

CITY OF DALY CITY

Regular Meeting - CITY COUNCIL

AGENDA

Monday, February 27, 2012 - 7:00 PM
City Hall Council Chambers – 2nd Floor
333 – 90th Street, Daly City, CA 94015

Live Telecast: Comcast Channel 27, Astound 26, AT&T U-Verse 99

Webcast: www.dalycity.org/meetings

DRAFT

For those wishing to address the City Council on any Item on the Agenda or under Public Appearances/Oral Communications, 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:

Proclaiming National Women's History Month

APPROVAL OF MINUTES:

Regular Daly City Redevelopment Agency Meeting of January 23, 2012

APPROVAL OF AGENDA:

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

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.

discussion is required, that item will be removed from the Consent Agenda and will be considered separately at the end of the Agenda.

Resolutions :

1. Setting Time and Place for a Hearing on a Proposed Major Subdivision SUB-7-11-4269, Use Permit UPR-7-11-4270, Zone Change ZC-10-11-4681, Design Review DR-7-11-4272 and Environmental Assessment CEQA-7-11-4271—One parcel located at the western termini of Peoria Street and Wellington Avenue (paper street), the northern terminus of Lausanne Avenue and the southern terminus of Chelsea Court (APN 003-211-310)
2. Contract Approval for General Plan EIR Consultant
3. Commending Mark Holden on the Occasion of His Retirement
4. Set Time and Place for Public Hearing for Appeal of the Findings and Order of the Administrative Hearing Board for 1023 Hanover St. (APN 004-112-150) Rosario Sievers, Property Owner

As Successor Agency:

5. Authorize City Manager to Execute a Temporary License Agreement for Duggan's Serra Mortuary to Allow Storage at 2141 Junipero Serra Boulevard
6. Adoption of Draft Recognized Obligation Payment Schedule

END OF CONSENT AGENDA

RESOLUTIONS:

7. Amendment, Assignment and Subordination of School House Station and Vista Grande Family Apartment Financing Documents

Staff:

ZoBell

Recommended Action:

Adopt Resolution

Roll Call

8. Authorizing the City Manager to Execute a Cooperative Agreement between the City of Daly City and the City of Brisbane for Construction of Bus Stop Improvements on Bayshore Boulevard

Staff:

Curran

Recommended Action:

Adopt Resolution
Roll Call

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

APPOINTMENTS: Board/Commission Membership Committee Appointments

REPORTS:

9. Council Committee
10. City Council
11. Staff

ADJOURNMENT:

DALY CITY REDEVELOPMENT AGENCY
DALY CITY CIVIC CENTER - COUNCIL CHAMBERS
MINUTES – JANUARY 23, 2012

The meeting was called to order by Chairperson Torres at 8:26 P.M.

ROLL CALL: Members Present:

Sal Torres, Chairperson
Raymond A. Buenaventura, Vice-Chairperson
David J. Canepa, Director
Michael P. Guingona, Director
Carol L. Klatt, Director

Staff Present:

Patricia E. Martel, Executive Director
Rose Zimmerman, Agency Attorney
K. Annette Hipona, Agency Secretary
Brian Millar, Director, Economic & Community Development

APPROVAL OF MINUTES:

It was moved by Director Canepa, seconded by Director Guingona and carried unanimously to approve the minutes for the Regular Meeting of December 12, 2011.

APPROVAL OF AGENDA:

It was moved by Director Canepa, seconded by Director Guingona and carried unanimously to approve the Agenda.

CONSENT AGENDA:

Claims: Expenditures and Claims for November 2011

END OF CONSENT AGENDA

It was moved by Director Canepa, seconded by Director Guingona and carried unanimously to approve the Consent Agenda.

RESOLUTIONS:

RA12-001

Amendment of Enforceable Obligation Payment Schedule Pursuant to AB 26

Director of Finance and Administrative Services, Don McVey presented the extension of the previously adopted Enforceable Obligation Payment Schedule to the Council covering January through the end of the fiscal year as required by the State Supreme Court's action.

Vice-Chairperson Buenaventura made a motion to adopt the Resolution for the Amendment of Enforceable Obligation Payment Schedule Pursuant to AB 26, seconded by Director Guingona and carried unanimously.

ADJOURNMENT:

It was moved by Vice-Chairperson Buenaventura, seconded by Chairperson Torres, and carried to adjourn the last meeting of the Daly City Redevelopment Agency at 8:27 P.M.

Secretary

Approved this _____ day
of _____, 2012

Chairperson



City Council Meeting Agenda Report

Item # _____

Meeting Date: February 27, 2012

Subject: Setting Time and Place for a Hearing on a Proposed Major Subdivision SUB-7-11-4269, Use Permit UPR-7-11-4270, Zone Change ZC-10-11-4681, Design Review DR-7-11-4272 and Environmental Assessment CEQA-7-11-4271—One parcel located at the western termini of Peoria Street and Wellington Avenue (paper street), the northern terminus of Lausanne Avenue and the southern terminus of Chelsea Court, Daly City (APN 003-211-310)

RECOMMENDED ACTION

Set time and place for a Public Hearing to consider the proposed new construction of 66 residential townhomes—Major Subdivision SUB-7-11-4269, Use Permit UPR-7-11-4270, Zone Change ZC-10-11-4681, Design Review DR-7-11-4272 and Environmental Assessment CEQA-7-11-4271 on March 26, 2012.

BACKGROUND

The applicant, Ray Panek of KB Home South Bay, Inc., is proposing the new construction of 66 townhome units, including twenty-eight 2 bedroom/2 bath units, sixteen 2 bedroom/2.5 bath units, and twenty-two 3 bedroom/3 bathroom units. Thirteen of the 66 townhouse units will be sold at Below Market Rate (BMR), while the remaining 53 townhouse units will be sold at Market Rate. Each unit will have a ground floor, two car garage, either in a side-by-side or tandem configuration, and either one or two levels of living area, depending on the Plan type. Although the Code does not require guest parking, 21 guest parking stalls will be provided in this development.

The +/-4.91 acre project site consists of one parcel located at the western termini of Peoria Street and Wellington Avenue (paper street), the northern terminus of Lausanne Avenue and the southern terminus of Chelsea Court. The southernmost portion of the site was discovered to be zoned R-1, leaving the site with two zoning designations. A zone change is therefore needed to re-zone the R-1 portion to R-3, to provide consistency on the zoning map and to allow the proposed development.

On February 7, 2012, the Planning Commission voted 5-0 to forward the proposal to the City Council with a recommendation for approval.

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

Respectfully submitted,

Jeannie Naughton, Associate Planner
Economic and Community Development

Brian Millar
Director of Economic & Community Development



City Council Meeting Agenda Report

Item # _____

Meeting Date: February 27, 2012

Subject: Contract Approval for General Plan EIR Consultant

Recommended Action

Authorize the City Manager to execute a contract with Dyett and Bhatia, Urban and Regional Planners, for the preparation of an Environmental Impact Report (EIR) for the Draft General Plan in the contract amount of \$157,524 and authorize a budget reallocation of \$57,524.

Background

After receiving public comments at the January 30 Study Session, the City Council directed staff to proceed with the General Plan update process. The next steps involved with the update include proceeding with the environmental review of the Draft General Plan as required by the California Environmental Quality Act (CEQA). Staff has determined that an EIR is required for the Draft General Plan due to the likelihood that significant environmental impacts would be associated with its implementation. The EIR will evaluate the impacts the Draft General Plan in all potential areas of environmental impact, including air quality, biology, traffic, and noise.

Discussion

To assist with consultant selection, the City issued a Request for Proposals to over 30 consultants qualified to complete the environmental review necessary for the Draft General Plan. Of these consultants, six responded with proposals. After reviewing these proposals and interviewing four consultant teams, staff determined that the Dyett and Bhatia proposal demonstrated the most requisite experience in preparing a General Plan EIR at the value point sought by the City. The Dyett and Bhatia proposal was the least costly of the six proposals, which ranged from \$145,046 to \$234,746.

Additionally, Dyett and Bhatia has prepared general plans and general plan EIRs for more than 20 cities in the Bay Area, including the San Bruno General Plan and EIR, the South San Francisco General Plan and EIR, and ongoing work on the Pacifica General Plan and EIR. The firm's local experience in San Mateo County, Coastal Zone experience, demonstrated knowledge of pertinent Daly City General Plan issues, and ability to effectively communicate its knowledge of recent CEQA-related issues are primary factors in the staff's recommendation.

Fiscal Analysis

The General Plan budget allocates \$100,000 this fiscal year for environmental studies. Due to the contract amount and specific scope of work, an additional budget reallocation of \$57,524 will be necessary to fully fund the compensation amount that would be provided for in the City's contract with Dyett and Bhatia.

City Council Agenda Report

Subject: Contract Approval for General Plan EIR Consultant

Meeting Date: February 27, 2012

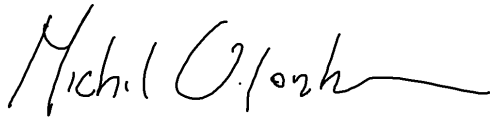
Page 2 of 2

Summary

The preparation of an EIR is necessary to fully evaluate the significant environmental impacts that would be associated with the implementation of the Draft General Plan. Staff recommends that the City Council authorize the City Manager to execute a contract with Dyett and Bhatia for the EIR in the contract amount of \$157,524 and authorize a budget reallocation of \$57,524.

Staff is available to answer any questions the Council may have concerning the Draft General Plan or EIR.

Respectfully submitted,



Michael VanLonkhuysen
Senior Planner



Brian Millar
Director,
Economic and Community Development

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DALY CITY
COMMENDING MARK HOLDEN ON THE OCCASION OF HIS RETIREMENT**

WHEREAS, Plant Operator II MARK HOLDEN retired from the City of Daly City on February 4, 2012 after completing thirty-two years of dedicated public service, the last twenty-eight years capably serving the residents of Daly City; and

WHEREAS, Mark began his professional career as a machinist, manufacturing stainless steel equipment for Latter Manufacturing of San Francisco where he learned the craft of welding; and

WHEREAS, he joined the United States Air Force where he learned water and wastewater operations during his four-year enlistment serving at bases in Texas and Alaska before being honorably discharged at the rank of Sergeant; and

WHEREAS, his public wastewater career began with the Menlo Park Sanitary District before accepting a position with South Bayside System Authority in Redwood City; and

WHEREAS, Mark joined the North San Mateo County Sanitation District on February 6, 1984 where he utilized his journeyman level skills as a State Water Resources Control Board certified Grade III Wastewater Operator; and

WHEREAS, known for being an extremely intelligent operator, Mark is very passionate about his craft as evidenced by his excellent trouble-shooting skills and abilities to obtain peak performance from treatment plant processes and equipment in operation; and,

WHEREAS, Mark possesses an innovative spirit and has an ability to figure out issues others cannot. He is known as a quintessential teacher who generously passes along his knowledge and he is always willing to assist others; and

WHEREAS, during Mark's tenure he was part of the District's merger with the City of Daly City, he witnessed the construction of the plant expansion flow equalization basins, and saw the transition of the wastewater plant to deliver full public contact Title 22 compliant tertiary treated recycled water to help preserve the local groundwater basin as a domestic potable resource.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Daly City that it does hereby commend **MARK HOLDEN** for his many years of dedicated service to the residents of Daly City and extends its sincerest best wishes to Mark on the occasion of his richly deserved retirement.

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 27th day of February, 2012 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 Meeting Agenda Report

Item # _____

Meeting Date: February 27, 2012

**Subject: Set Time and Place for Public Hearing for Appeal of the Findings and Order of the Administrative Hearing Board for 1023 Hanover St. (APN 004-112-150)
Rosario Sievers, Property Owner**

Recommended Action

Set March 12, 2012 as the hearing date for the appeal of the findings and order of the Administrative Hearing Board issued to Rosario Sievers (property owner) to abate violations relative to property at 1023 Hanover Street.

Background

This matter involves a Code Enforcement action related to construction activities without benefit of a building permit within a residence at 1023 Hanover Street, and a determination of violation and order to abate by the Administrative Hearing Board on January 26, 2012 (Exhibit A).

On February 7, 2012, the owner filed an Appeal to the City Council of the Findings and Order of the Administrative Hearing Board (Attachment B). Under Daly City Municipal Code Section 8.16.300(B), the city clerk shall set a date for the council to hear the matter which date shall not be less than ten calendar days nor more than thirty calendar days from the date the appeal was filed.

In order to have sufficient time to prepare for the appeal, parties have stipulated to set the hearing date for the appeal for March 12, 2012, which is beyond the thirty day time limit.

Summary/Conclusion

Staff recommends the City Council set March 12, 2012 as the hearing date for the appeal of the findings and order of the Administrative Hearing Board issued to Rosario Sievers (property owner) to abate violations relative to property at 1023 Hanover Street.

Respectfully submitted,

Kathy Campbell
Code Enforcement Officer

Brian Millar
Director of Economic & Community
Development

Attachment: Exhibit A – Findings and Order of the Administrative Hearing Board issued January 26, 2012
Exhibit B – Appeal to the City Council filed February 7, 2012

**FINDINGS AND ORDER OF THE
DALY CITY ADMINISTRATIVE HEARING BOARD**

SUBJECT PROPERTY: 1023 HANOVER STREET, CA 941014

PROPERTY OWNER(s): ROSARIO SIEVERS

HEARING HELD ON JANUARY 26, 2012

FINDINGS

WHEREAS, Code Enforcement referred this matter to the Administrative Hearing Board pursuant to section 8.16.070, et seq., of the Daly City Municipal Code; **and,**

WHEREAS, the Board determined that the property owner(s) received proper notice documentation by staff of the violations and required abatement action and appeared at the hearing; **and,**

WHEREAS, the Board reviewed evidence, testimony of staff and the staff report pertaining to property current violations: **and,**

WHEREAS, one or more Municipal Code violations defined as a public nuisance, pursuant to section 8.16.030 *et seq.*, are now present and remain unabated after the timeline established for abatement in the staff notice of violation; **and,**

WHEREAS, the property is a public nuisance pursuant to Municipal Code Section 8.16.030 due to violations of the uniform codes, as adopted by Daly City, and Chapter 15 of the Daly City Municipal Code, including construction without permits; **and,**

WHEREAS, pursuant to Daly City Municipal Code section 8.16.150, if this Board determines that a violation occurred which was not corrected within the time period specified in the staff notification of nuisance, the Board shall issue an administrative order which imposes any or all of the following:

- A. An order to correct, including a schedule for correction when appropriate;
- B. Administrative Penalties as provided in section 8.16.160 of the Daly City Municipal Code.
- C. Administrative costs as provided in section 8.16.160 of the Daly City Municipal Code.

ORDER

NOW THEREFORE, HAVING DETERMINED THE PRESENCE OF A PUBLIC NUISANCE AT 1023 HANOVER STREET, THE BOARD HEREBY ORDERS ABATEMENT OF THE VIOLATIONS, AND ASSESSMENT OF ADMINISTRATIVE COSTS AND PENALTIES AS FOLLOWS:

- 1) The owner shall immediately instruct the occupants of the unpermitted rooms located in any unpermitted room on the first floor and second floor and inside the accessory building which are being used as living quarters to vacate within 30 days so that abatement work may begin and provide to the City proof of eviction notices to renters, **and**
- 2) Within 30 calendar days of the date of the Board Order the owner shall submit a permit application to

demolish and remove the cited violations which includes removing the rooms down including a bathroom, removing two unpermitted walls that divides the living room area, replacing the furnace, and reducing the accessory building to under 120 sq. ft. including the removal of the electrical components or completely removing the accessory building from the subject property, **and**

- 3) Within 60 calendar days from the permit application date the owner shall obtain a building permit, **and**
- 4) Within 60 calendar days from the permit issuance date all remedial work as shown on any approved plans and stated in the scope of work for the permit must be completed and inspected and finalized to the satisfaction of the Building Division.
- 5) All enforcement fees and administrative fees are suspended at this time, pending the cooperative efforts and demonstrated good faith by the owner by completing items #1 through #3 of this Order within the stated time limits. Any failure by the owner to cooperate at any stage in the enforcement process shall result in the reinstatement of the suspended fees of \$1,380.00 in enforcement fees and a \$1,994.00 administrative fee (to cover costs associated with presenting this case to the Board).
- 6) Upon failure to adhere to any stated timeline in the Order of the Administrative Hearing Board the owner shall be assessed \$500.00 a day for each day a violation continues to be present, up to the maximum amount of \$10,000.00.
- 7) The Notice of Violation shall remain on the title of the subject property to prevent sale or transfer of ownership without addressing the violations. To remove the NOV all fees and penalties shall be paid and all work to correct the violation(s) shall be completed and finalized.
- 8) In the event that the property owner does not comply with this order and pay all associated fees and fines all costs due to the City shall be secured through a lien recorded on the subject property with the County Recorder which may carry additional charges as set forth by resolution of the City Council.

APPEAL RIGHTS

Pursuant to Daly City Municipal Code section 8.16.300, the owner(s) of the subject property or a business owner receiving an administrative order from this Board may only appeal such order only if they attended the hearing. To exercise this appeal right the owner must file a written appeal request with the City Clerk within ten (10) days of the date of service of the administrative order, with a non-refundable filing fee of \$100 included with the request. The City Clerk will normally set the hearing date within 10-30 days. You should contact the City Clerk for specific information about this process and the required information you must supply in the request.

AFFIRMED BY: _____

Donald McVey
Donald McVey, Director of Finance/Adm. Chair

HEARING BOARD CHAIR ON: _____

February 2, 2012

FOR OFFICE USE

DATE OF SERVICE 2-3-2012 METHOD OF SERVICE: ☒ 1st class mail ☒ Cert. Mail ☐ Pers. Svc.

BY _____

TITLE Office Assistant for Code Enforcement

COMMENTS: Administrative Hearing Board – 1/26/2012 – 1023 Hanover St – Case# 3-11-1576

CITY CLERK'S OFFICE

CITY OF DALY CITY
CITY CLERK

2012 FEB - 7 A 8:26

RECEIVED

APPEAL TO THE CITY COUNCIL

FROM THE FINDINGS AND ORDER OF THE
ADMINISTRATIVE HEARING BOARD

Directions: To correctly file an appeal from the Order of the Administrative Hearing Board, Please complete this form and include a \$100.00 non-refundable filing fee. Forms returned without the fee are considered incomplete and may not be processed. It is the responsibility of the appellant to return the completed appeal and filing fee to the City Clerk within 10 days from the date of Service of the Order, to assure the appeal is processed in a timely manner.

APPELLANT'S NAME: Rosario Sievers

RESIDENCE: 1023 Hanover St.

PHONE NUMBER (S): (H) (415) 469-5946 (W) (415) 424-8639

E-MAIL ADDRESS: Peter_Batio@DOT-CA.gov

PROPERTY IN QUESTION: 1023 Hanover St.

DATE OF ADMINISTRATIVE HEARING: 1-26-12

SUMMARIZE YOUR REASONS FOR THE APPEAL:

- 1- The Board order is illegal since not based on exist. laws or codes.
- 2- The laws or codes cited in Board order do not apply entirely to all code violations. City alleged without proof violation, I did not do.
- 3- City staff and Board members acted negligently and/or maliciously against me, with prejudice in judgement.
- 4- Other issues relating to staff conduct during investigation. [Signature] 2-7-12
Dated: _____ (Appellant's signature)
- 5- OTHER LEGAL ISSUES.

CITY CLERK'S OFFICE:

Received by: Gail Saterndueny
(Signature)

2/7/12
(Date)

8:27 AM
(Time)

NOTE: AN APPEAL HEARING BEFORE THE CITY COUNCIL WILL BE SCHEDULED AS SOON AS PRACTICABLE. YOU WILL BE NOTIFIED.

code enforcement - email Sweetland, McVey, Millar



City Council Meeting Agenda Report

Item # _____

Meeting Date: February 27, 2012

Subject: Temporary License Agreement for Duggan's Serra Mortuary to Allow Storage at 2141 Junipero Serra Boulevard

Recommended Action

Adopt a Resolution approving a Temporary License Agreement with Duggan's Serra Mortuary, for the use of a 500 square foot portion of the building at 2141 Junipero Serra Boulevard, and authorizing the City Manager to execute said Agreement.

Background

Duggan's Serra Mortuary operates at 500 Westlake Avenue, adjacent to properties owned by the Daly City Successor Agency along Junipero Serra Boulevard. An Agreement has been negotiated which will provide for the temporary use of a portion of 2141 Junipero Serra Boulevard for storage of caskets and other supplies associated with their business. After four months, the License can continue on a month-to-month basis, with either party able to end the Agreement with 30 days-notice.

Discussion

Duggan's Serra Mortuary will only be using a 500 square foot portion of the existing, vacant building. The building consists of approximately 2,100 square feet and is demised into a number of small offices. Should the City want to rent out or use other sections of the building, Duggan's has indicated that they will cooperate under the 30 days-notice provision of the Temporary License Agreement.

The proposed Temporary License Agreement is from March 1, 2012 through July 1, 2012. The monthly License Fee for the premises for the four-month term is \$500 per month. The space will be delivered in "As Is" condition, and at their own cost, Duggan's will repair double glass doors that provide access to the room they will be using, as well as clearing all debris from that room.

Staff has analyzed local rents in the area. The proposed License Fee equates to \$1.00 per square foot, and that rate is at or above market rent.

Fiscal Impact

There will be no fiscal impact to the City for the operation of this short-term Lease Agreement.

Summary/Conclusion

Staff is available to provide any additional information desired by Agency members.

Respectfully submitted,

Victor Spano
Economic Development Coordinator

Brian Millar
Economic and Community Development Director

Attachment: License Agreement

**TEMPORARY LICENSE FOR THE
USE OF PROPERTY
PORTION OF 2141 JUNIPERO SERRA BOULEVARD, DALY CITY**

This license is entered into by and between the CITY OF DALY CITY, as Successor Agency to the Daly City Redevelopment Agency ("City") and DUGGAN'S SERRA MORTUARY ("Licensee").

This License is made and executed on the ___ day of _____, 2012, in Daly City, California.

WHEREAS, the City of Daly City is the owner of certain real property commonly known as 2141 Junipero Serra Boulevard, (hereinafter described as "Premises") in the City of Daly City; and

WHEREAS, the Licensee, Duggan's Serra Mortuary, desires to use the portion of the building shown in "Exhibit "A" in order to store caskets delivered by manufacturer(s) for use by their business;

NOW, THEREFORE, the parties agree as follows:

1. License. The City grants to Licensee a revocable license to use the Premises from March 1, 2012 to July 1, 2012 (License Term). The License shall expire at the conclusion of the License Term or earlier upon notification as stated in Provision 11 of this License. The License Term may extend on a month to month basis upon the written consent of the City Manager.
2. Permissible Use. License shall use the Premises for the sole purpose of temporary storage of inventory for Licensee's business. All other uses are prohibited, except with the prior written consent from the City. The Premises are Licensed with the following restrictions:
 - a. No automotive storage, repair, auto body repair, auto detailing or auto services of any kind are permitted.
 - b. No storage of gasoline, oil, chemicals or fuels which may drip or leak onto the floor of the building, or below into the ground are permitted.
 - c. No activity creating fumes, including, but not limited to repairs, welding, etc., which may be sensed by neighboring residents or tenants is permitted.
3. Licensee shall promptly remove any alterations, additions or improvements constructed in violation of this section upon City's written request. All alterations, additions or improvements not removed upon the termination of the License shall become property of the Licensor.

4. Condition. Licensee accepts the Premises in “As-Is” Condition.
5. Repairs, Alterations, and Improvements. Licensee accepts the Premises in their present condition.
 - a. Licensee, at its expense, also shall maintain in good order and repair, the heating, ventilation and air conditioning equipment.
 - b. Licensee shall only use licensed contractors for repairs where such a license is required.
 - c. Licensee shall not make any alterations, additions or improvements to the Premises without City’s prior written consent.
 - d. Licensee shall promptly remove any alterations, additions or improvements constructed in violation of this section upon Licensor’s written request. All alterations, additions or improvements not removed upon the termination of the License shall become property of the Licensor.
6. Parking. License for the use of Premises consists only of 2141 Junipero Serra Boulevard, portion of building shown in Exhibit “A”. There is no right, implied or express, for Licensee, employees, guests or customers, to park cars on or adjacent to the City owned property south and east of 2121-25 Junipero Serra and east of 2147 Junipero Serra for any other purpose other than loading or off-loading inventory to and from the rental space.
7. Security / Gate Lock. 2147 Junipero Serra Boulevard is currently used for storage of records for the City of Daly City Police Department. The fence should be locked and perimeter fence secured each time 2141 Junipero Serra Boulevard is accessed.
8. Access. Licensee shall allow City staff or other temporary future tenants to access front and rear portions of building not included in this License Agreement as shown in “Exhibit “A” with 24 hours notice, or in case of emergency.
9. Utilities. Licensee shall pay all charges for gas, electricity, water, sewer, telephone, garbage collection, and all other services and utilities used by Licensee on the Premises during the term of this License.
10. License Fee. Licensee shall pay the City a fee of \$500 per month, commencing March 1, 2012.
11. Security /Clean Up Deposit. Licensee shall pay the City a Security Deposit of \$500, together with the first month License fee payment of \$500 upon execution of this License agreement.

City shall hold the Security Deposit without liability for interest and as security for the performance by Licensee of his obligations under this License. The Security Deposit is not an advance payment of fees and cannot be applied to delinquent fee payments, or final month's fees. If Licensee is not in default at the termination of this License, City shall return the balance of the Security Deposit remaining after any such application to Licensee.

12. Term and Termination. This License shall be of a temporary nature, and is subject to revocation at the City's discretion upon (30) days written notice to the non-termination party.
13. Possessory Interest Tax. Licensee shall be responsible for payment of Possessory Interest Tax to County of San Mateo.
14. Compliance with the Law. Licensee shall not use or allow the Premises to be used for any improper, immoral, unlawful or objectionable purpose, or obstruct the sidewalk in front of, within or adjacent to the Premises. Business shall operate in conformance to all federal law, state law, and City of Daly City codes and ordinances, including securing a Daly City business license and Building/Electrical permits from City of Daly City Building Division.
15. Licensee shall provide adequate supervisory personnel so that someone may be identified and contacted regarding management of the business at all times during business hours.
16. Licensee shall be responsible for maintaining the Premises in a clean and orderly manner, and for removing debris or rubbish after each day's service. If Licensee fails after notice from the City to maintain and keep the Premises clean and orderly, the City may at the expense of the Licensee cure the deficiency at any time. If such problem occurs a second time, the City reserves the right to revoke Licensee's License.
17. Licensee understands that as a licensee, it has no property interest in the Premises, and the Licensee is a post-acquisition occupant pursuant to this License, and that the property subject to this License has been acquired or is being held for a public use and will be available only in the interim, and that the development for such ultimate use may result in the termination of this License. Pursuant to state law, and the City of Daly City's Relocation Assistance Rules and Regulations, post-acquisition parties such as the Licensee, are **not** eligible for relocation assistance and payments even though they may move as a result of termination of this License. Revocation of this License shall not suffer the City to provide relocation assistance or payments to the Licensee.
18. Indemnification. Licensee agrees to indemnify, defend and hold harmless the City of Daly City, their officers, employees, and agents from and

against any and all claims, losses, damages, expenses, judgments and costs, including attorney's fees and court costs, resulting from Licensee's use of the Premises under this License.

19. Insurance. Licensee shall at its own expense, maintain in force during the term of this License a policy of comprehensive liability insurance insuring the Agency against any liability resulting from Licensee's use of the Premises under the license. No later than Five (5) days from the execution of this License, Licensee shall provide City with a Certificate of insurance naming the City of Daly City as an additional insured on said policy.
20. Assignability. Licensee shall not assign, sublicense or otherwise transfer its rights under this License to any other party.
21. Notices. All notices to the City shall be sent to Patricia E. Martel, City Manager, City of Daly City, 333 - 90th Street, Daly City, CA 94015. All notices to the Licensee shall be sent to Dan Duggan, Duggan's Serra Mortuary, and Westlake Avenue, Daly City, CA 94014.
22. Waiver. No waiver of any default of Licensee shall be implied from City's omission to take any action on account of such default if such default persists or is repeated and no express waiver shall affect any default other than the default specified in the express waiver. One or more waivers by City shall not be construed as a waiver of a subsequent breach of the same term.
23. Entire Agreement. This License contains the entire understanding between the parties relating to the rights and obligations assumed under it. Any amendments or modifications to this License will not be effective unless contained in a writing signed by the City.
24. This License shall be interpreted and construed under the laws of the State of California.

IN WITNESS WHEREOF, the parties have executed this License as of the date and first above written.

CITY OF DALY CITY

LICENSEE

Patricia E. Martel
City Manager

Dan Duggan
Duggan's Serra Mortuary



City Council Meeting Agenda Report

Item # _____

Meeting Date: February 27, 2012

Subject: Adoption of Draft Recognized Obligation Payment Schedule

Recommended Action

As the Successor Agency to the former Daly City Redevelopment Agency, adopt the Draft Recognized Obligation Payment Schedule.

Discussion

AB 1X 26 requires that a Draft Recognized Obligation Payment Schedule (ROPS) be produced by March 1, 2012. The Draft ROPS updates and modifies the Enforceable Obligation Payment Schedule adopted by the former Daly City Redevelopment Agency. The attached Draft ROPS satisfies that requirement. The ROPS is subject to amendment in the future as circumstances change, and will be updated accordingly.

Fiscal Impact

The Draft ROPS contains changes as required by law, and reflects payments on outstanding obligations, including Administrative Fees to be paid to the City of Daly City. By adopting the Draft ROPS as required, the City as Successor Agency can thereby continue to make payments to meet the obligations of the former Daly City Redevelopment Agency.

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

Respectfully submitted,

Donald W. McVey
Director of Finance and Administrative Services

Attachment: Draft Recognized Obligation Payment Schedule

DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE

	Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation	Annual Costs	Payments by Month						
						Fiscal Year 2012						
						January	February	March	April	May	June	Six Month Total
1)	Loan from Daly City General Fund	City of Daly City	Loan for property acquisition and redevelopment expenses	\$ 23,431,356	\$ 2,200,000	\$ 1,100,000					\$ 1,100,000	\$ 2,200,000
2)	Admin Fee	City of Daly City	One-half of Minimum Allocation		\$ 125,000		\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 52,085
3)	HELP Loan - Due 1/30/2017	CA Housing Finance Agency	Loan for property acquisition	\$ 1,171,752	\$ -							\$ -
4)	Employee costs	Agency employees	Salaries and benefits		\$ 5,650	\$ 5,650						\$ 5,650
5)	Landmark	Oliver McMillan	Refundable deposits	\$ 150,000	\$ -							\$ -
6)	Rental deposit	Ghilotti Brothers	Deposit for rental of lot at John Daly	\$ 5,000	\$ -			\$ 5,000				\$ 5,000
7)	Operations	Pacific Bell	Call Charges		\$ 20	\$ 20						\$ 20
8)	Rental Property Utilities	PG&E	Gas & Electric		\$ 300	\$ 300						\$ 300
9)	Rental Property Utilities	Sanitation District	Sewer Fees		\$ -							\$ -
10)	Independent Audit	Maze & Assoc	Audit Services		\$ 6,251	\$ 923					\$ 5,328	\$ 6,251
11)	Legal Services	Best Best & Krieger	Legal Services		\$ 17,481	\$ 17,481						\$ 17,481
12)	Rental Property Services	Alert Pest Cont.	Pest Control 6836 Mission St		\$ 80	\$ 80						\$ 80
13)	Operations	City of Daly City	Administrative Support		\$ 300,216	\$ 25,018						\$ 25,018
14)	Operations	City of Daly City	Telephone System		\$ 302	\$ 25						\$ 25
15)	Operations	City of Daly City	Vehicle Rental		\$ 1,676	\$ 140						\$ 140
16)	Operations	City of Daly City	Data Processing		\$ 1,676	\$ 140						\$ 140
17)	Operations	City of Daly City	Building Maintenance		\$ 15,744	\$ 1,312						\$ 1,312
18)	Operations	City of Daly City	Interoffice Mail		\$ 470	\$ 39						\$ 39
19)	Operations	City of Daly City	Copier Services		\$ 436	\$ 36						\$ 36
20)	Operations	City of Daly City	Postage		\$ 21	\$ 2						\$ 2
21)	General Liability Insurance	City of Daly City	Insurance Premium		\$ 4,013	\$ 334	\$ 334	\$ 334	\$ 334	\$ 334	\$ 334	\$ 2,004
	Totals - This Page			\$ 24,758,108	\$ 2,679,336	\$ 1,151,500	\$ 10,751	\$ 15,751	\$ 10,751	\$ 10,751	\$ 1,116,079	\$ 2,315,583
	Totals - Page 2			\$ 3,302,504	\$ 889,687	\$ 187,220	\$ 14,031	\$ 7,649	\$ 7,649	\$ 7,649	\$ 162,977	\$ 387,173
	Grand total - All Pages			\$ 28,060,612	\$ 3,569,023	\$ 1,338,720	\$ 24,782	\$ 23,400	\$ 18,400	\$ 18,400	\$ 1,279,056	\$ 2,702,756

Amounts are estimates and may be adjusted in the future as circumstances change.	Beginning Available Cash	2,148,250	1,973,468	1,950,068	1,931,668	1,913,268
	Cash Flow Reserve (10% of semiannual payments)	(150,000)				
	(Excess) Shortfall - from Trust					(523,079)
	Ending Cash	1,973,468	1,950,068	1,931,668	1,913,268	111,133

DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE

	Project Name / Debt Obligation	Payee	Description	Fiscal Year 2013						
				July	August	September	October	November	December	Six Month Total
1)	Loan from Daly City General Fund	City of Daly City	Loan for property acquisition and redevelopment expenses							\$ -
2)	Admin Fee	City of Daly City	One-half of Minimum Allocation	\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 62,502
3)	HELP Loan - Due 1/30/2017	CA Housing Finance Agency	Loan for property acquisition							\$ -
4)	Employee costs	Agency employees	Salaries and benefits							\$ -
5)	Landmark	Oliver McMillan	Refundable deposits							\$ -
6)	Rental deposit	Ghilotti Brothers	Deposit for rental of lot at John Daly							\$ -
7)	Operations	Pacific Bell	Call Charges							\$ -
8)	Rental Property Utilities	PG&E	Gas & Electric							\$ -
9)	Rental Property Utilities	Sanitation District	Sewer Fees							\$ -
10)	Independent Audit	Maze & Assoc	Audit Services							\$ -
11)	Legal Services	Best Best & Krieger	Legal Services							\$ -
12)	Rental Property Services	Alert Pest Cont.	Pest Control 6836 Mission St							\$ -
13)	Operations	City of Daly City	Administrative Support							\$ -
14)	Operations	City of Daly City	Telephone System							\$ -
15)	Operations	City of Daly City	Vehicle Rental							\$ -
16)	Operations	City of Daly City	Data Processing							\$ -
17)	Operations	City of Daly City	Building Maintenance							\$ -
18)	Operations	City of Daly City	Interoffice Mail							\$ -
19)	Operations	City of Daly City	Copier Services							\$ -
20)	Operations	City of Daly City	Postage							\$ -
21)	General Liability Insurance	City of Daly City	Insurance Premium	\$ 334	\$ 334	\$ 334	\$ 334	\$ 334	\$ 334	\$ 2,004
	Totals - This Page			\$ 10,751	\$ 10,751	\$ 10,751	\$ 10,751	\$ 10,751	\$ 10,751	\$ 64,506
	Totals - Page 2			\$ 7,649	\$ 7,649	\$ 7,649	\$ 7,649	\$ 7,649	\$ 8,382	\$ 46,627
	Grand total - All Pages			\$ 18,400	\$ 18,400	\$ 18,400	\$ 18,400	\$ 18,400	\$ 19,133	\$ 111,133
				Beginning Available Cash	111,133	92,733	74,333	55,933	37,533	19,133
Amounts are estimates and may be adjusted in the future as circumstances change.				Cash Flow Reserve (10% of semiannual (Excess) Shortfall - from Trust						
				Ending Cash	92,733	74,333	55,933	37,533	19,133	-

DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE

	Project Name / Debt Obligation	Payee	Description							
				January	February	March	April	May	June	Six Month Total
1)	Loan from Daly City General Fund	City of Daly City	Loan for property acquisition and redevelopment expenses	\$ 1,100,000					\$ 1,100,000	\$ 2,200,000
2)	Admin Fee	City of Daly City	One-half of Minimum Allocation	\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 62,502
3)	HELP Loan - Due 1/30/2017	CA Housing Finance Agency	Loan for property acquisition							\$ -
4)	Employee costs	Agency employees	Salaries and benefits							\$ -
5)	Landmark	Oliver McMillan	Refundable deposits							\$ -
6)	Rental deposit	Ghilotti Brothers	Deposit for rental of lot at John Daly							\$ -
7)	Operations	Pacific Bell	Call Charges							\$ -
8)	Rental Property Utilities	PG&E	Gas & Electric							\$ -
9)	Rental Property Utilities	Sanitation District	Sewer Fees						\$ 5,328	\$ 5,328
10)	Independent Audit	Maze & Assoc	Audit Services							\$ -
11)	Legal Services	Best Best & Krieger	Legal Services							\$ -
12)	Rental Property Services	Alert Pest Cont.	Pest Control 6836 Mission St							\$ -
13)	Operations	City of Daly City	Administrative Support							\$ -
14)	Operations	City of Daly City	Telephone System							\$ -
15)	Operations	City of Daly City	Vehicle Rental							\$ -
16)	Operations	City of Daly City	Data Processing							\$ -
17)	Operations	City of Daly City	Building Maintenance							\$ -
18)	Operations	City of Daly City	Interoffice Mail							\$ -
19)	Operations	City of Daly City	Copier Services							\$ -
20)	Operations	City of Daly City	Postage							\$ -
21)	General Liability Insurance	City of Daly City	Insurance Premium	\$ 334	\$ 334	\$ 334	\$ 334	\$ 334	\$ 334	\$ 2,004
	Totals - This Page			\$ 1,110,751	\$ 10,751	\$ 10,751	\$ 10,751	\$ 10,751	\$ 1,116,079	\$ 2,269,834
	Totals - Page 2			\$ 157,649	\$ 8,381	\$ 7,649	\$ 7,649	\$ 7,649	\$ 157,649	\$ 346,624
	Grand total - All Pages			\$ 1,268,400	\$ 19,132	\$ 18,400	\$ 18,400	\$ 18,400	\$ 1,273,728	\$ 2,616,458

	Beginning Available Cash	-	74,332	55,200	36,800	18,400	-
Amounts are estimates and may be adjusted in the future as circumstances change.	Cash Flow Reserve (10% of semiannual						
	(Excess) Shortfall - from Trust	1,342,732					1,384,861
	Ending Cash	74,332	55,200	36,800	18,400	-	111,133

DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE

	Project Name / Debt Obligation	Payee	Description	Fiscal Year 2014						
				July	August	September	October	November	December	Six Month Total
1)	Loan from Daly City General Fund	City of Daly City	Loan for property acquisition and redevelopment expenses							\$ -
2)	Admin Fee	City of Daly City	One-half of Minimum Allocation	\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 62,502
3)	HELP Loan - Due 1/30/2017	CA Housing Finance Agency	Loan for property acquisition							\$ -
4)	Employee costs	Agency employees	Salaries and benefits							\$ -
5)	Landmark	Oliver McMillan	Refundable deposits							\$ -
6)	Rental deposit	Ghilotti Brothers	Deposit for rental of lot at John Daly							\$ -
7)	Operations	Pacific Bell	Call Charges							\$ -
8)	Rental Property Utilities	PG&E	Gas & Electric							\$ -
9)	Rental Property Utilities	Sanitation District	Sewer Fees							\$ -
10)	Independent Audit	Maze & Assoc	Audit Services							\$ -
11)	Legal Services	Best Best & Krieger	Legal Services							\$ -
12)	Rental Property Services	Alert Pest Cont.	Pest Control 6836 Mission St							\$ -
13)	Operations	City of Daly City	Administrative Support							\$ -
14)	Operations	City of Daly City	Telephone System							\$ -
15)	Operations	City of Daly City	Vehicle Rental							\$ -
16)	Operations	City of Daly City	Data Processing							\$ -
17)	Operations	City of Daly City	Building Maintenance							\$ -
18)	Operations	City of Daly City	Interoffice Mail							\$ -
19)	Operations	City of Daly City	Copier Services							\$ -
20)	Operations	City of Daly City	Postage							\$ -
21)	General Liability Insurance	City of Daly City	Insurance Premium	\$ 334	\$ 334	\$ 334	\$ 334	\$ 334	\$ 334	\$ 2,004
	Totals - This Page			\$ 10,751	\$ 10,751	\$ 10,751	\$ 10,751	\$ 10,751	\$ 10,751	\$ 64,506
	Totals - Page 2			\$ 7,649	\$ 7,649	\$ 7,649	\$ 7,649	\$ 7,649	\$ 8,382	\$ 46,627
	Grand total - All Pages			\$ 18,400	\$ 18,400	\$ 18,400	\$ 18,400	\$ 18,400	\$ 19,133	\$ 111,133
				Beginning Available Cash	111,133	92,733	74,333	55,933	37,533	19,133
Amounts are estimates and may be adjusted in the future as circumstances change.				Cash Flow Reserve (10% of semiannual (Excess) Shortfall - from Trust						
				Ending Cash	92,733	74,333	55,933	37,533	19,133	-

DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE

	Project Name / Debt Obligation	Payee	Description							
				January	February	March	April	May	June	Six Month Total
1)	Loan from Daly City General Fund	City of Daly City	Loan for property acquisition and redevelopment expenses	\$ 1,100,000					\$ 1,100,000	\$ 2,200,000
2)	Admin Fee	City of Daly City	One-half of Minimum Allocation	\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 62,502
3)	HELP Loan - Due 1/30/2017	CA Housing Finance Agency	Loan for property acquisition							\$ -
4)	Employee costs	Agency employees	Salaries and benefits							\$ -
5)	Landmark	Oliver McMillan	Refundable deposits							\$ -
6)	Rental deposit	Ghilotti Brothers	Deposit for rental of lot at John Daly							\$ -
7)	Operations	Pacific Bell	Call Charges							\$ -
8)	Rental Property Utilities	PG&E	Gas & Electric							\$ -
9)	Rental Property Utilities	Sanitation District	Sewer Fees							\$ -
10)	Independent Audit	Maze & Assoc	Audit Services							\$ -
11)	Legal Services	Best Best & Krieger	Legal Services							\$ -
12)	Rental Property Services	Alert Pest Cont.	Pest Control 6836 Mission St							\$ -
13)	Operations	City of Daly City	Administrative Support							\$ -
14)	Operations	City of Daly City	Telephone System							\$ -
15)	Operations	City of Daly City	Vehicle Rental							\$ -
16)	Operations	City of Daly City	Data Processing							\$ -
17)	Operations	City of Daly City	Building Maintenance							\$ -
18)	Operations	City of Daly City	Interoffice Mail							\$ -
19)	Operations	City of Daly City	Copier Services							\$ -
20)	Operations	City of Daly City	Postage							\$ -
21)	General Liability Insurance	City of Daly City	Insurance Premium	\$ 334	\$ 334	\$ 334	\$ 334	\$ 334	\$ 334	\$ 2,004
	Totals - This Page			\$ 1,110,751	\$ 10,751	\$ 10,751	\$ 10,751	\$ 10,751	\$ 1,110,751	\$ 2,264,506
	Totals - Page 2			\$ 157,649	\$ 8,381	\$ 7,649	\$ 7,649	\$ 7,649	\$ 157,649	\$ 346,624
	Grand total - All Pages			\$ 1,268,400	\$ 19,132	\$ 18,400	\$ 18,400	\$ 18,400	\$ 1,268,400	\$ 2,611,130

	Beginning Available Cash	-	74,332	55,200	36,800	18,400	-
Amounts are estimates and may be adjusted in the future as circumstances change.	Cash Flow Reserve (10% of semiannual (Excess) Shortfall - from Trust	1,342,732					TBD
	Ending Cash	74,332	55,200	36,800	18,400	-	(1,268,400)

Name of Redevelopment Agency: Daly City Redevelopment Agency

Project Area(s) Mission Street / Junipero Serra Boulevard Project Area

DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE

	Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation	Annual Costs	Payments by Month						
						Fiscal Year 2012						
						January	February	March	April	May	June	Six Month Total
1)	Loan from Daly City General Fund	City of Daly City	Loan for property acquisition	\$ 3,291,829	\$ 300,000	\$ 150,000					\$ 150,000	\$ 300,000
2)	Admin Fee	City of Daly City	One-half of Minimum Allocation		\$ 125,000		\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 52,085
3)	Employee costs	Agency employees	Salaries and benefits		\$ 270,071	\$ 21,130						\$ 21,130
4)	Mission/Miriam	Various tenants	Rental deposits	\$ 5,650			\$ 5,650					\$ 5,650
5)	135 Acacia	Oscar Flores	Rental Deposit	\$ 700								
6)	Independent Audit	Maze & Assoc	Audit Services		\$ 6,251	\$ 923					\$ 5,328	\$ 6,251
7)	Operations	City of Daly City	Administrative Support		\$ 183,586	\$ 17,481						\$ 17,481
8)	Operations	City of Daly City	Copier Services		\$ 436	\$ 36						\$ 36
9)	General Liability Insurance	City of Daly City	Insurance Premium			\$ 167	\$ 167	\$ 167	\$ 167	\$ 167	\$ 167	\$ 1,002
10)	260 Abbot	Various tenants	Rental deposits	\$ 4,325								\$ -
11)	206 Abbot	Various Tenants	Rental Income			\$ (3,325)	\$ (3,325)	\$ (3,325)	\$ (3,325)	\$ (3,325)	\$ (3,325)	\$ (19,950)
12)	206 Abbot	Hildebrand Prop Mgmt.	Utilities		\$ 480	\$ 90	\$ 90	\$ 90	\$ 90	\$ 90	\$ 90	\$ 540
13)	206 Abbot	San Mateo County	Sewer Fees		\$ 1,466		\$ 733					\$ 733
14)	206 Abbot	Hildebrand Prop Mgmt.	Property Management		\$ 1,197	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 1,197
15)	206 Abbot	Hildebrand Prop Mgmt.	Bldg. Maint.		\$ 1,200	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 600
16)	Mission/Miriam	Hildebrand Prop Mgmt.	Utilities		\$ -	\$ 90						\$ 90
17)	Mission/Miriam	Hildebrand Prop Mgmt.	Property Management		\$ -	\$ 303						\$ 303
18)	Mission/Miriam	Hildebrand Prop Mgmt.	Bldg. Maint.		\$ -	\$ 25						\$ 25
19)												
	Totals - This Page			\$ 3,302,504	\$ 889,687	\$ 187,220	\$ 14,031	\$ 7,649	\$ 7,649	\$ 7,649	\$ 162,977	\$ 387,173

Amounts are estimates and may be adjusted in the future as circumstances change.

Name of Redevelopment Agency: Daly City Redevelopment Agency

Project Area(s) Mission Street / Junipero Serra Boulevard Project Area

DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE

	Project Name / Debt Obligation	Payee	Description	Fiscal Year 2013						
				July	August	September	October	November	December	Six Month Total
1)	Loan from Daly City General Fund	City of Daly City	Loan for property acquisition							\$ -
2)	Admin Fee	City of Daly City	One-half of Minimum Allocation	\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 62,502
3)	Employee costs	Agency employees	Salaries and benefits							\$ -
4)	Mission/Miriam	Various tenants	Rental deposits							\$ -
5)	135 Acacia	Oscar Flores	Rental Deposit							\$ -
6)	Independent Audit	Maze & Assoc	Audit Services							\$ -
7)	Operations	City of Daly City	Administrative Support							\$ -
8)	Operations	City of Daly City	Copier Services							\$ -
9)	General Liability Insurance	City of Daly City	Insurance Premium	\$ 167	\$ 167	\$ 167	\$ 167	\$ 167	\$ 167	\$ 1,002
10)	260 Abbot	Various tenants	Rental deposits							\$ -
11)	206 Abbot	Various Tenants	Rental Income	\$ (3,325)	\$ (3,325)	\$ (3,325)	\$ (3,325)	\$ (3,325)	\$ (3,325)	\$ (19,950)
12)	206 Abbot	Hildebrand Prop Mgmt.	Utilities	\$ 90	\$ 90	\$ 90	\$ 90	\$ 90	\$ 90	\$ 540
13)	206 Abbot	San Mateo County	Sewer Fees						\$ 733	\$ 733
14)	206 Abbot	Hildebrand Prop Mgmt.	Property Management	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 1,200
15)	206 Abbot	Hildebrand Prop Mgmt.	Bldg. Maint.	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 600
16)	Mission/Miriam	Hildebrand Prop Mgmt.	Utilities							\$ -
17)	Mission/Miriam	Hildebrand Prop Mgmt.	Property Management							\$ -
18)	Mission/Miriam	Hildebrand Prop Mgmt.	Bldg. Maint.							\$ -
19)										
Totals - This Page				\$ 7,649	\$ 7,649	\$ 7,649	\$ 7,649	\$ 7,649	\$ 8,382	\$ 46,627

Amounts are estimates and may be adjusted in the future as circumstances change.

Name of Redevelopment Agency: Daly City Redevelopment Agency

Project Area(s) Mission Street / Junipero Serra Boulevard Project Area

DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE

	Project Name / Debt Obligation	Payee	Description							
				January	February	March	April	May	June	Six Month Total
1)	Loan from Daly City General Fund	City of Daly City	Loan for property acquisition	\$ 150,000					\$ 150,000	\$ 300,000
2)	Admin Fee	City of Daly City	One-half of Minimum Allocation	\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 62,502
3)	Employee costs	Agency employees	Salaries and benefits							\$ -
4)	Mission/Miriam	Various tenants	Rental deposits							\$ -
5)	135 Acacia	Oscar Flores	Rental Deposit							\$ -
6)	Independent Audit	Maze & Assoc	Audit Services							\$ -
7)	Operations	City of Daly City	Administrative Support							\$ -
8)	Operations	City of Daly City	Copier Services							\$ -
9)	General Liability Insurance	City of Daly City	Insurance Premium	\$ 167	\$ 167	\$ 167	\$ 167	\$ 167	\$ 167	\$ 1,002
10)	260 Abbot	Various tenants	Rental deposits							\$ -
11)	206 Abbot	Various Tenants	Rental Income	\$ (3,325)	\$ (3,325)	\$ (3,325)	\$ (3,325)	\$ (3,325)	\$ (3,325)	\$ (19,950)
12)	206 Abbot	Hildebrand Prop Mgmt.	Utilities	\$ 90	\$ 90	\$ 90	\$ 90	\$ 90	\$ 90	\$ 540
13)	206 Abbot	San Mateo County	Sewer Fees		\$ 733					\$ 733
14)	206 Abbot	Hildebrand Prop Mgmt.	Property Management	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 1,197
15)	206 Abbot	Hildebrand Prop Mgmt.	Bldg. Maint.	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 600
16)	Mission/Miriam	Hildebrand Prop Mgmt.	Utilities							\$ -
17)	Mission/Miriam	Hildebrand Prop Mgmt.	Property Management							\$ -
18)	Mission/Miriam	Hildebrand Prop Mgmt.	Bldg. Maint.							\$ -
19)										
Totals - This Page				\$ 157,649	\$ 8,381	\$ 7,649	\$ 7,649	\$ 7,649	\$ 157,649	\$ 346,624

Amounts are estimates and may be adjusted in the future as circumstances change.

Name of Redevelopment Agency: Daly City Redevelopment Agency

Project Area(s) Mission Street / Junipero Serra Boulevard Project Area

DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE

	Project Name / Debt Obligation	Payee	Description	Fiscal Year 2014						
				July	August	September	October	November	December	Six Month Total
1)	Loan from Daly City General Fund	City of Daly City	Loan for property acquisition							\$ -
2)	Admin Fee	City of Daly City	One-half of Minimum Allocation	\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 62,502
3)	Employee costs	Agency employees	Salaries and benefits							\$ -
4)	Mission/Miriam	Various tenants	Rental deposits							\$ -
5)	135 Acacia	Oscar Flores	Rental Deposit							\$ -
6)	Independent Audit	Maze & Assoc	Audit Services							\$ -
7)	Operations	City of Daly City	Administrative Support							\$ -
8)	Operations	City of Daly City	Copier Services							\$ -
9)	General Liability Insurance	City of Daly City	Insurance Premium	\$ 167	\$ 167	\$ 167	\$ 167	\$ 167	\$ 167	\$ 1,002
10)	260 Abbot	Various tenants	Rental deposits							\$ -
11)	206 Abbot	Various Tenants	Rental Income	\$ (3,325)	\$ (3,325)	\$ (3,325)	\$ (3,325)	\$ (3,325)	\$ (3,325)	\$ (19,950)
12)	206 Abbot	Hildebrand Prop Mgmt.	Utilities	\$ 90	\$ 90	\$ 90	\$ 90	\$ 90	\$ 90	\$ 540
13)	206 Abbot	San Mateo County	Sewer Fees						\$ 733	\$ 733
14)	206 Abbot	Hildebrand Prop Mgmt.	Property Management	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 1,200
15)	206 Abbot	Hildebrand Prop Mgmt.	Bldg. Maint.	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 600
16)	Mission/Miriam	Hildebrand Prop Mgmt.	Utilities							\$ -
17)	Mission/Miriam	Hildebrand Prop Mgmt.	Property Management							\$ -
18)	Mission/Miriam	Hildebrand Prop Mgmt.	Bldg. Maint.							\$ -
19)										
Totals - This Page				\$ 7,649	\$ 7,649	\$ 7,649	\$ 7,649	\$ 7,649	\$ 8,382	\$ 46,627

Amounts are estimates and may be adjusted
in the future as circumstances change.

Name of Redevelopment Agency: Daly City Redevelopment Agency

Project Area(s) Mission Street / Junipero Serra Boulevard Project Area

DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE

	Project Name / Debt Obligation	Payee	Description							
				January	February	March	April	May	June	Six Month Total
1)	Loan from Daly City General Fund	City of Daly City	Loan for property acquisition	\$ 150,000					\$ 150,000	\$ 300,000
2)	Admin Fee	City of Daly City	One-half of Minimum Allocation	\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 10,417	\$ 62,502
3)	Employee costs	Agency employees	Salaries and benefits							\$ -
4)	Mission/Miriam	Various tenants	Rental deposits							\$ -
5)	135 Acacia	Oscar Flores	Rental Deposit							\$ -
6)	Independent Audit	Maze & Assoc	Audit Services							\$ -
7)	Operations	City of Daly City	Administrative Support							\$ -
8)	Operations	City of Daly City	Copier Services							\$ -
9)	General Liability Insurance	City of Daly City	Insurance Premium	\$ 167	\$ 167	\$ 167	\$ 167	\$ 167	\$ 167	\$ 1,002
10)	260 Abbot	Various tenants	Rental deposits							\$ -
11)	206 Abbot	Various Tenants	Rental Income	\$ (3,325)	\$ (3,325)	\$ (3,325)	\$ (3,325)	\$ (3,325)	\$ (3,325)	\$ (19,950)
12)	206 Abbot	Hildebrand Prop Mgmt.	Utilities	\$ 90	\$ 90	\$ 90	\$ 90	\$ 90	\$ 90	\$ 540
13)	206 Abbot	San Mateo County	Sewer Fees		\$ 733					\$ 733
14)	206 Abbot	Hildebrand Prop Mgmt.	Property Management	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 1,197
15)	206 Abbot	Hildebrand Prop Mgmt.	Bldg. Maint.	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 600
16)	Mission/Miriam	Hildebrand Prop Mgmt.	Utilities							\$ -
17)	Mission/Miriam	Hildebrand Prop Mgmt.	Property Management							\$ -
18)	Mission/Miriam	Hildebrand Prop Mgmt.	Bldg. Maint.							\$ -
19)										
Totals - This Page				\$ 157,649	\$ 8,381	\$ 7,649	\$ 7,649	\$ 7,649	\$ 157,649	\$ 346,624

Amounts are estimates and may be adjusted in the future as circumstances change.

Daly City Redevelopment Agency									
Projected Amortization of Loan for Mission Street / Junipero Serra Boulevard Project Area									
(Assuming No Additional Loans)									
(1) Interest Rate varies with LAIF Rate, which will affect interest paid.									
Mission/JS									
Fiscal Year	Balance	Interest (1)		Balance	Fiscal Year	Balance	Interest (1)		Balance
Ending June 30	July 1	2%	Payments	June 30	Ending June 30	July 1	5%	Payments	June 30
2012	\$ 20,912,874	\$ 418,257	\$ (2,200,000)	\$ 19,131,131	2012	\$ 20,912,874	\$ 1,045,644	\$ (2,200,000)	\$ 19,758,518
2013	19,131,131	382,623	(2,200,000)	17,313,754	2013	19,758,518	987,926	(2,200,000)	18,546,444
2014	17,313,754	346,275	(2,200,000)	15,460,029	2014	18,546,444	927,322	(2,200,000)	17,273,766
2015	15,460,029	309,201	(2,200,000)	13,569,230	2015	17,273,766	863,688	(2,200,000)	15,937,454
2016	13,569,230	271,385	(2,200,000)	11,640,615	2016	15,937,454	796,873	(2,200,000)	14,534,327
2017	11,640,615	232,812	(2,200,000)	9,673,427	2017	14,534,327	726,716	(2,200,000)	13,061,043
2018	9,673,427	193,469	(2,200,000)	7,666,896	2018	13,061,043	653,052	(2,200,000)	11,514,095
2019	7,666,896	153,338	(2,200,000)	5,620,234	2019	11,514,095	575,705	(2,200,000)	9,889,800
2020	5,620,234	112,405	(2,200,000)	3,532,639	2020	9,889,800	494,490	(2,200,000)	8,184,290
2021	3,532,639	70,653	(2,200,000)	1,403,292	2021	8,184,290	409,215	(2,200,000)	6,393,505
2022	1,403,292	28,066	(1,431,358)	-	2022	6,393,505	319,675	(2,200,000)	4,513,180
2023					2023	4,513,180	225,659	(2,200,000)	2,538,839
2024					2024	2,538,839	126,942	(2,200,000)	465,781
2025					2025	465,781	23,289	(489,070)	-
2026					2026				
Bayshore									
Fiscal Year	Balance	Interest (1)		Balance	Fiscal Year	Balance	Interest (1)		Balance
Ending June 30	July 1	2%	Payments	June 30	Ending June 30	July 1	5%	Payments	June 30
2012	\$ 2,929,483	\$ 58,590	\$ (300,000)	\$ 2,688,073	2012	\$ 2,929,483	\$ 146,474	\$ (300,000)	\$ 2,775,957
2013	2,688,073	53,761	(300,000)	2,441,834	2013	2,775,957	138,798	(300,000)	2,614,755
2014	2,441,834	48,837	(300,000)	2,190,671	2014	2,614,755	130,738	(300,000)	2,445,493
2015	2,190,671	43,813	(300,000)	1,934,484	2015	2,445,493	122,275	(300,000)	2,267,768
2016	1,934,484	38,690	(300,000)	1,673,174	2016	2,267,768	113,388	(300,000)	2,081,156
2017	1,673,174	33,463	(300,000)	1,406,637	2017	2,081,156	104,058	(300,000)	1,885,214
2018	1,406,637	28,133	(300,000)	1,134,770	2018	1,885,214	94,261	(300,000)	1,679,475
2019	1,134,770	22,695	(300,000)	857,465	2019	1,679,475	83,974	(300,000)	1,463,449
2020	857,465	17,149	(300,000)	574,614	2020	1,463,449	73,172	(300,000)	1,236,621
2021	574,614	11,492	(300,000)	286,106	2021	1,236,621	61,831	(300,000)	998,452
2022	286,106	5,722	(291,828)	-	2022	998,452	49,923	(300,000)	748,375
2023					2023	748,375	37,419	(300,000)	485,794
2024					2024	485,794	24,290	(300,000)	210,084
2025					2025	210,084	10,504	(220,588)	-



City Council Meeting Agenda Report

Item # _____

Meeting Date: February 27, 2012

Subject: Amendment, Assignment and Subordination of School House Station and Vista Grande Family Apartment Financing Documents

Recommended Action

Approve the amendment, assignment and subordination of documents associated with development of School House Station and Vista Grande Family Apartments.

Background

Project History – School House Station, a 47-unit building built in 1997, and Vista Grande Family Apartments, a 24-unit building built in 1996, were built by Mercy Housing California (“MHC”) and have been integral to MHC’s property portfolio in the Daly City area. School House Station, located at 99 School Street and Vista Grande, located at 6370 Mission Street, are three-story wood frame structures over concrete podium slabs that house commercial spaces. These properties house 71 families that are in need of affordable housing. The properties offer safe, comfortable and affordable homes and help the City meet its affordable housing goals. The combined wait list for both properties contains over 90 households.

Both School House Station and Vista Grande Family Apartments were developed subject to the terms of Disposition and Development Agreements between the Daly City Redevelopment Agency and Mercy Housing California. The City provided a total of \$1,471,000 in CDBG and HOME funds (loans) for the development of these properties in exchange for 20 and 30- year affordable housing covenants.

Both buildings are located in an environment that experiences heavy fog and high humidity. As a result the buildings have deteriorated such that the quality of life of the residents is in jeopardy. There has been extensive damage to the cement plaster walls, windows and doors at some of the residential units. Water-proofing is also needed. The cost to carry out complete repair of these buildings has been estimated at \$5,114,800.

With the passage of Assembly Bill AB 26X, the Daly City Redevelopment Agency has been eliminated effective February 1, 2012. All of the housing responsibilities and obligations of the DCRA, including those reflected in documents relating to School House Station and Vista Grande Family Apartments, were transferred to the Daly City Housing Development Finance Agency (DCHDFA) on February 1, 2012.

Rehabilitation Financing – In order to finance rehabilitation of School House Station and Vista Grande, MHC intends to refinance the properties using a combination of four percent tax credits and tax-exempt bond funds. In July, 2011, Mercy was awarded a reservation of \$650,373 of four percent tax credits by the California Tax Credit Allocation Committee. In addition, the California Debt Limit Allocation Committee awarded \$11,000,000 in bonding authority for this project in May 18, 2011. The deadline for closing tax credit and bond financing is April 2, 2012.

City Council Agenda Report

Subject: Amendment, Assignment and Subordination of School House Station and Vista Grande Family Apartment Financing Documents

Meeting Date: February 27, 2012

Page 2 of 3

Although there is a commercial component to each of the apartment complexes, only the apartments will be rehabilitated and included in the financing.

The owner of the Project will be Mercy Housing California 52, A California Limited Partnership established by Mercy Housing California. All of the units in the two properties will continue to be occupied by persons or families of lower or very low income.

Bond Financing – On April 11, 2011 the Daly City Council conducted a Tax Equity and Fiscal Responsibility Act (“TEFRA”) public hearing regarding the issuance of up to \$11,000,000 of tax-exempt conduit bonds to finance the acquisition and rehabilitation of School House Station and Vista Grande Family Apartments and adopted the resolution to approve the issuance of Bonds for the financing of the Project by the California Municipal Finance Agency (CMFA).

The Bonds to be issued by the CMFA for the Project will be the sole responsibility of the Borrower, and the City will have no financial, legal, moral obligation, liability or responsibility for the Project or the repayment of the Bonds. All financing documents with respect to the issuance of the Bonds will contain clear disclaimers that the Bonds are not obligations of the City or the State of California, but are to be paid for solely from funds provided by the Borrower.

In addition, participation by the City in the CMFA will not impact the City’s appropriations limits and will not constitute any type of indebtedness by the City. Outside of holding the TEFRA hearing and adopting the required resolution, no other participation or activity of the City or the City Council with respect to the issuance of the Bonds will be required.

Amendment and Assignment of Historic Agreements – In order to be able to show that the new ownership entity can repay bond debt, the City and Agency loans need to mature concurrently with the new financing. To that end, MHC has asked that the City assign and subordinate its CDBG and HOME loans to Mercy Housing California 52 with new loan maturation dates. Staff concurs that the requested assignments and extension of loan terms is necessary to secure the required bond financing and recommends that the project affordability restrictions be extended as well. As is typical for affordable housing projects, the City’s financing will be subordinate to the tax exempt bonds and an agreement memorializing this arrangement must be executed. Following is a list of documents requiring City Council approval:

- Assignment, Assumption and Modification Agreement (City CDBG Loan \$365,00) Vista Grande
- Subordination Agreement for City HOME funds (\$250,000) Vista Grande
- Assignment, Assumption and Modification Agreement (City CDBG Loan \$256,500) School House
- Assignment, Assumption and Modification Agreement (City HOME Loan \$600,000) School House

City Council Agenda Report

Subject: Amendment, Assignment and Subordination of School House Station and Vista Grande Family Apartment Financing Documents

Meeting Date: February 27, 2012

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- Subordination Agreement for City HOME funds (City HOME Loan \$600,000) School House

Fiscal Impact

Assignment, amendment and subordination of agreements providing CDBG and HOME funds to the subject property will generate no cost to the City's General fund or any other revenue source.

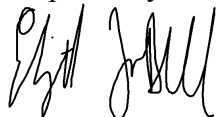
Through its conduit issuance activities, the CMFA shares a portion of the issuance fees it receives with its member communities and donates a portion of these issuance fees to the Foundation for the support of local charities. Typically, 25% of the issuance fee is granted by the CMFA to the General Fund of the City, unless the City elects to donate its portion of bond issuance fees, as is often the case in affordable housing projects. In this case, staff recommends that Daly City waive its share of issuance fees thereby reducing the overall cost of issuance with greater bond proceeds being made available for the project.

Summary/Conclusion

In light of the foregoing, and in order to support Mercy Housing California's efforts to rehabilitate a critical affordable housing resource, staff recommends that the City approve amendment, assignment and subordination of documents related to HOME and CDBG funding for the School House Station and Vista Grande Family Apartments.

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

Respectfully submitted,



Betsy ZoBell
Housing and Community Development Supervisor



Brian Millar
Director of Economic and
Community Development



City Council Meeting Agenda Report

Item # _____

Meeting Date: February 27, 2012

Subject: Authorizing the City Manager to Execute a Cooperative Agreement between the City of Daly City and the City of Brisbane for Construction of Bus Stop Improvements on Bayshore Boulevard

Recommended Action

It is recommended that the City Council authorize the City Manager to execute a Cooperative Agreement between the City of Daly City and the City of Brisbane for Construction of Bus Stop Improvements on Bayshore Boulevard.

Background

The City of Daly City sought and received a Lifeline Transportation Program (“LTP”) grant to fund the construction of a new bus shelter and access improvements for the SamTrans southbound bus stop on Bayshore Boulevard, just south of Geneva Avenue. This bus stop serves Daly City’s Bayshore neighborhood and is currently located in an unimproved area along Bayshore Boulevard.

Although Daly City is the project sponsor, the planned improvements will occur almost entirely within the City of Brisbane. Therefore, Brisbane has agreed to manage the construction project. The Cooperative Agreement between Daly City and Brisbane formalizes the relationship between the two jurisdictions as it pertains to this project.

Under the terms of the agreement, Brisbane will prepare plans and specifications for all improvements related to the project, along with an estimate of the total construction costs. The proposed improvement plans and cost estimate will be submitted to Daly City for review and preliminary approval.

Discussion

Transit users from the Bayshore neighborhood have sought improvements to the southbound SamTrans bus stop on Bayshore Boulevard for many years. It was the overwhelming priority identified in the Bayshore Community-Based Transportation Plan. One of the objectives of the project is to remove barriers that currently prevent or dissuade potential riders from using the SamTrans service intended to serve their community.

The bus stop and access improvements will serve Daly City residents, but the project area is almost entirely within Brisbane’s city limits. Therefore, Brisbane is taking the lead in planning and managing the construction process.

If the City Council authorizes the City Manager to execute the Cooperative Agreement, Brisbane has indicated that construction could take place later this year. Brisbane’s Director of Public Works/City Engineer, Randy L. Breault, M.S.E., P.E., would be the project manager. He would be assisted by Daly City’s Public Works Department, including the City’s Principal Engineer, Robert Ovadia, P.E. and Public Works Director John Fuller, P.E. All personnel assigned to this project are

Cooperative Agreement between Daly City and Brisbane
Page 2 of 2
February 27, 2012

Discussion (continued)

experienced, qualified, and credentialed. The proposed scope of work is not unlike work routinely performed in both Brisbane and Daly City.

Fiscal Impact

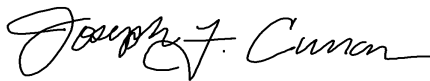
The anticipated cost of the project is \$187,180. Daly City will be required to deposit funds to the City of Brisbane prior to the award of the construction contract. Daly City will be reimbursed for the construction costs.

Conclusion

The Cooperative Agreement with the City of Brisbane is the last step in a nearly ten-year quest to embark on an access improvement project on Bayshore Boulevard. One of the obstacles to upgrading the bus stop has been its unique geographic location. It is situated wholly in Brisbane, but serves residents in Daly City. It would be highly unusual for a municipality to invest limited resources in a project that would primarily benefit residents from another jurisdiction. It would be equally unlikely for a municipality to spend limited resources making infrastructure improvements outside of its jurisdiction. Therein lies the inimitability of this project. It is entirely appropriate to complete this project with Lifeline Transportation funding.

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

Respectfully submitted,



Joseph F. Curran
Assistant to the City Manager



Patricia E. Martel
City Manager

/jfc

Attachment: Cooperative Agreement

**COOPERATIVE AGREEMENT BETWEEN
THE CITY OF DALY CITY AND THE CITY OF BRISBANE
FOR CONSTRUCTION OF BUS STOP IMPROVEMENTS**

THIS COOPERATIVE AGREEMENT, effective as of _____, 20____, by and between the CITY OF DALY CITY, a municipal corporation ("Daly City") and the CITY OF BRISBANE, a municipal corporation ("Brisbane"), is made with reference to the following facts:

A. The San Mateo County Transit District ("the District") has entered into a Memorandum of Understanding with Daly City, effective July 1, 2010 (the "District/Daly City MOU") under which the District will disburse to Daly City \$187,180.50 of Lifeline Transportation Program grant funds provided by the Metropolitan Transportation Commission (MTC) to assist in financing construction of a new bus stop shelter and access improvements for the SamTrans southbound bus stop on Bayshore Boulevard, just south of Geneva Avenue ("the Project").

B. In addition to the Lifeline grant funds to be received by Daly City from the District, it is anticipated that Daly City will provide local match funds for the Project in the amount of \$6,000, and will also receive local match funds from SamTrans in the amount of \$5,564.90.

C. Although the Project will primarily serve the residents of Daly City's Bayshore neighborhood and Daly City has been designated by the District as the Project sponsor, the Project site is physically located within the jurisdictional limits of Brisbane.

D. Brisbane has agreed to provide certain design, bid advertisement and construction management services for the Project, the value of which has been estimated by the parties to be worth \$35,996.25.

E. The parties desire to enter into this Cooperative Agreement to establish their respective rights and obligations with regard to the design and construction of the Project.

NOW, THEREFORE, it is agreed as follows:

1. **Project Design and Cost Estimate.** Brisbane shall prepare plans and specifications for all improvements related to the Project, along with an estimate of the Project's total construction cost. The proposed improvement plans and cost estimate shall be submitted to Daly City for review and preliminary approval. Daly City shall forward the improvement plans to the District for final approval in accordance with the District/Daly City MOU. If required, the parties shall also obtain an approval of the improvement plans by SamTrans and any other agency having jurisdiction or providing funding for the Project.

2. **Project Cost Budget.** The parties acknowledge that the budget for the Project, as set forth in Appendix A to the District/Daly City MOU, is as follows:

Construction Cost:	
Grant Funds from MTC:	\$187,180.50
Local Match by SamTrans:	<u>5,564.90</u>
Total Construction Cost Budget:	\$192,745.40
Administrative Expenses:	
Value of Services Provided by Brisbane:	35,996.25
Local Match by Daly City:	<u>6,000.00</u>
Total Administrative Expense Budget:	\$41,996.25

2. **Bid Documents.** Following receipt by Brisbane of written approval of the improvement plans and cost estimate by Daly City, accompanied by a written approval of the improvement plans by the District and any other agency whose approval is required, Brisbane shall prepare bid documents as required by the California Public Contract Code to conduct a public competitive bidding on the Project. No advertisement for bids shall be made by Brisbane until the proposed bid documents have been approved in writing by Daly City. Brisbane shall follow its standard procedures and practices with regard to the preparation of bid documents, advertisement and solicitation of bids, and determination of bidder qualifications and responsiveness of bids.

3. **Award of Construction Contract.** Upon the opening of bids, Brisbane shall provide Daly City with a list of bidders, the amount of each bid, and the name of the lowest responsible bidder to whom Brisbane intends to award a contract for construction of the Project. If all bid amounts are greater than the total budget for construction costs set forth in Section 2 of this Agreement, Brisbane shall suspend all further work on the Project until additional funding is provided, either in the form of grant money from the District, or local matching funds from Daly City or SamTrans, or any combination thereof, in an amount sufficient to cover the deficit. If a successful bidder is selected, Daly City shall deposit with Brisbane the full amount of the construction contract, to be held by Brisbane and disbursed to the contractor in progress payments in accordance with the terms of the construction contract between Brisbane and the contractor. No contract shall be awarded by Brisbane until the deposit required herein has been made by Daly City.

4. **Management of Construction.** Brisbane shall supervise and manage construction of the Project and shall insure that all work is performed in accordance with the improvement plans, as approved by Daly City and the District. Except for minor adjustments that may be required to accommodate field conditions, no alteration or modification shall be made to the approved improvement plans without the prior written consent of the Daly City and District, which consent shall not be unreasonably withheld or delayed. Brisbane shall provide monthly progress reports to Daly City indicating the nature and extent of work which has been satisfactorily completed, the total amount of payments made to the contractor, the undisbursed balance of the deposit of construction funds made by Daly City, and Brisbane's estimate of the cost to complete the improvements.

5. **Submittal of Reports and Invoices to the District.** Daly City shall continue to be responsible for the preparation and submittal of all interim and final reports

to the District that may be required under the terms of the District/Daly City MOU and the submittal of invoices for reimbursement from the District for Project costs expended by Daly City. Brisbane shall assist Daly City with the preparation of such reports and invoices by providing any information that may be needed which is in the possession of Brisbane as the construction manager for the Project.

6. **Books and Records.** Brisbane shall retain all books and records pertaining to the Project, including records of payments to contractors, for a period of 3 years from the date of substantial completion of the Project. Such books and records shall be made available for inspection and audit by any party having a right to audit the books and records of Daly City under the provisions of Section IV.E of the District/Daly City MOU.

7. **Mutual Indemnification.**

(a) Neither Brisbane nor any officer or employee of Brisbane shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by Daly City in the performance of its duties and responsibilities under this Agreement. Pursuant to Government Code Section 895.4, Daly City shall fully indemnify, defend, and hold Brisbane harmless from any liability imposed for injury (as defined in Government Code Section 810.8) occurring by reason of anything done or omitted to be done by Daly City in the performance of its duties and responsibilities under this Agreement.

(b) Neither Daly City nor any officer or employee of Daly City shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by Brisbane in the performance of its duties and responsibilities under this Agreement. Pursuant to Government Code Section 895.4, Brisbane shall fully indemnify, defend, and hold Daly City harmless from any liability imposed for injury (as defined in Government Code Section 810.8) occurring by reason of anything done or omitted to be done by Brisbane in the performance of its duties and responsibilities under this Agreement.

(c) In the event of concurrent negligence of Brisbane, its officers or employees, and Daly City, its officers or employees, then the liability for any and all claims for injuries or damages to persons or property which arise out of this Agreement shall be apportioned between the parties under the established California rules of comparative negligence.

8. **Maintenance of Improvements.** It is anticipated that following completion of the improvements, the bus shelter will be maintained by SamTrans and the street and sidewalk improvements will be maintained by Brisbane.

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IN WITNESS WHEREOF, the parties have executed this Cooperative Agreement as of the effective date above written.

CITY OF DALY CITY

By: _____
City Manager

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

CITY OF BRISBANE

By: _____
Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney