, the family must be notified promptly. The notice must describe (1) the reasons for which assistance has been denied (2) the family's right to an informal review, and (3) the process for obtaining the informal review [24 CFR 982.554 (a)]. See Chapter 15, for informal review policies and procedures.

If a criminal record is the basis of the denial, a copy of the record must accompany the notice. In addition, a copy of the criminal record must be provided to the subject of the record [24 CFR 982.553(d)].

Notice requirements related to denying assistance to noncitizens are contained in Section 3-II.B.

HA Policy

The family will be notified of a decision to deny assistance in writing within 10 business days of the determination. The family will have 10 business days from the notice to deny assistance to request and informal review.

EXHIBIT 3-1: DETAILED DEFINITIONS RELATED TO DISABILITIES

Person with Disabilities [24 CFR 5.403]

The term *person with disabilities* means a person who has any of the following types of conditions:

- Has a disability, as defined in 42 U.S.C. Section 423(d)(1)(A), which reads:

Inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months; *or*

In the case of an individual who has attained the age of 55 and is blind (within the meaning of “blindness” as defined in section 416(i)(1) of this title), inability by reason of such blindness to engage in substantial gainful activity, requiring skills or ability comparable to those of any gainful activity in which he has previously engaged with some regularity and over a substantial period of time.
- Has a developmental disability as defined in the Developmental Disabilities Assistance and Bill of Rights Act [42 U.S.C.6001(8)], which defines developmental disability in functional terms as:

A severe, chronic disability of a person 5 years of age or older which:

 - Is attributable to a mental or physical impairment or combination of mental and physical impairments;
 - Is manifested before the person attains age twenty-two;
 - Is likely to continue indefinitely;
 - Results in substantial functional limitations in three or more of the following areas of major life activity: (i) self-care, (ii) receptive and responsive language, (iii) learning, (iv) mobility, (v) self-direction, (vi) capacity for independent living, and (vii) economic self-sufficiency; *and*
 - Reflects the person’s need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services which are of lifelong or extended duration and are individually planned and coordinated; except that such term, when applied to infants and young children, means individuals from birth to age 5, inclusive, who have substantial developmental delay or specific congenital or acquired conditions with a high probability of resulting in developmental disabilities if services are not provided.”
- Has a physical, mental, or emotional impairment that is expected to be of long-continued and indefinite duration; substantially impedes his or her ability to live independently, and is of such a nature that the ability to live independently could be improved by more suitable housing conditions.

People with the acquired immunodeficiency syndrome (AIDS) or any conditions arising from the etiologic agent for AIDS are not excluded from this definition.

A person whose disability is based solely on any drug or alcohol dependence does not qualify as a person with disabilities for the purposes of this program.

For purposes of reasonable accommodation and program accessibility for persons with disabilities, the term person with disabilities refers to an individual with handicaps.

Individual with Handicaps [24 CFR 8.3]

Individual with handicaps means any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such an impairment; or is regarded as having such an impairment. The term does not include any individual who is an alcoholic or drug abuser whose current use of alcohol or drugs prevents the individual from participating in the program or activity in question, or whose participation, by reason of such current alcohol or drug abuse, would constitute a direct threat to property or the safety of others. As used in this definition, the phrase:

- (1) Physical or mental impairment includes:
 - (a) Any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and lymphatic; skin; and endocrine; or
 - (b) Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term physical or mental impairment includes, but is not limited to, such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.
- (2) *Major life activities* means functions such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning and working.
- (3) Has a record of such an impairment means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major life activities.
- (4) *Is regarded as having an impairment* means:
 - (a) Has a physical or mental impairment that does not substantially limit one or more major life activities but that is treated by a recipient as constituting such a limitation;
 - (b) Has a physical or mental impairment that substantially limits one or more major life activities only as a result of the attitudes of others toward such impairment; or
 - (c) Has none of the impairments defined in paragraph (1) of this section but is treated by a recipient as having such an impairment.

ATTACHMENT "C"

Chapter 4

(Revised and Approved by Housing Authority Resolution #_____, on _____)

APPLICATIONS, WAITING LIST AND TENANT SELECTION

INTRODUCTION

When a family wishes to receive Section 8 Housing Choice Voucher (HCV) assistance, the family must submit an application that provides the Vallejo Housing Authority (VHA) with the information needed to determine the family's eligibility. HUD requires the VHA to place all families that apply for assistance on a waiting list. When HCV assistance becomes available, the VHA must select families from the waiting list in accordance with HUD requirements and VHA policies as stated in the administrative plan and the annual plan.

The VHA is required to adopt a clear approach to accepting applications, placing families on the waiting list, selecting families from the waiting list and must follow this approach consistently. The actual order in which families are selected from the waiting list can be affected if a family has certain characteristics designated by HUD or the VHA to receive preferential treatment. Funding earmarked exclusively for families with particular characteristics may also alter the order in which families are served.

HUD regulations require that all families have an equal opportunity to apply for and receive housing assistance, and that the VHA affirmatively further fair housing goals in the administration of the program [24 CFR 982.53, HCV GB p. 4-1]. Adherence to the selection policies described in this chapter ensures that the VHA will be in compliance with all relevant fair housing requirements, as described in Chapter 2.

This chapter describes HUD and VHA policies for taking applications, managing the waiting list and selecting families for HCV assistance. The policies outlined in this chapter are organized into three sections, as follows:

Part I: The Application Process. This part provides an overview of the application process, and discusses how applicants can obtain and submit applications. It also specifies how the VHA will handle the applications it receives.

Part II: Managing the Waiting List. This part presents the policies that govern how the VHA's waiting list is structured, when it is opened and closed, and how the public is notified of the opportunity to apply for assistance. It also discusses the process the VHA will use to keep the waiting list current.

Part III: Selection for HCV Assistance. This part describes the policies that guide the VHA in selecting families for HCV assistance as such assistance becomes available. It also specifies how in-person interviews will be used to ensure that the VHA has the information needed to make a final eligibility determination.

PART I: THE APPLICATION PROCESS

4-I.A. OVERVIEW

This part describes the policies that guide the VHA's efforts to distribute and accept applications, and to make preliminary determinations of applicant family eligibility that affect placement of the family on the waiting list. This part also describes the VHA's obligation to ensure the accessibility of the application process to elderly persons, people with disabilities, and people with limited English proficiency (LEP).

4-I.B. APPLYING FOR ASSISTANCE [HCV GB, pp. 4-11 – 4-16]

Any family that wishes to receive HCV assistance must apply for admission to the program. HUD permits the VHA to determine the format and content of HCV applications, as well how such applications will be made available to interested families and how applications will be accepted by the VHA.

VHA Policy

A two-step process will be used to select families from the waiting list. Under the two-step application process, the VHA initially will require families to provide only the information needed to make an initial assessment of the family's eligibility, and to determine the family's placement on the waiting list. The family will be required to provide all of the information necessary to establish family eligibility and level of assistance when the family is selected from the waiting list.

Families may obtain application forms from the VHA's office during normal business hours, when the waiting list is open. Applications will also be available on the VHA's website, at www.ci.vallejo.ca.us, when the waiting list is open. Families may also request – by telephone or by e mail – that a form be sent to the family via first class mail to accommodate persons with disabilities.

The VHA may elect to use a third party consultant to open the waiting list and accept applications. In such cases, all relevant information, including the consultants contact information, will be provided by public notice, and published in the Vallejo Times Herald. A toll free number will be established to field applicant questions.

Completed applications must be returned to the VHA, or a designated post office box, by mail. Applications must be complete in order to be accepted by the VHA for processing. If an application is incomplete, or illegible, the application will not be included on the waiting list.

4-I.C. ACCESSIBILITY OF THE APPLICATION PROCESS

Elderly and Disabled Populations [24 CFR 8 and HCV GB, pp. 4-11 – 4-13]

The VHA must take a variety of steps to ensure that the application process is accessible to those people who might have difficulty complying with the normal, standard VHA application process. This could include people with disabilities, certain elderly individuals, as well as persons with

limited English proficiency (LEP). The VHA must provide reasonable accommodation to the needs of individuals with disabilities. The application-taking facility and the application process must be fully accessible, or the VHA must provide an alternate approach that provides full access to the application process. Chapter 2 provides a full discussion of the VHA's policies related to providing reasonable accommodations for people with disabilities.

Limited English Proficiency

PHAs are required to take reasonable steps to ensure meaningful access to their programs and activities by persons with limited English proficiency [24 CFR 1]. Chapter 2 provides a full discussion on the VHA's policies related to ensuring access to people with limited English proficiency (LEP).

4-I.D. PLACEMENT ON THE WAITING LIST

The VHA must review each complete application received and make a preliminary assessment of the family's eligibility. The VHA must accept applications from families for whom the list is open unless there is good cause for not accepting the application (such as denial of assistance) for the grounds stated in the regulations [24 CFR 982.206(b)(2)]. Where the family is determined to be ineligible, the VHA must notify the family in writing [24 CFR 982.201(f)]. Where the family is not determined to be ineligible, the family will be placed on a waiting list of applicants.

No applicant has a right or entitlement to be listed on the waiting list, or to any particular position on the waiting list [24 CFR 982.202(c)].

Ineligible for Placement on the Waiting List

VHA Policy

If the VHA can determine from the information provided that a family is ineligible, the family will not be placed on the waiting list. Where a family is determined to be ineligible, the VHA will send written notification of the ineligibility determination within 60 days of receiving a complete application. The notice will specify the reasons for ineligibility, and will inform the family of its right to request an informal review and explain the process for doing so (see Chapter 16).

Eligible for Placement on the Waiting List

VHA Policy

The VHA will send written notification of the preliminary eligibility determination within 60 days of receiving a complete application.

Placement on the waiting list does not indicate that the family is, in fact, eligible for assistance. A final determination of eligibility will be made when the family is selected from the waiting list.

Applicants will be placed on the waiting list according to any preference(s) for which they qualify, and the date and time their complete application is received by the VHA.

PART II: MANAGING THE WAITING LIST

4-II.A. OVERVIEW

The VHA must have policies regarding various aspects of organizing and managing the waiting list of applicant families. This includes opening the list to new applicants, closing the list to new applicants, notifying the public of waiting list openings and closings, updating waiting list information, purging the list of families that are no longer interested in or eligible for assistance, as well as conducting outreach to ensure a sufficient number of applicants.

In addition, HUD imposes requirements on how a VHA may structure its waiting list and how families must be treated if they apply for assistance from a VHA that administers more than one assisted housing program.

4-II.B. ORGANIZATION OF THE WAITING LIST [24 CFR 982.204 and 205]

The VHA's HCV waiting list must be organized in such a manner to allow the VHA to accurately identify and select families for assistance in the proper order, according to the admissions policies described in this plan.

The waiting list must contain the following information for each applicant listed:

- Applicant name;
- Family unit size;
- Date and time of application;
- Qualification for any local preference;
- Racial or ethnic designation of the head of household.

HUD requires the VHA to maintain a single waiting list for the HCV program unless it serves more than one county or municipality. Such PHAs are permitted, but not required, to maintain a separate waiting list for each county or municipality served.

VHA Policy

The VHA will maintain a single waiting list for the HCV program, and a separate waiting list for the Project Based Voucher program.

HUD directs that a family that applies for assistance from the HCV program must be offered the opportunity to be placed on the waiting list for any public housing, project-based voucher or moderate rehabilitation program the VHA operates if 1) the other programs' waiting lists are open, and 2) the family is qualified for the other programs.

HUD permits, but does not require, that PHAs maintain a single merged waiting list for their public housing, Section 8, and other subsidized housing programs.

A family's decision to apply for, receive, or refuse other housing assistance must not affect the family's placement on the HCV waiting list, or any preferences for which the family may qualify.

VHA Policy

The VHA will not merge the HCV waiting list with the waiting list for any other program the VHA operates.

4-II.C. OPENING AND CLOSING THE WAITING LIST [24 CFR 982.206]

Closing the Waiting List

A VHA is permitted to close the waiting list if it has an adequate pool of families to use its available HCV assistance. Alternatively, the VHA may elect to continue to accept applications only from certain categories of families that meet particular preferences or funding criteria.

VHA Policy

Following the initial application intake in January 2007, the VHA will keep the waiting list open indefinitely. Applications will be accepted once per week. The day and times of application intake will be announced by public notice in the Vallejo Times Herald.

Applications will be accepted in person only, after the initial application intake period in January 2007.

Reopening the Waiting List

If the waiting list has been closed, it cannot be reopened until the VHA publishes a notice in local newspapers of general circulation, minority media, and other suitable media outlets. The notice must comply with HUD fair housing requirements and must specify who may apply, and where and when applications will be received.

VHA Policy

The VHA will announce the reopening of the waiting list at least 10 business days prior to the date applications will first be accepted. If the list is only being reopened for certain categories of families, this information will be contained in the notice.

The VHA will give public notice by publishing the relevant information in suitable media outlets including, but not limited to: The Vallejo Times Herald, and the City of Vallejo website at www.ci.vallejo.ca.us.

4-II.D. FAMILY OUTREACH [HCV GB, pp. 4-2 to 4-4]

The VHA must conduct outreach as necessary to ensure that the VHA has a sufficient number of applicants on the waiting list to use the HCV resources it has been allotted.

Because HUD requires the VHA to serve a specified percentage of extremely low income families (see Chapter 4, Part III), the VHA may need to conduct special outreach to ensure that an adequate number of such families apply for assistance [HCV GB, p. 4-20 to 4-21].

VHA outreach efforts must comply with fair housing requirements. This includes:

- Analyzing the housing market area and the populations currently being served to identify underserved populations
- Ensuring that outreach efforts are targeted to media outlets that reach eligible populations that are underrepresented in the program
- Avoiding outreach efforts that prefer or exclude people who are members of a protected class

VHA outreach efforts must be designed to inform qualified families about the availability of assistance under the program. These efforts may include, as needed, any of the following activities:

- Submitting press releases to local newspapers, including minority newspapers
- Developing informational materials and flyers to distribute to other agencies
- Providing application forms to other public and private agencies that serve the low income population
- Developing partnerships with other organizations that serve similar populations, including agencies that provide services for persons with disabilities

VHA Policy

The VHA will monitor the characteristics of the population being served and the characteristics of the population as a whole in the VHA's jurisdiction. Targeted outreach efforts will be undertaken if a comparison suggests that certain populations are being underserved.

4-II.E. REPORTING CHANGES IN FAMILY CIRCUMSTANCES

VHA Policy

While the family is on the waiting list, the family must immediately inform the VHA of changes in contact information, including current residence, mailing address, and phone number. The changes must be submitted in writing.

4-II.F. UPDATING THE WAITING LIST [24 CFR 982.204]

HUD requires the VHA to establish policies to use when removing applicant names from the waiting list.

Purging the Waiting List

The decision to withdraw an applicant family that includes a person with disabilities from the waiting list is subject to reasonable accommodation. If the applicant did not respond to a VHA request for information or updates because of the family member's disability, the VHA must reinstate the applicant family to their former position on the waiting list [24 CFR 982.204(c)(2)].

VHA Policy

The waiting list will be updated annually to ensure that all applicants and applicant information is current and timely.

To update the waiting list, the VHA will send an update request via first class mail to each family on the waiting list to determine whether the family continues to be interested in, and to qualify for, the program. This update request will be sent to the last address that the VHA has on record for the family. The update request will provide a deadline by which the family must respond and will state that failure to respond may result in the applicant's name being removed from the waiting list.

Deleted: will

The family's response must be in writing and may be delivered in person, by mail, or by fax, and must be legible. Responses should be postmarked or received by the VHA not later than 15 business days from the date of the VHA letter.

If the family fails to respond within 15 business days, the family will remain on the waiting list under the next update occurs. A family failing to respond to two consecutive updates will be removed from the waiting list. A notice will be mailed to the last known address on file with the VHA, providing the applicant with an opportunity for an Informal Review. The Informal Review must be scheduled within 10 days of the date of the notice.

Deleted: will be removed from the waiting list without further notice.

If the notice is returned by the post office with no forwarding address, the applicant will be mailed a notice, to the last known add address on file with the VHA, providing the applicant with an opportunity for an Informal Review. The Informal Review must be scheduled within 10 days of the date of the notice.

Deleted: removed from the waiting list without further notice

If the notice is returned by the post office with a forwarding address, the notice will be re-sent to the address indicated. The family will have 15 business days to respond from the date the letter was re-sent.

If a family is removed from the waiting list for failure to respond, the Executive Director, or his/her designee, may reinstate the family if s/he determines the lack of response was due to VHA error, or to circumstances beyond the family's control.

Removal from the Waiting List

VHA Policy

If at any time an applicant family is on the waiting list, the VHA determines that the family is not eligible for assistance (see Chapter 3), the family will be removed from the waiting list.

If a family is removed from the waiting list because the VHA has determined the family is not eligible for assistance, a notice will be sent to the family's address of record as well as to any alternate address provided on the initial application. The notice will state the reasons the family was removed from the waiting list and will inform the family how to request an informal review regarding the VHA's decision (see Chapter 16) [24 CFR 982.201(f)].

PART III: SELECTION FOR HCV ASSISTANCE

4-III.A. OVERVIEW

As vouchers become available, families on the waiting list must be selected for assistance in accordance with the policies described in this part.

The order in which families receive assistance from the waiting list depends on the selection method chosen by the VHA and is impacted in part by any selection preferences that the family qualifies for. The source of HCV funding also may affect the order in which families are selected from the waiting list.

The VHA must maintain a clear record of all information required to verify that the family is selected from the waiting list according to the VHA's selection policies [24 CFR 982.204(b) and 982.207(e)].

4-III.B. SELECTION AND HCV FUNDING SOURCES

Special Admissions [24 CFR 982.203]

HUD may award funding for specifically-named families living in specified types of units (e.g., a family that is displaced by demolition of public housing; a non-purchasing family residing in a HOPE 1 or 2 projects). In these cases, the VHA may admit families that are not on the waiting list, or without considering the family's position on the waiting list. The VHA must maintain records showing that such families were admitted with special program funding.

Targeted Funding [24 CFR 982.204(e)]

HUD may award a VHA funding for a specified category of families on the waiting list. The VHA must use this funding only to assist the families within the specified category. Within this category of families, the order in which such families are assisted is determined according to the policies provided in Section 4-III.C.

VHA Policy

The VHA does not administer targeted funding at this time.

Regular HCV Funding

Regular HCV funding may be used to assist any eligible family on the waiting list. Families are selected from the waiting list according to the policies provided in Section 4-III.C.

4-III.C. SELECTION METHOD

PHAs must describe the method for selecting applicant families from the waiting list, including the system of admission preferences that the VHA will use [24 CFR 982.202(d)].

Local Preferences [24 CFR 982.207; HCV p. 4-16]

PHAs are permitted to establish local preferences, and to give priority to serving families that meet those criteria. HUD specifically authorizes and places restrictions on certain types of local preferences. HUD also permits the VHA to establish other local preferences, at its discretion. Any local preferences established must be consistent with the VHA plan and the consolidated plan, and must be based on local housing needs and priorities that can be documented by generally accepted data sources.

VHA Policy

Emergency Assistance –

Definition of Disaster

A calamitous event, esp. one occurring suddenly and causing great loss of life, damage, or hardship, as a flood, airplane crash, or business failure.¹

Definition of Great

Unusually or comparatively large in size or dimensions, large in number; numerous.²

“The highest priority on the VHA waiting list will be reserved for emergency assistance for families or individuals who reside in dwelling units within the City of Vallejo, which have been rendered uninhabitable by natural or fire related disasters. In order to avoid negatively impacting the current applicants on the VHA waiting list, the disaster must be of significant magnitude to invoke emergency assistance. Any multifamily building in which four or more units have been deemed uninhabitable, or any four single family homes which have been impacted by a single disaster and made uninhabitable, would trigger the implementation of this emergency assistance. The affected families or individuals must be able to verify the uninhabitable condition of their immediate residence through official documentation, such as a report from the Vallejo Fire Department; documentation that the building is uninhabitable by the Vallejo Building Official, Solano County Health Department, or other local, state or federal branch of government; and they must qualify for assistance through the Federal Emergency Management Agency (FEMA) and/or the American Red Cross. This preference category will be considered “targeted assistance”, and will only be utilized in the case of an emergency situation meeting the criteria described above. Due to the emergency nature of this preference category, families and individuals meeting the criteria may apply regardless of whether the VHA waiting list is open. Families or individuals requesting emergency assistance will be required to verify their authorized “head of household” residence in the impacted building.

Families and individuals meeting the criteria for emergency disaster assistance must meet all eligibility guidelines required by the Housing Authority, including income

¹ <http://dictionary.reference.com/browse/disaster>. Dictionary.com. 2008

² <http://dictionary.reference.com/browse/great>. Dictionary .com 2008

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eligibility, and must pass a criminal background check. Applicants meeting all requirements described above will receive first preference for a voucher as soon as one becomes available. ”

For non-emergency vouchers, the VHA applies the following weighted preferences, in the order listed below:

- 1) Lives or works in the City of Vallejo
- 2) Disabled
- 3) Veteran
- 4) Homeless families who have school-aged children attending schools in Vallejo
- 5) Single persons who are elderly; displaced by government action or natural disaster; homeless; or disabled

All applications will be date and time stamped upon acceptance by the VHA, or an approved independent contractor. Local preferences claimed on the initial pre-application will be verified when the family reaches the top of the waiting list. The date and time stamp will be the tie-breaker for all applicants with identical preferences.

Income Targeting Requirement [24 CFR 982.201(b) (2)]

HUD requires that extremely low-income (ELI) families make up at least 75% of the families admitted to the HCV program during the VHA’s fiscal year. ELI families are those with annual incomes at or below 30% of the area median income. To ensure this requirement is met, a VHA may skip non-ELI families on the waiting list in order to select an ELI family.

Low income families admitted to the program that are “continuously assisted” under the 1937 Housing Act [24 CFR 982.4(b)], as well as low-income or moderate-income families admitted to the program that are displaced as a result of the prepayment of the mortgage or voluntary termination of an insurance contract on eligible low-income housing, are not counted for income targeting purposes [24 CFR 982.201(b)(2)(v)].

VHA Policy

The VHA will monitor progress in meeting the ELI requirement throughout the fiscal year. Extremely low-income families will be selected ahead of other eligible families on an as-needed basis to ensure the income targeting requirement is met.

Order of Selection

The VHA system of preferences may select families either according to the date and time of application, or by a random selection process [24 CFR 982.207(c)]. When selecting families from the waiting list Public Housing Authorities (PHAs) are required to use targeted funding to assist only those families who meet the specified criteria, and PHAs are not permitted to skip down the waiting list to a family that it can afford to subsidize when there are not sufficient funds to subsidize the family at the top of the waiting list [24 CFR 982.204(d) and (e)].

VHA Policy

Families will be selected from the waiting list based on the selection preference(s) for which they qualify, and in accordance with the VHA's hierarchy of preferences, if applicable. Within each preference category, families will be selected on a first-come, first-served basis according to the date and time their preliminary application is logged into the computer database. When a family reaches the top of the waiting list, they will be required to complete a full application. Their claimed preferences, income, assets, allowances, and any need for reasonable accommodation will be verified at that time.

4-III.D. NOTIFICATION OF SELECTION

When a family has been selected from the waiting list, the VHA must notify the family.

VHA Policy

The VHA will notify the family by first class mail when it is selected from the waiting list. The notice will inform the family of the following:

- Date, time, and location of the scheduled application interview, including any procedures for rescheduling the interview

- Who is required to attend the interview

- Documents that must be provided at the interview to document the legal identity of household members, including information about what constitutes acceptable documentation

- Other documents and information that should be brought to the interview

If a notification letter is returned to the VHA with no forwarding address, the family will be removed from the waiting list. A notice of denial (see Chapter 3) will be sent to the family's address of record, as well as to any known alternate address.

4-III.E. THE APPLICATION INTERVIEW

HUD recommends that the VHA obtain the information and documentation needed to make an eligibility determination through a private interview [HCV GB, pg. 4-16]. Being invited to attend an interview does not constitute admission to the program.

Reasonable accommodation must be made for persons with disabilities who are unable to attend an interview due to their disability.

VHA Policy

Families selected from the waiting list are required to participate in an eligibility interview.

The head of household and the spouse/co-head, and all family members aged 18 or over must attend the interview together.

The interview will be conducted only if the head of household, spouse/co-head, and all family members aged 18 or over, provide appropriate documentation of legal identity. (Chapter 7 provides a discussion of proper documentation of legal identity). If the family

representative does not provide the required documentation, the appointment may be rescheduled when the proper documents have been obtained.

The family must provide the information necessary to establish the family's eligibility and determine the appropriate level of assistance, as well as completing required forms, providing required signatures, and submitting required documentation. If any materials are missing, the VHA will provide the family with a written list of items that must be submitted.

Any required documents or information that the family is unable to provide at the interview must be provided within 10 business days of the interview (Chapter 7 provides details about longer submission deadlines for particular items, including documentation of Social Security numbers and eligible noncitizen status). If the family is unable to obtain the information or materials within the required time frame, the family may request an extension, in writing. If the required documents and information are not provided within the required time frame (plus any extensions), the family will be sent a notice of denial (See Chapter 3).

An advocate, interpreter, or other assistant may assist the family with the application and the interview process.

Interviews will be conducted in English. For limited English proficient (LEP) applicants, the VHA will provide translation services in accordance with the VHA's LEP plan.

If the family is unable to attend a scheduled interview, the family should contact the VHA, in writing, in advance of the interview to schedule a new appointment. Applicants who fail to attend two scheduled interviews without VHA approval will be denied assistance based on the family's failure to supply information needed to determine eligibility. A notice of denial will be issued in accordance with policies contained in Chapter 3.

4-III.F. COMPLETING THE APPLICATION PROCESS

The VHA must verify all information provided by the family (see Chapter 7). Based on verified information, the VHA must make a final determination of eligibility (see Chapter 3) and must confirm that the family qualified for any special admission, targeted admission, or selection preference that affected the order in which the family was selected from the waiting list.

VHA Policy

If the VHA determines that the family is ineligible, the VHA will send written notification of the ineligibility determination within 60 days of the determination. The notice will specify the reasons for ineligibility, and will inform the family of its right to request an informal review (Chapter 16).

If a family fails to qualify for any criteria that affected the order in which it was selected from the waiting list (e.g. live or work in the City of Vallejo; disabled; veteran), the family will be returned to its original position on the waiting list. The VHA will notify

the family in writing that it has been returned to the waiting list, and will specify the reasons for it.

If the VHA determines that the family is eligible to receive assistance, the VHA will invite the family to attend a briefing in accordance with the policies in this Plan.

ATTACHMENT “D”

Chapter 22

(Revised and Approved by Housing Authority Board Resolution # _____, on _____)

Vallejo Housing Authority
Family Self-Sufficiency
Administrative Plan (draft 9.26.08)

A. PURPOSE

The purpose of the Family Self-Sufficiency (FSS) Program is to provide opportunities to Housing Choice Voucher (HCV) families to move toward economic independence and self-sufficiency. The FSS Program will assist very low income families receiving assistance through the HCV Program to receive comprehensive supportive services that will enable them to achieve economic independence and self-sufficiency by reducing dependency on welfare assistance, housing assistance, and other Federal, State and local subsidies.

A successful FSS Program will enhance the standard of living of the participant. It is possible for a motivated client to achieve suitable employment within the term of the five-year contract. However, the likelihood of success is significantly higher when self-sufficiency is pursued within a system of supportive services.

B. OBJECTIVES

To meet the goals of the FSS Program, the Vallejo Housing Authority's (VHA) objectives are:

1. To create partnerships with public and private agencies to provide quality supportive services. The expectation from these partnerships is the ability to provide referrals for supportive services including, but not limited to, childcare, employment, education, life skills, and homeownership.

The combined support of housing assistance and supportive services will enable the FSS participants to meet the goals defined in their FSS contract and to move toward achieving financial independence and self-sufficiency.

2. To provide families with stable rental assistance support while in FSS, allowing them to participate in employment education and job training programs without undue concern for the welfare and safety of their families.
3. To provide participating families with an opportunity to save for the future through the establishment of an interest-bearing escrow account.

C. PROGRAM SUMMARY

When funding is available, VHA will enroll existing HCV participants whose eligibility has been determined. HUD regulations reduce the required number of participants by one for every successful participant graduating on or after October 21, 1998, thereby reducing the overall number of mandatory VHA participants. However, the VHA is committed to maintaining a minimum program size of twenty-five (25) participants. The VHA will consider as large an FSS program as staffing permits.

1. Measuring Program Success

FSS Program success is determined by:

- The number of families enrolled
- The number of families with increased earnings which result in escrow balances
- The number of families that graduate successfully from the FSS program
- The number of family members who, as a result of participation in the FSS program, completed their goals in the FSS contract, such as:
 - Achieve their first job
 - Obtain higher paying employment
 - No longer receive welfare benefits (cash assistance payments)
 - Gain a GED or High School Diploma
 - Complete job training or education program
 - Repair credit history
 - Gain money management skills
 - Learn to read
 - No longer need housing assistance
 - Purchase a home

2. Rights of Non-Participating Families

Tenant participation in the FSS program is strictly voluntary. Therefore, HCV participants will receive notice from literature related to the FSS program that should they decide not to participate in the FSS program, it will not affect their HCV housing subsidy. The family will retain their right to occupancy according to their lease.

3. Certification of Non-Discrimination

The VHA assures that selection of participating families will be made in a nondiscriminatory manner without regard to race, color, religion, sex, family status, national origin, sexual orientation, disability, or political affiliation in compliance with Title VI of the Civil Rights Act of 1964 as amended, Title VII of the Civil Rights Act of 1968 as amended, and Executive Order 11063.

4. Compliance with MTCS Filing

The VHA uses HAPPY Software to electronically file HUD Form 50058 submissions as required by HUD. This proprietary software is adequate to provide HUD the required data on a timely basis.

D. OUTREACH EFFORTS

The VHA will market the FSS program using a variety of methods to ensure that all HCV participants are aware of the opportunities available to them through FSS, and will allow interested families to make an informed decision concerning participation in the program. Outreach activities will primarily target eligible families on the HCV Program. Recruitment activities will include, but are not limited to:

- Direct mailing to all VHA Housing Choice Voucher participants at the time of open enrollment

- Interest Forms made available through VHA staff, from VHA lobby or requested through mail
- FSS segment included in the briefing of all clients new to the Housing Choice Voucher Program
- Posting of FSS information in interview rooms and in VHA lobby
- Providing FSS brochures at the VHA office
- Ongoing recruitment through contact with VHA staff
- Proactively informing other social service agencies and community groups
- Presentations at community meetings
- Information through VHA website/local media

Outreach materials will provide information on the benefits of the FSS Program, the process to enroll and a contact person for more information. Outreach methods and materials will comply with all applicable Fair Housing and Equal Opportunity requirements. If these measures do not result in sufficient enrollment in the FSS program according to HUD requirements, VHA will implement additional outreach activities.

1. Incentives to Encourage Participation

The HA has established incentives to encourage participation in the FSS program. The inducements being offered to the FSS participating families are listed below:

- Opportunity
The primary incentive given to FSS participants is the opportunity to change the household's social and economic status from one of dependence upon subsidies to one of self-sufficiency and self-reliance.
- Community Resources
A host of community resource agencies is at the disposal of each program participant to use on an as-need basis for training, education and life skills purposes. Efforts will be made so that each participant will be linked with job training, educational, and supportive service agencies to provide the services necessary to develop self-sufficiency. Participants will be encouraged to attend the Homebuyer's Club at Vallejo Neighborhood Housing Services (VNHS) for homeownership education, budgeting, and credit repair.
- Financial Reward
An escrow account is initiated for each participant who signs the FSS contract. Funds are deposited in the escrow account as the participant reports an increase in earned income. The HA will deposit the FSS account funds of all participating families into a single depository account.

2. Selection Procedures

Families selected for participation in the FSS program will be current recipients of the HCV Program. Selections are made without regard to race, color, religion, sex, disability, familial status, or national origin.

The VHA will not discriminate against otherwise qualified persons because of their disabilities and will make reasonable accommodations to the person's disability to allow participation in the program. The HA may decide that an accommodation is not reasonable if it causes undue financial and/or administrative burdens.

The VHA may, at its discretion, screen new FSS participants for interest and motivation factors that solely measure the family's interest to participate in the FSS program. The HA gives an FSS selection preference in the following order:

- Incoming portable transfers (with active FSS contracts and in good standing with their current HA) on a case by case basis
- Assisted HCV participants
- A family who previously participated in the FSS program and voluntarily withdrew for good cause, in good standing, will be reconsidered on a case by case basis

Re-entry into the FSS program is at the sole discretion of the HA.

3. Program Eligibility

The VHA will not deny any family the opportunity to apply or participate in the FSS program on the basis of race, color, national origin, religion, sex, familial status or handicap (disability). The VHA will not discriminate against other qualified persons because of their disabilities and, upon request, will make reasonable accommodation to allow participation in the FSS program. The VHA may decide that an accommodation is not reasonable if it causes undue financial and/or administrative burdens.

A family is eligible for participation when the following conditions are met:

- Attend a mandatory FSS orientation meeting
- Complete and submit the FSS application and FSS assessment in a timely manner
- Attend pre-selection interview and complete assessments or assignments to develop the Individual Training and Service Plan
- Does not owe money to the VHA or any other Housing Authority
- No violations of any HCV family obligations/regulations, including Housing Quality Standards
- Willing to pursue the goals of the FSS program
- Willing to enter into a contractual agreement with the VHA

4. Enrollment Procedures

Current HCV participants interested in participating in the FSS Program will complete the FSS Interest Form. When a sufficient number of interested participants exists, the family will be invited to attend a FSS orientation. Applicants must attend the mandatory orientation meeting to receive further consideration for the program.

The orientation is an informational briefing that will explain the benefits and requirements of the FSS program. The orientation will include, but is not limited to:

- The needs assessment process;

- Explanation of the program requirement that the Head of Household must seek and maintain employment;
- Explanation of suitable employment;
- HUD welfare requirements;
- How support services will be accessed;
- Reporting responsibilities of the participating family;
- The Contract of Participation and what it means
- HCV program requirements and family obligations
- Homeownership program
- The 5 to 7 year length of participation;
- Escrow account (including possible forfeiture)
- Possible termination of support services and the FSS program

Families who attend the orientation will receive a FSS application and assessment form to be completed if they are still interested in the program. A completed application and assessment constitutes notification to the HA of the applicant's interest to enroll in the FSS Program. Forms returned by applicants will be date and time stamped and the applicant will be placed on the FSS Waiting List in the order of receipt. Applicants will be notified in writing of their waiting list status.

As FSS participation turnover occurs, applicants will be pulled from the waiting list and scheduled for an intake interview with the FSS Coordinator. The FSS Coordinator will conduct a needs assessment and work with the applicant on identifying goals and developing an Individual Training and Service Plan (ITSP). This process may require the applicant to attend more than one meeting with the FSS Coordinator.

Based upon the intake interview, application and needs assessment process, the FSS Coordinator will determine whether the family is eligible and sufficiently motivated to participate in the FSS Program. Admission into the program is at the discretion of the HA staff. Applicants who are admitted to the Program will complete the ITSP and sign a Contract of Participation (COP) with the HA.

E. DENIAL OF PARTICIPATION IN FSS

VHA may deny participation in the FSS program for one or more of the following reasons:

- Families screened for motivational factors and were determined to not have sufficient interest in FSS
- Families who previously participated in FSS and successfully completed the program
- Families terminated from a previous FSS contract with cause
- Families that previously participated in FSS and were terminated for non-compliance and/or failure to meet their FSS obligations
- Families that previously participated in FSS but did not meet their goals before expiration of the COP
- Families that owe money to VHA or any other Housing Authority

- Families who are not currently in good standing with the VHA (in violation of the Family Obligations) including Housing Quality Standards (HQS)
- Portable families who are in non-compliance with the FSS obligations of the initial HA
- Portable families who fail to follow through by contacting VHA to transfer their FSS contract within the required period of time

Families denied participation in the FSS program may request an Informal Hearing (See Chapter 18 of this Administrative Plan) to determine whether the decision was made in accordance with HUD regulations and the guidelines in this plan. The request for an Informal Hearing must be made, in writing, within ten (10) business days of the date of notification of the decision to deny participation.

F. INDIVIDUAL TRAINING AND SERVICES PLAN (ITSP)

The HA will assist FSS families to develop Individual Training and Services Plans (ITSP) to help participants determine the actions necessary to become self-sufficient. All ITSP's will include the following interim goals:

- All family members will be free from welfare assistance (cash assistance) twelve (12) consecutive months prior to the expiration of the FSS COP.
- Head of Household must be suitably employed at the time of graduation.
- Head of household is to obtain a GED or High School Diploma to graduate from the FSS program. The GED or High School Diploma may be substituted by certified completion of a vocational or training program specifically identified on the ITSP.

Waiver of GED or High School Diploma

VHA holds that high school graduation, or completion of a GED is an integral component to self-sufficiency. However, if the participant requests consideration of a waiver, they must submit a written request, along with supporting documentation to the FSS Coordinator. The waiver must include an explanation and supporting documentation as to why the participant was unable to obtain the GED or High School Diploma within the term of the COP. The FSS Coordinator may recommend that this requirement be waived based on the individual circumstances of each participant, and only if all other goals of the COP have been completed. The final decision to waive completion of the high school diploma or GED requirement is at the discretion of the Executive Director of designee.

Examples of conditions which may warrant consideration of a waiver are:

- Serious illness of participant or dependent
- Medical emergencies
- Multiple failed attempts to pass the GED exam
- Documented learning disabilities
- Failed support system

The ITSP for participants with homeownership as a final goal may also include, but is not limited to:

- Credit repair
- Homeownership education. Must receive certification in the VNHA First Time Homebuyers Club for consideration of the HUD Homeownership program

- Must be employed full time for a minimum of one year (with the exception of disabled families)

Interim goals on the ITSP for the initial Welfare to Work FSS program participants will be amended by the HA to include only those goals consistent with the Administrative Plan.

1. Method of Identification of Supportive Services

The type of supportive services and resources for eligible participating families is based on individual needs. The Housing Authority anticipates that the major needs for services and resources will be in the following categories: Education, Job Training, Child-care and Transportation. The FSS Coordinator will work with the participant to develop an ITSP tailored specifically for that participant based on information provided in the FSS application and assessments forms. The FSS Coordinator may conduct an extensive interview with each program participant to determine his/her specific needs, short and long-term goals.

2. FSS Participant Referral for Services

The HA may provide FSS participants with referral forms. The referral form may be completed by the agency providing the service to ensure that the participant did meet with the agency, and that the participant did follow through with any scheduled appointments or classes.

It is the responsibility of the participant to notify the FSS Coordinator of the outcome of the referral. Follow up may be confirmed by phone or written communication.

3. Service Provider Review

The HA may monitor the quality of service provided to FSS families. The monitoring will consist of all FSS participants referred to another agency for services to complete a verbal or written review of the quality of service provided.

The HA may also periodically contact agencies and/or FSS participants regarding supportive services to:

- Assess a participant's progress
- Determine if a participant's needs are being met by the supportive service provider
- Develop effective services with community agencies
- Improve existing available services

G. CONTRACT OF PARTICIPATION (COP)

All applicants selected for participation in the FSS program will be required to sign a five-year Contract of Participation (COP). The HA will use a contract format approved by HUD. The contract will also include an Individual Training and Services Plan (ITSP) which specifies the contract goals and timetables for completion of goals.

To compute the monthly contribution to the escrow account the HA must have the Total Tenant Payment (TTP) and the amount of earned income included in the annual income at the time the

contract is signed. The income numbers and TTP must be taken from the last annual or interim reexamination before the family's initial participation in the FSS program, unless more than 120 days will pass between the effective date of the reexamination and the effective date of the COP. If it has been more than 120 days, the HA must conduct a new reexamination or interim re-determination. Failure to provide current income may cause a delay or denial of completion of the FSS contract.

Income verifications used to determine annual and earned income on the COP must be maintained in the FSS file for the life of the FSS contract.

The contract is executed on the first day of the month following the date the contract is signed by the participant and HA representative.

1. Family Requirements

Family responsibilities under the COP include, but are not limited to:

a. Head of Household must:

- Seek and maintain suitable employment throughout the term of the contract. (The head of household may attend school only as a pre-condition to seeking employment. After completion of the contracted course of study the head of household must seek and maintain a suitable job. School may not be substituted for employment.
- Participants who have elected homeownership as a final goal must be employed full time for one year.
- Self-employment (defined by VHA for the purpose of defining suitable employment) will be determined by a minimum gross income of the state minimum wage times a minimum of 30 hours per week.
- Complete activities in the ITSP within the specified dates.
- Provide the HA with information about the family's progress in the FSS program upon request, including information regarding employment, job interviews, training, education, attendance, and other FSS services, referrals and activities.

b) All Family Members Must:

- Comply with the terms of the HCV program and the lease agreement
- Comply with the family obligations under the HCV program, including HQS
- Live in the jurisdiction of the FSS program at least twelve (12) consecutive months from the effective date of the contract, unless waived by the HA.

2. Contract Terms and Extensions

The initial term of the COP is five (5) years. A participant may request an extension of the contract for good cause, if the family is unable to complete its goals within the five year period. HUD defines good cause as "circumstances beyond the control of the family as determined by the PHA". [24 CFR 984.303(d)].

The HA may extend the term of the COP for a period not to exceed two years; however, the participant must submit the request for contract extension, in writing, prior to the expiration of the contract, and must provide a detailed account and verification/documentation of the circumstances. Failure to provide supporting documentation within the required time period will be cause for denial of the contract extension and the contract will be terminated. Examples of good cause are as follows:

- Serious illness that prevents the FSS head of household from completing his/her goals.
- Incomplete job training or education goal(s) in which the family is currently enrolled.
- Involuntary loss of employment by FSS head of household.
- To allow families to meet the interim goal of independence from welfare (cash assistance) for twelve consecutive months before expiration of the COP.

The determination of whether an extension will be granted will be made at the sole discretion of the HA.

Families denied a contract extension may request an Informal Hearing to determine whether the decision was made in accordance with HUD regulations and the guidelines of this plan. The request for an Informal Hearing must be made, in writing, within ten (10) business days of the date of notification of the decision to deny the extension.

3. Remaining Family Members

If the designated head of the family becomes medically ill or ceases to reside with other members of the participating family who continue to receive assistance under the FSS program, the remaining family members shall have the right to request another family member as head of household for FSS purposes. The HA must approve the family's request and the COP must be revised to designate the new head of household who must be 18 years of age and seek and maintain employment.

4. Completion of the Contract of Participation (COP)

The HA has sole discretion to determine whether the family has successfully completed its COP. The contract will be successfully completed when:

- The HA determines that the family has fulfilled all of its responsibilities under the contract, or,
- Thirty percent (30%) of the family's monthly-adjusted income (AMI) equals or exceeds the Fair Market Rent (FMR) for the unit size for which the family qualifies under the HA's Occupancy Standards, and no family member is receiving welfare (cash aid) assistance at the time.

5. Graduation Procedures

a. Family Responsibilities:

To successfully graduate from the program, the family must submit a request for consideration for graduation in writing to the VHA; and

- Demonstrate that the family has fulfilled all obligations under the COP on or before the expiration date(s) on the ITSP (including any extensions); and
- Certify that all household members are independent of welfare assistance (as defined by HUD); and
- Submit verification that the head of household is suitably employed.

b. VHA Responsibilities:

- Review the request for graduation and determine if the family has met all of the above requirements.
- A determination of suitable employment shall be made by the HA based on the skills, education, and job training of the head of household, and based on job opportunities within reasonable commuting distance of the VHA's jurisdiction. In most instances suitable employment is defined as consistent full time employment (30 hours per week) for a minimum of one year.

Self employment (defined by VHA for the purpose of defining suitable employment) will be determined by a minimum gross income of the state minimum wage times a minimum of 30 hours per week).

- FSS Coordinator will submit the request for graduation and all supporting documentation to the VHA Management for final approval and request for payment of escrow funds.
- Disburse any accumulated escrow funds if it is determined that the family met the requirements for graduation.

H. TERMINATION OF THE CONTRACT OF PARTICIPATION (COP)

1. Program Terminations

The COP may be terminated before the expiration of the contract term for any of the following reasons:

- Mutual consent of both the participant and the FSS Coordinator
- Participant fails to meet its obligations outlined in the COP
- Participant voluntarily withdraws from the FSS program
- Participant commits any act deemed inconsistent with the purpose of the FSS program. Examples include failure to comply with reporting requirements, providing fraudulent information, violation of HCV family obligations, including HQS
- By operation of law

2. Withholding Services

The HA may withhold services for the following reasons:

- The FSS family fails to comply with the terms of the COP. Failure to meet the terms of the COP may include:
 - Unexcused absences from mandatory scheduled meetings or appointments.
 - Refusal to seek or maintain suitable employment.
 - Refusal to comply with obligations under the COP.

- Failure to complete the requirements of the ITSP.
- Moving from the jurisdiction and failure to notify the FSS Coordinator of continued interest/participation in the FSS program within thirty (30) days of the effective date of the new lease with the receiving HA.
- The HA is not able to obtain the necessary supportive services that the FSS family needs.
- Failure to remain in VHA for 12 months after initiation of the COP (unless waived by the HA).

Good cause for failing or refusing to comply with the contract may include:

- An assignment or job referral that is not included in the COP
- Temporary illness or incapacitation
- Requirement to appear in court
- Family crisis, such as illness or death of a family member

3. Informal Hearing Process

If the HA staff determines the need to terminate or withhold the FSS participant's supportive services under the COP for failure to comply with the terms of the contract, the participant will be afforded an opportunity for an informal hearing before termination of housing assistance payments and other program benefits. (See Chapter 18 of this Administrative Plan).

Termination notices to the FSS participants must be in writing. The notice must include the reason for termination and the right to request an informal hearing. Participants shall have the right to be represented, at their own expense, by a person(s) of their choosing, at all levels of the complaint process.

The Housing Manager or designee will review all requests for hearings filed by participants of the FSS program. The Housing Manager or designee may reinstate the program participant to the FSS program, if extenuating circumstances offered by the participant warrant the reinstatement.

4. FSS Termination Procedure

a. Warning Letter

Initially, the FSS Coordinator will send a warning letter to the participant, if he/she is not abiding by the terms of the COP. This letter will give the participant an opportunity to discuss the issue(s) in an attempt to resolve the matter before termination is necessary.

b. Termination Notice

If the participant continues to fail to comply with the terms of the COP, then the FSS Coordinator will issue a 30-day notice of intent to terminate from the FSS program. The letter will state the program violations. The program participant will be offered the opportunity for an informal hearing to discuss the program violations.

The participant has ten (10) business days from the date of the termination notice in which to request a hearing. The request for hearing must include the following information:

- Full name, telephone number (if any) and the mailing address of the participant;
- Written request for a hearing based upon the actions taken by the Housing Authority; and
- Summary statement of the reason(s) the participant feels the termination is not justified.

Hearing requests received after the ten day deadline will not be considered and the termination will stand. The HA will not grant any extension of time in which to file except for the purpose of reasonable accommodations, which must be made in writing, to the Housing Manager or designee.

c. Termination Confirmation

A termination confirmation letter will be sent including the date and reason for termination:

- If a participant fails to comply with the terms of the COP and does not respond to the Warning Letter or Termination Letter
- If the termination is upheld by a decision from the Informal Hearing Officer

I. ESCROW ACCOUNT MAINTENANCE

The HA will compute the family's monthly escrow credit through annual reexaminations or interim recertification as per HUD regulations.

1. Participant Reporting Requirements

The family must report:

- Total family income at the annual recertification appointment
- Changes in household income within ten (10) business days

2. Housing Authority Responsibilities

a) The HA will provide the FSS participants an annual statement on the status of their FSS escrow account. The statement will include:

- Balance at the beginning of the reporting period
- Amount of the family's rent payment that was credited to the FSS account during the reporting period
- Deductions made from the account for amounts due to the HA and/or amounts deduced for disbursement to families for the purpose of completing specific interim goals
- Interest earned on the account during the year
- Account balance at the end of the reporting period

b) Escrow funds will be computed and deposited monthly for participants who earn escrow due to an increase in earned income.

c) Interest will be computed on the participants escrow balance at least once quarterly based on an interest rate determined by the City of Vallejo Finance Department.

d) Escrow will not be deposited for any family with zero housing assistance payment (HAP) due to annual or interim recertification that determines the family is over income for housing assistance.

e) Escrow will not be deposited if the family is not housed and no housing assistance payment is made for a specific month.

3. Escrow Withdrawal at Conclusion of FSS Contract

The amount accrued in the escrow account must be paid to the Head of Household of the participating family:

- When, at contract completion, the Head of Household certifies that, to the best of his/her knowledge and belief, no family member has received Federal or State welfare assistance for consecutive twelve(12) months before the end of the contract. The HA will verify that the family is no longer receiving welfare (cash aid) assistance before escrow monies are released to the family.
- HA has determined that the participating family has completed the goals outline in the COP.
- When thirty percent (30%) of the family's monthly-adjusted income equals or exceeds the existing housing FMR for the voucher size issued in the HCV housing assistance program; and the family is not receiving welfare (cash aid) assistance at the time.

4. Interim Disbursements during the Contract Term

The determination to disburse these funds will be at the sole discretion of the FSS Coordinator and the Housing Manager or designee.

Escrow funds may be disbursed before completion of the contract if the family has completed specific interim goals designated by the HA, and need some of the FSS escrow account funds to complete specific goals.

Interim disbursements may be approved for not more than fifty percent (50%) of the family's escrow balance at the time of the request. The HA will not grant more than two (2) interim disbursements per Family.

Interim disbursements may be considered under the following conditions:

- Request is made in writing and include verification that the funds are required for the completion of a goal under the family's COP (example: to pay for school tuition, job training expenses, business start-up expenses);
- The family can demonstrate completion of specific interim goals from its COP

Interim escrow disbursements must be paid by check directly to the agency or business providing the required items or services.

- A copy of the invoice, VHA check, and payment receipt from the agency or business will be retained in the participant's file
- The amount disbursed will be a debit to the FSS escrow account at the time the payment claim is processed.

5. Forfeiture of Escrow Account

If any FSS participant's Contract of Participation is terminated, or declared null and void, the family has no right to receive funds from the FSS escrow account. The HA will close the family's escrow account and may use the forfeited funds in accordance with HUD regulations.

Funds in the FSS escrow account will be forfeited:

- If the Housing Authority terminates the COP;
- If the COP is completed but the family is receiving welfare (cash aid) assistance when the contract expires, including any extension;
- If the family is in violation of family obligations under the HCV program (including HQS);
- If the family is terminated from the HCV program for violation of family obligations

FSS account funds forfeited by the family will be treated as program receipts for payment of program expenses under the HA HCV program budget.

J. PORTABILITY PROCEDURES

1. Incoming Portability

The VHA is not obligated to accept incoming portable FSS participants in the VHA program. The HA may accept incoming transfers into the FSS program if they have an active contract and are in compliance with the FSS program requirements of the initial housing authority. Acceptance of incoming portable clients is at the discretion of the VHA based on funding and space availability.

Family Responsibilities

Families must lease an assisted unit, for a minimum period of 12 months after the effective date of the COP in the jurisdiction of the PHA that selected the family for the FSS program.

It is the responsibility of all FSS families exercising portability into VHA's jurisdiction to notify the HA of their FSS status. Families, with active FSS contracts and in good standing with the initial HA, who contact the FSS Coordinator within thirty (30) days of the effective date of their lease may be accepted into the FSS program on a case by case basis.

Procedures

- a. The family must notify the VHA of an active FSS contract at the initial HA within 30 days of the effective date of their lease. Notification must be in writing. The VHA will give

preference to absorb any incoming portable transfers with an existing FSS COP in good standing.

b. After notification by the family, the HA will determine if the family will be accepted in the FSS program by contacting the initial HA to verify the family's compliance in their program.

- If the VHA can accept the family in the FSS program, the VHA will notify the family and contact the initial HA to request a copy of the current COP, and to request transfer of any escrow funds.
- If accepted into the VHA FSS program, the family must complete the FSS application and assessment forms before signing a new COP and ITSP.
- Incoming portable families whose vouchers are not absorbed by VHA may continue in the FSS program of the initial HA if the initial HA is willing to maintain the COP and the escrow account. If the voucher is absorbed at a later date, the initial HA can no longer administer the FSS contract and the family must execute a new COP with VHA or be terminated from the FSS program. If a new COP is executed with VHA, the initial HA will forward the family's escrow account balance to VHA.
- If the VHA cannot accept the family in the FSS program, the family will be notified, in writing, of the denial of participation.
- An incoming portable transfer with a current FSS COP from its initial HA that is denied acceptance into the FSS program may request an Informal Hearing to determine whether the decision to deny acceptance was made in accordance with HUD regulations and the guidelines in this plan. A request for an Informal Hearing must be made in writing within ten (10) business days of the date of notification of the decision to deny acceptance.

2. Outgoing Portability

For the purposes of this section, the term "relocating family" refers to an FSS family that moves from the jurisdiction of a PHA at least 12 months after signing its COP.

Initial Occupancy

First 12 months: A family participating in the HCV FSS program must lease an assisted unit for a minimum of 12 months after the effective date of the COP, in the jurisdiction of the PHA that selected the family for the FSS program. However, the PHA may approve a family's request to move outside the initial PHA jurisdiction under portability (in accordance with 24 CFR 982.353 of the HUD regulations) during this period.

After 12 months: After the first 12 months of the FSS COP, the FSS family may move outside the initial PHA jurisdiction under portability procedures (in accordance with 24 CFR Section 982.353).

It is the responsibility of the participant to notify the receiving HA of their status as an FSS participant. However, VHA will make every effort to ensure the receiving agency is aware of the FSS

status of the participant when the paperwork is transferred to the receiving agency. The participant must abide by the rules and regulations for FSS portability at the receiving agency.

Procedures

- The HA will send a copy of the COP and ITSP with the HCV portability packet to the receiving HA.
- The family must contact the FSS Coordinator at the receiving HA regarding transfer into their FSS program within thirty (30) days of the effective date of the new lease.
- If the family's voucher is absorbed by the receiving HA and the family is accepted in their FSS program, the contract and any escrow funds will be transferred to the receiving HA upon request. If a request for transfer of the COP and escrow funds is not received within 60 days of the new lease in the receiving jurisdiction, any balance in the escrow account is forfeited and the COP is terminated.
- If the family's voucher is not absorbed by the receiving HA, and if the family can demonstrate that it can fulfill its responsibilities under the FSS contract in the new location, the family may be allowed to continue in VHA's FSS program if the family demonstrates to the satisfaction of the initial PHA that, notwithstanding the move, the relocating FSS family will be able to fulfill its responsibilities under the initial or modified COP at its new place of residence.
 - For example, the FSS family may be able to commute to the supportive services specified in the COP, or the family may move to obtain employment as specified in the contract. This is applicable only if the family has relocated to a jurisdiction within reasonable commuting distance of VHA services.
 - If the relocating family remains in the VHA FSS program, there will only be one COP, which shall be the contract, executed by the VHA.
 - Regardless of whether the FSS family remains in the VHA program or enrolls in the program of the receiving PHA, there will be a single FSS account, which will be maintained by the initial PHA.
 - When the receiving HA will absorb an FSS family, VHA will transfer the family's FSS escrow account to the receiving HA.
- At its discretion, VHA may terminate the family's COP if the family exercises portability to a jurisdiction that does not have an FSS program, if the family is not accepted into the new HA's FSS program, or if the family is absorbed by the receiving HA.

K. COMMUNITY PARTNERSHIPS

The VHA has an established record of accomplishment with helping HCV families end their dependence on welfare. The FSS program has a part time FSS Coordinator who provides case management, information, and referral assistance to families. The FSS Coordinator works closely with participating families to ensure compliance with HCV requirements and meeting the goals identified in the FSS COP.

A variety of services (childcare, after school care, education transportation, etc.) are needed so that families can function in ways which allow each member to maintain self-esteem, to pursue meaningful life options and to make lasting changes. Families will require jobs that provide them with the chance to advance, earn a living wage, and acquire comprehensive health benefits.

Through FSS, the VHA has become an active participant in the various welfare-to-work and welfare reform programs in Solano County, including but not limited to, Solano County Health and Social Services, the Solano County Office of Education, the Private Industry Council of Solano County (PIC), Solano Employment Connection (SEC), the Vallejo and Fairfield Adult Schools, faith based organizations, and other local housing authorities, along with numerous other agencies that service low income clients. Through these relationships, VHA continues to develop ways to fortify its efforts to promote self-sufficiency, as well as contributing new ways to enhance the systems already in place.

1. Program Coordinating Committee

In association with other Housing Authorities in Solano county, a Program Coordinating Committee (PCC) has been established to serve the Solano County FSS participation. The purpose of this committee is to assist the Housing Authorities in Solano County in securing commitments of public and private resources for the operation of the FSS program within our jurisdiction.

The HA will continue to maintain a PCC to assist the FSS program identify public and private resources for the operation of the FSS program.

a) The role of the PCC is to:

- Serve as an advisory body to the FSS Program
- Review the progress of the FSS programs
- Facilitate coordination of services
- Share program information
- Exchange outreach and program implementation strategies
- Expedite and coordinate agreement with potential service providers

b) Meetings

The PCC will meet at least four (4) times annually.

c) Membership

The PCC Membership may include a representative from the following agencies:

- Vallejo Housing Authority – FSS Coordinator, Homeownership Coordinator and an FSS participant
- Benicia Housing Authority
- Fairfield Housing Authority
- Vacaville Housing Authority (representing Vacaville and Solano County Housing Authorities)
- Solano County Health & Social Services
- Fairfield – Suisun Adult School
- Vallejo Unified School District

- Private Industry Council (PIC)
- Solano Community College
- Solano Family and Children's Services
- City of Vallejo Fighting Back Partnership
- Faith Based community leaders
- Local business owners
- Vallejo Neighborhood Housing Services
- Real estate community
- Financial (banking) industry

2. Activities and Supportive Services

The HA certifies that Memorandums of Understanding (MOU's) to secure commitments of resources have been signed between Vallejo, Solano County, Benicia, Fairfield, and Vacaville Housing Authorities and the following agencies serving low-income persons in Solano County:

- City of Vallejo Fighting Back Partnership
- Private Industry Council (PIC) of Solano County
- Solano Community College
- Solano Family and Children's Council
- Vallejo Unified School District
- Solano Family and Children's Services
- Vacaville Unified School District

Participation with community-based organizations promotes coordination of services and strives to eliminate duplication of effort between agencies serving the low-income population of Solano County. The HA participates on the following boards and committees:

- Solano County Workforce Investment Board
- Solano County Community Employment Taskforce
- Bay Area FSS/Homeownership Coordinator's Committee
- Solano County Program Coordinating Committee
- Solano Transportation Authority

ATTACHMENT “E”

**Proposed Revisions 2008
Chapter 24**

(Revised and Approved by Housing Authority Board Resolution No. _____, on _____)

**Housing Choice Voucher Homeownership
Action Plan**

[24 CFR Part 982, Subpart M]

INTRODUCTION

The Housing Choice Voucher (HCV) Homeownership Program (HOP) allows qualified participants of the HCV Family Self-Sufficiency (FSS) Program and qualified Elderly or Disabled participants of the HCV Program the option to purchase a home and use the HCV Housing Assistance Payment (HAP) towards mortgage payments and other allowable housing costs. The total number of HCV Homeownership Vouchers issued will be limited to no more than ten percent (10%) of the total number of Housing Choice Vouchers administered by the Vallejo Housing Authority (VHA).

Applicants for the HCV HOP must meet all HUD requirements for HCV Homeownership, in addition to, eligibility criteria established by the VHA. Admission of applicants to the HCV HOP is at the discretion of the VHA.

Down payment assistance programs are not available.

A. PREFERENCE FOR ADMISSION TO HOP

The HCV HOP is available to qualified participants of the HCV Family Self-Sufficiency (FSS) Program, and qualified Elderly or Disabled participants of the HCV Program.

Qualified participants are defined as participants who meet all VHA and HUD requirements for the HCV HOP program and have acceptable credit determined by a participating lender, no outstanding collections, or bankruptcies with a discharged date of at least 3 years prior to applying for HOP, and demonstrates the ability to secure a mortgage for the purchase of an eligible unit under the HCV HOP.

1. First Preference

First preference will be given to qualified applicants who are successful graduates or participants of the FSS Program. Elderly or disabled FSS families that otherwise qualify for HOP will receive first preference.

2. Second Preference

Second preference will be given to qualified elderly and disabled families with consistent income and demonstrate the ability to secure a mortgage. Elderly and disabled families are not required to meet employment, minimum income and minimum downpayment requirements.

B. ELIGIBILITY REQUIREMENTS

The VHA HCV HOP applicants must meet the following criteria to be considered for the VHA HOP:

1. Applicant must be a first time homebuyer.

- a) No member of the household may have any interest or ownership in a residence during the three years before applying for homeownership assistance or at the commencement of participation in HOP.
- b) Single parents or displaced homemakers (as those terms are defined in 12 U.S.C. 12713) who owned a home while married or resided in a home owned by a spouse also qualify as first time homebuyers.
- c) Families with a disabled family member may request approval for a waiver of the first time homebuyer requirement if required as a reasonable accommodation for a disability.

2. Minimum income requirements.

Calculation of income-eligibility for the HCV Homeownership Program for the purpose of determining income-eligibility for admission to the program will be conducted under the guidelines for HCV rental assistance as noted in this Administrative Plan.

- a) The head of household, spouse or other adult member(s) of the household that will hold title to the home must have a combined annual gross income of not less than the very-low income limit adjusted for the family size (30% of Median Family Income) as determined by HUD.
- b) A family that does not meet this requirement, but does meet all other HOP requirements, may request a waiver provided the family can demonstrate that:
 - Head of household, spouse or other adult member(s) of the household that will hold title to the home have a combined annual gross income of not less than the Federal minimum wage multiplied by 2,000 hours and;
 - Family is able to secure a mortgage and that the total housing cost to the family will not exceed fifty five percent (55%) of the family's total gross monthly income.
- c) Welfare assistance may not be included in the minimum gross annual income above, except for elderly or disabled families. Welfare assistance includes payments from Temporary Assistance for Needy Families (TANF), Supplementary Security Income (SSI) that is subject to an income eligibility test, food stamps, general assistance (GA); or other welfare assistance as specified by HUD.

3. Minimum employment requirements.

- a) One or more adult members of the household that will hold title to the home must be currently employed and working not less than an average of 30 hours per week and has been continuously employed for one year prior to application to HOP.
- b) Employment requirements do not apply to elderly or disabled families that otherwise qualify for HOP.
- c) A family with a member with disabilities may request an exemption from the work requirements if needed as a reasonable accommodation for the disabled family member.

4. Minimum downpayment requirements.

- a) The family must demonstrate the ability to provide a minimum of three percent (3%) downpayment on the home.
- b) At least one percent (1%) of this downpayment must come from the family's personal resources.
- c) FSS graduates may use FSS escrow towards this requirement. Families with an Individual Development Account (IDA) or an Individual Development Empowerment Account (IDEA) through the VHA or another agency may count these funds towards the minimum downpayment.
- d) The minimum down payment requirement may be waived for families with a disabled family member, if they qualify for special loan products offered by the lender.

6. Other requirements.

- a) The family must have completed an initial HCV lease term and completed the family's first annual recertification in the HCV Program.
- b) The family must verify that no family member has previously defaulted on a mortgage assisted under the HCV HOP.
- c) The head of household and any other adult members that will hold title to the home must successfully complete a HUD approved homeownership and housing counseling program approved in advance by the VHA.
- d) Family members may not owe any debt to the VHA or another housing authority.
- e) The family must maintain a good tenant standing with its landlord and the VHA. This includes, but is not limited to:
 - In compliance with HUD Family Obligations under the HCV Program,
 - Adhering to the requirements of the lease agreement;
 - No outstanding debts to the landlord or to any utility company;

- Report all Household income;
- Passing the most recent Housing Quality Standards (HQS) inspection with no significant tenant-caused failure items.

C. ELIGIBLE UNITS

HCV Homeownership assistance may be used to purchase units within the jurisdiction of the VHA that are under construction or already existing at the time the VHA issues a Homeownership Voucher to the eligible family.

1. Unit types.

The following unit types may be purchased using the HCV HOP:

- One unit property (single-family residence)
- A single dwelling unit in a cooperative, condominium or planned use development
- A manufactured home with a permanent foundation, if the family has the right to occupy the home site for a period of at least forty (40) years
- Unit not yet under construction, provided an environmental review has been performed and the site has received environmental approval prior to commencement of construction.

2. HCV Housing Quality Standards.

The unit must be inspected by the VHA and satisfy the Housing Quality Standards (HQS) for the HCV Program before HOP assistance can begin. The HQS inspection will be completed prior to the independent inspection to prevent the family from the added expense of an inspection in the event the home has major damage or necessary repairs that the Seller will not agree to repair and/or the buyer, made aware of the repairs, no longer wishes to purchase the home.

Annual HQS inspections are not a requirement for the HOP. However, VHA reserves the right to inspect the property due to a violation in accordance with the 24 CFR 982.551 Family Obligations, complaints from Code or Law Enforcement, or possible mortgage default.

3. Independent inspection.

The unit must be inspected by a certified independent inspector designated and paid by the family, and pre-approved by the VHA. This inspection must cover, at a minimum, all major building systems and components including:

- Foundation and structure
- Housing interior and exterior
- Roofing

- Plumbing
- Electrical systems
- Heating systems

The VHA must receive and approve a copy of the inspection report before HOP assistance will commence. The VHA may disapprove a unit for assistance under HOP because of information obtained through the inspection report, even if the unit passes the HQS inspection.

4. Other requirements for eligible units.

The seller of the home may not be on the HUD list of debarred and suspended contractors, or subject to a limited denial of participation under 24 CFR Part 24.

D. ISSUANCE OF VOUCHER

Once approved for participation in the HCV HOP, the family will be issued a HOP Voucher subject to the following requirements.

- The family must execute a statement in which the family agrees to comply with all family obligations under the Homeownership Option.
- The VHA will issue the family a Homeownership Voucher for a period of 180 days.
- It is the family's responsibility to find a home that meets the criteria for voucher homeownership assistance
- The VHA may require families unable to locate a suitable unit during the term of the Voucher to wait for a period of one year to re-apply for HOP.
- The VHA may grant an extension due to extenuating circumstances. Extensions will be granted at the discretion of the HA.
- The family must employ a licensed State of California, Department of Real Estate agent to assist with the search and purchase of a home on their behalf. VHA will certify agent is in good standing with the State of California.
- The family must report its progress towards locating and purchasing a unit if requested by the VHA.
- If the family is unable to locate an acceptable unit for purchase during the term of the HOP Voucher, the VHA may, at its discretion, issue the family a Voucher for rental assistance.
- If the family submits a contract of sale to the VHA that is not approved due to reasons other than the family's lack of compliance, the VHA will add back the number of days to the Voucher that it took to review the contract (known as "tolling" days).

E. CONTRACT OF SALE (SALES AGREEMENT)

The family must submit a copy of the sales agreement to the VHA. The family must enter into a sales agreement before HOP assistance may commence. The sales agreement must include the following:

- Specify the price and other terms of sale by the seller to the purchaser.
- Provide that the purchaser will arrange for a pre-purchase inspection of the unit by an independent inspector selected by the purchaser.
- Provide that the purchaser is not obligated to purchase the unit unless the inspection is satisfactory to the purchaser.
- Contracts entered into for units not yet under construction must provide that the purchaser is not obligated to purchase the unit unless and environmental review has been performed and the site has received environmental approval prior to commencement of construction and the unit passes HQS and independent inspection.
- Provide that the purchaser is not obligated to pay for any necessary repairs.
- Contain a certification from the VHA that the seller has not been debarred, suspended or subject to a limited denial of participation under 24 CFR Part 24.
- Escrow must close within a reasonable amount of time after submission of the sales agreement.
- The sale price of the home must be affordable to the family, as determined by the VHA and the Lender. The price shall be considered affordable if the monthly homeownership expenses payable by the family, as defined in Section F(2) of this action plan, do not exceed fifty five percent (55%) of the family's total monthly gross income.

F. FINANCING OF PURCHASE AND AFFORDABILITY REQUIREMENTS

The family must allow the VHA to review the terms of the mortgage secured to purchase the property before close of escrow. The VHA may disapprove proposed financing, refinancing or other debt if the VHA determines that the debt is unaffordable to the family or if the VHA determines that the lender or the loan terms do not meet VHA or HUD qualifications. The family must locate and qualify for a mortgage that meets the following requirements:

- The mortgage must be determined to be affordable by the VHA. The VHA may take into account child care, unreimbursed medical expenses, homeownership expenses, and other family expenses as determined by the VHA to determine affordability of the family's share of the housing costs. Homeownership expenses will be calculated as indicated in section G.1(g) of this action plan. The family's portion of the monthly

homeownership expenses may not exceed fifty five percent (55%) of the family's total monthly gross income.

- Short-term first mortgages with a large final “balloon payment” will not be allowed.
- Adjustable mortgages with an interest rate that adjusts more than five percent (5%) over the life of the loan, more than one percent (1%) in any one year, or adjusts more often than once per year will not be allowed.
- Interest only mortgages will not be allowed.
- The VHA will consider seller financed mortgages on a case-by-case basis.
- The family may not obtain private first mortgage financing from a family member or any other private source.
- The mortgage must be provided, insured, or guaranteed by the state or Federal government and comply with secondary mortgage market underwriting standards; or the mortgage must comply with generally accepted private sector underwriting standards.

G. CALCULATION OF HOMEOWNERSHIP ASSISTANCE PAYMENT

Calculation of income-eligibility for the HCV Homeownership Program for the purpose of determining income-eligibility for admission to the program, for determination of the family's total tenant payment, or for determining the amount of the Homeownership Assistance Payment (HAP); will be conducted under the guidelines for HCV rental assistance as noted in this Administrative Plan, except as noted otherwise in this paragraph.

1. Occupancy of home.

The HAP will only be paid while the family resides in the home. If the family moves out of the home, the VHA will discontinue payment of the HAP commencing with the month after the family moves out, unless there is a written agreement between Lender and VHA specifying a specific time period of notification prior to discontinuing the HAP.

- a) Amount of monthly homeownership assistance payment. While the family is residing in the home, the VHA shall pay a monthly homeownership assistance payment on behalf of the family that is equal to the lower of the payment standard minus the total tenant payment; or the family's monthly homeownership expenses minus the total tenant payment.
- b) Initial Payment Standard. The initial payment standard for a family is the lower of the payment standard for the family unit size (Voucher size); or the payment standard for the size of the home.

- c) Payment Standard for subsequent reexaminations. Reexaminations (interims and annual reexaminations) will use a Payment Standard that is the greater of the payment standard (as determined in accordance with the initial payment standard at the commencement of homeownership assistance; or the Payment Standard in effect at the time of the reexamination as determined using the requirements of Section G(1)(b) of this action plan. At no time will the VHA use a Payment Standard less than the initial Payment Standard at the close of escrow.
- d) The VHA will use the same Payment Standard schedule, Payment Standard amounts, and Subsidy Standards for the HOP as for the rental voucher program.
- e) Exception rent areas. If the home is located in an exception payment standard area, the VHA must use the appropriate payment standard for the exception payment standard area.
- f) Affordability of housing costs. Total monthly homeownership expenses payable by the family, as defined in G.1(g) below, must be less than fifty five percent (55%) of the family's total gross monthly income.
- g) Homeownership expenses. The VHA will use the following expenses to determine the total homeownership expense for calculation of the HAP:
- Principal and interest on initial mortgage debt, any refinancing of such debt, and any mortgage insurance premium incurred to finance purchase of the home.
 - Real estate taxes and public assessments on the home.
 - Homeowner's insurance.
 - Life insurance to the amount of the mortgage.
 - Allowance for maintenance expenses as determined by the VHA.
 - Allowance for costs of major repairs and replacements as determined by the VHA.
 - Utility allowance for the home as determined by the VHA.
- h) Principal and interest on mortgage debt incurred to finance costs for major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make the home accessible for such person, if the VHA has determined that allowance of such costs as homeownership expenses is needed as a reasonable accommodation for the disabled family member.

2. Cooperative and Condominiums

For cooperative members only (owners of condos) the following cooperative charges will also be used towards the homeownership expense:

- a) Charges included in the cooperative occupancy agreement including payment for real estate taxes and public assessments on the home;
- b) Principal and interest on initial debt incurred to finance purchase of cooperative membership shares and any refinancing of such;
- c) Cooperative or condominium operating charges or maintenance fees assessed by the condominium or cooperative homeowner association.

3. HAP payment to lender.

- a) The VHA will pay the HAP according to the terms established in the agreement the VHA and Lender have entered into. If the assistance payment exceeds the amount due to the lender, the excess will be paid directly to the family.
- b) The VHA will provide the lender with notice of the amount of the HAP and amount of the family's portion of the total homeownership expenses prior to close of escrow.
- c) Procedure for termination of homeownership assistance.
The family shall be entitled to the same termination notice and informal hearing procedures set forth in this Administrative Plan for participants in the HCV rental assistance program.
- d) Automatic termination of HAP.
Homeownership assistance for a family terminates automatically 180 calendar days after the last HAP paid on behalf of the family. The VHA has the discretion to grant relief from this requirement in those cases where automatic termination would result in extreme hardship for the family.

G. CONTINUED ASSISTANCE – COMPLIANCE OF FAMILY OBLIGATIONS

The family must execute a statement of family obligations prior to the issuance of the homeownership voucher and at the annual exam, agreeing to comply with all HCV family obligations and HOP family obligation, which includes but is not limited to:

- a) occupying the home.
- b) completing any post-purchase counseling required by the Housing Authority.
- c) maintaining a saving account and/or home warranty for unexpected and necessary repairs or maintenance.
- d) not obtain ownership interest in another residence while receiving HCV HOP assistance.

- e) supplying any information as required by the Housing Authority or HUD concerning:
 - (1) any mortgage or other debt incurred to purchase the home, any refinancing of such debt (including information needed to determine whether the family has defaulted on the debt, and the nature of any such default), and information on any satisfaction or payment of the mortgage debt; (2) any sale or transfer of any interest in the home; or (3) the family's homeownership expenses.
- f) complying with all terms of the mortgage.
- g) not lease, let, transfer or convey the home.
- h) refinancing or other debt secured by the home must not be obtain without prior approval of VHA.

H. MAXIMUM TERM OF HOMEOWNERSHIP ASSISTANCE

The time limits below apply to all family members having an ownership interest in the unit during the time that homeownership payments are made; and, the spouse of any member of the household who has an ownership interest in the unit during the time that homeownership payments are made.

All families, including families that become elderly during the term of the homeownership assistance are subject to the following maximum terms:

- Initial mortgage term of twenty (20) years or longer. The maximum term of homeownership assistance will be fifteen (15) years.
- Initial mortgage term of less than twenty (20) years. The maximum term of homeownership assistance will be ten (10) years.

Elderly and disabled families are assisted for as long as they remain in the HCV HOP. If, during the course of homeownership assistance, the family ceases to qualify as elderly or disabled, the maximum term as defined in Section H.2 will become applicable from the date homeownership assistance commenced. The VHA will provide a family at least six (6) months of homeownership assistance after the maximum term becomes applicable provided the family is otherwise eligible to receive homeownership assistance.

If a family becomes over-income prior to the maximum term of homeownership the family has 360 days to return to the HCV HOP in the case of an extreme hardship. Involuntary loss of employment, illness, or death of a family member, which prevents adult members of the household to remain employed are examples of an extreme hardship. The VHA, at its discretion, will determine length of assistance based on the family's circumstances.

The initial maximum term limit applies if the family receives assistance for more than one home purchase, even if received from another housing authority.

I. POST-PURCHASE COUNSELING

The VHA may require the family to attend post-purchase counseling one year after the close of escrow and at any time during the term of the homeownership assistance. Counseling topics may include:

- Financial Planning
- Housing Keeping
- Property Maintenance
- Budgeting

J. RIGHT OF FIRST REFUSAL

The family must execute documentation giving the VHA, or its designee, the right of ___ first refusal in the event the family decided to sell the home. This document shall be in effect during the term of the HAP

K. INSURANCE REQUIREMENTS

The VHA may require the head of household to purchase and maintain a life insurance policy that will cover the amount of the mortgage.

The VHA may require the family to include the VHA as additional insured on the homeowner's insurance policy, such as a home warranty policy.

L. SAVINGS ACCOUNT

The VHA may require the head of household to maintain a saving account to create a reserve for unexpected and necessary repairs or maintenance.

M. PORTABILITY

Families issued a homeownership voucher may exercise portability to purchase a unit in the jurisdiction of another housing authority.

1. Incoming portable families:

- a) may purchase a unit within the jurisdiction of the VHA, provided the VHA is accepting new homeownership families at the time of the purchase.
- b) must be under rental assistance in Solano County for 12 months prior to application for HCV Homeownership. Families with a disabled family member may request approval for a waiver of the 12 month Solano County rental assistance requirement if required as a reasonable accommodation for a disability.
- c) must meet the education, counseling, and all other HOP requirements of the VHA.
- d) must be certified by initiating HA that the family is in good standing with VHA and Landlord.

The VHA must promptly notify the initial HA if the family has purchased an eligible unit under the program, or if the family is unable to purchase a home within the maximum time established by the VHA.

2. Outgoing portable families:

- a) may purchase a unit within the receiving jurisdiction, provided they are accepting new homeownership families at the time of the purchase.
- b) must meet the education, counseling, and all other HOP requirements of the receiving Housing Authority.
- c) must be certified by initiating VHA that the family is in good standing with Housing Authority and Landlord.
- d) the initiating VHA must promptly notify the HA, if the family has purchased an eligible unit under the program, or if the family is unable to purchase a home within the maximum time established by the HA.

N. MOVES WITH CONTINUED TENANT-BASED ASSISTANCE

A family receiving VHA homeownership assistance may purchase and move to a new unit with continued assistance.

1. Purchase of a new unit.

A family receiving homeownership assistance may purchase and move to a new unit with continued assistance, provided the family fulfills all requirements of the HOP at the time of the purchase of the new unit. The following applies to a family purchasing a new unit under the HOP:

- a) The family will not be eligible to move with continued assistance for a period of one year after the initial purchase.
- b) The VHA may, at its discretion, require the family to complete a new housing counseling program or receive additional counseling prior to close of escrow.
- c) The requirement that the family must be a first time homebuyer is not applicable.
- d) The VHA may deny permission to move with continued assistance in the case of lack of funding or if the VHA has denied or terminated assistance to the family under section N below.
- e) If the unit is not yet under construction an environmental review must be performed and the site has received environmental approval prior to entering into a contract of sale.

2. Sale of original HOP unit and return to tenant-based rental assistance.

The VHA may, at its discretion, allow a family to return to tenant-based rental assistance. The following applies to a family returning to tenant-based rental assistance:

- a) The VHA may deny permission to move with continued assistance in the case of lack of funding or if the VHA has denied or terminated assistance to the family as defined under Section P of this action plan.
- b) The VHA will not commence continued tenant-based assistance for occupancy of a rental unit so long as any family member owns any title or other interest in the home previously assisted through the HOP.
- c) If the family has defaulted on a FHA insured mortgage, the family must demonstrate that it has conveyed title to the home to HUD or its designee, as required by HUD; and that the family moved from the home within the period established or approved by HUD.
- d) If the family has defaulted on a mortgage that is not FHA-insured, the family must demonstrate that it has conveyed title to the home to the lender, to the VHA or its designee, as may be permitted or required by the lender; and that the family moved from the home within the period established or approved by the lender and the VHA.

O. DENIAL OR TERMINATION OF ASSISTANCE

The VHA shall deny or terminate homeownership assistance for the family in accordance with the requirements of this section. The VHA, at its discretion, may allow the family to return to tenant-based rental assistance under conditions in Section N(2).

- Failure to report all household income.
- Failure to comply with Vallejo Housing Authority HCV Homeownership Program requirements.
- Failure to comply with any HUD Family Obligations.
- The family defaults on the mortgage.

P. WAIVER OR MODIFICATION OF HOMEOWNERSHIP POLICIES

The Housing Manager shall have the discretion to waive or modify any provision of the HCV Homeownership Program policy not governed by statute or regulation for good cause or to comply with changes in HUD regulations or directives.



VALLEJO HOUSING AUTHORITY

Date: October 21, 2008

TO: Chair and Members

FROM: Craig Whittom, Assistant City Manager/Community Development *CW*
Melinda Nestlerode, Acting Housing and Community Development Manager *ML*

SUBJECT: STATUS OF COMMUNITY LAND TRUST OPTION TO PROVIDE AFFORDABLE HOUSING

This staff report was presented to the Housing Authority Board on September 16, 2008. Staff made a presentation during that meeting. There was insufficient time during the September 16, 2008 meeting for Board input. Tonight's item will provide time for Board input.

BACKGROUND AND DISCUSSION

In the current Fiscal Year (FY), 2008/2009, the Vallejo Housing Authority (VHA) has allocated \$25,000 for a Community Land Trust (CLT) feasibility study. The \$25,000 was a component of a pool of accrued funds which were appropriated in FY 2006/2007 for an affordable housing project.

CLT's are utilized by jurisdictions across the country as a way to provide a sustainable stock of affordable residential homeownership, and to reduce the impacts to neighborhoods caused by absentee ownership and neglect. While there are many different CLT models, each set up to meet the unique needs of a community, the basic premise of CLT's is that they assist communities to:

- (1) gain control over local land use, and reduce absentee ownership;
- (2) provide affordable housing for lower-income residents in the community;
- (3) promote resident ownership and control of housing;
- (4) keep housing affordable for future residents;
- (5) capture the value of public investment for long-term community benefit; and
- (6) build a strong base for community action.

The idea of establishing a CLT in Vallejo was initiated during community meetings held in 2006 and 2007 to discuss a proposed Inclusionary Zoning Ordinance. The idea sparked the imagination of several Vallejo citizens, who invested time in further research. In June 2008, City staff began meeting with the group to discuss the viability of a CLT in Vallejo.

How a Land Trust Works

Although each CLT follows a unique model, the key feature that characterizes a CLT is that it treats land separately from buildings on the land; the CLT owns the land, but individual homeowners own the structures. This arrangement allows the cost of land to be removed from the calculations of the building price, thereby lowering costs. The land is conveyed to individual homeowners through a ground lease. The lease, which typically runs for 99 years, defines the rights and obligations of each of the parties in a CLT, and can be both renewed and inherited.

The homeowners enjoy the same rights as most homeowners; however, their home equity is restricted. The selling price of a CLT home is determined by a resale formula written into the ground lease, which limits price increases and preserves the long-term affordability of the unit.

Most CLT's are chartered as a non-profit corporation, or are housed within an existing non-profit corporation, and have a 501(c)(3) tax exemption from the Internal Revenue Service. They operate within a physical, geographic boundary, and are accountable to the citizens living within that jurisdiction. In some cases, any adult living on CLT land, and any adult living within the jurisdiction of the CLT, may become a voting member of the CLT. In other CLT models, membership is expanded to include non-profit corporations; local governments; or private institutions like hospitals, churches, businesses, or corporations. Nearly all CLT's operate under a Board of Directors; however, the make-up of a governing board varies widely.

Benefits of a CLT

CLT's can be an effective tool in establishing long-term affordable housing. According to the Spring 2008 edition of "Community Investments", recent research shows that CLT's use public subsidies more efficiently than a traditional downpayment assistance program. By limiting the accrual of home equity, the home remains affordable to the original homeowner, and each subsequent homeowner, thus recycling subsidy dollars from owner to owner.

CLT's also allow the homeowner to build equity. While the amount of the equity is limited, it exceeds the amount that the family would earn if they remained in the rental market. John Emmeus Davis, a leading scholar on CLT's, has noted that the resale formula is designed to give departing homeowners a fair return on their investment, while giving future homebuyers fair access to affordable housing, preserving affordability for one generation after another.

A further benefit of a CLT is that it can play a stewardship role in the community. CLT's can provide homebuyer education and training, ongoing post-purchase education, and other services to homeowners, such as support in the face of unexpected financial difficulties and advice and assistance in cases of delinquency or foreclosure. As the owner of the land under the homes, the CLT has a stake in the condition of the property. Should the building become a hazard, the ground lease would give the CLT the right to force repairs.

In Vallejo, a CLT model may focus on foreclosed properties, eliminating blight from overburdened neighborhoods, and reestablishing a pride of ownership in the community. The current housing market provides a strong opportunity for the CLT to purchase real estate at very affordable prices, increasing the number of potential properties purchased. The Vallejo model may also include substantial rehabilitation of distressed foreclosed properties, offering employment to local contractors and workmen.

Weaknesses of a CLT

(1) Buchongo Settlement Agreement: Based on the timeframe involved relative to the development of a CLT in Vallejo, it is highly unlikely that a CLT would cure the Vallejo Redevelopment Agency's obligation to produce affordable housing under the terms of the Buchongo Settlement Agreement, which was executed in 1999. The defendants in the Buchongo Settlement are listed as the City of Vallejo, the City Council, and the Redevelopment Agency. The premise of the lawsuit was that the City had not complied with their affordable housing obligations, including requirements for expenditures of low and moderate income housing funds. Legal Services of Northern California, which represents the plaintiffs in the Buchongo case, has written a letter regarding the CLT concept, (Attachment "A"), to which staff has responded, (Attachment "B").

The remaining provision of the Buchongo Agreement requires that the City produce eight housing units, of two or more bedrooms, either through new construction or substantial rehabilitation, for families whose income is 50 percent or below the area median income. These units must also be encumbered with an affordability covenant of 45 years if owner-occupied, or 55 years if rental units. The City's original deadline for meeting the Settlement Agreement obligation was July 2007, but has been extended to August 2009.

(2) Housing Element Goals: It is unclear to what extent foreclosed housing units purchased by a CLT would assist the City of Vallejo in complying with the goals contained in the Housing Element of its General Plan. The City's Housing Element is currently being revised. The Association of Bay Area Governments, (ABAG), which is the primary data source used to determine Vallejo's housing development goals, has published a needs assessment for the 2007 through 2014 planning period, (Attachment "C").

Section 65583.1(c)(2)(A) of state Housing Element Law provides that the Department of Housing and Community Development may allow a City to substitute up to 25 percent of the community's Housing Element obligations if all of the following provisions are met: (i) the City commits existing financial resources; (ii) the units are made available to very low- and low-income households; (iii) the City substantially rehabilitates the units; (iv) the City determines that the unit is at imminent risk of loss of the housing stock; (v) the City provides relocation costs to the residents of the units; (vi) the City gives the displaced occupants rights to reoccupy the rehabilitated units; (vii) the units have been found to be unfit for human habitation; and (viii) the rehabilitated unit is subject to affordability covenants of not less than 20 years.

(3) Consolidated Plan: The Consolidated Plan is a document that is required of jurisdictions receiving Federal Community Development Block Grant (CDBG), HOME Investment Partnerships, and other program funds from the U. S. Department of Housing and Urban

Development (HUD). The City of Vallejo adopted its Consolidated Plan in April 2005. The current Plan includes the period beginning July 1, 2005 and ending June 30, 2010.

The Plan has identified a need for affordable multi-family and rental housing in the community, as well as other housing, homeless, and community development needs. Failure to address the identified needs in the City Council's Consolidated Plan may adversely affect the City's future eligibility for CDBG, HOME, and other HUD Program funding. These funds are used to support affordable housing, social service, and public improvement projects benefiting very low- and low-income families and neighborhoods.

Next Steps

The City of Vallejo has a combined \$4.2 million reserved for meeting its affordable housing development goals. This pool represents a combination of CDBG, HOME, Housing Authority Reserves and Redevelopment Agency Affordable Housing Set-Aside funds. This represents the total amount of City funds currently available for affordable housing development. Further financial assistance may become available through emergency CDBG funding provided for in H.R. 3221, The Housing and Economic Recovery Act of 2008. H.R. 3221 directs HUD to establish the formula for allocating emergency CDBG assistance to states and local agencies by September 28, 2008, and to distribute the allocations within 30 days of that date.

In Fiscal Year (FY) 2006/2007, the Housing Authority Board (HAB) set aside \$500,000 of Housing Authority reserves in Fund 124 for affordable housing development. The June 24, 2008 staff report regarding the consideration of the FY 2008/2009 budget indicated that \$25,000 of the reserved \$500,000 in Fund 124 would be utilized to fund a Land Trust Feasibility study. Housing Authority By-Laws, approved February 1, 2000, provide that the Executive Director shall have the authority to execute contracts and agreements in amounts of \$25,000 or less.

Staff issued a Request for Proposals (RFP) for a CLT Feasibility Study in July 2008, (Attachment "D"). Per the target timeline, (Attachment "E"), RFP responses were due to the City by August 29, 2008. Only one bid was received by the deadline; from Rick Jacobus and Alison Handler of Burlington Associates in Community Development. Burlington Associates is a national community development consulting firm with a special emphasis on community land trusts and other forms of shared equity homeownership. In addition to community and market research, Burlington Associates anticipate conducting stakeholder interviews to incorporate community input into the study. Their proposal indicates that it will take three to four months to complete the study. The feasibility study should provide information regarding the development, financing and administration of a CLT in Vallejo, as well as clarify whether a CLT will enable the City to comply with its Housing Element goals.

Staff plans to bring the results of the CLT Feasibility Study to a joint Housing Authority (VHA), Redevelopment Agency (RDA), and City Council Study Session by January 2009. At the joint Study Session, staff will present the option of the CLT, in conjunction with other viable affordable housing development opportunities, which would enable the City to

comply with its Buchongo, Housing Element, and Federally-funded program (Consolidated Plan) obligations.

FISCAL IMPACT

The cost of establishing of a CLT in Vallejo will be assessed in the feasibility study. While the production of affordable homeownership housing for low and very low-income first time homebuyers is a priority according to the City's Consolidated Plan, the Plan also indicates a need to balance this against the demonstrated higher priority need for rental housing to families belonging to the same income groups.

ALTERNATIVES CONSIDERED

The Housing Authority Board has allocated funds for a Community Land Trust Feasibility Study. Staff is following the Board's direction, and intends to present the results of a feasibility study in a study session by January 2009. Therefore, no other alternatives were considered.

ENVIRONMENTAL REVIEW

An environmental review is not required for this staff report.

PROPOSED ACTION

This item is informational only.

DOCUMENTS AVAILABLE FOR REVIEW

Attachment A – Letter from Legal Services of Northern California dated July 24, 2008

Attachment B – Response to Legal Services of Northern California dated September 9, 2008

Attachment C – ABAG Housing Needs Allocation for the City of Vallejo dated May 15, 2008

Attachment D – CLT RFP

Attachment E – CLT RFP Timeline

CONTACT:

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

or

Melinda Nestlerode, Acting Housing and Community Development Manager, (707) 648-4408, mnestlerode@ci.vallejo.ca.us

ATTACHMENT "A"

LEGAL SERVICES OF  NORTHERN CALIFORNIA

SOLANO COUNTY OFFICE 1810 CAPITOL STREET VALLEJO CA 94590
VOICE: (707) 643-0054 (800) 270-7252 FAX: (707) 643-0144
EMAIL: VALLEJO-OFFICE@LSNC.NET WEB: WWW.LSNC.NET

July 24, 2008

Melinda Nestlerode, Division Manager
Guy Ricca, Senior Analyst
Housing and Development Division
City of Vallejo
200 Georgia St.
Vallejo, CA 94590

RECEIVED
City of Vallejo
Housing and Development Division

JUL 25 2008

Referred to _____

Referred to _____

JUL 25 2008

RECEIVED
City of Vallejo
Housing and Development Division

Re: *Buchongo v. City of Vallejo*

Dear Ms. Nestlerode and Mr. Ricca:

As we have discussed on several occasions, the two year extension for full compliance with the judgment in the *Buchongo* case will expire on August 12, 2009. I am writing at this time to emphasize this deadline since, in our experience, it usually takes far more than a year to develop affordable housing.

I am encouraged that the City has completed the vast bulk of new and substantially rehabilitated units required under the settlement. I am very concerned, though, about the City's ability to fully satisfy its obligations in a timely manner.

Since the collapse of the Graham Gardens projects last year, it appears that there has been no significant progress toward the completion of the remaining units required under the judgment. The efforts you have taken since it became clear that Graham Gardens would not be completed in time have been largely unsuccessful. Further, we do not know of any potential projects now underway that would satisfy the requirements of the judgment.

I am aware that the City is now exploring the possibility of creating a community land trust as a vehicle for adding to the supply of affordable housing. While I think this is an exciting idea that may have the potential to improve the stock of affordable housing in Vallejo, I am not convinced that it is the ideal solution for meeting the *Buchongo* requirements, especially given the relatively short time we have remaining for full compliance. Further, it seems quite unlikely that a community land trust could ever be used as a vehicle to accommodate Vallejo's 2007-2014 regional housing need allocation of 665 new units of housing affordable to very low income households and 468 additional units affordable to low income households as assigned by ABAG.

In our opinion, any comprehensive approach to affordable housing will include rental

housing options as well as home ownership. Focusing exclusively on home ownership programs, as some would seem to prefer, will leave out a substantial number of Vallejo residents for whom home ownership is not a viable option. For example, persons with disabilities who must survive on meager SSI benefits or those whose credit history makes them ineligible for mortgage assistance are not likely to be able to purchase a home, even with assistance.

I bring these concerns to your attention now, not because we have any interest in derailing the work being done to create a community land trust, but to remind you that the City must move quickly to complete what it agreed to do in 1999. If the City has not finished development or substantial rehabilitation of the remaining units required under the judgment by next summer, plaintiffs will explore ways to enforce the judgement, including, if necessary, seeking sanctions for contempt against the City and the individual defendants. While we are not anxious to take such actions, neither can we sit by as the City does little or nothing to meet its commitment.

Very truly yours,

A handwritten signature in black ink, appearing to read "Bob Stalker". The signature is fluid and cursive, with a long horizontal stroke at the end.

Robert A. Stalker
Attorney at Law

c: Deborah Collins

ATTACHMENT "B"



CITY OF VALLEJO

COMMUNITY DEVELOPMENT DEPARTMENT
Housing and Community Development Division

200 GEORGIA STREET • P.O. BOX 1432 • VALLEJO • CALIFORNIA • 94590-5905 • (707) 648-4507
FAX (707) 648-5249

September 9, 2008

Robert A. Stalker, Managing Attorney
Legal Services of Northern California
1810 Capitol Street
Vallejo, CA 94590

RE: Buchongo v. City of Vallejo

Dear Mr. Stalker:

I am writing in response to your letter dated July 24, 2008 to Mr. Guy L. Ricca, Senior Community Development Analyst, and me regarding the City of Vallejo and the Redevelopment Agency of the City of Vallejo's efforts to develop the final eight units of affordable housing required pursuant to the Buchongo Settlement Agreement.

The City and Agency share your desire to complete the final eight units as soon as possible, and continue to make efforts, in collaboration with affordable housing developers, to find a development opportunity that will provide the final eight units. While none of those efforts have been successful to date, I take issue with your suggestion that the City and Agency are doing "little or nothing" to seek out opportunities to ensure that the final eight units are developed.

As you know, the City made a loan of Federal HOME Program funds in the total amount of \$833,123 to Vallejo Neighborhood Housing Services, Inc. (VNHS) for the development of a 22-unit project, known as Graham Gardens, that would satisfy the final requirements of the Settlement Agreement. Additionally, the Housing Authority of the City of Vallejo planned to loan VNHS an additional \$700,000 for the construction of the project. The Housing Authority did not actually extend that loan, because VNHS was unable to secure the additional financing needed to construct the project.

If not for VNHS's inability to secure the required financing for this project, the City and Agency likely would have already substantially fulfilled its obligations under the Settlement Agreement.

Letter to Robert Stalker
September 9, 2008
page 2

Nonetheless, the City and Agency are continuing to meet with VNHS monthly to discuss the Graham Gardens project, and offer VNHS advice and assistance as appropriate to determine if the project can be developed in some form that would help the City and Agency satisfy their commitments under the Settlement Agreement.

The City and Agency were also working with Eden Housing, Inc. on the acquisition and rehabilitation of Regency Townhomes, an existing development that includes 50 units, 38 of which would be restricted to rental by low- and very low-income households. This project would also have satisfied the requirements under the Settlement Agreement. Unfortunately, this project was unable to move forward because the sales price required by the current owner of Regency Townhomes was significantly more than the appraised value of the property as determined by Eden. The property owner and Eden were unable to come to terms on the purchase price, and Eden decided not to move forward with the project.

Additionally, as you note in your letter, the City is exploring the possibility of forming a Community Land Trust (CLT) to provide further affordable housing opportunities in the City. This opportunity could help to provide permanent affordable housing to a range of income levels. While the specific focus of the CLT has not yet been determined, the City anticipates that the CLT would provide housing units to low- and very low-income households. These units would also help to satisfy the requirements of the Settlement Agreement. The City has solicited proposals from consultants who can analyze the feasibility of forming a CLT in Vallejo. We further expect that the consultant selected will provide a report on the feasibility of a CLT before the end of 2008.

Based on all of the activities that the City and Agency have been pursuing over the past year, I disagree with the suggestion in your letter that the City is doing "little or nothing to meet its commitment" under the Settlement Agreement. While none of the projects described above have come to fruition, we continue to seek out opportunities with developers that can provide the units needed under the Settlement Agreement.

As you know, the tightening of the credit market, the problems at Fannie Mae and Freddie Mac, and the foreclosure crisis generally have all had a ripple effect that has made it increasingly difficult to obtain the financing necessary to develop affordable housing. The City and Agency continue to stand ready to provide assistance to develop additional affordable housing as required to

Letter to Robert Stalker
September 9, 2008
page 3

satisfy the final terms of the Settlement Agreement. However, the developers that will actually build or substantially rehabilitate the housing also need to secure financing from other sources as well, in order to have sufficient funds actually to construct the units.

The City and Agency will continue to seek out opportunities to assist in the development of the additional units needed to satisfy the Settlement Agreement, and will continue to make our best efforts to ensure that the units are completed by the due date provided for in the Settlement Agreement.

If there are opportunities that the City and Agency have not considered, or if you have alternative suggestions as to how the City should go about ensuring that the final eight units are constructed, please offer any advice you may have. The City and Agency are eager to fulfill their commitment and are open to suggestions.

We look forward to continuing to work with you toward our mutual goal of developing the last eight units required under the Settlement Agreement. If you have any additional questions or comments, please do not hesitate to contact me at (707) 648-4408, or mnestlerode@ci.vallejo.ca.us; or Guy L Ricca, at (707) 648-4395, or gricca@ci.vallejo.ca.us.

Sincerely,



MELINDA NESTLERODE

Acting Housing and Community Development Manager

cc: Craig Whittom, Assistant City Manager/Community Development, City of Vallejo
Guy L. Ricca, Senior Community Development Analyst, City of Vallejo
Ethan Walsh, McDonough Holland & Allen PC, Attorneys at Law

ATTACHMENT "C"

ATTACHMENT "C"
 ABAG HOUSING NEEDS ALLOCATION, CITY OF VALLEJO - MAY 15, 2008
 (2007 - 2014)

<u>Income</u>	<u>Very Low</u>	<u>Low</u>	<u>Moderate</u>	<u>Above Mod.</u>	<u>Total</u>
Percent AMI [1]	<50%	<80%	<120%		
Number of					
Units	655	468	568	1,409	3,100
[1] Area median income.					

ATTACHMENT "D"

REQUEST FOR PROPOSALS FOR A FEASIBILITY STUDY FOR A COMMUNITY LAND TRUST IN THE CITY OF VALLEJO, CALIFORNIA

The Housing Authority of the City of Vallejo (hereinafter referred to as "AUTHORITY") has allocated \$25,000 for a Community Land Trust (CLT) Feasibility Study. The intent of the study is to advise AUTHORITY, and residents of the community, on the feasibility of establishing a CLT within the City of Vallejo. This study would include a recommendation of a potential model or models with (1) the highest probability of success, and (2) the strongest likelihood of assisting the Vallejo City Council, the Vallejo Redevelopment Agency, and AUTHORITY in accomplishing its affordable housing goals and obligations.

To this end, AUTHORITY desires to select, and enter into a contract with, a consultant to prepare a CLT Feasibility Study for AUTHORITY.

After considering the CLT concept, and receiving input from interested parties, AUTHORITY has concluded that a CLT may provide Vallejo with a method to provide homeownership opportunities to very low- and low-income families, while simultaneously eradicating the blight affecting neighborhoods impacted by multiple foreclosed properties, including through the rehabilitation of housing units. A CLT in Vallejo may be chartered as a non-profit corporation, or initially housed within an existing non-profit corporation. If feasible, AUTHORITY desires a CLT capable of acquiring and rehabilitating 40 to 50 housing units available for homeownership within the first two years of its establishment.

AUTHORITY has identified the following characteristics that AUTHORITY desires in a CLT consultant:

- qualifications and experience necessary to analyze and produce a report on the feasibility of establishing a CLT in Vallejo, and in a timely manner;
- demonstrated knowledge and expertise in to the area of CLT creation, including but not limited to such things as (i) legal non-profit corporation and membership requirements; (ii) an individualized CLT financing program appropriate to current and anticipated local housing market and housing stock conditions; (iii) equity share models; (iv) land value calculation; (v) suggested CLT homebuyer eligibility criteria; (vi) potential CLT funding sources for acquisition, rehabilitation, homebuyer assistance, and CLT administration; and (vii) recommended stewardship functions of a CLT; and
- demonstrated knowledge of and strong familiarity with State Housing Element Law; and the housing goals and requirements of the adopted Consolidated Plan and Housing Element of the City of Vallejo.

From the submitted Request for Proposal (RFP) responses, staff will select prospective CLT consultants to be interviewed. The interviewers will include representatives from AUTHORITY. The interview panel may recommend a CLT consultant to AUTHORITY for its final review and selection.

The schedule for the CLT consultant selection process will be as follows:

- | | |
|---|---------------------------|
| 1. Issuance of RFP | August 1, 2008 |
| 2. Deadline for submission of RFP responses | August 29, 2008 |
| 3. Interviews for CLT consultants | Week of September 8, 2008 |
| 4. Recommendation of selected CLT consultant by panel | September 12, 2008 |
| 5. Consultant selection | September 15, 2008 |
| 6. Estimated effective date of Consultant Agreement | September 30, 2008 |

RFP PROPOSAL SUMMARY

In this section, the following RFP components will be discussed:

1. Executive Summary
2. Proposed Services
3. Fee Structure
4. Standard Agreement
5. References
6. Overview of Firm and Staff

Submissions will be judged based on proposed services, fees, references, and organizational capacity. The purpose of the following is to assist respondents in developing the best, most competitive submission.

Executive Summary - No more than one and one-half (1½) pages. Summarize the respondent's interest in providing services to AUTHORITY, naming a contact person on behalf of the respondent firm, describing the respondent's understanding of the work required, and a brief statement listing the areas of expertise in which the respondent specializes.

Proposed Services - Provide a detailed description of the consultant services respondent will provide, including but not limited to such things as planning and facilitating community and small planning group workshops and meetings, presentations of reports and studies (written and oral) to elected and appointed governmental bodies, and telephone and in-person consultations and briefings.

Fee Structure - Provide and describe the fee structure upon which, if successful, the respondent firm would base its charges to AUTHORITY.

[Respondents are advised that services such as printing and reproduction, facsimile receipt and transmission, long distance telephone call charges, and e-mail print-out costs are not reimbursable on an itemized basis, but instead must be included in the fee structure as covered costs].

Standard Agreement – Selected consultant will execute a standard agreement, including general contract provisions, (shown as **Attachment “A”**, or a similar document).

References - List four (4) references for the respondent firm's work in the completion of studies regarding CLT feasibility, or comparable CLT studies. References provided shall be similar in nature and complexity, and be within the past three years.

Overview of Firm and Staff - In this section, discuss the history of the respondent firm. Provide a summary of the respondent firm's current business or operations plan. Provide resumes of key personnel and their roles in the firm. Discuss prior or existing experience as a consultant to CLTs, or entities evaluating the feasibility of establishing a CLT.

SELECTION PROCESS

Selection of the preferred consultant will be based on responsiveness to the following criteria: proposed services, fees proposed, references, and organizational capacity.

SUBMISSION REQUIREMENTS

Submit four (4) complete sets of the RFP response to:

Guy L. Ricca, Senior Community Development Analyst
City of Vallejo
P. O. Box 1432
200 Georgia Street
Vallejo, CA 94590
707/648-4395
FAX 707/648-5249
gricca@ci.vallejo.ca.us

These copies must be submitted not later than 4:00 p. m. (PST) on August 29, 2008.

Information contained in RFP responses should be formatted consistent with this request and be thoroughly specific wherever possible. Greater priority will be given to specificity as well as to information which is more recent.

REQUEST DISCLAIMERS, CONDITIONS, AND QUESTIONS

Listed below are considerations governing the selection process:

1. AUTHORITY reserves the right to withdraw the solicitation at any time without prior notice. No representations are guaranteed for the selection of a proposer and/or the awarding of a contract. AUTHORITY reserves the right to reject any and all proposals submitted in response to this request.
2. Changes to the RFP and its requirements will be made by addendum.
3. AUTHORITY shall be not liable for any pre-contractual expenses incurred by any proposing or selected consultant. The proposer shall not include any such expense as part of a written proposal.
4. Pre-contractual expenses are defined as expenses incurred by proposer and selected consultant in preparing or submitting a proposal, negotiating with AUTHORITY, or any other expenses incurred prior to the date of award.
5. Any and all agents of AUTHORITY shall be held harmless and free from any and all liabilities, claims, and expenses whatsoever incurred by or on behalf of any person or firm submitting an RFP.
6. No prior, current, or post-award verbal agreement with any officer, agent, or employee of AUTHORITY shall effect or modify any terms or obligations of this request, the proposal, or any contract or option resulting from this process.

All questions pertaining to this RFP shall be directed to:

Guy L. Ricca, Senior Community Development Analyst
City of Vallejo
P. O. Box 1432
200 Georgia Street
Vallejo, CA 94590
707/648-4395
FAX 707/648-5249
gricca@ci.vallejo.ca.us

CONSULTANT AND PROFESSIONAL SERVICES AGREEMENT

This Consultant and Professional Services Agreement ("Agreement") is made at Vallejo, California, dated for reference the _____ day of _____, 200____, by and between the Housing Authority of the City of Vallejo, California, a public body, corporate and politic ("Authority"), and _____, ("Consultant"), who agree as follows:

1. **Services.** Subject to the terms and conditions set forth in this Agreement, Consultant shall provide Authority, as the case may be, professional services as specified in Exhibit A, entitled "Scope of Work"
2. **Payment.** Authority shall pay Consultant for services rendered pursuant to this Agreement at the times and in the manner set forth in Exhibit B, entitled "Compensation." The payments specified in Exhibit B shall be the only payments to be made to Consultant for services rendered pursuant to this Agreement.
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 Authority, its officers, officials, directors, employees, agents, volunteers, and affiliates 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, including any such loss or liability caused by the concurrent passive negligence of Authority or any Authority officer, employee, agent, volunteers or affiliates for the full period of time allowed by the law, regardless of any limitation by insurance. The provisions of this section shall survive the expiration or termination of this Agreement.
5. **Insurance Requirements.** Consultant agrees to comply with all of the Insurance Requirements set forth in Exhibit C, entitled "Insurance Requirements for Consultant."

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 Authority under this Agreement.
7. **Independent Contractor.** Consultant shall be an independent contractor and shall not be an employee of Authority while performing services pursuant to this Agreement. Authority shall have the right to control Consultant only insofar as the results of Consultant's services rendered pursuant to this Agreement; however, Authority 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 Authority 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 Authority 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 Authority 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. No 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 Authority may authorize in writing, Consultant shall have no authority, express or implied, to act on behalf of

Authority in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement, to bind Authority to any obligation whatsoever.

13. **Abandonment by Authority.** Upon abandonment of the project encompassed by this Agreement by Authority, 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 Authority within thirty (30) days following submission of a final statement by Consultant.
14. **Termination by Authority.** Should Authority, at any time, and at 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 Authority. 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 Authority.** Authority 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 Authority.

18. **Non-Discrimination/Fair Employment Practices.** Consultant agrees to observe the provisions of the City of Vallejo'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 Authority 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 Authority:

If to Consultant:

20. **Integration Clause.** This Agreement constitutes the entire agreement of the parties and may not be amended, except in a writing signed by all 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 laws 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 or in the United States District Court, Eastern District of California, Sacramento, California, and the parties consent to jurisdiction over their person and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.
23. **Waiver.** Waiver by any 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. **Ambiguity.** This Agreement and each of its provisions have been jointly drafted by Authority and Consultant; no party shall be deemed to have been the drafting party and no ambiguity shall be presumed to be construed against any party.

25. **Headings.** The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.
26. **Compliance with Laws.** Consultant will comply with all statutes, regulations, and ordinances in the performance of all services pursuant to this Agreement.
27. **Confidentiality of Authority Information.** During performance of this Agreement, Consultant may gain access to and use Authority regarding, but not limited to, procedures, policies, training, operational practices, and other vital information (hereafter collectively referred to as "Authority Information") which are valuable, special, and unique assets of Authority. Consultant agrees to protect all Authority 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 Authority Information to any third party without the prior written consent of Authority. A violation by Consultant of this paragraph shall be a material violation of this Agreement and will justify legal and/or equitable relief.
28. **Authority Representative.** The Representative specified in Exhibit A, or the representative's designee, shall administer this Agreement for Authority.
29. **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.
30. **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.
31. **Exhibits.** The following exhibits are attached hereto and incorporated herein by reference:
 - Exhibit A, entitled "Scope of Work", consisting of 2 pages.
 - Exhibit B, entitled "Compensation", consisting of 2 pages.
 - Exhibit C, entitled "Insurance Requirements for Consultant", consisting of 3 pages.

(SIGNATURES ARE ON FOLLOWING PAGE)

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year shown below the name of each of the parties.

CONSULTANT

By: _____

DATE: _____

(Authority Seal)

**HOUSING AUTHORITY OF THE
CITY OF VALLEJO, CALIFORNIA,
a public body, corporate and
politic**

By: _____

Executive Director

DATE: _____

ATTEST:

By: _____

Secretary

APPROVED AS TO CONTENT:

By: _____

Assistant City Manager/
Community Development

**APPROVED AS TO INSURANCE
REQUIREMENTS:**

Risk Manager

APPROVED AS TO FORM:

Authority Counsel

EXHIBIT A
SCOPE OF WORK

1. Representatives:

The Authority Representative for this Agreement is:

All Consultant correspondence to Authority will be addressed to and questions pertaining to this Agreement will be referred to Authority Representative or the Representative's designee.

The Consultant Representative for this Agreement is:

All Authority questions pertaining to this Agreement will be referred to the Consultant Representative. All correspondence to Consultant shall be addressed to the address set forth above.

2. Services to be Provided:

INTRODUCTION

3. Term.

The term of this Agreement shall commence on the date of complete execution of this Agreement and shall continue in full force and effect unless terminated by Authority pursuant to Paragraph 14 of this Agreement.

EXHIBIT B
COMPENSATION

1. Consultant's Compensation.

- A. Services: Authority agrees to pay Consultant for those services set forth in Exhibit A of this Agreement and for costs and expenses as set forth below.

2. Payments to Consultant.

- A. Payments to Consultant shall be made within a reasonable time after receipt of Consultant's invoice, said payments to be made in proportion to services performed. Consultant may request payment on a monthly basis. Consultant shall be responsible for the cost of supplying all documentation necessary to verify the monthly billings to the satisfaction of Authority.
- B. All invoices submitted by Consultant shall contain the following information:
1. Description of services billed under this invoice
 2. Date of Invoice Issuance
 3. Sequential Invoice Number
 4. Amount of this Invoice
 5. Total Billed to Date
- C. Billings that do not conform to the format outlined in B. above shall be returned to Consultant for correction. Authority shall not be responsible for delays in payment to Consultant resulting from Consultant's failure to comply with the invoice format described above.
- D. Request for payment shall be sent to:

3. Accounting Records of Consultant.

Consultant shall maintain for three (3) years after completion of all services hereunder, all records under this Agreement, including, but not limited to, records of Consultant's direct costs for all Services and Additional Services performed under this Agreement, in accordance with generally accepted accounting practices, and shall keep such records available for inspection and audit by representatives of the Finance Department of the City of Vallejo at a mutually convenient time.

4. Taxes.

Consultant shall pay, when and as due, any and all taxes incurred as a result of Consultant's compensation hereunder, including estimated taxes, and shall provide Authority with proof of such payments upon request. Consultant hereby agrees to indemnify Authority for any claims, losses, costs, fees, liabilities, damages or injuries suffered by Authority arising out of Consultant's breach of this section.

EXHIBIT C

INSURANCE REQUIREMENTS FOR CONSULTANT

Consultant shall procure and maintain for the duration of this Agreement 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. If Consultant is not subject to California Workers' Compensation requirements, Consultant shall file a completed certificate of exemption form which may be obtained from the County prior to commencing any activity authorized hereunder.
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 Authority. At the option of Authority either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respects Authority, 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. Authority, 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 Authority, 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 Authority, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by Authority, 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

Authority, 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 Authority.

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 Authority 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 Authority 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.

H. Payment Withhold

Authority will withhold payments to Consultant if the certificates of insurance and endorsements required in Paragraph F, above, are canceled or Consultant otherwise ceases to be insured as required herein.

ATTACHMENT "E"

RFP TIMELINE	
<i>Target Date</i>	<i>Task</i>
2006/2007	VHA Budget authority
7/1/2008	Development of RFP for CLT Feasibility Study
7/9/2008	CLT Roundtable
7/25/2008	RFP issued
8/22/2008	RFPs due at VHA
Week of 9/1/08	RFP panel interviews
9/8/2008	Consultant selection
9/30/2008	Consultant Agreement executed with VHA
11/26/2008	Study delivered by consultant to VHA
12/2008-1/2009	VHA/VRA/CC CLT Study Session, direction provided



COUNCIL COMMUNICATION

Date: October 21, 2008

TO: Mayor and Members of the City Council

FROM: Craig Whittom, Assistant City Manager/Community Development *CW*
Susan McCue, Economic Development Program Manager *SMC*
Robert Stout, Finance Director *RS*

SUBJECT: Approval of FY 2008-09 Service Agreement between the City Of Vallejo and the Vallejo Convention and Visitors Bureau for Marketing Services (Vallejo Tourism Business Improvement District)

BACKGROUND & DISCUSSION

In 2003 the Vallejo Convention and Visitors Bureau (VCVB) approached the City to establish a Vallejo Tourism Business Improvement District which would allow hotels to assess themselves to pay for improvements and activities within the defined improvement district. On January 6, 2004, the City Council adopted Ordinance No. 1522 N.C. (2) establishing Chapter 14.50 of the Vallejo Municipal Code, Vallejo Tourism Business Improvement District ("VTBID or District") to levy and collect assessments within the District. There is not a sunset date for this District. As of February 1, 2004, the assessment was levied on all hotels (lodging facilities) within the City of Vallejo based upon a flat fee of \$1.00 per occupied room per night for hotels with more than 40 rooms and \$0.50 per occupied room per night for hotels with 40 or less rooms. On April 6, 2004, the City Council adopted Resolution No. N.C. 04-123 appointing members to the VTBID Advisory Board to make a recommendation to the City Council on the expenditures of revenues derived from the levy assessment. As a means to implement the marketing programs, projects, and activities that benefit the hotels within the City of Vallejo, a Service Agreement was negotiated with the Vallejo Convention and Visitors Bureau.

Because of the reduced General Fund allocation to the CVB in FY 2007-08, the VCVB requested that the assessments in the VTBID be increased to augment their budget for the development of programs and promotions that encourage an extended length of stay in Vallejo and promote the City as an overnight destination choice. On June 27, 2007, the VTBID Advisory Board ("Board") voted to recommend an increase in the VTBID assessments to a flat fee of \$2.00 per occupied room per night for hotels with more than 40 rooms and \$1.00 per occupied room per night for hotels with 40 or less rooms and voted to support the recommended expenditures of revenues. On October 9, 2007, the City Council adopted Resolution No. N.C. 07-271 approving the increase in assessments.

FISCAL IMPACT

The incremental cost to administer this assessment is negligible to the General Fund since the City also collects the assessments for the Transient Occupancy Tax. It is estimated that approximately \$420,000 will be collected through the assessment from the lodging facilities by the City of Vallejo Finance Department for FY 2008-09. This amount will be allocated to VCVB to offset the loss of TOT.

RECOMMENDATION

Authorize the City Manager or his designee to execute a service agreement with the Vallejo Convention and Visitors Bureau (CVB) for marketing services FY 2008-09.

PROPOSED ACTION

Adopt the attached resolution authorizing the City Manager or his designee to execute a service agreement with the Vallejo Convention and Visitors Bureau (CVB) for marketing services (Vallejo Tourism Business Improvement District).

DOCUMENTS AVAILABLE FOR REVIEW

Attachment A - Resolution

Attachment B - Service Agreement

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

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

RESOLUTION NO. _____ N.C.

BE IT RESOLVED by the City of Vallejo as follows:

WHEREAS, on January 6, 2004, the City Council adopted Ordinance No. 1522 N.C. (2) establishing Chapter 14.50 of the Vallejo Municipal Code, Vallejo Tourism Business Improvement District (VTBID) to levy and collect assessments within this district; and

WHEREAS, as of February 1, 2004, the assessment was levied on all hotels (lodging facilities) within the City of Vallejo; and

WHEREAS, the VTBID was established to fund marketing programs to promote the City of Vallejo as a tourism destination and to fund projects, programs, and activities that benefit hotels within the City of Vallejo; and

WHEREAS, on April 6, 2004, the City Council adopted Resolution No. N.C. 04-123 appointing members to the VTBID Advisory Board to make a recommendation to the City Council on the expenditures of revenues derived from the levy assessment; and

WHEREAS, on October 9, 2007, the assessment levied on all hotels (lodging facilities) within the City of Vallejo was increased as requested by the VTBID Advisory Board; and

WHEREAS, as a means to implement the marketing programs, projects and activities that benefit the hotels within the City of Vallejo, a Service Agreement was negotiated with the Vallejo Convention and Visitors Bureau;

NOW THEREFORE BE IT RESOLVED that the City Manager or his designee is authorized to execute a service agreement with the Vallejo Convention and Visitors Bureau for marketing services (Vallejo Tourism Improvement District) during FY 2008-09; and

BE IT FURTHER RESOLVED that the City Manager or his designee is hereby authorized to execute any other document or instrument, and take any additional action, that may be necessary to carry out the purpose of this Agreement.

CONSULTANT AND PROFESSIONAL SERVICES AGREEMENT
Vallejo Convention & Visitors Bureau
(Business Improvement District)

This Agreement ("AGREEMENT") is made at Vallejo, California, on the ____ day of October, 2008, by and between the CITY OF VALLEJO, a Municipal Corporation ("CITY"), and the Vallejo Convention & Visitors Bureau, a 501C6 Not for Profit, hereinafter referred to as CONSULTANT, who agree as follows:

1. **Services.** Subject to the terms and conditions set forth in this AGREEMENT, CONSULTANT agrees to provide services as a qualified consultant to the CITY for the professional services as specified in Exhibit A, entitled Scope of Services, 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. Any and all correspondence shall be directed to the Community Development Director at the CITY.
 2. **Payment.** CONSULTANT shall invoice the CITY on a monthly basis for expenses pursuant to this AGREEMENT during the preceding month. Such invoices shall detail the expenses incurred during the previous quarter in the format defined on Exhibit B, entitled Payments. Payment shall be made within thirty (30) days of the receipt of a correctly formatted invoice. The CITY shall pay CONSULTANT monthly an amount not to exceed forty-five thousand dollars (\$45,000.00). This amount will be determined by collection of Vallejo Tourism Business Improvement District assessments as specified in Exhibit B, for the services provided by CONSULTANT.
 3. **Term.** The term of this agreement shall be from July 1, 2008 through June 30, 2009, unless terminated sooner pursuant to Section 14 of 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.** At all times, during the term of this AGREEMENT, CONSULTANT shall be an independent contractor and shall not be an employee of CITY while performing services pursuant to this AGREEMENT. The 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.

CONSULTANT shall pay, when and as due, any and all taxes incurred as a result of compensation hereunder, including estimated taxes and shall provide the CITY proof of such payments upon demand. CONSULTANT hereby indemnifies the CITY from any claims, losses, costs, and fees, liabilities, damages or injuries suffered by the CITY arising out of CONSULTANT'S breach of this section.

8. **Licences, Permits, Etc.** CONSULTANT represents and warrants to CITY that CONSULTANT has all professional licenses, including a City of Vallejo business license, permits, qualifications and approvals of whatsoever nature which are legally required for CONSULTANT to practice its profession. CONSULTANT represents and warrants to CITY that CONSULTANT 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.
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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: Michael Browne
Vallejo Convention & Visitors Bureau
289 Mare Island Way
Vallejo, CA 94590

20. **Integration Clause.** This AGREEMENT, and the Proposal of CONSULTANT as accepted by CITY, constitute 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 Division 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 Services"
 - B. Exhibit B, entitled "Payments"
 - C. Exhibit C, entitled "Insurance Requirements For Consultant", consisting of 3 pages.

(SIGNATURES ARE ON FOLLOWING PAGE)

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

**Vallejo Convention & Visitors Bureau
A 501C6 Not for Profit**

By: _____
Michael Browne
Executive Director

(City Seal)

**CITY OF VALLEJO,
A Municipal Corporation**

By: _____
Joseph Tanner
City Manager

ATTEST:

By: _____
Mary Ellsworth
Interim City Clerk

APPROVED AS TO CONTENT:

Susan McCue
Economic Development Program
Manager

**APPROVED AS TO INSURANCE
REQUIREMENTS:**

Harry Maurer
Risk Manager

APPROVED AS TO FORM:

Frederick G. Soley, City Attorney

Exhibit A
to 2008-2009
Consultant Services Agreement between the City of Vallejo and the
Vallejo Convention & Visitors Bureau for Marketing Services
(Business Improvement District)

Scope of Services

CONSULTANT shall complete the following actions:

A. Implementation of Vallejo Convention & Visitors Bureau Business Improvement District BID Marketing Plan in a manner consistent with the Budget (See Attachment 1 and 2) and the BID Marketing Plan (Attachment 3).

BID Marketing Plan shall include:

1. Address, at a minimum, the level of activity in the following marketing areas and as specified in Attachment 3.
 - a. Specify and define Target Markets, both traditional and niche markets, for advertising and marketing programs to drive overnight stays in Vallejo.
 - b. Review Product by providing definitions for evaluation and for quarterly reports, e.g. visitor inquiries, web site hits, memberships, advertising and trade show leads.
 - c. Define Product Mix of attraction members located both in Vallejo and in surrounding area from Vacaville to the Napa Valley to San Francisco. This also includes the member lodging facilities with details about their banquet and meeting room capacities.
 - d. Define Goals & Objectives for the coming fiscal year to assist in measuring of the Vallejo CVB performance and affect on the local economy.
 - e. Establish an advertising positioning for the Target Markets and how all marketing Strategies and Tactics will support it.
 - f. Outline the Strategies and Tactics for each Target Market and provide specific Advertising programs and Trade Shows that are utilized to attract those visitors to Vallejo and the surrounding areas.
 - g. Detail additional Marketing Strategies that the Vallejo CVB will perform to increase inquiries and generate sales leads for its members. These will include coordinating familiarization tours, distribution of leads to its members, and more.
2. Continue the development of CVB Publications e.g. new Visitors Guide, Restaurant Guide, and Rack Card. This also includes the production of marketing and sales materials among which include trade show premium giveaways, membership brochures, etc.
3. Creation, development and production of a quarterly membership newsletter (Tourist Times), monthly e-newsletter (V-Town Views) and monthly activities report

in the local newspaper. Also, contribute to the hosting expenses of Vallejo CVB's web site.

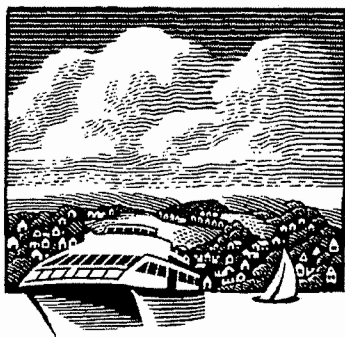
4. Maintain an ongoing Public Relations and Communications efforts to inform members, the community, visitors and the general public about the functions it performs as well as the many activates and special events happening throughout the year in Vallejo and nearby communities. These efforts include the production of a quarterly newsletter, maintaining a current media list and media kit, an updated list of current events, and continual enhancement of the CVB's web site.
 5. Staff, train, develop and evaluate staff of four (4) full time employees and five (5) part-time employees, including one (1) Bookkeeper who support the mission of the CVB with their experience and energy to drive visitors and bring economic growth to Vallejo.
 6. Staff, manage and operate Vallejo's Visitor Information Center located at the Ferry Terminal along the city's waterfront. Open seven (7) days a week, this office provides information about Vallejo including details on where to stay and about special events, ferry schedules to San Francisco, and general information about the history and culture as well as travel directions.
 7. Operate and devote staff time (one employee) to maintain the Vallejo/Solano County Film Office (non-funded and self-supporting) to motivate, stimulate and encourage filmmakers, producers, location scouts and other decision makers to film in Vallejo and Solano County either on a temporary or permanent basis.
 8. Attend educational conferences and travel industry meetings throughout the year to keep abreast of current market trends and issues which may affect the Vallejo community and its economy.
- B. Submit quarterly reports to the Vallejo City Council detailing information that will assist in substantiating the Vallejo CVB's marketing goals for that period and assist in evaluating its performance.
- C. CONSULTANT shall submit written progress reports describing the status of implementation of components of this AGREEMENT and available data concerning visitor inquiries, sales leads generated, advertising and trade show leads, web site hits, memberships and lodging outlook:
- a. First Progress Report by October 15, 2008, for activities during the period from July 1, 2008 to September 30, 2008.
 - b. Second Progress Report by January 15, 2009, for activities during the period from October 1, 2008 to December 31, 2008.

- c. Third Progress Report by April 15, 2009, for activities during the period from January 1, 2009 to March 31, 2009.
- d. Fourth Progress Report by July 15, 2009, for activities during the period from April 1, 2009 to June 30, 2009.

CVB BID Service Agreement 2008-09 ScopeExhibitA.DOC

VALLEJO CONVENTION & VISITORS BUREAU		Attachment 1		
2008/2009 BUDGET - VCVB INCOME				
June 11, 2008				
SOURCE	2007-2008	PERCENT	2008-2009	PERCENT
Transient Occupancy Tax Revenue	\$67,000	17.4%	\$0	
Member Renewals	28,000	8.0%	28,250	
New Members	3,000		3,250	
SUB-TOTAL	98,000		31,500	7.6%
Business Improvement District (BID) Forecast	287,200	74.6%	388,500	92.4%
TOTAL	\$385,200	100.0%	\$420,000	100.0%

VALLEJO CONVENTION & VISITORS BUREAU				
2008/2009 BUDGET BY MAJOR CATEGORY - TOTAL				
June 11, 2008				
				Attachment 2
CATEGORY	2007-2008	% of TOTAL	2008-2009	% of TOTAL
Salaries/Administration	\$211,736	54.7%	\$236,473	56.3%
Employee Insurance	\$31,847	8.2%	33,780	8.0%
Workers Compensation	\$1,865	0.5%	1,865	0.4%
Liability Insurance	\$1,908	0.5%	2,264	0.5%
Retirement	\$7,831	2.0%	5,615	1.3%
FICA/SDI/SUI	\$19,947	5.2%	21,524	5.1%
Commission-New Members	\$1,680	0.4%	1,135	0.3%
Supplies	\$5,100	1.3%	5,000	1.2%
Telephone	\$6,900	1.8%	6,900	1.6%
Postage/Shipping	\$7,825	2.0%	8,000	1.9%
D/O Liability Insurance	\$1,850	0.5%	1,850	0.4%
Property Taxes	\$250	0.1%	250	0.1%
Building Maintenance - Interior	\$3,380	0.9%	3,380	0.8%
Equipment Repair	\$500	0.1%	500	0.1%
Rental/Lease - Equipment	\$6,232	1.6%	5,850	1.4%
Sales/Promo/Entertainment	\$477	0.1%	500	0.1%
Auto Expense - Mileage	\$471	0.1%	500	0.1%
Management Expense	\$300	0.1%	300	0.1%
Independent Contractors/Research	\$5,119	1.3%	5,120	1.2%
Conferences	\$0	0.0%	2,800	0.7%
Sales/Marketing/Trade Shows	\$14,963	3.9%	16,075	3.8%
Membership Dues	\$7,485	1.9%	7,805	1.9%
Board Expense	\$1,384	0.4%	1,400	0.3%
Publications/Subscriptions	\$123	0.0%	120	0.0%
Membership Division Expenses	\$200	0.1%	200	0.0%
Membership Connections	\$1,750	0.5%	1,750	0.4%
Advertising/Printing	\$33,137	8.6%	34,979	8.3%
Educational Seminars	\$250	0.1%	250	0.1%
Recognition/Reception	\$500	0.1%	250	0.1%
Bank Fees	\$990	0.3%	1,080	0.3%
Exec. Dir. Discretionary Fund	\$686	0.2%	720	0.2%
New Equipment	\$200	0.1%	200	0.0%
CPA	\$1,195	0.3%	1,195	0.3%
Web Site	\$6,558	1.7%	5,340	1.3%
Other Expenses/Contingency	\$2,500	0.6%	5,000	0.0%
TOTAL	\$387,139	100.0%	\$419,970	98.8%
BUDGET	\$395,900		\$420,000	
DIFFERENCE	\$8,761		\$30	



VALLEJO

CALIFORNIA

CONVENTION & VISITORS BUREAU
& SOLANO COUNTY FILM OFFICE

2008/2009 Vallejo Convention & Visitors Bureau Marketing Plan

Mission Statement

"The purpose of the Vallejo Convention & Visitors Bureau is to develop and promote the greater Vallejo area and its amenities as an overnight destination, thereby contributing to the area's economic growth and to the enhancement of the area's public image as a desirable visitor destination."

CONFIDENTIAL

The 2008/2009 Marketing Plan is a confidential document of the Vallejo Convention & Visitors Bureau. Recipients of this document are asked not to duplicate it in any way or provide it to another party without the prior written consent of the Vallejo Convention & Visitors Bureau.

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I. MARKETING BACKGROUND

A. OVERVIEW

The Vallejo Convention & Visitors Bureau (VCVB) is charged with the duty of increasing overnight stays in Vallejo by promoting it as a destination as well as a gateway city. It accomplishes this by developing and implementing a comprehensive marketing plan that focuses on specific markets that are pertinent to Vallejo and the surrounding area. The VCVB staff acts as a catalyst for extending day visits and overnight stays to Vallejo, development of community tourism events, and the resulting increase in tourism related revenue to the city.

B. STRENGTHS AND CHALLENGES

Strengths - External

- ◆ Vallejo remains one of the most accessible cities in Northern California. Highway access is ideal, offering major travel routes from all directions. In addition, Baylink ferry, BART, and Amtrak make it convenient to reach Vallejo by public transportation. Direct shuttle service from both Oakland and San Francisco International Airports makes Vallejo accessible to travelers from greater distances.
- ◆ Attractions continue to be a strong element of the VCVB product mix. In particular, Six Flags Discovery Kingdom with their new branding and more aggressive advertising continue to play a key role in attracting visitors to Vallejo. Infineon Raceway also has a tremendous impact in generating overnight stays in Vallejo. Our city and membership also offer many other attractions that are appealing to all ages and entice visitors to choose Vallejo as their vacation destination. These attractions include Mare Island Historic Park and their museum, world-class golf courses like the Hiddenbrooke Golf Club and the Mare Island Golf Club, the Vallejo Naval & Historical Museum, the Vallejo Arts and Heritage Districts, the Jelly Belly Candy Company, the Anheuser-Busch Brewery Tours, Napa Valley Wine Train, Baylink Ferry, PIER 39 and many more.
- ◆ Despite a decline in community events in 2007/2008 many traditional events enjoyed banner years. The Flyway Festival, Pista SA Nasyon Independence Day Celebration, the Intertribal Pow Wow continued to grow and bring additional overnight business to Vallejo. The addition of the Northern California Pirate Festival was particularly significant drawing more than 30,000 people over two days. The VCVB will continue to actively promote and partner with these and other events whenever possible.
- ◆ Six Flags Discovery Kingdom extended its 2007 operating season with the *Holiday in the Park* event last winter and is heading toward a year round operation in the near future. This is certainly welcomed news for Vallejo hotels and the local economy. The event was big success and something the rest of Vallejo should capitalize on.

Strengths - Internal

- ◆ A pro-active Chairman and Board of Directors have aided the staff of the CVB in development of the new Vallejo Tourism Business Improvement District (VTBID) and kept the Vallejo CVB alive and kicking. Special thanks to DTS Egidio for their help.
- ◆ A very experienced, versatile and knowledgeable staff allows the VCVB to be well received in our local and marketing communities. In addition, the staff's knowledge of Vallejo, its attributes and history are indispensable in responding to the needs of our clients in all market segments.
- ◆ The VCVB's web site launched in 2007 has become an integral marketing tool for sports groups, meeting planners and group tour leaders. It is also becoming the unofficial authority for special events in Vallejo. And the VCVB will continue with our new monthly e-newsletter, *V-Town Views* and ways to expand its reach.
- ◆ The VCVB's marketing efforts continue to gain awareness within the travel industry as well as the community. As the VCVB continues to have a strong marketing and local presence, travelers as well as residents recognize what Vallejo has to offer and increasingly project a positive image of our city. This recognition and brand awareness continues to enhance the area's future.
- ◆ The Vallejo CVB remains *patiently* optimistic about the many redevelopment projects currently proposed for downtown, the waterfront, the Touro University Village project on the north end of Mare Island including a 4 or 5 star hotel, and the opportunity for the battleship *USS Iowa* to be berthed at Mare Island. These projects energize the staff when selling Vallejo and give the city hope of bringing more residents and visitors to Vallejo and thus increasing economic development.

Challenges

Many of the past challenges of marketing Vallejo will continue to confront the VCVB in 2008-2009. The VCVB Board and its members have been addressing many of these challenges and the City of Vallejo's long term plans, including the development of Vallejo's downtown and waterfront, and the potential at the Solano County Fairgrounds.

- ◆ With city funding down to zero for 2008-2009 due to the City of Vallejo's filing for bankruptcy, the Vallejo CVB must rely on the increased assessment for the Business Improvement District (BID) and our memberships. We must learn to operate more cautiously as we are dependent more than ever on the monthly performance of the Vallejo hotels.
- ◆ Despite negative media coverage about the City of Vallejo's filing for bankruptcy, the VCVB needs to remain a positive force emphasizing that Vallejo is open for visitors.

- ◆ A recessive economy, forever rising gasoline prices, record-setting declines in home sales and escalating unemployment could benefit Vallejo tourism as families look for less expensive and shorter trips. Six Flags Discovery Kingdom has recently implemented a pricing strategy (everyone pay's Kid's price) that addresses this issue.
- ◆ Along with limited meeting space, the need for a single hotel property with enough rooms to accommodate larger groups in one location remains a challenge for our Sales Manager. With Touro University's announcement of cultural/conference center and new hotel on Mare Island, the VCVB is optimistic that this will become a reality sooner versus later.
- ◆ A shortage of branded hotel rooms in Vallejo remains a challenge for the VCVB. The number of hotel rooms at member hotels outside of Vallejo has risen significantly (nearly 20%) over the past 2-3 years. Name brand, franchise properties in Vallejo only provide approximately 800 hotel rooms (a little less than half of all Vallejo hotel rooms). Additional hotel development in Vallejo will provide the opportunity to accommodate more leisure and business travelers, resulting in greater Transient Occupancy Tax (TOT) and Business Improvement District (BID) revenue and economic impact for the city. Concern for prior decreases in hotel occupancy was attributed to new properties in American Canyon, Vacaville and Fairfield and other nearby communities putting visitors closer to the wine country and offering the visitor newer surroundings.
- ◆ An ongoing challenge with many destinations is the continual development of community support and consumer awareness. The issue of deficient budgets and reduced funding has plagued Vallejo and the VCVB for more than 4 years. The CVB's new web site and participation with other Solano County cities on a pilot project, 80on80.com, has helped to diffuse some of this negativism by highlighting the many special events happening in Vallejo year round. These campaigns will also promote "weekend getaways" and the many special events Vallejo has to offer throughout the year.

C. TARGET MARKETS

Vallejo's unique geographic location and affordability make it an appropriate destination for several market segments. Each of these, listed below, will be addressed in detail in the Travel Marketing section of the Marketing Plan.

Independent Leisure Travel
Direct to Consumers
Travel Agents

Group Travel Industry
Domestic

International
Senior
Student/Youth

Meetings, Conventions & Reunions
Association
Government
SMERF
Sports Marketing

Reunions continue to be a particularly strong market for Vallejo. These gatherings come primarily from what is classified as the SMERF (Social, Military, Educational, Religious, & Fraternal) market, a segment whose needs often match the offerings of Vallejo and the VCVB members.

D. PRODUCT REVIEW

Vallejo is situated at the north end of the San Francisco bay, just south of the Napa Valley wine country. Strategically located at the juncture of interstate highway 80 and state highways 780, 37 and 29, Vallejo is accessible to travelers from San Jose to San Francisco, from Napa to Sacramento, and beyond.

Visitor Numbers

- ◆ In Solano County in 2005, the average total expenditure per person per day (less transportation) was \$86.80 with Leisure travel at \$91.90 per person per day.

Web Site Stats

- ◆ Total unique visitors ending May of fiscal year 2007-2008 was 43,242 vs. PY of 28,741, up 50.3%. Average time spent on the site was 3:03 minutes. Top pages visited are "What to See & Do," the event calendar and "About Vallejo."

CVB Visitor Inquiries

- ◆ Total visitor inquiries through May for fiscal year 2007-2008 were 10,816 (versus year end PY of 10,304).

Memberships

- ◆ Through May of fiscal year 2007-2008, new members totaled 21 (vs. 18 last year), resulting in a current membership total of 201 versus 182, representing a 10.4% increase versus last year.

Advertising Leads

- ◆ Despite our reduced budget for a third consecutive year, advertising inquiries for fiscal year 2007-2008 increased due to a free ad from the History Channel Magazine. Leads generated by all advertising sources through May for fiscal year 2007-2008 were 4,182, up 8.1% to PY (3,868).

Trade Shows

- ◆ Through the end of May of fiscal year 2007-2008, hotel bookings generated by our attendance at trade shows were more than 4,645 vs. PY of 3,875, up 20%.

Lodging Outlook

- ◆ Through the end of April of fiscal year, 2007/2008, the numbers reported from Smith Travel Research (STR) for Vallejo were:

	<u>2006-2007</u>	<u>2007-2008</u>	<u>% Change</u>
Occupancy	56.4%	47.0%	-16.6%
Room Rate	\$61.58	\$61.97	.6%
REVPAR	\$34.70	\$29.12	-16.1%

E. PRODUCT MIX

The attraction members of the VCVB are a diverse group, located both in Vallejo and in surrounding areas from Vacaville to the Napa Valley to San Francisco. This expanded attraction base helps to reinforce the VCVB's efforts to represent Vallejo as a centrally located overnight destination and a "gateway city".

The VCVB has 35 member lodging facilities. These properties are primarily in the moderate category (only one is full-service) and ten (10) properties are located outside of Vallejo. Since the maximum banquet capacity of the largest hotel in Vallejo is only 100 people, the VCVB also provides information on a variety of member and non-member meeting facilities with larger capacities. By promoting these facilities, the VCVB can attract larger groups to stay in Vallejo for their meetings and conventions

Member Attractions and Points of Interest

Museums

Benicia Historical Museum
Mare Island Museum
Napa Valley Museum
Travis Air Museum
USA World Classics
Vacaville Museum
Vallejo Naval & Historical Museum
Western Railway Museum

Attractions

Angel Island Tram Tours
Anheuser-Busch Brewery Tour
Baylink Ferry
Bay View Charters
Blue & Gold Fleet
COPIA
Empress Theatre
Ferry Building Marketplace
Infineon Raceway
Jelly Belly Candy Company
Mare Island Historic Park Foundation
PIER 39
Red & White Fleet
San Francisco Comprehensive Tours
Six Flags Discovery Kingdom
Solano County Fairgrounds
Wax Museum at Fisherman's Wharf

Recreation

Greater Vallejo Recreation District
Vallejo Municipal Marina

Shopping and Markets

Vallejo Artists District
Be Chic Boutique
Blush
Class Act
Ethnic Notions
Heaven's Creations
Material Visions
Vallejo Main Street
Pacific Coast Farmer's Market
Staloro's Fine Clothing
Westfield - Solano

Napa Valley

Black Stallion Winery
Cartlidge & Browne Winery
Domaine Carneros
Napa Valley Wine Tours
Napa Valley Wine Train
V. Sattui Winery

Arts & Architecture

Benicia Old Town Theatre Group
North Bay Opera Company
Vallejo Architectural Heritage Found.
Vallejo Community Arts Foundation
Vallejo Music Theatre
Vallejo Symphony Association

Golf

Blue Rock Springs Golf Course
Chardonnay Golf Club
Eagle Vines Golf Club
Hiddenbrooke Golf Club
Mare Island Golf Club
Paradise Valley Golf Course
Rancho Solano Golf Course

Hotel Properties and Meeting Facilities

VCVB Member Hotel Properties	Rooms	Banquet Max.
America's Best Inn	49	
Bays Inn	20	
Best Western Heritage Inn (Benicia)	100	
Best Western Inn & Suites at Six Flags Discovery Kingdom	117	50
Budget Inn	15	
California Motel	18	
Comfort Inn	80	
Comfort Inn, Fairfield	57	
Courtyard by Marriott Fairfield/Napa Valley	136	400
Courtyard by Marriott Vallejo/Napa Valley	172	100
Deluxe Inn	60	
Discovery Inn	24	
Economy Inn	10	
El Rancho Inn & Suites	20	
Fairfield Inn (Vacaville)	81	25
Fairfield Inn and Suites by Marriott (American Canyon)	80	50
Gaia Napa Valley Hotel & Spa (American Canyon)	132	200
Great Western Inn	22	
Homewood Suites	85	90
Hyatt Vineyard Creek (Santa Rosa)	155	550
Islander Motel	21	
Motel 6- Fairgrounds Drive – Six Flags East	96	
Motel 6- Marine World Parkway – Six Flags West	54	
Motel 6- Sandy Beach Road – Maritime North	148	
Motel 7	87	
Quality Inn & Suites	78	50
Ramada Inn	130	36
Regency Inn	38	
Relax Inn	82	
Residence Inn by Marriott (Vacaville)	78	25
Starr Mansion – Bed & Breakfast	7	200
Staybridge Suites	82	50
Travel Inn	60	
Travelers Inn	29	
Vallejo Inn	101	
Total	2,524	
Total Lodging Facilities in Vallejo: 25	1,538 in Vallejo	
	<u>986 outside of Vallejo</u>	

VCVB Member Meeting Facilities (PARTIAL LIST)	Rooms	Banquet Max.
Angel Island Tram Tours & Catered Events		200
Baci Ristorante Lounge & Caffee		150
Best Western Inn & Suites at SFDK		50
Benicia Historical Museum		132
Blue Rock Springs Golf Course		100
California Maritime Academy		125
Chardonnay Golf Club (4 banquet rooms Total capacity)		660
Courtyard by Marriott Vallejo Napa Valley		100
COPIA (Napa)		350
Dead Fish, The		50
Domaine Careros		72
The Empress Theatre		30
Foley Cultural Center		500
Front Room at the Wharf		120
The Grill at Eagle Vines Golf Club (Napa)		160
Hiddenbrooke Golf Club		250
Jonesy's Famous Steak House		200
Julia's Kitchen at COPIA (Napa)		350
Mare Island Historic Park		1,000
Mare Island Museum		1,000
Max's of Manila Restaurant		70
Napa Valley Museum		50
Norman King South Community Center		192
North Vallejo Community Center		100
Quality Inn & Suites		50
Paradise Valley Golf Club (Fairfield)		200
Six Flags Discovery Kingdom		5,000
Solano Community College		400
Solano County Fairgrounds		1,200
Springbrook Masonic Temple		300
Starr Mansion		200
Stinking Rose, The		78
Touro University		250
USA World Classics Event Center		300
V. Sattui Winery		200
Vacaville Museum		200
Vallejo Community Center		350
Vallejo Naval & Historical Museum		120
Vallejo Veteran's Council Building		200
Vallejo Unified School District		700
Zio Fraedo's of Vallejo		200

F. MARKET REVIEW

- ◆ California's travel and tourism industry generated \$96.7 billion in 2007, which was an increase of 3.6% over last year. A substantial share of the increase was due to higher room rates, airfares, and gasoline prices.
- ◆ Much of the recent growth in travel spending was related to increased air travel. There were 31.9 million domestic visitors to California by air in 2007, an increase of 3.5% over 2006.
- ◆ California travel spending, on average, generated \$3.6 billion in state taxes and \$2.2 billion in local tax revenues in 2007.
- ◆ California was the destination of 352.3 million domestic and business travelers in 2006, representing a 5.1% increase vs. 2005, which set a record for domestic visits to California.
- ◆ Travel & tourism is the 4th largest employer in California, following professional and technical services, health care and construction. In 2007, it provided employment for 924,100 Californians, up .7% vs. 2006, with earnings of \$30.0 billion, up 5%.
- ◆ Dining, shopping and entertainment are the most popular expenditure based activities among California travelers. Sightseeing, followed by visiting theme and amusement parks, and beach and waterfront activities, are the most popular recreational pursuits.
- ◆ In 2006 (the latest year for which data is available) travel spending in Solano County generated 6,780 jobs with a payroll of \$179.9 million. 2006 travel spending was \$553.9 million, up 4% vs. 2005, and generating \$6.7 million in local sales tax.

Source: California Trade and Commerce Agency, Division of Tourism and Dean Runyon Associates

G. ECONOMIC IMPACT

Vallejo generates more transient occupancy tax (TOT) than any other city in Solano County, 34% of the county total. While fiscal year 2006-2007 TOT was highest in 5 years, through April of 2007-2008, TOT is behind PY by 8%.

Fiscal Year	Total TOT	TOT Percent
02/03	\$1,540,272	11
03/04	\$1,448,047	11
04/05	\$1,391,143	11
05/06	\$1,361,487	11
06/07	\$1,607,994	11
07/08	\$1,481,436 est.	11

Source: City of Vallejo, Finance Department

- ◆ Using our established inquiry conversion rate established at 25% from our Conversion Research (2004), the Vallejo CVB's Return on Investment (ROI) through February for the fiscal year 2007-2008 was \$8.38 versus \$10.51 for the year end for the prior year.

II. MARKETING PLAN

A. GOALS AND OBJECTIVES

- ◆ Analyze current benefits and fees of membership in the CVB and develop new recommendations for annual dues, benefits and enhanced value-added packages that might include advertising on the new web site and more.
- ◆ With help of Vision Vallejo committee, continue to identify new sources of revenue (e.g. the new BID) for the CVB and to seek funding and/or sponsorship for the branding of Vallejo. With the appearance of Roger Brooks at the 2008 Tourism Luncheon, the Vallejo CVB has taken the initial steps in a leadership role in the economic development of Vallejo by calling for the development of an authentic and unified branding for this community. This will help in the process of promoting Vallejo more as a "destination" versus a "gateway city."
- ◆ As our budget allows, continue to update and enhance our web site, increasing content and developing more reasons to rely on it for special events, promotional and travel offers. Plus continue to drive visitors to the new site and build awareness for overnight visitations to Vallejo via our monthly e-newsletter, *V-Town Views*.
- ◆ Continue to seek more cooperative marketing programs with Vallejo's community organizations, e.g. Downtown Association, Vallejo Main Street & CCRC, Vallejo Symphony, Vallejo Arts District, Vallejo Community Arts Foundation, etc. and projects e.g. the revitalization of City Park, to attract visitors to Vallejo.
- ◆ Capitalize on the strength of Six Flags Discovery Kingdom's Holiday in the Park and setting the goal to make Vallejo THE place in Northern California for the Holidays. Bring together local organizations, Vallejo Main Street, Vallejo Artist Guild, Vallejo Community Arts Foundation, Vallejo Music Theatre, Vallejo Chamber, City of Vallejo, etc. and create events and an umbrella advertising/promotion campaign around the holidays.

B. FUNDING

For first time in the 21 year history of the Vallejo CVB, the City of Vallejo will provide zero funds from the Transient Occupancy Tax (TOT) collected by the Vallejo hotels. The CVB will be funded principally from the Business Improvement District (BID) and from membership dues.

C. POSITIONING

One of Vallejo's major strengths continues to be its location as a city close to San Francisco and the Napa Valley and the wine country. In marketing Vallejo as a secondary destination and an affordable alternative to San Francisco and Napa's high lodging costs, Vallejo's position as a "getaway city" or "close to everything" remains effective until a new branding for Vallejo is developed.

We will continue to capitalize on our strength as the "Bay Area's #1 Gateway City" thus reinforcing that our location near San Francisco, our closeness or "gateway" to many things, and the inference that we are a popular choice.

Positioning Statement: Vallejo is one of the Bay Area's most popular cities, rich with history, affordable lodging and unique, family entertainment with convenient access to San Francisco and the wine country.

D. STRATEGIES AND TACTICS BY TRAVEL MARKET

The leisure travel industry is by far Vallejo's largest market segment. The VCVB divides this segment into two categories: individual and group travel. In addition, the VCVB markets to meeting and convention groups from the association, government and SMERF markets.

1. Independent Leisure Travel

Individual travelers are pursued through marketing to both consumers directly and to travel agents who can influence individual buying decisions. Efforts in this area are focused on extended areas in California that would induce an overnight stay in Vallejo and to primary feeder markets throughout the Western United States.

Advertising

Strategy: To increase individual and family travel to Vallejo accommodations and member attractions; to increase inquiries for visitor information; and to increase awareness of Vallejo as a travel destination.

Tactics:

- ◆ California State Visitors Guide

Supporting Data: One of the VCVB's most successful and proven advertising buys, 21% of all visitor inquiries are a result of this ad. Total circulation: 500,000.

◆ VIA

Supporting Data: One of the VCVB's most successful, proven advertising buys. 27% of all visitor inquiries are a result of this ad. AAA member magazine for Northern California, with additional subscribers in the western United States. Includes a reader response card. Total circulation = 2.5 million.

◆ 80on80.com

Supporting Data: Second year of pilot program co-marketed with four other cities (Vacaville, Fairfield, Dixon and Davis) along the I-80 corridor in Solano County. This unique web site features 80 (or more) special events for visitors to stop and experience along Interstate 80 from one end of the county to the other.

Trade Shows

Strategy: To increase room nights for Vallejo lodging properties; to increase business for VCVB member attractions and businesses; to create awareness of Vallejo as a travel destination; to distribute travel trade information; and to create partnerships with member hotels, attractions and businesses.

<u>Shows</u>	<u>Market*</u>	<u>Date</u>	<u>Location</u>
Employee Services Mgt Conference (ESM)	C	Apr 08	Laughlin, NV

* TW = Travel Writers C = Consumers TA = Travel Agents

2. Group Travel

Group travel business is pursued on both the domestic and international levels. Annual trade shows attracting tour operators and group leaders and selected print publications are the primary marketing tools in this area. These activities allow the VCVB to meet directly with the people who plan and sell group travel.

Advertising

Strategy: To increase group travel to Vallejo accommodations and member attractions; to increase inquiries for visitor information; and to increase awareness of Vallejo as a destination. Additionally, with the added marketing dollars, we have been able to add back some publications as well as increase frequency and ad size.

Tactics:

- ◆ Group Tour Magazine

Supporting Data: Western version focuses editorial on states and provinces in that region and sent to group travel planners across the US and Canada.
Circulation: 15,000

Trade Shows

Strategy: To increase room nights for Vallejo lodging properties in the form of contracted group room blocks; to increase business for VCVB member attractions and businesses; to create awareness of Vallejo as a travel destination; to distribute travel trade information; and to create partnerships with member hotels, attractions and businesses.

Tactics:

<u>Shows</u>	<u>Market*</u>	<u>Date</u>	<u>Location</u>
Student Youth & Travel Assoc.(SYTA)	Y	Sept 08	San Antonio. TX

* D = Domestic, I = International, S = Senior, Y = Youth

3. Meetings, Conventions & SMERF

Although Vallejo does not have a convention center or large meeting facility, there is a niche market that is uniquely suited to our city's facilities. Small meetings with limited budgets are an ideal match for Vallejo and the VCVB membership. In particular, government, association and religious meetings, as well as family and military reunions are drawn to Vallejo for its convenient location and access, and its affordable accommodations. This market continues to grow for Vallejo as more effort is put into attracting this area of business travel.

Trade Shows

Strategy: To increase room nights for Vallejo lodging properties in the form of contracted room blocks; to increase business for VCVB member attractions and businesses; to create awareness of Vallejo as a meeting destination; and to create partnerships with member hotels, attractions and businesses.

Tactics:

<u>Shows</u>	<u>Market*</u>	<u>Date</u>	<u>Location</u>
Fraternity Executives Assoc. (FEA)	S	July 08	Miami, FL
Religious Conference Mgmt. Assoc.. (RCMA)	S	Jan 09	Grand Rapids. MI

* A = Association, G = Government, S = SMERF

4. Sports Marketing

According to the Travel Industry Association (TIA), more than 75 million people traveled 100 miles or more to attend an organized sporting event in the past five years. The bottom line: sports-related travel generates 46.2 million room nights annually. With its affordable lodging and great entertainment attractions, locally and close by, many outstanding meeting and sports venue facilities, Vallejo is a perfect fit to gain significant penetration of this market.

Trade Shows

Strategy: To increase room nights for Vallejo hotels in the form of contracted room blocks; to increase revenues for VCVB members attractions and businesses; to create awareness of Vallejo as a sports destination.

Tactics:

<u>Shows</u>	<u>Market</u>	<u>Date</u>	<u>Location</u>
TEAMS Conference Expo	GRP	Oct 08	Pittsburgh, PN
Nat'l. Assoc. Sports Commission (NASC)	GRP	April 09	Denver, CO

5. Additional Marketing Strategies

The VCVB performs a variety of tasks that supplement its advertising campaigns and trade shows attendance. These functions strengthen the VCVB's direct marketing efforts and increase the generation of leads for its members. These include, but are not limited to, the following:

- ◆ Continue opening our Visitors Bureau Information Center seven days/week. This has allowed the VCVB to provide maximum service to our inquirers and visitors.
- ◆ Continue to increase awareness of the Vallejo CVB and its benefits to the community and its impact on the local economy.
- ◆ Follow-up mailing to all leads acquired at trade shows and sales missions.
- ◆ Distribution of all leads to VCVB members for individual follow-up. This function was updated last year to distribute electronically to our contacts.
- ◆ Maintain files on all tour operators, travel agents and meeting planners that have expressed interest in Vallejo.
- ◆ Provide area and VCVB member information packets, when requested, to attendees of conventions and meetings in Vallejo.
- ◆ On request, provide and staff an information table at conventions and meetings to inform attendees of our area offerings.
- ◆ Maintain a convention lead database for VCVB member reference.
- ◆ Respond to and distribute to members all convention and meeting leads received.
- ◆ Coordinate familiarization tours for tour operators, travel agents and travel press.
- ◆ Maintain VCVB membership in industry organizations that provide marketing and networking opportunities in tourism, business travel and public relations.

E. CVB PUBLICATIONS, COLLATERAL AND WEB SITE

The VCVB produces a variety of collateral pieces to support its marketing efforts. Continuing in 2008-2009, major visitor publications will have similar design elements to unify the pieces under the Vallejo CVB brand. These pieces provide contact information for the VCVB, visitor information, and/or special promotional offerings. Additionally, targeted marketing promotions are produced by the VCVB to increase business to Vallejo lodging properties and VCVB members, as well as increase consumer awareness of Vallejo as a travel destination.

Projects

- ◆ Restaurant Guide

The Restaurant Guide was last printed in 2005. This popular guide will be re-printed in 2008. It lists all the VCVB *member* restaurants with their hours, type of food served and

meal price range. It also includes a simplified map of Vallejo that adds to its appeal for visitors exploring Vallejo. Quantity = 5,000.

◆ Rack Cards

This popular brochure-size card is currently being re-designed and updated with Six Flags Discovery Kingdom information. This piece is a convenient “quick guide” for Vallejo and our special events and major attractions. Distributed at 11 strategic California Visitor Centers as well as in Sacramento, the East Bay area and Napa Valley. Quantity: 100,000

◆ All new *Official Vallejo Visitors Guide*

The new *Official Vallejo Visitors Guide* has been printed and distributed. The newly re-sized for visitor convenience guide has been well-received. This Visitors Guide serves as one of the primary fulfillment pieces for all visitor inquiries. The Visitors Guide provides information on Vallejo history and activities, a calendar of events, area and city maps, general visitor information, VCVB member advertisements and a directory listing of all VCVB members. Quantity: 10,000.

Web Site

In fiscal year 2007-2008, we plan to freshen our site, as budget allows, with new images and content. We will also continue sending our monthly e-newsletter, *V-Town Views*, to interested visitors who sign up as to our members and look for new ways to grow our database.

F. COMMUNICATIONS AND PUBLIC RELATIONS

The VCVB maintains an ongoing effort to inform its members, the community, visitors and the general public about the functions and activities it performs. These communication activities not only inform our local community on activities within Vallejo, but also draw visitors to our city as well as generate editorial coverage in a variety of publications. Communications and public relations activities include the following:

- ◆ Distribute a quarterly, 8-page newsletter, *Tourist Times*, to 3,000 readers.
- ◆ Maintain a current media kit containing press releases and VCVB information.
- ◆ Mail press releases to a continually updated media contact list.
- ◆ Conduct familiarization tours for travel writers and press.
- ◆ Maintain and distribute a calendar of events for activities in and around Vallejo.

- ◆ Maintain and continually update a comprehensive web site that can be accessed worldwide.

G. MEMBERSHIP DIVISION

The VCVB maintains a steady membership base representing a wide range of businesses within our community and surrounding areas. Memberships are renewed annually, with new members joining the VCVB throughout the year. Membership Division activities include the following:

- ◆ Develop and conduct an attitude survey among our membership and update value of a Vallejo CVB membership. Analyze current benefits and fee structure and develop recommendations for annual dues, enhanced value-added packages that might include advertising on the web site and more.
- ◆ Production of an annual Member Directory (within the Visitors Guide).
- ◆ Distribution of membership plaques to new members and annual update stickers for renewed memberships.
- ◆ An annual luncheon in honor of National Tourism Week featuring a speaker from the tourism industry.
- ◆ Create and produce “Membership Connections” events, including the annual tourism luncheon in May, for members and prospective members to network and socialize with their peers in the hospitality industry.
- ◆ Advertising and trade show co-op opportunities throughout the year to stretch both the VCVB’s and member businesses’ budgets.
- ◆ Participation in the VCVB Lodging Committee and support with any activities generated by the Committee.
- ◆ A Membership Library providing industry directories, conference publications, periodicals and more that provide VCVB members with added resources to meet their sales goals.

H. EDUCATIONAL CONFERENCES AND INDUSTRY MEETINGS

The VCVB staff attends appropriate educational conferences throughout the year to keep abreast of current market trends and issues, and to enhance the Bureau’s operations and marketing programs to better serve its members. Additionally, local

luncheons and mixers of various leisure and business travel organizations are attended to network with peers and gain information on our local markets.

<u>Conference/Meeting</u>	<u>Date</u>	<u>Location</u>
California Conference on Tourism	TBD	TBD

**COUNCIL COMMUNICATION**

Date: October 21, 2008

TO: Honorable Mayor and Members of the City Council**FROM:** Craig Whittom, Assistant City Manager/Community Development *W*
Bob Adams, Development Services Director *BA*
Don Hazen, Planning Manager *DH***SUBJECT:** Consideration of a Resolution directing staff to prepare an amendment to the Downtown Vallejo Specific Plan and expressing its intent to revise Ordinance 1553 N.C. (2d), the Master Plan for Downtown Vallejo, to accommodate those amendments.**BACKGROUND AND DISCUSSION:**

On June 12, 2007, the City Council approved an amendment to the Downtown Vallejo Specific Plan which created temporary land use regulations for the Georgia Street Corridor. The intent of the amendment was to temporarily provide a broader range of permitted land uses for the ground floor spaces until 2009, then allow those established uses to continue until 2015. Subsequent to the Plan amendment, the vacancy rate has risen and only one non-retail business has occupied first floor space.

At a goal-setting session in September 2008, the City Council prioritized the preparation of another Specific Plan amendment which offers greater land use flexibility for the ground floors of the Georgia Street Corridor. Staff scheduled a public meeting on October 9, 2008 to solicit input on issues for the entire Specific Plan area. That input, combined with recommendations from the Georgia Street Corridor Task Force, and analysis from Economic Development Division and Planning Division staff will be the basis for a proposed Specific Plan amendment to be brought to City Council on November 18, 2008.

The scope of the Specific Plan amendment is expected to include repealing the temporary land use regulations in favor of permanent regulations; providing a broader range of permitted uses for the ground floors of the Georgia Street Corridor; streamlining the entitlement process; and providing greater clarification of use categories. The Planning Commission will review the recommended amendments on November 3, 2008 prior to City Council review and after compliance with the required 21 day public notice period.

Attached is a Resolution of Intention directing staff to prepare an amendment to the Downtown Vallejo Specific Plan and revising Ordinance 1553 N.C. (2d), the Master Plan for Downtown Vallejo.

COUNCIL COMMUNICATION**FISCAL IMPACT**

If adopted, the revised land use regulations will provide a broader range of permitted land uses on the ground floor of Georgia Street and help reduce the vacancy rate. There will likely be economic benefits to the City in the form of additional sales and business taxes.

RECOMMENDATION

Staff recommends that the City Council direct staff to prepare an amendment to the Downtown Vallejo Specific Plan to provide greater land use flexibility and streamlined application processing; and expressing its intent to revise Ordinance 1553 N.C. (2d), the Master Plan for Downtown Vallejo, to accommodate those amendments.

ENVIRONMENTAL REVIEW

This resolution of intention is a precursor to the possible adoption of a future resolution, or a future ordinance, and therefore this resolution is an action which will not cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. It is therefore not a 'project' within the meaning of CEQA guidelines 21065.

PROPOSED ACTION

Approve a Resolution of Intention directing staff to prepare an amended Downtown Vallejo Specific Plan and expressing its intent to revise Ordinance 1553 N.C. (2d), the Master Plan for Downtown Vallejo, to accommodate those amendments.

DOCUMENTS ATTACHED

Attachment A. Resolution of Intention

CONTACT:

Don Hazen, Planning Manager
(707) 649-5458 or dhazen@ci.vallejo.ca.us

K:Public/AI/PL/ResolIntentRpt

RESOLUTION NO. 08-_____

A RESOLUTION OF THE CITY COUNCIL DIRECTING STAFF TO PREPARE AN AMENDMENT TO THE DOWNTOWN VALLEJO SPECIFIC PLAN ALLOWING AND EXPRESSING ITS INTENT TO REVISE ORDINANCE No. 1553 N.C. (2d), THE MASTER PLAN FOR DOWNTOWN VALLEJO, TO ACCOMMODATE THOSE AMENDMENTS.

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

WHEREAS, the Downtown Vallejo Specific Plan was adopted by the Vallejo City Council on September 20, 2005, with the stated vision that "Downtown will become the focus of community pride as the revitalized "heart" of Vallejo; and

WHEREAS, the Downtown Specific Plan Land Use Goal 4.2(a)(c) strives to enrich the mix of Downtown uses by "actively promoting the recycling of underutilized land and encouraging flexibility in land use regulations"; and

WHEREAS, it is necessary to stimulate economic development and reduce the building vacancy rate within the Downtown; and

WHEREAS, amending the Downtown Vallejo Specific Plan to permanently allow a broader range of uses along the Georgia Street Corridor, repealing the temporary land use regulations in order to provide greater investment certainty, and to specify greater streamlined application processing, would be consistent with the Downtown Vallejo Specific Plan, and the City of Vallejo General Plan; and

WHEREAS, this action is a precursor to the possible adoption of an amendment to the specific plan and an amended ordinance at a future time, and therefore it is an action which will not cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment, it is therefore not a 'project' within the meaning of CEQA guidelines 21065, and

NOW THEREFORE BE IT RESOLVED, that the City Council hereby directs staff to prepare an Amendment to the Downtown Specific Plan that provides greater flexibility in land uses along the Georgia Street Corridor; eliminates temporary land use regulations to provide greater investment certainty, and to provide for more streamlined application processing.

BE IT FURTHER RESOLVED, that the City Council hereby expresses its intent to Amend the Ordinance adopting the Master Plan for Downtown Vallejo to accommodate the proposed amendments, and Staff is directed to prepare an Amendment to the Specific Plan and Amendment to the Master Plan Ordinance which implements this

resolution and forward said draft Amendment to the Specific Plan and the Amendment to the Master Plan Ordinance to the Planning Commission and City Council for consideration by the City Council by November 18, 2008.

K/Public/AI/PL/ResoIntentReptResolution

RESOLUTION NO. _____ N.C.

WHEREAS, it has been determined that a committee comprised of members of the Vallejo City Council should be established to facilitate the evaluation of water rate setting options to ensure fiscal stability of the Water Enterprise Fund.

NOW, THEREFORE BE IT RESOLVED that the Vallejo City Council hereby confirms the appointment of Council Members Hermie Sunga, Erin Hannigan, and Michael Wilson to serve on the Utility Financing Plan and Water Rate Study Ad Hoc Committee.

OCTOBER 21, 2008

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CONSENT D

Agenda Item No.

COUNCIL COMMUNICATION

Date: October 21, 2008

TO: Honorable Mayor and Members of the City Council

FROM: Joseph M. Tanner, City Manager

SUBJECT: Consideration of the 2008 Areas of Focus

SUMMARY

On July 29, 2008, the Mayor and City Council, City Manager and Executive staff met in their first session to developed areas of focus for 2008. Council, Manager and staff met again on September 23, 2008, to complete and prioritize the areas of focus identified at the July 29, 2008, session.

PROPOSED ACTION

Approve a resolution adopting the City of Vallejo's 2008 Areas of Focus.

DOCUMENTS ATTACHED

1. Resolution
2. Areas of Focus dated October 21, 2008

October 21, 2008

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RESOLUTION NO. _____ N.C.

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

WHEREAS, on July 29, 2008, the Mayor and City Council, City Manager and Executive staff developed areas of focus for 2008. The areas of focus were completed and prioritized on September 23, 2008.

NOW, THEREFORE, BE IT RESOLVED, that the Vallejo City Council adopt the City of Vallejo's 2008 Areas of Focus as presented.

October 21, 2008

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CITY OF VALLEJO
 AREAS OF FOCUS
 October 21, 2008

AREA OF FOCUS: #1 -- ACHIEVE FISCAL STABILITY IN ALL FUNDS -- ELIMINATE STRUCTURAL DEFICIT

WHAT	WHO	WHEN	SUPPORTING ACTIVITIES	STATUS		COMMENTS
				DONE	ON TARGET REVISED	
a) Monitor City's fiscal condition and educate City Council, community and City employees with current information	Finance Director (Rob Stout)	October 28, 2008	Provide quarterly reports with current condition by the following dates: <ul style="list-style-type: none"> • October 28, 2008 – FY 2007-08 year end and first quarter FY 2008-09 expenditures • February 15, 2009 – Second quarter FY 2008-09 expenditure and revenues • May 15, 2009 - Third quarter FY 2008-09 expenditure and revenues in concert with proposed FY 2009-10 budget Solicit staff input.			See City Manager Goals and Objectives (CMGO) 3c
b) Develop a revenue generation action plan that generates \$500,000 or more in FY 2009-2010 from sources not requiring voter approval	Assistant City Manager/Community Development (Craig Whitton)	December 1, 2008				See City Manager Goals and Objectives (CMGO) 3b
c) Create an expenditure priorities plan when resources available to City	Finance Director (Rob Stout)	May 15, 2009	Complete with input from City Council in early 2009 as part of FY 2009-10 budget. Include review of community-based organizations (CBO's) funding.			Starts immediately
d) An obligation to explore strategic approach for tax measure on November 2009 ballot	Finance Director (Rob Stout)	December 1, 2008				Starts immediately
e) Resolve Labor Contract negotiations	City Manager (Joe Tanner) & Interim Human Resources Director (Sandy Salerno)	October 15, 2008	Labor negotiations underway.			

AREA OF FOCUS: #2 -- BRING INVESTMENT AND BUSINESS TO VALLEJO

WHAT	WHO	WHEN	SUPPORTING ACTIVITIES	STATUS		COMMENTS
				DONE	ON TARGET REVISED	
a) Complete analysis of opportunity to create Redevelopment Areas along the I-80 Corridor, Lemon Street, and on Mare Island and present to Council	Assistant City Manager / Community Development (Craig Whittom) Interim Development Services Director (Bob Adams)	December 1, 2008	Study Session on RDA in general, then specifics Advantages and disadvantages -- lessons learned			
b) Review City real property assets and consistent with Asset Management Policy identify surplus properties.	Assistant City Manager / Community Development (Craig Whittom) Real Property Asset Manager (Steve England)	January 30, 2009	Annual report presented to City Council on September 16, 2008. Status report regarding disposition of surplus properties to City Council by January 30, 2009.			

AREA OF FOCUS: #2 -- BRING INVESTMENT AND BUSINESS TO VALLEJO

WHAT	WHO	WHEN	SUPPORTING ACTIVITIES	STATUS			COMMENTS
				DONE	ON TARGET	REVISED	
c) Present City Council with update on permit streamlining activity, status of compliance with performance standards instituted in 2007	Assistant City Manager / Community Development (Craig Whittom) Interim Development Services Director (Bob Adams)	December 1, 2008					
d) Develop plan to modify zoning for expanded uses of first floor space in the Downtown Specific Plan area	Assistant City Manager / Community Development (Craig Whittom) Interim Development Services Director (Bob Adams)	January 1, 2009	First public meeting on October 9, 2008 -- community outreach -- move ahead with Georgia St. only. City Council first reading scheduled for November 18, 2008.				

AREA OF FOCUS: #2 -- BRING INVESTMENT AND BUSINESS TO VALLEJO

WHAT	WHO	WHEN	SUPPORTING ACTIVITIES	STATUS		COMMENTS
				DONE	ON TARGET REVISED	
e) Provide City Council updated incentive package for new businesses (e.g. extend LAMBRA designation, be prepared for foreign trade zone identified, other incentive opportunities) for City Council consideration	Assistant City Manager / Community Development (Craig Whitton) Economic Development Manager (Susan McCue)	February 1, 2009	Enterprise Zone -- review of business license process Consider Business Vitality Committee Local Vendor Preference Branding Vallejo			
f) Support Mare Island development through collaboration with LMI and Touro.	Assistant City Manager / Community Development (Craig Whitton) Economic Development Manager (Susan McCue)	Multiple dates (date of report)	Work with regulatory agencies, Navy, LMI and Touro to expedite environmental clean up through regular monthly meetings/calls/coordination. Work with LMI on entitlement/mapping and leasing process to support tentative maps and new investment by new businesses by June 30, 2009. Work with Touro to close escrow on Project 1 by February 9, 2009 and negotiate Acquisition Agreement and Development Agreement for Project 2 by October 1, 2009.			Council Ad Hoc Committee created (Mayor Davis, Vice Mayor Barteo, Councilmember Joanne Schivley -- increase staff contact and reporting to Council) Update to City Council in January 2009 and June 2009

AREA OF FOCUS: #3 – IMPROVE QUALITY OF LIFE

WHAT	WHO	WHEN	SUPPORTING ACTIVITIES	STATUS			COMMENTS
				DONE	ON TARGET	REVISED	
a) Maintain current levels of public safety services	Police Chief (Bob Nichelini) & Acting Fire Chief (Russ Sherman)	December 9, 2008	Chief's plan – Police and Fire. Explore alternatives to supporting neighborhood watch. Create a process for public participation in Reinventing Vallejo More outreach – utility bills as communication tool.				See City Manager Goals and Objectives (CMGO) 5a.
b) Improve communications with Vallejo citizens			• Will hold a public hearing/study session. • Mayor appoint Council committee w/City Clerk on October 7, 2008.				
c) Evaluate and recommend options regarding City commission	City Council & City Clerk (Mary Ellsworth)	March 1, 2009	Abandoned/foreclosed properties				
d) Social Nuisance Ordinance Update	City Attorney (Fred Soley)		Outline existing program and breakdown of existing homeownership in community. Review results of community land trust feasibility study. Housing element update underway.				Study session with City Council in January 2009.
e) Ensure range of housing options available to community with focus on home ownership.	Assistant City Manager/Community Development (Craig Whitton) & Acting Housing & Community Development Manager (Melinda Nestlerode)	February 1, 2009					

AREA OF FOCUS: #3 – IMPROVE QUALITY OF LIFE

WHAT	WHO	WHEN	SUPPORTING ACTIVITIES	STATUS	COMMENTS
f) Improve esthetics of our Public Works projects (public art).	Public Works Director (Gary Leach)	July 1, 2009.	% for art program, library, etc.	DONE	ON TARGET
					REVISED
					Include in priority 1: Goal 3

AREA OF FOCUS: #4 -- VALUE OUR EMPLOYEES

WHAT	WHO	WHEN	SUPPORTING ACTIVITIES	STATUS			COMMENTS
				DONE	ON TARGET	REVISED	
a) Develop compensation options, incentives and performance evaluations for all employees	Interim Human Resources Director (Sandy Salerno)	April 1, 2009	Collective-bargaining revision Employee survey for process improvements.				See City Manager Goals and Objectives (CMGO) 2a, 2b, 3d

AREA OF FOCUS: #5 – INFRASTRUCTURE IMPROVEMENTS


WHAT	WHO	WHEN	SUPPORTING ACTIVITIES	STATUS			COMMENTS
				DONE	ON TARGET	REVISED	
a) Update five year CIP	City Engineer (David Kleinschmidt)	On-going	Maintain schedule for 80% or more of the funded projects within CIP Plan				
b) Review and update truck routes within Vallejo	City Engineer (David Kleinschmidt) & Police Chief (Bob Nichelini)	February 1, 2009	Work with Police Department				See City Manager Goals and Objectives (CMGO) 2a, 2b, 3d
c) Improve street safety	City Engineer (David Kleinschmidt) & Police Chief (Bob Nichelini)	On-going	Continue to work with community groups to identify and fund safety improvements – red light cameras w/PD, litter and graffiti				Lighting plan, traffic calming
d) Develop short and long term maintenance priority program. Cost based on level of service & identify potential funding options developed as part of Fiscal Year 2009-2010 budget process.	Maintenance Superintendent (John Cerini)	May 15, 2009					Consider maintenance agreement w/GVRD & VSFCD
e) Better cooperation between agencies	City Manager (Joe Tanner)	March 1, 2009	Review all JPA and Interagency agreements				We're making money from everyone we service, but we're losing money

AREA OF FOCUS: #6 -- GENERAL PLAN

WHAT	WHO	WHEN	SUPPORTING ACTIVITIES	DONE	ON TARGET	REVISED	COMMENTS
a) Study Session	Planning Manager (Don Hazen)	March 1, 2009	Education -- what it costs -- what are our options -- history of updates				

**Agenda Item No.****COUNCIL COMMUNICATION****Date:** October 21, 2008

TO: Honorable Mayor and Members of the City Council

FROM: Gary A. Leach, Public Works Director 

SUBJECT: APPROVAL OF A RESOLUTION AWARDDING TWO CONTRACTS WITH CITY BUS ADVERTISING, SANTA ROSA, CALIFORNIA FOR ADVERTISING SERVICES FOR 1) BUS AND FERRY TERMINAL AND 2) BAYLINK FERRY VESSELS AND AUTHORIZING THE CITY MANAGER TO EXECUTE SAID CONTRACTS

BACKGROUND AND DISCUSSION

The City of Vallejo has administered contract transit operations for the Baylink Ferry and Vallejo Transit for over forty years. The City has traditionally advertised on Bus exteriors to generate additional revenues. More recently, advertising has been expanded to the interior of ferries and the Ferry Terminal building. This task has been contracted out to a third party who is responsible for obtaining and retaining advertisers, providing and installing the advertisements and paying the City a fixed amount and/or a percentage of the revenue generated. Our previous contractor, Princeton Media, defaulted on the contract and the City has moved forward to find another party to contract with for these services.

As a part of the new contract, we have expanded the available advertising space to include exterior advertising space on the Runabout paratransit vans.

A Request for Proposals (RFP) to perform advertising services was officially released on July 2, 2008. Notice of the RFP was initially sent directly to nine firms and advertised in the July 2, 2008 Vallejo Times Herald. A pre-proposal conference to explain the procurement, tour a ferry boat and allow proposers and the City to ask and answer questions was held on July 14th 2008. The City was able to articulate our expectations for the successful contractor and allow potential Contractors to view the Ferry interior. The pre-proposal conference was attended by two potential proposers.

Addendum #1 was issued on July 24, 2008, extending deadlines for questions and the due date (new due date July 31, 2008), adding the advertising space available in the Ferry Terminal, and providing answers to proposer questions.

On July 31, 2008, no proposals were received for the contract. One prospective proposer, Lamar Transit Advertising, one of the potential proposers present at the pre-



proposal conference, sent a letter stating that they would not be proposing, stating that they could not provide undivided attention to this project at the current time. The other proposer present at the pre-proposal meeting, City Bus Advertising, stated that he had mailed in a proposal. This proposal was never received by City staff. After City Bus Advertising contacted the City of Vallejo to determine if they were going to be called in for an interview, they were advised that their proposal had never been received by the City. They were instructed to resend the proposal. When received, the proposal by City Bus Advertising was responsive.

After advertising the solicitation in a newspaper of public record, posting the RFP on the City website, and sending notice to an adequate number of contractors, it was determined that it would be acceptable to receive a proposal from the late (and only) proposer, City Bus Advertising, to bring before City Council.

Prior to approaching the Contractor for an interview and in consideration of ongoing negotiations regarding the transfer of the ferry operation to WETA, City staff decided that it would be most appropriate to enter into two separate contracts with the Contractor. One contract would be exclusively for the Ferries (thereby allowing for easy transfer to WETA), and the other exclusively for the Buses and Ferry Terminal. The Contractor was agreeable to this change. Staff continued the procurement process by interviewing City Bus Advertising which also plans to utilize a local business as part of the company's marketing and graphic production efforts.

City Bus Advertising has current advertising contracts with Napa Valley Transit/The VINE, American Canyon/The Duck, City of Benicia/Benicia Breeze, City of Vacaville/City Coach, City of Petaluma, and South Lake Tahoe Transit/Blue Go. The City contacted Vacaville, Benicia, and Petaluma regarding their experience with the Contractor. There were no negative evaluations. Extra comments from the City of Benicia were: "impressed with him", "easy to work with", "good partner during Route 78 implementation". The Contractor has proven responsible in several other contracts and there is no doubt that City Bus Advertising has proven their reliability and ability to perform similar work. City staff has found City Bus Advertising responsible and is recommending negotiating a contract with the firm.

Fiscal Impact

Both contracts have five year terms, with a guaranteed combined minimum return of \$259,008 (Bus-\$184,008; Ferry \$75,000) over the term of the contract. During the interview City Bus Advertising representatives stated that they usually pay above the minimum guarantee. City Bus offered 35% of the Gross Revenue or the following fixed rate guarantee, whichever is greater:



Bus (Local, Paratransit, and Regional) and Terminal Contract

a.	First Year Monthly Guarantee	<u>\$2,000</u>
b.	Second Year Monthly Guarantee	<u>\$2,500</u>
c.	Third Year Monthly Guarantee	<u>\$3,000</u>
d.	Fourth Year Monthly Guarantee	<u>\$3,500</u>
e.	Fifth Year Monthly Guarantee	<u>\$4,334</u>

Ferry Contract

a.	First Year Monthly Guarantee	\$ <u>750</u>
b.	Second Year Monthly Guarantee	\$ <u>1,000</u>
c.	Third Year Monthly Guarantee	\$ <u>1,250</u>
d.	Fourth Year Monthly Guarantee	\$ <u>1,500</u>
e.	Fifth Year Monthly Guarantee	\$ <u>1,750</u>

RECOMMENDATION

Staff recommends approval of a resolution awarding two contracts with City Bus Advertising, Santa Rosa, California for advertising services for 1) Bus and Ferry Terminal and 2) Baylink Ferry Vessels and authorizing the City Manager to execute said contracts.

ALTERNATIVES CONSIDERED

The Transportation Enterprise Fund needs to increase revenues to pay for transit services. As a result, no consideration was given to eliminating or omitting an advertising contract and the revenue that could be generated.

However, another alternative was considered which included utilizing a fixed price contract that would have only a guaranteed return and no percentage of gross revenue. This type of contract would reduce the risk associated with revenue estimation by providing a fixed amount of revenue over an agreed upon time period.

This approach was rejected during the solicitation process as it became apparent that there would not be enough competition to drive a competitive fixed price, and the risk placed on the Contractor would be so high as to make the contract less attractive to Contractors. Addendum #1 allowed for proposers to present alternative revenue sharing options.



ENVIRONMENTAL REVIEW

This activity is not a project per Public Resources Code §21065 - CEQA Title 14, Chapter 3, Article 5, Section 15060 – Preliminary Review (c) 3 - The activity will not result in a direct or reasonably foreseeable indirect physical change in the environment.

PROPOSED ACTION

Staff recommends approval of a resolution awarding two contracts with City Bus Advertising, Santa Rosa, California for advertising services for 1) Bus and Ferry Terminal and 2) Baylink Ferry Vessels and authorizing the City Manager to execute said contracts.

DOCUMENTS ATTACHED

- a. Resolution awarding two contracts with City Bus Advertising, Santa Rosa, California for advertising services for 1) Bus and Ferry Terminal and 2) Baylink Ferry Vessels and authorizing the City Manager to execute said contracts.

DOCUMENTS AVAILABLE FOR REVIEW

- a. Contract for Bus and Ferry Terminal Advertising
- b. Contract for Ferry Advertising

CONTACT PERSON

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

Crystal Odum Ford, Transportation Superintendent
648-5241, codumford@ci.vallejo.ca.us

OCTOBER 21, 2008

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RESOLUTION NO. _____ N.C.

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

WHEREAS, it has been determined that the proposed Bus and Ferry Terminal Advertising Contract is essential for generating revenue to fund the City of Vallejo's Transportation System; and

WHEREAS, it has been determined that the proposed Ferry Advertising Contract is also essential for generating revenue to fund the City of Vallejo's Transportation System; and

WHEREAS, the Transportation Division conducted a formal Request for Proposals solicitation process; and

WHEREAS, the Transportation Division received only one proposal; and

WHEREAS, after soliciting an adequate number of firms and publicly advertising the work, the proposal from City Bus Advertising was the only responding contractor; and

WHEREAS, City Bus Advertising was approached and two contracts were successfully negotiated; and

WHEREAS, the Transportation Fund will receive revenue from the contracts designated for use by the Transportation Fund;

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Vallejo

1. Awards the Bus and Ferry Terminal and Baylink Ferry Vessel Advertising Contracts to City Bus Advertising; and
2. Authorizes the City Manager to enter into two contracts with City Bus Advertising, Santa Rosa, California, for Bus and Ferry Terminal Advertising, and Baylink Ferry Vessel Advertising, subject to amendments, review and approval by the City Attorney and City Manager, consistent with this resolution, and


BE IT FURTHER RESOLVED, that all other proposals received are hereby deemed rejected upon execution of a contract with the aforementioned consultant.

OCTOBER 21, 2008

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**Agenda Item No.****COUNCIL COMMUNICATION****Date:** October 21, 2008

TO: Honorable Mayor and Members of the City Council

FROM: Gary A. Leach, Public Works Director 

SUBJECT: APPROVAL OF A RESOLUTION AWARDDING THE FERRY ENGINE OVERHAUL CONTRACT TO VALLEY POWER SYSTEMS NORTH, A CALIFORNIA CORPORATION, AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH VALLEY POWER SYSTEMS NORTH, SAN LEANDRO, CALIFORNIA.

BACKGROUND AND DISCUSSION

The City owned ferries M/V SOLANO and M/V VALLEJO are powered by MTU Series 4000 high performance marine diesel engines. These engines require complete disassembly, inspection, and overhaul every 15,000 operating hours (approximately every four years). This planned maintenance action is termed a M-6.

There are four such engines currently installed and operating in these vessels. As soon as a contract can be executed, the City's swing (spare) engine will be installed and the first of the four operating engines will be removed and made available to the contractor for the M-6 overhaul. About three to four months later the process will be repeated for the remaining SOLANO engine. These engine changes are accomplished over the weekend and are not expected to cause any interruption to ferry service.

The VALLEJO's process involves dry-docking the vessel and cutting two holes in the hull to expose the engines since the VALLEJO does not have removable engine soft patches. The VALLEJO will be out of service for the duration of its engine overhaul process. While every effort will be made to ensure the duration of the overhaul is as short as possible, during this time there will be no available "spare" vessel for passenger ferry service. This situation does, for the time of the overhaul, compromise ferry system reliability to the extent that a spare vessel is not available during peak usage.

As required by procurement rules, this work must be competitively bid. Accordingly, Invitation for Bids # 08-11-08 (IFB) was published and advertised in the Vallejo Times Herald on August 11, 2008 and sent to the four MTU certified engine maintenance facilities in North America. The bid due date was September 4, 2008.



A condition of the bid was that all bidders be officially recognized and authorized by the Original Equipment Manufacturer (OEM) MTU Detroit Diesel to provide engine overhaul services. As many of the parts required for M-6 are new and come from the OEM, factory authorization is critical as it relates when it comes to after work warranty coverage.

The City received two bid for the work with the following results:

Bidder	Bid (Sept. 4, 2008)
Stewart & Stevenson of Houston, TX	\$2,012,252.36
Valley Power Systems North of San Leandro, CA	\$1,378,510.00
Engineer's Estimate	\$1,640,000
Project Budget	\$1,733,864

Responsiveness

Stewart and Stevenson failed to submit a bidder bond or other appropriate bid security. Stewart and Stevenson also submitted a Buy America certification stating that they could meet Buy America requirements (meaning they had a domestic supplier for OEM Parts). Valley Power certified that they could not meet Buy America requirements (meaning they could not find a domestic supplier for OEM Parts). Staff contacted Stewart and Stevenson about this discrepancy (one vendor certifying an ability to meet Buy America, and another certifying an inability to meet Buy America) and asked if they could indeed meet Buy America requirements. Stewart and Stevenson then stated that they could not meet the requirement. Additionally Stewart and Stevenson claimed several exceptions to the proposed contract relating to liability and insurance. Following further review of the submitted documents following the bid opening, the contractor is now deemed not responsive.

Having provided all the required bonding, certifications, and documents requested in the IFB documents, Valley Power Systems North of San Leandro, CA (Valley Power) was deemed responsive to the IFB. Valley Power performed similar set of overhauls on the City's MTU 396 Series engines in the timeframe 2006-2008.

Responsibility

Valley Power does possess the resources, tooling, and facilities to complete this essential ferry maintenance work; as well as factory authorization. Valley Power has demonstrated the ability to do the work. Valley Power has not been able to maintain



schedule, however, on the current contract with the City for overhaul of the Series 396 engines for INTINTOLI and MARE ISLAND. This is a recognized weakness, and it is anticipated that staff can offset the weakness in this area by maintaining close contact with the Contractor to ensure they meet project schedule milestones. While there may be issues with adherence to schedule, after reviewing Valley Power's submitted bid, interviewing past owner references, and considering the City's present relationship with Valley Power, staff finds them a responsible bidder.

Accordingly, approval is being sought for a resolution authorizing the City Manager to enter into a contract with Valley Power for the ferry diesel engine overhauls.

Fiscal Impact

There will be no impact to the General Fund. This work will be funded out of ferry capital funds identified in the Transportation Division budget line items for ferry maintenance. Eighty percent (80%) of the work will be funded by FTA 5307 funds, the 20% local match will be provided by 2% Bridge Toll funds. The work has already been budgeted at \$350,000 per engine, representing the total project budget amount of \$1,400,000 for four engines. The Engineer's Estimate was lowered to \$410,000 per engine prior to receipt of bids. The responsive and responsible bid received came in \$240,000 (approximately 16%) under the Engineer's Estimate.

RECOMMENDATION

Staff recommends approval of a resolution awarding the Ferry Engine Overhaul Contract to Valley Power Systems North, a California Corporation and authorizing the City Manager to enter into a contract with Valley Power Systems North of San Leandro, California.

ALTERNATIVES CONSIDERED

The engine overhauls are mission critical to the ferry service. Without these overhauls eventual engine failures would compromise the reliability of the system and eventually lead to catastrophic engine failure much earlier than the anticipated useful life of the engine. There is no practical alternative to performing the work.

ENVIRONMENTAL REVIEW

This project is exempt from CQEA pursuant to section 15301 (Existing Facilities) of Title 14 of the California Code of Regulations as it consists of the minor alteration of an existing public facility (ferry diesel engines) involving no expansion beyond the existing use.



PROPOSED ACTION

Approve the resolution awarding the Ferry Engine Overhaul Contract to Valley Power Systems North, a California Corporation and authorizing the City Manager to enter into a contract with Valley Power Systems North, San Leandro, California.

DOCUMENTS AVAILABLE FOR REVIEW

- a. A resolution awarding the Ferry Engine Overhaul Contract to Valley Power Systems North, a California Corporation and authorizing the City Manager to enter into a contract with Valley Power Systems North, San Leandro, California.

CONTACT PERSON

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

Crystal Odum Ford, Transportation Superintendent
648-5241, codumford@ci.vallejo.ca.us

OCTOBER 21, 2008

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RESOLUTION NO. _____ N.C.

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

WHEREAS, it has been determined that the proposed Ferry Engine Overhaul Contract is essential for operation of the City of Vallejo's Transportation System; and

WHEREAS, the City Council has appropriated \$1,400,000 of funding for the Ferry Engine Overhaul Project. (Fund 421); and

WHEREAS, the City published and advertised Invitation for Bids # 08-11-08 (IFB) in the Vallejo Times Herald on August 11, 2008 and sent it to the four MTU certified engine maintenance facilities in North America; and

WHEREAS, the Transportation Division received two Bids; and

WHEREAS, after reviewing the Bids, staff finds that the Bid of Stewart and Stevenson of Houston, Texas was nonresponsive for the reasons detailed in the Agenda Report for this mater; and

WHEREAS, staff further finds that the Bid of Valley Power Systems North of San Leandro, California was responsive and, for the reasons described in the Agenda Report, finds that Valley Power is a responsible bidder;

NOW, THEREFORE, BE IT RESOLVED that an invitation for bids was duly advertised and Valley Power Systems North Inc., San Leandro, California was determined to be the lowest responsive and responsible bidder in the amount of One Million Three Hundred seventy Eight Thousand, Five Hundred and Ten Dollars, (\$1,378,510.00), and its Bid is hereby accepted and a contract is awarded to said low bidder at the prices bid.

BE IT FURTHER RESOLVED that the all other bids to-wit:

Stewart and Stevenson, Houston, CA	\$2,012,252.36
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Are hereby deemed rejected, upon the full execution of the contract documents by the successful bidder, with notice of rejection to be given thereupon by the City Clerk.

BE IT FURTHER RESOLVED that the City Manager is hereby authorized to sign an Agreement between the City of Vallejo and Valley Power Systems North Inc., San Leandro, California, with any modifications recommended by City Attorney or the Risk Manager, and the City Clerk to attest the signing of that Agreement.

OCTOBER 21, 2008

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CONSENT G

Agenda No.

COUNCIL COMMUNICATION

Date: October 21, 2008

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

FROM: Joseph M. Tanner, City Manager
Sandra Salerno, Interim Human Resources Director *S*

SUBJECT: APPROVAL OF A RESOLUTION OF INTENTION TO AMEND CHAPTERS 2.06 AND 2.52 OF THE CITY OF VALLEJO MUNICIPAL CODE, AND ADOPT A TRAVEL AND EXPENSE REIMBURSEMENT POLICY FOR CITY OFFICIALS WHICH COMPLIES WITH STATE LAW (AB1234)

BACKGROUND AND DISCUSSION

Effective January 1, 2006, AB1234 requires every local agency that provides reimbursement for expenses to members of its legislative body to adopt a written policy on the duties for which legislative body and commission members may receive compensation, other than meetings of the legislative body or advisory body or attendance at a conference or organized educational activity. Under the new law, the written policy, which must be adopted at a public hearing, has to specify what occurrences qualify a member to receive reimbursement of expenses for travel, meals, and lodging and imposes related requirements, including the filing of expense reports, which are considered public records. Additionally, a councilmember or commissioner may receive compensation for "actual and necessary" expenses incurred for attendance at meetings of legislative bodies and advisory bodies and for conferences or organized educational activities. See Cal. Gov. Code § 53232.2(a) and (b).

The policy would only apply to the expenditure of personal funds for which an elected or appointed official wished to receive reimbursement. For expenses that fall outside of the written occurrences list, or for rates that are above the IRS reimbursable rates in Publication

463, the expenses must be pre-approved by City Council before they can be reimbursed. See Cal. Gov. Code § 53232.2(f).

A. Our Current Policy and the Proposed Policy.

The existing travel and business expense policy addressed to members of the Vallejo City Council, Boards and Commissions is out of compliance with the state law, as it permits reimbursement without receipts for other than actual and necessary expenses. A change to the existing policy will also require changes to Chapter 2 of the Vallejo Municipal Code, existing Administrative rules, and preparation of a new policy.

Attached is a sample policy for the Council to consider. It is important to immediately fix this problem, because lack of compliance could lead to severe consequences. Depending on the circumstances, penalties for misuse of public resources or falsifying expense reports include loss of reimbursement privileges, (see Cal. Gov. Code § 53232.4) restitution to the local agency, civil penalties of up to \$1000 per day and three times the value of the resource used (see Cal. Gov. Code § 8314), and even criminal prosecution and a lifetime bar from public office (see Cal. Penal Code § 424).

ENVIRONMENTAL REVIEW

This is not a project under CEQA.

PROPOSED ACTION

APPROVE the resolution of intention to amend Sections 2.06 and 2.52 of the Vallejo Municipal Code and to ADOPT the travel and expense reimbursement policy in compliance with State law (AB1234).

DOCUMENTS ATTACHED

- a. Resolution
- b. Policy establishing a travel and expense reimbursement policy for City officials.

CONTACT PERSON

Sandra Salerno, Interim Human Resources Director
(707) 648-4362

October 21, 2008

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RESOLUTION NO. _____

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

WHEREAS, the City Council of the City of Vallejo needs to adopt an updated Travel and Expense Reimbursement Policy for City Officials in order to comply with AB1234; and

WHEREAS, the City Council of the City of Vallejo desires that the attached Travel and Expense Reimbursement Policy be the document which articulates the appropriate requirements for expenditures and reimbursements for elected and appointed officials; and

WHEREAS, it is necessary that existing policies articulated in other applicable documents, including Vallejo Municipal Code Chapter 2 (§§ 2.06 and 2.52) be amended to reflect the requirements of AB1234.

NOW, THEREFORE, BE IT RESOLVED that the Vallejo City Council hereby:

1. ADOPTS the attached Travel and Expense Reimbursement Policy for City Councilmembers, Board Members and Commissioners in order to comply with AB1234, and
2. ARTICULATES ITS INTENT to amend Vallejo Municipal Code Chapter 2.06 (Council Travel Expenses) and 2.52 (Compensation of Mayor and Council) concerning expenditures and reimbursements so that the code language will match the Travel and Expense Reimbursement Policy and directs the City Manager to so amend the ordinances and bring them back to this Council for First Reading.

Travel and Expense Reimbursement Policy for City of Vallejo Officials

1. **Purpose.** To achieve the best for the City of Vallejo, the members of the Council have dedicated themselves to spending tens, even hundreds, of hours of their time each year to educate themselves on opportunities to improve the City. Their commitment to bring the City the best and most innovative ideas often requires City Council members to travel outside of Vallejo.

This travel and reimbursement policy reflects the City's strong support for these efforts and activities; they are an important investment in this city's future. The ideas and information that the Council members produce as a result of these reimbursable activities provide direct and tangible benefits of the citizens of Vallejo

The purpose of this policy is to ensure that Council members are appropriately reimbursed for reasonable expenses incurred in the performance of official duties, and that those expenses/reimbursements:

- comply with the California Government Code;
- follow good internal control practices; and,
- fairly reimburse elected officials.

2. **Policy.** Recognizing that members of a legislative body are encouraged to pursue education, information and opportunities for the city, officials are, from time-to-time, required or requested to attend meetings, functions, seminars, training sessions, conferences and tours on behalf of the City, and for which the residents of Vallejo will benefit by the City's presence or additional training. As such, the City may reimburse for actual and necessary expenses as provided in this Policy.
3. **Definitions.** The following definitions shall apply to this policy:
 - a. "Legislative body" means the City Council, the Planning Commission, and any other commission, board or committee appointed by the City Council.
 - b. "Official" means a member of a Legislative body.
4. **Types of Occurrences that Qualify for Reimbursement.** Members of a Legislative body may be reimbursed for actual and necessary expenses incurred while traveling on City-related business and in the performance of official duties such as, and including: attending meetings and functions, seminars, training sessions, conferences, tours and such other activities that provides benefit to the city of Vallejo and its residents; and, such other activity that provides a benefit to the City with the City Manager's concurrence.
5. **Government Rates.** Airlines, hotels, and rental car companies often make special rates

available to state, federal, and local governments. These rates are presumed to be the most economical and reasonable rates for the purposes of this Policy. Member of legislative bodies and officials shall avail themselves of such rates when they are available.

6. **Transportation.** When contemplating travel arrangements members of a legislative body shall make every reasonable effort to choose the least expensive mode of travel when available. Members of the legislative body should also consider cost-saving strategies such as group travel packages whenever it is reasonably possible given the scheduling needs of the official.

- a. **Air Travel/Car Rental.** When possible, and convenient to the official, members of a legislative body should arrange for air travel and car rental to be paid for by the City in advance. The designated individual(s) in the City responsible for making travel arrangements shall book the most reasonable mode of transportation available that is consistent with the official's scheduling needs.

If advance arrangements cannot be made due to lack of advance warning or other extenuating circumstances as approved by the City Manager or his or her designee before the expenses are incurred, members of a legislative body may be reimbursed for the expenses incurred consistent with and in accordance with City policy.

- b. **Personal Vehicle Travel.** Members of a legislative body may be reimbursed for expenses incurred in traveling by personal vehicle on official City business at the then current mileage allowance provisions of the Internal Revenue Service. Members of a legislative body shall complete and file a Mileage Reimbursement Request Form with the City, which will also satisfy the documentation requirements provided in Section 15 of this Policy.

7. **Meals.** Recognizing that City officials are, from time-to-time, required or requested to attend meetings, functions, seminars, training sessions, conferences and tours on behalf of the City, the City may reimburse for actual and necessary meal expenses as provided in this Policy.

- a. **Meals in Conjunction with Travel.** Members of a legislative body may be reimbursed for meal expenses incurred while traveling on official City business. Said expenses shall be reasonable, not excessive and reflect the nature of the meeting. Generally, original receipts shall be required for reimbursement.
- b. For travel, a member of a legislative body may be reimbursed for meals in a total amount that does not exceed \$89 per day, which includes tax and gratuity. The following amounts may be used as a guideline for

determining what is considered a reasonable amount for meal expenses:

Breakfast	\$16
Lunch	\$20
Dinner	\$44
Incidentals/snacks	<u>\$ 9</u>
Total	\$89

The City Manager and his/her designee shall update the reimbursable amount for meal expenses from time to time.

- c. ***Reimbursement for Other Meals.*** Where authorized by Section 4 of this Policy, members of a legislative body may be reimbursed for their meals associated with the performance of official duties at rates not to exceed the amounts set forth in section 7.b. Meals for spouses, family members and other third parties shall not be reimbursed.
8. ***Lodging.*** The City will pay for or reimburse for lodging expenses when travel on official city business reasonably requires an overnight stay.
- a. When possible, member of a legislative body should arrange for lodging expenses to be paid by the City. The designated individual(s) in the City responsible for making travel arrangements shall book lodging at the most reasonable rates for lodging that is in a location that is reasonable and convenient in relation to the officials scheduling and official business needs. For lodging in connection with a conference or organized educational activity said accommodation shall take place at the location hosting the conference or educational activity.
- b. If such advance arrangements cannot be made due to lack of advance warning or other extenuating circumstances as approved by the City Manager or his or her designee before the expenses are incurred, a member of the legislative body may be reimbursed for lodging expenses.
9. ***Incidental Expense Reimbursement.*** Members of a legislative body may be reimbursed for actual and necessary incidental expenses incurred in connection with a conference, organized educational activity, or other performance of official duties. Incidental expenses include reasonable gratuities for hotel and airline employees, parking fees, cab fares, public transportation costs, tolls, telephone calls, faxes and other communications relating to the performance of official duties, telephone calls of a personal nature, and other such incidental expenses.

Reimbursement for expenses incurred in placing telephone calls and other communications of a personal nature shall be limited to \$10 per day for travel within California, and \$20 per day for travel outside of California. The City Manager or his or her designee may periodically adjust the amount available for reimbursement of personal communications.

10. **Conference Registration Fee Reimbursement.** When possible, members of a legislative body should arrange for conference and organized educational activity registration fees to be paid in advance of the conference by the City. If such advance arrangements cannot be made due to lack of advance warning or other extenuating circumstances, members of a legislative body may be reimbursed for the expense of a conference or organized educational activity registration fee.
11. **Expenses to Accommodate Disabilities.** This policy shall not be construed to limit the City's ability to reimburse members of a legislative body for necessary expenses in excess of that which is otherwise permitted under this policy where such additional expenses are necessary to accommodate for a disability.
12. **Other Expenses.** The following expenses require prior approval by the City Council:
 - a. International travel, except to Vallejo Sister Cities, Canada and Mexico.
 - b. Expenses which exceed the annual limits, if any, established for each office holder; and
 - c. Expenses expected to exceed \$7,000 per trip.

All other expenses incurred in the performance of official duties that are not described in this Reimbursement Policy shall not be reimbursed unless approved by the City Manager.

13. **Prohibited Expense Reimbursements.** Examples of personal expenses the City will not reimburse include, but are not limited to:
 - a. Political contributions or events;
 - b. Charitable contributions or events (this prohibition does not apply to charitable contribution funding approved in the City Budget);
 - c. Non-mileage personal automobile expenses, including repairs, traffic citations, or gasoline and personal losses incurred while on City business;
 - d. Reimbursement for spouse or family for any expenses; and,
 - e. The personal portion of any trip (e.g. haircuts; souvenir expenses; hotel and food expenses incurred during optional, extra days spent at a conference or Meeting location.)

Also, except as provided in Section 14, unless otherwise approved in advance by the City Manager, officials or members of a legislative body shall not be issued cash advances.

14. **Cash advance.** From time to time, it may be necessary for an official to request a cash advance to cover anticipated expenses while traveling or doing business on the City's behalf. Such requests for an advance should be submitted to the City Manager at least five (5) working days prior to the need for the advance. Any unused advance must be returned to the City Treasury within five (5) business days of the official's return, along with an expense report and original receipts documenting how the advance was used in compliance with this expense policy. Cash advances should only be used when absolutely

necessary.

15. ***Documentation Requirements.*** The City Manager shall provide members of a legislative body with expense report forms to be filed by the member for reimbursement for actual and necessary expenses incurred in performance of official duties. The expense report form shall be used to document that the expenses for which reimbursements are sought are proper under this Policy.

Members of a legislative body must file expense report forms within 90 days of incurring the expense. For auditing purposes, said expense report forms shall be accompanied by receipts documenting each expense except that description regarding the nature of the expense provided in the expense report shall suffice for *de minimis* incidental expenses for which receipts are not customarily given.

All documents related to reimbursable expenditures shall be considered public record subject to disclosure under the California Public Records Act.



COUNCIL COMMUNICATION

Date: October 21, 2008

TO: Mayor and Members of the City Council

FROM: Craig Whittom, Assistant City Manager / Community Development *CW*
Bob Adams, Development Services Director *BA*
Don Hazen, Planning Manager *DH*

SUBJECT: CONSIDERATION OF A RESOLUTION HOLDING ON FIRST READING AN ORDINANCE AMENDING THE ZONING MAP TO REZONE PROPERTY LOCATED AT THE SOUTHEAST CORNER OF SOLANO AVENUE AND 9TH STREET AND A RESOLUTION AMENDING THE GENERAL PLAN AND APPROVE A PLANNED DEVELOPMENT UNIT PLAN AND MINOR EXCEPTION TO FACILITATE DEVELOPMENT OF FOURTEEN RESIDENTIAL CONDOMINIUM TOWNHOME UNITS

BACKGROUND & DISCUSSION

On March 26, 2008, staff conducted a neighborhood meeting to solicit public input on the project. On September 15, 2008, the Planning Commission unanimously approved Tentative Map #07-0009, and recommended City Council approval of a unit plan, minor exception, and an amendments to the General Plan and Zoning Ordinance.

- *General Plan Amendment*

The existing General Plan land use classifications of "General Commercial" and "Low Density Residential" are not compatible with the proposed "high density" residential use. To resolve this incompatibility, staff is recommending the land use classification be changed to "High Density Residential (17.4 + units per acre)"

As noted in the staff analysis in the attached Planning Commission report, staff believes that the subject site does not have the potential to be a vibrant commercial use due to its location and relatively small size. Staff does believe however that the Solano Avenue location is appropriate for an in-fill high density residential project (see Attachment 5, pg. 2-3).

Although staff received comments from neighbors in opposition to the proposed land use change prior to the Commission hearing, no public opposition was voiced during the hearing.

- *Zoning Map Amendment*

The existing zoning for the two parcels, Linear Commercial and Low Density Residential, would prohibit the proposed high density residential use. Staff recommends amending the zoning of the two parcels to "Planned Development Residential (PDR)" to facilitate development of the project (see Attachment 5, pg. 3 for a detailed analysis of the proposed amendment).

Though approved unanimously by the Commission, concern was initially expressed by two Commissioners regarding the density of the project. Specifically, the Commissioners were concerned that the proposed high density (26 units per acre) may negatively impact the adjacent neighbors located in a low density residential district (see Attachment 5, Planning Commission minutes, pg.4-6 & Attachment 6, zoning map exhibit).

Staff explained to the Commission that potential impacts will be addressed with greater than required setbacks, a six-foot wall along the property line, and noise mitigations such as dual glazed windows and "baffling" devices for all HVAC and air conditioning equipment (Attachment 7, Mitigation Monitoring Report, pg. 1).

- *Planned Development (Unit Plan)*

Staff and the Planning Commission believe the PDR zoning is appropriate in order to give the applicant the flexibility needed for the project in regards to height and condominium development standards.¹ The proposed rezoning also meets the "purpose" of the zoning district as stated in Section 16.106.010 (VMC):

"These areas will facilitate the development or redevelopment of land which is not being utilized due to special circumstances which prevent its development or redevelopment through the conventional application of the regulations of the zoning district."

As detailed in the Commission staff report (see Attachment 5, pg. 4-5), the design of the project is sensitive to both its commercial frontage and adjacent single family residential uses and will be a good transitional use for its location.

- *Minor Exception*

The applicant has requested a minor exception to reduce the number of required on-site guest parking spaces from three to two. The majority of neighborhood opposition to the project expressed at a community meeting was related to the parking issue.

During the meeting, several neighbors expressed concerns that the project would exacerbate an existing lack of on-street parking. Based on those comments, staff conducted multiple site visits to the area and except for Sunday worship services from a near-by church, did not observe vehicles being parked on the street fronting the property where approximately eight spaces would be eliminated with the proposed project. Despite these observations, staff requested that the applicant reduce the amount of four bedroom units from ten to six and provide two guest

¹ The proposed height of 40' exceeds the standard 35' height limit for LDR and MDR zoned districts. Development within PDR districts is exempt from condominium development standards.

parking spaces, which was done willingly . The applicant's original minor exception request was to reduce the number of required guest parking spaces from three to zero.

ENVIRONMENTAL REVIEW

An Initial Study for the project was prepared and based on the evidence that the proposed project would not have a significant effect on the environment due to required mitigations; the Planning Commission recommends the City Council adopt the proposed Mitigated Negative Declaration and the Mitigation Monitoring Report, per Section 15074 of the California Environmental Quality Act.

FISCAL IMPACT

The proposed project would generate a variety of new revenue sources, including utility user taxes and transfer tax upon the sale of the units. The intensified use of the parcel would generate higher annual property tax revenue. Together, these sources would exceed the taxes generated from the current under-utilized site.

RECOMMENDATION

Adopt the Mitigated Negative Declaration and resolutions for General Plan Amendment #07-0002, Zoning Map Amendment #07-0003, Planned Development Unit Plan #07-0008 and Minor Exception #07-0004 based on the resolution findings with reference to the attached staff report.

ATTACHMENTS

1. Resolution(general plan amendment)
2. Resolution (zoning amendment)/ Exhibit 1- Ordinance
3. Resolution (unit plan/minor exception)
4. September 15, 2008 Planning Commission minutes and staff report
5. Conditions of approval
6. Site plan
7. Development plan package and site pictures
8. General Plan and Zoning map change exhibits
9. Initial Study and Mitigation Monitoring Plan
10. Conflict of Interest Map

PREPARED BY/CONTACT

Marcus Adams, Associate Planner, marcusadams@ci.vallejo.ca.us
Don Hazen, Planning Manager, 707-648-4328; dhazen@ci.vallejo.ca.us

RESOLUTION NO. ___ N.C.

A RESOLUTION AMENDING THE GENERAL PLAN LAND USE CLASSIFICATION FOR PROPERTY LOCATED AT 1401 SOLANO AVENUE FROM GENERAL COMMERCIAL TO HIGH DENSITY RESIDENTIAL AND AT 14 NINTH STREET FROM LOW DENSITY RESIDENTIAL TO HIGH DENSITY RESIDENTIAL

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

WHEREAS, on September 15, 2008, the Planning Commission held a public hearing to consider General Plan Amendment #07-0002 to revise the Vallejo General Plan Land Use Map to reclassify Assessor Parcel Numbers 0059-041-110, 120 from General Commercial and Low Density Residential to High Density Residential; and

WHEREAS, on September 15, 2008, on completion of the public hearing, the Planning Commission voted 7-0 to recommend that the City Council approve the General Plan Amendment; and

WHEREAS, the City Council has reviewed a report provided to the Vallejo Planning Commission on the General Plan Amendment; and

WHEREAS, the City Council, on October 21, 2008, in the City Council Chambers of City Hall, 555 Santa Clara Street, held a public hearing on the General Plan Amendment; and

WHEREAS, the City Council finds that the notice of the hearing was given for the time and in the manner prescribed by law; and

WHEREAS, all interested persons filed written comments with the City Clerk at or before the hearing, all persons desiring to be heard were given an opportunity to be heard in this matter, and all such verbal and written testimony was considered by the City Council; and

WHEREAS, the City Council finds that the proposed General Plan Amendment is consistent with the Goals, Objectives, Policies, and intent of the Vallejo General Plan; and

WHEREAS, the proposed General Plan Amendment is necessary for the future orderly and consistent development of the subject area; and

WHEREAS, the City Council has determined, based on all evidence in the record, including the staff report, written correspondence, and testimony, that the General Plan Amendment will not have a significant adverse impact on the environment;

WHEREAS, the City has complied with the requirements of the Local Planning Law (Government Code section 65300 et seq.), the current State of California General Plan Guidelines; and

WHEREAS, pursuant to Government Code Section 65090, notice of the City Council's hearing was published in at least one newspaper of general circulation within the City of Vallejo at least 21-calendar days before the Commission's public hearing; and

WHEREAS, all interested persons filed written comments with the City Clerk at or before the hearing, all persons desiring to be heard were given an opportunity to be heard in this matter, and all such verbal and written testimony was considered by the City Council.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby makes the following finding:

1. GENERAL PLAN AMENDMENT FINDINGS

Section 1. The City Council of the City of Vallejo finds, based on the facts contained in the staff report incorporated herein by this reference, and given the evidence presented at the public hearing, and on the record, that as amended, the Project

- a) Is consistent with the goals and policies of the Vallejo General Plan.
- b) Is consistent with the Provisions of Chapter 16 of the Vallejo Municipal Code.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF VALLEJO HEREBY RESOLVES TO:

(1) ADOPT the Resolution, as amended by General Plan Amendment 07-0002.

ADOPTED by the Council of the City of Vallejo at a regular meeting held on October 21, 2008 with the following vote:

RESOLUTION NO. ____ N.C.

A RESOLUTION HOLDING ON FIRST READING AN ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF VALLJO TO REZONE PROPERTY LOCATED AT 1401 SOLANO AVENUE FROM LINEAR COMMERCIAL TO PLANNED DEVELOPMENT RESIDENTIAL AND AT 14 NINTH STREET FROM LOW DENSITY RESIDENTIAL TO PLANNED DEVELOPMENT RESIDENTIAL

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

WHEREAS, on September 15, 2008, the Planning Commission held a public hearing to consider Zoning Map Amendment #07-0003 to change the zoning at 1401 Solano Avenue and 14 Ninth Street to Planned Development Residential; and

WHEREAS, on September 15, 2008, on completion of the public hearing, the Planning Commission voted 7-0 to recommend that the City Council approve the Zoning Map Amendment; and

WHEREAS, the City Council has reviewed a report provided to the Vallejo Planning Commission on the Zoning Map Amendment; and

WHEREAS, the City Council, on October 21, 2008, in the City Council Chambers of City Hall, 555 Santa Clara Street, held a public hearing on the Zoning Map Amendment; and

WHEREAS, the City Council finds that the notice of the hearing was given for the time and in the manner prescribed by law; and

WHEREAS, all interested persons filed written comments with the City Clerk at or before the hearing, all persons desiring to be heard were given an opportunity to be heard in this matter, and all such verbal and written testimony was considered by the City Council; and

WHEREAS, the City Council finds that the proposed Zoning Map Amendment is consistent with the Goals, Objectives, Policies, and intent of the Vallejo General Plan; and

WHEREAS, the proposed Zoning Map Amendment is necessary for the future orderly and consistent development of the subject area; and

WHEREAS, the City Council has determined, based on all evidence in the record, including the staff report, written correspondence, and testimony, that the Zoning Map Amendment will not have a significant adverse impact on the environment;

WHEREAS, the City has complied with the requirements of the Local Planning Law (Government Code section 65300 et seq.), the current State of California General Plan Guidelines; and

WHEREAS, pursuant to Government Code Section 65090, notice of the City Council's hearing was published in at least one newspaper of general circulation within the City of Vallejo at least 21-calendar days before the Commission's public hearing; and

WHEREAS, all interested persons filed written comments with the City Clerk at or before the hearing, all persons desiring to be heard were given an opportunity to be heard in this matter, and all such verbal and written testimony was considered by the City Council.

NOW THEREFORE, BE IT RESOLVED THE CITY COUNCIL HEREBY:

- (1) ADOPT Zoning Map Amendment #07-0003 to rezone 1401 Solano Avenue from Linear Commercial to Planned Development Residential and 14 Ninth Street from Low Density Residential to Planned Development Residential.
- (2) Holds the ordinance on first reading attached as Exhibit 1.

ADOPTED by the Council of the City of Vallejo at a regular meeting held on October 21, 2008 with the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

ORDINANCE NO. ____ N.C. (2d)

AN ORDINANCE AMENDING ORDINANCE NO. 558 N.C. (2d) AS AMENDED, ENTITLED, THE ZONING MAP OF THE CITY OF VALLEJO, TO REZONE PROPERTY LOCATED AT 1401 SOLANO AVENUE AND 14 NINTH STREET

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

SECTION 1. The Districts and Zoning Map Section of Ordinance No 558 N.C. (2d) entitled the Land Use Zoning Ordinance of the City of Vallejo adopted September 29, 1980, as amended, and Chapter 16.08 of the Vallejo Municipal Code, is hereby further amended, and said amendment is shown on the map entitled, "The Zoning Map of the City of Vallejo" which map by reference is made part of said Ordinance No. 558 N.C. (2d).

The real properties affected by this amendment are located at 1401 Solano Avenue, Assessor Parcel Number 0059-041-110 and 14 Ninth Street, Assessor Parcel Number 0059-041-120.

This amendment was implemented by Zoning Map Amendment #07-0003 and changes the zoning at 1401 Solano Avenue from Linear Commercial to Planned Development Residential and at 14 Ninth Street from Low Density Residential to Planned Development Residential.

A true copy of said Zoning Map is on file in the office of the City Clerk of Vallejo, in City Hall, 555 Santa Clara Street, Vallejo, California, for use and examination by the public.

SECTION 2. This ordinance shall take effect and be in full force from and after thirty (30) days after its final passage.

FIRST READ at a regular meeting of the Council of the City of Vallejo held the 21st day of October, 2008 and finally passed and adopted at a regular meeting of the Council held the ____ day of , 2008 by the following vote.

RESOLUTION NO. ____ N.C.

A RESOLUTION APPROVING A PLANNED DEVELOPMENT UNIT PLAN AND MINOR EXCEPTION FOR THE DEVELOPMENT OF FOURTEEN TOWNHOME CONDOMINIUM UNITS AT 1401 SOLANO AVENUE AND 14 NINTH STREET

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

WHEREAS, on September 15, 2008, the Planning Commission held a public hearing to consider a Planned Development Unit Plan and Minor Exception to develop fourteen townhome condominium unit on two vacant lots ; and

WHEREAS, on September 15, 2008, on completion of the public hearing, the Planning Commission voted 7-0 to recommend that the City Council approve the Planned Development Unit Plan and Minor Exception; and

WHEREAS, the City Council has reviewed a report provided to the Vallejo Planning Commission on the Planned Development Unit Plan and Minor Exception; and

WHEREAS, the City Council, on October 21, 2008, in the City Council Chambers of City Hall, 555 Santa Clara Street, held a public hearing on the Planned Development Unit Plan and Minor Exception; and

WHEREAS, the City Council finds that the notice of the hearing was given for the time and in the manner prescribed by law; and

WHEREAS, all interested persons filed written comments with the City Clerk at or before the hearing, all persons desiring to be heard were given an opportunity to be heard in this matter, and all such verbal and written testimony was considered by the City Council; and

WHEREAS, the City Council finds that the proposed Planned Development Unit Plan and Minor Exception is consistent with the Goals, Objectives, Policies, and intent of the Vallejo General Plan; and

WHEREAS, the proposed Planned Development Unit Plan and Minor Exception is necessary for the future orderly and consistent development of the subject area; and

WHEREAS, the City Council has determined, based on all evidence in the record, including the staff report, written correspondence, and testimony, that the Planned Development Unit Plan and Minor Exception will not have a significant adverse impact on the environment;

WHEREAS, the City has complied with the requirements of the Local Planning Law (Government Code section 65300 et seq.), the current State of California General Plan Guidelines; and

WHEREAS, pursuant to Government Code Section 65090, notice of the City Council's hearing was published in at least one newspaper of general circulation within the City of Vallejo at least 21-calendar days before the Commission's public hearing; and

WHEREAS, all interested persons filed written comments with the City Clerk at or before the hearing, all persons desiring to be heard were given an opportunity to be heard in this matter, and all such verbal and written testimony was considered by the City Council.

NOW, THEREFORE, IT IS FOUND AND DETERMINED by the City Council of the City of Vallejo that after consideration of all the evidence in the record, including the staff report, written correspondence, and testimony, that:

1. The notice of the hearing was given for the time and in the manner prescribed by law; and
2. Planned Development (Unit Plan) #07-0008 and Minor Exception #07-0004 are consistent with the Goals, Objectives, Policies, and intent of the General Plan, as amended; and
3. Planned Development (Unit Plan) #07-0008 meets all the required findings stated in Section 16.116.100 of the Vallejo Municipal Code; and
4. Minor Exception #07-0004 meets all the required findings stated in Section 16.80.090 of the Vallejo Municipal Code; and
5. There is no substantial evidence in light of the whole record that approval of Planned Development (Unit Plan) #07-0008 and Minor Exception #07-0004 will have a significant effect on the environment and that the Mitigated Negative Declaration reflects the City Council's independent judgment and analysis.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby makes the following finding:

1. CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS

The Project will not have a significant effect on the environment due to required mitigations found in the Mitigated Negative Declaration and Mitigation Monitoring Report, per Section 15074 of the California Environmental Quality Act (CEQA).

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF VALLEJO
HEREBY RESOLVES TO:**

- (1) ADOPT the Resolution approving Planned Development (Unit Plan) #07-0008 and Minor Exception #07-0004 for the development of fourteen townhome condominium unit**
- (2) ADOPT the Mitigated Negative for the Solano Townhome Project**

ADOPTED by the Council of the City of Vallejo at a regular meeting held on October 21, 2008 with the following vote:

K:\PUBLIC\AINPL\solanotownhomes(GPA-ZMA)\resolution(unitplan-minorexcp).doc

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All matters are approved under one motion unless requested to be removed for discussion by a commissioner or any member of the public.

Commissioner Manning: I make a motion that we approve the agenda and the consent calendar. Motion was unanimously approved.

K. PUBLIC HEARINGS

1. Planned Development 07-0008 and Tentative Map 07-0009 are projects to construct 14 townhome units on the existing vacant parcels. To facilitate the proposed development General Plan Amendment 07-0002 is proposed which changes the classification from Commercial to High Density Residential. Zoning Map Amendment 07-0003 proposes changing the zoning designation from Linear Commercial/Low Density Residential to Planned Development Residential. Minor Exception 07-0004 is proposed to provide two of three guest parking spaces. The project is located at 1401 Solano Avenue @ 9th Street. Proposed CEQA Action: Mitigated Negative Declaration. Staff Planner: Marcus Adams, 648-5392.

Staff recommends approval of Tentative Map #07-0009, and recommendation to the City Council to approve General Plan Amendment #07-0002, Zoning Map Amendment #07-0003, Unit Plan #07-0008, and Minor Exception #07-0004 subject to the mitigated negative declaration and conditions of approval.

Marcus Adams: I have a short PowerPoint presentation tonight. This project is across from the Wilson-Cornelius former dealership. *Marcus showed pictures of the subject property.* This is a five leg intersection where all the streets converge. The project is on approximately ½ acre. It was previously the auto fleet storage yard for Wilson-Cornelius. One of the applications is a general plan amendment. It is kind of a transitional area, as you go up Solano you get into more of a commercial sector of Solano. If you head west towards the water it becomes more residential in nature. The General Plan designation was Commercial and affects the two parcels. We are changing that designation to HDR. *Marcus showed some illustrations of the project.* Three stories, 14 units, approximately 1600 square feet, 6 ea 4-bedroom units and 8 ea 3-bedroom units. The ground floor would have parking along with a bedroom. The second floor of the 4-bedroom units would have a bedroom on the second floor and the 3-bedroom units would not have a bedroom on the second floor. There are bedrooms on the third floors. There is one large building and a duplex. *Marcus showed some before and after simulations which pictured the surrounding homes and buildings before construction of this project and after.* The closest this project comes to other buildings is 19 feet, after that there is approximately a 60 foot setback. That is more than sufficient to meet setback requirements. The lot coverage of the buildings is approximately 32% and the height is 40 feet.

One of the concerns that we had which came out of the community meeting was parking. I wanted to show you some pictures of the surrounding property. There will be approximately 8 spaces of parking removed. Although the neighbors did state that there was a parking problem in the neighborhood I have visited the site multiple times at various times and I did not see a parking problem. Although I do acknowledge that once you get into the neighborhood, Richmond Park, There are small lots and homes and it is kind of congested. I did not see a problem at the project site though. The only time we did notice people parking in this area was on Sunday when church, further down on 9th street, was having services. I did see a couple cars parked along here where there would no longer be parking.

One of the applications is a minor exception to the parking requirement. They are going to be short one guest parking space. Originally the applicant had asked for a three parking space exception but after the community meeting and talking with staff he agreed to provide two guest parking spaces at the end of the property and he reduced the amount of 4-bedroom units from 10 to 6. We felt that would help alleviate any potential parking problems to where staff felt we could support the minor exception application.

I did want to touch some more on the community meeting. There were approximately 10 people at that meeting. Some of the other things that were brought up there were a worry about Section 8 people living there, sewer capacity, and traffic. I went in-depth on each of those items in the staff report. I did want to mention the Section 8, the applicant does not intend for those to be rental units. They plan on selling these at market rate. There is no rule that prevents us from allowing them to rent it but that project is not being constructed as an affordable housing complex. As for sewage capacity, we talked to VSFCO and they said there was more than enough adequate space in the sewer line along 9th Street, which is where the project's sewer line would come in. The Traffic Engineer and myself went there twice to look at that intersection. In the long away future, hopefully we will have some more traffic on Solano but that will be taken care of at a future date. As part of that future expansion the applicant will be working with Public Works as far as paying into the future improvements. The Council adopted a Mitigated Negative Declaration. The only mitigation that came out of that was for noise for the units along Solano Avenue. The applicant will have to do some standard practice measures, a higher level of insulation and other construction methods to mitigate the noise coming into the units. That concludes my presentation. The City Attorney wanted to add some language to one of the resolutions so I will let her present that to you tonight.

Janet Coleson: I just wanted to add that there were a number of resolutions in the back of the staff report. The one that is for your actual approval is the Tentative Map 07-0009. I wanted to add language at the very end, after "subject to the findings and conditions in this resolution." I wanted to add contingent upon City Council approval of GPA 07-0002, ZMA 07-0003, PD 07-0008, and Minor Exception 07-0004. That way this approval of the Tentative Map will be contingent of the City Council's approval of all the other things that go together in this package.

Commissioner Turley: Would that recommendation on page 2, would that be sufficient or do we still need to add something?

Janet Coleson: I just want to make sure that it is very clear and that is why I like to see that language in the resolution.

Commissioner Harrington-Cole: Did you tell us that with 14 units on this lot it came out to an average of 26 units per acre?

Marcus Adams: Correct.

Janet Coleson: When I read on page 2 it says LDR housing is 8.7 housing units per acre. Am I missing something?

Marcus Adams: Page 2 of the staff report?

Commissioner Harrington-Cole: I am sorry, page 3, under Zoning Analysis.

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Marcus Adams: It does exceed the 8.7 for LDR. That is why we had to do the GPA because it exceeds what the existing.....

Commissioner Harrington-Cole: So this is three times the considered preferable.

Marcus Adams: The current zoning there which is on that one small parcel does exceed. I want to clarify though the 26 is for all 14 units if you took just those 2 units that are on that parcel, I did not work that out but, it would not be 26 units per acre on that one parcel. The applicant is merging the two parcels so as a whole you get 26 units per acre. On that one parcel it would be far less although you would still have to change the zoning because it would still exceed the 8.7.

Commissioner Harrington-Cole: I also read here that there is going to be a six foot retaining wall between the tot lot and the next house. Is that correct?

Marcus Adams: The wall is also going to be screened with some landscaping. I think you are right about it being six feet.

Commissioner Harrington-Cole: So that the tot lot is not going to be exactly on this guy's back fence. There will be a wall and some landscaping.

Marcus Adams: Yes.

Commissioner Harrington-Cole: The duplex is going to be 5' taller than the rest of the units?

Marcus Adams: No, all of the buildings are the same height.

Commissioner Harrington-Cole: When you addressed noise on Solano for inside the units, was there any consideration of noise coming from inside the unit outside into the neighborhood?

Marcus Adams: No special consideration. They will have to meet the City Noise Element requirements. Generally we have never had problems with residential exceeding the noise standards of Vallejo, coming out for residential.

Commissioner Harrington-Cole: Are the balconies on the third floor and the second floor?

Marcus Adams: Yes.

Commissioner Harrington-Cole: So the third story balconies are going to be higher than the houses behind them. Correct?

Marcus Adams: Yes.

Commissioner Harrington-Cole: My experience says that that noise being higher than the rest of the houses will carry further. So that noise will be more likely to drift into the neighborhood. No I admit that initially my concern was great but as I looked at it, it is only the last three units on that building. I just wondered if there was any consideration given that.

Marcus Adams: Nothing more than I said earlier. That setback is 65 feet.

Commissioner Reese-Brown: The language that the attorney quoted for the resolution, do we have or can we get a copy of that?

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Janet Coleson: No, it was only brought up just prior to the meeting.

Deborah Marshall: It will be in the minutes.

Commissioner Reese-Brown: OK. Marcus can you go back to the photo on 8th and Reis Street? That is a residence right next to the project is it not?

Marcus Adams: Correct.

Commissioner Reese-Brown: Was there a shadow study at all. The project is actually a three-story building. That residence won't have privacy from this project. I see the trees but I am not sure how far they will go back and they are on the neighbor's property. If they were to ever get cut down would that neighbor have privacy from the top unit of the project? I don't think so.

Marcus Adams: The balcony where he faces faces out on 9th. The window that faces the neighbor is a bedroom window.

Commissioner Reese-Brown: I would be good to get a shadow study if we could just to see if that would cast shadows down on that residence there. My second question is, 26 units per acre, and this is a 21,000 square foot lot. When I think about 14 units going on 21,000 square feet it seems pretty dense to me. An acre is 43,560 square feet. Usually with an acre like that you can get 5,000 square feet, 5,000 divided into 43,560 that is about 8.7 lots correct, if you were building single-family homes there?

Marcus Adams: Correct.

Commissioner Reese-Brown: But now you have 14 units there on 21,000 square feet. That seems a bit dense. That is just a concern that I have. The other question that I have is since the applicant is requesting so many concessions, GPA, ZMA, etc, are there going to be any in lieu fees paid by the applicant consistent with housing or State Law. I know that there are in lieu fees. Since we are giving the applicant concessions allowing them to go three stories high and then GPA, ZMA and parking. None of these units are affordable. They are all market rate. Can we look at some kind of in lieu fees that go to the City?

Marcus Adams: Don may want to address that but it was not discussed to my knowledge.

Don Hazen: The applicant did not request any zoning concessions on this project. It was not pursued under the State Density Bonus. The normal impact fees apply to this project just like any other project. With respect to the density I think staff was looking at this as an infill project which for the most part is currently zoned commercial. This parcel did not have commercial potential. We were looking at the highest and best use of the property. We felt that, long term down the road, we really wanted to encourage live/work and those, as you know, are typically higher density. We were kind of looking long-term here. As far as the buffer between this project and the single-family, what we took for current zoning was the fact that that rear parcel was designated LDR. The thought behind this was really to create a transition on this parcel. So while we did not look at any shading analysis, what we tried to do was provide a separation between the two projects that would be consistent with a single-family development, at least like a 20 foot rear yard setback. We recognized that to get the density it needed to be taller.

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Commissioner Reese-Brown: The site is currently zoned commercial, live/work, to be consistent with existing commercial uses even though they are not bringing any type of real benefit to the area. Now you are changing it to an all residential HDR and if the Planning Commission approves this we are giving the applicant all of these changes to the General Plan, zoning, parking, etc. I cannot see how the applicant is providing anything for the City. He has all market rate units here and he is asking for a lot for the City not to be getting any type of benefit from that.

Don Hazen: I guess we do not see the GPA and ZMA as a concession. We see the current designation as not being the appropriate designation for long-term land use trend in this area. We did not see that as a concession and from a code standpoint the only concession that we are offering is the waiver of not meeting full on-site guest parking. Originally they wanted three spaces waived and we got that down to just one.

Commissioner Reese-Brown: It is still a concession. I don't care if there is just one or many.

Don Hazen: OK but you said multiple concessions.

Commissioner Reese-Brown: I think it is an improvement to the area. I like the townhomes and I like the design. I just think it is a little too dense. I think that even if the developer is not going to pay any in lieu fees, or offer one of those units below the market rate. They are saying no.

Don Hazen: We do not have an inclusionary housing ordinance in this City. We do not have the mechanism to require that.

Commissioner Chihak: What is the 10 foot abandonment that is mentioned here along Solano?

Marcus Adams: The applicant felt that for this project he needed that 10 feet to get the units and the site plan to work. He petitioned the City to abandon those 10 feet along 9th and Solano. Public Works analyzed that and determined that there are no future widening plans for 9th ever and they were fine with that. With Solano, even though there are plans to widen it they could still give up that 10 feet but they are not going to be able to park along 9th Street any more.

Commissioner Chihak: So the development will actually go to the back of the curb? There will be no strip there that the City has to maintain or anything?

Marcus Adams: Right, there will be nothing for the City to maintain. I do want to point out that in the future there will be sidewalk and curbs and a bike lane along Solano. Now, there is not even a curb or sidewalk.

Commissioner Turley: When do you expect construction to begin?

Marcus Adams: You may want to ask the applicant that.

Commissioner Turley: If there is going to be considerable street parking why that is going to interfere with the regular street sweeping isn't it?

Marcus Adams: If there were people parking in the street then, yes, I guess it could. I can't think of any other neighborhoods where they restrict the parking because of street sweeping, at least not more than a couple. We need to

remember that along 9th they are not going to be able to park along the street there. The curb is going to be painted red to prevent parking there. The only impact would be maybe if people were parking on the opposite side of the street. They can still do that now.

Commissioner Turley: Do you think a no parking on street sweeping day would be appropriate?

Marcus Adams: My personal opinion is that it is too early to tell. From my personal visits out there I do not see people parking on either side of 9th Street. I think we have to wait and see once these units are fully occupied and see what kind of impact they have.

Commissioner Manning: I want to commend you for a very thorough report, as usual, and again I want to thank you and the staff for taking extra time to go out on Sundays and at night to really explore the issues that were raised by the neighborhood.

Chairperson Peterman opened the Public Hearing.

Fred Sessler: I am a Vallejo Real Estate Broker and I represent the owner of the property, Richy Klein, and he does business under the applicant name, Val Prop. I am located at 617 Amador Street. Mr. Hazen said everything I was going to say in his beginning remarks. For the essence of time I do want you to know that present and ready to make presentations or answer any of your questions is the developer, Glen Gordon, the architect is present, Ray Hedgy, and the engineer, Bob Karn, from RAK Engineering is also present. I will be available if there are any real estate questions. I have been marketing the property. I appreciate your remarks about the transition in the neighborhood. It certainly will be an addition to the neighborhood. We hope the neighbors will really enjoy it. In the essence of time I will turn it over to the developer, Glen Gordon, Mr. Hedgy and Mr. Karn, if you have any other questions. Thank you.

Glen Gordon, Malibu California: I am the developer of this project. I too want to thank the City and the staff for their work on this. We have worked on this for a long time. Marcus kind of alluded to this before but through this process we have actually redesigned this entire project during the process from the initial application to meet some of the concerns and criteria as to what was originally presented. We have actually lowered the height of the buildings on this; we have moved the buildings back more from what they were before. One of the things that I wanted to respond to was they are market rate units but these are not to be expensive market rate units. We are trying to build units that do not call for subsidies whatsoever but are affordable in the sense of true market rate. They can be purchased and appeal to as broad of an audience as we can. They have been designed very carefully in working with staff on this concerning that. We want to be able to give people and families a good place to live at an affordable price but a market price today. That has been a challenge for any developer coming into any city today is how to build places today that are more affordable and affordable to more people but at market rate. Also to answer a question regarding shadows, the building itself when you are looking at the corner of the duplex right here, that is actually a south facing wall. From a sun standpoint and everything else there really won't be much of a shadow with respect to the adjoining neighborhood right there on that. And again I think we have pretty much almost doubled setbacks on this. What actually transpired because of that was a cost increase to the project but it was required because of working with the designers. We will probably be undergrounding the utility along Solano and

possibly even along 9th Street within the project's boundaries. Because of the need to move and then what happens with a building that is too close to a power line which requires undergrounding. That is another aspect of what has happened in the planning process. One other aspect that I will talk about real quickly is that there are two exclusive guest parking spaces. There happens to be more guest parking for the project but it has to do with the duplexes themselves. We are not asking for credit. They could be credited but each one of those units actually has their own guest parking space because of the way that the units are set back from the street and everything else which also is a place where a guest could park but it would be exclusive to those individual units and not exclusive to the whole complex. Those are in a sense a little bit of a credit but we just did not have the room and had a good plan with that. Thank you.

Commissioner Harrington-Cole: Based on your experience with 8 ea 3-bedroom units and 6 ea 4-bedroom units, I understand you made less 4-bedroom units than you wanted, about how many people do you think will be housed on this property?

Glen Gordon: If you figure the average household in California it come out to 52, if you use your figures it is 56. Somewhere in there.

Commissioner Harrington-Cole: So somewhere between 50 and 60 people on this lot. If we assume that they are two parent households, and you can hardly buy a house these days if you aren't, There would be approximately two cars per unit. So there would be 28 cars as well, do you think?

Glen Gordon: Each unit has a two car parking garage.

Commissioner Harrington-Cole: So for the most part it will be self-contained.

Glen Gordon: Correct.

Commissioner Harrington-Cole: I am a little concerned that it is dense; that there are a lot of units in there.

Glen Gordon: Again one of the things today which is a challenge for every city and every place is how to deal with providing affordable units at market rate and how to put them in and yet my only comment is it is different in different areas where there is even much higher densities than this is. Once you have a parking deck and put in what you call a parking garage with a deck and the units are built on the deck the cost of construction today has escalated dramatically in the last three years. Quite honestly that is the reason for part of this design. How do we keep this down? How do we get rid of those parking structures and that is how we make these more affordable is by not having major parking structures sitting there which would lift these even higher out of the ground. That is just one of the challenges.

Commissioner Chihak: Having come from the development side of the business I appreciate how difficult it is to make the numbers work on some of these projects. I actually did a lot of work when the City was looking at the affordable and inclusionary housing ordinances and the difficulty of making any multi-family residences work in the City of Vallejo. I think this is a great transition for the area. I think one way to address the concerns with parking is if the HOA did require that the garages be used for parking and not storage, which sometimes happens. That would free up those two spaces in front for guest parking which I

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think you were eluding too. I could not tell by looking at the plans exactly how the tot lot works. Are there security gates?

Glen Gordon: We do not have a complete detail on that yet. It is a little bit early in the process for that. When we put in a tot lot one of the things that we wanted to show was that there is a community area there above and beyond the requirements of the Map Act and everything else. One of the things with respect to that is we have been asked in other projects before if we were going to put gates on the driveways and stuff like that. Going around the City we have not found these types of developments and we have not really worked in how screened off, whether it will be a fence or something like that. Again it is more of a community space as well as for children. We all have to face liability issues when it comes to structures. In the report it said it was about 3,000 feet. Actually that space is almost 5,000 feet. Just that one space alone. We have the ability to design a children's area into that as well as a place for adults to sit around and rest.

Commissioner Chihak: The units that do front Solano Avenue are set up to be Live/Work correct?

Glen Gordon: They can be.

Commissioner Chihak: They do have two entries?

Glen Gordon: Correct.

Commissioner Chihak: I think that is very good. I have seen this done in a lot of cities where redevelopment is just starting and it seems to have been very successful. It really gives the area a shot in the arm to kind of bring in more development.

Commissioner Manning: When do you think you would start construction assuming this was approved?

Glen Gordon: After today's market place I could not tell you exactly. This is the time for planning and as we continue on with planning we will take every advantage of whenever it is possible. We don't know at this point in time. I think the market still has to work itself out from inventories that are there. The unfortunate part is that we are in almost an inverse curve today where it does not matter that prices went down because the cost of construction went up. We have to wait for some of this to work itself out. Hopefully we would start within the next 12 months. Again, one of the areas we do is to pursue types of financing whether it be through state or whatever to try and help buyers. In a market like today you have to be creative. I would be lining up financing for buyers I would not just wait for buyers to come in and say go get a loan. That is what was happening before. There will be certain programs from the State and everything else. One of the things that we have targeted is that the price of these units will be truly conforming rate loans. We are hoping as soon as possible but we don't know right now.

Commissioner Manning: A difficult question is what a sense of the prices would be.

Glen Gordon: I would like to get it into the mid to high \$300,000.

Commissioner Harrington-Cole: When you say market rate, about where do you think you are going to hit in the market pricewise?

Glen Gordon: Mid to high \$300,000.

Chairperson Peterman closed the Public Hearing.

Commissioner Manning: I want to say that I think that this is another example, and I think this is the third one I have seen since I have come on the Commission, of infill housing. I think that for many of us it is a little bit of a shock or discomfort about how many units are on one space. However, that is consistent with the plans for infill housing. If our City had the funds to do a General Plan Update, one of the things that I think we would be looking at on the Planning Commission, is what is our policy concerning infill and what are our recommendation about that. Unfortunately we don't have the funds so what we have presently is what we have to look at when these come before us. I think this is a good plan. I think this is a very sweet little neighborhood with a lot of blight around it. It is not really a commercially usable space and I think this is a good use of that area. I think, at times, it is appropriate to do further studies, like shadow studies, and things like that but I do not see the need for that with this project. When we need further studies it is, in my mind, because maybe I am on the fence about something. I am very pro this plan. I definitely will support it. I would like to hear from the other Commissioners and what they think about this.

Commissioner Reese-Brown: I was not asking for a shadow study. I just wanted to inquire as to whether that building would cast a shadow on the single-family residence next door. Because there were some community residents that were concerned about a three-story development coming in. They had some concern about the homes not being compatible with the neighborhood. I have to say again that I do like the development. I believe I said that earlier. I just thought there were a little too many units. It will be a great improvement for the area. I just hope that when, and I hope City staff gets involved real soon in doing a General Plan Update, because these kinds of challenges come up quite often. If others come and propose individual zoning map and general plan amendments they may end up not being compatible with what we want in the future. With that being said I am going to support it but I just want to say for staff that when developments come along in the future they would look at the site and the density and the neighbors around.

Commissioner Chihak: I just wanted to compliment Commissioner Manning on how well she put that. I think that is exactly right and I am in 100% agreement with you. I really do think this is a good project for the area. I did want to point out that in the report it did say that economic development staff had looked at the area and because of the low traffic it was really not good for retail and commercial. I think this addition will compliment the neighborhood.

Chairperson Peterman: I must concur and I think that infill is the way to go in Vallejo. If you have an area for community and an area for people to get together and having just gone through National Night Out that sense of community is so important and I appreciate that you built that in and also that the building is not just a building but is something that is attractive too.

Chairperson Peterman: Can we make the motions in one motion or do we need to do them one by one.

Janet Colson: You can do them all together.

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Commissioner Manning: I make a motion that we make a recommendation of approval to the City Council for PD 07-0008, GPA 07-0002, ZMA 07-0003, and Minor Exception 07-0004. I make a motion that we approve TM 07-0009 contingent upon City Council approval of the above stated applications.

AYES: Harrington-Cole, Chihak, Peterman, Reese-Brown, Manning, Turley.

NOS: None.

ABSENT: Gourley.

Motion Carries.

2. Use Permit 08-0008 is an application requesting to establish a 1,280 square foot massage therapy business using existing facilities. Requested hours of operation are 9 a.m. to 7 p.m. seven days a week. The applicant proposes to have three full time employees. The project site is located at 1776 Solano Ave. Proposed CEQA Action: Exempt. Staff Planner: Doug Zanini, 649-3409

L. OTHER ITEMS

None.

M. ADJOURNMENT

There being no further business to discuss, this session of the Vallejo Planning Commission is now adjourned at 8:30 pm.

Respectfully submitted,



(for) DON HAZEN, Secretary



**STAFF REPORT – PLANNING
CITY OF VALLEJO
PLANNING COMMISSION**

DATE OF MEETING: September 15, 2008

PREPARED BY: Marcus Adams, Associate Planner *MA*

PROJECT NUMBERS: General Plan Amendment 07-0002,
Zoning Map Amendment 07-0003,
Tentative Map 07-0009,
Planned Development (unit plan) 07-0008,
Minor Exception 07-0004

**PROJECT
DESCRIPTION:**

The applicant has petitioned to change the General Plan land use designations from General Commercial and Low Density Residential to High Density Residential and the zoning designations from Linear Commercial/Low Density Residential to Planned Development Residential for the construction of fourteen condominium townhouse units at the southeast corner of Solano Avenue and Ninth Street. The applicant is also requesting to reduce the on-site guest parking space requirement from three to two spaces. A tentative map application has been submitted to legally establish the fourteen lots.

RECOMMENDATION: Recommend approval of Tentative Map #07-0009, and recommendation to the City Council to approve General Plan Amendment #07-0002, Zoning Map Amendment #07-0003, Unit Plan #07-0008, and Minor Exception #07-0004 subject to the mitigated negative declaration and conditions of approval

CEQA: Mitigated Negative Declaration

PROJECT DATA SUMMARY

Name of Applicant: Val Properties, LLC

Date of Completion: July 7, 2008

General Plan Designation: General (Retail) Commercial/Low Density Residential

Zoning Designation: Linear Commercial/Low Density Residential

Site/Surrounding Land Use: **Site: 1401 Solano Avenue @ 9th Street
APN 0059-041-110, 120**

North: Commercial (warehouse)
South: Residential
East: Residential
West: Commercial (automotive sales)

Lot Area: 21,384
square feet

Total Floor Area: 0.91 Floor Area Ratio

Landscape Area/Coverage: 10,465 square feet/44%

Parking Required/Provided: 31 total spaces (2 spaces per unit=28 spaces + 1
guest space per 5 units=3 spaces/30 spaces)

BACKGROUND SUMMARY

The applicant is proposing fourteen townhome units on two vacant lots. The lots were originally developed with single-family homes. In 1966, a use permit was approved to establish an employee parking lot on the lot recognized as 14 Ninth Street. In the early 1970's, the corner lot recognized as 1401 Solano Avenue was used as a storage lot for the Wilson Cornelius Ford dealership, which was located across the street until their recent move to Columbus/Auto Mall Parkway.

GENERAL PLAN AMENDMENT ANALYSIS

The proposed residential land use is "clearly compatible" with the existing land use designation of the Low Density Residential parcel; however, it is not compatible with the classification of the General Commercial parcel. To resolve the incompatibility, staff is recommending the General Plan designation of the parcel be changed to High Density Residential.

Staff believes establishment of the residential use is consistent with commercial development goal six of the General Plan, which states:

"To have healthy commercial strip areas, phasing out those that are poorly situated and no longer suited for commercial uses." (pg. III-20)

The subject parcel is in a transitional location on Solano Avenue. Parcels on Solano Avenue east of the site contain active or inactive commercial uses

whereas parcels west of the site contain residential uses. Due to this transitional location, the site is "poorly situated" for intense commercial development.

Staff met with the Economic Development Division to receive their input regarding potential economic impacts of reclassifying the subject commercial parcel to facilitate a residential use. In summary, Economic Development staff determined that the property has "limited to no retail viability or potential" due to low vehicle and pedestrian traffic and a lack of adjacent or nearby destination retailers.

ZONING AMENDMENT ANALYSIS

Under the existing zoning of Linear Commercial (CL) for 1401 Solano Avenue and Low Density Residential (LDR) for 14 Ninth Street, the proposed residential use would not be permitted for the two lots due to the following reasons: 1) residential uses located within commercial zones (CL) must be located above the ground floor, and; 2) the proposed density exceeds the LDR maximum of 8.7 units per acre. To facilitate development of the project, the applicant has petitioned to change the zoning of the two parcels to Planned Development Residential (PDR).

Staff believes the proposed residential use meets the following sections of the Title and Purpose for PDR districts as described in the zoning ordinance (Section 16.106.010 VMC):

- "The intent of this district is to implement the policies of the Vallejo general plan which call for the establishment of specific areas where flexibility of design and development of land is appropriate."
- "These areas will also facilitate the development or redevelopment of land which is not being utilized to its best advantage due to special circumstances which prevent its development or redevelopment through the conventional application of the regulations of the zoning ordinance."

PLANNED DEVELOPMENT (UNIT PLAN) ANALYSIS

Under the Planned Development process, Section 16.116.020(B)(1) VMC establishes when the requirement for a master plan can be waived:

- *"The proposed project is such of a small size that it will be developed all at once rather than in phases..."*

The applicant is proposing to develop the project in one phase therefore the Planning Manager is waiving the master plan requirement.

Although the master plan requirement has been waived for the subject project, the following master plan elements are required to be submitted: narrative text; site plan; development standards; environmental review.

Additionally, the following unit plans elements are required: architectural plan; landscape plan; signage plan; and establishment of allowed land uses.

Narrative Text

➤ Site location/Characteristics/Project description/Infrastructure

The applicant's preliminary environmental assessment includes a narrative of the property describing: location and site characteristics, past and present uses, and description of project and purpose. Because the site is an in-fill parcel with previously established uses, infrastructure improvements will consist of in-ground connections to existing utility lines.

➤ General Plan Compatibility

See "General Plan Amendment Analysis" section above.

Site Plan

The proposed site plan illustrates a residential development with three buildings: a set of buildings with six attached units each and an attached two-unit building which faces Ninth Street. The six unit buildings are separated by a 25' wide common driveway which serves as the main and only vehicle access to the units. The project is proposed to be constructed in one phase.

The relatively flat site has no natural features or view corridors of significance that would be obstructed. The Public Works Department has tentatively agreed to a 10' right-of-way abandonment for frontage along Solano Avenue and Ninth Street. Planting areas will consist of street trees and shrubs between the buildings and back of sidewalk along the two streets; private front patio landscaping; and ground cover/trees in the tot-lot play area.

Covered parking is provided for each unit (two spaces) with two uncovered guest parking spaces being provided at the far southeast corner of the property. The two guest spaces is one space deficient of the required three guest parking spaces. This issue is detailed in the Minor Exception analysis of this report.

Private open space includes front patios, balconies, and an approximate 3,000 square foot area with tot-lot. No public open space is proposed. The southern boundary of this area serves as a buffer for the single-family residential units adjacent to the site.

Development Standards

Section 16.106.030 VMC states that "as part of the planned development permit procedures, a set of development standards shall be submitted to the planning division." Following is an evaluation of the applicant's submitted development standards.

➤ Design

The Art-Deco design theme of the project takes into account architecture of homes in the adjacent Leachman Park neighborhood. The townhome buildings utilize Art-Deco elements from these homes such as simple, box shape design; smooth texture stucco walls; and shallow or flat pitched roofs. Architectural details include decorative railings on the balconies and vertical protrusions, i.e. pop-outs.

Colors shown of submitted plans are illustrative only. Staff will require as a condition of approval, submittal of a final color board which shall complement existing color schemes found in the Leachman Park neighborhood.

➤ Signage/Lighting

The applicant has not proposed any signage to identify the development, i.e. entry monument sign. Submitted plans also do not illustrate exterior lighting for the tot-lot play area or the guest parking spaces. Staff will recommend as a condition of approval Planning Division review of any signage or exterior lighting proposed in the future.

➤ Landscaping/Fencing/Tot-lot

Submitted landscape plans (see Attachment 8, sheet A-102) illustrate three Australian Willow trees along Solano Avenue and Ninth Street. Within the delineated patio areas of each unit is a small landscaped area which includes a small tree, drought tolerant shrubs and ground cover (see sheet A-102 for plant varieties). Within the interior driveway, tree pockets with Western Redbud trees are proposed. Landscaping for the tot-lot play area includes drought tolerant ground cover and shrubs along with medium to large trees around the property line border.

A six foot decorative masonry fence with trumpet vines is proposed for the southern and partial eastern property lines. Drought tolerant plants which would form a hedge are proposed for the remainder of the eastern property line.

The applicant has not submitted details of the play structure(s) that will be part of the resident only tot-lot area. Staff will recommend as a condition of approval that construction plans include a detail of any play structures proposed for the area.

➤ Setbacks/Height/Maximum Lot Coverage

Due to the proposed rezoning of the property to PDR, the project is exempt from established condominium site development standards such as height, lot coverage, and setbacks and well as landscaping and screening requirements as these standards are established on a project-by-project basis for Planned Development Districts.

Because of the project's proximity to a single-family neighborhood, staff believes that the Medium Density Residential (MDR) maximum lot coverage and setback standards are appropriate for the duet building (units 13 & 14). The standards are as follows:

- ❖ Maximum lot coverage: 60%
- ❖ Yards abutting streets: 15' from property line
- ❖ Side and rear yards: 10' minimum for all yards next to a single family residential district

Proposed lot coverage for the entire site is 42%. If units 13 & 14, which abut the single-family residential homes to the south, were considered their own lot, lot coverage would be 26%. The proposed setback for the front yard abutting Ninth Street is 15'. The proposed side yard setback abutting the single-family homes is 19' and the rear yard setback proposed is 65'.

The proposed height of the townhomes, 40' exceeds the MDR maximum height limit of 35' however; staff believes the five foot differential is acceptable for units 13 & 14 due to proposed side and rear setbacks which exceed the MDR standards.

➤ Intensity of Use/Density

The proposed density for the project is 26 dwelling units per acre (14 units/.54 acres). The General Plan designates any densities exceeding 17.5 units per acre as High Density Residential. As discussed in the section above, staff believes that this density level is acceptable due to the building lay out, which provides generous setbacks where needed and clusters the six unit attached buildings to the northern portion of the parcel, away from the single family homes.

➤ Permitted Land Uses

The primary permitted land use for the project will be single family residential. Second family residential (aka, in-law units) will not be allowed. Non-residential uses which meet the "Home Occupation" guidelines of the Vallejo Municipal Code would also be allowed at the development.

➤ Residential Standards

Fourteen units are proposed for the development. The unit mix would consist of 6 four bedroom units and 8 three bedroom units. The three level units would be 1,600 square feet. Each unit is provided with a small front patio area and upper floor balconies.

ENVIRONMENTAL DETERMINATION

Staff has recommended adoption of a Mitigated Negative Declaration for the proposed project based on the following impact:

Noise

The projected noise levels from traffic along Solano Avenue will impact the site and require mitigation for the interior of all fourteen units. Small decks and entry porches, such as proposed for this project, are exempt from exterior noise level standards. The applicant's licensed architect has proposed noise reduction measures such as dual glazed windows; high rated sound attenuated door assemblies; "baffling" devices for all HVAC and air handling equipment; and exterior walls with fiberglass insulation. Staff will recommend as a condition of approval that during building inspection, prior to final occupancy, a noise measurement take place to ensure that the interior noise standard of 45dB is not exceeded.

All other environmental factors were found to have a "less than significant impact" or "no impact" as identified in the Initial Study checklist (see Attachment 9).

PUBLIC COMMENT

On March 26, 2008, the Planning and Economic Development Divisions hosted a community meeting to discuss the proposed project and the residential vs. commercial land use issue. Approximately 10 residents of the Leachman Park neighborhood attended the meeting. The majority of the residents were opposed to the residential project with none of the attendees, outwardly supportive. When asked what type of commercial or other use they would like to see on the property rather than the proposed residential units, responses were: affordable senior housing; live/work; children's facility.

Oppositional comments/concerns were as follows:

➤ Section 8

Residents fear that even though the applicant states the units would be ownership, not rentals, they would be occupied by low income residents, which they feel are over-represented in their neighborhood.

➤ Sewer Lines

The existing sewer lines are clogged and a resident felt that the additional units would exacerbate the problem.

➤ Parking

Many residents stated that there is not enough parking in the neighborhood and that the project was not providing enough parking for the residents and their visitors would end up parking on the street in front of homes. The parking is at its worse when the nearby church has services or special events.

➤ Traffic

Residents also stated at the meeting that the corner of 9th and Solano was a dangerous intersection and that the traffic from the project may cause more accidents

➤ Architecture

Staff received a letter from a neighbor of the project concerned about the architecture. The neighbor stated that the "architecture could indeed be improved upon."

Section 8

Staff and the applicant reiterated throughout the meeting that the townhome project is not intended to be a rental project and that the units would be sold at market rate values. Despite this knowledge, some residents still believed that the units would be sold, and then rented out by the owners to low-income households. Staff acknowledged that there is nothing the city could do to prevent that from occurring, but by ensuring that a good quality residential product is constructed, residents, whether owners or renters, would take pride in their home, thus bringing positive vitality to the neighborhood.

Sewer Lines

The proposed project was routed to Vallejo Sanitation and Flood Control District (VSFCD) for their comments regarding sewer and storm drain issues. A sanitary system clean out has been conditioned for the project. Staff also spoke with VSFCD personnel regarding the neighbor's concerns and were informed that existing sewer line capacity levels would not be negatively impacted by the proposed new development due to the fact that an 8" sanitary sewer line from the project will tie into the main 36" sanitary sewer line along Ninth Street, beyond the existing residential development.

VSFCD believes this 36" sanitary sewer line for the neighborhood has more than sufficient capacity for the existing and proposed development and that any sewer line problems being experienced by Leachman Park residents is likely from private interior sewer lateral lines due to their age and construction material type (e.g. clay).

Parking

This issue is discussed in the Minor Exception section of this report.

Traffic

Staff conducted a site visit with the city Traffic Engineer in relationship to the traffic safety concerns of the residents. Based on the site visit, a review of Police accident records, and standard traffic analysis (i.e. line of sight review, traffic

volume, etc.) the Traffic Engineer determined that the project would not create or worsen safety hazards and that the existing street configuration and three-way stop intersection would not need to be modified or improved at the current time.

Public Works does anticipate increased traffic volume on Solano Avenue in the future and has required the applicant to pay their fair share cost of a future traffic signal at the intersection.

The Traffic Engineer has also required that a "stop" and "no left turn" sign be placed at the private driveway for residents leaving the project due to the close proximity of the intersection.

Architecture

Unfortunately, the concerned neighbor who felt that the architecture for the project could be improved did not leave an address or phone number to contact her, so staff was unable to discuss with her what aspects of the architecture she felt could be improved. As noted in the Unit Plan Analysis section of this report (Development Standards, "Design") Staff believes the proposed architecture is appropriate for the area; is of quality design; and minimizes the potential mass and scale commonly associated with three-story attached residential structures.

MINOR EXCEPTION ANALYSIS

After listening to the residents' comments concerning a lack of on-street parking for the area, staff conducted multiple neighborhood visits to assess the situation. These visits were conducted in the mid and later afternoons; early evenings; and on Sunday. As expected, on-street parking demand was highest on Sunday, when church was in service. The addition of the project would eliminate approximately eight on-street parking spaces on the east side of Ninth Street, which church parishioners use on occasion. Staff did not observe these spaces being used during their other site visits.

The applicant originally requested a minor exception to not provide the required three guest parking spaces. After the community meeting and the aforementioned staff site visits, the applicant reduced the minor exception request from three to one space by providing two guest parking spaces at the southwest corner of the property. The applicant also reduced the amount of four bedroom units from ten to six. Staff believes these changes to the project will reduce the parking demand sufficiently enough so that the one guest parking space deficiency will not negatively impact the neighborhood.

TENTATIVE MAP ANALYSIS

The proposed tentative map would merge the two existing parcels into one parcel with 14 condominium lots. Because the zoning will be changed to PDR, there is not a required minimum lot size. To facilitate the amount of proposed lots (14), the applicant petitioned the City for a 10' abandonment of frontage along Solano

Avenue and Ninth Street. The project has been conditioned by Public Works on the acceptance and recording of the abandonment.

The tentative map identifies a private access driveway which leads to the garages of 12 of the units. Establishment of a Homeowners Association will be required as a condition of approval to maintain the private driveway as well as other common areas, i.e. landscaping, tot-lot area, etc.

Due to the proposed building proximity to existing utility lines at the northwest corner of the property, the applicant has worked out a tentative agreement with PG&E and AT&T to underground the existing utility lines.

The tentative map meets the guidelines set out in the Subdivision Map Act and is consistent with the General Plan as it would facilitate development of the property.

CONCLUSION/RECOMMENDATION

Staff believes that the two currently vacant lots are under-utilized and with the departure of Cornelius Ford to Automall Parkway, are no longer needed for their long time use as accessory vehicle storage for a new car dealership. Staff also believes that due to the location and small size of the parcels, it is unlikely that the commercial parcel would be intensely developed for commercial purposes or that the residentially zoned parcel would be developed with a single-family home next to the commercial parcel under the current zoning.

Staff has determined that the proposed project, as conditioned, is consistent with the City's General Plan and Zoning Ordinance therefore, staff recommends that the Planning Commission approve Tentative Map #07-0009 based on the following findings and subject to the attached Conditions of Approval and;

Staff recommends the Planning Commission recommend to the City Council, adoption of the petition for General Plan Amendment #07-0002 and;

Staff recommends the Planning Commission recommend to the City Council, adoption of the petition Zoning Map Amendment #07-0003 and;

Staff recommends the Planning Commission recommend to the City Council adoption of Planned Development (unit plan) #07-0008 and Minor Exception #07-0004 based on the following findings and subject to the attached Conditions of Approval.

FINDINGS

The Planning Commission finds, based on the facts contained in this staff report attached herein and incorporated herein by this reference, and given and the evidence presented at the public hearing, and subject to the conditions attached to this resolution that:

General Plan Amendment

1. The proposed General Plan Amendment is necessary for the proposed residential development *due to the fact that the current classifications of General Commercial and Residential- Low Density would not be compatible or conditionally compatible with the proposed residential use or density.*
2. General Plan Amendment #07-0002 will not have a significant adverse effect on the environment, *as demonstrated by the proposed Mitigated Negative Declaration dated August 8, 2008.*

Zoning Map Amendment

1. The proposed Zoning Map Amendment is consistent with the General Plan *due to the fact that the proposed residential zoning designation is clearly compatible with the proposed General Plan classification of 'High Density Residential';*
2. The proposed Zoning Map Amendment is necessary for the proposed multi-family development *due to the fact that residential uses are not allowed on the ground floor under the existing zoning and the proposed density exceeds the allowable Low Density Residential density limits;*
3. The proposed Zoning Map Amendment is necessary for the future orderly and consistent development of the subject area *as under the current commercial zoning, the subject site has been and is currently under-utilized.*

Planned Development (Unit Plan)

1. The unit plan is consistent with the intent, purpose and development standards of the master plan *(The master plan requirement was waived per Section 16.116.020(B)(1) VMC);*
2. The unit plan is consistent with the goals and policies of the Vallejo general plan and any applicable specific plan, *in particular, General Plan Commercial Development Goal 6: "to have healthy commercial strip areas, phasing out those that are poorly situated and no longer suited for commercial uses;*
3. The unit plan serves to achieve groupings of structures which will be well related one to another and which, taken together, will result in a well-composed urban design, with consideration given to site, height, arrangement, texture, material, color and appurtenances, the relation of these factors to other structures in the immediate area, and the relation of the development to the total setting as seen from key points in the surrounding area *due to the fact that proposed architecture takes into*

account the commercial nature of Solano Avenue and the architectural style and building materials of the adjacent residential neighborhood;

4. The unit plan is of a quality and character which harmonizes with, and serves to protect the value of, private and public investments in the area *by developing two currently vacant and historically, under-utilized parcels.*

Minor Exception

1. As described in this report, granting of the minor exception would not exceed twenty-five percent of the prescribed measurable standard as *96.7% of the total amount of required parking spaces will be provided;*
2. As described in this report, granting of the minor exception would not adversely affect any development or persons upon abutting property, with adversely affect to mean to impact in a substantial, negative manner the economic value, habitability, or enjoyability of properties *due to the fact that there is sufficient on-street parking in the neighborhood;*
3. As described in this report, granting of the minor exception would not result in a hazard to pedestrian and/or vehicular traffic *as the Traffic Engineer has reviewed and conditioned the project;* and
4. As described in this report, granting of the minor exception would be reasonably necessary to the sound development of such property *in order to accommodate the applicant's desired development proposal.*

Tentative Map

1. The proposed tentative map is consistent with the goals and policies of the Vallejo general plan and any applicable specific plans *in particular, General Plan Commercial Development Goal 6: "to have healthy commercial strip areas, phasing out those that are poorly situated and no longer suited for commercial uses;*
2. The proposed tentative map conforms with Title 15 and Title 16 of the Vallejo Municipal Code *as the project meets the standards identified in the Subdivision Map Act and the Zoning Ordinance;*
3. The proposed tentative map conforms to the requirements of the Subdivision Map Act *per review by the Planning Division and Public Works Department.*

EXPIRATION

Minor Exception

Approval of a minor exception permit shall expire automatically upon expiration of the associated unit plan.

Tentative Map

An approved tentative map shall expire thirty-six months after its approval. However, if the subdivider is subject to a requirement of one hundred thousand dollars or more to construct, improve or finance the construction or improvement of public improvements outside the boundaries of the tentative map, each filing of a final map shall extend the expiration of the approved tentative map by thirty-six months from the date of its expiration as provided in this section, or the date of the previously filed final map, whichever is later. The extensions shall not extend the tentative map more than ten years from its approval or conditional approval. However, a tentative map on property subject to a development agreement may be extended for the period of time provided for in the agreement, but not beyond the duration of the agreement. The number of phased final maps which may be filed shall be determined by the planning commission at the time of the approval of the tentative map. "Public improvement," as used in this title, include traffic controls, streets, roads, highways, freeways, bridges, overcrossings, street interchanges, flood control or storm drain facilities, sewer facilities, water facilities, and lighting facilities.

Unit Plan

Approval of a unit plan shall expire automatically thirty-six months unless authorized construction has commenced prior to the expiration date; however, after this thirty-six month period, if said authorized construction has commenced, the unit plan shall expire upon expiration of the building permits.

APPEAL

The applicant or any party adversely affected by a decision of the Planning Commission may within ten days after the rendition of the decision of the Planning Commission appeal in writing to the City Council by filing a written appeal with the City Clerk and Planning Division. Such written appeal shall state the reason or reasons for the appeal and why the applicant believes he or she is adversely affected by the decision of the Planning Commission. Such appeal shall not be timely filed unless it is actually received by the City Clerk or designee no later than the close of business on the tenth calendar day after the rendition of the decision of the Planning Commission. If such date falls on a weekend or city holiday, then the deadline shall be extended until the regular business day.

ATTACHMENTS

1. Resolution (general plan amendment)
2. Resolution (zoning amendment)
3. Resolution (unit plan)
4. Resolution (minor exception)

5. Resolution (tentative map)
6. General Plan/Zoning amendment exhibit
7. Conditions of approval
8. Development plan package
9. Initial Study, Mitigation Monitoring Plan
10. Pictures of site
11. Conflict of Interest Map/Driving Directions
12. Tentative Map
13. Letter from concerned neighbor

CONDITIONS OF APPROVAL

**TENTATIVE MAP #07-0009
PLANNED DEVELOPMENT (UNIT PLAN) #07-0008
MINOR EXCEPTION #07-0004**

(APN's# 0059-041-110, 120)

CONDITIONS OF APPROVAL:

Planning Division

1. Prior to building permit issuance, provide a final color and material board for staff review and approval. Building colors selected shall compliment the existing neighborhood.
2. Prior to issuance of first Certificate of Occupancy, provide CC&R's for staff and City Attorney review and approval. CC&R's shall include the following language:
 - Non-residential uses shall comply with the Home Occupation regulations chapter (16.60) of the Vallejo Municipal Code.
 - City approved front yard landscaping and trees shall not be modified without HOA and city approval.
3. Prior to building permit issuance, provide a revised detail for a "Solano Townhome Guest Parking Only" sign in front of the two guest spaces and details for any other proposed signage or exterior lighting.
4. Construction plans shall include a detail of a play structure for the proposed tot-lot/play area.
5. During building inspection, prior to final occupancy, a noise measurement shall take place to ensure that the interior noise standard of 45dB is not exceeded.
6. Prior to construction/grading, the applicant shall submit to the Planning Division, a Condition of Approval Compliance statement. This statement shall include a Project Site Community Complaint representative name and contact number which will be on file with the city and made available to neighboring residents within 24 hours upon request.

Building Division

1. Exiting must comply with code section 1025.7

Fire Prevention

1. A fire alarm system is required for this project in accordance with section 1006.2 of the CFC.
2. Additional fire hydrants may be required. Submit a complete set of plans for review and approval. All fire hydrants are to have "blue dot" highway reflectors installed on the adjacent street of the driveway to clearly identify the fire hydrant locations. (1998 CFC Section 903, Appendix III-B)
3. If security gates are desired at any entrances to the project, they shall be provided with a Fire Department approved entry system.
4. In Residential (Group R) Occupancies, single station smoke detectors shall be installed prior to occupancy/final building inspection in each sleeping area and at a point centrally located in the corridor or area giving access to each separate sleeping area. When the dwelling unit is of more than one story (including basement) there shall be a smoke detector on each story. When a story is split into more than one level, the smoke detector shall be installed on the upper level. (1998 CBC Section 310.9.1.1).
5. Every sleeping room below the fourth story shall have at least one exterior opening for rescue purposes. The opening shall be a minimum of 5.7 square feet and 20 inches wide by 24 inches high. The finished sill height of the opening shall be no higher than 44 inches from the floor. Ladder access shall be provided for buildings over the first floor. (1998 CBC Section 310.4)
6. Large trash receptacles placed adjacent to combustible construction, unprotected openings in structures, or in areas with heavy accumulations of vegetation extending over the top, shall be protected by at least one automatic fire sprinkler head. If the building is not equipped with a fire sprinkler system, the dumpster head may be supplied by the domestic water system. (1998 CFC 1103.2.2).

Vallejo Sanitation and Flood Control District

1. Prior to building permit issuance, pay a plan review prior to further review (\$310.00).
2. Resubmit plan documents for additional review.
3. After plan approval, submit a VSFCD Connection Permit Application (SSI) Form for connection fee calculations (\$20 submittal fee).
4. Area within refuse enclosures shall drain to the sanitary sewer system. The outside perimeter of the trash enclosure shall be graded to prevent stormwater from draining

into the sanitary sewer system. The trash enclosure shall be covered with a roof or awning.

5. On cover sheet, add VSFCO signature block (enclosed).
6. Add a district clean out to the proposed 8" SS lateral at back of walk, if it is to be placed within the driveway area, a traffic rated lid is required.
7. Fill out pretreatment questionnaire (enclosed).
8. Label the SS facilities and SD facilities (mains, manholes, etc.) within the project as private no to be maintained by VSFCO.
9. Add VSFCO SS and SD notes (enclosed).
10. Add a SDCB within the public right of way on the proposed 12" SD to separate private SD from Public SD.
11. SSMH #1 shall be called out as a SSMH per District Standard Drawing #8.
12. Pay plan review fee (enclosed).
13. Conditional approval from VSFCO includes that the HOA and applicant cannot change project details once construction is commenced.

City Engineer

Specific conditions are as following:

1. Approval of this Tentative Map is subject to abandonment of ten feet of each of Solano Avenue and Nine Street right of way by the City Council of City of Vallejo.
2. Submit site grading, drainage, improvement, utilities and landscaping plans for review and approval. Site plan shall show all proposed existing improvements and utility services.
3. Surface runoff from the site shall be intercepted on site, piped and tied into an approved public storm drain system.
4. Submit geotechnical investigation report for this project for review.
5. Install standard curb, gutter, sidewalk and driveway approach fronting the property along Solano Avenue and Nine Street. (six feet wide fronting Solano Avenue and four feet wide fronting Nine Street).

6. Multiple trenches along Solano Avenue and 9th Street require grinding and overlay the streets to City standard.
7. The existing over head utility wires fronting the property along Nine Street and Solano Avenue are partially within the proposed abandonment of right of way. The applicant must work with utility companies to resolve any conflict that may arise as to clearance with the proposed building or any other issues.
8. Install required City Standard Street light fronting the property along Nine Street and Solano Avenue.
9. Install standard Stop Sign (R1-1) and No Left Turn (R3-2) on the same post at the exit of private access.
10. Prior to final map approval pay fair share cost of the future traffic signal installation for the intersection of Nine Street and Solano Avenue. The fair share cost will be determined by a traffic study and Public Works Department. (It has been estimated by City Traffic Engineer that present fair share cost is about \$6,000.00. This amount has been derived from a 2% traffic volume contribution by the project and \$300,000 cost of a five legged traffic signal light).
11. Prior to final map approval in lieu of under-grounding overhead utility wires fronting the property along Solano Avenue and Ninth Street, pay \$500.00 per linier foot of frontage for the share cost of future under-grounding of overhead utility wires.
12. Prior to recording the final map, the owner shall pay the City charges required by Solano County for providing copies of the recorded map to the City (\$15.00/sheet).
13. Prior to Final Map approval, establish a Homeowners Association for operation and maintenance of private access, play area, landscaping, irrigation system, drainage ditches, fences and appropriate signage and hardware, light system, and other private facilities subject to the approval of the Planning Division, Public Works Director, and the City Attorney. The Covenants, Conditions and Restrictions of all deeds issued within the townhouse shall contain provisions requiring participation in the said Homeowners Association.
14. Prior to acceptance of subdivision the Homeowners Association must accept the private elements of townhouse improvements.
15. Prior to approval of Final Map submit CC&R for review of Planning, Public Works, City Attorney and the VSFCDD for review
16. Prior to acceptance of the project, the landscape architect for the project must perform a complete and thorough field review of the landscape irrigation and

planting within the project and provide the City in writing a certificate that all landscaping, planting, and irrigation within the project is in full compliance with the City ordinances and guidelines and approved landscape, planting and irrigation plans.

17. Address map for this project shall be submitted ahead of time so that all concerned departments/agencies have enough time to review.
18. Prior to issuance of first building permit dedicate Parcel "A" and Private Access (Known as Common Area) to the Homeowners Association.
19. Install standard "NO Parking" signs fronting the property along Solano Avenue.
20. Paint the curb red along Ninth Street fronting the property at the first driveway access and 10' of curb on each side from the curb return at the second driveway. Allow 20' of parking between first driveway access and second.
21. Based on new updated fee schedule prior to approval of final map, the owner shall pay to the City of Vallejo map checking fee.
22. During construction, it shall be the responsibility of the developer to provide for safe traffic control in and around the site. This may include but not be limited to signs, flashing lights, barricades and flag persons.
23. Public rights-of-way shall not be used for staging building construction activities, including but not limited to, storage of construction material and equipment. The street and sidewalks must be kept free of construction debris, mud, and other obstacles and must remain open to traffic at all times.

STANDARD CONDITIONS

Planning Division

1. The conditions herein contained shall run with the property and shall be binding on the applicant and all heirs, executors, administrators, and successors in interest to the real property that is the subject of this approval.
2. All graffiti shall be removed from the walls, fences, and/or buildings within one hundred twenty hours of its appearance on the property.
3. Exterior lighting should be high pressure sodium, or equivalent type, and shall have an illumination intensity of between one and four footcandles. Lights shall be directed and shielded so as not to glare onto adjoining residential properties. Lights shall have a housing to protect against breakage. Broken or burnt out lights shall be replaced within one hundred twenty hours.

4. Exterior noise emanating from the development shall meet the City's noise performance standards and comply with the City's Noise Element.

Fire Prevention

1. Submit a numbered list to the Fire Prevention Division stating how each condition of project approval will be satisfied. F1
2. The project shall conform to all applicable requirements of Title 19-Public Safety, 2001 CFC and all VMC Amendments. F2
3. Automatic fire sprinkler extinguishing systems are required for all residential, commercial and industrial occupancies (2007 CFC Section 1003.1.2 added VMC Section 12.28.190) F3
4. Prior to building permit issuance, building construction plans and plans for required fire protection systems (automatic sprinklers, smoke alarms, etc.) shall be submitted to Fire Prevention for review and approval. All applicable plan review and inspection fees shall be paid. F4
5. Prior to occupancy/final building inspection, install 3A-40BC portable fire extinguishers as required by the Fire Prevention Division. (2001 CFC Standard 10-1; NFPA 10) F8
6. Prior to occupancy/final building inspection, install approved numbers or addresses on all building in such a position as to be clearly visible and legible from the street. Commercial occupancies shall have numeral or letters not less than 6 inches in height of contrasting background, and illuminated at night. (1998 CFC Section 901.4.4; added VMC Section 12.28.170) F9
7. Prior to occupancy/final building inspection, install "No Parking Fire Lane" signs along interior access roadways, in location where vehicle parking would encroach on a 20-foot clear width of roadway (CVC Section 22500.1; CalTrans Traffic Manual, sign #R26f). F10
8. Prior to occupancy/final building inspection, all applicable fees shall be paid before a final Fire Prevention inspection shall be conducted. All meeting and inspections require a minimum 24-hour advance request. F11
9. Development sites shall be maintained weed free during construction. (2001 CFC Section 1103.2.4) F12

Water Division

1. **WATER SYSTEM PLANS.** All water system improvements shall be consistent with the Vallejo Water System Master Plan, 1985, prepared by Kennedy/Jenks Engineers as updated by Brown & Caldwell, 1996. Prior to Improvement Plan

approval and building permit issuance, water system improvement plans shall be submitted to the **Water Division** for review and approval, and shall contain at least:

- a. Location and size of fire sprinkler service connection(s).
 - b. Location and size of domestic service connection(s).
 - c. Location and size of irrigation service connection(s).
 - d. Location of fire hydrants.
 - e. Location of structures with respect to existing public water system improvements, such as mains, meters, etc.
 - f. Location and size of any new water mains.
 - g. Location and size of backflow prevention devices (required on water service connections to irrigation systems, certain commercial water users, and to commercial fire sprinkler systems, per City Ordinance 922 N.C. (2d). W3.
2. **FIRE FLOW REQUIREMENTS.** Fire flow requirements of the Fire department shall be complied with. Fire flow at no less than 25 psig residual pressure shall be available within 1,000 feet of any structure. One half of the fire flow shall be available within 300 feet of any structure.
1. For single family residential units, the fire flow is 1,500 gpm.
 2. For other developments, see the Vallejo Water System Master Plan, 1985, prepared by Kennedy Jenks and its latest update by Brown and Caldwell dated April 1996. W4.
3. **HYDRAULIC CALCULATIONS.** Prior to Improvement Plan approval and building permit issuance, hydraulic calculations shall be submitted to the **Water Superintendent** demonstrating that the fire flow requirements are complied with. W5.
4. **FIRE PROTECTION SYSTEMS.** Fire hydrant placement and fire sprinkler system installation, if any, shall meet the requirements of the Fire Department. For combined water and fire services, the requirements of both the Fire Department and the Vallejo Water System Master Plan, with latest revisions, shall be satisfied. W6.
5. **WATER EASEMENTS.** Easements shall be granted for all water system improvements installed outside the public right-of-way in the City's Standard Form for Grant of Water Line Easement with the following widths:
- a. 15 ft. wide (minimum) for water mains.
 - b. 10 ft. wide (minimum) for fire hydrants, water meters, backflow preventers, double detector check valves, etc.
 - c. Other facilities will be reviewed by the Water Division. W7.
6. **WATER SERVICE BONDS AND FEES.** Water service shall be provided by the City of Vallejo following completion of the required water system

improvements and payment of applicable fees. Performance and payment bonds shall be provided to the City of Vallejo prior to construction of water system improvements. Fees include those fees specified in the Vallejo Municipal Code including connection and elevated storage fees, etc., and fees for tapping, tie-ins, inspections, disinfection, construction water, and other services provided by the City with respect to the water system improvements. The Water Division may be contacted for a description of applicable fees. W9.

7. **WATER SYSTEM INSTALLATION.** Prior to occupancy or final building inspection, install water system improvements as required. Backflow device/s where required shall be installed in areas hidden from public view and/or shall be mitigated by landscaping. W10.

Public Works

Standard Comments/Requirements:

1. Submit a parcel map prepared by a qualified registered civil engineer or Land Surveyor for review and approval. Submit preliminary title report and all pertinent documents for map review. (VMC 15.12. 030).
2. Install standard driveway approach per City standard. (COV, Regulations & Standard Specifications, 1992).

Additional standard comments that may apply are:

- PW1. **HOW PROJECT CONDITIONS SATISFIED.** Prior to building permit issuance, submit a numbered list to the **Planning Division** stating how each condition of project approval contained in this report will be satisfied. The list should be submitted to the project planner who will coordinate development of the project.
- PW2. **PUBLIC IMPROVEMENT STANDARDS.** All public improvements shall be designed to City of Vallejo standards and to accepted engineering design standards. The **City Engineer** has all such standards on file and the Engineer's decision shall be final regarding the specific standards that shall apply. (COV, Regulations & Standard Specifications, 1992).
- PW3. **IMPROVEMENT PLANS.** Prior to building permit submittals, submit three sets of plans to the **Department of Public Works** for plan check review and approval. (Improvement or civil plans are to be prepared by a licensed civil engineer.) Plans are to include, but may not be limited to, grading and erosion control plans, improvement plans, joint trench utility, street light plans, and landscaping, irrigation and fencing plans and all supporting documentation, calculations and pertinent reports. (COV, Regulations & Standard Specifications, 1992 Section 1.1.7-A).

- PW4. **GRADING** Prior to issuance of grading permit, submit a soils report for review. An independent soils and geological review of the project may be required. The City shall select the soils engineer with the cost of the study to be borne by the developer/project sponsor. Site grading shall comply with City Municipal Code. (VMC, Chapter 12.40).
- PW5. **LINE OF SIGHT CRITERION.** In design of grading and landscaping, line of sight distance shall be provided based on Caltrans standards. Installation of fencing, signage, above ground utility boxes, etc. shall not block the line of sight of traffic and must be set back as necessary. (VMC, Section 10.14).
- PW6. **ON-SITE SOILS ENGINEER.** During grading operations, the project geologist or soils engineer and necessary soils testing equipment must be present on site. In the absence of the soils engineer or his representative on site, the **Department of Public Works** shall shut down the grading operation. (VMC, Section 12.40.080).
- PW7. **DUST AND EROSION CONTROL.** All dust and erosion control shall be in conformance with City standards and ordinances. (VMC, Sections 12.40.050 & 12.40.070).
- PW8. **COMPACTION TESTS.** Prior to building permit issuance or acceptance of grading, compaction test results and certification letter from the project soils engineer and civil engineer confirming that the grading is in conformance with the approved plans must be submitted to the **Department of Public Works** for review and approval. Test values must meet minimum relative compaction recommended by the soils engineer (usually at least 90 percent). (VMC, Section 12.40.070-R).
- PW9. **DRIVEWAY STANDARDS.** Entrances to any private project must be standard driveway approaches unless deviation is permitted by the **City Engineer**. (VMC, Section 12.04.100).
- PW10. **STREET EXCAVATION PERMIT.** Obtain a street excavation permit from the **Department of Public Works** prior to performing any work within City streets or rights-of-way, or prior to any cutting and restoration work in existing public streets for utility trenches. All work shall conform to City standards. (VMC, Section 10.08).
- PW11. **ENCROACHMENT PERMIT.** Prior to building permit issuance, obtain an encroachment permit from the **Department of Public Works** for all work proposed within the public right-of-way. (VMC, Section 10.16).
- PW12. **TRAFFIC CONTROL PLAN.** Prior to start of construction, submit a traffic control plan to the **Department of Public Works** for review and approval. (Caltrans Traffic Manual).

- PW13.COORDINATION OF CONSTRUCTION INSPECTION.** Construction inspection shall be coordinated with the **Department of Public Works** and no construction shall deviate from the approved plans. (COV, Regulation & Standard Specification Sections 1.1.4 & 1.1.5).
- PW14.PLAN CHANGES.** The project design engineer shall be responsible for the project plans. If plan deviations are necessary, the project engineer must first prepare a revised plan or details of the proposed change for review by the **Department of Public Works** and, when applicable, by **Vallejo Sanitation and Flood Control District**. Changes shall be made in the field only after approval by the City. At the completion of the project, the design engineer must prepare and sign the "as built" plans. (COV, Regulation & Standard Specification Section 1.1.9).
- PW15.BONDS AND FEES.** Prior to approval of construction plans, provide bonds and pay applicable fees. Bonding shall be provided to the City in the form of a "Performance Surety" and a separate "Labor and Materials Surety" in amounts stipulated by City ordinance. (VMC, Section 15.12.090, Resolution Nos. 84-554 N. C. and 02-55 N. C.)
- PW16.INSTALL IMPROVEMENTS.** Prior to occupancy/final building inspection, install the improvements required by the **Department of Public Works** including but not limited to streets and utilities. (VMC, Section 12.04.060).
- PW17.SIDEWALK REPAIR.** Prior to occupancy/final building inspection, remove and replace any broken curb, gutter, sidewalk or driveway approach as directed in the field by the **City Engineer**. (VMC, Section 10.04).
- PW19.STREET TREES.** Prior to release for occupancy, plant required street trees in accordance with City Municipal Code. The list of approved trees is available in the office of the Public Works Director. The minimum standard shall be at least one tree for each 50 feet of street frontage or fraction thereof, including secondary or side streets. Street tree(s) shall be inspected by Public Works Landscape Inspector prior to release for occupancy. (VMC, Section 15.06.190 and Regulations and Standard Specifications Section 3.3.48).
- PW20.JOINT TRENCH.** The developer shall provide joint trench plans for the underground electrical, gas, telephone, cable television and communications conduits and cables including the size, location and details of all trenches, location of all building utility service stubs and meters and placement or arrangements of junction structures as a part of the Improvement Plans submitted for the project. The composite drawings and/or utility improvement plans shall be signed by a licensed civil engineer. (VMC, Sections 15.06.160&170).
- PW21. SIGNAL INTERCONNECT CABLES.** There are fiber optic and /or copper signal inter connect cables located at the edge of the roadway or under the sidewalk. The plans should address either the relocation of these cables or a note should be made of the cable location. A warning should be included on the plans stating that if the cable damaged, the entire length of the cable between the two

nearest hubs will be will be replaced by the contractor unless otherwise authorized by the City Engineer.

GENERAL CONDITIONS

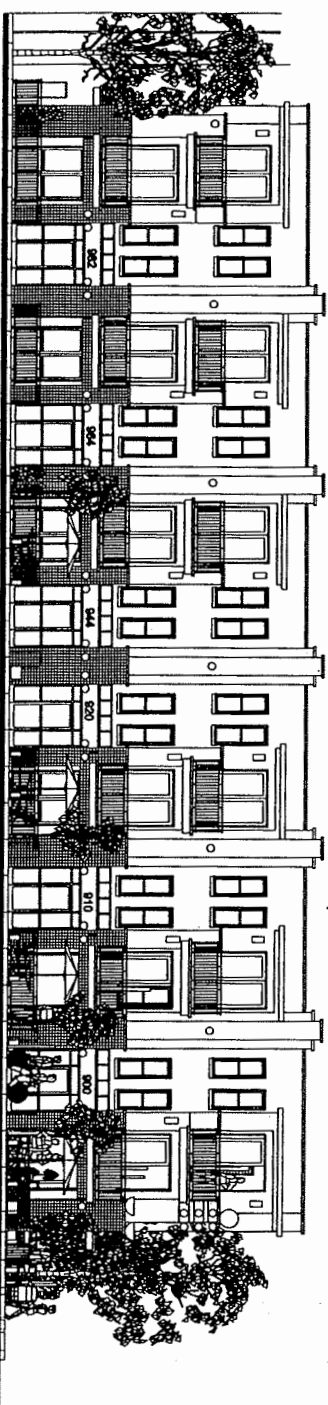
1. The applicant shall defend, indemnify, and hold harmless the City of Vallejo and its agents, officers, and employees from any claim, action, or proceeding against the City and its agents, officers, and employees to attack, set aside, void, or annul this approval by the City. The City may elect, at its discretion, to participate in the defense of any action.

J/PL/Marcus/2007Permits/PD/Solano Ave @ 9th(14units-0008)cndtns

TRANSPACIFIC ARCHITECTS

SAN FRANCISCO OFFICE
 555 FINANCIAL STREET
 SAN FRANCISCO, CA 94110
 T 415-397-0233
 F 415-394-1788

ARCHITECT OF RECORD:
 R. HEDEGA
 CONSULTANT

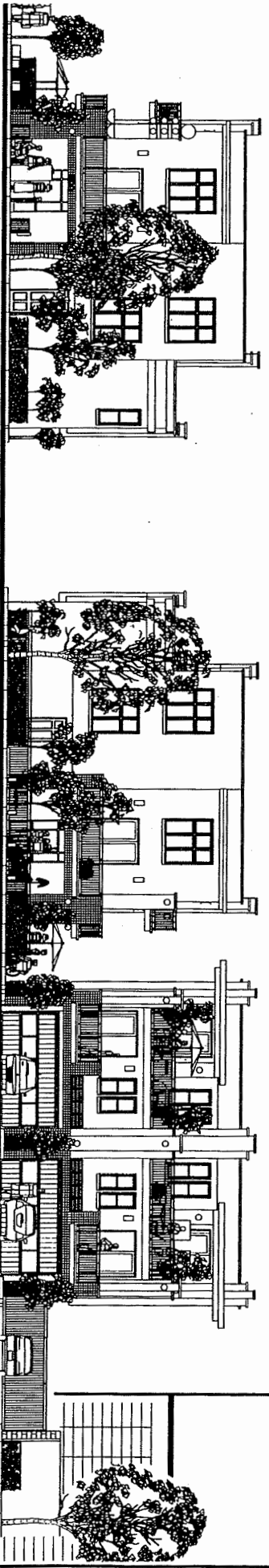


1
 SOLANO AVE EXT ELEVATION
 SCALE 3/8" = 1'-0"

PROJECT INFORMATION

SOLANO VILLAGE TOWNHOMES
 SOLANO AVE. & 5TH. ST.
 VALLEJO
 CALIFORNIA, 94590

OWNER:
VALPROP, LLC
 617 AMADOR STREET
 VALLEJO, CALIFORNIA 94590

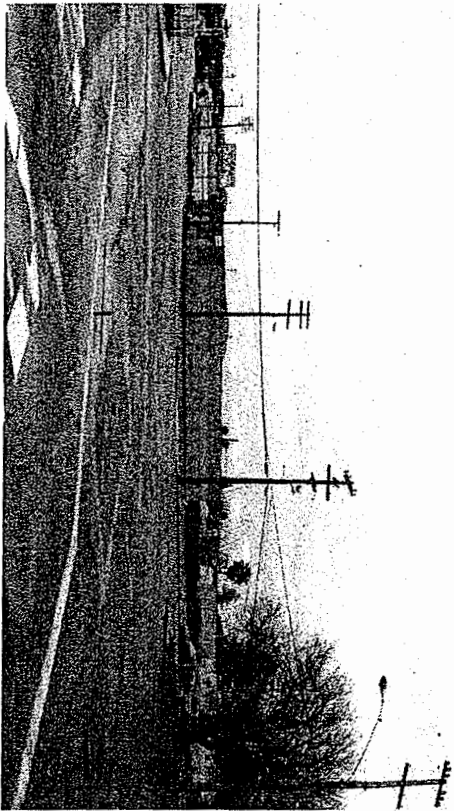


2
 5TH ST EXT ELEVATION
 SCALE 3/8" = 1'-0"

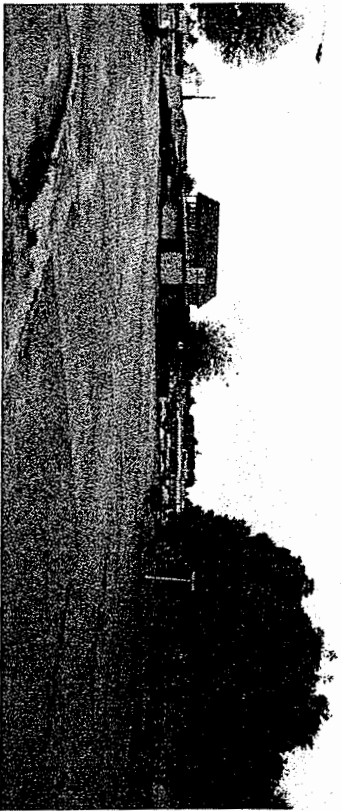
SHEET TITLE
ELEVATIONS

A-108
 SHEET 11
 OF 13

Solano Village Townhomes



Subject Site



Northwest view



Subject Site (Ninth St. view)



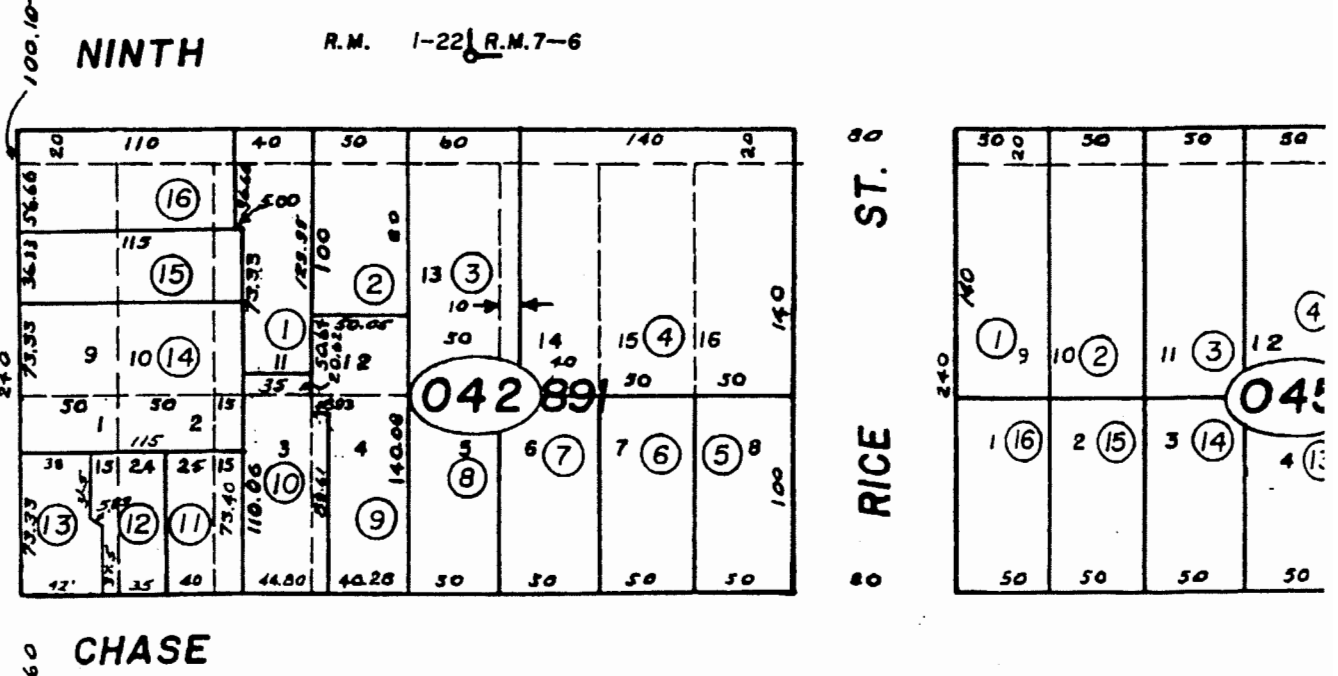
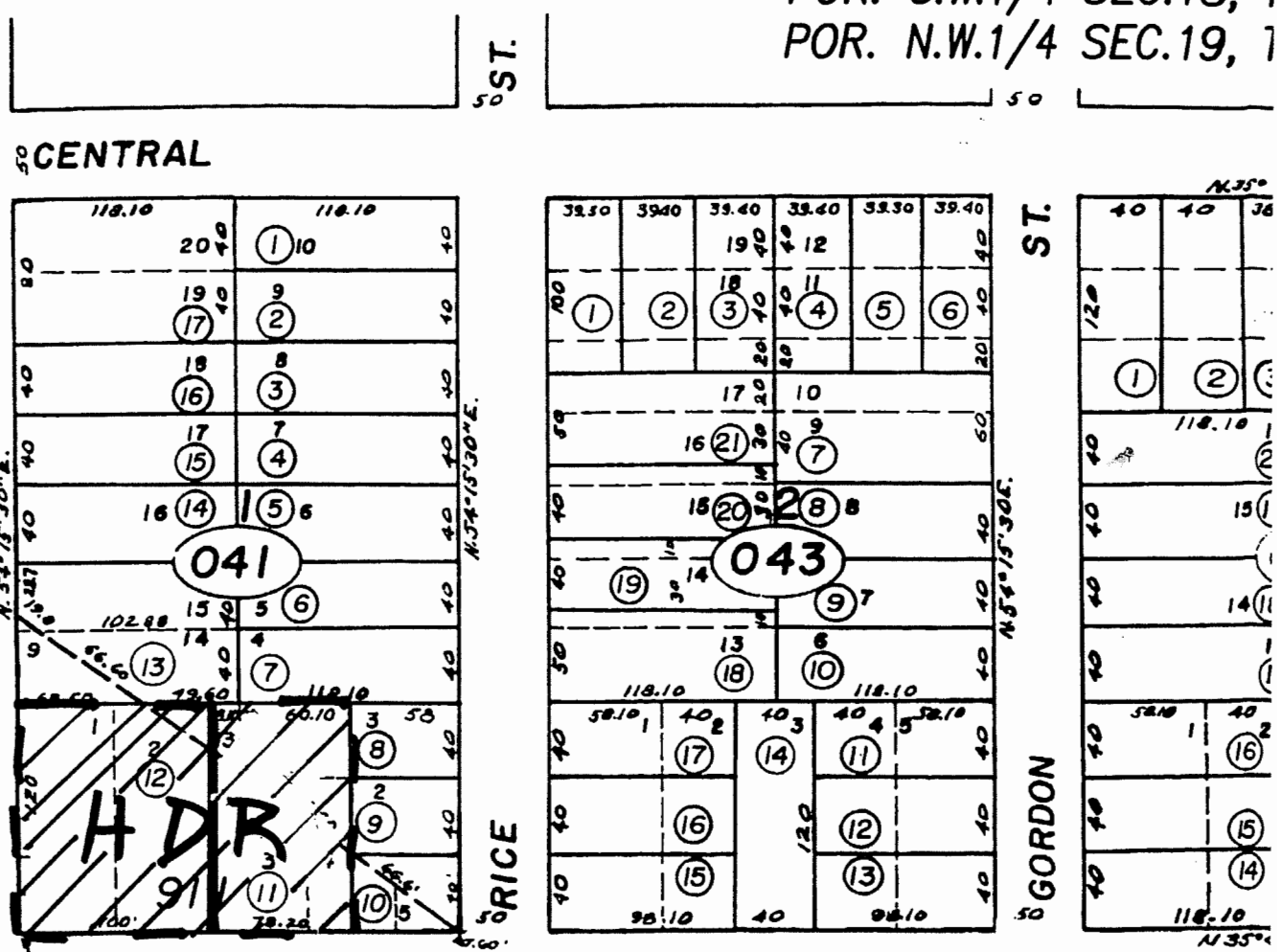
Solano Avenue view

PHOTOGRAPHY BY [unreadable]

POR. S.W.1/4 SEC.18, 1
 POR. N.W.1/4 SEC.19, 1



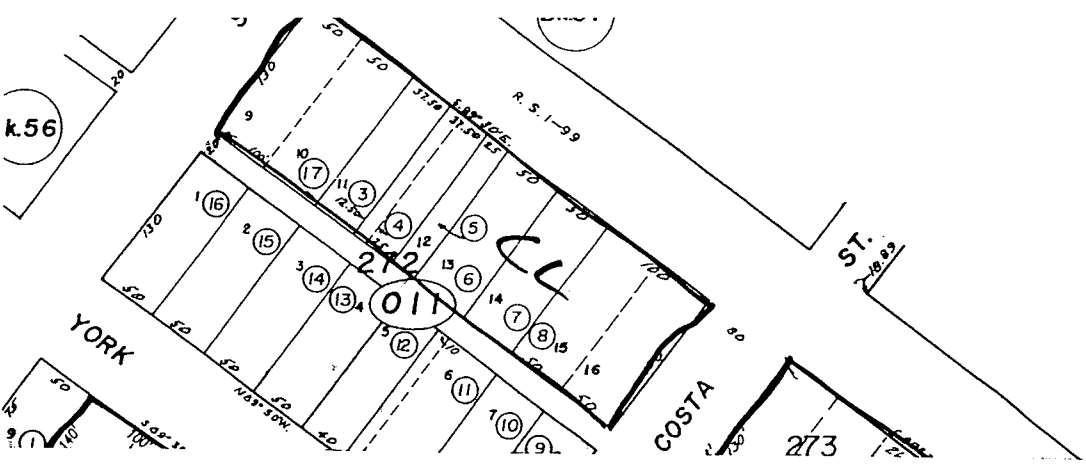
100 AVE. 100
 R.M. 1-22 R.M. 7-6
 SOLANO
 100
 60 CHASE
 100



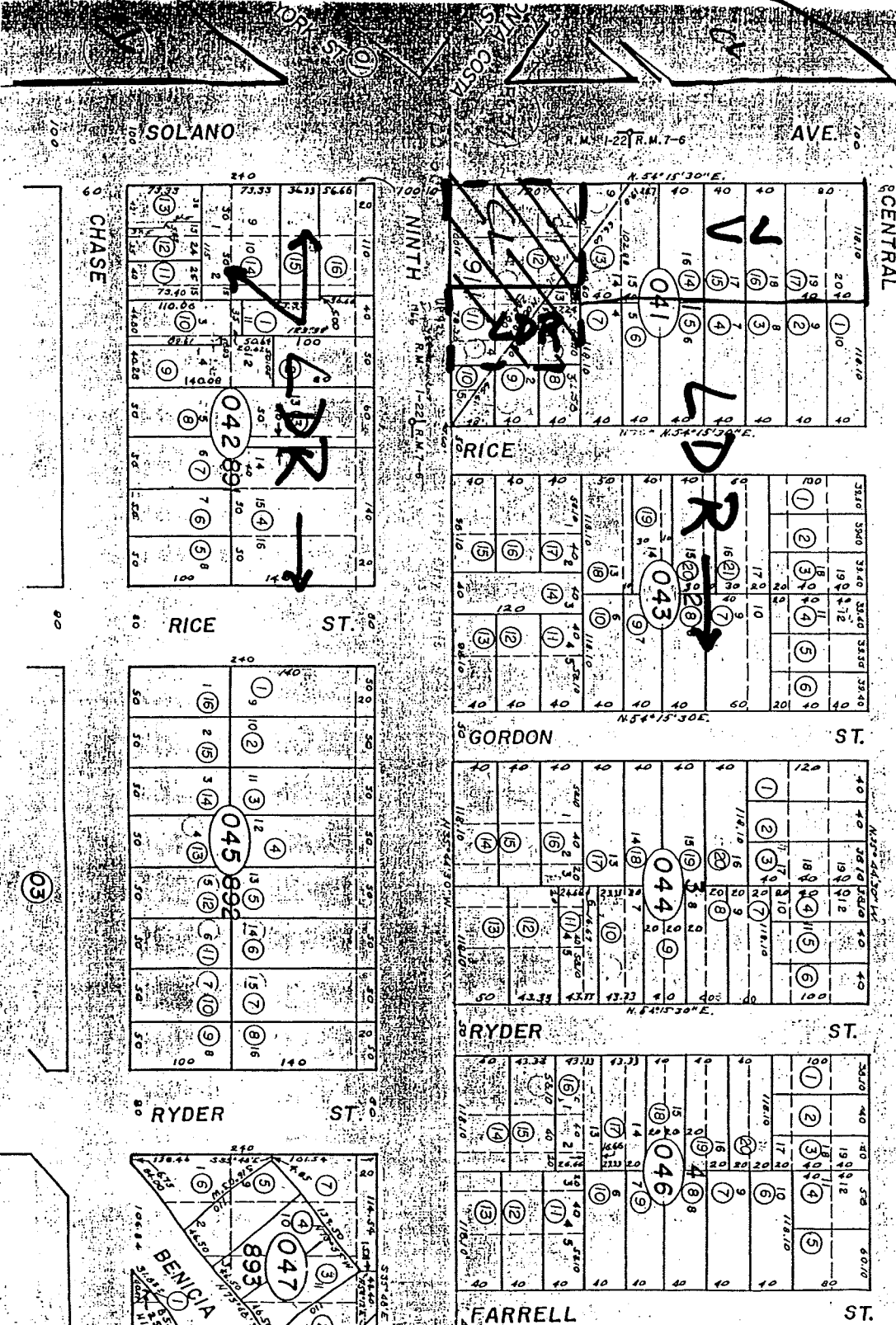
**PROPOSED GENERAL PLAN
 DESIGNATION**

= SUBJECT SITE

18 (RS)	1
ST.	12
ION	



EXISTING ZONING



= SUBJECT SITE

CENTRAL ST.
 CHASE ST.
 RICE ST.
 GORDON ST.
 RYDER ST.
 FARRELL ST.

ALLEJO
 k. 59
 ano, C
 ssessor/Record

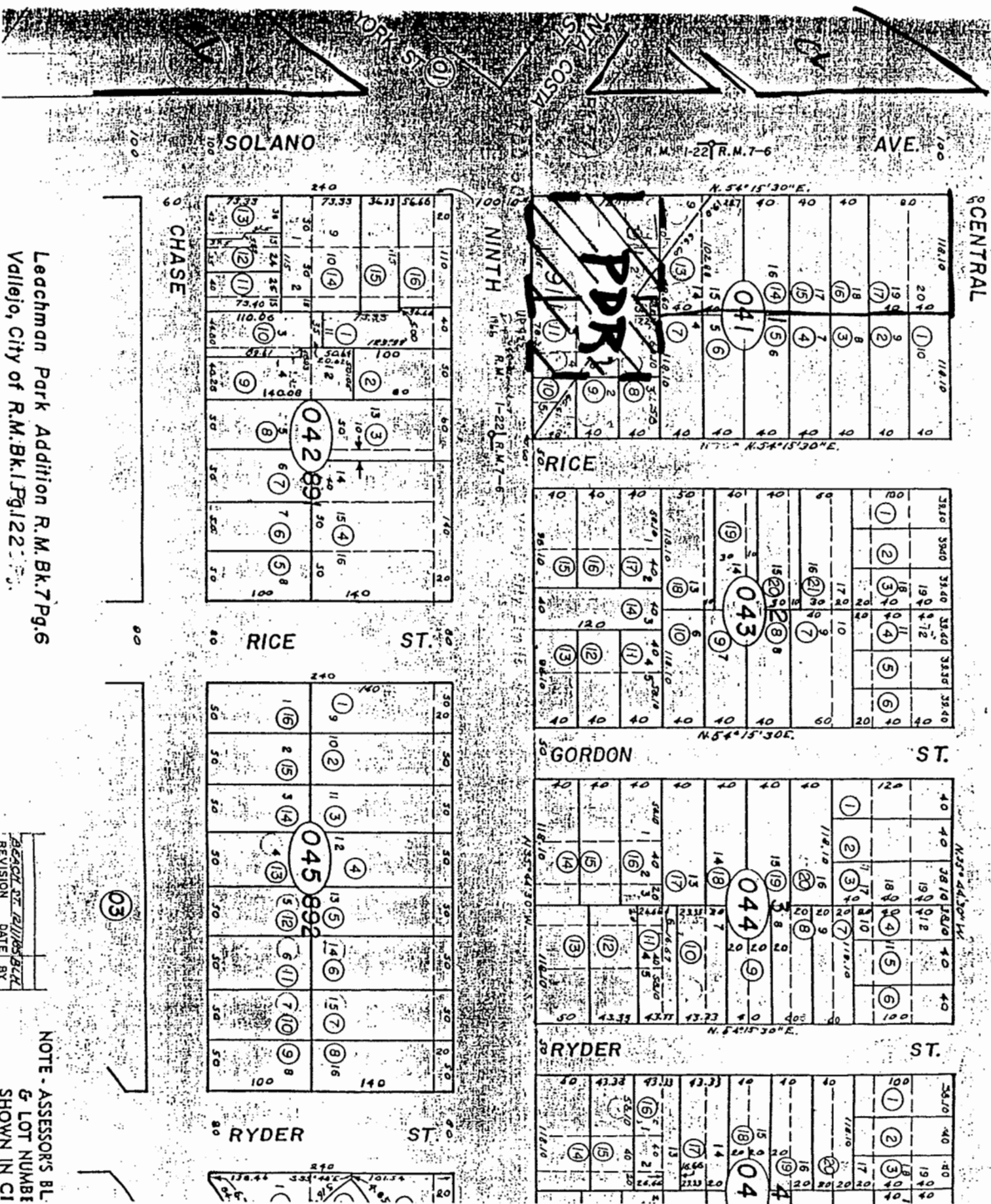
POR. SW 1/4 SEC. 18, T. 3 N. R. 3 W., M.D.B. & M.
 POR. NW 1/4 SEC. 19, T. 3 N. R. 3 W., M.D.B. & M.

05

PROPOSED ZONING



= SUBJECT SITE



Leachman Park Addition R.M. Bk. 7 Pg. 6
Vallejo, City of R.M. Bk. 1 Pg. 122

REVISION	DATE	BY

NOTE - ASSESSOR'S BL. & LOT NUMBERS SHOWN IN CI

POR. SW 1/4 SEC. 18, T. 3 N. R. 3 W., M.D.B.A.M.
POR. NW 1/4 SEC. 19, T. 3 N. R. 3 W., M.D.B.A.M.

APPENDIX G

Environmental Checklist Form

1. Project title: Solano Village Townhomes

2. Lead agency name and address:

City of Vallejo Planning Division
P.O. Box 3068
555 Santa Clara Street
Vallejo, CA 94590

3. Contact person and phone number: Marcus Adams, Associate Planner (707)648-5392

4. Project location: 1401 Solano Avenue @ 9th Street , APN 0059-041-110,120

5. Project sponsor's name and address:

Val Properties LLC
6930 Dume Drive
Malibu, CA 90265

6. General plan designation: Commercial Retail (0059-041-120)/Low Density Residential (0059-041-110)

7. Zoning: Linear Commercial (0059-041-120)/Low Density Residential (0059-041-110)

8. Description of project:

The applicant is proposing construction of 14 townhome units on two existing vacant parcels. The 3-4 bedroom unit townhomes would range in size from 1,462 to 1,741 square feet. To facilitate the proposed development, the applicant has petitioned to change the zoning designations from Linear Commercial/Low Density Residential, to Mixed Use Planned Development.

Attached are an 8½ x 11" vicinity map and a reduced set of plans.

9. Surrounding land uses and setting.

The property is located in central Vallejo, bordered by single family residences to the south and east; a vacant warehouse to the north; and a vacant car showroom/service department to the west. The site consists of paved surfaces and no structures.

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

Aesthetics	Agriculture Resources	Air Quality
Biological Resources	Cultural Resources	Geology / Soils
Hazards & Hazardous Materials	Hydrology / Water Quality	Land Use / Planning
Mineral Resources	Noise	Population / Housing
Public Services	Recreation	Transportation/Traffic
Utilities / Service Systems	Mandatory Findings of Significance	

DETERMINATION: (To be completed by the Lead Agency)

On the basis of this initial evaluation:

- I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- ✓ I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
- I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
- I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.



Signature

Marcus Adams, Associate Planner

7/2/08

Date

EVALUATION OF ENVIRONMENTAL IMPACTS:

- 1) A brief explanation is required for all answers except "No Impact" answers that are adequately supported by the information sources a lead agency cites in the parentheses following each question. A "No Impact" answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g., the project falls outside a fault rupture zone). A "No Impact" answer should be explained where it is based on project-specific factors as well as general standards (e.g., the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).
- 2) All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.
- 3) Once the lead agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. "Potentially Significant Impact" is appropriate if there is substantial evidence that an effect may be significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an EIR is required.
- 4) "Negative Declaration: Less Than Significant With Mitigation Incorporated" applies where the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less Than Significant Impact." The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level (mitigation measures from Section XVII, "Earlier Analyses," may be cross-referenced).
- 5) Earlier analyses may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration. Section 15063(c)(3)(D). In this case, a brief discussion should identify the following:
 - a) Earlier Analysis Used. Identify and state where they are available for review.
 - b) Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.
 - c) Mitigation Measures. For effects that are "Less than Significant with Mitigation Measures Incorporated," describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.
- 6) Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g., general plans, zoning ordinances). Reference to a previously prepared

or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.

- 7) Supporting Information Sources: A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.
- 8) This is only a suggested form, and lead agencies are free to use different formats; however, lead agencies should normally address the questions from this checklist that are relevant to a project's environmental effects in whatever format is selected.
- 9) The explanation of each issue should identify:
 - a) the significance criteria or threshold, if any, used to evaluate each question; and
 - b) the mitigation measure identified, if any, to reduce the impact to less than significance

Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
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I. AESTHETICS -- Would the project:

a) Have a substantial adverse effect on a scenic vista? ✓

There are no scenic vistas within the project vicinity.

b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway? ✓

According to the General Plan Circulation and Transportation Element (Pg. IV-12), there are no scenic highways within city limits.

c) Substantially degrade the existing visual character or quality of the site and its surroundings? ✓

The site is currently vacant and consequently, does not have any existing visual character or quality. The proposed three story structures would affect the visual character of the surrounding properties, however, because there are not existing scenic views which would be blocked, visual character would not be "substantially degraded."

d) Create a new source of substantial light or

Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
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glare which would adversely affect day or nighttime views in the area?

The proposed residential project would create a new source of light though this source would be considerably less than a source created by a commercial project under the existing zoning and would not be substantial. All new light sources shall comply with all applicable regulations, standards, and policies of the Vallejo Municipal Code and the Vallejo General Plan.



II. AGRICULTURE RESOURCES: In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. Would the project:

a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?

The project is not located on any designated Farmland.



b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?

The existing zoning for the project is not agricultural and there is no Williamson Act Contract associated with the project.



c) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use?

The project is not located in the vicinity of any Farmland and would not involve in any changes that would result in conversion of Farmland to non-agricultural use.



III. AIR QUALITY -- Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:

a) Conflict with or obstruct implementation of the applicable air quality plan?

The applicable air quality plan is Bay Area Air Quality Management District's (BAAQMD) Bay Area 2005 Ozone Strategy. Under the plan, a project would be judged to be in conflict or obstruct implementation of the plan if it was inconsistent with the growth assumptions in terms of population, employment or regional growth in Vehicle Miles Traveled (VMT). Though the project does require a General Plan Amendment, the VMT's generated would not be greater than those that would be generated under a commercial land use of the property, thus there will be no significant cumulative impact.

b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?

The proposed 14 units falls well below BAAQMD CEQA guidelines of projects with potentially significant emissions standard of 510 units for multi-family projects therefore Carbon monoxide concentrations are not predicted to exceed maximum 1 and 8-hour concentration allowance state and federal standards.

c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?

See b) above.

d) Expose sensitive receptors to substantial

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Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
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pollutant concentrations?

Construction-related air quality impacts are anticipated with any construction project. The following conditions of approval will be required for the project:



- *Water all active construction areas at least twice daily.*
- *Cover all trucks hauling soil, sand, and other loose materials or require all trucks to maintain at least 2 feet of freeboard.*
- *Cover all trucks hauling demolition debris from the site.*
- *Pave, apply water three times daily, or apply (non-toxic) soil stabilizers on all unpaved access roads, parking areas, and staging areas at construction sites.*
- *Sweep daily (with water sweepers) all paved access roads, parking areas, and staging areas at construction sites; water sweepers shall vacuum up excess water to avoid runoff-related impacts to water quality.*
- *Sweep streets daily (with water sweepers) if visible soil material is carried onto adjacent public streets.*
- *Water all active construction areas at least twice daily and more often during windy periods; active areas adjacent to existing land uses shall be kept damp at all times, or shall be treated with non-toxic stabilizers or dust palliatives.*
- *Enclose, cover, water twice daily or apply (non-toxic) soil binders to exposed stockpiles (dirt, sand, etc.)*
- *Limit traffic speeds on unpaved roads to 15 mph.*
- *Install sandbags or other erosion control measures to prevent silt runoff to public roadways.*

Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
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- *Replant vegetation in disturbed areas as quickly as possible.*
- *Install wheel washers for all exiting trucks, or wash off the tires or tracks of all trucks and equipment leaving the site.*
- *Suspend excavation and grading activity when winds (instantaneous gusts) exceed 25 mph.*
- *Limit the area subject to excavation, grading and other construction activity at any one time.*
- *Use dust-proof chutes to load debris into trucks whenever feasible. Watering should be used to control dust generation during transport and handling of recycled materials.*
- *Any crushing or screening equipment used on site for the recycling of materials will be permitted by the Bay Area Air Quality Management District or the state's portable equipment statewide registration program, and utilize Best Available Control Technology for that type of equipment.*
- *Apply non-toxic soil stabilizers to inactive construction areas.*
- *Use alternative fueled construction equipment.*
- *Minimize idling time (5 minutes maximum)*
- *Maintain properly tuned equipment.*
- *Limit the hours of operation of heavy equipment and/or the amount of equipment in use.*

Implementation of these mitigation measures would reduce potential construction-related air quality impacts to a less-than-significant level.

e) Create objectionable odors affecting a substantial number of people?



Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
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The proposed residential use should not create objectionable odors.

IV. BIOLOGICAL RESOURCES -- Would the project:

a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?

✓

Staff has conducted multiple site visits and has determined that the project site is currently developed with no natural habitat, riparian habitat, wetlands, or waterways in the vicinity.

b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or US Fish and Wildlife Service?

✓

See a) above.

c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?

✓

See a) above.

d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?

✓

See a) above.

e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?

✓

The City has no policies or ordinances protecting biological resources and there are

Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
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no such resources on the site.

f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?



There are not conservation plans affecting properties in the project vicinity.

V. CULTURAL RESOURCES -- Would the project:

a) Cause a substantial adverse change in the significance of a historical resource as defined in §15064.5?



There are no known historic, archaeological or paleontological resources, unique geologic features, or evidence or expectation of finding human remains on or near the site; however, should any such resources, evidence, or remains be discovered during any phase of the project, the following standard condition of approval would limit impacts to a less-than-significant level:

- *In the event that unsuspected historical, archaeological, or paleontological resources or human remains are discovered during any phase of the project, land alteration work within 50 feet of the find shall be halted, the Planning Division shall be notified, and a qualified professional in the appropriate field shall be consulted to evaluate the resource and an appropriate management plan has been determined and adopted. If human remains are discovered, the County Coroner shall be notified. If the coroner determines that the remains are of Native American decent, the coroner shall contact the Native American Heritage Commission within 24 hours of the determination.*

b) Cause a substantial adverse change in the significance of an archaeological resource



Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
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pursuant to §15064.5?

See a) above.

c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?



See a) above.

d) Disturb any human remains, including those interred outside of formal cemeteries?



See a) above.

VI. GEOLOGY AND SOILS -- Would the project:

a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:

i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.



The project site is not within the Alquist-Priolo Earthquake Fault Zone as defined by the California Geologic Survey. The project site is therefore not susceptible to ground surface rupture during an earthquake.

ii) Strong seismic ground shaking?



Although the project site is not located within the Alquist-Priolo Earthquake Fault Zoning Map, the San Francisco Bay Area is one of the most seismically active regions in the United States. The project is within twenty-five miles of three active fault zones: the West Napa Fault Zone, the Concord-Green Valley (South) Fault Zone, and the Rodgers Creek Fault Zone. Although potential ground shaking at the site cannot be mitigated, adherence to the most currently California Building Code requirements for Seismic Zone 4 would mitigate the danger of ground

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
<i>shaking to the extent feasible, reducing the impact to a less-than-significant level.</i>				
iii) Seismic-related ground failure, including liquefaction? <i>According to the Susceptibility Map of the San Francisco Bay Area, the project is rated as low to moderate risk of liquefaction. The structural design of the project would be required to comply with recommendations of the soils report for the project and with the applicable California Building Code. Compliance with these requirements would reduce impacts to a less-than-significant level.</i>			✓	
iv) Landslides? <i>The site is in a level area and would not be at risk to landslides.</i>				✓
b) Result in substantial soil erosion or the loss of topsoil? <i>As the project would result in coverage of the site with buildings, paving, and landscaped areas, there would be no soil erosion as a result of project implementation. The site is currently paved so there is no top soil remaining on the site.</i>				✓
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse? <i>According to the Geotechnical Investigation report by KC Engineering, "the site is suitable for proposed development provided the recommendations presented in their report are incorporated into the project plans and specifications." This will be a condition of approval for the project.</i>			✓	
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?			✓	

Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
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See c) above

e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?

✓

The City's sewer system would serve this property so septic tanks or alternative waste water disposal systems would not be needed.

VII. HAZARDS AND HAZARDOUS MATERIALS Would the project:

a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?

✓

The project would not create a significant hazard to the public as any hazardous materials being transported to or from the site would be those normally associated with commercial retail uses and would be required to be transported on vehicles regulated by state transportation route laws.

b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?

✓

According to a Phase I Environmental Site Assessment conducted by Schutze & Associates dated June 13, 2007, there is no evidence of on-site or off-site recognized environmental conditions which could have affected the site.

c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?

✓

The subject site is not within a quarter mile of an existing or proposed school.

d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to

✓

Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
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Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?

The site is not included on a list of hazardous materials cites compiled pursuant to Gov. Code Section 65962.5.

e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?

The project is not located within an airport land use plan or within two miles of an airport.

f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?

The project is not within the vicinity of a private airstrip.

g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?

The project would not include any alteration to the existing roads or other infrastructure that could adversely affect the implementation of an emergency response plan according to the City Traffic Engineer.

h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?

The project is on an infill site surrounded by urban development with no wildlands intermixed.

VIII. HYDROLOGY AND WATER QUALITY

-- Would the project:

a) Violate any water quality standards or waste discharge requirements?

✓

✓

✓

✓

✓

Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
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According to a Phase I Environmental Site Assessment conducted by Schutze & Associates dated June 13, 2007, there were no indications that USTs existed beneath the pavement, nor were significant staining or evidence of spills observed on the lot.

b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?



The proposed residential use would not substantially deplete groundwater supplies or interfere with groundwater recharge.

c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?



There is no river or stream on-site and any change in the drainage pattern in the area would be minimal.

d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?



See a) and c) above.

e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?



See a) above.

f) Otherwise substantially degrade water quality?



See a) and b) above.

g) Place housing within a 100-year flood hazard

Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
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The proposed project is not within a 100-year flood zone.

h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows?



See g) above

i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?



There are no dams or levees in the vicinity of the project.

j) Inundation by seiche, tsunami, or mudflow?

The project is not located in the vicinity of a large body of water that could be the source of a seiche or tsunami. As the project is located in an area that is relatively flat, there is no threat of mudflows in the vicinity.



IX. LAND USE AND PLANNING - Would the project:

a) Physically divide an established community?

The project would not physically divide an established community as it would be located on a corner lot, establishing a residential use at the entry of an existing residential neighborhood.



b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?



The proposed zoning designation of Mixed Use Planned Development is conditionally compatible with the General Plan classifications of General Commercial and Residential Low Density.

c) Conflict with any applicable habitat conservation plan or natural community



Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
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conservation plan?

There is no applicable habitat conservation plan or natural community conservation plan for the area.

X. MINERAL RESOURCES - Would the project:

a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?

There are no known mineral resources at the project site according to a letter from Schutze & Associates dated June 13, 2007.

b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?

See a) above.

XI. NOISE - Would the project result in:

a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?

Primary noise sources emanate from Solano Avenue traffic. The project, as proposed, does not meet the acceptable or conditionally acceptable noise levels established in the City's noise ordinance, therefore, the following mitigations have been proposed by the applicant's noise consultant:

1. *All windows and sliding glass doors facing onto Solano Avenue shall be dual glazed and bear a label applied by the manufacturer indicating that the units meet the minimum standards for sound attenuation and are approved for installation in such locations as specified by the State of California Department of Housing*

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- and Development or other agency have such authority.*
2. *All windows and sliding glass doors facing onto Solano Avenue shall be installed as per manufacturer's recommendation and specifications for sound attenuation units. Including the installation of any special parts, gaskets, sealants or special caulking that may be recommended or required in order for the units to meet the specified standards as per the manufacturer's installation guidelines.*
 3. *All door assemblies consisting of doors and frames, supplied individually or a packaged units, constructed of wood, metal, other materials or a combination of materials, other than sliding glass types described above, shall have a sound attenuation rating greater than, but in no case less than the attenuation rating for glass doors or windows.*
 4. *All mechanical HVAC or other air handling equipment, including exhaust fans, shall be provided with a "baffle" device, approved for use by the equipment manufacturer, installed on supply ducts or other openings facing onto Solano Avenue. Such devices shall be installed per manufacturer's recommendations and shall be in working order prior to occupancy of the unit(s) in which they are located.*
 5. *All roof top mounted mechanical HVAC or other air handling equipment, where located within 20 linear feet perpendicular to the exterior wall line facing Solano Avenue and where the exterior roof wall parapet is less than the height*

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of the highest air intake point of the of the equipment, shall be provided with a "baffle" device similar to that described above and shall meet all other requirements as noted in that condition.

6. *All exterior walls facing onto Solano Avenue shall have a continuous single layer of fiberglass batt insulation or similar material, a minimum of 3.5 inches in thickness, and approved for use in sound rated wall assemblies. In addition, all void spaces in walls, floor or other framed construction assemblies facing Solano Avenue on the exterior side and having a habitual space on the interior side shall also be completely filled with a single layer of fiberglass insulation or similar material of 3.5 inches in thickness. All joints between exterior surface finish materials shall be fully caulked and completely sealed with an approved acoustic grade caulking or material assembly to prevent the infiltration of air-born sounds."*

Short-term construction-relate noise levels may be in excess of the standards established in the General Plan; however, short-term noise impacts are not considered significant impacts. Nevertheless, the following standard conditions of approval shall be implemented to lessen construction-related noise impacts:

1. *Locate stationary noise generating equipment as far as possible from sensitive receptors, including residential uses to the south and west of the site. Acoustically shield stationary noise sources when located in areas adjoining sensitive receptors.*

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
excessive groundborne vibration or groundborne noise levels? <i>See a) above.</i>				
c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project? <i>See a) above.</i>			✓	
d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project? <i>See a) above</i>			✓	
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels? <i>The project is not located within an airport land use plan or within two miles of an airport.</i>				✓
f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels? <i>The project is not within the vicinity of a private airstrip.</i>				✓
XII. POPULATION AND HOUSING -- Would the project:				
a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)? <i>The proposed project would add approximately 39 new residents to the area (14 units x 2.8 average household size) which is not considered substantial population growth for the area.</i>			✓	
b) Displace substantial numbers of existing housing, necessitating the construction of				✓

Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
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replacement housing elsewhere?

The project would not displace any existing housing.

c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?

The project would not displace any people.

✓

XIII. PUBLIC SERVICES

a) Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:

The location is within the developed area of the City and the limited size of the project precludes any need for an expansion of public services.

Fire protection?

See a) above.

✓

Police protection?

See a) above.

✓

Schools?

See a) above.

✓

Parks?

See a) above.

✓

Other public facilities?

See a) above.

✓

XIV. RECREATION --

a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?

✓

Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
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The proposed 14 units would not substantially increase usage of existing neighborhood and regional parks.

b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?

The project does include a tot lot for the private use of the residents.



XV. TRANSPORTATION/TRAFFIC -- Would the project:

a) Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system (i.e., result in a substantial increase in either the number of vehicle trips, the volume to capacity ratio on roads, or congestion at intersections)?

The proposed project would result in a total increase of 14.14 new trips during the PM peak hour (10.36 AM) according to the ITE (Institute of Transportation Engineers) manual. This would be a negligible increase to the existing traffic load and capacity of the street system.



b) Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways?

The proposed development would not increase level of service standards.



c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that result in substantial safety risks?

The project would not affect air traffic patterns.



d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?



	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
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There are no proposed design features or incompatible uses.

e) Result in inadequate emergency access?
The project would not result in any change to the existing emergency access to other uses in the vicinity. Adequate emergency access has been provided for the project in the site design.

f) Result in inadequate parking capacity?
The Project would be deficient of required off-street parking by one "guest" parking space; however, staff believes there is sufficient on-street parking to avoid adverse impacts to the surrounding neighborhood

g) Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks)?
The Greater Vallejo Recreational District has designated Solano Avenue as a Class III Bikeway. The applicant may be required to provide bike signage along Solano Avenue.

XVI. UTILITIES AND SERVICE SYSTEMS
 Would the project:

a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?
The project is within the development parameters anticipated in the Vallejo General Plan and ABAG Projects 2005. It is expected that the residential use will meet wastewater treatment requirements of the Bay Area Regional Water Quality Control Board (BARWQCB).

b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?
The project is within the development

Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
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anticipated in the General Plan and can be served by the existing water and wastewater treatment facilities and would not result in the expansion of those facilities.

c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?



The project site is currently paved. The construction of the project would result in a decrease in the amount of impervious service therefore; the project would not require an expansion of the existing system.

d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?



Sufficient water supplies are available from existing entitlements and resources to serve the project according to the Water Superintendent.

e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?



The Vallejo Sanitation and Flood Control District has determined that they have adequate capacity to serve to proposed 14 units.

f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?



The City of Vallejo has an exclusive contract with Vallejo Garbage Service, Inc. to collect and transport solid waste and recyclable material to the Devlin Road Transfer Station in American Canyon, Ca. Waste from the Devlin Road facility is transported to Keller Canyon Landfill in Contra Costa County for ultimate disposal. Keller Canyon Landfill is permitted to receive up to 3,500 tons of waste

Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
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per day and currently receives about 2,500 tons of waste per day. The California Integrated Waste Management Board lists the expected closure date of the landfill to be December 31, 2030. The landfill has a total capacity of over 75 million cubic yards and a remaining capacity of over 68 million cubic yards. Therefore, the proposed project would be served by a landfill with sufficient capacity to accommodate its solid waste disposal needs.

g) Comply with federal, state, and local statutes and regulations related to solid waste?



The City of Vallejo has adopted a construction and demolition (C&D) debris recycling ordinance to redirect C&D materials away from landfills. The ordinance requires that at least 50 percent of the C&D debris and at least 75 percent of concrete and asphalt generated from a construction site be salvaged and/or recycled. In addition, the City requires that curbside recycling and yardwaste collection be provided for all residential subdivisions within the City's jurisdiction. Compliance with the City's C&D ordinance during construction and the provision of curbside recycling and yardwaste collection service after construction would ensure that the project complies with local and state laws related to waste reduction.

XVII. MANDATORY FINDINGS OF SIGNIFICANCE --

a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?



The project has no potentially significant

Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
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impacts.

b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?



The project would not result in any potentially significant cumulative impacts.

c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?



The proposed project does not have any environmental effects which would cause substantial adverse effects on humans, directly or indirectly.

SUPPORTING INFORMATION SOURCES
(1-3 enclosed)

1. Project Development Package and Vicinity Map
2. Geotechnical Investigation, KC Engineering Company, June 4, 2007.
3. Environmental Site Assessment, June 13, 2007.
4. City of Vallejo General Plan, July 1999.
5. City of Vallejo Municipal Code (as adopted).
6. State of California, Subdivision Map Act (Government Code Sections 66410 to 66499.58)
7. BAAQMD CEQA Guidelines Assessing the Air Quality Impacts of Projects and Plans, Bay Area Air Quality Management District, April 1996, revised December 1999.
8. City of Vallejo, Regulations and Specifications for Public Improvements (as adopted)
9. City of Vallejo, Vallejo Water System Master Plan, 1985, prepared by Kennedy/Jenks Engineers, as updated by Brown & Caldwell, 1996.
10. City of Vallejo, 1995 Urban Water Management Plan



CITY OF VALLEJO

“SOLANO TOWNHOMES PROJECT”

MITIGATION MONITORING AND REPORTING FORM

PROPOSED PROJECT ACTIONS:

Approve Zoning Map Amendment #07-0003, Tentative Map #07-0009, Planned Development #07-0008, and Minor Exception 07-0004

PROJECT DESCRIPTION:

The applicant is proposing construction of 14 townhome units on two existing vacant parcels. The 3-4 bedroom unit townhomes would range in size from 1,462 to 1,741 square feet. To facilitate the proposed development, the applicant has petitioned to change the zoning designations from Linear Commercial/Low Density Residential, to Mixed Use Planned Development. The applicant is also requesting a minor exception to provide two of the required three guest parking spaces.

LOCATION:

Southeast corner of 9th Street and Solano Avenue

PROPONENT: Val Properties, LLC
6930 Dume Drive
Malibu, CA 90265

The following mitigation measures have been identified to avoid or lessen to an insignificant level the adverse environmental effects that could result from these project actions:

MITIGATION MEASURES

Noise

Mitigation:

Primary noise sources emanate from Solano Avenue traffic. The project, as proposed, does not meet the acceptable or conditionally acceptable noise levels established in the

City's noise ordinance, therefore, the following mitigations have been proposed by the applicant's noise consultant:

1. All windows and sliding glass doors facing onto Solano Avenue shall be dual glazed and bear a label applied by the manufacturer indicating that the units meet the minimum standards for sound attenuation and are approved for installation in such locations as specified by the State of California Department of Housing and Development or other agency have such authority.
2. All windows and sliding glass doors facing onto Solano Avenue shall be installed as per manufacturer's recommendation and specifications for sound attenuation units. Including the installation of any special parts, gaskets, sealants or special caulking that may be recommended or required in order for the units to meet the specified standards as per the manufacturer's installation guidelines.
3. All door assemblies consisting of doors and frames, supplied individually or a packaged units, constructed of wood, metal, other materials or a combination of materials, other than sliding glass types described above, shall have a sound attenuation rating greater than, but in no case less than the attenuation rating for glass doors or windows.
4. All mechanical HVAC or other air handling equipment, including exhaust fans, shall be provided with a "baffle" device, approved for use by the equipment manufacturer, installed on supply ducts or other openings facing onto Solano Avenue. Such devices shall be installed per manufacturer's recommendations and shall be in working order prior to occupancy of the unit(s) in which they are located.
5. All roof top mounted mechanical HVAC or other air handling equipment, where located within 20 linear feet perpendicular to the exterior wall line facing Solano Avenue and where the exterior roof wall parapet is less than the height of the highest air intake point of the of the equipment, shall be provided with a "baffle" device similar to that described above and shall meet all other requirements as noted in that condition.
6. All exterior walls facing onto Solano Avenue shall have a continuous single layer of fiberglass batt insulation or similar material, a minimum of 3.5 inches in thickness, and approved for use in sound rated wall assemblies. In addition, all void spaces in walls, floor or other framed construction assemblies facing Solano Avenue on the exterior side and having a habitual space on the interior side shall also be completely filled with a single layer of fiberglass insulation or similar material of 3.5 inches in thickness. All joints between exterior surface finish materials shall be fully caulked and completely sealed with an approved acoustic grade caulking or material assembly to prevent the infiltration of air-born sounds."

Short-term construction-relate noise levels may be in excess of the standards established in the General Plan; however, short-term noise impacts are not considered significant impacts. Nevertheless, the following mitigation measures shall be implemented to lessen construction-related noise impacts:

1. Locate stationary noise generating equipment as far as possible from sensitive receptors, including residential uses to the south and west of the site. Acoustically shield stationary noise sources when located in areas adjoining sensitive receptors.
2. Utilize “quiet” air compressors and other “quiet” equipment where technology exists.
3. Prohibit unnecessary idling of construction equipment.
4. Properly maintain and muffle all internal combustion-driven construction equipment.
5. The contractor shall prepare a detailed construction plan identifying the schedule for noise-generating construction activities. The construction plan shall identify a procedure for coordination with the adjacent noise-sensitive residential uses so that construction activities can be scheduled to minimize noise disturbances.
6. Designate a “disturbance coordinator” who would be responsible for responding to any local complaints about construction noise. The disturbance coordinator will determine the cause of the noise complaint (e.g., starting too early, bad muffler, etc.) and will require that reasonable measures warranted to correct the problem be implemented. Conspicuously post a telephone number for the disturbance coordinator at the construction site and include it in the notice sent to neighbors regarding the construction schedule. (The City shall be responsible for designating a noise disturbance coordinator and the project sponsor shall be responsible for posting the phone number and providing construction schedule notices).
7. Noise-generating construction activities shall be limit to the hours of 7:00 a.m. to 6 p.m. Monday through Friday. No construction shall occur on weekends or public holidays.

Signature of Property Owner

Date

Solano Townhomes



500' conflict of interest map



CITY OF VALLEJO

POLICY
ITEM A
Agenda Item No.

COUNCIL COMMUNICATION

Date: October 21, 2008

TO: Mayor and Members of the City Council

FROM: Craig Whittom, Assistant City Manager/Community Development *CU*
Bob Adams, Development Services Manager *BA*
Don Hazen, Planning Manager *DH*
Melinda Nestlerode, Acting Housing and Community Development Mgr *MN*
Claudia Quintana, Assistant City Attorney *CQ*

SUBJECT: Consideration of an Interim Ordinance adopted as an Urgency Measure pursuant to Sections 200 and 312 of the Charter of the City of Vallejo, and California Government Code §65858, extending a Moratorium on the Conversion of Mobilehome Parks to Condominium Ownership until January 21, 2009.

BACKGROUND AND DISCUSSION

On November 27, 2007, the City Council adopted findings and approved an urgency ordinance extending for 10 months and 15 days the moratorium on mobilehome park conversions (Ord. 1597 N.C. 2d). The purpose of the moratorium was to enable staff to study the issue and prepare specific recommendations for amending the Zoning and/or Subdivision ordinance. The moratorium is due to expire on October 23, 2008, unless extended as provided by State law.

On November 27, 2007, staff prepared a workplan for soliciting public input and analyzing the mobilehome park conversion issue. Within the past five months staff has met with the Mobile home Park Task Force, held two public workshops, on July 16, 2008 and October 2, 2008, respectively, In addition, a public hearing was held on October 14, 2008 before the Mobile Home Rent Review Board (Resolution attached) The ordinance has been scheduled for first reading before the City Council on November 18, 2008. In order to assure that the Moratorium does not lapse, an additional extension to January 21, 2009 is necessary. There is currently one application for a park conversion that would be potentially affected by this moratorium. The applicant has been informed regarding the proposed extension to the ordinance. In addition, staff has provided a written report describing the measures taken to alleviate the condition, which led to adoption of the ordinance as required by California Government Code Section 65858 subsection 2(d).

Staff has determined that the same findings adopted by the City Council for granting the moratorium on November 27, 2007 are still valid for extending the moratorium an additional 90 days to, and including January 21, 2009. The moratorium and the anticipated regulatory ordinance are the most logical instruments that are available to the City, should the Council wish to clearly establish regulations, and to obtain some degree of control over the health and safety of the park residents and the public for this type of park conversion. 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.

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 \$30,150 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 applicant 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 and MHRRB 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.

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, the proposed ordinance articulates 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, the proposed ordinance provides 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.

An October 23, 2007 trial court decision in a Sonoma County case, *Sequoia Park Associates v. County of Sonoma*, upheld the county's right to have an ordinance regulating mobilehome park conversions by ensuring that they are bone fide tenant conversions. Although this trial court decision is certainly a good sign in terms of the defensibility of such an ordinance, it does not mean the end of the road, as the applicant in that case is likely to appeal.

Requirements for a Moratorium

In order to extend the moratorium, this Council needs to have sufficient facts regarding urgency so that the extension 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 extend the urgency ordinance which is attached to the staff report. In the event that Council finds insufficient facts regarding urgency, Council may decline to extend the moratorium.

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 extension does mitigate any damages a potential plaintiff might have, but it is not failsafe.

RECOMMENDATION

Staff recommends adoption of the attached urgency ordinance extending the moratorium on the conversion of mobile home parks to resident ownership to and including January 21, 2009,

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" – Proposed Ordinance

PREPARED BY/CONTACT:

Don Hazen, Planning Manager, (707) 648-4328,
dhazen@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 CITY COUNCIL OF THE CITY OF VALLEJO EXTENDING AND IMPOSING A TEMPORARY MORATORIUM ON THE CONVERSION OF MOBILEHOME PARKS TO RESIDENT OWNERSHIP FOR A PERIOD OF 90 DAYS, TO AND INCLUDING JANUARY 21, 2009

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 hearings on October 23, 2007 and on November 27, 2007; and

WHEREAS, On October 23, 2007, the City Council enacted Ordinance No. 1597 N.C. (2d) declaring a temporary 45-day moratorium on mobile home park conversions 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 Government Code Section 65858, and

WHEREAS, On November 27, 2008, the City Council enacted Ordinance No. 1599 N.C. (2d) extending and imposing a temporary moratorium on conversion of mobilehome parks to resident ownership for a period of 10 months and 15 days; and

WHEREAS, on October 21, 2008, the moratorium will expire. An extension is necessary to allow sufficient time for the public to review the proposed ordinance and to complete public review and schedule public hearings for adoption of the proposed ordinance; and

WHEREAS, On July 15, 2008 and October 2, 2008, the city held two public workshops to discuss the issues regarding mobile home park conversions and the proposed ordinance; and

WHEREAS, pursuant to Government Code section 65858 a city, including a charter city, to protect the public safety, health and welfare may extend 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, the City of Vallejo is a charter City and by virtue of Section 200 and 312 of the Chart of the City of Vallejo and Article XI of the California Constitution, the City of Vallejo may adopt any ordinance declared to be necessary as an emergency measure for preserving the public peace, health or safety and containing a statement of the reasons for its urgency,

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 90 days to and including January 21, 2009; and

WHEREAS, until 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 a proposed local zoning plan, local ordinances and the remainder of the Subdivision Map Act,

NOW, THEREFORE, The City 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. Sale of one condominium unit will result in the loss of rent control for all residents. Local experiences indicate that when local rent control is removed, rents are destabilized. Although state law provides some protection for some 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, specifically, ensuring that a mobilehome park conversion is, "bona fide". 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. This ordinance shall apply where such conversion involves an application for a change of use, an expansion of use, or an entitlement for use including subdivisions, use permits, variances and building permits as described in section 3 of this ordinance and in California Government Code section 65858 (c). An application for additional spaces in a mobilehome park shall be considered an expansion of use which may be in conflict with a zoning proposal that the legislative body, planning commission or the planning department is considering, studying, or intends to consider or study.

Section 3. The City Council of the City of Vallejo finds that there is a current and immediate threat to the public health, safety, or welfare, and that the approval of additional subdivisions, use permits, variances, building permits, or any other applicable entitlement for use which is required in order to comply with a zoning ordinance would result in that threat to public health, safety or welfare as described in section one.

Section 4. This ordinance shall not apply to applications for mobilehome conversions which have been deemed complete prior to the effective date of this ordinance.

Section 5. This ordinance shall apply to applications for mobilehome conversions which have not been deemed complete prior to the effective date of this ordinance. As to those applications which have been submitted but not deemed complete, staff is directed to

immediately apprise them of any new submittal requirements proposed under a new ordinance within a reasonable period of time after the effective date of this ordinance.

Section 6. 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 7. 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 made 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 8. 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 Vallejo Municipal Code, or any City ordinance, resolution, or policy, the provisions of this ordinance shall control.

Section 9. 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 10. 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 11. 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 12. Duration. This ordinance shall remain in effect for 90 days to and including January 21, 2009, 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 13. 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.

FIRST READ at a regular meeting of the Council of the City of Vallejo held on the of October 21, 2008, and finally passed and adopted at a regular meeting of the Council held the 21st day of October 21, 2008, by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

//s//

OSBY DAVIS, Mayor

ATTEST: //s//

MARY ELLSWORTH, Acting City Clerk