CITY OF DALY CITY

Regular Meeting - CITY COUNCIL

AGENDA

Monday, March 13, 2023 – 7:00 PM

City Hall Council Chambers – 2nd Floor
City Hall, 333 – 90th Street
Daly City, CA 94015

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Public Participation:

There are two ways to submit public comment: (1) submit written comments by meeting day, and (2) attend the meeting in person.

1. To submit a comment in writing, please visit www.dalycity.org/agendas and complete the Public Comment form. In the comment field box, include the item number and/or title of the item as well as your comments. Public Comments may also be emailed to cityclerk@dalycity.org by including "Public Comment" in the subject line. All written comments received by 4:00 pm on meeting day will be provided to the City Council prior to the meeting. Comments are not read aloud into the record.

   Please note: Any written comments received after 4:00 p.m. on the meeting date is not guaranteed to be received by the City Council prior to the meeting.

2. To speak at the meeting in person, please complete a Speaker Card located at the entrance to the Council Chambers and submit to a Staff Member as early in the meeting as possible.

Persons with disabilities who require auxiliary aids or services in attending or participating in this meeting should call the office of the City Clerk at 991-8078 as soon as possible.

CALL TO ORDER:

PLEDGE TO THE FLAG:

ROLL CALL:

PRESENTATIONS:

1. Fiscal Year End 2022 Review

AVAILABILITY OF PUBLIC RECORDS:

All public record to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the City Clerk's Office, City Hall located at 333 90th Street, Daly City, CA during normal business hours, at the same time that the public records are distributed or made available to the legislative body.

APPROVAL OF MINUTES:

2. Regular Meeting of February 27, 2023

APPROVAL OF AGENDA:

PUBLIC APPEARANCES/ORAL COMMUNICATIONS:

NOTE: Speakers are limited to two minutes, unless modified by the Mayor.
The Council cannot take action on any matter raised under this item.

CONSENT AGENDA

All items listed on the Consent Agenda are considered to be routine and may be approved by one roll call vote of the City Council. There shall be no separate discussion of the matters on the Consent Agenda unless requested by a member of the City Council. If discussion is required, that item will be removed from the Consent Agenda and will be considered separately at the end of the Agenda.

Resolutions:

3. Accept and Appropriate Funds from the County of San Mateo for Summer Enrichment Programs

4. Accept and Appropriate a Senior Nutrition Infrastructure Grant from San Mateo County Health Aging and Adult Services for the Congregate Nutrition Program Locations

5. Exclusive Negotiating Agreement (ENA) between the City of Daly City and JM McLennan Development for Property at 1837 Junipero Serra Boulevard Daly City California

6. Accept Fiscal Year 2023 Mid-Year Budget Adjustments

7. Notice of Completion for the Mussel Rock 2019 Gabion Wall and Stormwater Project

8. Notice of Completion for the 2019 Daly City Street Resurfacing and Slurry Seal Project

END OF CONSENT AGENDA

PUBLIC HEARINGS:

9. Public Hearing on Removal of Commercial Vehicle Parking on the East Side of Bayshore Boulevard

STAFF: Richard Chiu, Jr.

RECOMMENDATION: Open/Close Hearing
Adopt Resolution by Roll Call Vote

APPOINTMENTS: Board/Commission Membership Committee Appointments

REPORTS:

10. Council Committee

    a. Development Committee Meeting

    b. CDBG Advisory Committee Meeting

    c. Design Review Committee Meeting, St. Francis Square

    d. Affordable Housing Committee Meeting

11. City Council

12. Staff

ADJOURNMENT:

CITY OF DALY CITY
MINUTES – REGULAR MEETING – CITY COUNCIL
FEBRUARY 27, 2023

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The meeting was called to order by Mayor Buenaventura at 7:00 P.M.

ROLL CALL: Councilmembers Present:
Raymond A. Buenaventura, Mayor
Juslyn C. Manalo, Vice Mayor
Roderick Daus-Magbual
Pamela DiGiovanni
Glenn R. Sylvester

Staff Present:
Thomas Piccolotti, City Manager
Rose L. Zimmerman, City Attorney
K. Annette Hipona, City Clerk

PRESENTATIONS:

Commendation - San Mateo County Poet Laureate
(Jorge Argueta from Daly City)

Presentation on New Commercial - Mixed Use (C-MU) for Mission Street and Geneva Avenue
(Bruce Brubaker, PlaceWorks, City Consultant)

APPROVAL OF MINUTES:

Regular Meeting of February 13, 2023

It was moved by Vice Mayor Manalo, seconded by Councilmember Daus-Magbual and carried to approve the minutes of February 13, 2023.

APPROVAL OF AGENDA:

It was moved by Vice Mayor Manalo, seconded by Councilmember Daus-Magbual and carried to approve the agenda.

PUBLIC APPEARANCES:

Laura Baldwin, resident, expressed concern with safety issues due to streetlights being out for three months in the Westlake division. Laura has reached out to the City Council and the City Manager's Office to find out information on the status of the lights and urged for safety to come back to the Olympic section of Westlake.

Director of Public Works Richard Chiu provided an update on streetlight outages including the status on required equipment yet to be inspected by PG&E. Mr. Chiu provided an update of when inspection is to be expected and reported on PG&E's priority to respond to home power outages. City staff do not have the ability to work on PG&E equipment but continue to dialogue with PG&E and residents.

Note on Public Comments: *For this meeting, members of the Council and the public had the option of attending in person or submitting public comments via email to the City Clerk's Office prior to the public meeting. Persons with disabilities who require auxiliary aids or services in attending or participating in this meeting were instructed to call the office of the City Clerk at 991-8078 prior to the meeting.*

CONSENT AGENDA:

It was moved by Vice Mayor Manalo, seconded by Councilmember DiGiovanni and carried to approve the consent agenda with the exception of items # 6, 8 and 9, which were pulled for further discussion.

Communications:

Accept 2022 Qtr 4 Investment Report

Accept Fiscal Year 2022 Annual Comprehensive Financial Report

Resolutions:

Accept Proposed Title Changes of Administrative Secretary to Executive Administrative Assistant and Legal Secretary to Executive Legal Office Assistant

Director of Human Resources Natalie Sakkal requested acceptance of the proposed title changes in order for the City to be more consistent with industry standards and better reflect the duties of the positions. Councilmember DiGiovanni had questions on the proposed title changes and industry standards, whether there will be differences in duties and salaries, whether there was more than one candidate who applied for the position of Executive Administrative Assistant, process for selection, and when the titles go into effect.

It was moved by Councilmember Sylvester, seconded by Vice Mayor Manalo and carried by the following roll call vote to adopt the resolution.

Ayes: Daus-Magbual, Manalo, Sylvester, Buenaventura
Noes: None
Abstained: DiGiovanni

Resolution 23-33, Approving Title Change From Administrative Secretary To Executive Administrative Assistant And Legal Secretary To Executive Legal Office Assistant

Adopt Resolution of Annual Delegation of Authority to City Treasurer to Invest City Funds

Resolution 23-34, Renewing Delegation Of Investment Authority To The City Treasurer

Accept Board of State and Community Corrections (BSCC) Officer Wellness and Mental Health Grant Funds for Officer Wellness and Mental Health Resources

Acting Chief of Police Cameron Christensen provided the staff report to accept and appropriate the subject grant funds totaling $63,889.52, which will be used towards improving officer wellness and mental health resources.

It was moved by Councilmember Sylvester, seconded by Vice Mayor Manalo and carried by voice vote to adopt the following resolution:

Resolution 23-35, Accepting And Appropriating Award Funds From The Board Of State And Community Corrections Officer Wellness And Mental Health Grant Funds

Accept $450,000 in One Bay Area Grant 2 Funds and Authorize the City Manager to Execute the Program Supplement for the Southgate Avenue and School Street Safety Improvements Project

Director Chiu provided the staff report for the subject grand funds totaling $450,000 and addressed questions on an estimated completion date, whether there was outreach to stakeholders, and the types of improvements to be done.

It was moved by Councilmember Daus-Magbual, seconded by Vice Mayor Manalo and carried by voice vote to adopt the following resolution:

Resolution 23-36, Accepting $450,000 In One Bay Area Grant 2 Funds And Authorizing The Program Supplement For The Southgate Avenue And School Street Safety Improvements Project

Authorize the City Manager to Execute Amendment No. 3 to the Professional Services Agreement for the Mussel Rock 2019 Gabion Wall and Stormwater Maintenance Project

Resolution 23-37, Authorizing Amendment #3 Of Professional Services Agreement With 4Leaf, Inc., For Additional Construction Management And Support Services For The Mussel Rock 2019 Gabion Wall And Stormwater Maintenance Project

Authorize Staff to Submit a Grant Application to City/County Association of Governments of San Mateo County and San Mateo County Transportation Authority for the FY 2023/2024 and FY 2024/2025 San Mateo County Shuttle Program

Resolution 23-38, Supporting The Bayshore Shuttle Project And Submitting An Application For San Mateo County Shuttle Program Funding For The Bayshore Shuttle Project

END OF CONSENT AGENDA

RESOLUTIONS:

Consider partnership with the San Francisco Host Lions Club Districtwide "Strides for Diabetes Awareness Walk" at Gellert Park

Assistant to the City Manager Leilani Ramos requested consideration of partnership with the San Francisco Host Lions Club for the subject event and consideration to waive the associated Gellert Park rental fee for said event.

Reverend Leonard Oakes, on behalf of the Lions Club, thanked the Council for participating and partnering with the Lions to deliver services to the community and acknowledged Region Chair Sharon Evanhart and Lion August Valera. Reverend Oakes invited all to the April 22 walk event which will bring awareness of and education in managing diabetes.

It was moved by Councilmember DiGiovanni, seconded by Vice Mayor Manalo and carried by unanimous roll call vote to adopt the following resolution, as amended:

Resolution 23-39, Approving A Partnership With The San Francisco Host Lions Club Districtwide "Strides For Diabetes Awareness Walk" At Gellert Park

APPOINTMENTS:

Appoint Director of the Bay Area Water Supply and Conservation Agency (BAWSCA) and the Regional Finance Authority (RFA)

Assistant to the City Manager Ramos provided the staff report and requested an appointment of a member to serve a four-year term as Director of the BAWSCA and the RFA ending June 2027.

It was moved by Mayor Buenaventura and seconded by Councilmember Daus-Magbual to re-appoint Vice Mayor Manalo as Director of the BAWSCA and RFA. Staff addressed questions on how a member of the public can apply for the seat, whether there is a stipend for the position, and whether the position can be advertised to the public in the future. The motion carried by unanimous roll call to adopt the following resolution:

Resolution 23-40, Appointing Director To The Bay Area Water Supply And Conservation Agency And Regional Finance Authority

Vice Mayor Manalo thanked the Council for giving her the opportunity to serve on the agency which advocates for the fairness in water rates across the region.

REPORTS:

City Council

Vice Mayor Manalo thanked the Recreation staff for the Black History Month Event at City Hall and acknowledged Opal Fuller and Chela Anderson for their parts in honoring local heroes in the black community. Vice Mayor Manalo attended the Here I Am: San Mateo Communities United Against Antisemitism campaign with the Jewish Community Relations Council; it was attended by Congressman Mullen, Assemblymember Berman, Mayor Froomin, Mayor Lee, Mayor Mates, Reverend Denham, Reverend Cronin and Ronald C. Wornick Jewish Day School students. Vice Mayor Manalo attended an event honoring Poet Laureate Argueta at the library along with Supervisor Canepa and Consul General of El Salvador Ana. Supervisor Canepa held an event in South San Francisco where representatives from the Filipino Mental Health Initiative and the San Mateo Behavioral Department came to speak about accessing resources for mental health and information on the ongoing free youth mental health training.

Councilmember DiGiovanni acknowledged Chela Anderson and Leslie DuBridge for their efforts during the Black History Month Event held at Daly City City Hall. Councilmember DiGiovanni reported on an upcoming event to combat antisemitism and reported attendance at the Airport Land-use Committee in which cities looked at different types of economic opportunities including life sciences developments.

ADJOURNMENT:

Mayor Buenaventura adjourned the meeting at 8:50 PM in memory of Mario R. Duarte.

Approved as submitted, this 13th day of March, 2023.

____
City Clerk

Raymond A. Buenaventura
Mayor

City Council Agenda Report

Item # _____

Meeting Date: March 13, 2023

Subject: Accepting and Appropriating Funding from the County of San Mateo for Summer Enrichment Programs

Recommended Action

It is recommended City Council accept and appropriate funding in the amount of $110,000 from the County of San Mateo to use towards scholarships and added enrichment for the Summer Youth Recreation Program.

Background

San Mateo County approved funds to create the Summer 2023 Enrichment Program. Enrichment Programs focus on developing the academic, social, emotional, and physical needs and interests of students through hands-on, engaging learning experiences. Such programs introduce students to learning opportunities and materials, encouraging them to develop new interests and build new skills.

This scholarship program is meant to expand access to summer enrichment programs for low-income and vulnerable students; support the social-emotional well-being of students to mitigate the setbacks and hardships associated with COVID-19; and provide opportunities for students to re-inspire and propel learning to counterbalance learning loss attributed to the COVID-19 pandemic and distance learning

The contracted deliverables, providing up to $50,000 to be used to provide scholarship awards to Summer Youth Recreation Program participants, that meet criteria established by the county, assisting working families in providing a safe and fun program for their children. Another $50,000 will be used to enhance the Summer Youth Recreation Program which will be offered at Westlake Park, Gellert Park, Marchbank Park, and the Bayshore Community Center. These enhancements may include providing Aftercare (extended hours) for sites, additional snacks and meals for participants, or additional enrichment activities that would not be offered without the grant. The last $10,000 will be utilized for enrichment opportunities for teens enrolled in our Teen Internship Program, Volunteen Leadership Program, and Teen Open Gym.

Fiscal Impact

The City will receive $110,000 grant funding to support scholarships and added enrichment to summer programs. The revenue of $100,000 would be received into account 01-131-142-3661 and expended out of the 01-131-142-4234. The revenue of $10,000 would be received into account 01-131-151-3661 and expended out of the 01-131-151-4234.

Summary/Conclusions

Staff is available to provide any additional information desired by the Mayor or City Council.

Respectfully submitted,

Denise Brown

Edgardo Bolanos
Administrative Assistant II
Department of Recreation Services

Denise Brown
Recreation Services Manager
Department of Recreation Services

City Council Agenda Report

Item # _____

Meeting Date: March 13, 2023

Subject: Accepting and Appropriating a Senior Nutrition Infrastructure Grant from San Mateo County Health Aging and Adult Services for the Congregate Nutrition Program Locations

Recommended Action

It is recommended City Council accept and appropriate a $109,169.57 grant from San Mateo County Health Aging and Adult Services to provide equipment and logistic configurations to the Congregate Nutrition Program locations at the Doelger Senior Center, Lincoln Park Community Center, Bayshore Community Center and Gellert Park Clubhouse (effective July 2023).

Background

The Active Adult and Senior Services Unit has managed the County of San Mateo Aging and Adult Services Congregate Nutrition Program's grant for senior meals and nutrition education for more than 20 years. The goal of the Congregate Nutrition Program is to promote better physical and mental health for older adults and adults with disabilities. The program goal is met by providing nutritious meals and activities that encourage socialization. Participation in the Congregate Nutrition Program is consistent with the mission of Daly City's Active Adult and Senior Services Unit. On average approximately 51,000 meals are served per year at the Doelger Senior Center and were served, Monday through Friday, 12:00 - 1:00 p.m., at both the Café Doelger and the Lincoln Park Community Center. This fiscal year 2022-23 we have served meals at the Doelger Senior Center, Lincoln Park Community Center and the Bayshore Community Center (as of August 2022). We will be adding the Gellert Park Clubhouse in July 2023, providing meals twice a week.

To expand our capacity at our senior lunch program locations and provide the best quality and service to our patrons, he Senior Nutrition Infrastructure Grant will supply the senior lunch program locations with the following types of equipment: Reach-in refrigeration, countertop steamers, cart cabinets, mixers, braising pans, drawer warmers, food processors, griddles, menu boards, microwaves and steel worktables.

Fiscal Impact

The cost the City will initially incur would be for the equipment and supplies needed, with San Mateo County Health Aging and Adult Services reimbursing the City monthly as the costs are incurred. The grant revenue of $109,169.57 would be received into Account 01-131-463-3603 and expenditures would be made from Account 01-131-463-4234.

Summary/Conclusions

Staff is available to provide any additional information desired by the Mayor or City Council.

Respectfully submitted,

Jennifer Der
Senior Recreation Services Supervisor
Department of Recreation Services

Denise Brown
Recreation Services Manager
Department of Recreation Services

City Council Meeting Agenda Report

Item # _____

Meeting Date: March 13, 2023

Subject: Exclusive Negotiating Agreement (ENA) between the City of Daly City and JM McLennan Development for Property at 1837 Junipero Serra Boulevard Daly City California

Recommendation

Approve an Exclusive Negotiating Agreement (ENA) between the City of Daly City and JM McLennan Development and authorize the City Manager or his designee to execute said Agreement.

Background

After the release of an RFP and an extensive review and interview process, the City Council selected JM McLennan as the preferred developer for City-owned property at 1837 Junipero Serra Boulevard at their regular meeting on October 24, 2022 meeting.

Discussion

The JM McLennan Development proposal reflects a mixed-use hotel/residential concept, including 180 hotel rooms, 40 studios for flexible use (short-term rentals, extended stay, or apartments), ten top floor condominium units, a 30,000 square foot conference center, and a 30,000 square foot athletic club.

The ENA (attached) specifies particular tasks that the developer will complete during the agreement period. The ENA further establishes a ten-month term to complete the negotiations, project design, and preparation of a Disposition and Development Agreement with the option to extend an additional six months. The developer will provide a deposit of $250,000 that could be used to offset costs related to legal fees and consulting fees that the City incurs as part of this project.

The ENA itself does not commit the City to selling or the developer to buying the property. It is a contract whereby the City and Developer agree to negotiate in *good faith* during the term of the ENA to prepare a Disposition and Development Agreement (DDA) for future consideration by the City Council.

Conclusion

Staff recommends that the City Council approve the attached Draft Exclusive Negotiating Agreement and authorize the City Manager or his designee to execute said agreement.

Respectfully submitted,

Tatum Mothershead
Director, Economic and Community Development

Rose Zimmerman
City Attorney

<u>Attachment</u>

Draft Exclusive Negotiating Rights Agreement

EXCLUSIVE NEGOTIATING RIGHTS AGREEMENT

THIS EXCLUSIVE NEGOTIATING RIGHTS AGREEMENT (this "**Agreement**") is entered into effective as of _____________, 20__ ("**Effective Date**") by and between the City of **____________**, a municipal corporation **("City")** and JM McLennan Development (Partnership/LLC) ("**Developer**"). City and Developer are hereinafter referred to collectively as the "**Parties**."

RECITALS

A. The former Daly City Redevelopment Agency ("Dissolved Redevelopment Agency") owned that certain property located at 1837 Junipero Serra Blvd., Daly City, California, as more fully described and mapped in the attached Exhibit A (the **"Property"**) prior to dissolution of the Dissolved Redevelopment Agency pursuant to California law.

B. The Dissolved Redevelopment Agency acquired the Property to assist in the redevelopment of the Property consistent with the goals and objective of the Junipero Serra Redevelopment Plan (the "Redevelopment Plan"), which goals and objectives include the alleviation of blighting conditions and the stimulation of development in the former Daly City Redevelopment Project Area (the "Project Area").

C. In accordance with Health and Safety Code Section 34191.5 the Successor Agency prepared a Long-Range Property Management Plan (the "LRPMP") which LRPMP was approved by the Oversight Board to the Successor Agency and the California Department of Finance.

D. The LRPMP designates the Property to be transferred to the City for future development.

E. The City is the owner of the Property as more particularly described in Exhibit A.

F. The City has solicited and evaluated development proposals for the Property, and based upon such evaluation, has selected Developer as the entity with which to enter exclusive negotiations for redevelopment of the Property.

G. Developer has proposed developing the Property with a Mixed Use Development project described in Exhibit "B" (the "**Project**").

H. The purpose of this Agreement is to establish the procedures and standards for the negotiation of a potential disposition and development agreement **("DDA")** that would address: (i) the disposition of the Property from the City to Developer, and (ii) Developer's development of the Project on the Property. As more fully set forth below, this Agreement does not obligate the City to execute a DDA or convey the Property, or any portion thereof, to Developer, nor does it grant Developer the right to develop the Project on the Property.

I. The Property is identified as the Hotel Parcel in Phase II of Planned Development 54 (PD-54). The zoning allows for a 300-room hotel with up to 210,000 gross square feet of hotel space, 25,000 square feet of meeting/banquet space, in a building with a maximum height of 110 feet.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Incorporation of Recitals. The Recitals set forth above, and all defined terms set forth in such Recitals and in the introductory paragraph preceding the Recitals, are hereby incorporated into this Agreement as though set forth in full.

2. Good Faith Efforts to Negotiate. The Parties shall use their best efforts to negotiate a DDA that will describe the terms and conditions governing the conveyance of the Property and the development of the Project on the Property. The Parties shall diligently and in good faith pursue such negotiations. This Agreement does not impose a binding obligation on City to convey any portion of, or interest in, the Property to Developer, nor does it obligate City to grant any approvals or authorizations required for the Project (including the DDA). Without limiting the generality of the foregoing, Developer expressly acknowledges that any agreement resulting from the negotiations contemplated hereby shall become effective only if the agreement is approved by the City Council following compliance with all applicable notice and hearing requirements and compliance with all other requirements of law, including without limitation the California Environmental Quality Act ("**CEQA**").

3. Developer's Exclusive Right to Negotiate With City. City agrees that it will not, during the term of this Agreement (**"Term")**, directly or indirectly, through any officer, employee, agent, or otherwise, solicit, initiate or encourage the submission of bids, offers or proposals by any person or entity with respect to the acquisition of any interest in the Property or the development of the Property, and City shall not engage any broker, financial adviser or consultant to initiate or encourage proposals or offers from other parties with respect to the disposition or development of the Property or any portion thereof. Furthermore, City shall not, directly, or indirectly, through any officer, employee, agent or otherwise, engage in negotiations concerning any such transaction with, or provide information to, any person other than Developer and its representatives with a view to engaging, or preparing to engage, that person with respect to the disposition or development of the Property or any portion thereof.

4. Term. The Term shall commence on the Effective Date and shall terminate Ten (10) months thereafter, unless extended or earlier terminated as provided herein. The Term may be extended for up to a maximum of six (6 additional months upon the mutual written agreement of Developer and City or upon approval of the City Manager if the City Manager determines in his sole discretion that the Parties have made substantial progress in their negotiations to merit such

extension. The Parties may, with City Council approval, agree to additional extensions. If a DDA has not been executed by the City and Developer (or an entity related to Developer and approved by the City) by the expiration of the Term (as the Term may have been extended pursuant to this Section), then this Agreement shall terminate, and neither Party shall have any further rights or obligations under this Agreement except such rights and obligations that expressly survive termination.

5. Good Faith Deposit. In consideration for this Agreement, Developer has, prior to City's execution of this Agreement, provided to City a cash deposit in the amount of Two-Hundred Fifty Thousand Dollars ($250,000) (the "**Good Faith Deposit**"). During the Term, City shall invest the Good Faith Deposit for purposes of earning interest thereon. If the Parties enter a DDA, the Good Faith Deposit shall be disposed of as specified in the DDA. If this Agreement is terminated without execution of a DDA for any reason, other than an Event of a Default (as hereinafter defined) by Developer, then the Good Faith Deposit and any interest earned thereon, less any amounts expended to reimburse City for City Costs as provided in Section 6 below, shall be refunded promptly to Developer. If this Agreement is terminated as a result of an Event of Default, then the Good Faith Deposit and any interest earned thereon shall be disposed of as more fully provided in Section 12.4. If at any time prior to the Parties entering into a DDA, City Costs (as defined in Section 6) are incurred in an aggregate amount that equals or exceeds the amount of the original Good Faith Deposit, the Developer shall replenish the Good Faith Deposit in increments of Ten Thousand Dollars ($10,000) each upon the written request of the City, subject to a maximum amount of expenses to be reimbursed of Forty Thousand Dollars ($40,000).

6. Costs and Expenses. The Good Faith Deposit may be used to cover consulting costs and legal fees reasonably incurred in accordance with this Agreement for the development of Property. (collectively, "**City Costs**"). City shall notify Developer monthly in writing of the amount drawn by City to pay City Costs. The notice shall include copies of all invoices paid from the Good Faith Deposit.

7. Termination.

7.1 Termination by Agreement. This Agreement may be terminated at any time by the mutual written consent of the Parties. In the event of such termination, subject to Section 7.4, the remaining Good Faith Deposit shall be repaid to Developer neither Party shall have any further rights against or liability to the other under this Agreement.

7.2 Termination by City for Cause. City shall have the right to terminate this Agreement upon City's good faith reasonable determination that Developer is not negotiating diligently and in good faith, which shall be the tasks described under the schedule of performance set forth in Exhibit "B" City shall exercise such right by delivering not less than ten (10) business days' advance written notice to Developer describing the nature of Developer's default and the termination date. If Developer does not commence to cure the default and resume negotiations in good faith within such ten (10) business day period, City may terminate this Agreement effective as of the termination date stated in the notice. In the event of termination by the City pursuant to this Section 7.2, subject to Section 7.4, the remaining Good

Faith Deposit and any interest earned thereon shall be repaid to Developer and neither Party shall have any further rights against or liability to the other under this Agreement.

7.3 Termination by Developer. Developer shall have the right to terminate this Agreement upon Developer's good faith reasonable determination that City is not negotiating diligently and in good faith. Developer shall exercise such right by delivering not less than ten (10) business days' advance written notice to City describing the nature of City's default and the termination date. If City does not commence to cure the default and resume negotiations in good faith within such ten (10) business day period, Developer may terminate this Agreement effective as of the termination date stated in the notice. In addition, Developer shall have the right to terminate this Agreement, effective upon ten (10) days' written notice to City, if Developer determines, in the exercise of Developer's sole discretion, that the results of Developer's investigation of the Property are unsatisfactory with respect to Developer's desired development activities or if Developer is unable to obtain other necessary approvals, rights or interests. In the event of termination by the Developer pursuant to this Section 7.3, the remaining Good Faith Deposit and any interest earned thereon shall promptly be repaid to Developer and subject to Section 7.4, neither Party shall have any further rights against or liability to the other under this Agreement.

7.4 Effect of Termination. Upon the expiration of the Term as such may be extended, or upon the earlier termination of this Agreement, without the Parties having successfully negotiated and executed a DDA, this Agreement shall forthwith be void, and there shall be no further liability or obligation on the part of either of the Parties or their respective officers, employees, agents or other representatives; provided however, the provisions of Section 9.1 (Studies), Section 9.2(Access; Indemnity), Section 10 (Confidentiality), Section 12.4 (Liquidated Damages), and Section 14.7 (Indemnification) shall survive such termination. In no event shall either Party have the right to seek an award of damages as a result of the termination of this Agreement.

8. Compliance with CEQA. The Parties acknowledge that the Project description set forth in this Agreement is preliminary in nature and shall be described in further detail in the DDA to be negotiated during the Term. The Parties acknowledge that development of the Property for the Project will require the grant of discretionary land use entitlements subject to the City's normal review and approval process, that the Project must comply with CEQA, and that nothing in this Agreement is intended to or shall be interpreted as the grant of any approvals for development of the Project or the Property, or the modification or waiver of any City procedures or requirements. Without limiting the foregoing, the Parties acknowledge that the City retains discretion to (i) modify the Project as City may, in its discretion, determine to be necessary to comply with CEQA, (ii) select other feasible alternative and/or impose mitigation measures to avoid or minimize significant environmental impacts; (iii) balance the benefits of the Project against any significant environmental impacts prior to taking final action, if such impacts cannot otherwise be avoided; and/or (iv) determine not to proceed with the Project.

The Parties acknowledge that nothing in this Agreement shall be deemed a commitment by the City or Developer to enter into an agreement for conveyance or acquisition respectively of any interest in the Property or for the development of the Project. In addition, the Parties acknowledge that the final form of any agreement governing the development of the Property may contain matters not covered in this Agreement, and the provisions herein are not intended to exclude or preclude any other issues that may arise during negotiations.

Developer acknowledges that the Project must be evaluated under CEQA prior to City's approval of the DDA. If City determines that CEQA compliance requires preparation of an Environmental Impact Report ("EIR") for the Project, then provided this Agreement has not been terminated pursuant to and in accordance with Article 7 hereof i) City and Developer will select the consultant for preparation of the EIR; and ii) Developer will pay City's costs for environmental review, including the cost of City's EIR consultant. Developer's obligation to pay such costs shall be in addition to Developer's obligation to pay City expenses pursuant to Section 6.

9. Developer's Studies; Right of Access.

9.1 Developer's Studies. During the Term of this Agreement, Developer may prepare, at Developer's sole expense, any studies, surveys, plans, specifications, and reports ("**Developer's Studies**") Developer deems necessary or desirable in Developer's sole discretion, to determine the suitability of the Property for the Project. Such studies may include, without limitation, title investigation, relocation analyses, marketing, feasibility, soils, seismic and environmental studies, financial feasibility analyses, and design studies. All this information will be submitted as part of CEQA compliance. Developer shall not be obligated to provide proprietary or financial information. . Developer's obligation to provide reports and studies pursuant to this Section 9.1 shall survive the expiration or earlier termination of this Agreement. Upon the expiration of the Term as such may be extended, or upon the earlier termination of this Agreement, without the Parties having successfully negotiated and executed a DDA.

9.2 Right of Access. Developer shall have the right of reasonable access to the Property for the purposes of inspection, environmental assessments, soils testing, and similar work. Developer shall be responsible for obtaining any additional rights of access to the Property from third parties that may be necessary to prepare Developer's Studies. The City may impose reasonable limitations on access to the Property and may require Developer to provide City with proof of insurance in compliance with City's requirements prior to performance of studies on the Property. City's advance written approval from the Director of Economic and Community Developer, which shall not be unreasonably withheld, conditioned, or delayed, shall be required for any invasive testing. Developer agrees that unless City agrees otherwise in writing, Developer shall repair, restore, and return the Property and all improvements located thereon substantially similar to their condition immediately prior to any such testing at Developer's sole cost and expense. Developer shall at all times keep the Property free and clear of all liens and encumbrances related to Developer's inspection activities on the Property. .

Developer shall indemnify, defend, and hold the City and its elected and appointed officers, officials, employees, consultants, agents and representatives (collectively, the **"Indemnitees")** harmless from and against all liability, loss, cost, claim, demand, action, suit, legal or administrative proceeding, penalty, deficiency, fine, damage and expense (including without limitation reasonable attorney's fees and of litigation) (all of the foregoing, collectively "**Claims"**) arising out of Developer's and Developer's agents, employees, consultants, representatives and contractor's entry on the Property or otherwise arising out of the exercise of this right of access, provided that Developer shall have no obligation related to Claims resulting from the Indemnitees' gross negligence or willful misconduct, or Developer's mere discovery of information regarding the Property. Developer's defense and indemnity obligations pursuant to this Section 9.2 shall survive the expiration or earlier termination of this Agreement.

10. Confidentiality of Information. While desiring to preserve its rights with respect to treatment of certain information on a confidential or proprietary basis, Developer acknowledges that City will need sufficient, detailed information about the proposed Project to make informed decisions about the content and approval of the DDA. City will work with Developer to maintain the confidentiality of proprietary information subject to the requirements imposed on City by the Public Records Act (Government Code Section 6250 *et seq*.). Developer acknowledges that City may share information provided by Developer of a financial and potential proprietary nature with third party consultants who have been contractually engaged to advise City concerning matters related to this Agreement and/or the DDA and to City Council members as part of the negotiation and decision-making process. City shall inform third party consultants of the confidential nature of such financial and potential proprietary information. If this Agreement is terminated without the execution of a DDA, City shall return to Developer any confidential information submitted by Developer under this Agreement. If any litigation is filed seeking to make public any information Developer submitted to City in confidence, City and Developer shall cooperate in defending the litigation if Developer elects not to make public the information in question.

11. Execution of Definitive Agreement. The City shall have no legal obligation to grant any approvals or authorizations for the Project prior to City Council approval of the Project and related agreements following compliance with CEQA and all other applicable requirements of law.

12. Defaults and Remedies.

12.1 Default. In the event either Party breaches its obligations under this Agreement, the non-defaulting Party shall give written notice of a default to the defaulting Party specifying the nature of the default and the required action to cure the default. If a default remains uncured ten (10) days after receipt by the defaulting Party of such notice, the non-defaulting Party may exercise the remedies set forth in Subsections 12.2, 12.3, and 12.4 below, as applicable.

12.2 Remedies for City Default. In the event of an uncured default by City hereunder, Developer's sole remedy shall be to terminate this Agreement upon which termination, Developer shall be entitled to repayment of the remaining Good Faith Deposit and any interest earned thereon, as further provided in Section 5 and neither Party shall have any further right, remedy or obligation under this Agreement; provided however, any obligation under a specific provision of this Agreement for a Party to pay or reimburse the other Party for a cost or to provide indemnity and defense shall survive such termination. Except as expressly provided herein, neither Party shall have any liability to the other for damages or otherwise for any default, nor shall either Party have any other claims with respect to performance under this

Agreement. Each Party specifically waives and releases any such rights or claims they may otherwise have at law or in equity.

12.3 Remedies for Developer Default. In the event of an uncured default by Developer, City's sole remedy shall be to terminate this Agreement and to retain the Good Faith Deposit and any interest earned thereon as further set forth in Subsection 12.4 below. Following such termination, neither Party shall have any right, remedy, or obligation under this Agreement; provided however, any obligation under a specific provision of this Agreement for a Party to pay or reimburse the other Party for a cost or to provide indemnity and defense shall survive such termination.

12.4 Liquidated Damages. IN THE EVENT OF TERMINATION DUE TO DEVELOPER'S DEFAULT AS DESCRIBED IN THIS SECTION 12 ABOVE, THE GOOD FAITH DEPOSIT (OR AS APPLICABLE, SUCH PORTION THEREOF WHICH HAS NOT BE DRAWN AGAINST BY THE CITY FOR CITY COSTS) MAY BE RETAINED BY CITY AS LIQUIDATED DAMAGES AND AS ITS PROPERTY WITHOUT ANY DEDUCTION, OFFSET OR RECOUPMENT WHATSOEVER. THE PARTIES AGREE THAT THE DAMAGES SUFFERED BY CITY BY REASON OF A DEVELOPER DEFAULT WOULD BE UNCERTAIN AND THAT SUCH DAMAGES WOULD INVOLVE SUCH VARIABLE FACTORS AS THE CONSIDERATION THAT ANOTHER DEVELOPER WOULD PAY FOR THE PROPERTY; THE EXPENSES OF CONTINUING THE OWNERSHIP AND CONTROL OF THE PROPERTY AND OF IDENTIFYING OTHER INTERESTED PARTIES AND NEGOTIATING WITH SUCH PARTIES; POSTPONEMENT OF TAX REVENUES TO THE COMMUNITY; AND THE FAILURE OF CITY TO EFFECT ITS PURPOSES AND OBJECTIVES WITHIN A REASONABLE TIME, RESULTING IN ADDITIONAL IMMEASURABLE DAMAGE AND LOSS TO CITY. IT IS IMPRACTICABLE AND EXTREMELY DIFFICULT TO FIX THE AMOUNT OF SUCH DAMAGES TO CITY, BUT THE PARTIES ARE OF THE OPINION, UPON THE BASIS OF ALL INFORMATION AVAILABLE TO THEM, THAT SUCH DAMAGES WOULD APPROXIMATELY EQUAL THE AMOUNT OF THE GOOD FAITH DEPOSIT HELD BY CITY AT THE TIME OF THE DEFAULT OF DEVELOPER, AND THE AMOUNT OF SUCH GOOD FAITH DEPOSIT SHALL BE PAID TO CITY UPON ANY SUCH OCCURRENCE AS THE TOTAL OF ALL LIQUIDATED DAMAGES FOR ANY AND ALL SUCH DEFAULTS AND NOT AS A PENALTY. IN THE EVENT THAT THIS PARAGRAPH SHOULD BE HELD TO BE VOID FOR ANY REASON, CITY SHALL BE ENTITLED TO THE FULL EXTENT OF DAMAGES OTHERWISE PROVIDED BY LAW. DEVELOPER AND CITY SPECIFICALLY ACKNOWLEDGE THIS LIQUIDATED DAMAGES PROVISION BY THEIR SIGNATURES HERE:

City: _______________ Developer:________________

13. City Rights Following Expiration or Termination. Following expiration or termination of this Agreement, unless a DDA is executed by the Parties, City shall have the absolute right to pursue disposition and development of the Property in any manner and with any party or parties it deems appropriate; provided, however, nothing herein shall be deemed to preclude or disqualify Developer from responding to future requests for qualifications and/or proposals, if any, that City may publicly issue to qualified firms with respect to development of the Property.

14. Miscellaneous.

14.1 Assignment. The qualifications and identity of Developer are of concern to City. It is because of those unique qualifications and identity that City has entered into this Agreement with Developer. Accordingly, except as provided below, Developer may not assign its rights under this Agreement to any other person or entity, without the prior written approval of City. Any purported voluntary or involuntary assignment of Developer's exclusive negotiation rights without such City written approval shall be null and void. Notwithstanding the foregoing, Developer may assign its rights under this Agreement to a limited liability company or partnership in which Developer or an affiliated entity: (a) is a managing member or general partner; (b) is responsible for managing the day-to-day entitlement and development activities of such entity; and (c) has a controlling interest in such entity.

14.2 Notices. Except as otherwise specified in this Agreement, all notices to be sent pursuant to this Agreement shall be made in writing and sent to the Parties at their respective addresses specified below or to such other address as a Party may designate by written notice delivered to the other parties in accordance with this Section. All such notices shall be sent by: (i) personal delivery, in which case notice is effective upon delivery; (ii) certified or registered mail, return receipt requested, in which case notice shall be deemed delivered on receipt if delivery is confirmed by a return receipt; or (iii) nationally recognized overnight courier, with charges prepaid or charged to the sender's account, in which case notice is effective on delivery if delivery is confirmed by the delivery service.

City: City of Daly City
Attn: Director of Economic and Community Development
333 90th Street
Daly City, CA 94015

Copy: City of Daly City
Attn: City Attorney
333 90th Street, Third Floor
Daly City, CA 94105

Developer: Bob Mclennan
**** Address**

14.3 No Commissions. Each Party represents and warrants that it has not entered into any agreement, and has no obligation, to pay any real estate commission in connection with the transaction contemplated by this Agreement. If a real estate commission is claimed through either Party in connection with the transaction contemplated by this Agreement or any resulting DDA, then the Party through whom the commission is claimed shall indemnify, defend, and hold the other Party harmless from any liability related to such commission. The provisions of this Paragraph shall survive termination of this Agreement.

14.4 Relationship of the Parties. The Parties agree that nothing in this Agreement shall be deemed or interpreted to create between them the relationship of lessor and lessee, of buyer and seller, or of partners or joint venturers.

14.5 Authority; Disclosure. Developer warrants that to Developer's knowledge none of its principals, officers, general partners, joint venturers, employees, associates, or affiliates who have any economic interest in this Agreement or the contemplated development of the Property or the Project, have a familial, financial, or other material relationship with any elected or appointed official or employee of the City. Each person executing this Agreement on behalf of Developer does hereby covenant and warrant that (a) Developer is created and validly existing under the laws of the state of formation, (b) Developer has and is duly qualified to do business in California, (c) Developer has full corporate power and authority to enter into this Agreement and to perform all of Developer's obligations hereunder, and (d) each person (and all of the persons if more than one signs) signing this Agreement on behalf of Developer is duly and validly authorized to do so. Each person executing this Agreement on behalf of City does hereby covenant and warrant that (a) City has full power and authority to enter into this Agreement and to perform all of City's obligations hereunder, and (b) each person (and all of the persons if more than one signs) signing this Agreement on behalf of City is duly and validly authorized to do so.

14.6 Waiver of Lis Pendens. It is expressly understood and agreed by the Parties that no lis pendens shall be filed against any portion of the Property with respect to this Agreement or any dispute or act arising from this Agreement. This Section shall survive the expiration of termination of this Agreement.

14.7 Indemnification. Developer hereby covenants, on behalf of itself and its permitted successors and assigns, to indemnify, hold harmless and defend the Indemnitees (defined in Section 9) from and against all Claims (defined in Section 9) arising out of or in connection with the actions of Developer or Developer's agents, employees, officers, representatives, contractors or consultants pursuant to this Agreement; provided however, Developer shall have no indemnification obligation with respect to the gross negligence or willful misconduct of any Indemnitee. This Section shall survive the expiration or earlier termination of this Agreement.

14.8 Severability. If any term or provision of this Agreement or the application thereof shall, to any extent, be held by a court of competent jurisdiction to be invalid or unenforceable, such term or provision shall be ineffective to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable the remaining terms and provisions of this Agreement or the application of such terms and provisions to circumstances other than those as to which it is held invalid or unenforceable unless an essential purpose of this Agreement would be defeated by loss of the invalid or unenforceable provision.

14.9 Entire Agreement. This Agreement contains the entire understanding of the Parties with respect to the subject matter hereof and supersedes all prior or contemporaneous agreements and understandings, oral or written, between the Parties with respect to such subject matter.

14.10 Amendments. This Agreement may be amended only by a written instrument executed by the Parties or their permitted successors in interest.

14.11 Successors and Assigns; No Third-Party Beneficiaries. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective permitted successors and assigns; provided however, that except as expressly permitted by this Agreement, neither Party shall transfer or assign any of such Party's rights hereunder by operation of law or otherwise without the prior written consent of the other Party, and any such transfer or assignment without such consent shall be void. Subject to the immediately preceding sentence, this Agreement is not intended to benefit, and shall not run to the benefit of or be enforceable by, any other person or entity other than the Parties and their permitted successors and assigns.

14.12 Captions; Interpretation. This Agreement shall be interpreted as though prepared jointly by the Parties. Titles and captions are for convenience of reference only and do not define, describe, or limit the scope or the intent of this Agreement or any of its terms.

14.13 Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California without reference to conflicts of laws principles. Venue for any action under this Agreement shall be in the County of San Mateo, California.

14.14 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

SIGNATURES ON FOLLOWING PAGE.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

CITY OF ____________, a municipal corporation

By: ________________________________
, City Manager

APPROVED AS TO FORM:

By: ____________________________
, City Attorney

DEVELOPER:

Bob Mclennan

By:_________________________________

Print Name:__________________________

Title:_______________________________

<u>**Exhibit A**</u>

PROPERTY

(Attach legal description.)

EXHIBIT B

SCOPE OF NEGOTIATIONS/SCHEDULE OF PERFORMANCE

The goal of negotiations is to prepare a Disposition and Development Agreement ("DDA) acceptable to both parties that will then be submitted to the City Council for consideration at a public meeting. The proposed DDA contemplates the conveyance of the Site to the Developer at fair market value pursuant to a third-party appraisal or broker opinion of value to be paid for by the Developer, subject to various conditions precedent and the subsequent redevelopment of the Site into a high-quality commercial development.

The Project Goals

The City encourages development of the Site into a high-quality Project that will maximize tax revenues to the City, create a significant number of job opportunities, and provide goods and services currently lacking in the community. The Developer shall seek cooperation from the property owners to the north and south of the Site to create integration with reciprocal rights of ingress/egress and parking.

The JM McLennan Development proposal reflects a mixed-use hotel/residential concept, including 180 hotel rooms, 40 studios for flexible use (short-term rentals, extended stay, or apartments), ten top floor condominium units, a 30,000 square foot conference center, and a 30,000 square foot athletic club.

The Site is identified as the Hotel Parcel in Phase II of Planned Development 54 (PD-54). The zoning allows for a 300-room hotel with up to 210,000 gross square feet of hotel space, 25,000 square feet of meeting/banquet space, in a building with a maximum height of 110 feet.

Responsibilities/Schedule of Performance

The developer shall complete the following tasks during the Exclusive Negotiation Period:

1. Conduct community outreach to receive public input for the project.
2. Submit a site plan and building elevations to City for the Project.
3. Identify the critical infrastructure currently available to the Site and any improvements needed to support the Project.
4. Provide the City with real estate valuation input to help determine the cost of the Site for purposes of the DDA with the City. This may include proformas detailing the value of the development parcel and the associated public and private improvement costs to produce a parcel that is ready for development. This should also include an estimate of governmental fees to be paid.

5. Provide the City with other cost/benefit information to enable its consultants to prepare a fiscal benefit analysis for presentation to the City Council. This analysis typically includes the number of construction jobs created, the number of permanent jobs created the cost to maintain the public improvements upon dedication, the value of completed development, and the various tax revenues associated with development operations.
6. Provide a tentative schedule for acquisition and development of the Project.
7. If it is determined to be necessary condition precedent to the City's consideration of the DDA, the Developer shall submit an application for environmental review by the City and pay all normal and customary fees related thereto. The developer shall submit an application to amend the Planned Development to allow for the uses identified in the project description. Environmental review in conformance with the California Environmental Quality Act will be required.

City Council Agenda Report

Item # _____

Meeting Date: March 13, 2023

Subject: **Fiscal Year 2023 Mid-Year Budget Adjustments**

Recommended Action
It is recommended that the City Council approve Fiscal Year 2023 mid-year revenue and expenditure budget adjustments.

Background
The Fiscal Year 2023 Operating and Capital budgets were adopted by the City Council on June 13, 2022. The FY 2023 mid-year budget review is an opportunity for staff to recommend budget adjustments to reflect changes in revenue and expenditure estimates based on performance through the first half of FY 2023.

Discussion
After a review of financial activity from July 1, 2022, through December 31, 2022, City staff identified some needs for budget adjustments as summarized in Attachment A. Staff is recommending an increase in General Fund budgeted expenditures by a total of $4,448,572, which includes increases of $4.36M to salary and benefits from approved MOUs as a result of labor negotiations including those funded by Measure Q, $57k for Measure Q Recreation services and supplies, and $39,754 for other services and supplies, program costs, and capital outlay. No adjustments to General Fund revenues are recommended.

Staff recommends adjustments to expenditures in other Non-General Fund budgets that equate to approximately $1,153,158. This includes increases of $746k for salary and benefits due to approved MOUs as a result of labor negotiations, $395k for other services and supplies, and the addition of $11,976 in developer contributions for the CIP Traffic Signal Interconnect Project. Proposed adjustments in revenues in Non-General Fund budgets equate to an increase of $108k in the water fund for receipts from other agencies.

Fiscal Impact
FY 2023 General Fund budgeted expenditures will increase $4,448,572 while revenues will remain as originally budgeted. FY 2023 other City Funds will see an overall increase in budgeted revenues of $108,000, and an increase in budgeted expenditures of $1,153,158.

Summary/Conclusion
Staff recommends the City Council adopt a resolution to approve the recommended budget adjustments for FY 2023 as outlined in Attachment A. Staff is available to provide any additional information desired by the Mayor or City Council Members.

Respectfully submitted,

Tim Nevin
Director of Finance and Administrative Services

Attachment A: FY 2023 Mid-Year Budget Adjustments

Attachment A: FY 2023 Mid-Year Budget Adjustments

Fund	Fund Name	Expense Type		Amount
Mid-Year Expenditure Adjustments				
01	General Fund	Salaries and Benefits including Measure Q		$ 4,363,794
		Measure Q Services and Supplies		57,000
		Services and Supplies		5,000
		Program Costs		778
		Capital Outlay		22,000
			General Fund Total	4,448,572
11	20% Housing Set Aside	Salaries and Benefits		1,813
17	Gas Tax	Salaries and Benefits		180,964
		Developer Contribution for Traffic Signal Interconnect Project		11,976
		Services and Supplies		50,000
			Gas Tax Total	242,940
18	Community Block Grant	Salaries and Benefits		67,784
28	Grants	Salaries and Benefits		3,818
41	Water Fund	Salaries and Benefits		99,879
51	Motor Vehicles	Salaries and Benefits		30,726
52	Central Services	Salaries and Benefits		13,484
54	Maintenance	Salaries and Benefits		86,825
		Services and Supplies		230,000
			Maintenance Total	316,825
55	Information Services	Salaries and Benefits		29,744
		Services and Supplies		75,000
			Information Services Total	104,744
58	Self Insurance	Salaries and Benefits		8,173
		Services and Supplies		40,000
			Self Insurance Total	48,173
87	Sanitation Fund	Salaries and Benefits		283,749
Total Expenditures				$ 5,662,506

Fund	Fund Name	Revenue Type	Amount
Mid-Year Revenue Adjustments			
41	Water Fund	Miscellaneous Revenue	$ 108,000
Total Revenue			$ 108,000

City Council Agenda Report

Item # _____

Meeting Date: March 13, 2023

Subject: **Notice of Completion for the Mussel Rock 2019 Gabion Wall and Stormwater Project**

Recommended Action

Staff recommends that the City Council authorize the filing of the Notice of Completion and accept the improvements completed in compliance with the construction contract for the Mussel Rock 2019 Gabion Wall and Stormwater Project.

Background

On April 26, 2021, City Council awarded a contract to Brannon Corporation for construction of the Mussel Rock 2019 Gabion Wall and Stormwater Maintenance project. The project includes relocation of an existing drainage system, reconstruction of existing gabion walls, site grading, slope maintenance, culvert cleaning and miscellaneous site maintenance. Maintenance work at the Mussel Rock Landfill is conducted in compliance with regulatory requirements of the Regional Water Quality Control Board, the California Coastal Commission, and the County of San Mateo. Project activities involve maintenance on the Lower Disposal Area which is located in the western and southwestern portions of the landfill.

In mid-January, 2022, staff became aware that solid waste material has been exposed along the highest point of the bluffs to the west of the Upper Disposal Area, located in the northeastern portion of the landfill. Simultaneously, staff observed that earthen materials from an active landslide between the beach and the Upper Disposal Area have reached the beach below. Small pieces of waste material appeared to be mixed into the earthen materials. Additional work was required to address these and other unforeseen conditions discovered during construction.

Discussion

Brannon Corporation has completed all improvements required by the construction contract documents for a total amount of $1,750,576.77, including change orders in the amount of $952,407.77. The total dollar value of the change orders is 119% of the original contract award of $798,169.00. Change orders were issued for additional waste pull-back in the Upper Disposal Area, unforeseen soil conditions, and quantity increases.

Fiscal Impact

The construction contract was completed in the total amount of $1,750,576.77 with funds available in the General Capital Project Fund – Gabion Wall and Landfill Drainage project account 31-310-554.

Summary/Conclusion

The contractor's work is now complete and acceptable for City maintenance. Staff recommends that the City Council authorize the filing of the Notice of Completion and accept the improvements completed in compliance with the construction contract for the Mussel Rock 2019 Gabion Wall and Stormwater Project.

Staff is available to provide any additional information desired by the Mayor or Councilmembers.

Respectfully submitted,

Kevin Fehr
City Engineer

Richard Chiu Jr.
Director of Public Works

Attachments:

1. Resolution
2. Notice of Completion

RECORDING REQUESTED BY

AND WHEN RECORDED MAIL TO

OFFICE OF THE CITY CLERK
CITY OF DALY CITY
333 - 90th Street
Daly City, California 94015

Notice of Completion

NOTICE IS HEREBY GIVEN as follows:

1. The date of completion of the work of improvement is:

2. The owner of the work of improvements is: City of Daly City, a Municipal Corporation.

3. The address of the owner of the work of improvement is: City Hall
333 - 90th Street
Daly City, California 94015

4. The nature of the owner's interest or estate is: In fee.

5. The work of improvement is located in Daly City, California, and is particularly described as follows:

MUSSEL ROCK 2019 GABION WALL AND STORMWATER PROJECT

The name of the original contractor for the work of improvement is:

Brannon Corporation
10492 Dougherty Avenue
Morgan Hill, CA 95037

Dated:_______________________

The undersigned, being duly sworn, says: That he is the owner of the aforesaid interest or estate in the property described in the foregoing notice; that he has read the same, and knows the contents thereof, and that the facts stated therein are true.

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

CITY OF DALY CITY, OWNER

____
Richard Chiu, Jr., Public Works Director

STATE OF CALIFORNIA,

COUNTY OF SAN MATEO } SS.

Subscribed and sworn to (or affirmed) before me on this ____________day of ________________, 2023 ,

by _____.____________________, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Signature ________________________________

____
Name (Typed or Printed)
Notary Public in and for said County and State

RESOLUTION NO. _______

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DALY CITY ACCEPTING COMPLETION OF CERTAIN PROJECT IN THE DEPARTMENT OF PUBLIC WORKS

(Mussel Rock 2019 Gabion Wall and Stormwater Project)

A. The Project Manager has advised that the project set forth hereinafter has been completed in accordance with the terms of the contract with the City of Daly City and Brannon Corporation, a CA Corporation.

B. The City Council of the City of Daly City desires to acknowledge the completion of such project so that notice of completion may be given.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Daly City that pursuant to the above, the City of Daly City does hereby accept as complete the following described project:

MUSSEL ROCK 2019 GABION WALL AND STORMWATER PROJECT

BE IT FURTHER RESOLVED by the City Council of the City of Daly City that said project be, and it is hereby accepted as complete, and at the expiration of fifty-five (55) days from this date, final payment in connection with this project be, and it is hereby authorized, provided that all statutory liens, claims and withholds are satisfied pursuant to law.

I hereby certify the foregoing to be a true copy of a Resolution adopted by the City Council of Daly City, California, at a regular meeting thereof held on the __________day of _________________, 2023, by the following vote of the members thereof:

AYES, and in favor thereof, Councilmembers: ____

NOES, Councilmembers: ____

ABSENT, Councilmembers: ____

____
CITY CLERK OF THE CITY OF DALY CITY

APPROVED:

____
MAYOR OF THE CITY OF DALY CITY

City Council Agenda Report

Item # _____

Meeting Date: March 13, 2023

Subject: **Notice of Completion for the 2019 Daly City Street Resurfacing and Slurry Seal Project**

Recommended Action

Staff recommends that the City Council authorize the filing of the Notice of Completion and accept the improvements completed for the 2019 Daly City Street Resurfacing and Slurry Seal project.

Background

In November 2016, City Staff applied for the OBAG 2 LSR Preservation Program and was awarded a total of $1,310,000 in federal grant funding by the City/County Association of Governments (C/CAG) to construct the 2019 Daly City Street Resurfacing and Slurry Seal project. The project included an asphalt concrete (AC) overlay of approximately 0.64-centerline mile of City streets as shown on the attached project location map. The streets were selected based on the requirements of the OBAG 2 LSR Preservation Program which called for:

- Street segments on the federal-aid highway system and not classified as a rural minor collector or local road (residential) or lower; and
- Seventy percent (70%) of the grant funds need to be spent in, or provide "proximate access" to a Priority Development Area (PDA).

In general, the PDAs in Daly City are located in the Bayshore, Crocker, Hillside, and Original Daly City neighborhoods. A street segment was considered to provide "proximate access" to a PDA if it was within a one-mile radius of a PDA boundary. The street segments selected for this project included:

Base Bid – Asphalt Concrete Overlay

- Eastgate Drive between N. Mayfair Avenue and Glenwood Avenue,
- Southgate Avenue between St. Francis Boulevard and El Dorado Drive,
- South Hill Boulevard between Bellevue Avenue and Alta Vista Way,
- Westmoor Avenue between Baldwin Avenue and Southgate Avenue,

In addition to pavement maintenance and rehabilitation, concrete curb ramps at street intersections within the limits of the asphalt concrete overlay were included in the project to be constructed in compliance with the Americans with Disabilities Act (ADA).

On April 13, 2020, the City Council authorized the award of a construction contract to Interstate Grading & Paving, Inc. of South San Francisco, California, in the amount of $1,290,122.45 to complete only the Base Bid of the 2019 Daly City Street Resurfacing and Slurry Seal project.

Discussion

Interstate Grading & Paving, Inc. has completed all improvements required by the construction contract documents for a total amount of $1,351,897.84, including change orders in the amount of $61,775.39. The total dollar value of the change orders is 4.79% of the original contract award of $1,290,122.45. The change orders were issued for a construction method alteration on Westmoor Avenue due to unforeseen conditions, and differences between estimated bid quantities and actual quantities.

Fiscal Impact

The construction contract was completed in the total amount of $1,351,897.84 with funds available in the FY 2019-20 Capital Improvement Projects (CIP) account 17-312-613, the Street Resurfacing Sanitation Mains account 87-920-617 and the Street Resurfacing Water Mains account 41-385-617.

Summary/Conclusion

The contractor's work is now complete and acceptable for City maintenance. Staff recommends that the City Council authorize the filing of the Notice of Completion and accept the improvements completed for the 2019 Daly City Street Resurfacing and Slurry Seal project.

Staff is available to provide any additional information desired by the Mayor or Councilmembers.

Respectfully submitted,

Alexander Yuen	Richard Chiu Jr.
Civil Engineer II	Director of Public Works

Attachments:

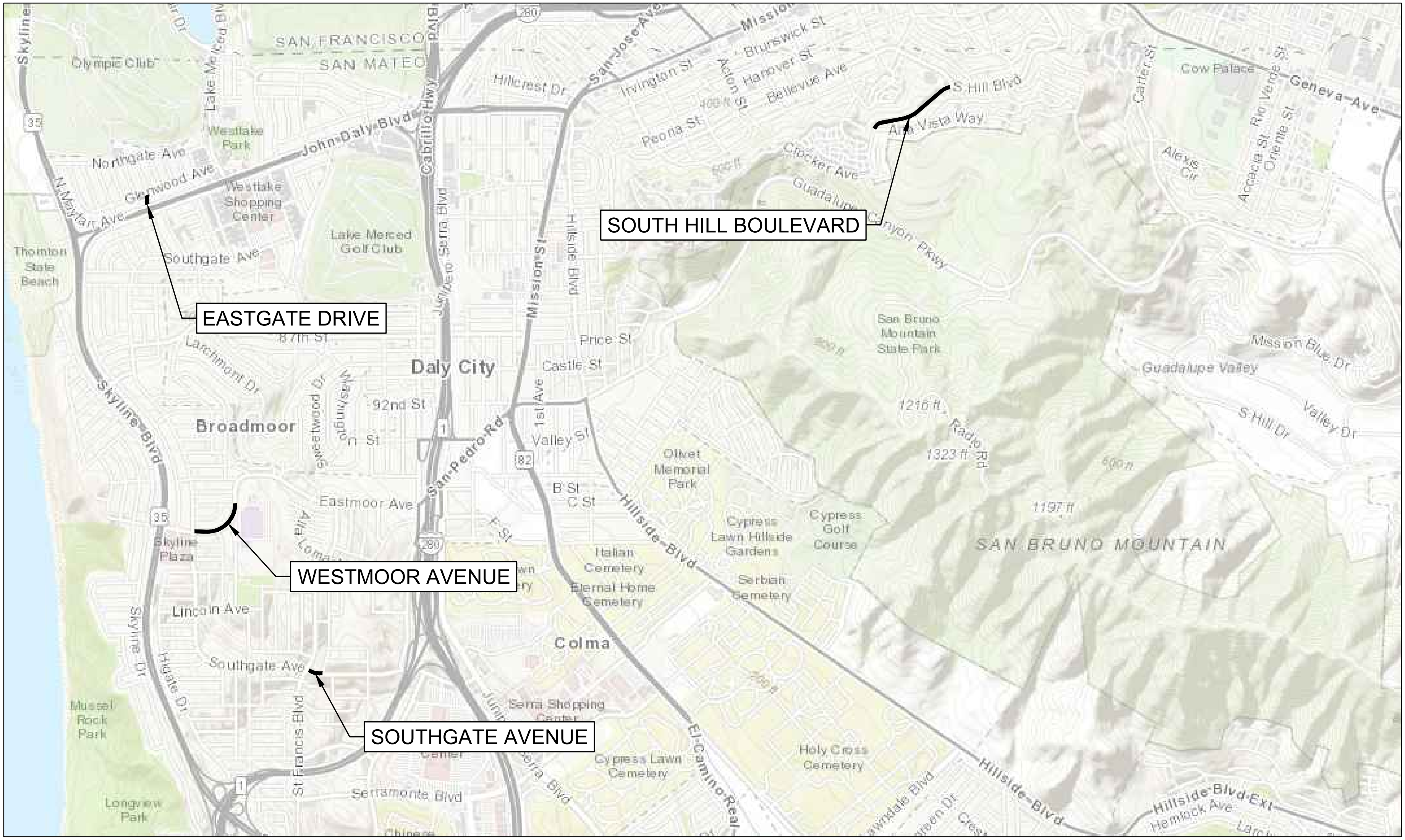
1. Project Location Map
2. Resolution
3. Notice of Completion

CITY OF DALY CITY

SAN MATEO COUNTY, CALIFORNIA

PROJECT LOCATION MAP OF

2019 DALY CITY STREET RESURFACING AND SLURRY SEAL



N.T.S.

RECORDING REQUESTED BY

AND WHEN RECORDED MAIL TO

OFFICE OF THE CITY CLERK
CITY OF DALY CITY
333 - 90th Street
Daly City, California 94015

Notice of Completion

NOTICE IS HEREBY GIVEN as follows:

1. The date of completion of the work of improvement is:
2. The owner of the work of improvements is: City of Daly City, a Municipal Corporation.
3. The address of the owner of the work of improvement is: City Hall
333 - 90th Street
Daly City, California 94015
4. The nature of the owner's interest or estate is: In fee.
5. The work of improvement is located in Daly City, California, and is particularly described as follows:

2019 DALY CITY STREET RESURFACING AND SLURRY SEAL PROJECT

The name of the original contractor for the work of improvement is:

Interstate Grading & Paving, Inc.
128 So. Maple Ave.
So. San Francisco, CA 94080

Dated:________________________

The undersigned, being duly sworn, says: That he is the owner of the aforesaid interest or estate in the property described in the foregoing notice; that he has read the same, and knows the contents thereof, and that the facts stated therein are true.

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

CITY OF DALY CITY, OWNER

____
Richard Chiu, Jr., Public Works Director

STATE OF CALIFORNIA,

COUNTY OF SAN MATEO } SS.

Subscribed and sworn to (or affirmed) before me on this ____________day of ________________, 2023 ,

by _____.______________________, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Signature ___________________________________

____
Name (Typed or Printed)
Notary Public in and for said County and State

RESOLUTION NO. _______

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DALY CITY ACCEPTING COMPLETION OF CERTAIN PROJECT IN THE DEPARTMENT OF PUBLIC WORKS

(2019 Daly City Street Resurfacing and Slurry Seal Project)

A. The Project Manager has advised that the project set forth hereinafter has been completed by Interstate Grading & Paving, Inc., a Corporation.

B. The City Council of the City of Daly City desires to acknowledge the completion of such project so that notice of completion may be given.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Daly City that pursuant to the above, the City of Daly City does hereby accept as complete the following described project:

BE IT FURTHER RESOLVED by the City Council of the City of Daly City that said project be, and it is hereby accepted as complete, and at the expiration of thirty (30) days from this date, final payment in connection with this project be, and it is hereby authorized, provided that all statutory liens, claims and withholds are satisfied pursuant to law.

2019 DALY CITY STREET RESURFACING AND SLURRY SEAL PROJECT

I hereby certify the foregoing to be a true copy of a Resolution adopted by the City Council of Daly City, California, at a regular meeting thereof held on the _________day of ________________, 2023, by the following vote of the members thereof:

AYES, and in favor thereof, Councilmembers: ____

____

NOES, Councilmembers: ____

ABSENT, Councilmembers: ____

____
CITY CLERK OF THE CITY OF DALY CITY

APPROVED:

____
MAYOR OF THE CITY OF DALY CITY

City Council Agenda Report

Item # _____

Meeting Date: March 13, 2023

Subject: **Public Hearing on Removal of Commercial Vehicle Parking on the East Side of Bayshore Boulevard**

Recommended Action

Staff recommends that the City Council:

1. Hold a public hearing; and

2. Approve a resolution to revise the Commercial Vehicle Parking Zone, removing the 800 ft. Commercial Vehicle Parking on the east side of Bayshore Boulevard.

Background

City Council, at its meeting of January 9, 2023, set February 13, 2023 as the date for a public hearing regarding the removal of the Commercial Vehicle Permit Parking on the east side of Bayshore Boulevard. City Council, at its meeting of February 13, 2023, continued the public hearing to the meeting of March 13, 2023. The Notices of Public Hearing were published in the newspaper, on the City's Web Site, and were mailed directly to all commercial vehicle parking program permit holders.

Discussion

Resolution 15-43 designated 965-ft. No Parking Zone along the east side of Bayshore Boulevard, north of Geneva Avenue, replacing the existing 800-ft. commercial vehicle parking zone that was previously established. The No Parking Zone was needed to prevent overflow parking from the San Francisco Municipal Transportation Agency's auto return site at 2650 Bayshore Boulevard.

Fiscal Impact

There is no fiscal impact associated with this recommendation.

Summary/Conclusion

Staff recommends that the City Council:

1. Hold a public hearing; and

2. Approve a resolution to revise the Commercial Vehicle Parking Zone, removing the 800 ft. Commercial Vehicle Parking on the east side of Bayshore Boulevard.

Staff is available to provide any additional information desired by the Mayor or City Council members.

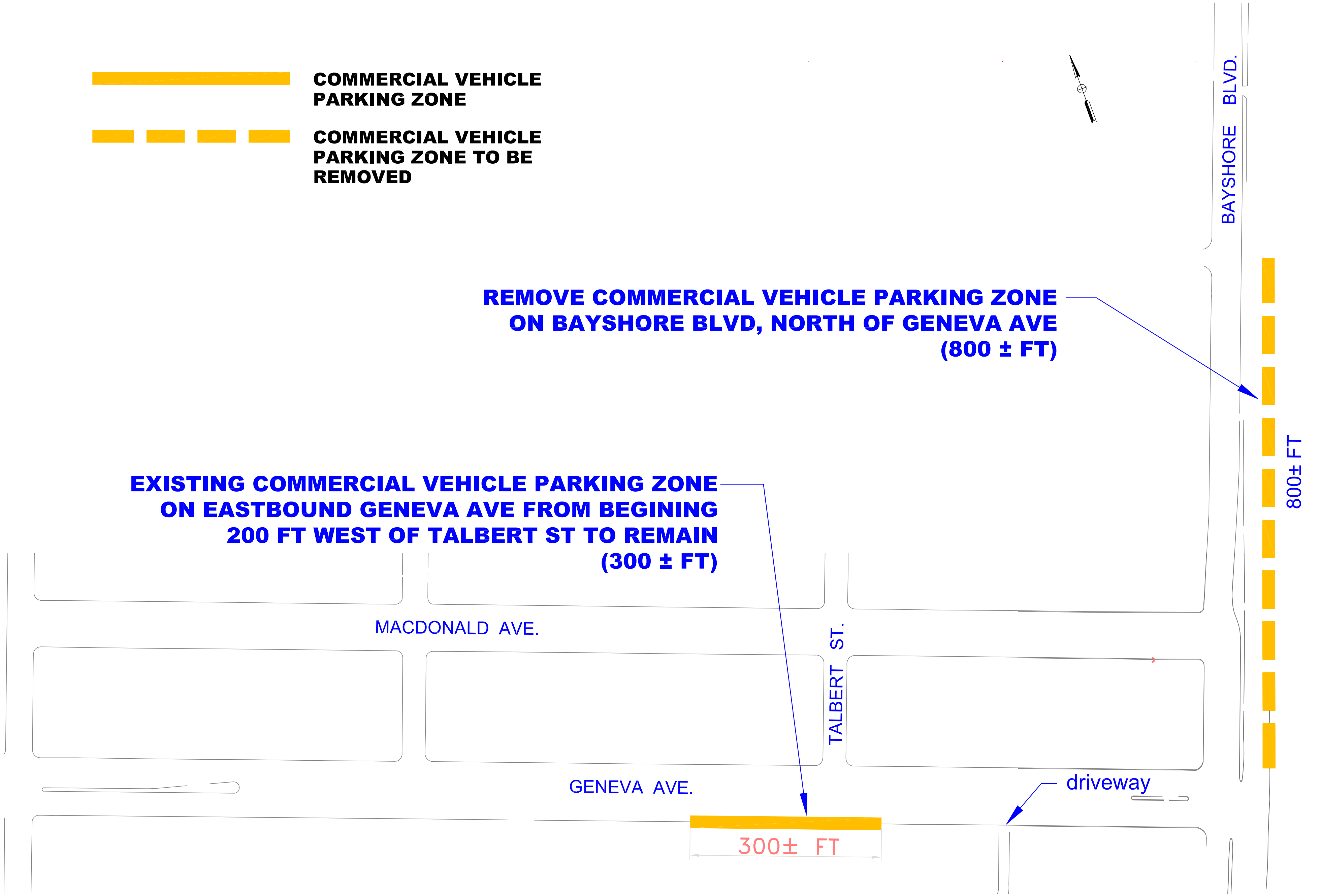
Respectfully submitted,

Shirley Chan
Senior Civil Engineer

Richard Chiu, Jr.
Director of Public Works

Cameron Christensen
Acting Chief of Police

Attachment:
1. Commercial Vehicle Parking Zone 1 Map



COMMERCIAL VEHICLE PARKING
ZONE I - BAYSHORE AREA

Rev. January 2023

Reviser: schan
Dwg File: G:\Engineering\Traffic Safety Committee\Commercial Veh Parking\2023 Jan\02-13-23 Commercial Vehicle Parking.dwg

Date: 01/26/2023

CITY OF DALY CITY INTER-OFFICE MEMORANDUM

DATE: March 1, 2023

TO: See Below

FROM: Charlie Machado-Morrow, City Manager's Office

SUBJECT: **MEETING NOTICE**

RE: **Development Committee Meeting**

- Discuss development in Daly City in general with a focus on the battery storage farm at the old Syufu Drive-In site off Carter Street
- Discuss Midway Village Phase II

DATE: Monday March 6th 2023

TIME: 12:30pm

PLACE: Zoom

ATTENDING:

City Participants:	Other Participants:
Juslyn Manalo, Vice Mayor	
Roderick Daus-Magbual, Councilmember	
Thomas J. Piccolotti, City Manager	
Rose Zimmerman, City Attorney	
Michael Van Lonkhuysen	
Tatum Mothershead	

cc: City Council

City of Daly City
Planning Division
333 90th Street
Daly City, CA 94015
(650) 991-8033

CURRENT RESIDENTIAL PROJECT LIST

Reflects application received, entitlements granted, and construction commenced for the 24 months preceding January 1, 2023
Does not include Pre-Application Conference applications (sorted by Planning Division intake order)

Project Name	Application Type	Plan Case No.	Location/APN	Proposed Unit Type	Site Size (acres)	Proposed Units Qty.	Proposed Density (du/ac)	Status	Intake Date	Hearing Schedule	Developer/Contact	Planning Contact
Point Martin - Phase One	Major subdivision	SUB-6-15-11016	Steve Courter Way and Martin Street; APN 005-042-020	Detached homes	1.9	16	8	Under construction	June 8, 2015	City Council approved September 14, 2015; ; two-year time extension granted June 25, 2018 to September 14, 2020	Alec Tappin KB Home 925-683-7782	Michael VanLonkhuysen, Planning Manager (650) 991-8158
Point Martin - Phase Two	General Plan Amendment and PD Zone Change	GPA-01-16-011884 PD-10-15-11781 CEQA-10-15-11782	APNs 005-031-070 + 47 others; Steve Courter Way and Martin Street	Detached homes	8.3	117	14.1	Under construction	October 29, 2015	City Council approved May 22, 2017	Alec Tappin KB Home 925-683-7782	Michael VanLonkhuysen, Planning Manager (650) 991-8158
Pacific Place Retail Conversion	Zone Change Major Subdivision Design Review Major Subdivision	ZC-4-16-12036 SUB-4-16-12037 UP-4-16-12038 CEQA-4-16-12039	2665 Geneva Avenue APN 005-064-250	Condominiums	1.00	7	7.0	All entitlements appoved	April 14, 2016	City Council approved April 24, 2017; two-year time extension granted April 22, 2021	Harry C. Arthur (415) 690-6442	Michael VanLonkhuysen, Planning Manager (650) 991-8158
Mission Street/ Goethe Street Mixed-Use Building	Use Permit and Design Review	SUB-12-20-14799 UPR-9-16-12301 DR-9-16-012302	6098 Mission Street APNs 004-031-160 and 170	Apartment building	0.25	36	144	All entitlements appoved	September 13, 2016	City Council approved condominium map April 26, 2021. Use Permit and Design Review extended to April 26, 2023. All permits now expire on this date.	6098 Mission Street, LLC (415) 272-4901	Michael VanLonkhuysen, Planning Manager (650) 991-8158
Eastmoor Mixed-Use (CORE)	Use Permit and Design Review	UPR-6-19-14076 and DR-6-19-14077	493 Eastmoor Avenue APN 008-082-200	Mixed-Use Apartment building	0.37	71	192.9	In plan check	June 18, 2019	City Council approved February 24, 2020; Time extension granted to February 24, 2024	Carl Hertel CORE Affordable Housing (408) 292-2841	Michael VanLonkhuysen, Planning Manager (650) 991-8158
Midway Village Redevelopment	General Plan Amendment, Subdivision, and Design Review	GPA-5-19-14054, SUB-5-19-14055, and DR-5-19-14056	45 Midway Drive APN 005-330-320 and others	Apartment buildings	15.00	555	37.0	Under construction	June 21, 2019	City Council approved June 8, 2020	Abby Goldware Potluri Mid-Pen Housing Coalition (650) 515-6358	Michael VanLonkhuysen, Planning Manager (650) 991-8158
Jefferson Elementary School District Faculty and Staff Housing	General Plan Amendment, Rezoning, and Design Review	GPA-11-19-14331 ZC-11-19-14332 DR-11-19-014333	305 Eastmoor Avenue APN 008-082-160	Apartment buildings	2.38	56	23.5	Under construction	November 27, 2019	City Council approved December 14, 2020	Jefferson Elementary School District (650) 991-1000	Michael VanLonkhuysen, Planning Manager (650) 991-8156
Third Avenue Townhouses	General Plan Amendment, Rezoning, Subdivision, Use Permit, and Design Review	GPA-8-20-14643 ZC-8-20-14633 SUB-8-20-14634 UPR-8-20-14642 DR-8-20-14636	141 Third Avenue APN 006-254-030)	Detached townhomes	0.72	15	21.0	Planning Commission meeting scheduled March 7, 2023	June 17, 2020	TBD	John Suppes Authorized Agent (650) 465-7369	Michael VanLonkhuysen, Planning Manager (650) 991-8158
Old Burlington Site Mixed-Use Redevelopment (Residential)	Planned Development Text Amendment and Design Review	ZC-4-21-14994 DR-4-21-14995	99 Southgate Avenue APN 002-201-570	Mixed-Use Apartment building	1.95	179	91.8	Approved but no permit application submitted	April 21, 2021	City Council approved September 12, 2022	Michael Strahs Kimco Realty (650) 746-7501	Michael VanLonkhuysen, Planning Manager (650) 991-8158
Serramonte Dey Rey Redevelopment (Residential)	General Plan Amendment, PD Rezoning, Subdivision, and Design Review	GPA-04-21-14998, PD-04-21-14997, DR-04-21-15000 SUB-04-21-14999	699 Serramonte Boulevard APN 091-211-230	Mixed-use apartment buildings and apartment buildings	22.00	1,235	56.1	Entitlements in process	April 23, 2021	City Council approved Preliminary Plan January 10, 2022	Tina Van Raaphorst Jefferson Union High School District (650) 550-7954	Michael VanLonkhuysen, Planning Manager (650) 991-8158
7310 Mission Street Mixed-Use Building	Use Permit and Design Review	UPR-04-22-15650 DR-04-22-156516	7310 Mission Street APN 006-244-080	Mixed-Use Apartment building	0.12	17	141.7	Approved but no permit application submitted	April 1, 2022	City Council approved May 23, 2022 (re-approval)	Stephen Antonaros (415) 864-2261	Brian Paland, Assistant Planner (650) 991-8035

Project Name	Application Type	Plan Case No.	Location/APN	Proposed Unit Type	Site Size (acres)	Proposed Units Qty.	Proposed Density (du/ac)	Status	Intake Date	Hearing Schedule	Developer/Contact	Planning Contact
Sullivan Avenue Apartments (office conversion)	Use Permit and Design Review	UPR-10-22-15907 DR-2-23-16093	1784 Sullivan Avenue APN 006 254 030	Apartment building	0.25	14	56.0	Planning Commission meeting scheduled March 7, 2023	October 6, 2022	TBD	Nelson Tong (650) 773-1862	Michael VanLonkhuysen, Planning Manager (650) 991-8158
6225 Mission Street Mixed-Use Building	Use Permit, Variance, and Design Review	UPR-11-22-15984 VARC-11-22-15985 DR-11-22-15986	6225 Mission Street APN 004 050 190 and 200	Mixed-Use Apartment building	0.09	8	88.9	Application incomplete	December 6, 2022	TBD	Tom Zhang (510) 759-4149	Brian Paland, Assistant Planner (650) 991-8035

City of Daly City
Planning Division
333 90th Street
Daly City, CA 94015
(650) 991-8033

CURRENT NON-RESIDENTIAL PROJECT LIST

Reflects application received, entitlements granted, and construction commenced for the 24 months preceding Janaury 1, 2023
Does not include Pre-Application Conference applications (sorted by Planning Division intake order)

Project Name	Application Type	Plan Case No.	Location/APN	Proposed New Sq. Ft.	Site Size (acres)	ProposedType	Status	Intake Date	Hearing Schedule	Developer/Contact	Planner
Hilldale School Expansion	Use Permit and Design Review	UPR-6-19-14071 and DR-11-19-14321	25 Florence Avenue APN 003-401-010 and 030	2,100	1.42	Private school	All entitlements appoved	March 2, 2018	City Council approved January 13, 2020; time extension approved to January 13, 2025	John Sittner (801) 359-2000	Michael VanLonkhuysen, Planning Manager (650) 991-8158
Serremonte Shopping Center Northwest Quadrant (theater, hotel, and retail)	Design Review	DR-1-19-13855	3 Serramonte Center APN 005-240-180, -190, and -310	70,000 (cinema) 75,000 (hotel) 28,000 (retail)	80.00	Retail/Office	All entitlements appoved	January 22, 2019	DRC approved August 12, 2019; Time extension approved by DRC to December 28, 2022	Regency Centers (925) 279-1865	Michael VanLonkhuysen, Planning Manager (650) 991-8156
Duggan's Serra Mortuary Expansion and Carvana Vending Machine Fulfillment Center	Planned Development, Use Permit, and Design Review	PD-4-19-13998, UPR-4-19-13999, and DR-4-19-14000	500 Westlake Avenue APN 002-342-160 and others	15,743 (Duggans expansion) 12-story fullfillement structure (Carvana)	0.9 (Duggans) 1.75 (Carvana)	Mortuary/ new vecicle fullfilment	Carvana construction complete	April 19, 2019	City Council approved June 22, 2020	Sierra Enterprises (707) 287-2537	Michael VanLonkhuysen, Planning Manager (650) 991-8156
Mission Street/ Goethe Street Mixed-Use Building	Use Permit and Design Review	UPR-7-19-14111 and DR-7-19-14112	6098 Mission Street APNs 004-031-160 and 170	1,568	0.25	Retail	All entitlements appoved	July 9, 2019	City Council approved condominium map April 26, 2021. Use Permit and Design Review extended to April 26, 2023. All permits now expire on this date.	6098 Mission Street, LLC (415) 272-4901	Michael VanLonkhuysen, Planning Manager (650) 991-8158
Old Burlington Site Mixed-Use Redevelopment (Retail)	Planned Development Text Amendment and Design Review	ZC-4-21-14994 and DR-4-21-14995	99 Southgate Avenue APNs 002-201-570	10,800	1.95	Retail	All entitlements appoved	April 21, 2021	City Council approved September 12, 2022	Michael Strahs Kimco Realty (650) 746-7501	Michael VanLonkhuysen, Planning Manager (650) 991-8156
Serramonte Dey Rey Redevelopment (Commercial)	General Plan Amendment, PD Rezoning, Subdivision, and Design Review	GPA-04-21-14998, PD-04-21-14997, DR-04-21-15000 SUB-04-21-14999	699 Serramonte Boulevard APN 091-211-230	14,000	22.00	Retail	Entitlements in process	April 23, 2021	City Council approved Preliminary Plan January 10, 2022	Tina Van Raaphorst Jefferson Union High School District (650) 550-7954	Michael VanLonkhuysen, Planning Manager (650) 991-8156
Saint Francis Square Remodel, Retail Addition, and Drive-Through	Use Permit and Design Review	UPR-1-22-15498	79 Saint Francis Square APNs 008-481-010, -270, and -280	16,247	5.88	Retail	Application incomplete	October 18, 2021	TBD	John Lee (626) 233-8496	Michael VanLonkhuysen, Planning Manager (650) 991-8156
Station Avenue Self Storage	Design Review	DR-2-22-15533	60 Station Avenue APN 003 293 120	92,450	0.05	Self-Storage	Approved but no permit application submitted	February 14, 2022	DRC Approved July 26, 2022	Daniel Sachs (312) 576-4291	Michael VanLonkhuysen, Planning Manager (650) 991-8156
7310 Mission Street Mixed-Use Building	Use Permit and Design Review	UPR-04-22-15650 DR-04-22-156516	7310 Mission Street APN 006-244-080	5,097	0.12	Retail	Approved but no permit application submitted	April 1, 2022	City Council approved May 23, 2022 (re-approval)	Stephen Antonaros (415) 864-2261	Brian Paland Asistant Planner (650) 991-8035
455 Hickey Office Building	Planned Developemnt Zoning and Design Review	PD-10-22-015932	455 Hickey Boulevard APN 091-341-140	280,000	0.09	Office	Application incomplete	October 20, 2022	TBD	DES Architects and Engineers (650) 980-9513	Sam Fielding, Associate Planner (650) 991-8156
Cormorant Battery Storage Facility	General Plan Amendment, Zone Change, Use Permit, and Design Review	GP-11-22-015959, ZC-11-22-015960, UPR-11-22-015962, and DR-11-22-015961	2150 Geneva Avenue APN 005-050-020	0	11.00	Battery storage	Application incomplete	November 7, 2022	TBD	Aaron Branam Cormorant Energy (713) 899-5193	Sam Fielding, Associate Planner (650) 991-8156
6225 Mission Street Mixed-Use Building	Use Permit, Variance, and Design Review	UPR-11-22-15984 VARC-11-22-15985 DR-11-22-15986	6225 Mission Street APN 004 050 190 and 200	567	0.09	Retail	Application incomplete	December 6, 2022	TBD	Tom Zhang (510) 759-4149	Brian Paland Asistant Planner (650) 991-8035

DALY CITY INTER-OFFICE MEMORANDUM

COUNCIL COMMITTEE
DATE: March 6, 2023

TO: Development Council Committee
Juslyn Manalo, Vice Mayor
Rod Daus-Magbual, Councilmember

FROM: Tatum Mothershead, Director of Economic and Community Development

SUBJECT: Update on Development Projects

Attached, please find a copy of the Current Residential Project List and the Current Commercial Project List. Both lists are maintained by the Planning Division and track projects that have pending or recently approved development applications. The Development Committee will have the opportunity to ask questions regarding the approved projects and development applications on the list.

Attachment A – Project List

CITY OF DALY CITY INTER-OFFICE MEMORANDUM

DATE: March 1, 2023

TO: See Below

FROM: Charlie Machado-Morrow, City Manager's Office

SUBJECT: **MEETING NOTICE**

RE: **CDBG Advisory Committee Meeting**

DATE: March 6, 2023

TIME: 4:00pm

PLACE: Zoom

ATTENDING:

City Participants:	**Other Participants:**
Juslyn Manalo, Vice Mayor	
Roderick Daus-Magbual, Councilmember	
Thomas J. Piccolotti, City Manager	
Tatum Mothershead, Director of ECD	
Betsy Zobell	
Lenelle Suliguin	

cc: City Council

DALY CITY INTER-OFFICE MEMORANDUM

DATE: March 6, 2023

TO: CDBG Advisory Committee
Vice Mayor Juslyn Manalo
Councilmember Rod Daus-Magbual

FROM: Betsy ZoBell, Housing and Community Development Supervisor
Lenelle Suliguin, Senior Management Analyst

CC: Thomas Piccolotti, City Manager
Tatum Mothershead, Director Economic and Community Development

SUBJECT: Allocation of FY 23-24 Community Development Block Grant Funds and HOME Funds
Materials for Upcoming CDBG Advisory Committee Meeting &
2023-2024 HUD Five-Year Consolidated Plan

This memo provides background information on the following items that will be discussed at our March 6, 2023 meeting:

- Daly City's 2023-2027 HUD Five-Year Consolidated Plan
- Allocation of Daly City's FY 23-24 Community Development Block Grant (CDBG) funds
- Allocation of Daly City's FY23-24 HOME funds

A. DALY CITY'S 2023-2027 HUD FIVE-YEAR CONSOLIDATED PLAN

As the current Five-year HUD Consolidated Plan ends on June 30, 2023, the City is required to prepare and submit a new five-year HUD Consolidated Plan for the time period beginning July 1, 2023 and ending June 30, 2028. The HUD Consolidated Plan describes the City's community development and housing needs, provides a short and long range plan for the use of HUD programs in addressing these needs, and guides the funding priorities for the CDBG and HOME programs.

Table 1 identifies the City's priority needs for the Five Year Consolidated Plan. Each priority serves a population and addresses goals to be achieved during the five-year planning period. Table 2 further describes the goals, outlining the needs addressed by the goals, the source of funding and goal outcome indicators. These tables provide a basis for the annual allocation of CDBG and HOME funds, as the funding allocations reflect the identified priorities. The five-year target goals listed in Table 2 assume funding levels similar to FY23-24 and presumes that funding levels remain consistent over the five-year plan period.

Staff collaborated with the County of San Mateo, and the cities of South San Francisco, San Mateo, and Redwood City to conduct outreach and consultations required for preparation of the Consolidated Plan. The five jurisdictions worked with Root Policy, a housing and community development research firm, which administered a survey for residents and stakeholders to identify housing and community development priorities. Unfortunately, survey participation from Daly City residents was too low to be considered statistically significant. However, the findings from those who participated generally mirrored the priorities expressed in our current Consolidated Plan which include affordable housing, public services for lower income households, economic development, and public facilities.

The need for childcare services was highlighted in consultations Root Policy had with community service organizations serving Daly City residents. During the public hearing for housing and community development needs held on December 13, 2022, Peninsula Family Services wrote in their letter to the City Council:

"Daly City is a community in dire need of high-quality early childhood education. According to the San Mateo County 2022 Child Care Needs Assessment only 19% of Daly City's demand for infant care is being met by existing providers. For the high-quality, full-day subsidized spaces that PFS provides, there is an unmet need of 878 children in need of subsidized spaces. In addition, our waiting list for current services in Daly City are over 100 children long."

Given that there are already plans to build a childcare facility to meet this unmet need using $1,000,000 in American Rescue Plan Act funds (Council Resolution 21-58) and $800,000 from the 2023 Consolidated Appropriations Act facilitated by Congresswoman Jackie Speier, staff recommends that the construction of the childcare facility be identified as a goal in the Consolidated Plan and that the Council approve the use of a Section 108 loan to fully finance the construction of the facility. The use of the Section 108 Loan Program must be identified in the Consolidated Plan.

The Section 108 Loan Guarantee Program (Section 108) provides Community Development Block Grant (CDBG) recipients with the ability to leverage their annual grant allocation to access low-cost, flexible financing for economic development, housing, public facility, and infrastructure projects. Communities can use Section 108 guaranteed loans to either finance specific projects or to launch loan funds to finance multiple projects over several years. In 2001 the City utilized the Section 108 program to finance the construction of the Bayshore Community Center. That loan was paid off in August of 2022. Loan payments for a $3.2 million Section 108 loan to finance a portion of the costs of the proposed childcare facility would be approximately $390,000 per year and would begin in FY 2023-24.

B. ALLOCATION OF FY23-24 CDBG FUNDS

On February 27, 2023, the U.S. Department of Housing and Urban Development (HUD) published online the CDBG and HOME allocations for FY23-24. The City has been allocated $977,893 in CDBG funds. This is a 2.7% decreased from its allocation in FY22-23. Table 3 summarizes our total estimated CDBG revenue for FY23-24. The revenue estimate includes the $977,893 plus estimated FY23-24 program income and unspent prior year CDBG funds.

In December 2022, the City Council authorized staff to circulate a request for proposals to organizations and City Departments that intended to undertake activities that are eligible under the CDBG Program. A total of eight proposals were received from various organizations serving Daly City residents and resulted in a total funding request of $602,182. Table 4 summarizes pertinent information about each proposal for the FY23-24 CDBG Grant cycle. The table includes a general description of the projects and the number of proposed beneficiaries.

For our meeting on March 6, we have prepared preliminary recommendations for how the City might allocate available CDBG funds. These recommendations are shown in Table 5 and are broken out into various categories: Administration, Housing, Capital Projects, and Public Services. The categories of Administration and Public Services have maximums. Administration expenditures are capped at 20% of the FY23-24 allocation plus estimated program income for FY23-24. Public Service expenditures are capped at 15% of the FY23-24 allocation plus program income from FY22-23. The City has a two-year CDBG funding cycle, issuing Request for Proposals for the first and third years of the Consolidated Plan period. Grantees funded in FY22-23 and performing satisfactorily will have their funding extended for the second year. In the fifth and final year of the Consolidated Plan period, an RFP is issued for one year.

C. ALLOCATION OF FY23-24 HOME FUNDS

As mentioned previously, the City has been informed of its FY23-24 HOME allocation. It will be receiving $354,725 in HOME funds. Staff recommends that ten percent (the statutory limit) of this amount be set aside for HOME program administration. Staff also recommends that 75% ($266,043) be allocated for 493 Eastmoor, a 72-unit affordable housing development that will target households at 60% AMI or less. The City has already conditionally committed $1,129,804 in prior year HOME funds (Council Resolution 22-84) to this project. Fifteen percent of each year's HOME allocation must be set-aside to a housing project sponsored or developed by a community housing development organization (CHDO). As in years past, the use of this set-aside has been challenging because there are few CHDOs in the County.

The HUD Five-Year Consolidated Plan must be submitted to HUD by May 15, 2023. The Consolidated Plan also includes the FY23-24 Annual Action Plan, the first year in the Five-Year Plan period. The draft Consolidated Plan will be made available for a 30-day public review and comment period followed by a public hearing either the second Council meeting in April or the first Council meeting in May.

TABLE 1: CONSOLIDATED PLAN PRIORITY NEEDS

Priority Need Name	Priority Level	Population	Goals Addressing
Maintain and improve housing stock	High	Low Moderate Large Families Families with Children Elderly Elderly	Provide minor home repair Provide minor and complete rehab Provide housing accessibility modifications
Increase supply of affordable housing	High	Extremely Low Low Moderate Large Families Families with Children Elderly	Develop new rental units Develop new ownership units Assist first time homebuyers Acquisition and rehabilitation
Preserve housing affordability	High	Extremely Low Low Moderate Large Families Families with Children Elderly Public Housing Residents	Preserve rental assistance Affordable housing preservation
Public Services	High	Extremely Low Low Moderate Large Families Families with Children Elderly Chronic Homelessness Individuals Unaccompanied Youth Persons with Physical Disabilities Victims of Domestic Violence Non-housing Community Development	Provide public services for children and youth Provide public services for the homeless and special needs populations
Economic Development	High	Extremely Low Low Moderate	Facilitate economic development
Maintain, provide and improve public facilities	High	Extremely Low Low Moderate	Maintain, provide and improve public facilities Increase handicapped accessibility
General Administration, including Furthering Fair Housing	High	Extremely Low Low Moderate	Administration and Coordination Fair Housing

TABLE 2: CONSOLIDATED PLAN GOALS

Goal Name	Start Year	End Year	Category	Needs Addressed	Funding	Goal Outcome Indicator
Provide minor home repair	2023	2027	Affordable Housing Non-Homeless Special Needs	Maintain and improve housing stock	CDBG	Homeowner Housing Rehabilitated: 35 Household Housing Unit
Provide Residential Rehabilitation program	2023	2027	Affordable Housing Non-Homeless Special Needs	Maintain and improve housing stock	CDBG	Homeowner Housing Rehabilitated: 30 Household Housing Unit
Provide housing accessibility modifications	2023	2027	Affordable Housing Non-Homeless Special Needs	Maintain and improve housing stock	CDBG	Homeowner Housing Rehabilitated: 50 Household Housing Unit
Provide public services for children and youth	2023	2027	Non-Housing Community Development	Public Services	CDBG	Public service activities other than Low/Moderate Income Housing Benefit: 150 Persons Assisted
Provide public services for the homeless	2023	2027	Homeless	Public Services	CDBG	Public service activities for Low/Moderate Income Housing Benefit: 60 Households Assisted
Affirmatively further Fair Housing	2023	2027	Affordable Housing Non-Housing Community Development	General Administration, including furthering Fair Housing	CDBG	
Provide public services for	2023	2027	Affordable Housing	Public Services	CDBG	

Goal Name	Start Year	End Year	Category	Needs Addressed	Funding	Goal Outcome Indicator
special needs population			Non-Homeless Special Needs			
Develop new rental units	2023	2027	Affordable Housing	Increase supply of affordable housing	HOME	Rental units constructed: 71 Household Housing Unit
Develop new ownership units	2023	2027	Affordable Housing	Increase supply of affordable housing	HOME	
Assist first time homebuyers	2023	2027	Affordable Housing	Increase supply of affordable housing Public Services		
Preserve rental assistance	2023	2027	Affordable Housing Public Housing	Preserve housing affordability		
Acquisition and rehabilitation	2023	2027	Affordable Housing	Increase supply of affordable housing		
Affordable housing preservation	2023	2027	Affordable Housing	Preserve housing affordability		
Maintain and improve public facilities	2023	2027	Non-Housing Community Development	Maintain and improve public facilities	CDBG	
Facilitate economic development	2023	2027	Non-Housing Community Development	Economic Development	CDBG	
Provide public services - General	2023	2027	Affordable Housing Non-Housing Community Development	Public Services	CDBG	Public service activities other than Low/Moderate Income Housing Benefit: 150 persons

TABLE 3: ESTIMATED CDBG REVENUE PROJECTION FOR FY23-24

Sources		Sub-Totals	Totals
FY 2023-24 CDBG Entitlement Grant			**977,893**
FY 2023-24 Estimated Program Income			48,000
Rehab Loan Repayments		48,000	
Loan Repays	48,000		
Loan Payoffs	0		
Affordable Housing Loan Repayments		0	
Loan Repays	0		
	0		
Unallocated FY 2022-23 Funds			406,578
Unappropriated Funds		322,199	
Excess Program Income		84,380	
Rehab Loan Repayments		59,357	
Housing Devt. Loan Repayments		25,023	
Estimated FY2022-23 Year-End Unspent Funds			0
Residential Rehabilitation (303)	0		
CDBG Administration (305)			
	0		
Subrecipients			
ESTIMATED REVENUES FOR FY2023-24			1,432,471

HUD CAPS for FY 2023-24	ACTUAL
Planning / Admin. 20% Limitation (+20% of FY2023-24 program income)	205,179
Public Service 15% Limitation (+15% of FY2022-23est. program income)	167,790

Calc'd FY 2022-23 Est. Program Income	Budgeted	Y-E Estimate	EXCESS
Rehab Loan Repayments	48,800	**108,157**	59,357
Housing Development Loan Repayments	7,529	32,552	25,023
TOTALS	56,329	140,709	84,380

TABLE 4: FY23-24 CDBG APPLICATIONS RECEIVED

Organization	Project/Program	Funding Requested	Proposed Project	Proposed Low Income Beneficiaries*
Center for Independence for Individuals with Disabilities (CIID)	Home Accessibility Modification (HAM)	$ 20,000.00	provide home accessibility modifications (e.g. grab bars, ramps)	10 households
Habitat for Humanity	Housing Rehab	$ 396,182.00	administer the rehab loan program and provide residential rehab repairs	4 housing units
Life Moves	Family Crossroads	$ 18,000.00	provide transitional housing and comprehensive supportive services at Family Crossroads	12 households/30 persons
Peninsula Family Service (PFS)	Mission Child Development center	$ 30,000.00	provide childcare at the PFS Mission Child Development Center	30 children
Project Read	Project Read	$ 20,000.00	provide free literacy tutoring	up to 30 persons
Project Sentinel	Fair Housing	$ 20,000.00	provide comprehensive fair housing services including complaint investigations, audits, and community outreach and education	6 investigations; 7 audits
Rebuilding Together	Safe at Home	$ 63,000.00	provide critical health and safely related minor home repairs and accessibility modifications	7 housing units
Renaissance Entrepreneurship	Entrepreneur Classes	$ 35,000.00	provide support to low income entrepreneurs through customized small business training, one-one-one consulting, and access to capital, resources and networks	40 persons
		$ 602,182.00		

* p= people, h= households

TABLE 5: FY23-24 CDBG ALLOCATION RECOMMENDATIONS

ACTIVITY	FY23-24 Request	FY22-23 Allocation	FY23-24 Recommendations
Administration			
General Administration	$ 185,179.00	$ 195,869	$ 185,179
Project Sentinel/Fair Housing	$ 20,000.00	$ 15,000	$ 20,000
subtotal	$ 205,179.00	$ 210,869	$ 205,179
Capital Projects			
Early Learning/Childcare Center	$ 389,230.00	$ 389,230	$ 389,230
subtotal	$ 389,230.00	$ 389,230	$ 389,230
Economic Development			
Renaissance Entepreneurship	$ 35,000.00	$ 22,637	$ 35,000
subtotal	$ 35,000.00	$ 22,637	$ 35,000
Housing			
Rebuilding Together/Safe at Home	$ 63,000.00	$ 20,000	$ 63,000
CID/Housing Accessibility Modification (HAM) Program	$ 20,000.00	$ 20,000	$ 20,000
Habitat for Humanity/Residental Rehab	$ 396,182.00	$ 168,100	$ 396,182
City Housing Rehab	$ 255,880.00	$ 335,354	$ 255,880
subtotal	$ 735,062.00	$ 543,454	$ 735,062
Public Services			
Life Moves/Family Crossroads	$ 18,000.00	$ 18,000	$ 18,000
Peninsula Family Service	$ 30,000.00	$ 30,000	$ 30,000
Project Read	$ 20,000.00	$ 20,000	$ 20,000
subtotal	$ 68,000.00	$ 68,000	$ 68,000
TOTAL	**$ 1,432,471.00**	$ 1,234,190	$ 1,432,471
FY23-24 estimated revenue from Table 1	$ 1,432,471.00		
FY23-24 public services cap	$ 167,790.00		
FY23-24 admin cap	$ 205,179.00		

CITY OF DALY CITY INTER-OFFICE MEMORANDUM

DATE: March 1, 2023

TO: See Below

FROM: Charlie Machado-Morrow, City Manager's Office

SUBJECT: **MEETING NOTICE**

RE: **Design Review Committee Meeting (79 St. Francis Square, Seafood City)**

DATE: Monday March 6, 2023

TIME: 5:00pm

PLACE: Zoom

ATTENDING:

City Participants:	**Other Participants:**
Juslyn Manalo, Vice Mayor	Bill Beebe
Roderick Daus-Magbual, Councilmember	Stan Iverson
Michael Van Lonkhuysen	
Sam Feilding	
Tatum Mothershead	
Thomas J. Piccolotti	

cc: City Council

DALY CITY INTER-OFFICE MEMORANDUM

<u>DESIGN REVIEW COMMITTEE</u>
DATE: March 6, 2023

TO: Council Design Review Committee
Juslyn Manalo, Vice Major
Rod Daus-Magbual, Councilmember

FROM: Sam Fielding, Associate Planner

SUBJECT: Design Review DR-01-22-015499
Saint Francis Square Shopping Center Renovation Project –
79 Saint Francis Square, APNs 008-481-010, #008-481-270 and -280

RECOMMENDATION

Staff recommends the Design Review Committee approve Design Review DR-01-22-015499, subject to the Conditions of Approval in this report.

PROPOSAL

The applicant, Amor Architectural Corporation, is requesting approval to demolish and reconstruct a supermarket (Seafood City), construct a new retail building (new building #4), and undertake façade improvements to three existing retail buildings (Buildings #1, #2 and #3) at the Saint Francis Square Shopping Center (see Attachment A – Project Narrative). Landscaping (trees, planters, landscaping) and renovate the surface parking lot (new paving, striping and parking lot lighting, and driveway access) would also be implemented (see Attachment B – Project Plans). The Committee should be aware that a future phase of the project will include construction of a new restaurant and drive-through and a master sign program for the shopping center, which will undergo separate entitlements through the Planning Commission and City Council.

BACKGROUND

The Saint Francis Square Shopping Center, built in the late 1960s, is located at the southeast corner of Saint Francis Boulevard and Southgate Avenue. The shopping center contains a mix of commercial retail, office and restaurant uses on the site. The proposed shopping center renovation project would demolish and construct a new larger 25,405 sf, supermarket store, construct a new 6,657 sf retail building, renovate the exterior façade of three existing retail buildings and renovate the parking lot with new parking striping, planter boxes, landscaping, and lighting plan. Vehicular access would be provided by three full access driveways including on exiting driveway on Saint Francis Boulevard and two existing driveways on Southgate Avenue. Parking would be shared by all uses on site.

The subject property is zoned Neighborhood Commercial (C-N), where the new supermarket, new retail pad, retail building façade improvements, and parking lot landscaping and renovations are allowed under the existing zoning, without the requirement for a use permit. These components of the Saint Francis Square Renovation project are being reviewed and approved under separate building permits. The applicant will submit a Design Review and Use Permit application later for a new restaurant with drive-through and master sign program for review and approval by the Planning Commission and City Council.

DESIGN EVALUATION

Site Plan

The proposed Saint Francis Shopping Center renovation project is located on an approximate 256,133 square foot parcel at the northwest corner of Saint Francis Boulevard and Southgate Boulevard. The project would demolish and expand the size of the existing supermarket store by 4,756 (from 20,649 sf to 25,405 sf) and add a new retail building of 6,657 sf at the western portion of the shopping center property. In addition, a new 2,480 sf restaurant with drive-through would be constructed, under separate design review and use permits. The overall project would increase the square footage of building space from 57,955 sf to 71,848 sf.

The shopping center renovation project is being implemented in phases. The first phase entails demolition and new construction of the existing supermarket store and site plan work that includes the installation of a new water main, sewer main, storm drainage, and treatment of storm water, site power and light, landscaping, and repaving and restriping the surface parking lot. The project proposes to provide approximately 262 surface parking spaces. The second phase would remodel the front facades of three existing retail buildings. The third phase would construct a pad for a new retail building (Building #4). The fourth phase entails construction of a new restaurant (Building #5) and drive-through and a master sign program, which will require a separate design review and use permit application.

Landscaping
The shopping center renovation project includes new landscaping that would include a variety of trees and large shrubs, shrubs/perennials/ground covers and vines, spread throughout the shopping center and along the border areas of the shopping center. There would be a total of 129 trees, 1,387 Shrubs/perennials/Ground covers and 8 vines. The ground cover plants will be drought tolerant plants and shade tolerant, where planted in shaded areas. Trees would be located on landscaping and driveway entry ways adjacent to St Francis Boulevard and Southgate Avenue and spaced evenly throughout the surface parking lot. The tree selected include Arbutus marina, Australian Flame Tree, Ceanothus hybrid, Toyon, Sweet Shade, Brisbane Box and New Zealand Christmas Tree. Shrubs, Perennials and Ground Covers include Common Yarrow hybrid, Santa Barbara Daisy, Blue Fescue hybrid, Pink Muhly, Rosemary, Autumn Sage hybrid and Cat Claw Vine. Ground covers include White Lantana hybrid and Sage hybrid. A three-inch thick layer of shredded bark mulch will be spread throughout all landscape areas. All plantings would be selected and sited to maintain visibility site distance requirements for pedestrians, bicyclists, and vehicles.

Site Lighting
Lighting will be provided for all shopping center parking lot paved areas according to Daly City required luminate standards and light type specifications. The light quantities include 9 Flood type lights, 5 Single Pole Type 3, 12 Single Pole Type5, 10 Wall Pack Type 2, 13 Wall Pack Type 3 and 4 Wall Pack Type.

Building Design

The design elements including colors, material, and architectural details of the new supermarket are integrated with the renovation of the existing retail building facades and the new retail building to be located at the southwest side of the shopping center. Based on staff review of the plans, the architectural design and proposed exterior materials and earth tone colors of the shopping center buildings are compatible with the character, scale and quality of the design, the architectural relationship with the site and other buildings, building materials, and colors. A master sign program application will be submitted for review and approval at a later date for all buildings at the shopping center.

Supermarket
The supermarket replaces and expands the building footprint of the previous supermarket building, located on the northeast corner of the shopping center, near the Southgate Avenue driveway entrance. The exterior finish materials, details and colors include gray ("Stonington Gray") exterior stucco wall, horizontal wood siding ("Moonlight White", corrugated metal siding, black ("Black Iron") decorative framed cornice, exterior stacked stone entry pillars ("insert color") and natural wood color trellis. Windows will be low-e insulated glazed windows with clear anodized aluminum storefront window framing. In addition, the building exterior includes wall sconce lighting, decorative corbels, and a metal canopy (Please see attachment B, Plan Sheet A4.2). Signage will be submitted under a separate master sign program application for review and approval.

New Retail Building
The new retail building will be in the southwest corner of the shopping center facing east. The exterior retailing building wall will be smooth painted plaster with finish combination of stone veneer base and wood paneling. The exterior finish details and materials include vertical reveals, accent band, cedar board batten siding. The exterior wall colors will be beige ("Spare White") and grey colors ("Cornwall Slate"). The exterior wood trim will be painted grey tones ("Pewter Tankard") and ("Cornwall Slate"). The wood siding will be light grey ("Skipping Rocks"). The ground level exterior stone veneer is a combination of grey ("Coronado Prairie Stone-Mocha Granite") veneer and ("Coronado Element Ledgestone-Mount Vernon") stone veneer. The windows will be clear anodized aluminum storefront windows with overhang roof panel painted black ("Black of Night"). The proposed roof is a standing seam black metal roof with decorative wood beam and trusses to match the wood color ("American Cherry") (Please see Attachment B, Plan Sheet A3.2).

Existing Retail Building Façade Improvements
The applicant will improve the exterior retail buildings by removing and installing new exterior front facades and doorways. The exterior concrete block and wood stud walls of the existing retail buildings will remain; however, the arcade awnings will be demolished. The new exterior finishes materials and colors include Nichiha fiber cement panels ("Cedar"), corrugated metal siding, wood trellis ("Horseradish"), exterior smooth plaster gray ("Stonington Gray"), black ("Black Iron) parapet trim, exterior stacked stone base entry and wood trellis pillars, wall sconce lighting, metal canopy and standing seam shed roof. The windows will be Low-E insulated

glazing windows with clear anodized aluminum storefront window frames. The existing store front exteriors will be repaired and repainted. In addition, new planters will be installed along the retail buildings' frontage (Please see Attachment B, Plan Sheet A4.2).

Staff has reviewed the architectural design of the proposed new supermarket, retail store building and restaurant as well as the façade improvements to the building with the three existing retail business and is satisfied that the applicant has incorporated architectural considerations in the design of the new buildings to ensure the compatibility of this development with its design concept and the character of other adjacent buildings. These considerations include, but are not limited to, the character, scale and quality of the design, the architectural relationship with the site and other buildings, building materials, and colors.

Staff does however make the following recommendations for Conditions of Approval:

1. The overhang of any sloping roof shall be at least 36 inches. All such overhands shall receive corbels sized for proper proportion to the adjacent roof, as determined by the Planning Division.

2. Similar wainscot veneer and decorative cap shall be added to the base of all buildings. The veneer shall return the entirety of the north elevation of the supermarket building, facing Southgate Avenue and the north elevation of the new retail building.

3. Cart corrals adjacent to any building shall be constructed from concrete and receive the wainscot veneer identified in the previous Condition of Approval or similar material acceptable to the Planning Division.

4. The north elevation of the new retail building shall receive additional architectural elements that assist with breaking up the long blank walls that are currently proposed. A potential remedy to this requirement could be the placement a halo-illuminated sign at this wall.

5. All rooftop mechanical equipment shall receive a roof screen if visible from the adjacent street or center parking lot, as determined necessary by the Planning Division.

6. All trash enclosures associated with the project shall be constructed from concrete reflecting the design element quality present on retail buildings, shall be covered with a roof, and receive anodized heavy-gauge metal doors painted to match/complement the design present in the retail buildings.

7. The applicant shall be required to submit and implement a Sign Program for the shopping center. The submittal and approval of the Sign Program by the City shall occur prior to occupancy of the new supermarket building. All signs, aside from major tenant signs and sign that the Planning Division deems re-usable shall be halo-illuminated only. All signs shall be in proportion to the surface upon which they are mounted.

<u>Transportation and Parking</u>

The proposed shopping center renovation project would provide approximately 262 parking spaces, sufficient to accommodate the projected peak parking demand, according to the traffic consultant transportation study completed for the project. The project would consolidate the number of existing driveways from two to one on Saint Francis Boulevard and four to two on Southgate Avenue. A traffic consultant (Hexagon Transportation Consultants, Inc.) has prepared a Traffic Study for the proposed project that examined the local traffic and parking for the project.

Traffic Analysis
The Local Traffic analysis evaluated the project's effect on weekday AM and PM peak-hour traffic conditions at the Saint Francis Boulevard and Southgate Avenue intersection, queuing at the study intersection, site access, on-site circulation, drive-through queuing, and parking. The results of the intersection level of service analysis indicate that the study intersection would operate at acceptable levels during both the AM and PM peak hours of commute traffic under existing plus project conditions. Therefore, the project traffic would not cause an adverse effect on traffic operations.

Site Access and On-Site Circulation
Vehicular access to the site would be provided by the three existing full-access driveways including one driveway on Saint Francis Boulevard and two driveways on Southgate Avenue. The Daly City Municipal Code requires a minimum driveway width of 24 feet for a two-way driveway. The remaining existing driveways would be at least 26 feet wide, which meet the Daly City requirement. An evaluation of the on-site circulation determined that the project would provide adequate circulation around the surface lot with acceptable drive aisle widths and site distance clear of obstructions for visibility of pedestrians on sidewalks and vehicles and bicycles traveling on Saint Francis Boulevard and Southgate Avenue.

The Design Review Committee should be aware that the applicant has proposed removing the pedestrian access sidewalk that currently exists at the driveway leading to the shopping center parking lot from Saint Francis Boulevard. The applicant has cited the lack of safety to pedestrians given the slope of the access sidewalk and the inability to replace the sidewalk with a feasible alternative. Staff had initially resisted the removal but has since agreed to it given that a replacement would need be of significant length from the sidewalk along Saint Francis Boulevard and therefore indirect. This indirectness would negate the likelihood of its use by pedestrians seeking the most direct route to the supermarket and retail uses on the site, and so staff has reluctantly agreed to recommend its removal to the Design Review Committee.

Parking Analysis
Section 17.34.020 of the Daly City Code requires parking for the shopping center be calculated as following for restaurant and retail service commercial uses:

- All Other Retail or Service Commercial: one space for each 300 sf of gross floor area up to 21,000 sf; thereafter, one space for each 200 sf of gross floor area.

- Fast-Food Restaurant or Drive-Through: one space per 75 sf of gross floor area.

The shopping center would require 33 parking spaces for the fast-foot restaurant and 312 spaces for all other uses, for a total of 345 parking spaces. The shopping center would provide 262 parking spaces, which are 83 spaces fewer than the requires spaces. According to City Code, for mixed use developments the city may grant a reduction in the overall off-street parking requirement by no more than 20 percent (from 345 to 276 spaces) if the individual activities within a single complex were considered separately. Because the proposed parking spaces are fewer than the required spaces, a parking demand analysis was conducted to estimate the parking demand of the shopping center based on the vehicle parking counts conducted for the shopping center and the ITE *Parking Generational Manual, 5th Edition*, for the proposed retail building, fast-food restaurant, and the supermarket store. The estimated parking demand for the new uses were added to the existing parking demand to determine if the proposed parking supply would be adequate. The analysis found that the maximum parking demand for the shopping center with the new buildings would be 226 and 250 spaces on a weekday and Saturday. Therefore, the proposed parking supply of 262 spaces would be sufficient to accommodate the projected peak parking demand.

In conclusion, the traffic operations analysis for the proposed renovation and expansion of the Saint Francis Square shopping center shows that the vehicle trips generated by the project would not cause an adverse effect on traffic operations at the adjacent Saint Francis Boulevard and Southgate Avenue intersection and the project driveways (see Attachment C - Traffic Study).

Building Height

The subject property is zoned C-N, Neighborhood Commercial where the maximum building height allowed is 36 feet. The proposed height for the new supermarket would be 32'-6". The existing retail buildings undergoing façade improvements (buildings #2 and #3) are 26' in height. The new retail building (building #4) would be 30' in height. Based on the plans submitted by the applicant, the proposed new buildings and façade improvements demonstrate that the project complies with the Zoning Ordinance height maximum.

ENVIRONMENTAL ASSESSMENT

The proposed project is categorically exempt pursuant to California Environmental Quality Act (CEQA) Guidelines Sections 15302, Class 2, (c) Replacement or Reconstruction of a commercial structure with a new structure of substantially the same size, purpose, and capacity, and Section 15303. New Construction or Conversion of Small Structures, Class 3, (c), new construction of up to four commercial buildings not exceeding 10,000 square feet.

The proposed demolition and new construction of a seafood supermarket is categorically exempt under Class 2 as it replaces an existing commercial structure (supermarket) with a new structure (supermarket) of substantially the same size, purpose, and capacity. The proposed new retail store building (building #4) is exempt under Class 3 as it would be a 6,657-sf building, not exceeding 10,000 square feet and is a use permitted in the Neighborhood Commercial Zone.

The Engineering Division required preparation of a transportation study to ensure that the project was not excluded from the exemption (see Attachment E, Traffic Study). The study found that the proposed project would not have any significant impacts on the transportation system in terms of conflicts with plans, local traffic and parking impacts, and hazards or emergency access.

FINDINGS

Staff recommends that the Design Review Committee find that the approval of Design Review DR-2-22-15533, as conditioned, is in accordance with Section 17.45 (*Design Review*) of the Daly City Municipal Code. Approval of the design review application, as conditioned herein, is in the best interest of the public health, safety, and general welfare of the community, and that the general site, architecture, and landscape considerations have been incorporated to ensure compatibility with adjacent buildings and to provide an attractive environment. These findings are based in part on the following:

1. The Design Review Committee has reviewed the proposal under the requirements of the California Environmental Quality Act (CEQA) and has determined that the proposed project is categorically exempt pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15332: In-Fill Development Projects;

2. The project complies with applicable provisions of Design Review Section 17.45 of the Zoning Ordinance and is consistent with the Planned Development zoning applicable to the site;

3. General architectural considerations have been incorporated to ensure the compatibility of this development with its design concept and the character of other adjacent buildings. These considerations include, but are not limited to, the character, scale and quality of the design, the architectural relationship with the site and other buildings, building materials, and colors;

4. The proposed buildings conform to the 36-foot height limit along the front elevation, which is along Saint Francis Boulevard and;

5. The project will minimize the risk to existing public improvements and adjacent private property by providing controlled stormwater runoff from the site to City facilities in full compliance with Order R-2 NPDES Permit No. CAS612008 and Order No. 2010-0014-DWQ, NPDES No. CAS000002, the statewide National Pollutant Discharge Elimination System (NPDES) General Construction Activity Storm Water Permit.

CONDITIONS OF APPROVAL

Failure to comply with these Conditions of Approval is a violation of this title and subject to enforcement, penalties, and legal procedures as prescribed by Chapter 17.50 of the Daly City Municipal Code. Minor modifications may be approved administratively by the Planning Division; however, major changes to the approved design will require Design Committee approval. Distinctions between major and minor changes are subject to the determination by the Director of Economic and Community Development. The recommended Conditions of Approval related to the site and architectural designs for Design Review DR--01-22-015499 are as follows:

A. DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

General

1. Plans submitted for the construction of all improvements shall be consistent with plans and project details for Design Review DR--01-22-015499, as approved by the Daly City Council Design Review Committee. Modifications required for minor design and location changes may be approved by the Planning Division. Major changes will require review and approval by the Design Review Committee.

2. If building permits have not been issued within one year of Design Review Committee approval, the Design Review application shall expire.

3. The applicant shall comply with all applicable development standards specified in the zoning for this site.

4. The proposed landscaping is subject to Chapter 17.41 (*Water Conservation in Landscaping*) of the Daly City Municipal Code. The applicant shall submit documentation as required by this chapter to the Planning Division at the time of building permit submittal.

5. The applicant shall provide utility, grading, and landscape plans at the time of building permit submittal. The Planning Division shall not begin review of the building permit application without the provision of these items.

6. All Conditions of Approval identified herein shall be satisfied prior to final Certificate of Occupancy, unless otherwise specified.

Parking Lot Design

7. Prior to building permit issuance, the applicant shall submit a striping plan to the Planning Division, Building Division, and Fire Department for review and approval. Any parking spaces that are mandated to be allocated to clean air vehicles or that provide EV charging shall be signed as such and painted green with appropriate ground-painted lettering and iconography.

Building Design

8. The applicant shall provide exterior up/and down lighting (sconces) that accentuate the building exterior.

9. All signs shall conform to the Zoning Ordinance maximum and architectural quality of the building, as determined by staff. Unless otherwise permitted by staff, all signs shall incorporate halo-illumination.

10. The overhang of any sloping roof shall be at least 36 inches. All such overhands shall receive corbels sized for proper proportion to the adjacent roof, as determined by the Planning Division.

11. Similar wainscot veneer and decorative cap shall be added to the base of all buildings. The veneer shall return the entirety of the north elevation of the supermarket building, facing Southgate Avenue and the north elevation of the new retail building.

12. Cart corrals adjacent to any building shall be constructed from concrete and receive the wainscot veneer identified in the previous Condition of Approval or similar material acceptable to the Planning Division.

13. The north elevation of the new retail building shall receive additional architectural elements that assist with breaking up the long blank walls that are currently proposed. A potential remedy to this requirement could be the placement a halo-illuminated sign at this wall.

14. All rooftop mechanical equipment shall receive a roof screen if visible from the adjacent street or center parking lot, as determined necessary by the Planning Division.

15. All trash enclosures associated with the project shall be constructed from concrete reflecting the design element quality present on retail buildings, shall be covered with a roof, and receive anodized heavy-gauge metal doors painted to match/complement the design present in the retail buildings.

16. The applicant shall be required to submit and implement a Sign Program for the shopping center. The submittal and approval of the Sign Program by the City shall occur prior to occupancy of the new supermarket building. All signs, aside from major tenant signs and sign that the Planning Division deems re-usable shall be halo-illuminated only. All signs shall be in proportion to the surface upon which they are mounted.

<u>Stormwater Management</u>

17. The applicant shall develop and submit a stormwater management plan that illustrates full compliance with Section C.3 of Order R-2-2009-0074 NPDES Permit No. CAS612008. The project must comply with Order No. 2010-0014-DWQ, NPDES No. CAS000002, the statewide National Pollutant Discharge Elimination System (NPDES) General Construction Activity Storm Water Permit.

18. The applicant shall receive approval of the stormwater management plan from a third-party reviewer appointed by the City prior to building permit submittal. The applicant shall pay the entire cost of the third-party reviewer.

19. All stormwater treatment facilities shall be inspected during construction to ensure eventual compliance with the stormwater management plan. The applicant shall pay the entire cost of these inspections.

20. The applicant shall enter into a Maintenance Agreement with the City to ensure long-term maintenance and servicing by the Property Owner of stormwater site design and treatment control measures according to the approved Maintenance Plan.

21. The applicant shall arrange and pay for final inspection of installed treatment measure by municipality's Special Inspector within 45 days of installation or project construction completion, whichever comes first.

22. The applicant shall submit a stormwater management plan that illustrates full compliance with the City's stormwater regulations. The plan shall build upon the preliminary plan submitted by the applicant to identify appropriately sized facilities necessary to fully comply the City's NPDES Permit and shall include stormwater treatment calculations that demonstrate this compliance. Where necessary, the plan shall also demonstrate that substrate material can accept and/or has been designed to accept stormwater for treatment and can do so at a rate acceptable to the City. The applicant shall be aware that the Stormwater Treatment Plan is subject to third-party review and that the entire cost of this review will be paid for by the applicant.

<u>Site Maintenance</u>

23. The applicant shall submit a site maintenance plan to the Planning Division for review and approval. The maintenance plan shall reference the cross-access easements required by the City during the parcel approval for the project and shall provide specific maintenance assignments of all shared facilities on the project site. These facilities shall include, but not limited to driveways, drainage facilities, retaining walls, site lighting, and the stormwater treatment measures identified in the Stormwater Treatment Plan. Where necessary, the maintenance plan shall identify any responsibilities of the senior apartments, where the apartments benefit from shared facilities (e.g., driveways).

24. The applicant shall maintain the building in a manner that enhances the life and character of the building through routine cleaning of the site and building facades in response to prevent premature aging and wear due to the harsh climatic conditions.

B. DEPARTMENT OF PUBLIC WORKS/ENGINEERING

<u>General</u>

25. All improvements, including the on- and off-site improvements and all public service and utility facilities, shall be completed by the applicant, or shall be incorporated into a development agreement before issuance of a building permit.

26. All improvements shall be consistent with the plans approved by the City Engineer and the Conditions of Approval. All improvements shall meet the latest California Building Code, California Fire Code, Daly City Municipal Code, and the City Standards and Specifications.

27. Provide “will serve letters” from the City’s Water and Wastewater Department for water and sewer services and Pacific Gas and Electric Company (PG&E) for gas and electric services.

28. Concurrent with each demolition, grading and drainage permit submittal or as a part of the Improvement Plan package, the Applicant shall prepare a dust control plan. The plan shall conform to the City Standards and comply with the requirements of the Bay Area Air Quality Management District (BAAQMD) Best Management Practices for dust control. The Applicant shall post a publicly visible sign with the telephone number and person to contact regarding dust complaints. The person shall respond and take corrective action within 48 hours.

29. The applicant and/or Contractor shall have a project sign with a 24-hour Project contact information for public concerns such as off-site tracking, dust control, noise complaints, ground shaking and any related construction activities. The complaints and responses shall be logged, and copies provided to the City Engineer with action status on a weekly basis.

30. Provide erosion and storm water pollution plan incorporating best management practices, including operation and maintenance provisions per the requirements applicable at the time of construction permit application. During the wet/rainy season (October 1 to April 30) the developer shall submit a revised erosion control plan as necessary *(every five working days)* or as required by the City Engineer and/or his representative.

31. All improvements shall be installed, inspected and approved by the City Engineer prior to issuance of occupancy permits. In addition, as-built record plans of all improvements shall be submitted in a form acceptable to the City Engineer prior to issuance of occupancy permits.
32. All utility services shall be provided through underground connections. There shall be no overhead drops. Said improvements shall conform to Daly City and affected Agency’s standards.

33. All plans shall be accompanied by all required calculations and studies including geotechnical and impact studies to justify design signed and sealed by a licensed professional engineer.

34. Grading and improvement plan review and approval by the City Engineer are required before any City permit is issued. The improvement plans shall include details for on-site and off-site improvements for vehicular and pedestrian access, parking, traffic signs and markings, utility service connections, modifications and extensions of the City’s sewer, storm drain, safety lighting, landscaping, and other public service facilities.

35. The applicant shall apply for a Site Improvement Permit through the Engineering Division for construction of on- and off-site improvements. Securities for all improvements (on-site and off-site), and applicable fees and charges, shall be submitted with any building permits. The applicant shall obtain all required permits before commencing work.

36. Comply with the applicable requirements of the City's General Condition of Approval: Variances, Design Reviews, Planned Developments and Subdivisions, dated December 8, 1999.

37. City records show a 48" subdrain runs through the project site. If the 48" subdrain is encountered during construction, all construction activity must stop and the subdrain shall be inspected and protected in place to the satisfaction of the Engineering Division.

38. Clearly depict and identify all property lines, parcel lines, easements, etc. on the plans (Legend with linetypes, labeling on the plans).

<u>Site</u>

39. Prior to Building Permit approval the applicant shall enter into a Landscape Maintenance Agreement in a form acceptable to the City Attorney to ensure the Property Owner will provide long-term maintenance of all street trees, landscaping, irrigation, and pedestrian-scale lighting installed in the public right-of-way. Design of planting and irrigation system shall minimize the extent of irrigation lines, controllers, and valves in the public right-of-way and shall be reviewed and approved by the City Engineer.

40. The applicant shall repair and/or replace additional areas of street pavement, sidewalk, curb, and gutter, street lights, manhole, catch basins, or any other public infrastructure within the right-of-way damaged by construction activities associated with the project (utility installation, etc.) as required by the City Inspector during construction.

41. The limits of the curb gutter and sidewalk replacement will span the entire frontage of the proposed development to the nearest expansion joints or score lines.

42. Any modifications to the development plan that affect Republic Services' ability to access the property shall be reviewed and approved by Republic Services. \

43. Provide a current title report within the last six months for the project site and all referenced documents. Include all referenced documents.

44. Parking stalls span across parcel lines and the proposed project anticipates sharing of parking for multiple uses across multiple lots, such that each lot may not contain the parking required for the same buildings located within the same lot. The applicant shall cause an instrument, to the satisfaction of the City, to be recorded on all project properties to ensure that parking is made available for all uses within the project limits, and such restriction shall remain for any successors in the event that each legal lot is sold off individually or otherwise portions of the project site are under different ownership. A lot line adjustment to merge all parcels together is preferred to carry out this condition.

45. Address City comments on the Traffic Study, dated August 2022, and resubmit a revised traffic study. A Traffic Study, approved by the Traffic Engineer, is required and shall be implemented for the project.

46. Placement of any monument signs or other permanent fixtures shall be located out of the line of sight of motorists.

47. Install street trees along the project frontage within the Public Right of Way. Street tree spacing shall be per Daly City Standards and Details.

48. If there is to be a modification or replacement to the southern driveway along Saint Francis Blvd. the new driveway shall align with Campana Ave. and shall meet the City Standard driveway requirements outlined in Daly City Standard Detail S-3.

49. Clearly show pedestrian and bike accommodations to and from the site. Include bike amenities (bike racks, pathway, etc.) for commercial space in front of the buildings within the project site as well as pathways within the project site and parking lot.

Grading

50. Grading exceeding 50 cubic yards shall require approval of plans and a grading permit. A licensed Civil Engineer shall prepare the grading plans and erosion control plan in conformance with a soil report prepared by a licensed soil engineer or qualified civil engineer in compliance with the NPDES requirements prior to any development on the property.

51. Grading plans shall be reviewed by an independent qualified Consulting Engineer or Geologist as well as the City Engineer; a letter of compliance from the independent qualified Consulting Engineer or Geologist shall be provided to Engineering prior to the issuance of any permit. The Engineer and/or Geologist, of record, shall be present on-site during the excavation and grading phases of the project and shall submit a written certification that the project civil plans has been implemented as approved.

52. The applicant shall provide fail-safe conditions for catastrophic events such as 100-year storms, seismic events, system overflows or failures. Drainage swales shall be provided at the top, intermediate and bottom of slopes and embankments to prevent erosion and degradation of slopes. The project geotechnical report shall include appropriate recommendations regarding the protection of existing and proposed slopes.

53. A Geotechnical Report shall be prepared by a licensed geologist or soils engineer for any proposed retaining wall against the existing adjacent properties.

54. Curb ramps in and around the project site shall utilize the case types in the Caltrans Standard Plans.

55. For on-site retaining walls, indicate if any tiebacks will be used on the project. Tiebacks are not allowed to encroach into the City's right-of-way. Plans should include property lines and adjacent utilities to identify any potential conflicts.

Storm Water / Utility

56. Drainage from the site to a public storm drain system or street shall not flow over any sidewalk. On site drainage retention shall be provided to limit the flow rate entering the City’s storm drain system to the pre-development rate. The retention facility shall accommodate the excess runoff from a storm of 10-year frequency and two-hour duration as defined in the 1990 Daly City Design Standards.

57. Include impervious and pervious areas for the pre and post-development site conditions on the plans.

58. All stormwater retention, treatment system or other C.3 or LID improvements shall be located outside of the public right-of-way and maintained by the property owner.

59. All storm water connections and extensions shall be underground.

60. All new roof drainage shall be treated before being directed toward the public storm drain system.

61. Install pedestrian scale streetlight on the southwest corner of Southgate Avenue/El Dorado Drive. Streetlight to be maintained by the applicant through a landscape maintenance agreement. Streetlight and luminaire models shall match those used on the Mission Street Streetscape Project.

62. The project’s electrical transformers shall not be installed within public right-of-way.

63. Full trash capture devices approved by the City Engineer shall be installed on the drainage system.

C. DEPARTMENT OF WATER/WASTEWATER SERVICES

64. All costs associated with any water system improvements required by the City, shall be borne by the applicant.

65. All costs associated with any sewer system improvements required by the City, shall be borne by the applicant.

66. Landscaping: There are several conflicts with the planting schedule and the buried utilities. All water and sewer infrastructure shall remain out of the drip line of the trees when they are fully grown. Only low plantings, ground cover, that does not screen the infrastructure, shall be permitted.

67. Water Services: Each water service to the project shall incorporate a master meter. The master meter shall be located in the ROW. Each water service to the project shall incorporate a RP type back flow device immediately after the master meter. The RP shall be located in private property. All water services within the private water system shall incorporate RP type back flow devices. Private fire services require an RPDA. Private domestic and irrigation systems require an RP.

68. Garbage Enclosures. All external garbage enclosures shall have:
    i. Solid walls and gate
    ii. A roof
    iii. A floor sloped to prevent run on of storm water and run off of effluent
    iv. A drain to the sewer for wash down
    v. A clean out 18 to 24 inches outside the structure

FIRE DEPARTMENT

69. A Fire sprinkler system is required for new buildings. Submit plans to NCFA under separate fire permit.

70. For remodels or additional square footage – Sprinklers are required for existing building when the alteration, addition, or repair exceeds 50% of the building gross original area within any 5-year period.

71. Trash enclosures shall be provided with fire sprinkler protection, per DCMC.

72. Applicant shall provide fire flow information per CFC, Appendix B.

73. Fire extinguishing/hood system required. Applicant shall submit plans to NCFA under separate fire permit.

74. A Monitored fire alarm system is required. Applicant shall submit plans to NCFA under separate fire permit.

75. Knox Box is required for new/remodeled buildings. Applicant shall apply for approved hardware at NCFA Administration.

76. Portable fire extinguishers(s) are required. Applicant shall mount fire extinguishers 3-5 feet above floor.

77. Illuminated address identification is required.

STAFF RECOMMENDATION

Staff recommends the Design Review Committee approve Design Review DR--01-22-015499 subject to the findings and conditions in this report.

Respectfully submitted,

Sam Fielding

Sam Fielding
Associate Planner

Tatum Mothershead
Director of Economic and

Community Development

Attachments

Attachment A – Site Location
Attachment B – Project Plans
Attachment C – Traffic Study

CITY OF DALY CITY INTER-OFFICE MEMORANDUM

DATE: March 1, 2023

TO: See Below

FROM: Charlie Machado-Morrow, City Manager's Office

SUBJECT: **MEETING NOTICE**

RE: **Affordable Housing Committee Meeting**

DATE: **March 6, 2023**

TIME: 6:00pm

PLACE: Zoom

ATTENDING:

City Participants:	**Other Participants**:
Juslyn Manalo, Vice Mayor	
Glenn R. Sylvester, Councilmember	
Thomas J. Piccolotti, City Manager	
Rose Zimmerman, City Attorney	
Tatum Mothershead, Director of ECD	
Betsy Zobell	
Lenelle Suliguin	

cc: City Council

DALY CITY INTER-OFFICE MEMORANDUM

DATE: March 6, 2023

TO: Affordable Housing Committee
Mayor Juslyn C. Manalo and Councilmember Glenn Sylvester

FROM: Betsy ZoBell, Housing and Community Development Supervisor

CC: Thomas J. Piccolotti, City Manager
Rose Zimmerman, City Attorney
Tatum Mothershead, Director Economic and Community Development
Betsy ZoBell, Housing and Community Development Manager
Lenelle D. Suliguin, Senior Management Analyst

SUBJECT: Welfare Property Tax Exemption/ Inquiry from Housing Developers

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BACKGROUND

Adopted by voters as a constitutional amendment in 1944, California's Welfare Tax Exemption grants the California Legislature the authority to exempt eligible properties from property taxes. In a market like California, this can generate substantial financial savings to property owners. Among the property types eligible for this exemption is housing for low-income households. In instances where the property is owned and operated by a nonprofit organization, a property is eligible under the following circumstances:

- The property use is restricted to low-income housing by a regulatory agreement, recorded deed restriction, or other legal document. A minimum of 51 percent of the residential units must be restricted to households with incomes at or below 80 percent of the area median. Rents for these units may not exceed the amount affordable to households with incomes at or below 80 percent of the area median.

- The funds that would have been necessary to pay property taxes are used to maintain the affordability of the housing or to reduce the rents for the units occupied by lower income households, defined by HUD as households earning below 80% of the Area Median Income (AMI).

- A public subsidy of at least $5,000 is provided by a City or regional agency

Over the last several months, staff have been contacted by developers seeking to acquire existing multi-family rental properties in Daly City. These developers have inquired about City assistance in providing the regulation necessary to achieve the Welfare Tax Exemption (WTE).

COSTS AND BENEFITS OF THE WELFARE TAX EXEMPTION IN DALY CITY

1. Loss of General Fund Revenue

Properties that receive the WTE do not pay property taxes on any units whose tenants have a household income that is 80 percent of the area median income or less. Although the recorded deed restriction only requires that 51 percent of the units are deed restricted to 80 percent AMI or below with rents affordable at that level, the owner may claim the WTE for any unit where the tenants have incomes at 80 percent AMI or below and the rent is set at 80 percent AMI levels; even though the regulatory restrictions may only restrict 51% of the units.

The City will lose General Fund revenue for properties that receive a WTE. As an example, a 50-unit apartment complex currently paying $300,000 in total property taxes, would see a reduction of $150,000 in total property tax payments. Since Daly City receives 16 percent of total property taxes collected, implementation of the WTE would result in the annual loss of approximately $48,000 in General Fund Revenue[1].

2. Production of New Affordable Housing Units in Daly City

The WTE rules require property owners to restrict rents on at least 51 percent of units to a level affordable to households with incomes at or below 80 percent AMI. Based on a survey of rents presented on the websites of larger apartment complexes in Daly City, it appears that rents currently available in the Daly City marketplace are already affordable to households with incomes at 80 percent AMI[2]. In other words, the 80 percent AMI deed restriction required under the WTE would not necessarily result in production of additional affordable units for lower income households.

It has been suggested that while *today* rents targeted at 80 percent of the San Francisco HUD Metro Area Median Family income are essentially market rate in Daly City, over time Daly City rents could increase faster than calculated affordable rents. Under this scenario, in the future, the WTE could result in a future benefit by providing restricted rents (in the future) that are truly lower than what is available in the market-place. An analysis of published rent limits and Daly City market rate rents over the last 20 years does not support a prediction that a WTE restrictions executed today will necessarily result in below market rents in the future.

	1 Bedroom	2-Bedroom
Westlake Apartments	$2,132-$3,295	$2,022-$3,400
Serramonte Ridge	$2,725-$2,755	$3,045
Restricted Rent at 80% AMI	$2,797	$3,356

[1] This calculation does not include increases in assessed value that might occur when a property transfers. Such increases could be great enough that even with the Welfare Property Tax exemption, the net amount of property tax generated to Daly City would increase.
[2] A comprehensive market study of Daly City rents could be carried out to confirm statistically valid median rents.

3. Preservation of Existing Affordable Housing Stock

It is not clear that the WTE would preserve existing affordable housing stock in Daly City. Affordable housing that actually meets the needs of lower income households in Daly City is housing with rents that are affordable to households with incomes at 80 percent of ***the Daly City Median income***. The WTE only requires that owners restrict rents to 80 percent of the San Francisco HUD Metro Area. As shown in the following Table, the Daly City Median income, is significantly lower than the average for the San Francisco HUD Metro Area, of which Daly City is a part.

To the extent that a Daly City property offered rents affordable at 80 percent of Daly City's median income, an owner using the WTE would have no obligation to preserve the rents of those tenants with incomes significantly below 80 percent of median and could immediately raise rents by an amount equivalent to the State maximum (currently 11.4 % annually) until they reached the level affordable to households at 80 percent of the San Francisco HUD Metro Area Median Family income. Currently, rents affordable at 80 percent of the San Francisco HUD Metro Area Median Family income are 66 percent higher than rents affordable to households with incomes at 80% the Daly City Median Income. In other words, households with incomes at 80 percent of the San Francisco HUD Metro Area median would count towards the "low income households" required to claim the WTE even though those households could have incomes are 66 percent higher than what is actually "low-income" in Daly City.

Since the WTE requirements would not require owners to preserve the rents on naturally occurring affordable rental units, it is difficult to conclude that this program is an effective tool for preserving affordable housing in Daly City.

Jurisdiction	Median Household Income	Rent Affordable at 80% AMI (One Bedroom)
San Francisco HUD Metro Area Median Family Income	$166,000	$2,797
Daly City Median Family Income	$ 99,910	$1,683

4. Protections for Existing tenants, particularly low-income tenants

The WTE does not require a property owner to provide any protections for existing residents who might currently be rent-burdened[3]. For example, an owner with a WTE could continue to charge rents that exceed a household's ability to pay. The WTE does not place any limits, beyond those defined in State Law, on annual rent increases. Under today's economic

[3] "rent burdened" is defined as paying more than 30% of gross household income for housing costs

conditions, a property owner could increase rents up to 11.4 % [4] on all units (both deed restricted and market rate) annually.

BAY AREA HOUSING FINANCE AGENCY WELFARE TAX EXEMPTION PROGRAM

The Bay Area Housing Finance Authority (BAHFA) is a shared initiative of ABAG and the Metropolitan Transportation Commission, in partnership with cities and counties, to step up efforts to address the Bay Area's chronic housing affordability challenges.

BAHFA was established by AB 1487 (2019, Chiu) and seeks to offer a powerful new set of financing and policy tools to promote housing affordability and address the region's housing crisis.

BAHFA offers a WTE program under which they provide a small subsidy payment in exchange for a regulatory agreement with the developer that meets the requirement for the WTE. Attached is a summary term sheet for the BAHFA's program. In late 2022, BAFTA contacted the City to discuss the City's opinion on a prospective BAFTA-sponsored WTE project in Daly City. At that time, staff indicated that the City does not have a formal policy on such projects. BAHFA ultimately did not proceed with the proposed project citing a variety of reasons. In discussions with staff, BAHFA expressed a desire to pursue projects that are in alignment with Daly City policy and objectives.

Generally, staff concurs with BAHFA's program, but would recommend two additional requirements of developers:

- Decrease the rents to a maximum of 30 percent of gross household income for all rent-burdened tenants with incomes less than or equal to 80 percent AMI
- Provide relocation assistance to all tenants temporarily displaced due to building rehabilitation.

CONCLUSION

On its own, the WTE program does not appear to offer significant public benefit to lower income renters in Daly City and staff recommends that City adhere to a policy of not offering stand-alone WTE deed restrictions. For developments that include housing units that are truly below market (60 percent AMI and below), there is generally some form of public financing involved and deed restrictions that meet the requirements of the WTE law would be in place as a result of the public financing.

Since BAHFA already offers a WTE Program, staff recommends that such requests from developers seeking to acquire buildings in Daly City be referred to BAHFA. Since BAHFA has indicated their preference to limit use of their WTE program to projects that align with the City objectives, staff further recommends that BAHFA be urged to amend their program in Daly City

[4] Assumes CPI of 6.4% January 2022 through January 2023.

such that (1) rent relief is offered to lower income rent-burdened tenants and (2) relocation assistance is offered to tenants displaced due to building rehabilitation.

For projects where the owner intends to create or protect affordable housing with income targeting significantly below market (e.g. 60 percent AMI), staff recommends that the City provide the WTE regulation with terms similar to those typically included in Daly City affordable housing financings (e.g. 55 year term, limits on rent increases, etc.).

DALY CITY INTER-OFFICE MEMORANDUM

DATE: March 6, 2023

TO: Affordable Housing Committee
Mayor Juslyn C. Manalo and Councilmember Glenn Sylvester

FROM: Betsy ZoBell, Housing and Community Development Supervisor

CC: Thomas J. Piccolotti, City Manager
Rose Zimmerman, City Attorney
Tatum Mothershead, Director Economic and Community Development
Betsy ZoBell, Housing and Community Development Manager
Lenelle D. Suliguin, Senior Management Analyst

SUBJECT: Welfare Property Tax Exemption/ Inquiry from Housing Developers

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BACKGROUND

Adopted by voters as a constitutional amendment in 1944, California's Welfare Tax Exemption grants the California Legislature the authority to exempt eligible properties from property taxes. In a market like California, this can generate substantial financial savings to property owners. Among the property types eligible for this exemption is housing for low-income households. In instances where the property is owned and operated by a nonprofit organization, a property is eligible under the following circumstances:

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Mayor Juslyn C. Manalo and Councilmember Glenn Sylvester

FROM: Betsy ZoBell, Housing and Community Development Supervisor

CC: Thomas J. Piccolotti, City Manager
Rose Zimmerman, City Attorney
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3. Preservation of Existing Affordable Housing Stock

It is not clear that the WTE would preserve existing affordable housing stock in Daly City. Affordable housing that actually meets the needs of lower income households in Daly City is housing with rents that are affordable to households with incomes at 80 percent of ***the Daly City Median income***. The WTE only requires that owners restrict rents to 80 percent of the San Francisco HUD Metro Area. As shown in the following Table, the Daly City Median income, is significantly lower than the average for the San Francisco HUD Metro Area, of which Daly City is a part.

To the extent that a Daly City property offered rents affordable at 80 percent of Daly City's median income, an owner using the WTE would have no obligation to preserve the rents of those tenants with incomes significantly below 80 percent of median and could immediately raise rents by an amount equivalent to the State maximum (currently 11.4 % annually) until they reached the level affordable to households at 80 percent of the San Francisco HUD Metro Area Median Family income. Currently, rents affordable at 80 percent of the San Francisco HUD Metro Area Median Family income are 66 percent higher than rents affordable to households with incomes at 80% the Daly City Median Income. In other words, households with incomes at 80 percent of the San Francisco HUD Metro Area median would count towards the "low income households" required to claim the WTE even though those households could have incomes are 66 percent higher than what is actually "low-income" in Daly City.

Since the WTE requirements would not require owners to preserve the rents on naturally occurring affordable rental units, it is difficult to conclude that this program is an effective tool for preserving affordable housing in Daly City.

Jurisdiction	Median Household Income	Rent Affordable at 80% AMI (One Bedroom)
San Francisco HUD Metro Area Median Family Income	$166,000	$2,797
Daly City Median Family Income	$ 99,910	$1,683

4. Protections for Existing tenants, particularly low-income tenants

The WTE does not require a property owner to provide any protections for existing residents who might currently be rent-burdened[3]. For example, an owner with a WTE could continue to charge rents that exceed a household's ability to pay. The WTE does not place any limits, beyond those defined in State Law, on annual rent increases. Under today's economic

[3] "rent burdened" is defined as paying more than 30% of gross household income for housing costs

conditions, a property owner could increase rents up to 11.4 % [4] on all units (both deed restricted and market rate) annually.

BAY AREA HOUSING FINANCE AGENCY WELFARE TAX EXEMPTION PROGRAM

The Bay Area Housing Finance Authority (BAHFA) is a shared initiative of ABAG and the Metropolitan Transportation Commission, in partnership with cities and counties, to step up efforts to address the Bay Area's chronic housing affordability challenges.

BAHFA was established by AB 1487 (2019, Chiu) and seeks to offer a powerful new set of financing and policy tools to promote housing affordability and address the region's housing crisis.

BAHFA offers a WTE program under which they provide a small subsidy payment in exchange for a regulatory agreement with the developer that meets the requirement for the WTE. Attached is a summary term sheet for the BAHFA's program. In late 2022, BAFTA contacted the City to discuss the City's opinion on a prospective BAFTA-sponsored WTE project in Daly City. At that time, staff indicated that the City does not have a formal policy on such projects. BAHFA ultimately did not proceed with the proposed project citing a variety of reasons. In discussions with staff, BAHFA expressed a desire to pursue projects that are in alignment with Daly City policy and objectives.

Generally, staff concurs with BAHFA's program, but would recommend two additional requirements of developers:

- Decrease the rents to a maximum of 30 percent of gross household income for all rent-burdened tenants with incomes less than or equal to 80 percent AMI
- Provide relocation assistance to all tenants temporarily displaced due to building rehabilitation.

CONCLUSION

On its own, the WTE program does not appear to offer significant public benefit to lower income renters in Daly City and staff recommends that City adhere to a policy of not offering stand-alone WTE deed restrictions. For developments that include housing units that are truly below market (60 percent AMI and below), there is generally some form of public financing involved and deed restrictions that meet the requirements of the WTE law would be in place as a result of the public financing.

Since BAHFA already offers a WTE Program, staff recommends that such requests from developers seeking to acquire buildings in Daly City be referred to BAHFA. Since BAHFA has indicated their preference to limit use of their WTE program to projects that align with the City objectives, staff further recommends that BAHFA be urged to amend their program in Daly City

[4] Assumes CPI of 6.4% January 2022 through January 2023.

such that (1) rent relief is offered to lower income rent-burdened tenants and (2) relocation assistance is offered to tenants displaced due to building rehabilitation.

For projects where the owner intends to create or protect affordable housing with income targeting significantly below market (e.g. 60 percent AMI), staff recommends that the City provide the WTE regulation with terms similar to those typically included in Daly City affordable housing financings (e.g. 55 year term, limits on rent increases, etc.).

BAY AREA HOUSING FINANCE AUTHORITY
Welfare Tax Exemption Preservation Term Sheet
Multifamily Rental Properties

Program Description	BAHFA assists mission-driven developers to preserve existing mixed-income, multifamily housing by providing the public sector regulation necessary to achieve the "welfare exemption" defined in California Revenue and Taxation Code (R&T) Section 214(g). BAHFA assistance includes: 1) A grant of the minimum amount the California Board of Equalization (BOE) will accept to meet the local financing provision of R&T Section 214(g)(A) (currently $5,000) 2) A recorded deed restriction on the property that continuously limits occupancy of designated units to Lower Income households (see R&T Section 214(g)(2)(A)(ii). The Program's goal is to prevent displacement of low-income households, to create a permanently affordable housing stock that provides safe, decent, stable residencies for working households, and to promote neighborhood vitality.
Eligible Applicants	Affordable housing development teams that: 1) Meet the ownership requirements of R&T Section 214(g)(1); and 2) Have a demonstrated track record of successfully developing, owning and operating comparable projects.
Eligible Projects	Occupied, unrestricted buildings with 4 or more legal dwelling units. 1) Mixed-use buildings are eligible so long as the majority of the building square footage is used for residential uses. 2) Applicants must demonstrate that the proposed welfare-exempt rent restrictions provide a discount to market-rate rents of at least 10% or, in the alternative and subject to the approval of BAHFA, other economic conditions that justify imposition of the welfare exemption.

Term and Regulatory Restrictions	Regulatory Term: 55 years. BAHFA will consider shorter regulatory periods if the Applicant demonstrates that a shorter term remains compatible with 1) permanent affordability and 2) a prohibition on displacement. For example, Applicants may plan to refinance the property with tax credit equity or other public sources that would provide new regulatory controls that supersede BAHFA's restrictions. Lien Priority: BAHFA requires first lien priority for its occupancy deed restriction. In its sole discretion, BAHFA will consider subordination of its restriction if Applicant demonstrates the necessity of subordination to secure financing and if such subordination is consistent with the goal of creating permanent affordable housing. Displacement: Notwithstanding the imposition of income restrictions, no existing resident in the Project shall be displaced because of the preservation action or by Applicant's imposition of any new, discretionary "house rules". 1) Eligibility for the welfare exemption may be full or partial at acquisition, with additional units converting to welfare exempt over time through unit turnover. 2) For units subject to local "just cause" eviction ordinances, Applicants shall continue to comply with the just cause ordinance rules after acquisition. 3) All Applicants must comply with the Tenant Protection Act of 2019, Civil Code Sec. 1946.2 et seq. (AB 1482, Chiu) provisions regarding protections of tenants from tenancy terminations without just cause. Temporary Relocation: If Applicant must temporarily relocate tenants for the purpose of safely conducting a Project rehabilitation, the following requirements apply: 1) Temporary relocation shall not exceed 90 days unless approved by BAHFA. Permanent relocation is prohibited. 2) Applicants shall provide temporary housing that is decent, safe, sanitary and of comparable size to the relocated tenant's dwelling unit. 3) Tenants shall continue to pay the rent for their original unit, but shall bear no costs related to relocation, including: a. Moving and packing expenses b. Any costs associated with the relocation dwelling that exceed their typical housing expenses (rent, utilities, other charges)

	4) Notwithstanding the relocation requirements listed above, if Applicant conducts a substantial rehabilitation project funded with low-income housing tax credits or a similar program that ensures permanent affordability and extends the useful life of the building, BAHFA will subordinate its relocation requirements to the relocation requirements of the permanent rehabilitation affordable funding source. Rent Setting: 1) Existing Tenants: Upon acquisition, rents for all existing residents shall remain unchanged until the anniversary of the tenant's initial leasing. a. For units subject to local rent stabilization ordinances, Applicants shall continue to comply with the rent stabilization ordinance when imposing rent increases after acquisition. b. For units not subject to or exempt from rent stabilization requirements, annual rent increases shall be limited to the lesser of the annual increase in area median income (AMI) or 4%. c. For existing residents earning less than or equal to 80% AMI and who pay more than 30% of gross household income for rent, Applicant shall decrease those households' rents to a maximum of 30% of gross annual income upon approval of the Applicant's welfare tax exemption application by the local assessor's office, assuming Project income is sufficient to allow a rent decrease for such households while covering necessary and standard Project operating expenses. 2) New Tenants (filling existing vacancies or newly vacated units in welfare exempt designated units): a. Tenant household income must be certified as meeting welfare exemption requirements prior to lease execution b. Rents for welfare exempt designated units shall not exceed 30% of 80% of AMI, adjusted for household size.

BAY AREA HOUSING FINANCE AUTHORITY
Welfare Tax Exemption Preservation Term Sheet
Multifamily Rental Properties

Submission Requirements	Applicants must submit the following documents for BAHFA review: 1) Project proposal and acquisition due diligence documents, including but not limited to: a. Purchase and Sale Agreement b. As-is, current appraisal c. Independent, third-party physical needs assessment d. Environmental review documents (e.g., Phase 1 and, as applicable, Phase 2, lead and asbestos survey, etc.) e. Preliminary Title Report f. Rent roll 2) Project financing documents, including: a. Sources & Uses budget b. Rehabilitation scope c. Operating budget d. 20-year cash flow 3) Development Team Documents, including: a. Applicant's current audited financials; organizational chart; board of directors roster b. As applicable, description of Project architect; general contractor; and property manager
Compliance	Fair Housing and Rehabilitation: The Applicant must comply with all applicable Federal, State, and local laws, orders, and regulations prohibiting housing discrimination as well as all applicable laws and regulations governing construction, rehabilitation, and building operations. Welfare Exemption: Applicant is solely responsible for and must annually secure the welfare exemption from the applicable governing bodies. Applicant shall provide evidence of the welfare exemption to BAHFA annually, as well as any other Project-related information BAHFA reasonably requests.
Contact	Kate Hartley Director Bay Area Housing Finance Authority khartley@bayareametro.gov

DALY CITY INTER-OFFICE MEMORANDUM

DATE: March 6, 2023

TO: Affordable Housing Committee
Vice Mayor Juslyn C. Manalo and Councilmember Glenn Sylvester

FROM: Betsy ZoBell, Housing and Community Development Supervisor

CC: Thomas J. Piccolotti, City Manager
Rose Zimmerman, City Attorney
Tatum Mothershead, Director Economic and Community Development
Betsy ZoBell, Housing and Community Development Manager
Lenelle D. Suliguin, Senior Management Analyst

SUBJECT: Inclusionary Housing Ordinance Review

BACKGROUND

Since the 1990s the City has required that developers of new housing provide a portion of the units at affordable housing cost or make a financial contribution to the City's Housing Trust fund for the purpose of new affordable housing development. Initially, the requirement was restricted to new housing development in the City's redevelopment project areas. In 2007 the City adopted its first citywide Inclusionary Housing Ordinance. This ordinance was repealed and replaced two times and ultimately resulted in the City's Inclusionary Housing Ordinance (Chapter 17.47 of the Daly City Municipal Code) that is in effect today.

The City's current Inclusionary Housing ordinance requires that new market rate ownership developments make a minimum of 20 percent of the units affordable to households at or below 120 percent of the area median. Rental housing developments are required to make a minimum of 10 percent of units affordable to households with incomes at or below 80 percent of the area median. In lieu fees may be paid as an alternative to providing affordable rental units. The specific in lieu fee prices were adopted by the City Council in 2018 as Resolution 18-174

The purpose of this memo is to provide a summary of affordable housing resources that the various inclusionary housing policies and ordinances have created for Daly City and to initiate a discussion on potential updates to the City's Inclusionary Housing Ordinance.

SUMMARY OF AFFORDABLE HOUSING PRODUCTION AND HOUSING TRUST FUND REVENUE RAISED THROUGH INCLUSIONARY HOUSING ORDINANCES.

The City's various Inclusionary Housing Ordinances have resulted in the production of 75 below market rate units and deposits of $5.6 million to the City's Affordable Housing Trust Fund.

Affordable Housing Production

Since 2011 the City's Affordable Housing policies and ordinances have resulted in the production of 76 affordable housing units of which 31 are ownership and 44 are rental. These are summarized in Attachment A.

Attachment B shows the Current Residential Project List prepared by the Planning department. The Housing Division has added the last column to provide information on a project's compliance with the Inclusionary Housing Ordinance.

Housing Trust Fund Deposits

Since 2015 the City's Affordable Housing policies and ordinances have generated a total of $5.6 million to the City's Affordable Housing Trust Fund. Attachment A shows the specific developments that have made impact or in lieu fee payments to the City.

Use of Housing Trust Fund

A total of $809,000 in Housing Trust Fund resources were utilized to subsidize the development of 6 townhouses by Habitat for Humanity Greater San Francisco. These homes were sold to households with incomes at or below 80 percent of the area median.

In addition to the Habitat units, $1.3 million of Daly City Housing Trust funds have been committed to Core Companies 72-unit apartment project at 493 Eastmoor and $2.9 million have been committed to Sand Hill Property Foundation's preservation of 16 apartments located on E. Molke.

Housing Trust funds have also been used to pay for staffing, consultant fees, professional services costs and HEART membership fees.

Net uncommitted Housing Trust Funds as of 6/30/22 were $296,836.

DISCUSSION

Ordinance Update

At the time the current Inclusionary Housing Ordinance was drafted, the City recognized that in order for an inclusionary housing program to be an effective tool for creating affordable housing, it must not burden new development to such a degree that it rendered new development financially infeasible. To address this concern, the City retained the firm of Kaiser Marston Associates (KMA) to prepare a financial feasibility report which evaluated the overall economic feasibility associated with requiring market rate housing developers to provide affordable housing units or contributions to the City's Housing Trust Fund. This report was the basis for the requirements described in the City's current Inclusionary Housing Ordinance. The KMA report is now four years old. As construction and real estate prices have changed significantly, staff recommends an update to the KMA report.

There are two options for updating the economic feasibility report.

(1) The City could contract with KMA or another qualified economic consultant to prepare an updated report immediately. This would enable the City to update its Inclusionary Ordinance within the next 6 to 8 months. The price associated with this option would be approximately $60,000.
(2) The City could collaborate with other San Mateo County jurisdictions on a "Grand Nexus Study" that will be undertaken as a multi-jurisdictional effort. This approach would have a lower cost and use a methodology that is consistent with other San Mateo jurisdictions. This effort is scheduled to take place in 2024 with a completion date of 2026.

Examination of Current Commitments

Two projects in the development phase have received Housing Trust Fund commitments from the City totaling $4.2 million.

One of these, Sand Hill Property Foundation received a conditional commitment of $2.9 million from the City in 2018 in order to preserve 16 apartment units located on E. Moltke Street. Residents of the units are in extremely low-income households who would likely have been displaced when the property was marketed for sale. Since 2018 the SHP Foundation has been evaluating building conditions and negotiating with the City on an affordability restriction that would be required as a condition of the City's investment of Housing Trust funds.

Staff is seeking direction from the City Council on whether the $2.9 million committed to SHP Foundation for the E. Moltke project should be made available to another project or whether the City should continue to reserve the $2.9 million for the E. Moltke project for an additional 12 months.

In 2020, the City also made a commitment of $1.3 million in Daly City Housing Trust funds to the Core Companies' 72- unit project proposed for 493 Eastmoor. This investment served as matching funds in the HEART's application to the State Housing Trust Fund Program and enabled the Core Companies to leverage an additional $1.3 million. In addition, the Core Companies applied to the State and was recently awarded $3 million in Infill Infrastructure Grant Funds. The County of San Mateo has allocated a total of $9.5 million the project.

The Core Companies has an overall financial plan for the project at 493 Eastmoor and meets regularly with staff to discuss current applications and funding commitments. Staff recommends leaving the $1.3 million Housing Trust Fund commitment in place until at least December 2023 when the results of various State funding program applications are announced and there is a clearer idea of the 493 Eastmoor construction schedule.

Summary/Conclusion

- Staff seeks direction from the Committee on whether to (1) retain a consultant and update the Inclusionary Ordinance now, as an individual city or (2) wait 12-24 months and

update the Inclusionary Ordinance in collaboration with other San Mateo County jurisdictions and a lower cost.

- Staff recommends making the $2.8 million previously allocated to SHP for the purpose of a project on E. Moltke Street available to another project unless SHP can agree to finalize loan terms within three months and close on the loan by December 31. 2023.

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City of Daly City
Planning Division
333 90th Street
Daly City, CA 94015
(650) 991-8033

CURRENT RESIDENTIAL PROJECT LIST

Reflects application received, entitlements granted, and construction commenced for the 24 months preceding January 1, 2022
Does not include Pre-Application Conference applications (sorted by Planning Division intake order)

Project Name	Application Type	Plan Case No.	Location/APN	Proposed Unit Type	Site Size (acres)	Proposed Units Qty.	Proposed Density (du/ac)	Status	Intake Date	Hearing Schedule	Developer/Contact	Planning Contact
Robertson Intermediate School Redevelopment	General Plan Amendment, Rezoning, and Subdivsion	GPA-1-15-10254 PD-1-15-10255 SUB-1-15-10256	1 Martin Street APN 005-330-010	Detached homes	6.96	71	10	Under construction	January 14, 2015	City Council approved April 25, 2015	David Fish Toll Brothers (925) 786-3668	Michael VanLonkhuysen, Planning Manager (650) 991-8158
Point Martin - Phase One	Major subdivision	SUB-6-15-11016	Steve Courter Way and Martin Street; APN 005-042-020	Detached homes	1.9	16	8	Under construction	June 8, 2015	City Council approved September 14, 2015; ; two-year time extension granted June 25, 2018 to September 14, 2020	Alec Tappin KB Home 925-683-7782	Michael VanLonkhuysen, Planning Manager (650) 991-8158
Point Martin - Phase Two	General Plan Amendment and PD Zone Change	GPA-01-16-011884 PD-10-15-11781 CEQA-10-15-11782	APNs 005-031-070 + 47 others; Steve Courter Way and Martin Street	Detached homes	8.3	117	14.1	Under construction	October 29, 2015	City Council approved May 22, 2017	Alec Tappin KB Home 925-683-7782	Michael VanLonkhuysen, Planning Manager (650) 991-8158
Pacific Place Retail Conversion	Zone Change Major Subdivision Design Review Major Subdivision	ZC-4-16-12036 SUB-4-16-12037 UP-4-16-12038 CEQA-4-16-12039	2665 Geneva Avenue APN 005-064-250	Condominiums	1.00	7	7.0	All entitlements appoved	April 14, 2016	City Council approved April 24, 2017; two-year time extension granted April 22, 2021	Harry C. Arthur (415) 690-6442	Michael VanLonkhuysen, Planning Manager (650) 991-8158
Mission Street/ Goethe Street Mixed-Use Building	Use Permit and Design Review	SUB-12-20-14799 UPR-9-16-12301 DR-9-16-012302	6098 Mission Street APNs 004-031-160 and 170	Apartment building	0.25	36	144	All entitlements appoved	September 13, 2016	City Council approved permiot renewal September 9, 2019; AB1561 time extension to February 6, 2022. Condominium map approved April 26, 2021.	6098 Mission Street, LLC (415) 272-4901	Michael VanLonkhuysen, Planning Manager (650) 991-8158
Robertson Intermediate School Redevelopment (Toll Brothers Map Revision)	Major Subdivision	SUB-3-17-12681	1 Martin Street APN 005-330-010	Detached homes	6.96	71	10	Under construction	March 15, 2017	City Council approved June 26, 2017	David Fish Toll Brothers (925) 786-3668	Michael VanLonkhuysen, Planning Manager (650) 991-8156
Westlake Shopping Center Mixed-Use Building (Residential)	General Plan Amendment, Planned Development Design Review	GPA-4-17-12760 PD-4-17-012761 DR-4-17-012762	10 Park Plaza Drive APNs 002-170-130	Mixed-Use Apartment building	1.95	179	91.8	All entitlements appoved	April 26, 2017	City Council approved September 10, 2018	Michael Strauss Kimco Realty (650) 746-7501	Michael VanLonkhuysen, Planning Manager (650) 991-8156
Jefferson Union High School District Faculty and Staff Housing	General Plan Amendment, Rezoning, and Design Review	GPA-9-18-13666, ZC-9-18-13662, and DR-9-18-13665	699 Serramonte Boulevard APN 091-211-230	Apartment building	3.30	116	35.2	Under construction	September 12, 2018	City Council approved January 13, 2020	Brookwood Advisors (415) 402-0800	Carmelisa Morales Lopez, Associate Planner (650) 991-8158
Habitat Geneva	General Plan Amendment, Rezoning, Use Permit, Major Subdivision, and Design Review	GPA-1-19-13827, ZC-1-19-13828, UPR-1-19-13830, SUB-1-19-13832, and DR-1-19-13833	3001 Geneva Avenue APN 015-072-310	Attached townhomes	0.14	6	42.9	Under construction	January 6, 2019	City Council approved May 28, 2019	Doug Fowler Habitat for Humanity (415) 625-1002	Brian Paland Assistant Planner (650) 991-8035
Templeton homes	General Plan Amendment and Design Review	GPA-3-19-13911 and DR-6-18-13530	717 Templeton Avenue APNs 004-243-120, -130, -140, and -020	Detached homes	0.36	4	11.1	All entitlements appoved	January 9, 2019	City Council approved May 28, 2019	Melinda Kao (510) 828-9156	Brian Paland Assistant Planner (650) 991-8035
Vista Grande Parcel Map	Minor Subivision	SUB-6-19-14075	489 Vista Grande Avenue APN 002-321-010	Detached homes	0.13	2	15.4	All entitlements appoved	June 18, 2019	City Council approved September 9, 2019	Christopher Chan (415) 367-5586	Brian Paland Assistant Planner (650) 991-8035

Project Name	Application Type	Plan Case No.	Location/APN	Proposed Unit Type	Site Size (acres)	Proposed Units Qty.	Proposed Density (du/ac)	Status	Intake Date	Hearing Schedule	Developer/Contact	Planning Contact
Eastmoor Residential Development	Use Permit and Design Review	UPR-6-19-14076 and DR-6-19-14077	493 Eastmoor Avenue APN 008-082-200	Apartment building	0.37	72	195.7	All entitlements appoved	June 18, 2019	City Council approved February 24, 2020; Time extension granted to February 24, 2024	Carl Hertel CORE Affordable Housing (408) 292-2841	Michael VanLonkhuysen, Planning Manager (650) 991-8158
Midway Village Redevelopment	General Plan Amendment, Subdivision, and Design Review	GPA-5-19-14054, SUB-5-19-14055, and DR-5-19-14056	45 Midway Drive APN 005-330-320 and others	Apartment buildings	15.00	555	37.0	Under construction	June 21, 2019	City Council approved June 8, 2020	Abby Goldware Potluri Mid-Pen Housing Coalition (650) 515-6358	Michael VanLonkhuysen, Planning Manager (650) 991-8158
Jefferson Elementary School District Faculty and Staff Housing	General Plan Amendment, Rezoning, and Design Review	GPA-11-19-14331 ZC-11-19-14332 DR-11-19-014333	305 Eastmoor Avenue APN 008-082-160	Apartment buildings	2.38	56	23.5	All entitlements appoved	November 27, 2019	City Council approved December 14, 2020	Jefferson Elementary School Dsitrict (650) 991-1000	Carmelisa Morales Lopez, Associate Planner (650) 991-8156
Third Avenue Townhouses	General Plan Amendment, Rezoning, Subdivision, Use Permit, and Design Review	GPA-8-20-14643 ZC-8-20-14633 SUB-8-20-14634 UPR-8-20-14642 DR-8-20-14636	141 Third Avenue APN 006-254-030)	Detached townhomes	0.72	15	21.0	Application incomplete	June 17, 2020	TBD	John Suppes Authorized Agent (650) 465-7369	Brian Paland Assistant Planner (650) 991-8035
Old Burlington Site Mixed-Use Redevelopment (Residential)	Planned Development Text Amendment and Design Review	ZC-4-21-14994 DR-4-21-14995	99 Southgate Avenue APN 002-201-570	Mixed-Use Apartment building	1.95	179	91.8	Application incomplete	April 21, 2021	TBD	Michael Strahs Kimco Realty (650) 746-7501	Carmelisa Morales Lopez, Associate Planner (650) 991-8156
Serramonte Dey Rey Redevelopment (Residential)	General Plan Amendment, PD Rezoning, Subdivision, and Design Review	GPA-04-21-14998, PD-04-21-14997, DR-04-21-15000 SUB-04-21-14999	699 Serramonte Boulevard APN 091-211-230	Mixed-use apartment buildings and apartment buildings	22.00	1,235	56.1	Entitlements in process	April 23, 2021	City Council approved Preliminary Plan January 10, 2022	Tina Van Raaphorst Jefferson Union High School District (650) 550-7954	Carmelisa Morales Lopez, Associate Planner (650) 991-8156

City of Daly City
Planning Division
333 90th Street
Daly City, CA 94015
(650) 991-8033

CURRENT RESIDENTIAL PROJECT LIST

Reflects application received, entitlements granted, and construction commenced for the 24 months preceding January 1, 2022
Does not include Pre-Application Conference applications (sorted by Planning Division intake order)

Project Name	Application Type	Plan Case No.	Location/APN	Proposed Unit Type	Site Size (acres)	Proposed Units Qty.	Proposed Density (du/ac)	Status	Intake Date	BMR information
Robertson Intermediate School Redevelopment	General Plan Amendment, Rezoning, and Subdivsion	GPA-1-15-10254 PD-1-15-10255 SUB-1-15-10256	1 Martin Street APN 005-330-010	Detached homes	6.96	71	10	Under construction	January 14, 2015	n/a
Point Martin - Phase One	Major subdivision	SUB-6-15-11016	Steve Courter Way and Martin Street; APN 005-042-020	Detached homes	1.9	16	8	Under construction	June 8, 2015	Fees
Point Martin - Phase Two	General Plan Amendment and PD Zone Change	GPA-01-16-011884 PD-10-15-11781 CEQA-10-15-11782	APNs 005-031-070 + 47 others; Steve Courter Way and Martin Street	Detached homes	8.3	117	14.1	Under construction	October 29, 2015	11 BMRs at Moderate Income
Pacific Place Retail Conversion	Zone Change Major Subdivision Design Review Major Subdivision	ZC-4-16-12036 SUB-4-16-12037 UP-4-16-12038 CEQA-4-16-12039	2665 Geneva Avenue APN 005-064-250	Condominiums	1.00	7	7.0	All entitlements appoved	April 14, 2016	1 BMR at Low Income
Mission Street/ Goethe Street Mixed-Use Building	Use Permit and Design Review	SUB-12-20-14799 UPR-9-16-12301 DR-9-16-012302	6098 Mission Street APNs 004-031-160 and 170	Apartment building	0.25	36	144	All entitlements appoved	September 13, 2016	7 BMRs at Moderate Icome
Robertson Intermediate School Redevelopment (Toll Brothers Map Revision)	Major Subdivision	SUB-3-17-12681	1 Martin Street APN 005-330-010	Detached homes	6.96	71	10	Under construction	March 15, 2017	n/a
Westlake Shopping Center Mixed-Use Building (Residential)	General Plan Amendment, Planned Development Design Review	GPA-4-17-12760 PD-4-17-012761 DR-4-17-012762	10 Park Plaza Drive APNs 002-170-130	Mixed-Use Apartment building	1.95	179	91.8	All entitlements appoved	April 26, 2017	no Affordable Housing Plan has been submitted yet. 10% would be required at Low Income
Jefferson Union High School District Faculty and Staff Housing	General Plan Amendment, Rezoning, and Design Review	GPA-9-18-13666, ZC-9-18-13662, and DR-9-18-13665	699 Serramonte Boulevard APN 091-211-230	Apartment building	3.30	116	35.2	Under construction	September 12, 2018	12 BMRs at Low Income
Habitat Geneva	General Plan Amendment, Rezoning, Use Permit, Major Subdivision, and Design Review	GPA-1-19-13827, ZC-1-19-13828, UPR-1-19-13830, SUB-1-19-13832, and DR-1-19-13833	3001 Geneva Avenue APN 015-072-310	Attached townhomes	0.14	6	42.9	Under construction	January 6, 2019	100% afffordable
Templeton homes	General Plan Amendment and Design Review	GPA-3-19-13911 and DR-6-18-13530	717 Templeton Avenue APNs 004-243-120, -130, -140, and -020	Detached homes	0.36	4	11.1	All entitlements appoved	January 9, 2019	Fees
Vista Grande Parcel Map	Minor Subivision	SUB-6-19-14075	489 Vista Grande Avenue APN 002-321-010	Detached homes	0.13	2	15.4	All entitlements appoved	June 18, 2019	Fees

Eastmoor Residential Development	Use Permit and Design Review	UPR-6-19-14076 and DR-6-19-14077	493 Eastmoor Avenue APN 008-082-200	Apartment building	0.37	72	195.7	All entitlements appoved	June 18, 2019	100% affordable, 7 BMRs at Low Income
Midway Village Redevelopment	General Plan Amendment, Subdivision, and Design Review	GPA-5-19-14054, SUB-5-19-14055, and DR-5-19-14056	45 Midway Drive APN 005-330-320 and others	Apartment buildings	15.00	555	37.0	Under construction	June 21, 2019	100% affordable, 56 BMRs at Low Income
Jefferson Elementary School District Faculty and Staff Housing	General Plan Amendment, Rezoning, and Design Review	GPA-11-19-14331 ZC-11-19-14332 DR-11-19-014333	305 Eastmoor Avenue APN 008-082-160	Apartment buildings	2.38	56	23.5	All entitlements appoved	November 27, 2019	6 BMRs at Low Income
Third Avenue Townhouses	General Plan Amendment, Rezoning, Subdivision, Use Permit, and Design Review	GPA-8-20-14643 ZC-8-20-14633 SUB-8-20-14634 UPR-8-20-14642 DR-8-20-14636	141 Third Avenue APN 006-254-030)	Detached townhomes	0.72	15	21.0	Application incomplete	June 17, 2020	no Affordable Houisng Plan has been submitted/approved
Old Burlington Site Mixed-Use Redevelopment (Residential)	Planned Development Text Amendment and Design Review	ZC-4-21-14994 DR-4-21-14995	99 Southgate Avenue APN 002-201-570	Mixed-Use Apartment building	1.95	179	91.8	Application incomplete	April 21, 2021	21 BMRs at Low Income
Serramonte Dey Rey Redevelopment (Residential)	General Plan Amendment, PD Rezoning, Subdivision, and Design Review	GPA-04-21-14998, PD-04-21-14997, DR-04-21-15000 SUB-04-21-14999	699 Serramonte Boulevard APN 091-211-230	Mixed-use apartment buildings and apartment buildings	22.00	1,235	56.1	Entitlements in process	April 23, 2021	no Affordable Housing Plan has been submitted/approved.

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CURRENT NON-RESIDENTIAL PROJECT LIST

Reflects application received, entitlements granted, and construction commenced for the 24 months preceding January 1, 2022
Does not include Pre-Application Conference applications (sorted by Planning Division intake order)

Project Name	Application Type	Plan Case No.	Location/APN	Proposed New Sq. Ft.	Site Size (acres)	ProposedType	Status	Intake Date	Hearing Schedule	Developer/Contact	Planner
Mission Street/ Goethe Street Mixed-Use Building	Use Permit and Design Review	UPR-7-19-14111 and DR-7-19-14112	6098 Mission Street APNs 004-031-160 and 170	1,568	0.25	Retail	All entitlements appoved	July 9, 2019	City Council approved permiot renewal September 9, 2019; AB1561 time extension to February 6, 2022. Condominium map approved April 26, 2021.	6098 Mission Street, LLC (415) 272-4901	Michael VanLonkhuysen, Planning Manager (650) 991-8158
Hilldale School Expansion	Use Permit and Design Review	UPR-6-19-14071 and DR-11-19-14321	25 Florence Avenue APN 003-401-010 and 030	2,100	1.42	Private school	All entitlements appoved	March 2, 2018	City Council approved January 13, 2020; time extension pendinf	John Sittner (801) 359-2000	Michael VanLonkhuysen, Planning Manager (650) 991-8158
North East Medical Services Building Expansion	Planned Development Amendment Use Permit Design Review	ZC-04-18-013421 UPR-04-18-013425 DR-04-18-013424	211 Eastmoor Avenue APNs 008-501-320	5,464 (net gain)	1	Medical clinic	All entitlements appoved	April 19, 2018	City Council approved May 28, 2019	Dan Boyle MCG Architecture (415) 974-6002	Michael VanLonkhuysen, Planning Manager (650) 991-8158
Serremonte Shopping Center Northwest Quadrant (theater, hotel, and retail)	Design Review	DR-1-19-13855	3 Serramonte Center APN 005-240-180, -190, and -310	70,000 (cinema) 75,000 (hotel) 28,000 (retail)	80.00	Retail/Office	All entitlements appoved	January 22, 2019	DRC approved August 12, 2019; Time extension approved by DRC to December 28, 2022	Regency Centers (925) 279-1865	Carmelisa Morales Lopez, Associate Planner (650) 991-8156
Duggan's Serra Mortuary Expansion and Carvana Vending Machine Fulfillment Center	Planned Development, Use Permit, and Design Review	PD-4-19-13998, UPR-4-19-13999, and DR-4-19-14000	500 Westlake Avenue APN 002-342-160 and others	15,743 (Duggans expansion) 12-story fullfillement structure (Carvana)	0.9 (Duggans) 1.75 (Carvana)	Mortuary/ new vecicle fullfilment	Carvana under construction	April 19, 2019	City Council approved June 22, 2020	Sierra Enterprises (707) 287-2537	Carmelisa Morales Lopez, Associate Planner (650) 991-8156
Popeye's Chicken Drive-Through Restaurant (previous Steak N Shake)	Use Permit	UPR-7-19-14126	362 East Market Street (formerly Steak N Shake) APN 006-493-190	3,275	0.58	Fast food drive-through	Under construction	April 19, 2019	City Council approved 11/25/2019	Simon Lin (408) 505-3805	Brian Paland Assistant Planner (650) 991-8035
Serremonte Shopping Center Northeast Quadrant (two fast-food drive-throughs)	Use Permit	UPR-9-19-14209 and UPR-9-19-14212	3 Serramonte Center APN 005-240-180, -190, and -310	7,262	80.00	Fast-Food Restaurants (2)	Consturction complete	September 23, 2019	City Council approved August 27, 2020	Regency Centers (925) 279-1865	Carmelisa Morales Lopez, Associate Planner (650) 991-8156
Old Burlington Site Mixed-Use Redevelopment (Retail)	Planned Development Text Amendment and Design Review	ZC-4-21-14994 and DR-4-21-14995	99 Southgate Avenue APNs 002-201-570	10,800	1.95	Retail	Application incomplete	April 21, 2021	TBD	Michael Strahs Kimco Realty (650) 746-7501	Carmelisa Morales Lopez, Associate Planner (650) 991-8156
Serramonte Dey Rey Redevelopment (Commercial)	General Plan Amendment, PD Rezoning, Subdivision, and Design Review	GPA-04-21-14998, PD-04-21-14997, DR-04-21-15000 SUB-04-21-14999	699 Serramonte Boulevard APN 091-211-230	14,000	22.00	Commercial	Entitlements in process	April 23, 2021	City Council approved Preliminary Plan January 10, 2022	Tina Van Raaphorst Jefferson Union High School District (650) 550-7954	Carmelisa Morales Lopez, Associate Planner (650) 991-8156
Saint Francis Square Remodel, Retail Addition, and Drive-Through	Use Permit and Design Review	UPR-1-22-15498	79 Saint Francis Square APNs 008-481-010, -270, and -280	16,247	5.88	Retail	Application incomplete	October 18, 2021	TBD	John Lee (626) 233-8496	Brian Paland Assistant Planner (650) 991-8035

Attachment A

Summary of Daly City Inclusionary Housing Ordinance Accomplishments

Developer	Property	Number of BMR Units	Income Target
Ownership			
Lennar	Crestview Estates	12	120%
KB Homes	Garden Valley	5	120%
KB Homes	Wellington	6	120%
City Ventures	The HUB	8	120%
Total		**31**	
Rental			
Equity Residential	88 Hillside	14	60%
Geneva Pacifica Place Property LLC	2665 Geneva	12	60%
Jefferson Union High School District	699 Serramonte Blvd.	12	70%
Jefferson Elementary School	305 Eastmoor	6	70%
Total		**44**	
Impact/In Lieu Fees			
Lennar	Crestview Estates	$1,000,000	
KB Homes	KB Homes/ Garden Valle	$680,490	
Kb Homes	KB Homes/Wellington	$1,200,000	
Signature Properties	Edgeworth Nursery	$730,310	
Warmington	Annie Street	$526,484	
S7J Properties	Accacia Street	$403,662	
City Ventures	The HUB	$1,057,663	
	Total	**$5,598,609**	

Summary of Housing Trust Fund Revenues and Expenditures .

Revenues			
Impact /In Lieu Fee Collections:	5,598,609		
Other Misc. Deposits	966,144	(1)	
Total Trust Fund Deposits	**6,564,753**		
Expenditures			
Reserve for Admin	984,713		
3001 Geneva	816,450		9015.3
			8570
Other Housing Expenses	266,754	(2)	17585.3
Committed			
E. Moltke	2,900,000		
493 Eastmoor	1,300,000		
Net Unencumbered Balance	296,836		

(1) Compliance fees, one-time developer payments, financing fees, etc.

(2) Professional service expenses, membership fees, etc.