

**REVISED AGENDA
(ADDED CONTINUED ITEMS FROM FEBRUARY 19, 2019)**



BERKELEY CITY COUNCIL MEETING

**Tuesday, February 26, 2019
6:00 PM**

SCHOOL DISTRICT BOARD ROOM - 1231 ADDISON STREET, BERKELEY, CA 94702

JESSE ARREGUIN, MAYOR

Councilmembers:

DISTRICT 1 – RASHI KESARWANI
DISTRICT 2 – CHERYL DAVILA
DISTRICT 3 – BEN BARTLETT
DISTRICT 4 – KATE HARRISON

DISTRICT 5 – SOPHIE HAHN
DISTRICT 6 – SUSAN WENGRAF
DISTRICT 7 – RIGEL ROBINSON
DISTRICT 8 – LORI DROSTE

This meeting will be conducted in accordance with the Brown Act, Government Code Section 54953. Any member of the public may attend this meeting. Questions regarding this matter may be addressed to Mark Numainville, City Clerk, 981-6900.

The City Council may take action related to any subject listed on the Agenda. The Mayor may exercise a two minute speaking limitation to comments from Councilmembers. Meetings will adjourn at 11:00 p.m. - any items outstanding at that time will be carried over to a date/time to be specified.

Preliminary Matters

Roll Call:

Ceremonial Matters: *In addition to those items listed on the agenda, the Mayor may add additional ceremonial matters.*

1. Recognition of Jerome Solberg

City Manager Comments: *The City Manager may make announcements or provide information to the City Council in the form of an oral report. The Council will not take action on such items but may request the City Manager place a report on a future agenda for discussion.*

Public Comment on Non-Agenda Matters: *Persons will be selected by lottery to address matters not on the Council agenda. If five or fewer persons submit speaker cards for the lottery, each person selected will be allotted two minutes each. If more than five persons submit speaker cards for the lottery, up to ten persons will be selected to address matters not on the Council agenda and each person selected will be allotted one minute each. Persons wishing to address the Council on matters not on the Council agenda during the initial ten-minute period for such comment, must submit a speaker card to the City Clerk in person at the meeting location and prior to commencement of that meeting. The remainder of the speakers wishing to address the Council on non-agenda items will be heard at the end of the agenda. Speaker cards are not required for this second round of public comment on non-agenda matters.*

Consent Calendar

The Council will first determine whether to move items on the agenda for “Action” or “Information” to the “Consent Calendar”, or move “Consent Calendar” items to “Action.” Items that remain on the “Consent Calendar” are voted on in one motion as a group. “Information” items are not discussed or acted upon at the Council meeting unless they are moved to “Action” or “Consent”.

No additional items can be moved onto the Consent Calendar once public comment has commenced. At any time during, or immediately after, public comment on Information and Consent items, any Councilmember may move any Information or Consent item to “Action.” Following this, the Council will vote on the items remaining on the Consent Calendar in one motion.

For items moved to the Action Calendar from the Consent Calendar or Information Calendar, persons who spoke on the item during the Consent Calendar public comment period may speak again at the time the matter is taken up during the Action Calendar.

Public Comment on Consent Calendar and Information Items Only: *The Council will take public comment on any items that are either on the amended Consent Calendar or the Information Calendar. Speakers will be entitled to two minutes each to speak in opposition to or support of Consent Calendar and Information Items. A speaker may only speak once during the period for public comment on Consent Calendar and Information items.*

Additional information regarding public comment by City of Berkeley employees and interns: Employees and interns of the City of Berkeley, although not required, are encouraged to identify themselves as such, the department in which they work and state whether they are speaking as an individual or in their official capacity when addressing the Council in open session or workshops.

Consent Calendar

1. Minutes for Approval

From: City Manager

Recommendation: Approve the minutes for the Council meetings of January 15, 2019 (special), January 22, 2019 (regular), January 29 (regular), and January 31, 2019 (special closed and special).

Financial Implications: None

Contact: Mark Numainville, City Clerk, 981-6900

2. Formal Bid Solicitations and Request for Proposals Scheduled for Possible Issuance After Council Approval on February 26, 2019

From: City Manager

Recommendation: Approve the request for proposals or invitation for bids (attached to staff report) that will be, or are planned to be, issued upon final approval by the requesting department or division. All contracts over the City Manager’s threshold will be returned to Council for final approval.

Financial Implications: Measure T1 Fund - \$568,759

Contact: Henry Oyekanmi, Finance, 981-7300

Consent Calendar

- 3. Dorothy Day House License Agreements: Veterans Memorial Building and Old City Hall**
From: City Manager
Recommendation: Adopt two Ordinances authorizing the City Manager or her designee to execute license agreements and any amendments thereto with Dorothy Day House to provide services at the Veterans' Memorial Building at 1931 Center Street and the Old City Hall at 2134 Martin Luther King Jr. Way.
Financial Implications: See report
Contact: Kelly Wallace, Housing and Community Services, 981-5400
- 4. Receipt of and Contract Authorization for Kaiser Permanente's Northern California Community Benefit Program**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to accept \$150,000 in grant funds from the Kaiser Permanente Northern California Community Benefit Program (Grant Number 20663336) to support the Pathways STAIR Center, and to enter into a grant agreement (CMS # EC183) and any necessary grant agreement amendments for this award.
Financial Implications: See report
Contact: Kelly Wallace, Housing and Community Services, 981-5400
- 5. Contract: Building Opportunities for Self-Sufficiency for Representative Payee Services**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager or her designee to enter into a contract and any amendments up to not to exceed (NTE) \$75,000 through March 31, 2020 with vendor Building Opportunities for Self-Sufficiency for representative payee services.
Financial Implications: See report
Contact: Kelly Wallace, Housing and Community Services, 981-5400
- 6. Amendment of Provider Participation Agreement with Department of Health Care Services for Targeted Case Management**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager or her designee to submit amendments to the Provider Participation Agreement with the State of California Department of Health Care Services, to accept the grant awards, and execute any resultant revenue agreements and amendments to conduct Targeted Case Management (TCM) services in Aging Services and Public Health Divisions within the Health, Housing & Community Services Department.
Financial Implications: See report
Contact: Kelly Wallace, Housing and Community Services, 981-5400

Consent Calendar

- 7. Contract No. 8,749 Amendment with Official Payments Corporation (OPC)**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to execute a contract amendment with Official Payments Corporation (OPC) (contract no. 8,749) approving online credit card payment processing transaction fees of 2.5%, borne by the City, for transactions in the Recreation Division's online registration system, for an amount not to exceed \$90,000 for the projected period commencing on or about March 1, 2019 through November 30, 2022, with an option to extend for up to two (2) additional years.
Financial Implications: See report
Contact: Scott Ferris, Parks, Recreation and Waterfront, 981-6700
- 8. Contract No. 9114F Amendment – Stockton Tri Industries, Inc. to Clean, Paint, and Repair Refuse and Recycling Debris Bins**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to execute an amendment to Contract No. 9114F with Stockton Tri Industries, Inc. to increase the contract amount by \$40,000 for a total contract amount not to exceed \$200,000 to clean, paint, and repair refuse and recycling debris bins through contract expiration of June 30, 2019.
Financial Implications: See report
Contact: Phillip Harrington, Public Works, 981-6300
- 9. Contract: D’Arcy & Harty Construction Inc. for Sanitary Sewer Rehabilitation and Replacement at Euclid Avenue and Regal Road Backline**
From: City Manager
Recommendation: Adopt a Resolution approving plans and specifications for the Sanitary Sewer Rehabilitation and Replacement- Euclid Avenue and Regal Road Backline project; accepting the bid of the lowest responsive and responsible bidder, D’Arcy & Harty Construction Inc. (D’Arcy & Harty); and authorizing the City Manager to execute a contract and any amendments, extensions, or other change orders until completion of the project in accordance with the approved plans and specifications, in an amount not to exceed \$812,026, which includes a 10% contingency in the amount of \$73,821.
Financial Implications: See report
Contact: Phillip Harrington, Public Works, 981-6300

Consent Calendar

10. **Contract: Mosto Construction for Sanitary Sewer Rehabilitation and Replacement - Urgent Sewer Repair Project FY 2019**
From: City Manager
Recommendation: Adopt a Resolution approving plans and specifications for the Urgent Sewer Repair Project FY 2019 with sites located throughout the City; accepting the bid of the lowest responsive and responsible bidder, Mosto Construction; and, authorizing City Manager to execute a contract and any amendments, extensions, or other change orders until completion of the project in accordance with the approved plans and specifications, in an amount not to exceed \$398,808, which includes a 10% contingency of \$36,255.
Financial Implications: See report
Contact: Phillip Harrington, Public Works, 981-6300

Council Consent Items

11. **Excused Absence for Councilmember Ben Bartlett**
From: Mayor Arreguin
Recommendation: Excuse Councilmember Ben Bartlett from the November 27, 2018 Council meeting as a result of illness.
Financial Implications: None
Contact: Jesse Arreguin, Mayor, 981-7100

Council Consent Items

12. **Establishment of Traffic Circle Policy Task Force**

From: Mayor Arreguin, and Councilmembers Bartlett, Droste and Hahn

Recommendation: Establish a Traffic Circle Policy Task Force comprised of representatives from neighborhoods currently maintaining traffic circles. Members will be appointed by the Mayor and chosen from geographically diverse parts of the city, including one representative from Berkeley Partners for Parks. Staff participating will be appointed by the City Manager.

The charge of this Task Force is to: 1. Evaluate the City's current traffic circle vegetation policy for consideration by the City Council and Traffic Engineer; 2. Find a solution, through active participation and engagement with the community, that respects: -Environmental Policy; -Habitat; -Safety and Performance Standards; - Existing and future liability issues that address sight lines; and 3. Deliver a policy to City Council for adoption prior to August 9, 2019. 4. Conduct a community-led process to update that policy to ensure pedestrian/bicycle/vehicle safety and community efforts to beautify traffic circles.

Task Force activities may include, but are not limited to: -Recommend appropriate characteristics and parameters for allowed plantings based on input from the community and city staff; -Recommend a policy that ensures lines of sight and other important safety considerations; -Work with City staff to conduct a survey of current traffic circles and their vegetation; -Conduct a survey of neighborhood associations, neighborhood captains, community and community groups such as Berkeley Partners for Parks to determine which traffic circles are being maintained by community members; -Examine the City of Oakland's 'Adopt a Spot' initiative to encourage community involvement in the maintenance of public spaces by loaning tools, supplies, and technical assistance to committed members of the community; - Host a presentation from City staff to better understand concerns with the current traffic circle policy and any safety concerns that should be taken into consideration; - Recommend a clear set of guidelines/criteria to allow for community maintenance of traffic circles, with input from city staff; -Outline the appropriate community outreach strategy and process to share the updated policy for managing vegetation in traffic circles; -Recommend a replanting strategy, with emphasis on drought-resistant plants.

Financial Implications: See report

Contact: Jesse Arreguin, Mayor, 981-7100

13. **Adopt a resolution to denounce and oppose white nationalist and neo-Nazi groups including their actions** *(Reviewed by the Agenda and Rules Committee)*

From: Councilmembers Davila, Bartlett, Harrison and Mayor Arreguin

Recommendation: Adopt a resolution denouncing and opposing white nationalist and neo-Nazi groups including their actions.

Financial Implications: None

Contact: Cheryl Davila, Councilmember, District 2, 981-7120

Council Consent Items

14. Support AB 5 and Write Letter of Support to CA Assemblymember Lorena Gonzalez

From: Councilmembers Bartlett, Harrison, Davila, and Hahn

Recommendation: That the Mayor of Berkeley and Members of the City Council support CA State Assembly Bill 5 (AB 5) by sending a letter of support to Author Assemblymember Lorena Gonzalez. Assembly Bill 5 codifies and clarifies the application of Dynamex Operations West, Inc. v. Superior Court of Los Angeles (2018) 4 Cal.5th 903, which established the 3-part “ABC” test to defend the labor rights of misclassified workers and ensure they receive the compensation they deserve.

Financial Implications: See report

Contact: Ben Bartlett, Councilmember, District 3, 981-7130

15. Ensuring the Sustainability of the Berkeley Flea Market

From: Councilmembers Bartlett, Hahn and Davila

Recommendation: Short-term referral to the City Manager to provide material and strategic assistance to the Berkeley Flea Market, to sustain and enhance its ability to serve both merchant participants and the community at large.

Financial Implications: See report

Contact: Ben Bartlett, Councilmember, District 3, 981-7130

16. Support for AB 177 (Election Day Holiday)

From: Councilmembers Robinson, Bartlett, Hahn and Droste

Recommendation: Send a letter to Senator Skinner, Assemblymember Wicks, and Assemblymember Low supporting AB 177, which would add any day a statewide general election is held to the list of state holidays.

Financial Implications: None

Contact: Rigel Robinson, Councilmember, District 7, 981-7170

Action Calendar

The public may comment on each item listed on the agenda for action as the item is taken up. For items moved to the Action Calendar from the Consent Calendar or Information Calendar, persons who spoke on the item during the Consent Calendar public comment period may speak again at the time the matter is taken up during the Action Calendar.

The Presiding Officer will request that persons wishing to speak line up at the podium to determine the number of persons interested in speaking at that time. Up to ten (10) speakers may speak for two minutes. If there are more than ten persons interested in speaking, the Presiding Officer may limit the public comment for all speakers to one minute per speaker. Speakers are permitted to yield their time to one other speaker, however no one speaker shall have more than four minutes. The Presiding Officer may, with the consent of persons representing both sides of an issue, allocate a block of time to each side to present their issue.

Action items may be reordered at the discretion of the Chair with the consent of Council.

Action Calendar – Public Hearings

Staff shall introduce the public hearing item and present their comments. This is followed by five-minute presentations each by the appellant and applicant. The Presiding Officer will request that persons wishing to speak, line up at the podium to be recognized and to determine the number of persons interested in speaking at that time.

Up to ten (10) speakers may speak for two minutes. If there are more than ten persons interested in speaking, the Presiding Officer may limit the public comment for all speakers to one minute per speaker. Speakers are permitted to yield their time to one other speaker, however no one speaker shall have more than four minutes. The Presiding Officer may with the consent of persons representing both sides of an issue allocate a block of time to each side to present their issue.

Each member of the City Council shall verbally disclose all ex parte contacts concerning the subject of the hearing. Councilmembers shall also submit a report of such contacts in writing prior to the commencement of the hearing. Written reports shall be available for public review in the office of the City Clerk.

17. Proposed Location for the Apothecarium Cannabis Retailer

From: City Manager

Recommendation: Conduct a public hearing to consider information pertaining to Apothecarium's proposed location at 2312 Telegraph Avenue, and upon conclusion, adopt a Resolution either to approve or to deny the proposed location.

Financial Implications: See report

Contact: Timothy Burroughs, Planning and Development, 981-7400

Action Calendar

18. Adopt the Sanctuary Contracting Ordinance proposed by the Peace and Justice Commission (Continued from January 29, 2019. Item contains revised material).

From: Councilmembers Worthington, Davila, Harrison, and Bartlett

Recommendation: That the City Council adopt the attached Sanctuary Contracting Ordinance proposed by the Peace and Justice Commission. This ordinance prohibits the award of city contracts to vendors acting as ICE data brokers, or those providing extreme vetting services.

Financial Implications: Minimal

Contact: Kriss Worthington, Councilmember, District 7, 981-7170

19. City Auditor's Quarterly Summary Report on Audit Recommendations

From: Auditor

Contact: Jenny Wong, Auditor, 981-6750

20. Referral Response: 1000 Person Plan to Address Homelessness

From: City Manager

Contact: Kelly Wallace, Housing and Community Services, 981-5400

Action Calendar

21. Missing Middle Report

From: Councilmembers Droste, Bartlett, Robinson and Kesarwani

Recommendation: Refer to the City Manager to bring back to Council a report of potential revisions to the zoning code to foster a broader range of housing types across Berkeley, particularly missing middle housing types (duplexes, triplexes/fourplexes, courtyard apartments, bungalow courts, townhouses, etc.), in areas with access to essential components of livability like parks, schools, employment, transit, and other services.

Report should include, but is not limited to: -Identifying where missing middle housing is optimal/should be permitted. -Allowing the possibility of existing houses/footprints/zoning envelopes to be divided up to 4 units. -Excluding very high fire severity zones as defined by the CalFire and/or the City of Berkeley.

-Considering form-based zoning as a potential strategy. -Creating incentives to maintain family-friendly housing stock while adding more diversity and range of smaller units. -Creating incentives for building more than one unit on larger than average lots. -Provision of tenant protections, demolition controls, and no net loss provisions.

Financial Implications: See report

Contact: Lori Droste, Councilmember, District 8, 981-7180

22. Retirement of Council Ad Hoc Subcommittees

From: Mayor Arreguin

Recommendation: Adopt a Resolution:

1. Officially retiring the Ad Hoc Subcommittee on Community Benefits, Ad Hoc Subcommittee on Urban Shield, Ad Hoc Subcommittee on Small Business, Ad Hoc Subcommittee on Automatic Door Openers effective immediately, and;

2. Retiring the Ad Hoc Subcommittee on Paid Family Leave and Fair Work Week, and Ad Hoc Subcommittee on Climate Emergency effective March 31, 2019, and requesting that these Ad Hoc Subcommittees complete their business before that time and make a recommendation to the City Council.

Financial Implications: None

Contact: Jesse Arreguin, Mayor, 981-7100

Action Calendar – Continued Business

A. Referral Response: Supporting Worker Cooperatives *(Continued from February 19, 2019)*

From: City Manager

Contact: Jordan Klein, Economic Development, 981-7530

Information Reports

23. City Council Short Term Referral Process – Monthly Update

From: City Manager

Contact: Mark Numainville, City Clerk, 981-6900

Information Reports

24. **FY 2018 Fourth Quarter Investment Report: Ended June 30, 2018**
From: City Manager
Contact: Henry Oyekanmi, Finance, 981-7300
25. **FY 2019 First Quarter Investment Report: Ended September 30, 2018**
From: City Manager
Contact: Henry Oyekanmi, Finance, 981-7300
26. **goBerkeley Parking Management Program - Recommended Adjustments for April 1, 2019**
From: City Manager
Contact: Phillip Harrington, Public Works, 981-6300

Public Comment – Items Not Listed on the Agenda

Adjournment

NOTICE CONCERNING YOUR LEGAL RIGHTS: *If you object to a decision by the City Council to approve or deny a use permit or variance for a project the following requirements and restrictions apply: 1) No lawsuit challenging a City decision to deny (Code Civ. Proc. §1094.6(b)) or approve (Gov. Code 65009(c)(5)) a use permit or variance may be filed more than 90 days after the date the Notice of Decision of the action of the City Council is mailed. Any lawsuit not filed within that 90-day period will be barred. 2) In any lawsuit that may be filed against a City Council decision to approve or deny a use permit or variance, the issues and evidence will be limited to those raised by you or someone else, orally or in writing, at a public hearing or prior to the close of the last public hearing on the project.*

Live captioned broadcasts of Council Meetings are available on Cable B-TV (Channel 33), via internet accessible video stream at <http://www.cityofberkeley.info/CalendarEventWebcastMain.aspx> and KPFB Radio 89.3.

Archived indexed video streams are available at <http://www.cityofberkeley.info/citycouncil>. Channel 33 rebroadcasts the following Wednesday at 9:00 a.m. and Sunday at 9:00 a.m.

Communications to the City Council are public record and will become part of the City's electronic records, which are accessible through the City's website. **Please note: e-mail addresses, names, addresses, and other contact information are not required, but if included in any communication to the City Council, will become part of the public record.** If you do not want your e-mail address or any other contact information to be made public, you may deliver communications via U.S. Postal Service or in person to the City Clerk Department at 2180 Milvia Street. If you do not want your contact information included in the public record, please do not include that information in your communication. Please contact the City Clerk Department for further information.

Any writings or documents provided to a majority of the City Council regarding any item on this agenda will be made available for public inspection at the public counter at the City Clerk Department located on the first floor of City Hall located at 2180 Milvia Street as well as posted on the City's website at <http://www.cityofberkeley.info>.

Agendas and agenda reports may be accessed via the Internet at <http://www.cityofberkeley.info/citycouncil> and may be read at reference desks at the following locations:

City Clerk Department
2180 Milvia Street
Tel: 510-981-6900
TDD: 510-981-6903
Fax: 510-981-6901
Email: clerk@cityofberkeley.info

Libraries:
Main - 2090 Kittredge Street
Claremont Branch – 2940 Benvenue
West Branch – 1125 University
North Branch – 1170 The Alameda
South Branch – 1901 Russell

COMMUNICATION ACCESS INFORMATION:

This meeting is being held in a wheelchair accessible location.

To request a disability-related accommodation(s) to participate in the meeting, including auxiliary aids or services, please contact the Disability Services specialist at 981-6418 (V) or 981-6347 (TDD) at least three business days before the meeting date.

Attendees at public meetings are reminded that other attendees may be sensitive to various scents, whether natural or manufactured, in products and materials. Please help the City respect these needs.



Captioning services are provided at the meeting, on B-TV, and on the Internet. In addition, assisted listening devices for the hearing impaired are available from the City Clerk prior to the meeting, and are to be returned before the end of the meeting.

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***I hereby certify that the agenda for this meeting of the Berkeley City Council was posted at the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way, as well as on the City's website, on February 21, 2019.***

A handwritten signature in black ink that reads "Mark Numainville".

Mark Numainville, City Clerk

## **Communications**

*Council rules limit action on Communications to referral to the City Manager and/or Boards and Commissions for investigation and/or recommendations. All communications submitted to Council are public record. Copies of individual communications are available for viewing at the City Clerk Department and through Records Online.*

### **Item #17: Proposed Location for the Apothecarium Cannabis Retailer**

1. Jim Hrabetin
2. Laurie Gardner
3. Dana Johnson
4. Keith Cranmer
5. Tony Green
6. Dale Sophiea (2)
7. Bruce Slavin

### **Open Door Initiative**

8. Mansour Id-Deen

## **Oppose CPUC “Resource Adequacy Proposed Decision”**

9. Audrey Ichinose

## **Implementation of Law: Amount of Stuff People Can Have on Public Property**

10. David Lerman

## **San Pablo Park Gun Violence**

11. Alexis Filippini

## **Homelessness – Zoning and Bureaucracy**

12. Jennifer Pearson

13. Carol Denney

## **Wildfire Safety Planning**

14. Christine Schwartz

## **Rodeo Issues**

15. Eric Mills, on behalf of Action for Animals

## **5G**

16. Christina Tuccillo

17. Phoebe Anne Sorgen

## **Climate Change**

18. Thomas Lord (3)

## **Ad Hoc Subcommittee on Climate Emergency Declaration**

19. Linda Currie

20. Tom Kelly

## **Restricting Flavored Tobacco**

21. Amanda Gutzwiller, on behalf of the American Lung Association

## **Supplemental Communications and Reports**

*Items received by the deadlines for submission will be compiled and distributed as follows. If no items are received by the deadline, no supplemental packet will be compiled for said deadline.*

- **Supplemental Communications and Reports 1**  
Available by 5:00 p.m. five days prior to the meeting.
- **Supplemental Communications and Reports 2**  
Available by 5:00 p.m. the day before the meeting.
- **Supplemental Communications and Reports 3**  
Available by 5:00 p.m. two days following the meeting.



Office of the City Manager

**A**

ACTION CALENDAR  
February 26, 2019  
(Continued from February 19, 2019)

To: Honorable Mayor and Members of the City Council  
 From: Dee Williams-Ridley, City Manager  
 Submitted by: Jordan Klein, Economic Development Manager  
 Subject: Referral Response: Supporting Worker Cooperatives

INTRODUCTION

This report responds to a referral adopted by City Council on February 9, 2016 to develop policies and programs to support worker cooperatives.<sup>1</sup> The Office of Economic Development, in coordination with community partners and other City departments, has developed new programs and analyzed potential policies that support worker cooperatives, and this report presents progress to date.

CURRENT SITUATION AND ITS EFFECTS

Worker cooperatives are valuable assets for local economies and communities. Owned and run by employees, these businesses typically provide higher wages, benefits, professional development, job security, and upward mobility for low to moderate income people. Also, these small businesses provide a diversity of locally owned services. A number of worker cooperatives located in Berkeley have become an integral part of the community's fabric, including The Cheese Board Collective, Biofuel Oasis, and Missing Link Bicycle Cooperative. When businesses are owned by workers, they create higher quality jobs, increase local reinvestment, and have demonstrable positive impact on business retention.<sup>2</sup>

Due to the general lack of familiarity with the cooperative business model, worker cooperatives can face a unique set of challenges, e.g., when obtaining a business license or permits, engaging with regulators, or pursuing financing. Worker cooperatives are at a disadvantage to conventional hierarchical business ownership models when it comes to accessing startup capital. Equity investors and banks tend to be unfamiliar with, and are often unwilling to invest in, cooperatives with multiple owners and unique governance models. According to United for a Fair Economy, "one of the main barriers

<sup>1</sup> [Supporting Worker Cooperatives and Referral to City Manager to Develop a Worker Cooperative Ordinance](#), Item 27, Berkeley City Council Meeting, February 9, 2016.

<sup>2</sup> <https://auspace.athabasca.ca/handle/2149/3133>

to business ownership for people of color is access to start-up capital” and worker cooperatives make business ownership more accessible.<sup>3</sup>

The Office of Economic Development (OED) provides technical assistance and support to all types of businesses and organizations, including worker owned cooperatives. OED has also provided financial support to one of Berkeley’s cooperatives; Biofuel Oasis was awarded, and recently completed repayment of, a loan from the City’s Revolving Loan Fund.

Beginning in January 2019, OED is engaging Project Equity, a nonprofit organization that is dedicated to advancing worker cooperatives, to provide technical aid to businesses looking to transition to a worker-ownership model. OED is also working to increase staff capacity and knowledge of issues that specifically impact worker owned cooperatives to provide more targeted assistance going forward.

Project Equity will take a multi-phase approach to support Berkeley businesses interested in the worker cooperative ownership model. First, they’ll conduct a business retention data study, which will provide a better understanding of which of the City’s businesses are at risk of closure and may be candidates for conversion to worker ownership. Second, they’ll perform broad outreach and direct engagement to educate business owners about the worker cooperative model. OED will then subsidize the cost of working with up to four businesses to transition to worker ownership, including a feasibility study and transition plan.

In addition, Project Equity will prepare a communications plan, outreach and intake materials, educational materials for economic development professionals and regulators, and training for City staff on the worker cooperative model. See attachment 1 for a sample of the outreach and education materials Project Equity is deploying in Berkeley. In February 2019, OED and Project Equity will host a free training for staff from the City of Berkeley, neighboring municipalities, and other partners on providing support for worker cooperatives and how traditional businesses can convert to coops. Particular attention will be paid to succession planning for business owners who are wishing to retire and may want to sell their business to their employees. The communications and outreach for the program has already benefited from local media coverage in the San Francisco Chronicle.<sup>4</sup>

#### *Worker Cooperatives & the Revolving Loan Fund*

Sustainable Economies Law Center (SELC), an Oakland-based organization that advocates for policies that promote community reliance and economic justice, has

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<sup>3</sup> <https://institute.coop/news/creating-better-jobs-and-fairer-economy-worker-cooperatives>

<sup>4</sup> Otis Taylor Jr., [Nonprofit helps employees take hold of reins as business owners retire](#), San Francisco Chronicle, November 29, 2018.

recommended a number of amendments to the Berkeley Revolving Loan Fund Administrative Plan that would benefit worker cooperatives. These include:

1. Enable the use of loan capitol for conversion to worker ownership
2. Clarify and limit the personal guarantee requirement.
3. Establish a lending target for cooperatives.
4. Include worker-owned jobs as a selection criteria.
5. Reduce private dollars threshold for cooperatives.

SELC presented these recommendations at the November 29, 2018 Loan Administration Board (LAB) meeting. The LAB discussed the possible creation of a loan fund specifically for worker cooperatives. Worker cooperatives typically need training and technical assistance as a first step before accessing capital. It is not uncommon for loan funds earmarked for cooperatives to be underutilized, because the cooperatives were not "loan ready." The funding also require that applicants participate in business skills training through partnerships with existing cooperatives and other organizations. Applicants could additionally have a plan for reaching historically marginalized populations like people of color, immigrants, and low-income workers. The LAB will engage in additional discussions to determine the best approach for supporting worker cooperatives, and relay recommendations to the City Council.

#### BACKGROUND

The February 9, 2016 referral suggested policies and programs to support worker cooperatives, including the following:

1. Worker Cooperative Preference in Procurement and Contracting
2. Revise Business Permit Application to recognize Worker Cooperatives
3. Business Tax and Land Use Incentives
4. Developing Educational Materials

In January 2019, the Finance Department updated its business license application and renewal forms to better accommodate worker-owned cooperatives. Both forms have been modified to allow the principal(s) of a worker-owned cooperative to properly identify themselves and be recorded as such in the City of Berkeley business license system. In addition, OED is implementing new programs, as noted above, to provide focused assistance to worker cooperatives, educate business owners about the model, and increase capacity of economic development professionals and other staff to effectively serve cooperatives. There are other opportunities to support worker cooperatives by implementing some of the proposed measures and policies and modifying existing business practices.

During the past year, staff has consulted with and analyzed proposals from staff from Sustainable Economies Law Center (SELC) on how the City of Berkeley can adopt programs and policies to better serve and promote worker cooperatives. Most recently,

SELC attended the November 29, 2018 Loan Administration Board (LAB) meeting to discuss proposed changes to the Berkeley Business Loan program to support worker owned cooperatives. LAB members reviewed SELC's policy considerations and added an agenda item to a future LAB meeting to discuss amendments to the loan fund's Administrative Plan and application process.

The City's current Local Business Preference provides a five percent (5%) bidding preference on bid opportunities from \$100-\$25,000 to vendors operating businesses with a Berkeley street address. This preference is available to all Berkeley vendors, including worker-owned cooperatives that submit bids to provide goods, equipment, and non-professional services.

In March 2018, request for proposals (RFP) #18-11193-C was released to identify a firm to examine the City's procurement activities and identify disparities in the awarding of contracts affecting local, small, emerging, minority, and women business enterprises that could include worker-owned cooperatives. Price proposals received from six (6) respondents ranged from \$245,575 to well over \$400,000. Appropriated funding for the study exists in the amount of \$100,000. A full staff report on this project will be submitted to Council by March 31, 2019.

#### ENVIRONMENTAL SUSTAINABILITY

There are no identified environmental costs or opportunities associated with the subject of this report.

#### POSSIBLE FUTURE ACTION

City Council could consider expanding the Revolving Loan Fund to establish a separate capital base that is dedicated to funding worker cooperatives. Council may also consider modifications to the City's procurement process to increase the preference worker cooperatives.

#### FISCAL IMPACTS OF POSSIBLE FUTURE ACTION

The establishment of a separate capital base dedicated to funding worker cooperatives would require a one-time investment that would likely fall within the range of \$100,000 to \$250,000. Additional staff analysis is required in order to determine the potential fiscal impacts of other possible future actions.

#### CONTACT PERSON

Jordan Klein, Economic Development Manager, 510-981-7534

Kieron Slaughter, Community Development Project Coordinator, 510-981-2490

#### Attachments:

1: Project Equity Outreach & Education Materials



# EXIT STRATEGY

## FOR YOUR BERKELEY BUSINESS

### Why should I consider converting my business?

You are able to create a flexible exit strategy and realize a fair sales price with tax advantages while taking care of your employees who helped build the business. Broad-based employee ownership sustains quality jobs, creates stronger businesses, and preserves your company's legacy.

### How are employee-owned businesses structured?

It is important to choose the form of employee ownership that is the best fit for you and your business. ESOPs and worker cooperatives have been around for decades. Worker coops are 100% employee-owned and have democratic practices such as majority board representation built into the structure. ESOPs can be fully or partially employee-owned, and Democratic ESOPs integrate employee voting and board representation.

### How does employee ownership work as an exit strategy?

An owner sells the business or its assets to a new employee owned business of which the employees are members. Or, in the case of an ESOP, sells the company shares to a trust that acts on behalf of the employees. This sale is typically financed by debt (non-voting equity is possible in a worker coop transition). Then, the newly employee-owned company pays down the financing out of future profits.



**ONLY 15%**  
of businesses  
succeed to  
the next  
generation.

Realize market value with tax advantages.

Preserve your company's culture and its legacy in the community.

**A GREAT SOLUTION FOR BUSINESSES OF ALL SIZES!**

project  
**{EQUITY}**

Let us guide you through the process.

**PROJECT-EQUITY.ORG**

### BUSINESSES



- Higher productivity & growth
- Lower employee turnover
- Improved lifespan
- Owner receives market value

### COMMUNITIES



- Retain good businesses & jobs
- Experience greater civic engagement
- Circulate more money locally

### EMPLOYEES



- Enjoy better pay & benefits
- Build assets & equity
- Have a voice in key decisions
- Grow leadership skills

# UNDERSTANDING YOUR Page 6 of 6 SUCCESSION OPTIONS

| OPTIONS            |  PRESERVE LEGACY |  MARKET VALUE |  TAX BENEFITS |  EMPLOYEES RETAINED |
|--------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|
| Sell to Family     | ✓                                                                                                 | ?                                                                                              | ?                                                                                              | ?                                                                                                     |
| Acquisition        | ?                                                                                                 | ?                                                                                              | ✗                                                                                              | ?                                                                                                     |
| Employee Ownership | ✓                                                                                                 | ✓                                                                                              | ✓                                                                                              | ✓                                                                                                     |
| Close Down         | ✗                                                                                                 | ✗                                                                                              | ✗                                                                                              | ✗                                                                                                     |

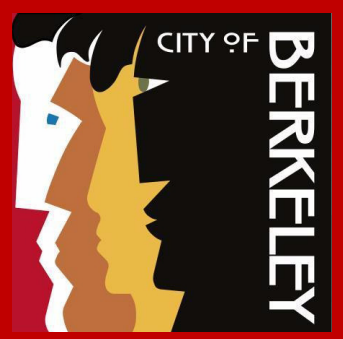
**OVER 80%** of businesses listed with a leading broker never sell

## EMPLOYEE OWNERSHIP MYTHS

- Myth #1 – My employees can't run my company!**  
With employee ownership, the employees would not be running the company alone. Management would be in place and the transition process ensures time to train and/or hire leadership replacement.
- Myth #2 – My employees don't want to buy the company.**  
There would be many employee owners, versus just one or a handful. Responsibility and rewards are spread among all. No individual would buy the company alone.
- Myth #3 – My employees don't have enough money to buy the company.**  
In an employee ownership transition, there's not an expectation that the employees would bring the total amount of cash to the table to buy the business.
- Myth #4: I won't get a fair price if I sell to my employees.**  
Sellers who transition their companies to employee ownership will receive fair market value plus potential tax advantages, and we recommend getting a formal valuation as a first step.

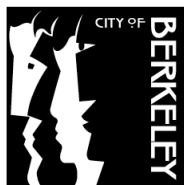
**Myth #5– It sounds hard!**  
Any business succession path takes effort. Project Equity helps with every step of the process.

**The City of Berkeley** has selected Project Equity for the important work of helping us retain local businesses based on their innovative model for sustaining small businesses in communities both locally and across the country.



Let us guide you through the process. **PROJECT-EQUITY.ORG**

# AGENDA



## BERKELEY CITY COUNCIL MEETING

**Tuesday, February 26, 2019  
6:00 PM**

SCHOOL DISTRICT BOARD ROOM - 1231 ADDISON STREET, BERKELEY, CA 94702

JESSE ARREGUIN, MAYOR

Councilmembers:

DISTRICT 1 – RASHI KESARWANI  
DISTRICT 2 – CHERYL DAVILA  
DISTRICT 3 – BEN BARTLETT  
DISTRICT 4 – KATE HARRISON

DISTRICT 5 – SOPHIE HAHN  
DISTRICT 6 – SUSAN WENGRAF  
DISTRICT 7 – RIGEL ROBINSON  
DISTRICT 8 – LORI DROSTE

*This meeting will be conducted in accordance with the Brown Act, Government Code Section 54953. Any member of the public may attend this meeting. Questions regarding this matter may be addressed to Mark Numainville, City Clerk, 981-6900.*

*The City Council may take action related to any subject listed on the Agenda. The Mayor may exercise a two minute speaking limitation to comments from Councilmembers. Meetings will adjourn at 11:00 p.m. - any items outstanding at that time will be carried over to a date/time to be specified.*

## Preliminary Matters

### Roll Call:

**Ceremonial Matters:** *In addition to those items listed on the agenda, the Mayor may add additional ceremonial matters.*

1. Recognition of Jerome Solberg

**City Manager Comments:** *The City Manager may make announcements or provide information to the City Council in the form of an oral report. The Council will not take action on such items but may request the City Manager place a report on a future agenda for discussion.*

**Public Comment on Non-Agenda Matters:** *Persons will be selected by lottery to address matters not on the Council agenda. If five or fewer persons submit speaker cards for the lottery, each person selected will be allotted two minutes each. If more than five persons submit speaker cards for the lottery, up to ten persons will be selected to address matters not on the Council agenda and each person selected will be allotted one minute each. Persons wishing to address the Council on matters not on the Council agenda during the initial ten-minute period for such comment, must submit a speaker card to the City Clerk in person at the meeting location and prior to commencement of that meeting. The remainder of the speakers wishing to address the Council on non-agenda items will be heard at the end of the agenda. Speaker cards are not required for this second round of public comment on non-agenda matters.*

## Consent Calendar

*The Council will first determine whether to move items on the agenda for “Action” or “Information” to the “Consent Calendar”, or move “Consent Calendar” items to “Action.” Items that remain on the “Consent Calendar” are voted on in one motion as a group. “Information” items are not discussed or acted upon at the Council meeting unless they are moved to “Action” or “Consent”.*

*No additional items can be moved onto the Consent Calendar once public comment has commenced. At any time during, or immediately after, public comment on Information and Consent items, any Councilmember may move any Information or Consent item to “Action.” Following this, the Council will vote on the items remaining on the Consent Calendar in one motion.*

*For items moved to the Action Calendar from the Consent Calendar or Information Calendar, persons who spoke on the item during the Consent Calendar public comment period may speak again at the time the matter is taken up during the Action Calendar.*

**Public Comment on Consent Calendar and Information Items Only:** *The Council will take public comment on any items that are either on the amended Consent Calendar or the Information Calendar. Speakers will be entitled to two minutes each to speak in opposition to or support of Consent Calendar and Information Items. A speaker may only speak once during the period for public comment on Consent Calendar and Information items.*

*Additional information regarding public comment by City of Berkeley employees and interns: Employees and interns of the City of Berkeley, although not required, are encouraged to identify themselves as such, the department in which they work and state whether they are speaking as an individual or in their official capacity when addressing the Council in open session or workshops.*

## Consent Calendar

### 1. Minutes for Approval

**From: City Manager**

**Recommendation:** Approve the minutes for the Council meetings of January 15, 2019 (special), January 22, 2019 (regular), January 29 (regular), and January 31, 2019 (special closed and special).

**Financial Implications:** None

Contact: Mark Numainville, City Clerk, 981-6900

### 2. Formal Bid Solicitations and Request for Proposals Scheduled for Possible Issuance After Council Approval on February 26, 2019

**From: City Manager**

**Recommendation:** Approve the request for proposals or invitation for bids (attached to staff report) that will be, or are planned to be, issued upon final approval by the requesting department or division. All contracts over the City Manager’s threshold will be returned to Council for final approval.

**Financial Implications:** Measure T1 Fund - \$568,759

Contact: Henry Oyekanmi, Finance, 981-7300

## Consent Calendar

- 3. Dorothy Day House License Agreements: Veterans Memorial Building and Old City Hall**  
**From: City Manager**  
**Recommendation:** Adopt two Ordinances authorizing the City Manager or her designee to execute license agreements and any amendments thereto with Dorothy Day House to provide services at the Veterans' Memorial Building at 1931 Center Street and the Old City Hall at 2134 Martin Luther King Jr. Way.  
**Financial Implications:** See report  
Contact: Kelly Wallace, Housing and Community Services, 981-5400
- 4. Receipt of and Contract Authorization for Kaiser Permanente's Northern California Community Benefit Program**  
**From: City Manager**  
**Recommendation:** Adopt a Resolution authorizing the City Manager to accept \$150,000 in grant funds from the Kaiser Permanente Northern California Community Benefit Program (Grant Number 20663336) to support the Pathways STAIR Center, and to enter into a grant agreement (CMS # EC183) and any necessary grant agreement amendments for this award.  
**Financial Implications:** See report  
Contact: Kelly Wallace, Housing and Community Services, 981-5400
- 5. Contract: Building Opportunities for Self-Sufficiency for Representative Payee Services**  
**From: City Manager**  
**Recommendation:** Adopt a Resolution authorizing the City Manager or her designee to enter into a contract and any amendments up to not to exceed (NTE) \$75,000 through March 31, 2020 with vendor Building Opportunities for Self-Sufficiency for representative payee services.  
**Financial Implications:** See report  
Contact: Kelly Wallace, Housing and Community Services, 981-5400
- 6. Amendment of Provider Participation Agreement with Department of Health Care Services for Targeted Case Management**  
**From: City Manager**  
**Recommendation:** Adopt a Resolution authorizing the City Manager or her designee to submit amendments to the Provider Participation Agreement with the State of California Department of Health Care Services, to accept the grant awards, and execute any resultant revenue agreements and amendments to conduct Targeted Case Management (TCM) services in Aging Services and Public Health Divisions within the Health, Housing & Community Services Department.  
**Financial Implications:** See report  
Contact: Kelly Wallace, Housing and Community Services, 981-5400

## Consent Calendar

**7. Contract No. 8,749 Amendment with Official Payments Corporation (OPC)**

**From: City Manager**

**Recommendation:** Adopt a Resolution authorizing the City Manager to execute a contract amendment with Official Payments Corporation (OPC) (contract no. 8,749) approving online credit card payment processing transaction fees of 2.5%, borne by the City, for transactions in the Recreation Division's online registration system, for an amount not to exceed \$90,000 for the projected period commencing on or about March 1, 2019 through November 30, 2022, with an option to extend for up to two (2) additional years.

**Financial Implications:** See report

Contact: Scott Ferris, Parks, Recreation and Waterfront, 981-6700

**8. Contract No. 9114F Amendment – Stockton Tri Industries, Inc. to Clean, Paint, and Repair Refuse and Recycling Debris Bins**

**From: City Manager**

**Recommendation:** Adopt a Resolution authorizing the City Manager to execute an amendment to Contract No. 9114F with Stockton Tri Industries, Inc. to increase the contract amount by \$40,000 for a total contract amount not to exceed \$200,000 to clean, paint, and repair refuse and recycling debris bins through contract expiration of June 30, 2019.

**Financial Implications:** See report

Contact: Phillip Harrington, Public Works, 981-6300

**9. Contract: D'Arcy & Harty Construction Inc. for Sanitary Sewer Rehabilitation and Replacement at Euclid Avenue and Regal Road Backline**

**From: City Manager**

**Recommendation:** Adopt a Resolution approving plans and specifications for the Sanitary Sewer Rehabilitation and Replacement- Euclid Avenue and Regal Road Backline project; accepting the bid of the lowest responsive and responsible bidder, D'Arcy & Harty Construction Inc. (D'Arcy & Harty); and authorizing the City Manager to execute a contract and any amendments, extensions, or other change orders until completion of the project in accordance with the approved plans and specifications, in an amount not to exceed \$812,026, which includes a 10% contingency in the amount of \$73,821.

**Financial Implications:** See report

Contact: Phillip Harrington, Public Works, 981-6300

## Consent Calendar

10. **Contract: Mosto Construction for Sanitary Sewer Rehabilitation and Replacement - Urgent Sewer Repair Project FY 2019**  
**From: City Manager**  
**Recommendation:** Adopt a Resolution approving plans and specifications for the Urgent Sewer Repair Project FY 2019 with sites located throughout the City; accepting the bid of the lowest responsive and responsible bidder, Mosto Construction; and, authorizing City Manager to execute a contract and any amendments, extensions, or other change orders until completion of the project in accordance with the approved plans and specifications, in an amount not to exceed \$398,808, which includes a 10% contingency of \$36,255.  
**Financial Implications:** See report  
Contact: Phillip Harrington, Public Works, 981-6300

## Council Consent Items

11. **Excused Absence for Councilmember Ben Bartlett**  
**From: Mayor Arreguin**  
**Recommendation:** Excuse Councilmember Ben Bartlett from the November 27, 2018 Council meeting as a result of illness.  
**Financial Implications:** None  
Contact: Jesse Arreguin, Mayor, 981-7100

## Council Consent Items

### 12. Establishment of Traffic Circle Policy Task Force

**From: Mayor Arreguin, and Councilmembers Bartlett, Droste and Hahn**

**Recommendation:** Establish a Traffic Circle Policy Task Force comprised of representatives from neighborhoods currently maintaining traffic circles. Members will be appointed by the Mayor and chosen from geographically diverse parts of the city, including one representative from Berkeley Partners for Parks. Staff participating will be appointed by the City Manager.

The charge of this Task Force is to: 1. Evaluate the City's current traffic circle vegetation policy for consideration by the City Council and Traffic Engineer; 2. Find a solution, through active participation and engagement with the community, that respects: -Environmental Policy; -Habitat; -Safety and Performance Standards; - Existing and future liability issues that address sight lines; and 3. Deliver a policy to City Council for adoption prior to August 9, 2019. 4. Conduct a community-led process to update that policy to ensure pedestrian/bicycle/vehicle safety and community efforts to beautify traffic circles.

Task Force activities may include, but are not limited to: -Recommend appropriate characteristics and parameters for allowed plantings based on input from the community and city staff; -Recommend a policy that ensures lines of sight and other important safety considerations; -Work with City staff to conduct a survey of current traffic circles and their vegetation; -Conduct a survey of neighborhood associations, neighborhood captains, community and community groups such as Berkeley Partners for Parks to determine which traffic circles are being maintained by community members; -Examine the City of Oakland's 'Adopt a Spot' initiative to encourage community involvement in the maintenance of public spaces by loaning tools, supplies, and technical assistance to committed members of the community; - Host a presentation from City staff to better understand concerns with the current traffic circle policy and any safety concerns that should be taken into consideration; - Recommend a clear set of guidelines/criteria to allow for community maintenance of traffic circles, with input from city staff; -Outline the appropriate community outreach strategy and process to share the updated policy for managing vegetation in traffic circles; -Recommend a replanting strategy, with emphasis on drought-resistant plants.

**Financial Implications:** See report

Contact: Jesse Arreguin, Mayor, 981-7100

### 13. Adopt a resolution to denounce and oppose white nationalist and neo-Nazi groups including their actions *(Reviewed by the Agenda and Rules Committee)*

**From: Councilmembers Davila, Bartlett, Harrison and Mayor Arreguin**

**Recommendation:** Adopt a resolution denouncing and opposing white nationalist and neo-Nazi groups including their actions.

**Financial Implications:** None

Contact: Cheryl Davila, Councilmember, District 2, 981-7120



## Council Consent Items

14. **Support AB 5 and Write Letter of Support to CA Assemblymember Lorena Gonzalez**  
**From: Councilmembers Bartlett, Harrison, Davila, and Hahn**  
**Recommendation:** That the Mayor of Berkeley and Members of the City Council support CA State Assembly Bill 5 (AB 5) by sending a letter of support to Author Assemblymember Lorena Gonzalez. Assembly Bill 5 codifies and clarifies the application of Dynamex Operations West, Inc. v. Superior Court of Los Angeles (2018) 4 Cal.5th 903, which established the 3-part “ABC” test to defend the labor rights of misclassified workers and ensure they receive the compensation they deserve.  
**Financial Implications:** See report  
Contact: Ben Bartlett, Councilmember, District 3, 981-7130
15. **Ensuring the Sustainability of the Berkeley Flea Market**  
**From: Councilmembers Bartlett, Hahn and Davila**  
**Recommendation:** Short-term referral to the City Manager to provide material and strategic assistance to the Berkeley Flea Market, to sustain and enhance its ability to serve both merchant participants and the community at large.  
**Financial Implications:** See report  
Contact: Ben Bartlett, Councilmember, District 3, 981-7130
16. **Support for AB 177 (Election Day Holiday)**  
**From: Councilmembers Robinson, Bartlett, Hahn and Droste**  
**Recommendation:** Send a letter to Senator Skinner, Assemblymember Wicks, and Assemblymember Low supporting AB 177, which would add any day a statewide general election is held to the list of state holidays.  
**Financial Implications:** None  
Contact: Rigel Robinson, Councilmember, District 7, 981-7170

## Action Calendar

*The public may comment on each item listed on the agenda for action as the item is taken up. For items moved to the Action Calendar from the Consent Calendar or Information Calendar, persons who spoke on the item during the Consent Calendar public comment period may speak again at the time the matter is taken up during the Action Calendar.*

*The Presiding Officer will request that persons wishing to speak line up at the podium to determine the number of persons interested in speaking at that time. Up to ten (10) speakers may speak for two minutes. If there are more than ten persons interested in speaking, the Presiding Officer may limit the public comment for all speakers to one minute per speaker. Speakers are permitted to yield their time to one other speaker, however no one speaker shall have more than four minutes. The Presiding Officer may, with the consent of persons representing both sides of an issue, allocate a block of time to each side to present their issue.*

*Action items may be reordered at the discretion of the Chair with the consent of Council.*

## Action Calendar – Public Hearings

*Staff shall introduce the public hearing item and present their comments. This is followed by five-minute presentations each by the appellant and applicant. The Presiding Officer will request that persons wishing to speak, line up at the podium to be recognized and to determine the number of persons interested in speaking at that time.*

*Up to ten (10) speakers may speak for two minutes. If there are more than ten persons interested in speaking, the Presiding Officer may limit the public comment for all speakers to one minute per speaker. Speakers are permitted to yield their time to one other speaker, however no one speaker shall have more than four minutes. The Presiding Officer may with the consent of persons representing both sides of an issue allocate a block of time to each side to present their issue.*

*Each member of the City Council shall verbally disclose all ex parte contacts concerning the subject of the hearing. Councilmembers shall also submit a report of such contacts in writing prior to the commencement of the hearing. Written reports shall be available for public review in the office of the City Clerk.*

### 17. Proposed Location for the Apothecarium Cannabis Retailer

**From: City Manager**

**Recommendation:** Conduct a public hearing to consider information pertaining to Apothecarium’s proposed location at 2312 Telegraph Avenue, and upon conclusion, adopt a Resolution either to approve or to deny the proposed location.

**Financial Implications:** See report

Contact: Timothy Burroughs, Planning and Development, 981-7400

## Action Calendar

### 18. Adopt the Sanctuary Contracting Ordinance proposed by the Peace and Justice Commission *(Continued from January 29, 2019. Item contains revised material).*

**From: Councilmembers Worthington, Davila, Harrison, and Bartlett**

**Recommendation:** That the City Council adopt the attached Sanctuary Contracting Ordinance proposed by the Peace and Justice Commission. This ordinance prohibits the award of city contracts to vendors acting as ICE data brokers, or those providing extreme vetting services.

**Financial Implications:** Minimal

Contact: Kriss Worthington, Councilmember, District 7, 981-7170

### 19. City Auditor’s Quarterly Summary Report on Audit Recommendations

**From: Auditor**

Contact: Jenny Wong, Auditor, 981-6750

### 20. Referral Response: 1000 Person Plan to Address Homelessness

**From: City Manager**

Contact: Kelly Wallace, Housing and Community Services, 981-5400

## Action Calendar

### 21. Missing Middle Report

**From: Councilmembers Droste, Bartlett, Robinson and Kesarwani**

**Recommendation:** Refer to the City Manager to bring back to Council a report of potential revisions to the zoning code to foster a broader range of housing types across Berkeley, particularly missing middle housing types (duplexes, triplexes/fourplexes, courtyard apartments, bungalow courts, townhouses, etc.), in areas with access to essential components of livability like parks, schools, employment, transit, and other services.

Report should include, but is not limited to: -Identifying where missing middle housing is optimal/should be permitted. -Allowing the possibility of existing houses/footprints/zoning envelopes to be divided up to 4 units. -Excluding very high fire severity zones as defined by the CalFire and/or the City of Berkeley.

-Considering form-based zoning as a potential strategy. -Creating incentives to maintain family-friendly housing stock while adding more diversity and range of smaller units. -Creating incentives for building more than one unit on larger than average lots. -Provision of tenant protections, demolition controls, and no net loss provisions.

**Financial Implications:** See report

Contact: Lori Droste, Councilmember, District 8, 981-7180

### 22. Retirement of Council Ad Hoc Subcommittees

**From: Mayor Arreguin**

**Recommendation:** Adopt a Resolution:

1. Officially retiring the Ad Hoc Subcommittee on Community Benefits, Ad Hoc Subcommittee on Urban Shield, Ad Hoc Subcommittee on Small Business, Ad Hoc Subcommittee on Automatic Door Openers effective immediately, and;
2. Retiring the Ad Hoc Subcommittee on Paid Family Leave and Fair Work Week, and Ad Hoc Subcommittee on Climate Emergency effective March 31, 2019, and requesting that these Ad Hoc Subcommittees complete their business before that time and make a recommendation to the City Council.

**Financial Implications:** None

Contact: Jesse Arreguin, Mayor, 981-7100

## Information Reports

### 23. City Council Short Term Referral Process – Monthly Update

**From: City Manager**

Contact: Mark Numainville, City Clerk, 981-6900

### 24. FY 2018 Fourth Quarter Investment Report: Ended June 30, 2018

**From: City Manager**

Contact: Henry Oyekanmi, Finance, 981-7300

### 25. FY 2019 First Quarter Investment Report: Ended September 30, 2018

**From: City Manager**

Contact: Henry Oyekanmi, Finance, 981-7300

## Information Reports

### 26. goBerkeley Parking Management Program - Recommended Adjustments for April 1, 2019

From: City Manager

Contact: Phillip Harrington, Public Works, 981-6300

## Public Comment – Items Not Listed on the Agenda

### Adjournment

**NOTICE CONCERNING YOUR LEGAL RIGHTS:** *If you object to a decision by the City Council to approve or deny a use permit or variance for a project the following requirements and restrictions apply: 1) No lawsuit challenging a City decision to deny (Code Civ. Proc. §1094.6(b)) or approve (Gov. Code 65009(c)(5)) a use permit or variance may be filed more than 90 days after the date the Notice of Decision of the action of the City Council is mailed. Any lawsuit not filed within that 90-day period will be barred. 2) In any lawsuit that may be filed against a City Council decision to approve or deny a use permit or variance, the issues and evidence will be limited to those raised by you or someone else, orally or in writing, at a public hearing or prior to the close of the last public hearing on the project.*

Live captioned broadcasts of Council Meetings are available on Cable B-TV (Channel 33), via internet accessible video stream at <http://www.cityofberkeley.info/CalendarEventWebcastMain.aspx> and KPFB Radio 89.3.

Archived indexed video streams are available at <http://www.cityofberkeley.info/citycouncil>. Channel 33 rebroadcasts the following Wednesday at 9:00 a.m. and Sunday at 9:00 a.m.

Communications to the City Council are public record and will become part of the City's electronic records, which are accessible through the City's website. **Please note: e-mail addresses, names, addresses, and other contact information are not required, but if included in any communication to the City Council, will become part of the public record.** If you do not want your e-mail address or any other contact information to be made public, you may deliver communications via U.S. Postal Service or in person to the City Clerk Department at 2180 Milvia Street. If you do not want your contact information included in the public record, please do not include that information in your communication. Please contact the City Clerk Department for further information.

Any writings or documents provided to a majority of the City Council regarding any item on this agenda will be made available for public inspection at the public counter at the City Clerk Department located on the first floor of City Hall located at 2180 Milvia Street as well as posted on the City's website at <http://www.cityofberkeley.info>.

Agendas and agenda reports may be accessed via the Internet at

<http://www.cityofberkeley.info/citycouncil>

and may be read at reference desks at the following locations:

City Clerk Department  
2180 Milvia Street  
Tel: 510-981-6900  
TDD: 510-981-6903  
Fax: 510-981-6901  
Email: [clerk@cityofberkeley.info](mailto:clerk@cityofberkeley.info)

Libraries:  
Main - 2090 Kittredge Street  
Claremont Branch – 2940 Benvenue  
West Branch – 1125 University  
North Branch – 1170 The Alameda  
South Branch – 1901 Russell

**COMMUNICATION ACCESS INFORMATION:**

This meeting is being held in a wheelchair accessible location.

To request a disability-related accommodation(s) to participate in the meeting, including auxiliary aids or services, please contact the Disability Services specialist at 981-6418 (V) or 981-6347 (TDD) at least three business days before the meeting date.

Attendees at public meetings are reminded that other attendees may be sensitive to various scents, whether natural or manufactured, in products and materials. Please help the City respect these needs.



Captioning services are provided at the meeting, on B-TV, and on the Internet. In addition, assisted listening devices for the hearing impaired are available from the City Clerk prior to the meeting, and are to be returned before the end of the meeting.

~~~~~  
I hereby certify that the agenda for this meeting of the Berkeley City Council was posted at the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way, as well as on the City's website, on February 14, 2019.

Mark Numainville, City Clerk

Communications

Council rules limit action on Communications to referral to the City Manager and/or Boards and Commissions for investigation and/or recommendations. All communications submitted to Council are public record. Copies of individual communications are available for viewing at the City Clerk Department and through Records Online.

Item #17: Proposed Location for the Apothecarium Cannabis Retailer

- 1. Jim Hrabetin
- 2. Laurie Gardner
- 3. Dana Johnson
- 4. Keith Cranmer
- 5. Tony Green
- 6. Dale Sophiea (2)
- 7. Bruce Slavin

Open Door Initiative

- 8. Mansour Id-Deen

Oppose CPUC “Resource Adequacy Proposed Decision”

- 9. Audrey Ichinose

Implementation of Law: Amount of Stuff People Can Have on Public Property

- 10. David Lerman

San Pablo Park Gun Violence

11. Alexis Filippini

Homelessness – Zoning and Bureaucracy

12. Jennifer Pearson

13. Carol Denney

Wildfire Safety Planning

14. Christine Schwartz

Rodeo Issues

15. Eric Mills, on behalf of Action for Animals

5G

16. Christina Tuccillo

17. Phoebe Anne Sorgen

Climate Change

18. Thomas Lord (3)

Ad Hoc Subcommittee on Climate Emergency Declaration

19. Linda Currie

20. Tom Kelly

Restricting Flavored Tobacco

21. Amanda Gutzwiller, on behalf of the American Lung Association

Supplemental Communications and Reports

Items received by the deadlines for submission will be compiled and distributed as follows. If no items are received by the deadline, no supplemental packet will be compiled for said deadline.

- **Supplemental Communications and Reports 1**
Available by 5:00 p.m. five days prior to the meeting.
- **Supplemental Communications and Reports 2**
Available by 5:00 p.m. the day before the meeting.
- **Supplemental Communications and Reports 3**
Available by 5:00 p.m. two days following the meeting.



Office of the City Manager

CONSENT CALENDAR
February 26, 2019

To: Honorable Mayor and Members of the City Council
From: Dee Williams-Ridley, City Manager
Submitted by: Mark Numainville, City Clerk
Subject: Minutes for Approval

RECOMMENDATION

Approve the minutes for the Council meetings of January 15, 2019 (special), January 22, 2019 (regular), January 29 (regular), and January 31, 2019 (special closed and special).

CONTACT PERSON

Mark Numainville, City Clerk, 981-6900

Attachments:

1. January 15, 2019–Special City Council Meeting
2. January 22, 2019–Regular City Council Meeting
3. January 29, 2019–Regular City Council Meeting
4. January 31, 2019–Special Closed City Council Meeting
5. January 31, 2019–Special City Council Meeting

**MINUTES
SPECIAL MEETING OF THE
BERKELEY CITY COUNCIL**

Tuesday, January 15, 2019

6:00 P.M.

SCHOOL DISTRICT BOARD ROOM - 1231 ADDISON STREET, BERKELEY, CA 94702

JESSE ARREGUIN, MAYOR

Councilmembers:

DISTRICT 1 – RASHI KESARWANI
DISTRICT 2 – CHERYL DAVILA
DISTRICT 3 – BEN BARTLETT
DISTRICT 4 – KATE HARRISON

DISTRICT 5 – SOPHIE HAHN
DISTRICT 6 – SUSAN WENGRAF
DISTRICT 7 – RIGEL ROBINSON
DISTRICT 8 – LORI DROSTE

Preliminary Matters

Roll Call: 6:10 p.m.

Present: Bartlett, Davila, Hahn, Harrison, Kesarwani, Robinson, Wengraf, Arreguin

Absent: Droste

Worksession

1. Measure O Implementation Recommendations

From: City Manager

Contact: Paul Buddenhagen, City Manager's Office, 981-7000

Action: 21 speakers (for Items 1 and 2). Presentation made and discussion held.

2. Uses for Measure P Funding

From: City Manager

Contact: Paul Buddenhagen, City Manager's Office, 981-7000

Action: Presentation made and discussion held.

Action: M/S/C (Arreguin/Harrison) to extend debate for 20 minutes.

Vote: Ayes – Kesarwani, Davila, Bartlett, Harrison, Hahn, Wengraf, Robinson, Arreguin;

Noes – None; Abstain – None; Absent – Droste.

Recess 7:55 p.m. – 8:05 p.m.

Action: M/S/C (Arreguin/Hahn) to accept supplemental materials from Mayor Arreguin on Item 3.

Vote: Ayes – Kesarwani, Davila, Bartlett, Harrison, Hahn, Wengraf, Robinson, Arreguin;

Noes – None; Abstain – None; Absent – Droste.

3a. North Berkeley BART Zoning and Future Development

From: Mayor Arreguin

Contact: Jesse Arreguin, Mayor, 981-7100

3b. North Berkeley BART Site Recommendations *(Continued from November 27, 2018)*

From: Housing Advisory Commission

Contact: Amy Davidson, Commission Secretary, 981-5400

Action: 48 speakers. Presentation made and discussion held.

Adjournment

Action: M/S/C (Wengraf/Harrison) to adjourn the meeting.

Vote: Ayes – Kesarwani, Davila, Bartlett, Harrison, Hahn, Wengraf, Robinson, Arreguin;
Noes – None; Abstain – None; Absent – Droste.

Adjourned at 10:59 p.m.

This is to certify that the foregoing is a true and correct record of the special meeting of January 15, 2019 as approved by the Berkeley City Council.

Mark Numainville, City Clerk

Communications

- None

Supplemental Communications and Reports 1

- None

Supplemental Communications and Reports 2

Item #1: Measure O Implementation Recommendations

1. Katy Wafle, on behalf of Freight & Salvage
2. Cherie Hill, on behalf of Luna Dance Institute
3. Jill Randall, on behalf of Berkeley Cultural Trust
4. Jennifer Boesing, of behalf of Youth Musical Theater Company
5. Suzy Thompson, on behalf of Berkeley Old Time Music
6. David Roderick, on behalf of Left Margin LIT
7. Carol Lashof
8. Jack Kurzweil

Item #2: Uses for Measure P Funding

9. Barbara Gilbert

Item #3a: North Berkeley BART Zoning and Future Development

10. Abby Thorne-Lyman, on behalf of BART's Transit-Oriented Development Program.
11. JesseArreguin.com online comments

12. Chris Gilbert
13. Jessie Howell
14. Sue Breedlove
15. Stacey Schesser
16. Jacqueline Erbe, on behalf of Walk Bike Berkeley
17. Aaron Stein-Chester
18. Vicki Sommer
19. Steven Rappolee

Supplemental Communications and Reports 3

Item #1: Measure O Implementation Recommendations

20. Presentation, submitted by Health, Housing & Community Services
21. Bruce Coughran, Chair, Space Committee, Berkeley Community Trust
22. Susan Felix, Mayor's Art Ambassador
23. David Denton
24. Janice Greenberg
25. Nick
26. Geoffrey Lomax

1. Item #2: Uses for Measure P Funding

27. Presentation, submitted by Health, Housing & Community Services

Item #3a: North Berkeley BART Zoning and Future Development

28. Supplemental material, submitted by Mayor Arreguin
29. North Berkeley BART Zoning and Future Development, submitted by Mayor Arreguin
30. BART's Transit-Oriented Development Program
31. Andy Kelley, Chair, Sierra Club, Northern Alameda County Group
32. Lawrence Baskett
33. Barbara Gilbert
34. Hayley Currier
35. Sue Martin

MINUTES
BERKELEY CITY COUNCIL MEETING
Tuesday, January 22, 2019
6:00 PM

SCHOOL DISTRICT BOARD ROOM - 1231 ADDISON STREET, BERKELEY, CA 94702
TELECONFERENCE LOCATION: CAPITOL HILTON, 1001 16TH ST NW,
WASHINGTON DC, 20036

TELECONFERENCE LOCATION: KUVEYT CD. NO:6, REMZI OĞUZ ARIK
MAHALLESİ, 06680 ÇANKAYA/ANKARA, TURKEY

JESSE ARREGUIN, MAYOR

Councilmembers:

DISTRICT 1 – RASHI KESARWANI
DISTRICT 2 – CHERYL DAVILA
DISTRICT 3 – BEN BARTLETT
DISTRICT 4 – KATE HARRISON

DISTRICT 5 – SOPHIE HAHN
DISTRICT 6 – SUSAN WENGRAF
DISTRICT 7 – RIGEL ROBINSON
DISTRICT 8 – LORI DROSTE

Preliminary Matters

Roll Call: 6:06 p.m.

Present: Bartlett, Davila, Droste, Hahn, Harrison, Kesarwani, Robinson, Wengraf, Arreguin

Absent: None

Ceremonial Matters:

- 1. Recognition of Mahealani Uchiyama.

City Manager Comments: None

City Auditor Comments:

The City Auditor discussed the successful results of the annual Peer Review process. The City Auditor also noted her goal for 2019 to resolve the outstanding audit recommendations.

Public Comment on Non-Agenda Matters: 6 speakers.

Public Comment on Consent Calendar and Information Items Only: 6 speakers.

Action: M/S/C (Harrison/Davila) to adopt the Consent Calendar in one motion except as indicated.

Vote: All Ayes.

Consent Calendar

1. Referral Response: Modifications to the Zoning Ordinance to Support Small Businesses

From: City Manager

Recommendation: Adopt second reading of Ordinance No. 7,635-N.S. amending the Berkeley Municipal Code to streamline and clarify the permitting process for small businesses in commercial districts by: 1. Reducing the amount of parking required for businesses moving into existing commercial spaces; 2. Simplifying food service categories by reducing them from three to one; 3. Reducing permitting time and costs for small businesses that request a change of use in existing commercial spaces; 4. Clarifying the permit process for new business types that may not be specifically defined in the City's zoning rules; 5. Making 'commercial recreation' uses (such as bowling alleys, miniature golf courses or ping pong clubs) easier to permit in commercial districts; and 6. Streamlining the permit process and providing clear performance standards for restaurants that wish to serve beer and wine.

The ordinance would amend Berkeley Municipal Code Chapters 23E.16, 23E.36, 23E.40, 23E.44, 23E.48, 23E.52, 23E.56, 23E.60, 23E.64, 23E.68, and 23E.98.

First Reading Vote: All Ayes.

Financial Implications: See report

Contact: Timothy Burroughs, Planning and Development, 981-7400; Jordan Klein, Economic Development, 981-7530

Action: Adopted second reading of Ordinance No. 7,635-N.S.

2. Referral Response: Reclassifying the zoning and the General Plan and West Berkeley Plan designations at 1050 Parker Street / 2621 Tenth Street, with associated Environmental Review

From: City Manager

Recommendation: Adopt second reading of Ordinance No. 7,638-N.S.: a. Rezoning a portion of the project site from Mixed Use – Light Industrial (MU-LI) to West Berkeley Commercial (C-W) (Amendments affect APNs 054-1763-001-03 and 054-1763-010-00); and b. Amending the C-W District development standards to allow for a 4-story / 50-foot tall building on the subject property (Amendments affect APNs 054-1763-001-03, 054-1763-010-00, and 054-1763-003-03).

First Reading Vote: Ayes - Kesarwani, Bartlett, Wengraf, Robinson, Droste, Arreguin; Noes - Davila, Harrison, Hahn.

Financial Implications: See report

Contact: Timothy Burroughs, Planning and Development, 981-7400

Action: Adopted second reading of Ordinance No. 7,638-N.S.

Consent Calendar

3. Minutes for Approval

From: City Manager

Recommendation: Approve the minutes for the Council meetings of November 26, 2018 (special closed), November 27, 2018 (regular), December 4, 2018 (regular), December 6, 2018 (special), and December 11, 2018 (regular).

Financial Implications: None

Contact: Mark Numainville, City Clerk, 981-6900

Action: Approved minutes as submitted.

4. Formal Bid Solicitations and Request for Proposals Scheduled for Possible Issuance After Council Approval on January 22, 2019

From: City Manager

Recommendation: Approve the request for proposals or invitation for bids (attached to staff report) that will be, or are planned to be, issued upon final approval by the requesting department or division. All contracts over the City Manager's threshold will be returned to Council for final approval.

Financial Implications: Various Funds - \$9,078,600

Contact: Henry Oyekanmi, Finance, 981-7300

Action: Approved recommendation.

5. Authorize Memorandum of Understanding with Alameda County for Winter Relief Program

From: City Manager

Recommendation: Authorize the City Manager to enter into a Memorandum of Understanding (MOU) through April 30, 2019 with Alameda County for a Winter Relief Program.

Financial Implications: See report

Contact: Kelly Wallace, Housing and Community Services, 981-5400

Action: Adopted Resolution No. 68,727–N.S.

6. Revenue Contract: Community Services Block Grant for Calendar Year 2019

From: City Manager

Recommendation: Adopt a Resolution authorizing the City Manager or her designee to accept the Community Services Block Grant (CSBG) Contract Number 19F-4001 for the amount of \$266,863 to provide services for low-income people for the period January 1, 2019 to December 31, 2019.

Financial Implications: See report

Contact: Kelly Wallace, Housing and Community Services, 981-5400

Action: Adopted Resolution No. 68,728–N.S.

Consent Calendar

- 7. Revenue Grant Agreement: Medi-Cal Administrative Activities Funding from the State of California to Conduct Public Health Promotion Services**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to submit grant agreements to the State of California, to accept the grants, and execute any resultant revenue agreements and amendments to conduct public health promotion for Medi-Cal Administrative Activities (MAA) Program for an amount not to exceed \$3,000,000 for period of the agreement, Fiscal Years 2020 through 2022.
Financial Implications: See report
Contact: Kelly Wallace, Housing and Community Services, 981-5400
Action: Adopted Resolution No. 68,729–N.S.
- 8. Grant Application: California Affordable Housing and Sustainable Communities Infrastructure and Agreements in Connection with Proposed Berkeley Way Project**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to negotiate, enter into and cause the City to perform its obligations under one or more agreements (including amendments) with the BRIDGE Housing Corporation, Berkeley Food and Housing Project (BFHP), and/or their affiliates (including BRIDGE Berkeley Way LP and BFHP Hope Center LP), relating to a grant application to the California Affordable Housing and Sustainable Communities (AHSC) Program for Berkeley Way project-related transportation and infrastructure improvements, for a total amount up to \$3,800,000 for City-projects, and to accept and perform the grant if awarded.
Financial Implications: See report
Contact: Kelly Wallace, Housing and Community Services, 981-5400; Phillip Harrington, Public Works, 981-6300
Action: Adopted Resolution No. 68,730–N.S.
- 9. Classification and Salary: Public Works Maintenance Superintendent and Equipment Superintendent**
From: City Manager
Recommendation: Adopt a Resolution amending Resolution No. 68,710-N.S. Classification and Salary Resolution for Public Employees Union - Local One, to increase the salary range for Public Works Maintenance Superintendent and Equipment Superintendent, 6.3% and 6.0% respectively, to an hourly salary range of \$55.7482 - \$67.3564 effective January 22, 2019.
Financial Implications: See report
Contact: LaTanya Bellow, Human Resources, 981-6800
Action: Adopted Resolution No. 68,731–N.S.

Consent Calendar

- 10. Fee Assessment – State of California Self-Insurance Fund (Workers’ Compensation Program)**
From: City Manager
Recommendation: Adopt a Resolution amending Resolution 68,696-N.S. to authorize payment to the State of California Department of Industrial Relations for Fiscal Year 2019 for administering the Workers’ Compensation Program for an additional amount of \$4,041.84 with a total amount not to exceed of \$223,041.84.
Financial Implications: See report
Contact: LaTanya Bellow, Director of Human Resources, 981-6807
Action: Adopted Resolution No. 68,732–N.S.
- 11. Contract: Siegel & Strain Architects for Design Services for the Cazadero Camp Jensen Dormitory Replacement Design**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to execute a contract and any amendments with Siegel & Strain Architects in an amount not to exceed \$158,000 to provide design services for the Cazadero Camp Jensen Dormitory Replacement Design Project.
Financial Implications: See report
Contact: Scott Ferris, Parks, Recreation and Waterfront, 981-6700
Action: Adopted Resolution No. 68,733–N.S.
- 12. Adopt a Mitigated Negative Declaration for the Berkeley Tuolumne Camp Permit (46690) Project**
From: City Manager
Recommendation: Adopt a Resolution adopting the Mitigated Negative Declaration (MND) and Mitigation Monitoring and Reporting Plan (MMRP) for the Berkeley Tuolumne Camp Permit (46690) Project.
Financial Implications: See report
Contact: Scott Ferris, Parks, Recreation and Waterfront, 981-6700
Action: Adopted Resolution No. 68,734–N.S.
- 13. Community Conservation Centers, Inc.’s Contractual Relief of its Revenue Share Obligation to the City for the Sale of Recyclable Commodities**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to provide contractual relief to Community Conservation Centers, Inc. (CCC) Recyclable Processing Services Contract, Exhibit B. Section 3.1 “Contractor shall pay City 7.5 percent of annual gross revenue on a monthly basis.” The remaining obligation per this Contract is \$1,123,591.87.
Financial Implications: See report
Contact: Phillip Harrington, Public Works, 981-6300
Action: Adopted Resolution No. 68,735–N.S.

Consent Calendar

- 14. Contract: Ghilotti Construction Company for Panoramic Hill Rehabilitation Project**
From: City Manager
Recommendation: Adopt a Resolution approving plans and specifications for the Panoramic Hill Rehabilitation Project, Specification No. 18-11180-C (Re-Issued); accepting the bid of Ghilotti Construction Company as the lowest responsive and responsible bidder; and authorizing the City Manager to execute a contract and any amendments, extensions or other change orders until completion of the project in accordance with the approved plans and specifications in an amount not to exceed \$5,054,873.
Financial Implications: Various Funds - \$5,054,873
Contact: Phillip Harrington, Public Works, 981-6300
Action: Adopted Resolution No. 68,736–N.S.
- 15. Contract: TranSystems Corporation for Preliminary Engineering and Environmental Clearance for the Railroad Crossing Safety Improvement/Quiet Zone Project**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to execute a contract and any amendments with TranSystems Corporation for Preliminary Engineering and Environmental Clearance for the Railroad Crossing Safety Improvement/Quiet Zone project, and any as-needed additional project-related services as directed by the City, for a total not-to-exceed contract amount of \$500,000, for the period February 1, 2019 through December 31, 2019.
Financial Implications: Capital Project Grant Fund - Local - \$500,000
Contact: Phillip Harrington, Public Works, 981-6300
Action: Adopted Resolution No. 68,737–N.S.
- 16. Contracts: On-Call Architectural Services: ELS Architecture and Urban Design; Noll & Tam Architects; and Siegel & Strain Architects**
From: City Manager
Recommendation: Adopt three Resolutions authorizing the City Manager to execute contracts and any amendments with the following firms for on-call architectural design services in support of the City's annual Facilities Capital Improvement Program, each from February 1, 2019 through June 30, 2022:
1. ELS Architecture and Urban Design for an amount not to exceed \$1,700,000.
2. Noll & Tam Architects for an amount not to exceed \$1,700,000.
3. Siegel & Strain Architects for an amount not to exceed \$1,700,000.
Financial Implications: See report
Contact: Phillip Harrington, Public Works, 981-6300
Action: Adopted Resolution No. 68,738–N.S. (ELS); Resolution No. 68,739–N.S. (Noll & Tam); and Resolution No. 68,740–N.S. (Siegel & Strain).

Consent Calendar

17. **Authorization for Additional Civic Arts Commission Meeting in 2019**
From: Civic Arts Commission
Recommendation: Adopt a Resolution authorizing one additional meeting of the Civic Arts Commission in 2019
Financial Implications: None
Contact: Jennifer Lovvorn, Commission Secretary, 981-7530
Action: Adopted Resolution No. 68,741–N.S.

Council Consent Items

18. **Support a Green New Deal**
From: Mayor Arreguin, and Councilmembers Davila, Harrison, and Robinson
Recommendation: Adopt a Resolution supporting the development of a Green New Deal, a federal economic stimulus program to address climate change and transform the economy. Send a copy of the Resolution to U.S. Senators Dianne Feinstein and Kamala Harris, Congresswoman Barbara Lee and Governor Gavin Newsom.
Financial Implications: None
Contact: Jesse Arreguin, Mayor, 981-7100
Action: Adopted Resolution No. 68,742–N.S.
19. **Support of SB 18 – Keep Californians Housed Act**
From: Mayor Arreguin, and Councilmembers Wengraf, Droste, and Hahn
Recommendation: Adopt a Resolution in support of Senate Bill (SB) 18, the Keep Californians Housed Act, introduced by Senator Nancy Skinner. Send a copy of the Resolution to Senator Skinner, Assemblymember Buffy Wicks, and Governor Gavin Newsom.
Financial Implications: None
Contact: Jesse Arreguin, Mayor, 981-7100
Action: Adopted Resolution No. 68,743–N.S.
20. **2019 City Council Committee and Regional Body Appointments**
From: Mayor Arreguin
Recommendation: Adopt a Resolution approving the appointment of Council representatives to City Council Standing Policy Committees, Partnership Committees, Regional Bodies, and Council Liaisons for a one-year term from January 2019 to January 2020.
Financial Implications: None
Contact: Jesse Arreguin, Mayor, 981-7100
Action: Adopted Resolution No. 68,744–N.S. as revised in Supplemental Communications Packet #2 to appoint Councilmembers Droste and Hahn as the representatives to the 2x2 Committee and appoint Mayor Arreguin as an Alternate to the 2x2 Committee.

Council Consent Items

21. **Resolution Reaffirming the City of Berkeley's Commitment to Roe v. Wade**
From: Councilmembers Wengraf, Hahn, Droste, and Kesarwani
Recommendation: Adopt a Resolution reaffirming the City of Berkeley's commitment to Roe v. Wade, and honor the 46th anniversary of its passage with a proclamation.
Financial Implications: None
Contact: Susan Wengraf, Councilmember, District 6, 981-7160
Action: Adopted Resolution No. 68,745–N.S.

Action Calendar – Old Business

22. Single Use Disposable Foodware and Litter Reduction Ordinance *(Continued from December 11, 2018. Item contains revised material.)*

From: Councilmember Hahn and Mayor Arreguin

Recommendation:

1. Adopt a first reading of the Single Use Foodware and Litter Reduction Ordinance.
2. Refer to the City Manager to:
 - a. Establish a mini-grant program administered and funded either directly by the City or by community partners to help Prepared Food Vendors with one-time costs associated with conversion to Reusable Foodware for eating on the premises (“eating-in”).
 - b. Establish a program administered and funded either directly by the City or by community partners to provide technical assistance to Prepared Food Vendors implementing Reusable Foodware requirements for eating on the premises.
 - c. Create a Reusable Takeout Foodware program for launch three years after the effective date of the Single Use Disposable Foodware and Litter Reduction Ordinance, in collaboration with community partners such as the Ecology Center, Rethink Disposables and StopWaste.
 - d. Prior to launch of the Reusable Takeout Foodware program, draft for approval amendments to the Single Use Disposable Foodware and Litter Reduction Ordinance to implement the Reusable Takeout Foodware program as an alternative to Compostable Takeout Foodware, and impose a charge, similar to or the same as the Disposable Cup charge, on other Disposable Foodware containers.
 - e. Create a program to expand and support composting, to ensure Single Use Disposable Foodware is actually composted.
 - f. Prior to January 1, 2022 report to the City Council on progress towards full implementation of and compliance with the Single Use Disposable Foodware and Litter Reduction Ordinance and these referrals.
3. Refer to the City Manager to determine funding and staffing needs and sources of funds to implement each program/phase. Consider and suggest implementation alternatives to achieve similar results at lower cost to the City, if any. Submit recommended alternatives to the Zero Waste Commission and City Council for consideration, and funding allocations or requests to the budget process.

Financial Implications: See report

Contact: Sophie Hahn, Councilmember, District 5, 981-7150

Recess 8:36 p.m. – 8:50 p.m.

Action: 61 speakers. M/S/C (Davila/Hahn) to:

1. Adopt first reading of Ordinance No. 7,639–N.S. as written in Supplemental Communications Packet #2 with the added language in 11.64.050.D.2 removed. Direction provided to the City Manager to work with representatives from the disability community to resolve the issue regarding the disposable cup charge exemption. Second reading scheduled for February 19, 2019.
2. Approve the referral to the City Manager.
3. Approve the referral to the City Manager.

Vote: All Ayes.

Action Calendar – Old Business

23. **Refer to the City Manager to consider boycotting Amazon for its role in tracking immigrants in cooperation with ICE and abusive working conditions and its labor practices toward its employees** *(Continued from November 27, 2018. Item contains revised material.)*
From: Councilmembers Worthington and Davila
Recommendation: Refer to the City Manager to consider the City of Berkeley boycotting Amazon and refrain from using its services to purchase goods for city use.
Financial Implications: Minimal
Contact: Kriss Worthington, Councilmember, District 7, 981-7170
Action: Moved to Consent Calendar. Approved recommendation.
Vote: Ayes – Davila, Bartlett, Harrison, Hahn, Wengraf, Robinson, Arreguin; Noes – None; Abstain – Kesarwani, Droste.
- 24a. **Referral Response: Mandatory and Recommended Green Stormwater Infrastructure in New and Existing Redevelopments or Properties** *(Continued from December 11, 2018. Item contains supplemental material.)*
From: Community Environmental Advisory Commission
Recommendation: Since the drought-storm-flooding cycle is predicted to get worse, refer to the City Manager to develop and implement measures to help reduce runoff from private property when rain exceeds two inches in a 24-hour period. The City Manager and staff should consider the following: - Comply beyond the State and Alameda County current requirements; -Encourage the treating and detaining of runoff up to approximately the 85th per-centile of water deposited in a 24-hour period; -Establish site design measures that include minimizing impervious surfaces; -Require homeowners to include flooding offsets in preparing properties for sale; - Offer option(s) for property owners to fund in-lieu centralized off-site storm-water retention facilities that would hold an equivalent volume of runoff; -Require abatements for newly paved areas over a specific size; -Make exceptions for properties that offer significantly below-market rent or sale prices; -Authorize a fee for all new construction or for title transfer to cover the cost of re-quired compliance inspections. -Incorporate these measures for private property with similar measures for Public Works, while coordinating with EBMUD, BUSD, UCB and LBNL.
Financial Implications: See report
Contact: Viviana Garcia, Commission Secretary, 981-7460

Action Calendar – Old Business

24b. Companion Report to Referral Response: Mandatory and Recommended Green Stormwater Infrastructure in New and Existing Redevelopments or Properties *(Continued from December 11, 2018.)*

From: City Manager

Recommendation: Express appreciation for the intent of the Community Environmental Advisory Commission (CEAC) recommendation to develop and implement measures to help reduce runoff from private property when rain exceeds two inches in a 24-hour period, and allow staff to continue existing efforts to implement Municipal Regional Stormwater Permit regulations in coordination with the 14 other local governments and agencies that participate in the Alameda Countywide Clean Water Program.

Financial Implications: See report

Contact: Timothy Burroughs, Planning and Development, 981-7400; Phillip Harrington, Public Works, 981-6300

Action: 2 speakers. M/S/C (Droste/Kesarwani) to refer Items 24a and 24b to the Facilities, Infrastructure, Transportation, Environment & Sustainability Policy Committee; and request that the City Manager present the topic at a Worksession meeting.

Vote: All Ayes.

25a. Referral Response: Berkeley Single Use Foodware and Litter Reduction Ordinance *(Continued from December 11, 2018.)*

From: Zero Waste Commission

Recommendation: Review the results of the Zero Waste Commission's community outreach and analysis provided in response to Council's referral and consider incorporating the Zero Waste Commission recommendations for improvements into the referred draft proposed Berkeley Single Use Foodware and Litter Reduction Ordinance

Financial Implications: See report

Contact: Heidi Obermeit, Commission Secretary, 981-6300

25b. Companion Report: Referral Response: Proposed Single Use Foodware and Litter Reduction Ordinance *(Continued from December 11, 2018.)*

From: City Manager

Recommendation: Staff appreciates the Zero Waste Commission's diligent and thoughtful work and requests that Council refer their recommendations for the proposed Berkeley Single Use Foodware and Litter Reduction Ordinance to the City Manager to review, to quantify the potential impacts, and to report back to Council with an analysis.

Financial Implications: See report

Contact: Phillip Harrington, Public Works, 981-6300

Action: 0 speakers. M/S/C (Hahn/Robinson) to accept the reports in Items 25a and 25b and take no further action.

Vote: All Ayes.

Action Calendar – Old Business

26. **Providing Requested Direction to the City Manager and Planning Department on the Number of Cannabis Retail Establishments and the Creation of an Equity Program** *(Continued from December 11, 2018.)*

From: Councilmembers Bartlett, Worthington, and Davila

Recommendation: That the Council provides requested direction to the Planning Department on how to proceed with the Equity Program recommended by the Cannabis Commission in the October 9, 2018 staff report. Recommending allowing 4 equity applicants and 2 non-equity applicants to apply and be processed by the City within 2 years.

Financial Implications: Minimal

Contact: Ben Bartlett, Councilmember, District 3, 981-7130

Action: M/S/C (Bartlett/Kesarwani) to hold over Item 26 to February 19, 2019.

Vote: All Ayes.

Action Calendar – New Business

27a. Allocation of \$4.75 Million Over Two Years, FY20 and FY21, to Reduce Consumption and Health Impacts of Sugar-Sweetened Beverages (SSBs) From: Sugar Sweetened Beverage Product Panel of Experts

Recommendation:

1. Adopt a Resolution allocating \$4.75 million from the General Fund in FY20 (July 1, 2019 through June 30, 2020) and FY21 (July 1, 2020 through June 30, 2021) that shall be invested in a grant program administered and coordinated by the Berkeley Public Health Division consistent with the SSBPPE's goals to reduce the consumption of sugar sweetened beverages (SSB) in Berkeley and to address the effects of SSB consumption. The total of \$4.75 million will be distributed in two installments of \$2.375 million per year for FY20 and FY21. In each of these years, the funds will be distributed as follows: a. Direct the City Manager to award up to 40% of the allocated funds to Berkeley Unified School District (BUSD) through a grant proposal to reduce the consumption of sugar-sweetened beverages (SSBs) through the implementation and enhancement of the BUSD cooking and gardening programs. The BUSD funding process is separate from the RFP process for the general community-based organization funding process and shall be guided by the SSBPPE Commission's Criteria for BUSD Funding. b. Direct the City Manager to award at least 40% of the allocated funds through a RFP process managed by the Public Health Division for grants to community-based organizations consistent with the SSBPPE's goals to reduce the consumption of SSBs and to address the effects of SSB consumption. The community-based organization funding RFP process is separate from the BUSD funding process and shall be guided by the SSBPPE Commission's Criteria for Community Agency Grants.

2. Direct the City Manager to utilize 20% of the allocated funds to support the Berkeley Public Health Division (BPHD) to coordinate and monitor the grant process, coordinate the overall program evaluation, and produce an annual report that disseminates process and outcome data resulting from the SSBPPE funding program. A comprehensive and sustainable media campaign that coordinates with all regional soda tax efforts will be managed by the BPHD with 10% of this portion of the allocation.

Financial Implications: See report

Contact: Dechen Tsering, Commission Secretary, 981-5300

Action Calendar – New Business

- 27b. Companion Report: Allocation of \$4.75 Million Over Two Years, FY20 and FY21, to Reduce Consumption and Health Impacts of Sugar-Sweetened Beverages (SSBs).**

From: City Manager

Recommendation: Accept the Sugar Sweetened Beverage Product Panel of Experts (SSBPPE) report with the clarifications outlined in the report considered.

Financial Implications: See report

Contact: Kelly Wallace, Housing and Community Services, 981-5400

Action: Items 27a and 27b moved to Consent Calendar. Adopted Resolution No. 68,746–N.S. from Item 27a revised to include the dollar amounts in 27b.

2. Approved recommendation.

Information Reports

- 28. LPC NOD: 1 and 5 Canyon Road, #LMIN 2018-0005**

From: City Manager

Contact: Timothy Burroughs, Planning and Development, 981-7400

Action: Received and filed.

- 29. LPC NOD: 2415 Blake Street, #LMIN 2018-0004**

From: City Manager

Contact: Timothy Burroughs, Planning and Development, 981-7400

Action: Received and filed.

- 30. Referral Response: Removing Plastic Microfibers from the Water Supply**

From: Community Environmental Advisory Commission

Contact: Viviana Garcia, Commission Secretary, 981-7460

Action: Received and filed.

- 31. City Auditor's Office 2018 Peer Review Results**

From: Auditor

Contact: Jenny Wong, Auditor, 981-6750

Action: Received and filed.

Public Comment – Items Not Listed on the Agenda - 4 speakers.

Adjournment

Action: M/S/C (Robinson/Harrison) to adjourn the meeting.

Vote: All Ayes.

Adjourned at 10:02 p.m.

This is to certify that the foregoing is a true and correct record of the regular meeting of January 22, 2019 as approved by the Berkeley City Council.

Mark Numainville, City Clerk

Communications

Item #22: Single Use Disposable Foodware and Litter Reduction Ordinance

1. Stuart Pawsey
2. Adam Stemmler, on behalf of the Farm League Restaurant Group

Item #27a: Allocation of \$4.75 Million Over Two Years, FY20 and FY21, to Reduce Consumption and Health Impacts of Sugar-Sweetened Beverages (SSB)

3. Jezra Thompson

Cannabis

4. Thomas Reed
5. Jacob Wong
6. Jessica Gohlke
7. James Anstey
8. Sara Weinberg
9. Elijah Liedeker

Homeless Activists Harassing Berkeley Police (Video)

10. August Moon

Homeless Issues

11. Eric Friedman
12. Christine Schwartz
13. Marcia Poole
14. Moni Law
15. Autumn Moon
16. Rachel Beth
17. Barryett Enge
18. Richard James
19. Joe Vollono (2)
20. Jessica Behrman

RV Parking

21. Linda Maio
22. Autumn Moon
23. Nicholas Ohler
24. Christopher Brown

IKE Kiosks

- 25. Vivian Warkentin
- 26. Carol Denney (3)
- 27. Becca Freed

Marina Crisis

- 28. Eric Friedman

Electric Scooters

- 29. Jenny Craik

Street Paving

- 30. Dorothea Dorenz
- 31. Eric Friedman (2)
- 32. Mary Ann Brewin
- 33. Evan McDonald

Tobacco/Smoking

- 34. Pauline Bondonno
- 35. Carol Denney (3)
- 36. Omar Yacoubi

Trees/Traffic Circles

- 37. John Steere, President Partner for Parks
- 38. Nancy Carleton
- 39. Karl Reeh (2)
- 40. Sally Hughes

Underground Study

- 41. Paul Casperson and Marilyn Pollack
- 42. David Turnoff
- 43. Susie Goodin

Okinawa Landfill

- 44. Diana Bohn

Shellmound – West Berkeley

- 45. Indian People Organizing for Change

Internet Access at BUSD City Council Meetings

- 46. Christine Schwartz
- 47. Emilie Raguso

Measure O & P

- 48. Sophia DeWitt
- 49. Todd Andrew

2-1-1 Monthly Report for November 2018

50. Eden I&R, Inc.(2)

LPC Letter, re: Berkeley Community Theater

51. Steven Finacom, Chairperson LPC

Professor Hatem Bazian

52. Margy Wilkinson

CPUC Fire Mitigation Input

53. Paul Degenkolb, Chairperson, Disaster & Fire Safety Commission

Unaffordable Places to Live

54. Margy Wilkison

Orbison Lawsuit

55. Pil Orbison

PRC – Fair/Impartial Policing

56. Katherine Lee

Alameda Mental Health Update

57. Christine Schwartz

Save the Berkeley Animal Rights Center

58. Wayne Hsiung

Climate Emergency

59. Kelly Hammargren

Berkeley Way Project

60. Erika Shore

CaIABLE Launch

61. Blake Johnson

Deemed Approved Ordinance Recommendation

62. Nuha Khalfay, Chair, Community Health Commission

Save Our Community Garden

63. Sarah Garrett

BPD Investigation

64. Moni Law

65. Chief Greenwood (3)

66. Genevieve Wilson

CoLiving at 3000 Shattuck

67. Nathan George

68. Ian Wulfson

69. Mariana Almeida

Seize House of Black Veteran

70. Margy Wilkinson

PG&E Letter Response to Item #21 of the 11/27 Agenda

71. Janice Berman, Director, Grid Edge, PG&E

IHSS Letter Response to Item #16 of the 11/13 Agenda

72. Debbi Thomson, Deputy Director of IHSS Adult Programs Division

Supplemental Communications and Reports 1

Item #19: Support of SB 18 – Keep California’s Housed Act

73. Paola Laverde, commission chair of the Rent Stabilization Board

Item #22: Single Use Disposable Foodware and Litter Reduction Ordinance

74. Sana Khader

75. Lindsey Stratton

76. Jane Franch

77. Karen Harrington & Danny Wedding

78. Marilyn Williams

79. Robert Nunez

Supplemental Communications and Reports 2

Item #13: Community Conservation Centers, Inc.’s Contractual Relief of its Revenue Share Obligation to the City for the Sale of Recyclable Commodities

80. Barbara Gilbert

Item #20: 2019 City Council Committee and Regional Body Appointments

81. Revised materials, submitted by Mayor Arreguin

Item #22: Single Use Disposable Foodware and Litter Reduction Ordinance

82. Revised materials, submitted by Councilmember Hahn

83. Alice Waters, on behalf of Chez Panisse

84. Jackie Nunez, founder of The Last Straw

85. Annie Farman, on behalf of twelve restaurants

86. Ben Burch

87. Minna Toloui

88. Diana Bohn

89. Ellen Frankel

90. Susan Bernat

91. Jeff Shaddock

92. Natalie Nussbaum
93. John V.
94. Karen Tompkins
95. Marilyn Williams
96. Jackie Beutell
97. Doris Kretschmer
98. Chrise de Tournay Birkhahn
99. Kate Campbell
100. E. Horowitz
101. Leonard Pitt
102. Tammy Chang
103. Uzi Nitsan
104. Jay Quigley
105. Allen King
106. Sally Hughes
107. Kathleen Giustino
108. Bob Martin
109. Fred Dodsworth
110. Teresa Renaker & Robin Kojima
111. Tobey Wiebe (2)
112. Janet Perlman
113. Jim Best
114. Juana Alicia Araiza
115. Kate Bailey
116. Delia Taylor
117. Christopher Lee
118. Aryn Faur
119. Maureen Wesolowski
120. Martha Belcher
121. Mary Ann Brewin
122. Diana Lee
123. Laura Morland
124. Holly Scheider
125. Betsy Bigelow-Teller
126. Ellen Hahn
127. Leonard and Nancy Becker
128. Chris Gilbert
129. Dennis King
130. Karen Chapman
131. Morena Dunn
132. Stephanie Thomas
133. Mary French
134. Jane Tierney
135. Matthew Taecker
136. Susan Beauchamp
137. Kathleen Taylor

138. Christine Staples
139. Mary Ann Fredson
140. Liz Horowitz
141. Ilse Eden
142. Rebecca Ratcliff
143. Sriram Gopalakrishman
144. Susi Marzuola
145. Maryann Wolfe
146. Rich Price
147. Marilyn Ichoika
148. James Hosley
149. Colette Cosyn
150. Sue Campbell
151. Phoebe Anne Sorgen
152. John Leslie, Pat and Alexandria Hanscom
153. Stuart Pawsey
154. Nasira Abdul-Aleem
155. Maria Riddle
156. Bob Whalen
157. Jon Stewart
158. Jessica Carroll
159. Jacque Ensign
160. Hope Armstrong
161. Mirian Gordon, Program Director of Up Stream Solutions (2)
162. Wendy Weikel
163. Nancy Joachim
164. Richard and Valerie Herr
165. Kirk Cooper
166. Irene Schreier Scott
167. Anne Frost
168. Sarah Crowley
169. Thomas Gregory
170. Charlene Woodcock
171. Andy Kelley, on behalf of the Sierra Club/San Francisco Bay

Item#26: Providing Requested Direction to the City Manager and Planning Department on the Number of Cannabis Retail Establishments and the Creation of an Equity Program

172. Holly Scheider
173. Martha Belcher
174. Robert Abiad
175. Lynn Silver, Senior Advisor of the Public Health Institute
176. Noah Farb
177. Pam Speich

Item#27a: Allocation of \$4.75 Million Over Two Years, FY20 and FY21, to Reduce Consumption and Health Impacts of Sugar-Sweetened Beverages (SSBs)

178. Holly Scheider

Supplemental Communications and Reports 3

Item #22: Single Use Disposable Foodware and Litter Reduction Ordinance

- 179. Florence Erikson, on behalf of Flo's Friendly Foods
- 180. Lin-Yeh Family
- 181. Thomas Gregory, on behalf of The Center for Independent Living
- 182. Stuart James, on behalf of The Center for Independent Living
- 183. Nick Goodwin Self
- 184. Linda Kallenberger and Mary Dee, on behalf of Three Stone Hearth
- 185. PL Marienthal
- 186. Lynn Hoffman, on behalf of Eureka Recycling
- 187. Katy Yan
- 188. Brian Gialketsis
- 189. Jo Welsch
- 190. Councilmember Sohie Hahn
- 191. Alice Waters of Chez Panisse
- 192. Annie Farman, with 27 separate handwritten letters
- 193. Unknown

Item#26: Providing Requested Direction to the City Manager and Planning Department on the Number of Cannabis Retail Establishments and the Creation of an Equity Program

194. Denise Herd

Item#27b: Companion Report: Allocation of \$4.75 Million Over Two Years, FY20 and FY21, to Reduce Consumption and Health Impacts of Sugar-Sweetened Beverages (SSBs)

195. Jezra Thompson, on behalf of the BUSD

Vision 2025 in Berkeley for Environment and Sustainability

196. Nilang

Leonard Powell

197. Friends of Adeline, two newspapers on file

**MINUTES
BERKELEY CITY COUNCIL MEETING
Tuesday, January 29, 2019
6:00 PM**

SCHOOL DISTRICT BOARD ROOM - 1231 ADDISON STREET, BERKELEY, CA 94702

JESSE ARREGUIN, MAYOR

Councilmembers:

DISTRICT 1 – RASHI KESARWANI
DISTRICT 2 – CHERYL DAVILA
DISTRICT 3 – BEN BARTLETT
DISTRICT 4 – KATE HARRISON

DISTRICT 5 – SOPHIE HAHN
DISTRICT 6 – SUSAN WENGRAF
DISTRICT 7 – RIGEL ROBINSON
DISTRICT 8 – LORI DROSTE

Preliminary Matters

Roll Call: 6:06 p.m.

Present: Bartlett, Davila, Droste, Hahn, Harrsion, Kesarwani, Robinson, Wengraf, Arreguin.

Absent: None.

Ceremonial Matters:

1. Proclamation recognizing Roe v Wade
2. Proclamation recognizing Max Dreskin

City Manager Comments: None

City Auditor Comments:

The City Auditor noted Item 20, the Code Enforcement Audit, and the significant progress made on the recommendations. The City Auditor also noted that Item 7 Guidelines for City Council Items is a positive step related to the audit recommendations that more analysis of staffing impacts is warranted for new programs and ordinances.

Public Comment on Non-Agenda Matters: 10 speakers.

Consent Calendar

Public Comment on Consent Calendar and Information Items Only: 6 speakers.

Action: M/S/C (Wengraf/Hahn) to adopt the Consent Calendar in one motion except as indicated.

Vote: All Ayes.

Consent Calendar

- 1. Authorize Participation in State of California No Place Like Home Competitive Funding and Commit Mental Health Services for Future Tenants of the Proposed Berkeley Way Project**
From: City Manager
Recommendation: Adopt a Resolution authorizing and directing the City Manager to submit applications to the State of California's No Place Like Home (NPLH) housing program's competitive application and enter into the program's required agreements, and committing to providing mental health services for residents of the funded units for at least 20 years.
Financial Implications: See report
Contact: Kelly Wallace, Housing and Community Services, 981-5400
Action: Adopted Resolution No. 68,747–N.S.
- 2. Authorizing Acceptance of Mental Health Services Oversight and Accountability Commission Mental Health Triage Children's Grant**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to enter into a grant agreement with the Mental Health Services Oversight and Accountability Commission (MHSOAC) and any amendments in the amount of \$216,099 and authorize the use of Medi-Cal and Early Periodic Screening, Detection and Treatment (EPSDT) matching funds of \$145,996 to staff crisis services at Berkeley High School for the period 2/1/2019 through 1/30/2022.
Financial Implications: See report
Contact: Kelly Wallace, Housing and Community Services, 981-5400
Action: Adopted Resolution No. 68,748–N.S.
- 3. Memorandum of Understanding with Alameda County Behavioral Health Care Services to Fund Construction Costs for Wellness Center**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to adopt a Memorandum of Understanding (MOU) between the City of Berkeley and Alameda County Behavioral Health Care Services (ACBHCS) for the term February 1, 2019 through June 30, 2020 for an expenditure of up to \$750,000 to fund the constructions costs of a Mental Health Wellness Center (Wellness Center) located in the City of Berkeley.
Financial Implications: See report
Contact: Kelly Wallace, Housing and Community Services, 981-5400
Action: Adopted Resolution No. 68,749–N.S.

Consent Calendar

- 4. Contract No. 6096F Amendment: IBM Hardware and Software Lease**
From: City Manager
Recommendation: Adopt a Resolution authorizing the City Manager to amend Contract No. 6096F with ESI Group for leasing, maintenance, technical support, and consulting services for International Business Machines (IBM) hardware lease and software maintenance and support, increasing the current contract by \$352,000, for a total not to exceed \$2,034,769 from June 2, 2003 through June 30, 2021.
Financial Implications: See report
Contact: Savita Chaudhary, Information Technology, 981-6500
Action: Adopted Resolution No. 68,750–N.S.
- 5. Contract: Pacific Trenchless, Inc. for Sanitary Sewer Rehabilitation and Replacement at Various Locations**
From: City Manager
Recommendation: Adopt a Resolution approving plans and specifications for the Sanitary Sewer Project, located on Bancroft Way, Allston Way, Byron Street, West Street, Masonic Avenue, Santa Fe Avenue, Fifth Street, and Le Conte Avenue; accepting the bid of the lowest responsive and responsible bidder, Pacific Trenchless, Inc. (Pacific Trenchless); and authorizing the City Manager to execute a contract and any amendments, extensions, or other change orders until completion of the project in accordance with the approved plans and specifications, in an amount not to exceed \$2,434,400.
Financial Implications: See report
Contact: Phillip Harrington, Public Works, 981-6300
Action: Adopted Resolution No. 68,751–N.S.
- 6. Contract: B-Bros Construction Inc. for Adult Mental Health Services Center Renovation Project at 2640 Martin Luther King Jr Way**
From: City Manager
Recommendation: Adopt a Resolution: 1. Approving plans and specifications for the Adult Mental Health Services Center Renovation Project, Specification No.19-11267-C; 2. Accepting the bid of B-Bros Construction Inc. as the lowest responsive and responsible bidder; and 3. Authorizing the City Manager to execute a contract and any amendments, extensions or other change orders until completion of the project in accordance with the approved plans and specifications, for an amount not to exceed \$4,886,293.
Financial Implications: See report
Contact: Phillip Harrington, Public Works, 981-6300
Action: Adopted Resolution No. 68,752–N.S.

Council Consent Items

7. Guidelines for Developing and Writing Council Agenda Items

From: Councilmember Hahn and Mayor Arreguin

Recommendation: Adopt a Resolution amending the City Council Rules of Procedure and Order to include “Appendix B. Guidelines for Developing and Writing Council Items.”

Financial Implications: None

Contact: Sophie Hahn, Councilmember, District 5, 981-7150

Action: Moved to Action Calendar. 3 speakers. M/S/C (Arreguin/Hahn) to:

- 1) Adopt Resolution No. 68,753–N.S. with Appendix B revised as noted below:
 - Section 3 modified to strike “to be taken” and added a new bullet to read, “Refer to a Council policy committee”
 - Section 8 added a new bullet to read, “If an ordinance is to be adopted the City Attorney should be consulted as to form and legality.”
 - Section 12 added “...and potential sources of funding.”
- 2) Referred to the Agenda and Rules Committee to consider amendments to the Guidelines related to opportunity costs and amendments to the Rules of Procedure related to automatic referrals of ordinances to policy committees.

Vote: Ayes – Kesarwani, Bartlett, Harrison, Hahn, Wengraf, Robinson, Droste, Arreguin; Noes – None; Abstain – Davila.

8. Support for SB 24 (Public University Student Health Centers)

From: Councilmembers Droste, Kesarwani, Wengraf and Hahn

Recommendation: That the Berkeley City Council send a letter supporting SB 24, which will require student health care centers on California State University and University of California campuses to offer abortion by medication techniques by 2023.

Financial Implications: None

Contact: Lori Droste, Councilmember, District 8, 981-7180

Action: Approved recommendation.

9. Support for SB 42 (Getting Home Safe Act)

From: Councilmembers Droste, Hahn, Kesarwani and Bartlett

Recommendation: That the Berkeley City Council send a letter supporting SB 42, the Getting Home Safe Act, which would address dangerous, late night releases from county jails.

Financial Implications: None

Contact: Lori Droste, Councilmember, District 8, 981-7180

Action: Approved recommendation.

Council Consent Items

10. Support for AB 68 (Accessory Dwelling Units)

From: Councilmembers Droste and Bartlett

Recommendation: That the Berkeley City Council send a letter supporting AB 68, Accessory Dwelling Units, authored by Assemblymember Phil Ting which seeks to streamline Accessory Dwelling Units, also known as granny flats or in-law units, in order to encourage new housing units across the state.

Financial Implications: None

Contact: Lori Droste, Councilmember, District 8, 981-7180

Action: Item 10 removed from the agenda by Councilmember Droste

11. Support for AB 69 (Accessory Dwelling Units)

From: Councilmembers Droste and Bartlett

Recommendation: That the Berkeley City Council send a letter supporting AB 69, Accessory Dwelling Units, authored by Assemblymember Phil Ting which will create a Small Home Building Standard Code to provide guidelines for the construction of ADUs.

Financial Implications: None

Contact: Lori Droste, Councilmember, District 8, 981-7180

Action: Item 11 removed from the agenda by Councilmember Droste

Council Consent Items

12. Vision Zero: eliminating pedestrian, bicyclist and traffic injuries and fatalities From: Councilmembers Droste, Kesarwani, Wengraf and Mayor Arreguin Recommendation:

1. Create an official Vision Zero Task Force (or Leadership Committee) to lead the planning and implementation effort for Vision Zero. The Task Force should include, at a minimum, representatives from the City Manager's office, Police, Public Works (Transportation and Engineering Divisions), Fire, and Public Health (visionzeronetwork.org).
2. Request that the City Manager hold community events to encourage equitable outcomes, cooperation and collaboration from community stakeholders to set shared goals and focus on coordination and accountability. Representatives from various commissions, including but not limited to Transportation, Disability, Aging, and Health, should be encouraged to attend and provide input.
3. Request that the City Manager hold a worksession where a Vision Zero Action Plan is presented for eliminating fatal and severe traffic injuries. Subsequent to the worksession, request that biannual informational updates on Vision Zero progress are reported to Council. The Action Plan should establish clear strategies, owners of each strategy, interim targets, timelines, & performance measures (visionzeronetwork.org).

Financial Implications: None

Contact: Lori Droste, Councilmember, District 8, 981-7180

Action: Approved recommendation as revised in Supplemental Communications Packet #2 to add the following language to the recommendation:

Refer to the budget process an allocation of \$207,150 to support a full time staff position to carry out Vision Zero workplan, staff the Task Force, etc.

Action Calendar – Public Hearings

13. Implement Residential Preferential Parking (RPP) Program on Sections of Fifth Street and Martin Luther King Jr. Way

From: City Manager

Recommendation: Conduct a public hearing and upon its conclusion, adopt a Resolution amending Resolution No. 56,508-N.S. Sections 25J and 25P by adding subsections to implement Residential Preferential Parking (RPP) on portions of two city streets.

Financial Implications: See report

Contact: Phillip Harrington, Public Works, 981-6300

Public Testimony: The Mayor opened the public hearing. 0 speakers.

M/S/C (Arreguin/Droste) to close the public hearing.

Vote: Ayes – Kesarwani, Davila, Bartlett, Hahn, Robinson, Droste, Arreguin; Noes – None; Abstain – None; Absent – Harrison, Wengraf.

Councilmember Harrison absent 7:54 p.m. – 7:58 p.m.

Councilmember Wengraf absent 7:54 p.m. – 7:58 p.m.

Action: M/S/C (Hahn/Robinson) to adopt Resolution No. 68,754–N.S.

Vote: Ayes – Kesarwani, Davila, Bartlett, Hahn, Robinson, Droste, Arreguin; Noes – None; Abstain – None; Absent – Harrison, Wengraf.

Recess 7:58 p.m. – 8:16 p.m.

Action Calendar – Public Hearings

14. ZAB Appeal: 1155-1173 Hearst Ave

From: City Manager

Recommendation: Conduct a public hearing and upon conclusion, adopt a Resolution to affirm the Zoning Adjustments Board decision to approve Use Permit #ZP2016-0028 to develop two parcels, including the substantial rehabilitation of the existing seven dwelling units and construction of six new, for-sale dwelling units; and dismiss the appeal.

Financial Implications: None

Contact: Timothy Burroughs, Planning and Development, 981-7400

Public Testimony: The Mayor opened the public hearing. 22 speakers.

M/S/C (Arreguin/Hahn) to close the public hearing.

Vote: All Ayes.

Action: M/S/C (Arreguin/Harrison) to suspend the rules and extend the meeting to 11:20 p.m.

Vote: All Ayes.

Action: M/S/Failed (Wengraf/Droste) to continue the item to a later date to clarify the CEQA, rent control, and drainage issues.

Vote: Ayes – Kesarwani, Bartlett, Wengraf, Droste; Noes – Davila, Harrison, Hahn, Robinson, Arreguin.

Action: M/S/Carried (Hahn/Arreguin) to remand the project to the Zoning Adjustments Board to undertake further CEQA analysis, review the project based on CEQA findings, and analyze the detriment to rent-controlled units.

Vote: Ayes – Kesarwani, Davila, Bartlett, Harrison, Hahn, Wengraf, Robinson, Arreguin; Noes – Droste.

15. Density Bonus Ordinance Revisions - Repeal Existing Section 23C.12.050 (State of California Density Bonus Requirements) and Adopt New Chapter 23C.14 (Density Bonus) (Continued from September 25, 2018. Item contains revised material.)

From: City Manager

Recommendation: Conduct a public hearing, and upon conclusion, adopt the first reading of Zoning Ordinance amendments that repeal obsolete Density Bonus regulations (Section 23C.12.050: State of California Density Bonus Requirements) and adopt a new, standalone Density Bonus chapter (Chapter 23C.14) that complies with California State Government Code 65915–65918: Density Bonuses and Other Incentives.

Financial Implications: None

Contact: Timothy Burroughs, Planning and Development, 981-7400

Action: M/S/C (Arreguin/Wengraf) to hold over Item 15 to February 19, 2019.

Vote: All Ayes.

Action Calendar

16a. Council Referral-Proposed Amendments to Berkeley's Living Wage Ordinance: Berkeley Municipal Code Chapter 13.27

From: Commission on Labor

Recommendation: Adopt first reading of an Ordinance proposing revisions to Berkeley's Living Wage Ordinance, BMC Chapter 13.27, revising Sections .020, .050, .070, .080 and .090 and adding Sections .045, .110, .120, .130, and .140 to make the application and administration of the LWO consistent with the MWO where appropriate, and modifying Sections .040 and .050 to 1) limit waivers of the LWO for a maximum of one year, and 2) clarifying when employees covered by the LWO are entitled to receive the cash value of the health care benefit.

Financial Implications: None

Contact: Delfina Geiken, Commission Secretary, 981-5400

16b. Companion Report: Council Referral-Proposed Amendments to Berkeley's Living Wage Ordinance: Berkeley Municipal Code Chapter 13.27

From: City Manager

Recommendation: Adopt first reading of an Ordinance amending BMC Chapter 13.27, which proposes: 1) adding a definition of "Department" in Section 13.27.020, 2) limiting new waivers of the LWO to one year in Section 13.27.040, 3) clarifying language related to wages and benefits in the Section 13.27.050 and adding Section 13.27.110 related to severability.

Financial Implications: None

Contact: Kelly Wallace, Housing and Community Services, 981-5400

Action: Items 16a and 16b held over to February 19, 2019.

17. Adopt a resolution to denounce and oppose white nationalist and neo-Nazi groups including their actions

From: Councilmember Davila and Councilmember Bartlett

Recommendation: Adopt a resolution denouncing and opposing, in words and actions, white nationalist and neo-Nazi groups including their actions in the City of Berkeley.

Financial Implications: None

Contact: Cheryl Davila, Councilmember, District 2, 981-7120

Action: 3 speakers. M/S/C (Wengraf/Hahn) to refer the item to the Agenda & Rules Committee for review and to make a recommendation to City Council.

Vote: Ayes – Kesarwani, Bartlett, Harrison, Hahn, Wengraf, Robinson, Droste, Arreguin; Noes – None; Abstain – Davila.

Action Calendar

18. **Adopt the Sanctuary Contracting Ordinance proposed by the Peace and Justice Commission** *(Continued from the November 13, 2018 agenda. Item contains revised material.)*
From: Councilmembers Worthington, Davila, Harrison, and Bartlett
Recommendation: That the City Council adopt the attached Sanctuary Contracting Ordinance proposed by the Peace and Justice Commission. This ordinance prohibits the award of city contracts to vendors acting as ICE data brokers, or those providing extreme vetting services.
Financial Implications: Minimal
Contact: Kriss Worthington, Councilmember, District 7, 981-7170
Action: Item 18 held over to February 26, 2019.

Information Reports

19. **City Council Short Term Referral Process – Monthly Update**
From: City Manager
Contact: Mark Numainville, City Clerk, 981-6900
Action: Received and filed.
20. **Audit Status Report Response: Code Enforcement Resources Significantly Constrained and Improvements Needed in Case Management and Oversight from June 26, 2018 - December 31, 2018**
From: City Manager
Contact: Dee Williams-Ridley, City Manager, 981-7000
Action: Received and filed.
21. **Referral Response: Support for Berkeley Nonprofit Service Providers**
From: City Manager
Contact: Jordan Klein, Economic Development, 981-7530
Action: Received and filed.
22. **Referral Response: Establishment of a Festival Grants Program**
From: City Manager
Contact: Jordan Klein, Economic Development, 981-7530
Action: Received and filed including revised material in Supplemental Communications Packet #2.
23. **Planning Commission Workplan 2018-2019**
From: Planning Commission
Contact: Alene Pearson, Commission Secretary, 981-7400
Action: Received and filed.

Public Comment – Items Not Listed on the Agenda: 0 speakers.

Adjournment

Action: M/S/C (Harrison/Bartlett) to adjourn the meeting in memory of:

1. Palestinians that have died recently
2. Victims in Florida

Vote: All Ayes.

Adjourned at 10:54 p.m.

This is to certify that the foregoing is a true and correct record of the regular meeting of January 29, 2019 as approved by the Berkeley City Council.

Mark Numainville, City Clerk

Communications

Item #14: ZAB Appeal: 1155 – 1173 Hearst Ave.

1. Yashu Jiang
2. Mariana Almeida
3. Pam Ormsby (2)
4. Dale Anania
5. Tracey Emerson

Homeless Encampments & Public Safety

6. Cheryl Brewster
7. David Lerman (2)
8. BPD Office Brandon
9. Amy Hill
10. Lisa Lum & Michael Hohmeyer

Berkeley Considers – Give Input on Electric Vehicles

11. Eric Friedman

Tobacco

12. Michelle Albert, on behalf of the American Heart Association

West Berkeley Senior Center

13. Todd Jersey

Shellmound Street Exit Clean-Up

14. Joe Vollono
15. BPD Officer Brandon

Cannabis – The Apothecrium

- 16. Maryclare McCauley
- 17. Rob Nachtwey

Trees – People’s Park

- 18. Carol Denney
- 19. Unknown
- 20. Bob Hunt

Utility Undergrounding and Loss of Communications Choice

- 21. Bryce Nesbitt
- 22. Susan Wengraf, Councilmember District 6

ADU

- 23. Joann Sullivan

Supplemental Communications and Reports 1

Item #12: Vision Zero: Eliminating Pedestrian, Bicyclist and Traffic Injuries and Fatalities

- 24. Noah Nathan

Item #14: ZAB Appeal: 1155-1173 Hearst Ave

- 25. Guy Sussman
- 26. Rain Sussman

Supplemental Communications and Reports 2

Item #12: Vision Zero: Eliminating Pedestrian, Bicyclist and Traffic Injuries and Fatalities

- 27. Revised materials, submitted by Councilmember Droste

Item #14: ZAB Appeal: 1155-1173 Hearst Ave

- 28. Lena Nitsan
- 29. Libby Lee-Egan
- 30. Rhiannon
- 31. Julia Cato
- 32. Berkeley Tenants Union

Item #18: Adopt the Sanctuary Contracting Ordinance proposed by the Peace and Justice Commission

- 33. Janice Greenberg

Item #22: Referral Response: Establishment of a Festival Grants Program

- 34. Revised materials, submitted by Office of Economic Development

Item #12: Vision Zero: Eliminating Pedestrian, Bicyclist and Traffic Injuries and Fatalities

35.224 Communications submitted via Berkeley Considers, includes summary information.

Supplemental Communications and Reports 3

Item #10: Support for AB 68 (Accessory Dwelling Units)

36. Claudia Kawczynska
37. Cameron Woo

Item #12: Vision Zero: Eliminating Pedestrian, Bicyclist and Traffic Injuries and Fatalities

38. Marjorie Alvord

Item #14: ZAB Appeal: 1155-1173 Hearst Ave

39. Presentation, submitted by the Planning Department
40. Tracey Emerson
41. Rain Sussman (2)
42. Barbara Gilbert
43. Terraphase Engineering
44. Kamman Hydrology & Engineering

Item #15: Density Bonus Ordinance Revisions - Repeal Existing Section 23C.12.050 (State of California Density Bonus Requirements) and Adopt New Chapter 23C.14 (Density Bonus)

45. Rhiannon

Refuse Collection Overcharge

46. Jae and Adena Chung

**MINUTES
BERKELEY CITY COUNCIL SPECIAL MEETING
THURSDAY, JANUARY 31, 2019
4:30 P.M.**

BUSD Board Room – 1231 Addison Street, Berkeley, CA

JESSE ARREGUIN, MAYOR

Councilmembers:

DISTRICT 1 – RASHI KESARWANI
DISTRICT 2 – CHERYL DAVILA
DISTRICT 3 – BEN BARTLETT
DISTRICT 4 – KATE HARRISON

DISTRICT 5 – SOPHIE HAHN
DISTRICT 6 – SUSAN WENGRAF
DISTRICT 7 – RIGEL ROBINSON
DISTRICT 8 – LORI DROSTE

Preliminary Matters

Roll Call: 4:33 p.m.

Present: Droste, Harrison, Hahn, Kesarwani, Robinson, Wengraf

Absent: Bartlett, Davila, Arreguin

Mayor Arreguin present at 4:36 p.m.

Councilmember Davila present at 4:38 p.m.

Councilmember Bartlett present at 4:39 p.m.

Public Comment - Limited to items on this agenda only

CLOSED SESSION:

The City Council will convene in closed session to meet concerning the following:

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(2):

Significant exposure to litigation – one case

Action: M/S/C (Arreguin/Wengraf) to direct the City Manager to interpret SB 1421 to apply to existing records.

Vote: All Ayes.

OPEN SESSION:

The City Council took action to direct the City Manager to interpret SB 1421 to apply to existing records.

Adjournment

Action: M/S/C (Hahn/Wengraf) to adjourn the meeting.

Vote: All Ayes

Adjourned at 5:57 p.m.

I hereby certify that the forgoing is a true and correct record of the special closed meeting of January 31, 2019 as approved by the Berkeley City Council.

Mark Numainville, City Clerk

**MINUTES
SPECIAL MEETING OF THE
BERKELEY CITY COUNCIL**

Thursday, January 31, 2019

6:00 P.M.

SCHOOL DISTRICT BOARD ROOM - 1231 ADDISON STREET, BERKELEY, CA 94702

JESSE ARREGUIN, MAYOR

Councilmembers:

DISTRICT 1 – RASHI KESARWANI
DISTRICT 2 – CHERYL DAVILA
DISTRICT 3 – BEN BARTLETT
DISTRICT 4 – KATE HARRISON

DISTRICT 5 – SOPHIE HAHN
DISTRICT 6 – SUSAN WENGRAF
DISTRICT 7 – RIGEL ROBINSON
DISTRICT 8 – LORI DROSTE

Preliminary Matters

Roll Call: 6:09 p.m.

Present: Bartlett, Davila, Droste, Hahn, Harrison, Kesarwani, Robinson, Wengraf, Arreguin

Absent: None

Public Comment - Limited to items on this agenda only - 79 speakers.

Action Calendar – Public Hearing

1. ZAB Appeal: 2190 Shattuck Avenue

From: City Manager

Recommendation: Conduct a public hearing and upon conclusion, adopt a Resolution affirming the Zoning Adjustments Board decision to approve Use Permit #ZP2016-0117 to redevelop a 19,967 square-foot (0.46-acre) site at the northwest corner of Shattuck Avenue and Allston Way with a proposed 18-story building with 274 residential units above approximately 10,000 square feet of ground floor retail space; and dismissing the appeal.

Financial Implications: None

Contact: Timothy Burroughs, Planning and Development, 981-7400

Action: M/S/C (Arreguin/Wengraf) to accept supplemental material from staff on Item 1.

Vote: All Ayes.

Recess 8:28 p.m. – 8:42 p.m.

Public Testimony: The Mayor opened the public hearing. 79 speakers. M/S/C (Arreguin/Droste) to close the public hearing.

Vote: All Ayes.

Action Calendar – Public Hearing

Action: M/S/Failed (Harrison/Hahn) to adopt a Resolution affirming the Zoning Adjustments Board decision to approve Use Permit #ZP2016-0117 to redevelop a 19,967 square-foot (0.46-acre) site at the northwest corner of Shattuck Avenue and Allston Way with a proposed 18-story building with 274 residential units above approximately 10,000 square feet of ground floor retail space; and dismissing the appeal, with the following amendments:

1. Amend Condition #19 to require payment of \$2,000,000 of the estimated \$10,000,000 Affordable Housing Mitigation Fee prior to the issuance of the building permit with the balance of the fee due when the Certificate of Occupancy is issued. The pre-payment does not qualify the applicant for a fee reduction.
2. Make revisions to the plans to reduce parking as necessary to accommodate an internal loading zone area.
3. Provide public access to the 18th floor roof deck in exchange for eliminating the community room and art component from the community benefits package.

Vote: Ayes – Bartlett, Harrison, Hahn; Noes – Kesarwani, Wengraf, Robinson, Droste, Arreguin; Abstain – Davila.

Action: M/S/Carried (Arreguin/Robinson) to adopt Resolution No. 68,755–N.S. affirming the Zoning Adjustments Board decision to approve Use Permit #ZP2016-0117 to redevelop a 19,967 square-foot (0.46-acre) site at the northwest corner of Shattuck Avenue and Allston Way with a proposed 18-story building with 274 residential units above approximately 10,000 square feet of ground floor retail space; and dismissing the appeal, with the following amendments:

1. Amend Condition #19 to require payment of \$2,000,000 of the estimated \$10,000,000 Affordable Housing Mitigation Fee prior to the issuance of the building permit with the balance of the fee due when the Certificate of Occupancy is issued. The pre-payment does not qualify the applicant for a fee reduction.
2. Make revisions to the plans to reduce parking as necessary to accommodate an internal loading zone area.

Vote: Ayes – Kesarwani, Bartlett, Wengraf, Robinson, Droste, Arreguin; Noes – None; Abstain – Davila, Harrison, Hahn.

Adjournment

Action: M/S/C (Droste/Hahn) to adjourn the meeting.

Vote: All Ayes.

Adjourned at 10:37 p.m.

This is to certify that the foregoing is a true and correct record of the special meeting of January 31, 2019 as approved by the Berkeley City Council.

Mark Numainville, City Clerk

Communications

Item #1: ZAB Appeal: 2190 Shattuck Avenue

1. Susan Ellenbogen
2. Pam Valois
3. Lisa Titus
4. Nancy Litton
5. Tamia Marg
6. Terry Kochi
7. Eric Kotila
8. Tom Wenrich
9. Valerie Herr
10. Summer Brenner
11. Harry Delmer
12. Marianne Calame-Berger
13. R. Johnson
14. Virginia Warheit (4)
15. Ann Maria Celona
16. Cynthia Hanson
17. Brenda Shank
18. Ann May and Rodney Freeland
19. Tobey Wiebe
20. Bronwyn Hall
21. Holly Smith
22. Maggie Crowley
23. Karen Cilman
24. Nhu Miller
25. Jane Larson
26. Goetz Frank
27. Ilene Philipson
28. Roger Pritchard
29. Kathy Kahn
30. Laura Fujii
31. Jack Phillips
32. Jenny Harrison
33. Elaine Seed
34. Wendy Weikel
35. Lisa Bruce
36. Michael Yovino-Young
37. Matt Ogburn
38. Paul Newacheck
39. Carole Cool
40. Dean Metzger, on behalf of the Berkeley Neighborhoods Council
41. Warren and Lorna Byrne
42. Suzy Thompson
43. Susan Chainey
44. David Snippen
45. Harvey Helfand
46. William Peppin
47. Ingrid Crickmore

48. Emilie Strauss
49. Jonathan Beck
50. Judy Schwartz
51. Laurie May Trippett
52. Susan Felter
53. Betsy Thagard
54. Twenty-four "Reconsider ZAB approval" form letters

Supplemental Communications and Reports 1

- None

Supplemental Communications and Reports 2

Item #1: ZAB Appeal: 2190 Shattuck Avenue

55. Wynne Furth
56. Doris Nassiry
57. Ariella Granett
58. Kelli Green
59. Jane Scantlebury
60. Kelly Hammargren
61. Virginia Warheit
62. Gui Andrade
63. Glenda Freberg
64. Rani Marx
65. Michael Katz
66. Chris McDonald
67. Lee Tempkin
68. Bruce Coughran
69. Councilmember Harrison
70. Peter S. Van Houten
71. Forty "in support of development" form letters

Supplemental Communications and Reports 3

Item #1: ZAB Appeal: 2190 Shattuck Avenue

72. Revised materials, submitted by the Planning Department
73. Presentation, submitted by the Planning Department
74. Steven Finacom, on behalf of Harvey Helfand
75. Steven Finacom
76. Hanson Bridgett, Attorneys
77. Associated Students University of California
78. Emmerich Anklam
79. Tobey Wiebe
80. Karen Wilairat
81. Pallop Wilairat
82. Diego Aguilar-Canabal
83. Clifford Fred
84. Anna Whitney
85. Carol Denney
86. Dmitri Belser and Thomas White
87. Thomas Lord

88. Alfred Twu
89. Norman Chao
90. Sally Nelson
91. Donald Goldmacher
92. Moni Law
93. Kelly Hammargren
94. Virginia Warheit
95. Michael Corbett
96. Fifteen "in support of development" form letters



Office of the City Manager

CONSENT CALENDAR
February 26, 2019

To: Honorable Mayor and Members of the City Council
 From: Dee Williams-Ridley, City Manager
 Submitted by: Henry Oyekanmi, Director, Finance
 Subject: Formal Bid Solicitations and Request for Proposals Scheduled for Possible Issuance After Council Approval on February 26, 2019

RECOMMENDATION

Approve the request for proposals or invitation for bids (attached to staff report) that will be, or are planned to be, issued upon final approval by the requesting department or division. All contracts over the City Manager’s threshold will be returned to Council for final approval.

FISCAL IMPACTS OF RECOMMENDATION

Total estimated cost of items included in this report is \$568,759.

<u>PROJECT</u>	<u>Fund</u>	<u>Source</u>	<u>Amount</u>
Corp Yard Equipment Maintenance Building Electrical Upgrades Project; and Marina Corp. Yard Electrical Upgrade Project	511	Measure T1	\$568,759
Total:			\$568,759

CURRENT SITUATION AND ITS EFFECTS

On May, 6, 2008, Council adopted Ordinance No. 7,035-N.S. effective June 6, 2008, which increased the City Manager’s purchasing authority for services to \$50,000. As a result, this required report submitted by the City Manager to Council is now for those purchases in excess of \$100,000 for goods; and \$200,000 for playgrounds and construction; and \$50,000 for services. If Council does not object to these items being sent out for bid or proposal within one week of them appearing on the agenda, and

Formal Bid Solicitations and Request for Proposals
Scheduled for Possible Issuance After Council
Approval on February 26, 2019

CONSENT CALENDAR
February 26, 2019

upon final notice to proceed from the requesting department, the IFB or RFP may be released to the public and notices sent to the potential bidder/respondent list.

BACKGROUND

On May 6, 2008, Council adopted Ordinance No. 7,035-N.S., amending the City Manager's purchasing authority for services.

ENVIRONMENTAL SUSTAINABILITY

The Finance Department reviews all formal bid and proposal solicitations to ensure that they include provisions for compliance with the City's environmental policies. For each contract that is subject to City Council authorization, staff will address environmental sustainability considerations in the associated staff report to City Council.

CONTACT PERSON

Shari Hamilton, General Services Manager, Finance, 510-981-7329

Attachments:

- 1: Formal Bid Solicitations and Request for Proposals Scheduled For Possible Issuance After Council Approval on February 26, 2019

Sanitary Sewer Rehabilitation:

- a) Corp Yard Equipment Maintenance Building Electrical Upgrades Project; Marina Corp yard Electrical upgrade Project

Note: Original of this attachment with live signature of authorizing personnel is on file in General Services.

DATE SUBMITTED: February 26, 2019

SPECIFICATION NO.	DESCRIPTION OF GOODS / SERVICES BEING PURCHASED	APPROX. RELEASE DATE	APPROX. BID OPENING DATE	INTENDED USE	ESTIMATED COST	BUDGET CODE TO BE CHARGED	DEPT. / DIVISION	CONTACT NAME & PHONE
19-11302-C	Corp Yard Equipment Maintenance Building Electrical Upgrades Project; Marina Corp Yard Electric Upgrade Project	5/1/2019	6/1/2019	Renovate Corp Yard Equipment Maintenance Building Electrical Systems; and Renovate marina Corp Yard Electrical System	\$568,759	511-54-623-677-0000-000444-662110 (Funds project number T1PW09)	PW/Eng	Elmar Kapfer 981-6435
DEPT. TOTAL					\$568,759			
GRAND TOTAL					\$568,759			



Office of the City Manager

03

CONSENT CALENDAR
February 26, 2019

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Kelly Wallace, Interim Director, Health, Housing and Community Services

Subject: Dorothy Day House License Agreements: Veterans Memorial Building and Old City Hall

RECOMMENDATION

Adopt two Ordinances authorizing the City Manager or her designee to execute license agreements and any amendments thereto with Dorothy Day House to provide services at the Veterans' Memorial Building at 1931 Center Street and the Old City Hall at 2134 Martin Luther King Jr. Way.

FISCAL IMPACTS OF RECOMMENDATION

A license fee is required for each license agreement and staff proposes continuing the collection of a nominal license fee of \$100 annually. This fee reflects no increase to the amount that the organizations are currently paying. While the proposed amount is minimal, it will help defray some administrative costs. A total of \$200 in annual license fees is proposed, inclusive of both buildings. These funds will be deposited into Revenue Fund 010-3502-363-1000.

CURRENT SITUATION AND ITS EFFECTS

License agreements are needed between the City and Dorothy Day House to continue occupancy of the buildings. Dorothy Day House continues to utilize the kitchen to prepare breakfast for its homeless community meal. Since October 2018, DDH has operated a nightly homeless shelter in the Veterans Memorial Building basement. Since November 30, 2018, it has also operated the Berkeley Emergency Storm Shelter (BESS) on nights when inclement weather is forecast at Old City Hall.

BACKGROUND

Dorothy Day House provides homeless services from the Veterans Memorial Building and the Old City Hall. The proposed license agreements are written with terms on a month-to-month basis, which gives the City the ability to terminate the agreements with 30 days notice. The building may be a potential hazard in a seismic event and the City may wish to vacate, at some future date, all licensees at the same time should structural renovations or other changes to its use be scheduled. Because the hazard posed by the building could be significant, current indemnification agreements and insurance policies naming the City of Berkeley as an additional insured are needed. In addition to

insurance and indemnification, the City may use the license agreements to organize and compel occupants to participate in other building related matters such as recycling, janitorial, and maintenance, and specific security measures.

The services Dorothy Day House provides are free to the user, and as such, generate very little regular income. The limited leveraged funds that are received are used to deliver services. Taking into account the limited revenue, staff proposes no increase in the nominal charge of \$100 per year.

ENVIRONMENTAL SUSTAINABILITY

There are no identifiable environmental effects or opportunities associated with the subject of this report.

RATIONALE FOR RECOMMENDATION

Dorothy Day House has expanded its services to provide shelter in both the Veteran's Building and Old City Hall. Executing new license agreements ensures information is current and that the terms of use, fee collection, insurance, indemnification, and other City contract requirements are up to date.

ALTERNATIVE ACTIONS CONSIDERED

City staff had considered assessing a higher license fee amount to reflect the percentage of the actual utilities consumption by each licensee and to encourage energy conservation practices. Staff recognized, however, that charging higher fees would result in a financial burden for the non-profits.

CONTACT PERSON

Wing Wong, Community Services Specialist, HHCS, 981-5428

Attachments:

- 1: Ordinance: License Agreement with Dorothy Day House for 1931 Center Street
Exhibit A: License Agreement for the Veterans Memorial Building
- 2: Ordinance: License Agreement with Dorothy Day House for 2134 Martin Luther King Jr. Way
Exhibit A: License Agreement for the Old City Hall

ORDINANCE NO. -N.S.

AUTHORIZING THE CITY MANAGER OR HER DESIGNEE TO EXECUTE A LICENSE AGREEMENT AND ANY NECESSARY AMENDMENTS WITH DOROTHY DAY HOUSE FOR REAL PROPERTY LOCATED AT 1931 CENTER STREET

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. The City Council finds as follows:

- a. In June 2018 as part of the biennial budget process, City Council allocated \$400,000 for fiscal year 2019 to expand the 2019 winter shelter program; and
- b. Dorothy Day House operated the winter shelter at the North Berkeley Senior Center (NBSC) at 1901 Hearst Avenue and must be relocated due to site closure; and
- c. The basement at 1931 Center Street allows Dorothy Day House to operate the expanded winter shelter, on a continuous basis through June 30, 2019; and
- d. Dorothy Day House has an existing contract (Contract No. 115103-1) with the City of Berkeley and has been providing these services continually since December 23, 2017; and

Section 2. The City Manager or her designee is hereby authorized to enter into a license agreement and necessary amendments starting October 1, 2018 with Dorothy Day House for real property located at 1931 Center Street, which property is more specifically described in the property description attached to the proposed License Agreement as Exhibit A.

Section 3. Copies of this Ordinance shall be posted for two days prior to adoption in the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way. Within 15 days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library and the title shall be published in a newspaper of general circulation.

LICENSE AGREEMENT

This AGREEMENT is entered into on October 1, 2018 by and between the CITY OF BERKELEY, a Charter City organized and existing under the laws of the State of California ("City") and DOROTHY DAY HOUSE ("Licensee"), a non-profit corporation under the laws of the State of California, who agree as follows doing business at P.O. Box 12701, Berkeley, CA 94712 who agrees as follows:

1. LICENSE

- a. Subject to all the terms and conditions herein, City hereby grants Licensee use of that portion of the City's property at **1931 Center Street** in Berkeley, County of Alameda, State of California ("the Property") shown on Exhibit A (hereinafter "the Premises"), attached hereto and made a part hereof. This License is not a lease; Licensee does not by this License obtain an exclusive right, against the City or the public, to any part of the Property.
- b. This License is granted for the purpose of providing overnight shelter services to single individuals aged 18 or older in Berkeley seven (7) nights per week.
- c. This License is granted for the purpose of preparing food in the 1931 Center Street basement kitchen for the Berkeley Community Breakfast Program (6) days per week and preparing and serving dinner seven (7) nights per week to the occupants of the Shelter in the 1931 Center Street basement.

2. TERM

This License shall take effect once executed by Licensee and approved by the Berkeley City Council (the "effective date"). It shall remain in effect on a month - to - month basis, starting with the effective date, subject to the following:

Either party may terminate this License for any reason with thirty (30) days' prior written notice to the other party. Either party may terminate this License for default upon fifteen (15) days' written notice to the other party if the other party has substantially failed to fulfill any of its obligations under this License in a timely manner.

3. LICENSE FEE

In consideration of the rights conveyed by this License, Licensee shall pay to City \$100.00 (ONE HUNDRED DOLLARS) per year which shall be due and payable upon execution of this agreement, as specified in Exhibit B.

4. NOTICES

A written notice shall be deemed served upon mailing said notice to the other party and depositing the same with the U.S. Post Office, first class mail, with postage paid.

For purposes of this License, all notices to the City shall be addressed to:

Real Property Division
Public Works Department
1947 Center Street, 4th Flr.
Berkeley, CA 94704

For purposes of this License, all notices to Licensee shall be addressed to:

David Stegman, Executive Director
Dorothy Day House
P.O. Box 12701
Berkeley, CA 94712

5. GENERAL OCCUPANCY RULES AND REGULATIONS

- a. City may waive any one or more of the occupancy rules or regulations contained in this agreement for the benefit of any particular licensee or licensees, but no waiver by City shall be construed as a waiver of those rules and regulations in favor of any other licensee, nor prevent City from enforcing any of those rules and regulations against any or all of the licensees of 1931 Center Street. Any waiver of rules and regulations by City shall be in writing.
- b. City reserves right at any time to change or rescind any one or more of the rules and regulations or to make additional reasonable rules and regulations that, in City's judgment, may be necessary for:
 - 1. Management, safety, care and cleanliness of the premises, building and real property; and
 - 11. Preservation of good order; and
 - 111. Convenience of other occupants and licensees in the premises, building and real property.

6. PARKING

City will permit Licensee to access on a temporary basis two parking spaces (#5 and #11) in the parking lot at the rear of the Premises. Access to the parking space is not guaranteed for the term of this License or for any specified term and may be withdrawn at any time within the sole discretion of City. Licensee's access to and use of the parking space and any portion of the parking lot is subject to all the

terms and conditions of Paragraph 16 (Indemnity) and Paragraph 17 (Insurance) as shown on Exhibit C.

7. **HEALTH, SAFETY AND ACCESSIBILITY (Applicable to licensees described below)**

Berkeley Opportunities for Self-Sufficiency (BOSS)/Multi-Agency Service Center (MASC), and Dorothy Day House (DDH) shall make all reasonable efforts to comply with the Alameda County-Wide Homeless Continuum of Care Health, Safety and Accessibility Standards for Shelter Facilities in Alameda County.

8. **MAINTENANCE AND ALTERATIONS**

Licensee shall maintain the Premises used pursuant to this License in good order and repair and reasonably free and clean of all debris, trash and rubble. Upon termination of this License, Licensee shall, at its own cost, remove any equipment or materials installed by Licensee and shall surrender the Premises to City in the same condition as at the commencement of this License with the exception of regular wear and tear. Licensee shall reimburse the City for any expenses incurred by the City for any damage to the Premises resulting solely from Licensee's use of the Premises;

- a. Licensee shall not construct or place any facilities on the Premises or the Property, or install any equipment on the Premises or the Property, or make any alterations or improvements to the Premises or the Property, without the City's prior written consent.
- b. The City shall provide janitorial services in the women's and men's restrooms and all the common areas.
- c. The City shall be responsible for the payment of water, gas, electricity, trash collection/maintenance, water and sewer utilities and other services delivered to the premises. Licensee shall pay the City a fee as provided in Section 3 above. Licensee shall be directly responsible for paying fees for other services, such as internet and phone.
- d. No sign, placard, picture, name advertisement, or notice visible from the exterior of the premises will be inscribed, painted, affixed or otherwise displayed by Licensee on any part of 1931 Center without the prior written consent of the City. Material visible outside the building will not be permitted.
- e. Licensee acknowledges that the City does not currently have and is not likely to have in the future sufficient funding to improve, retrofit, refurbish or maintain the Property and Licensee agrees to accept the Premises in their "as is" condition.
- f. Licensee shall assume all responsibility for protecting the premises from theft, robbery, pilferage, vandalism, damage or waste, including keeping doors locked and other means of entry to the premises closed and turning off all water faucets, water apparatus, and utilities.
- g. Licensee shall conduct business in a manner that will not cause damage to

the building or property including but not limited to (i.e., not overloading the circuits, inappropriate use of extension cords, exceeding maximum weight on stage and any other floor area, etc.)

9. SECURITY

- a. Pursuant to BMC Section 13.36.065, Licensee shall comply with security rules for City buildings. The City Manager's building security rules are designed to maintain the safety of City employees and patrons, facilitate the City's ability to do government business and provide services, and prevent damage to City facilities. **(See Attachment 1)**.
- b. Access keys to the building and to Licensee's space shall be provided by Public Works Maintenance only and no keys shall be duplicated without consent of the City of Berkeley Public Works Maintenance Division. Licensee may not change any locks. The City must have access to all space in the building in the event of an emergency.

Courtyard: BOSS/MASC staff will patrol the courtyard Services from 8 a.m. to 2 p.m. BOSS/MASC, will be responsible for responding appropriately when unsafe behavior by clients on the premises threatens the safety of the building or the general public. DDH will monitor courtyard area nightly at 6 p.m.

Courtyard Schedule:

8 a.m. - 2 p.m. Mondays through Fridays - MASC Lockers

6 p.m. – Dorothy Day House (check to make sure the gate is locked).

- c. Holiday Coverage: BOSS/MASC and DDH are responsible.
- d. Front Steps: BOSS/MASC and Options staff will ensure security of the front steps jointly daily and keep an activity log. DDH staff will be responsible for front steps at night from the inside of the building.

10. MAINTENANCE

Dorothy Day House will maintain the men and women's bathrooms and the hallway and office space on nights when the shelter is operating. The following morning it will clean and restock the restrooms, clean and mop the sleeping areas and clean and stack the mats.

Public Works Department will perform and/or delegate to third party to perform the following maintenance work:

- Pest control
- Janitorial services
- Deep cleaning
- Alarm system
- HVAC system
- Mechanical and electrical maintenance

- Any other preventive maintenance services

11. USE OF SHARED SPACE

- a. Use of the kitchen will be exclusively for Dorothy Day House (DDH). Hours of use are as follows: Dorothy Day House: Monday through Sunday: 4 a.m. to 10 a.m. for the Breakfast Program and 5 p.m. to 12 a.m. for the Shelter Program. Any DDH volunteers must be under supervision by a team leader.
- b. DDH team leaders will have access to the kitchen throughout the day in order to clean and receive deliveries;
- c. Use of the conference room on the auditorium level shall be based on the Conference Room Schedule. (See Attachment 4.) The conference room shall be available on a first-come first-served basis during all vacant periods.
- d. Two parking space in the parking lot behind the building shall be assigned Licensee.

12. NO SMOKING

- a. Pursuant to Berkeley Municipal Code (BMC) ch. 12.70, no smoking is allowed in public places. This prohibition includes, but is not limited to within 20 feet of any entrance, exit or air intake vent to 1931 Center Street, except while passing on the way to another destination.
- b. No smoking is permitted in the parking lot or courtyard at 1931 Center Street.

13. ENVIRONMENTAL

- a. Licensee shall follow all environmental rules and regulations as they apply to City agencies. Specifically, Licensee shall minimize waste and recycle and compost, as per Recycling and Composting Guidelines for City Buildings. Guidelines for creating a recycling program are attached as Attachment 2. Licensee must participate in a recycling service provided by the City or provide an acceptable alternative with the approval of the City's Recycling Supervisor. To that end, Licensee shall:

Assign someone to be in charge of its recycling programs, and to communicate needs and questions to the City's Solid Waste Management Division.

- i. Recycle corrugated cardboard, office papers and beverage containers (glass bottles, plastic bottles, and cans)
- ii. Place collection containers for paper at desk sides and copy rooms, and break rooms. (See Attachment 2 for details.)
- iii. Provide a location for custodians to pick up flattened empty cardboard boxes. A central paper container is acceptable.

- iv. Educate employees and new employees about recycling procedures.
- v. Cooperate with the custodial service to make recyclables available for collection.
- vi. Recycle batteries and office equipment (contact the City's Solid Waste Management Division for information about vendors).
- vii. Cafeterias and commercial kitchens may participate in the City's organics recycling program, with the approval of the City's Solid Waste Supervisor. City provides containers and training.
- viii. Licensee shall recycle construction waste from tenant improvements.
- ix. Licensee shall conserve energy as specified in the City Manager's January 11, 2001 memorandum as shown in Attachment 3.

14. ACCESS TO PROPERTY; TAXES, ASSESSMENTS, AND OTHER CHARGES

- a. City, including its agents and employees, reserves the right to enter the Property and make any improvements thereon at reasonable times and with reasonable notice, provided such entry does not cause unreasonable interference with Licensee's activities.
- b. Licensee shall pay all personal property taxes levied on account of personal property owned by Licensee on the Property, and pay any in-lieu, possessory interest, or use taxes imposed by reason of Licensee's use or occupancy of the Property.

15. ASSIGNMENT AND SUBLICENSING PROHIBITED

This License is personal to Licensee. Notwithstanding references to assignees and/or sublicensees elsewhere in this License, if any, Licensee may not assign or sublicense this License in whole or in part without the prior written consent of the City, and any attempt to assign or any attempt to assign or sublicense this License shall terminate it.

16. INDEMNIFICATION

- a. To the fullest extent permitted by law, Licensee shall (1) immediately defend and (2) indemnify Landlord, and its directors, officers, and employees from and against all liabilities regardless of nature, type, or cause, arising out of or resulting from or in connection with the License. Liabilities subject to the duties to defend and indemnify include, without limitation, all claims, losses, damages, penalties, fines, and judgments; associated investigation and administrative expenses; defense costs, including but not limited to reasonable attorneys' fees; court costs; and costs of alternative dispute resolution. The Licensee's obligation to indemnify applies regardless of whether a liability is a result of the

negligence of any other person, unless it is adjudicated that the liability is caused by the sole active negligence or sole willful misconduct of an indemnified party.

- b. The duty to defend is a separate and distinct obligation from the Licensee's duty to indemnify. The Licensee shall be obligated to defend, in all legal, equitable, administrative, or special proceedings, with counsel approved by the Landlord, the Landlord and its directors, officers, and employees, immediately upon submittal to the Licensee of the claim in any form or at any stage of an action or proceeding, whether or not liability is established. A determination of comparative active negligence or willful misconduct by an indemnified party does not relieve the Licensee from its separate and distinct obligation to defend Landlord. The obligation to defend extends through final judgment, including exhaustion of any appeals. The defense obligation includes an obligation to provide independent defense counsel if Licensee asserts that liability is caused in whole or in part by the negligence or willful misconduct of the indemnified party. If it is finally adjudicated that liability was caused by the sole active negligence or sole willful misconduct of an indemnified party, Licensee may submit a claim to the Landlord for reimbursement of reasonable attorneys' fees and defense costs.
- c. The review, acceptance or approval of any of Licensee's work or work product by any indemnified party shall not affect, relieve or reduce the Licensee's indemnification or defense obligations. This Section survives the termination of this License. The provisions of this Section are not limited by and do not affect the provisions of this License relating to insurance.
- d. Liabilities subject to this Section include any claim of discrimination or harassment, including but not limited to sexual harassment, arising from the conduct of the Licensee or any of the Licensee's officers, employees, agents, licensees, or subcontractors. In the event of a discrimination or harassment complaint against any employee, agent, licensee or subcontractor of the Licensee or its subcontractors, the Licensee shall take immediate and appropriate action in response to such complaint, including, but not limited to termination or appropriate discipline of any responsible employee, agent, licensee or subcontractor.
- e. Neither Licensee nor its assignees, heirs, guardians, and legal representatives shall make a claim against or sue City or its employees, agents or contractors for injury or damage resulting from the negligence, whether active or passive, or other acts, however caused, by any employee, agent, or contractor of the City as a result of Licensee's presence on the Property. Licensee hereby acknowledges that the Property specifically and 1931 Center Street generally requires certain structural or code upgrades and accepts the conditions of the premises "as is."
- f. LICENSEE ACKNOWLEDGES THAT 1931 CENTER STREET HAS BEEN DEEMED TO BE UNSAFE AND SUBJECT TO SEVERE

DAMAGE DURING ANY MAJOR EARTHQUAKE. LICENSEE OCCUPIES THE BUILDING AT ITS OWN RISK. LICENSEE HEREBY RELEASES AND DISCHARGES THE CITY OF BERKELEY AND ITS EMPLOYEES, AGENTS, AND CONTRACTORS, FROM ALL ACTIONS, CLAIMS OR DEMANDS THAT LICENSEE, ITS HEIRS, GUARDIANS, AND LEGAL REPRESENTATIVES NOW HAVE OR MAY HAVE IN THE FUTURE FOR INJURY RESULTING FROM AN EARTHQUAKE.

17. INSURANCE

- a. Licensee at its cost shall maintain commercial general liability and property damage insurance with a single combined liability limit of **\$2,000,000.00** and property damage limits of not less than **\$100,000.00** per occurrence insuring against all liability of Licensee and its authorized representatives arising out of and in connection with Licensee's use or occupancy of the Property. All such insurance shall insure performance by Licensee of the preceding indemnity provisions. All insurance shall name the City of Berkeley, its officers, agents, volunteers and employees as additional insureds and shall provide primary coverage with respect to the City.
- b. If the insurance referred to above is written on a Claims Made Form, then following termination of this License, coverage shall survive for a period of not less than five years. Coverage shall also provide for a retroactive date of placement coinciding with the effective date of this License.
- c. Licensee at its cost shall maintain on all its personal property, Licensee's improvements, and alterations, in, on, or about the Premises, a policy of standard fire and extended coverage insurance, with vandalism and malicious mischief endorsements. This coverage shall be, considered primary, and the proceeds from any such policy shall be used by Licensee for the replacement of personal property or the restoration of Licensee's improvements or alterations.
- d. If Licensee employs any person, it shall carry workers' compensation and employer's liability insurance and shall provide a certificate of insurance to the City. The workers' compensation insurance shall: provide that the insurance carrier shall not cancel, terminate, or otherwise modify the terms and conditions of said insurance except upon thirty (30) days prior written notice to the City; provide for a waiver of any right of subrogation against City to the extent permitted by law; and be approved as to form and sufficiency by the City's Risk Manager.
- e. Licensee shall forward all insurance documents to:

Real Property Administrator
Public Works Department
1947 Center Street, 4th Flr.
Berkeley, CA 94704

18. CONFORMITY WITH LAW

- a. Licensee shall observe and comply with all applicable laws. Licensee shall release, defend, indemnify and hold harmless City, its officers, agents, volunteers and employees from any and all damages, liability, fines, penalties and consequences from any noncompliance or violation of any laws, ordinances, codes or regulations.
- b. If a death, serious personal injury or substantial property damage occurs in connection with the performance of this License, Licensee shall immediately notify the City's Risk Manager by telephone. If any accident occurs in connection with this License, Licensee shall promptly submit a written report to City, in such form as the City may require. This report shall include the following information: 1) name and address of the injured or deceased person(s); 2) name and address of Licensee's sub licensee, if any; 3) name and address of Licensee's liability insurance carrier; and 4) a detailed description of the accident, including whether any of City's equipment, tools or materials were involved.
- c. If a release of hazardous materials or hazardous waste occurs in connection with the performance of this License, Licensee shall immediately notify the Berkeley Police Department and the City's Emergency and Toxics Management office.
- d. Licensee shall not store hazardous materials or hazardous waste within the City of Berkeley without a proper permit from the City.

19. INDEPENDENT CAPACITY

For purposes of this License, and for the duration of this License, Licensee, including its agents and employees, shall be, and is, an independent contractor and not an agent or employee of the City. Licensee has and shall retain the right to exercise full control and supervision of the services, and full control over the employment, direction, compensation and discharge of all persons assisting Licensee in the performance of this License. Licensee shall be solely responsible for all matters relating to the payment of its employees, including compliance with Social Security, withholding, and all other regulations governing such matters, and shall be solely responsible for its own acts and those of its agents and employees.

20. CITY NON-DISCRIMINATION ORDINANCE

Licensee hereby agrees to comply with the provisions of Berkeley Municipal Code ("BMC") Chapter 13.26 as amended from time to time. In the performance of this License, Licensee agrees as follows:

- a. Licensee shall not discriminate against any employee or applicant for employment because of race, color, religion, ancestry, national origin; age (over 40), sex, pregnancy, marital status, disability, sexual orientation or AIDS.

- b. Licensee shall permit the City access to records of employment, employment advertisements, application forms, EE0-1 forms, affirmative action plans and any other documents which, in the opinion of the City, are necessary to monitor compliance with this non-discrimination provision. In addition, Licensee shall fill out, in a timely fashion, forms supplied by the City to monitor this non-discrimination provision.

21. NON-DISCRIMINATION AGAINST PERSONS WITH DISABILITIES

- a. If Licensee provides any aid, service or benefit to others on the City's behalf, Licensee shall, in the provision of such aid, service or benefit, observe and comply with all applicable provisions of Title II of the Americans with Disabilities Act of 1990 and any amendments thereto. Licensee shall further observe and comply with all applicable federal, state, municipal and local laws, ordinances, codes and regulations prohibiting discrimination against individuals with disabilities and shall ensure that individuals with disabilities are not excluded from participating in or receiving benefits, services or activities of the City.
- b. If Licensee is or becomes a "public accommodation" as defined in Title III of the Americans with Disabilities Act of 1990, Licensee shall observe and comply with all applicable provisions of the Act and any amendments thereto, and all applicable federal, state, municipal and local laws, ordinances, codes and regulations prohibiting discrimination on the basis of disability in the full and equal enjoyment of goods, services, facilities, privileges, advantages, or accommodations offered by the Licensee. All of Licensee's activities must be in accordance with these laws, ordinances, codes, and regulations, and Licensee shall be solely responsible for complying therewith.

22. OPPRESSIVE STATES

- a. In accordance with Resolution No. 59,853-N.S., Licensee certifies that it has no contractual relations with, and agrees during the term of this License to forego contractual relations to provide personal services to or to purchase, sell, lease or distribute commodities in the conduct of business with, the following entities:
 - 1. The governing regime in any Oppressive State.
 - 11. Any business or corporation organized under the authority of the governing regime of any Oppressive State.
 - 111. Any individual, firm, partnership, corporation, association, or any other commercial organization, and including parent-entities and wholly-owned subsidiaries (to the extent that their operations are related to the purpose of its contract with the City), for the express purpose of assisting in business operations or trading with any public or private entity located in any Oppressive State.

- b. For purposes of this License, the Tibet Autonomous Region and the provinces of Amdo, Kham, and U-Tsang shall be deemed oppressive states.
- c. Licensee's failure to comply with this section shall constitute a default of this License and City may terminate this License pursuant to Section 2. In the event that the City terminates this License due to a default under this provision, City may deem Licensee a non-responsible bidder for five (5) years from the date of termination.

23. LIVING WAGE ORDINANCE

- a. Licensee agrees to comply with Berkeley Municipal Code Chapter 13.27, the Berkeley Living Wage Ordinance. If Licensee employs six (6) or more part-time or full-time employees, and generates \$350,000 or more in annual gross receipts, Licensee will be required to provide all eligible employees with City mandated minimum compensation during the term of this License, as defined in B.M.C. Chapter 13.27, and well as comply with the terms enumerated herein.
- b. Licensee shall be required to maintain all reasonable records and documents that would establish whether Licensee is subject to Berkeley's Living Wage Ordinance (LWO). If Licensee is subject to the LWO, as defined therein, Licensee shall be further required to maintain monthly records of those employees located on the Property. These records shall include the total number of hours worked, the number of hours spent providing service on the Property, the hourly rate paid, and the amount paid by Licensee for health benefits, if any, for each of its employees providing services under the License. The records described in this Section shall be made available upon the City's request. The failure to produce these records upon demand shall be considered grounds for termination of this License in accordance with section 2 of this License.
- c. If Licensee is subject to the LWO, Licensee shall include the requirements of the ordinance, as defined in B.M.C. Chapter 13.27, in any and all sublicense agreements in which Licensee enters with regard to the Property. Sublicensees shall be required to comply with this ordinance with regard to any employees who spend 25% or more of their compensated time on the Property.
- d. If Licensee fails to comply with the requirements of the LWO and this License, the City shall have the rights and remedies described in this Section, in addition to any rights and remedies provided by law or equity.

Licensee's failure to comply with this Section shall be considered grounds for termination of this License in accordance with section 2 of this License.

In addition, at City's sole discretion, Licensee may be responsible for liquidated damages in the amount of \$50 per employee per day for each and every instance of an underpayment to an employee. It is mutually understood and agreed that Licensee's failure to pay any of its eligible employees at least the applicable living

wage rate will result in damages being sustained by the City; that the nature and amount of the damages will be extremely difficult and impractical to fix; that the liquidated damages set forth herein is the nearest and most exact measure of damage for such breach that can be fixed at this time; and that the liquidated damage amount is not intended as a penalty of forfeiture for Licensee's breach.

24. BERKELEY EQUAL BENEFITS ORDINANCE

- a. Licensee hereby agrees to comply with the provisions of the Berkeley Equal Benefits Ordinance, B.M.C. Chapter 13.29. If Licensee generates \$350,000 or more in annual gross receipts, Licensee will be required to provide all eligible employees with City mandated equal benefits during the term of this License, as defined in B.M.C. Chapter 13.29, as well as comply with the terms enumerated herein.
- b. If Licensee is currently or becomes subject to the Berkeley Equal Benefits Ordinance, Licensee agrees to supply the City with any records the City deems necessary to determine compliance with this provision. Failure to do so shall be considered grounds for termination of this License in accordance with section 2 of this License.
- c. If Licensee fails to comply with the requirements of this Section, City shall have the rights and remedies described in this Section, in addition to any rights and remedies provided by law or equity.

Licensee's failure to comply with this Section shall constitute grounds for termination of this License in accordance with section 2 of this License.

In addition, at City's sole discretion, Licensee may be responsible for liquidated damages in the amount of \$50.00 per employee per day for each and every instance of violation of this Section. It is mutually understood and agreed that Licensee's failure to provide its employees with equal benefits will result in damages being sustained by City; that the nature and amount of these damages will be extremely difficult and impractical to fix; that the liquidated damages set forth herein is the nearest and most exact measure of damages for such breach that can be fixed at this time; and that the liquidated damage amount is not intended as a penalty or forfeiture for Licensee's breach.

25. CONFLICT OF INTEREST PROHIBITED

- a. In accordance with Government Code section 1090, Berkeley City Charter section 36, and the B.M.C. Chapter 3.64, neither Licensee nor any employee, officer, director, partner or member of Licensee, or immediate family member of any of the preceding, shall have served as an elected officer, an employee, or a City board, committee or commission member, who has directly or indirectly influenced the making of this License.

- b. In accordance with Government Code section 1090 and the Political Reform Act, Government Code section 87100 *et seq.*, no person who is a director, officer, partner, trustee, employee or consultant of the Licensee, or immediate family member of any of the preceding, shall make or participate in a decision made by the City or a City board, commission or committee, if it is reasonably foreseeable that the decision will have a material effect on any source of income, investment or interest in real property of that person or Licensee.
- c. Interpretation of this section shall be governed by the definitions and provisions used in the Political Reform Act, Government Code section 87100 *et seq.*, its implementing regulations, manuals and codes, Government Code section 1090, Berkeley City Charter section 36 and B.M.C. Chapter 3.64.

26. NUCLEAR FREE BERKELEY

Licensee agrees to comply with B.M.C. Chapter 12.90, the Nuclear Free Berkeley Act.

27. RECYCLED PAPER FOR WRITTEN REPORTS

If Licensee is required by this License to prepare a written report or study, Licensee shall use recycled paper for said report or study when such paper is available at a cost of not more than ten percent (10%) more than the cost of virgin paper, and when such paper is available at the time it is needed. For the purposes of this License, recycled paper is paper that contains at least fifty percent (50%) recycled product. If recycled paper is not available, Licensee shall use white paper. Written reports or studies prepared under this License shall be printed on both sides of the page whenever practical.

28. PESTICIDES: EFFECT ON SUCCESSORS AND ASSIGNS: RISK OF LOSS

- a. All use of pesticides on the premises shall be in compliance with the City of Berkeley's Pesticide Use Policy as it exists at the time of such use.
- b. This License shall be binding on and inure to the benefit of the heirs, executors, administrators, successors, and assigns of the parties hereto.
- c. Licensee bears all risk of loss under this License.

29. AUDIT

The City Auditor's Office, or its designee, may conduct at any time an audit of Licensee's financial and compliance records maintained in connection with the operations and services performed under this License, and with the payments made under this License. In the event of such audit, Licensee agrees to make all such financial and compliance records available to the Auditor's Office, or its

designee. City agrees to provide Licensee an opportunity to discuss and respond to any findings before a final audit report is filed.

30. SETOFF AGAINST DEBTS

Licensee agrees that City may deduct from any payments due to Licensee under this License any amounts due to the City, and any monies that Licensee owes City under any ordinance, agreement or resolution for any unpaid taxes, fees, licenses, unpaid checks or other amounts.

31. GOVERNING LAW; AMENDMENTS

- a. The laws of the State of California shall govern this License.
- b. The term of this License shall not be altered or otherwise modified except by a written amendment to this License executed by City and Licensee.

32. CITY BUSINESS LICENSE; PAYMENT OF TAXES. TAX I.D. NUMBER

- a. Licensee has obtained a City business license as required by B.M.C. Chapter 9.04, and its license number is written below; or, Licensee is exempt from the provisions of B.M.C. Chapter 9.04 and has written below the specific B.M.C. section under which it is exempt. Licensee shall pay all state and federal income taxes and any other taxes due. Licensee certifies under penalty of perjury that the taxpayer identification number written is correct.

33. SEVERABILITY; WAIVER

- a. If any part of this License or the application thereof is declared invalid for any reason, such invalidity shall not affect the other terms of this License which can be given effect without the invalid provision or application, and to this end the provisions of this License are declared to be severable.
- b. Failure of City to insist on strict performance shall not constitute a waiver of any of the provisions of this License or a waiver of any other default of Licensee.

34. ENTIRE AGREEMENT

- a. The terms and conditions of this License, all exhibits attached and any documents expressly incorporated by reference represent the entire agreement between the parties with respect to the subject matter of this License. This License shall supersede any and all prior agreements, oral or written, regarding the subject matter between City and Licensee. No other agreement, statement, or promise relating to the subject matter of this License shall be valid or binding except by a written amendment to this License.

- b. If any conflicts arise between the terms and conditions of this License and the terms and conditions of the attached exhibits or any documents expressly incorporated, the terms and conditions of this License shall control.

IN WITNESS WHEREOF, City and Licensee have executed this License as of the date written on the first paragraph of this License.

CITY OF BERKELEY

By: _____
CITY MANAGER

Registered by:

Approved as to form:

CITY AUDITOR

CITY ATTORNEY

Attest:

CITY CLERK

Dorothy Day House

By: _____
David Stegman, Executive Director

Tax Identification # _____

Berkeley Business License # _____

Incorporated: Yes No

Certified Woman Business Enterprise: Yes
No

Certified Minority Business Enterprise: Yes
No

If yes, state ethnicity: _____

Certified Disadvantaged Business Enterprise:
Yes No

EXHIBIT A

PROPERTY DESCRIPTION

Dorothy Day House's Shelter has use of all available shared floor space and rooms 007 (Laundry), 021, and 022 in the basement during the hours of 5 p.m. to 8 a.m. daily, and has exclusive use of the shelter bays (rooms 023 through 027, inclusive) and staff office space in rooms 004, 011 and 014 and 016 (attached), and 019. Office space 013 will be used for storage and agency meeting space with clients. The kitchen (rooms 029 and 030), and storage space room 018. (See plan below for details)

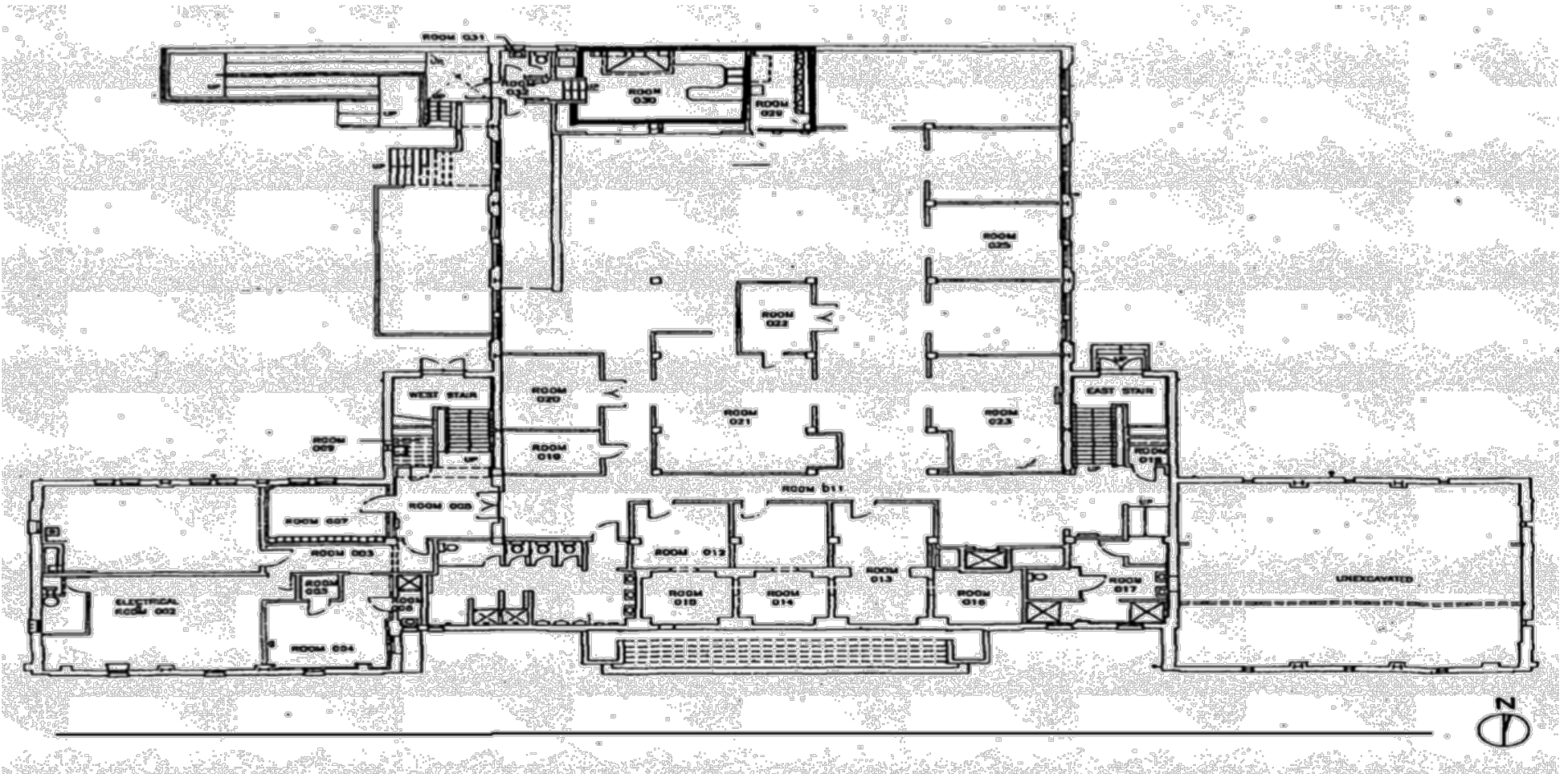


EXHIBIT B

PAYMENT

1. Payments shall be due and payable upon execution of the agreement and the check made payable to the "City of Berkeley." Payments shall be paid at Finance Department Customer Service Center at 1947 Center Street, 1st Floor, Berkeley, CA 94704
2. Failure to make full payments on time is grounds for termination of this License by the City.
3. The license fee shall be \$100.00 per year.



EXHIBIT C

SECURITY RULES FOR CITY BUILDINGS

Interior Rules/Signage

1. No member of the public may enter an interior area of a City building once a City employee advises that the area is closed to the public.
2. No member of the public may enter an interior area of a City building that is signed in any manner that suggests that the public should not enter, unless given permission to enter by a City employee. Such signs include, but are not limited to: "Reception Area- Please Check In," "Private," and "Employees Only"
3. A member of the public may remain in the lobby, hallways, waiting areas, or similar public areas inside a City building only as long as necessary to conduct City-related business or contact an employee. Members of the public may not wait in a City building for a City employee indefinitely, and may be asked to return at another time when the employee is expected to be in the office. When signage is not practical: use verbal warnings.
4. Bathrooms in City buildings shall not be used for bathing or washing clothes, unless the bathroom is equipped for such uses and the person is authorized to use the bathroom for such purposes. Acceptable Signage, But Only If The Problem Is Recurring: "No Bathing Allowed" or "No Bathing Or Washing Laundry Allowed"
5. In City buildings, no member of the public may:
 - a. Yell, threaten, or use profanity or rude, insulting language against City staff, e.g., calling the City staff member a "bastard" or an "idiot" in an attempt to intimidate the staff member into doing something that the staff member cannot do;
 - b. Disturb or annoy anyone with loud or unreasonable noise;
 - c. Insist that City staff provide a service, explanation or document that City staff has made clear cannot be provided at that time;
 - d. Insist on meeting with a City staff member or supervisor after being told that the person is either not available or will not meet with the person;
 - e. Conduct oneself in a manner that obstructs or intimidates City staff or patrons;
 - f. Block City entrances, ramps, or exits;
 - g. Enter a City building with animals other than service animals authorized by law;
 - h. Ride bikes, skates, scooters, Segways, skateboards, and other devices designed to enhance mobility but not intended for indoor use;

- i. Smoke, eat, or drink, except where expressly permitted;
- j. Lie on the floor or sleep; or
- k. Exude extremely offensive odors

Exterior Rules/Signage

1. No member of the public may remain on the exterior steps or exterior grounds¹ of City buildings, unless the person is there to conduct City-related business or contact an employee.

Acceptable Signage: "No Sitting On Steps - BMC 13.36.065" and/or "Building Steps And Grounds For City Business Only-BMC 13.36.065."² (See following text of BMC 13.36)

¹ "Exterior grounds" means the area between the outer building facade and the property line. Exterior grounds can include an off-street parking lot. However, a public sidewalk is not part of the exterior grounds. (BMC § 13.36.065.(8) Also, if the City only leases a portion of a building, this rule still applies

Chapter 13.36 DISORDERLY CONDUCT*

Section 13.36.065 Violating building security rules for City buildings.

- A. Purpose. The purpose of this section is to enable the City Manager to establish building security rules for buildings that the City of Berkeley owns or leases for City government business or services. The City Manager's building security rules will be designed to maintain the safety of City employees and patrons, facilitate the City's ability to do government business and provide services, and prevent damage to City facilities. The City Manager's building security rules may apply to all City buildings, as defined in this section, or only to specific City buildings, depending on the security needs at each site.
- B. Definitions. "City building" as used in this section means any building that the City of Berkeley owns or leases for the purpose of conducting City government business or providing City services. If only a part of the interior of a building is leased by the City for City government business or services, then "City building" shall apply to only that part of the interior of the building. In addition, if only a part of the interior of a building is leased by the City for City government business or services, then "City building" shall also include the entire exterior curtilage of the building, unless the building owner or occupant authorizes the conduct prohibited by this section on the exterior curtilage.

"Curtilage" as used in this section means the exterior grounds of a building. "Curtilage" shall include the steps and grounds that lie between the outer facade of the building and either (1) the public sidewalk, (2) a formally dedicated public park, or (3) the adjacent private property. Curtilage does not include the public

sidewalk or a formally dedicated public park, but rather, ends there.

- C. Prohibited Conduct. No person shall violate the City Manager's building security rules governing any City building. The City Manager's building security rules shall promote safety for City employees and patrons, facilitate the City's ability to provide services, and/or help prevent damage to City facilities. The City Manager's building security rules shall include but need not be limited to, prohibiting persons from:
- 1) Entering designated areas that are not open to the general public inside of City buildings without permission from a City employee or agent, and
 - 2) Remaining inside of or on the curtilage of a City building without a purpose related to conducting business, accessing services, or contacting an occupant on the premises.
- D. Citation. No person shall be arrested or cited under this section unless the person engages in conduct prohibited by this section after having been notified by a City official that he or she is in violation of the prohibition in this section.
- E. Penalty. Notwithstanding the provisions of Section 13.36.100, violation of this section shall be either an infraction or a misdemeanor, in the discretion of the prosecutor, and upon conviction shall be punishable as set forth in Chapter 1.20 of this code. (Ord. 6486-NS § 1, 1999)

SETTING UP A RECYCLING PROGRAM

A. Recycling and Composting Guidelines

1. All occupants in City-owned facilities must participate in recycling services provided by the City or provide an acceptable alternative for approval of City's Recycling Supervisor.
 - a. Assign someone to be in charge of your recycling program, and communicate needs and questions to the City's Solid Waste Management Division..
 - b. Recycle corrugated cardboard, office papers and beverage containers (glass bottles, plastic bottles and cans).
 - c. Place collection containers at convenient locations for licensee and employees including at desk sides and copy rooms, and containers for bottles/cans. See Section B below.
 - d. d.
 - e. Educate employees about recycling procedures.
 - f. Cooperate fully to make recyclables available for collection.
 - g. Recycle batteries and office equipment (contact City's Solid Waste Management Division for information about vendors).
2. Cafeterias and commercial kitchens may participate in the City's organics recycling program, with approval of refuse supervisor. The City will provide containers and training.
3. Licensee shall recycle construction waste from any licensee improvements.
4. The City shall provide the following services at standard rates:
 - a. Curbside collection service (cart) or on site for bins.
 - b. Containers for desk side, copy room and storage.
 - c. Assistance designing your recycling program.
 - d. Training and instructive posters.
5. Standard Rates:
 - a. There is no charge for recycling services for bottles/cans, papers and cardboard.
 - b. Organics collection is charged at 80% of equivalent refuse service.

B. Recycling happens in four phases:

1. Convenient separation where it's first generated:

- a. Container next to each desk to hold office paper and trash.
 - b. Container by each copy machine. This container should be at least 13 gallons and can double as the central container for the office.
 - c. Container for bottles/cans in the break room.
2. Move small amounts to a central collection container:
 - a. Employees usually empty their desk side containers into a larger central container. Often this doubles as the copy-room container.
 - b. Employees put their bottles/cans into a container in the break room.
 3. Licensee is responsible to transfer the paper to the licensee's storage location, and setting storage containers by the curbside by 7:00 a.m. on collection day and bringing them back to the storage area as soon as possible after they are emptied.
 4. The City will pick up recycling materials on the regular collection day.



Office of the City Manager

MEMORANDUM

January 11, 2001

TO: All Staff

FROM: Weldon Rucker, Acting City Manager

RE: MUNICIPAL ELECTRIC LOAD CURTAILMENT

As you are aware, California's electric system is in a fragile condition. In order to prevent rolling blackouts, the City shall curtail municipal electric loads as described below. Since this problem is likely to persist, these procedures shall remain in effect until further notice.

The California Independent System Operator (ISO) issues alerts when power supply margins are too low. A Stage II emergency seeks voluntary load curtailment. A Stage III Emergency orders utilities to institute rolling black outs.

At all times, regardless of the ISO Emergency status, the procedures below shall be followed.

- 1) Site Safety Coordinators shall:
 - a) ensure that non-essential equipment including copiers, printers, computers, lights, space heaters, air conditioners, fans and air compressors are turned off at the end of the day;
 - b) ensure that Energy Saver features are enabled on all office equipment (copiers, printers, PCs, faxes);
 - c) minimize use of incandescent lighting (call the Energy Office to replace incandescent desk lamps with fluorescents); and,
 - d) be familiar with Stage II procedures.
- 2) No new incandescent (including halogen and quartz) floor or desk lamps may be purchased.
- 3) Information Systems shall set Energy Star features on all new installs and service calls.
- 4) Public Works Facilities Management shall review and connect settings on all setback thermostats (Operating hours: heat= 68 degrees; cooling= 74 degrees. Non-operating hours: heat= 55 degrees; cooling 90 = degrees).
- 5) Parks and Waterfront and Health and Human Services shall prepare a plan to notify ball field users of closures.

During Stage II Emergencies, the procedures below shall be followed:

- 1) Public Works and the Communications Center shall notify each other and Information Systems of the Stage II notice.
- 2) Information Systems shall send an email to Everyone (that includes excerpts from this document).
- 3) Site Safety Coordinators shall:
 - a) Disconnect electric vehicles from chargers;
 - b) Ensure all procedures above are implemented;
 - c) Turn off all non-essential air compressors;
 - d) Turn off all space heaters, window box air conditioners and fans;
 - e) Turn off all unused office equipment;
 - f) Turn off all unnecessary overhead lighting;
 - g) Reset thermostats to 78 degrees for cooling and to turn off ventilation equipment when heating/cooling element is not on.
- 4) Health and Human Services and Parks and Waterfront shall notify ball field users of the emergency and shall turn off ball field lighting.
- 5) Parks and Waterfront shall turn off ball court lighting.

ORDINANCE NO. -N.S.

AUTHORIZING THE CITY MANAGER OR HER DESIGNEE TO EXECUTE A LICENSE AGREEMENT AND ANY NECESSARY AMENDMENTS WITH DOROTHY DAY HOUSE FOR REAL PROPERTY LOCATED AT 2134 MARTIN LUTHER KING JR. WAY

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. The City Council finds as follows:

- a. In June 2018 as part of the biennial budget process, City Council allocated \$30,101 for fiscal year 2019 to Dorothy Day House to operate the Berkeley Emergency Storm Shelter (BESS) on cold and rainy nights only for up to 40 people for 45 nights; and
- b. At its November 27, 2018 City Council meeting Council authorized the repurpose of the Old City Hall building for a temporary Emergency Storm Shelter; and
- c. Dorothy Day House has agreed to operate Berkeley Emergency Storm Shelter (BESS), on a continuous basis through April 15, 2019; and
- d. Dorothy Day House has an existing contract (Contract No. 115103-1) with the City of Berkeley and has been providing these services continually since November 16, 2018; and

Section 2. The City Manager or her designee is hereby authorized to enter into a license agreement and necessary amendments starting November 30, 2018 with Dorothy Day House for real property located at 2134 Martin Luther King Jr. Way, which property is more specifically described in the property description attached to the proposed License Agreement as Exhibit A.

Section 3. Copies of this Ordinance shall be posted for two days prior to adoption in the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way. Within 15 days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library and the title shall be published in a newspaper of general circulation.

LICENSE AGREEMENT

This AGREEMENT is entered into on November 1, 2018 by and between the CITY OF BERKELEY, a Charter City organized and existing under the laws of the State of California ("City") and DOROTHY DAY HOUSE ("Licensee"), a non-profit corporation under the laws of the State of California, who agree as follows doing business at P.O. Box 12701, Berkeley, CA 94712 who agrees as follows:

1. LICENSE

a. Subject to all the terms and conditions herein, City hereby grants Licensee use of that portion of the City's property at **2134 Martin Luther King Jr. Way** in Berkeley, County of Alameda, State of California ("the Property") shown on Exhibit A (hereinafter "the Premises"), attached hereto and made a part hereof. This License is not a lease; Licensee does not by this License obtain an exclusive right, against the City or the public, to any part of the Property.

b. This License is granted for the purpose of providing Berkeley Emergency Storm Shelter services to single individuals aged 18 or older in Berkeley on nights when inclement weather is forecast.

2. TERM

This License shall take effect once executed by Licensee and approved by the Berkeley City Council (the "effective date"). It shall remain in effect on a month - to - month basis, starting with the effective date, subject to the following:

Either party may terminate this License for any reason with thirty (30) days' prior written notice to the other party. Either party may terminate this License for default upon fifteen (15) days' written notice to the other party if the other party has substantially failed to fulfill any of its obligations under this License in a timely manner.

3. LICENSE FEE

In consideration of the rights conveyed by this License, Licensee shall pay to City \$100.00 (ONE HUNDRED DOLLARS) per year which shall be due and payable upon execution of this agreement, as specified in Exhibit B.

4. NOTICES

A written notice shall be deemed served upon mailing said notice to the other party and depositing the same with the U.S. Post Office, first class mail, with postage paid.

For purposes of this License, all notices to the City shall be addressed to:

Real Property Division
Public Works Department
1947 Center Street, 4th Flr.
Berkeley, CA 94704

For purposes of this License, all notices to Licensee shall be addressed to:

David Stegman Executive Director
Dorothy Day House
P.O. Box 12701
Berkeley, CA 94712

5. GENERAL OCCUPANCY RULES AND REGULATIONS

a. City may waive any one or more of the occupancy rules or regulations contained in this agreement for the benefit of any particular licensee or licensees, but no waiver by City shall be construed as a waiver of those rules and regulations in favor of any other licensee, nor prevent City from enforcing any of those rules and regulations against any or all of the licensees of 1931 Center Street. Any waiver of rules and regulations by City shall be in writing.

b. City reserves right at any time to change or rescind any one or more of the rules and regulations or to make additional reasonable rules and regulations that, in City's judgment, may be necessary for:

1. Management, safety, care and cleanliness of the premises, building and real property; and
11. Preservation of good order; and
111. Convenience of other occupants and licensees in the premises, building and real property.

6. PARKING

The Licensee will not have any to parking at this site.

7. HEALTH, SAFETY AND ACCESSIBILITY (Applicable to licensees described below)

Dorothy Day House (DDH) shall make all reasonable efforts to comply with the Alameda County-Wide Homeless Continuum of Care Health, Safety and Accessibility Standards for Shelter Facilities in Alameda County.

8. MAINTENANCE AND ALTERATIONS

Licensee shall maintain the Premises used pursuant to this License in good order and repair and reasonably free and clean of all debris, trash and rubble. Upon termination of this License, Licensee shall, at its own cost, remove any equipment or materials installed by Licensee and shall surrender the Premises to City in the same condition as at the commencement of this License with the exception of regular wear and tear. Licensee shall reimburse the City for any expenses incurred by the City for any damage to the Premises resulting solely from Licensee's use of the Premises;

a. Licensee shall not construct or place any facilities on the Premises or the Property, or install any equipment on the Premises or the Property, or make any alterations or improvements to the Premises or the Property, without the City's prior written consent.

- b. The City shall provide janitorial services in the women's and men's restrooms and all the common areas.
- c. The City shall be responsible for the payment of water, gas, electricity, trash collection/maintenance, water and sewer utilities and other services delivered to the premises. Licensee shall pay the City a fee as provided in Section 3 above. Licensee shall be directly responsible for paying fees for other services, such as internet and phone.
- d. No sign, placard, picture, name advertisement, or notice visible from the exterior of the premises will be inscribed, painted, affixed or otherwise displayed by Licensee on any part of 1931 Center without the prior written consent of the City. Material visible outside the building will not be permitted.
- e. Licensee acknowledges that the City does not currently have and is not likely to have in the future sufficient funding to improve, retrofit, refurbish or maintain the Property and Licensee agrees to accept the Premises in their "as is" condition.
- f. Licensee shall assume all responsibility for protecting the premises from theft, robbery, pilferage, vandalism, damage or waste, including keeping doors locked and other means of entry to the premises closed and turning off all water faucets, water apparatus, and utilities.
- g. Licensee shall conduct business in a manner that will not cause damage to the building or property including but not limited to (i.e., not overloading the circuits, inappropriate use of extension cords, exceeding maximum weight onstage and any other floor area, etc.)

9. SECURITY

- a. Pursuant to BMC Section 13.36.065, Licensee shall comply with security rules for City buildings. The City Manager's building security rules are designed to maintain the safety of City employees and patrons, facilitate the City's ability to do government business and provide services, and prevent damage to City facilities. (**See Attachment 1.**)
- b. Access keys to the building and to Licensee's space shall be provided by Public Works Maintenance only and no keys shall be duplicated without consent of the City of Berkeley Public Works Maintenance Division. Licensee may not change any locks. The City must have access to all space in the building in the event of an emergency.

Dorothy Day House will be responsible for responding appropriately when unsafe behavior by clients on the premises threatens the safety of the building or the general public. DDH will monitor the area nightly at 7 p.m.

Shelter Schedule:

7 p.m. – 8 a.m. when it meets the weather requirements

- c. Front Steps: Dorothy Day House staff will be responsible for front steps at night from the inside of the building.

10. **MAINTENANCE**

Dorothy Day House will maintain the men and women's bathrooms and the hallway and office space on nights when the shelter is operating. The following morning it will clean and restock the restrooms, clean and mop the sleeping areas and clean and stack the mats.

Public Works will perform and/or delegate to third party to perform the following maintenance:

- Pest control
- Janitorial services
- Deep cleaning
- Alarm system
- HVAC system
- Mechanical and electrical maintenance
- Any other preventive maintenance services

11. **USE OF SHARED SPACE**

a. Dorothy Day House will operate the shelter on nights when inclement weather forecast. It will maintain the sleeping area in a way that Berkeley Community Media staff and visitors can continue to access its office space on the main floor.

12. **NOSMOKING**

a. Pursuant to Berkeley Municipal Code (BMC) ch. 12.70, no smoking is allowed in public places. This prohibition includes, but is not limited to within 20 feet of any entrance, exit or air intake vent to 1931 Center Street, except while passing on the way to another destination.

b. No smoking is permitted in the parking lot or courtyard at 1931 Center Street.

13. **ENVIRONMENTAL**

a. Licensee shall follow all environmental rules and regulations as they apply to City agencies. Specifically, Licensee shall minimize waste and recycle and compost, as per Recycling and Composting Guidelines for City Buildings. Guidelines for creating a recycling program are attached as Attachment 2. Licensee must participate in a recycling service provided by the City or provide an acceptable alternative with the approval of the City's Recycling Supervisor. To that end, Licensee shall:

Assign someone to be in charge of its recycling programs, and to communicate needs and questions to the City's Solid Waste Management Division.

- i. Recycle corrugated cardboard, office papers and beverage containers (glass

- bottles, plastic bottles, and cans)
- ii. Place collection containers for paper at desk sides and copy rooms, and break rooms. (See Attachment 2 for details.)
- ii. Provide a location for custodians to pick up flattened empty cardboard boxes. A central paper container is acceptable.
- iv. Educate employees and new employees about recycling procedures.
- v. Cooperate with the custodial service to make recyclables available for collection.
- vi. Recycle batteries and office equipment (contact the City's Solid Waste Management Division for information about vendors).
- vii. Cafeterias and commercial kitchens may participate in the City's organics recycling program, with the approval of the City's Solid Waste Supervisor. City provides containers and training.
- viii. Licensee shall recycle construction waste from tenant improvements.
- ix. Licensee shall conserve energy as specified in the City Manager's January 11, 2001 memorandum as shown in Attachment 3.

14. ACCESS TO PROPERTY; TAXES, ASSESSMENTS, AND OTHER CHARGES

a. City, including its agents and employees, reserves the right to enter the Property and make any improvements thereon at reasonable times and with reasonable notice, provided such entry does not cause unreasonable interference with Licensee's activities.

b. Licensee shall pay all personal property taxes levied on account of personal property owned by Licensee on the Property, and pay any in-lieu, possessory interest, or use taxes imposed by reason of Licensee's use or occupancy of the Property.

15. ASSIGNMENT AND SUBLICENSING PROHIBITED

This License is personal to Licensee. Notwithstanding references to assignees and/or sublicensees elsewhere in this License, if any, Licensee may not assign or sublicense this License in whole or in part without the prior written consent of the City, and any attempt to assign or any attempt to assign or sublicense this License shall terminate it.

16. INDEMNIFICATION

a. To the fullest extent permitted by law, Licensee shall (1) immediately defend and (2) indemnify Landlord, and its directors, officers, and employees from and against all liabilities regardless of nature, type, or cause, arising out of or resulting from or in connection with the License. Liabilities subject to the duties to defend and indemnify include, without limitation, all claims, losses, damages, penalties, fines, and judgments; associated investigation and administrative expenses; defense costs, including but not limited to reasonable attorneys' fees; court costs; and costs of alternative dispute resolution. The Licensee's obligation to indemnify applies regardless of whether a liability is a result of the negligence of any other person, unless it is adjudicated that the liability is caused by the sole active negligence or sole willful misconduct of an indemnified party.

b. The duty to defend is a separate and distinct obligation from the Licensee's duty to indemnify. The Licensee shall be obligated to defend, in all legal, equitable, administrative,

or special proceedings, with counsel approved by the Landlord, the Landlord and its directors, officers, and employees, immediately upon submittal to the Licensee of the claim in any form or at any stage of an action or proceeding, whether or not liability is established. A determination of comparative active negligence or willful misconduct by an indemnified party does not relieve the Licensee from its separate and distinct obligation to defend Landlord. The obligation to defend extends through final judgment, including exhaustion of any appeals. The defense obligation includes an obligation to provide independent defense counsel if Licensee asserts that liability is caused in whole or in part by the negligence or willful misconduct of the indemnified party. If it is finally adjudicated that liability was caused by the sole active negligence or sole willful misconduct of an indemnified party, Licensee may submit a claim to the Landlord for reimbursement of reasonable attorneys' fees and defense costs.

c. The review, acceptance or approval of any of Licensee's work or work product by any indemnified party shall not affect, relieve or reduce the Licensee's indemnification or defense obligations. This Section survives the termination of this License. The provisions of this Section are not limited by and do not affect the provisions of this License relating to insurance.

d. Liabilities subject to this Section include any claim of discrimination or harassment, including but not limited to sexual harassment, arising from the conduct of the Licensee or any of the Licensee's officers, employees, agents, licensees, or subcontractors. In the event of a discrimination or harassment complaint against any employee, agent, licensee or subcontractor of the Licensee or its subcontractors, the Licensee shall take immediate and appropriate action in response to such complaint, including, but not limited to termination or appropriate discipline of any responsible employee, agent, licensee or subcontractor.

e. Neither Licensee nor its assignees, heirs, guardians, and legal representatives shall make a claim against or sue City or its employees, agents or contractors for injury or damage resulting from the negligence, whether active or passive, or other acts, however caused, by any employee, agent, or contractor of the City as a result of Licensee's presence on the Property. Licensee hereby acknowledges that the Property specifically and 1931 Center Street generally requires certain structural or code upgrades and accepts the conditions of the premises "as is."

f. LICENSEE ACKNOWLEDGES THAT 1931 CENTER STREET HAS BEEN DEEMED TO BE UNSAFE AND SUBJECT TO SEVERE DAMAGE DURING ANY MAJOR EARTHQUAKE. LICENSEE OCCUPIES THE BUILDING AT ITS OWN RISK. LICENSEE HEREBY RELEASES AND DISCHARGES THE CITY OF BERKELEY AND ITS EMPLOYEES, AGENTS, AND CONTRACTORS, FROM ALL ACTIONS, CLAIMS OR DEMANDS THAT LICENSEE, ITS HEIRS, GUARDIANS, AND LEGAL REPRESENTATIVES NOW HAVE OR MAY HAVE IN THE FUTURE FOR INJURY RESULTING FROM AN EARTHQUAKE.

17. **INSURANCE**

a. Licensee at its cost shall maintain commercial general liability and property damage insurance with a single combined liability limit of **\$2,000,000.00** and property damage limits of not less than **\$1,00,000.00** per occurrence insuring against all liability of

Licensee and its authorized representatives arising out of and in connection with Licensee's use or occupancy of the Property. All such insurance shall insure performance by Licensee of the preceding indemnity provisions. All insurance shall name the City of Berkeley, its officers, agents, volunteers and employees as additional insureds and shall provide primary coverage with respect to the City.

b. If the insurance referred to above is written on a Claims Made Form, then following termination of this License, coverage shall survive for a period of not less than five years. Coverage shall also provide for a retroactive date of placement coinciding with the effective date of this License.

c. Licensee at its cost shall maintain on all its personal property, Licensee's improvements, and alterations, in, on, or about the Premises, a policy of standard fire and extended coverage insurance, with vandalism and malicious mischief endorsements. This coverage shall be considered primary, and the proceeds from any such policy shall be used by Licensee for the replacement of personal property or the restoration of Licensee's improvements or alterations.

d. If Licensee employs any person, it shall carry workers' compensation and employer's liability insurance and shall provide a certificate of insurance to the City. The workers' compensation insurance shall: provide that the insurance carrier shall not cancel, terminate, or otherwise modify the terms and conditions of said insurance except upon thirty (30) days prior written notice to the City; provide for a waiver of any right of subrogation against City to the extent permitted by law; and be approved as to form and sufficiency by the City's Risk Manager.

e. Licensee shall forward all insurance documents to
Real Property Administrator
Public Works Department
1947 Center Street, 4th Flr.
Berkeley, CA 94704

18. CONFORMITY WITH LAW

a. Licensee shall observe and comply with all applicable laws. Licensee shall release, defend, indemnify and hold harmless City, its officers, agents, volunteers and employees from any and all damages, liability, fines, penalties and consequences from any noncompliance or violation of any laws, ordinances, codes or regulations.

b. If a death, serious personal injury or substantial property damage occurs in connection with the performance of this License, Licensee shall immediately notify the City's Risk Manager by telephone. If any accident occurs in connection with this License, Licensee shall promptly submit a written report to City, in such form as the City may require. This report shall include the following information: 1) name and address of the injured or deceased person(s); 2) name and address of Licensee's sub licensee, if any; 3) name and address of Licensee's liability insurance carrier; and 4) a detailed description of the accident, including whether any of City's equipment, tools or materials were involved.

c. If a release of hazardous materials or hazardous waste occurs in connection with the performance of this License, Licensee shall immediately notify the Berkeley Police Department and the City's Emergency and Toxics Management office.

d. Licensee shall not store hazardous materials or hazardous waste within the City of Berkeley without a proper permit from the City.

19. INDEPENDENT CAPACITY

For purposes of this License, and for the duration of this License, Licensee, including its agents and employees, shall be, and is, an independent contractor and not an agent or employee of the City. Licensee has and shall retain the right to exercise full control and supervision of the services, and full control over the employment, direction, compensation and discharge of all persons assisting Licensee in the performance of this License. Licensee shall be solely responsible for all matters relating to the payment of its employees, including compliance with Social Security, withholding, and all other regulations governing such matters, and shall be solely responsible for its O"fl acts and those of its agents and employees.

20. CITY NON-DISCRIMINATION ORDINANCE

Licensee hereby agrees to comply with the provisions of Berkeley Municipal Code ("BMC") Chapter 13.26 as amended from time to time. In the performance of this License, Licensee agrees as follows:

a. Licensee shall not discriminate against any employee or applicant for employment because of race, color, religion, ancestry, national origin; age (over 40), sex, pregnancy, marital status, disability, sexual orientation or AIDS.

b. Licensee shall permit the City access to records of employment, employment advertisements, application forms, EE0-1 forms, affirmative action plans and any other documents which, in the opinion of the City, are necessary to monitor compliance with this non- discrimination provision. In addition, Licensee shall fill out, in a timely fashion, forms supplied by the City to monitor this non-discrimination provision.

21. NON-DISCRIMINATION AGAINST PERSONS WITH DISABILITIES

a. If Licensee provides any aid, service or benefit to others on the City's behalf, Licensee shall, in the provision of such aid, service or benefit, observe and comply with all applicable provisions of Title II of the Americans with Disabilities Act of 1990 and any amendments thereto. Licensee shall further observe and comply with all applicable federal, state, municipal and local laws, ordinances, codes and regulations prohibiting discrimination against individuals with disabilities and shall ensure that individuals with disabilities are not excluded from participating in or receiving benefits, services or activities of the City.

b. If Licensee is or becomes a "public accommodation" as defined in Title III of the Americans with Disabilities Act of 1990, Licensee shall observe and comply with all applicable provisions of the Act and any amendments thereto, and all applicable federal, state, municipal and local laws, ordinances, codes and regulations prohibiting

discrimination on the basis of disability in the full and equal enjoyment of goods, services, facilities, privileges, advantages, or accommodations offered by the Licensee. All of Licensee's activities must be in accordance with these laws, ordinances, codes, and regulations, and Licensee shall be solely responsible for complying therewith.

22. OPPRESSIVE STATES

a. In accordance with Resolution No. 59,853-N.S., Licensee certifies that it has no contractual relations with, and agrees during the term of this License to forego contractual relations to provide personal services to or to purchase, sell, lease or distribute commodities in the conduct of business with, the following entities:

1. The governing regime in any Oppressive State.
11. Any business or corporation organized under the authority of the governing regime of any Oppressive State.
111. Any individual, firm, partnership, corporation, association, or any other commercial organization, and including parent-entities and wholly-owned subsidiaries (to the extent that their operations are related to the purpose of its contract with the City), for the express purpose of assisting in business operations or trading with any public or private entity located in any Oppressive State.

b. For purposes of this License, the Tibet Autonomous Region and the provinces of ADO, Kham, and U-Tsang shall be deemed oppressive states.

c. Licensee's failure to comply with this section shall constitute a default of this License and City may terminate this License pursuant to Section 2. In the event that the City terminates this License due to a default under this provision, City may deem Licensee a non-responsible bidder for five (5) years from the date of termination.

23. LIVING WAGE ORDINANCE

a. Licensee agrees to comply with Berkeley Municipal Code Chapter 13.27, the Berkeley Living Wage Ordinance. If Licensee employs six (6) or more part-time or full-time employees, and generates \$350,000 or more in annual gross receipts, Licensee will be required to provide all eligible employees with City mandated minimum compensation during the term of this License, as defined in B.M.C. Chapter 13.27, and well as comply with the terms enumerated herein.

b. Licensee shall be required to maintain all reasonable records and documents that would establish whether Licensee is subject to Berkeley's Living Wage Ordinance (LWO). If Licensee is subject to the LWO, as defined therein, Licensee shall be further required to maintain monthly records of those employees located on the Property. These records shall include the total number of hours worked, the number of hours spent providing service on the Property, the hourly rate paid, and the amount paid by Licensee for health benefits, if any, for each of its employees providing services under the License. The records described in this Section shall be made available upon the City's request. The failure to produce these records upon demand shall be considered grounds for termination of this License in accordance with section 2 of this License.

c. If Licensee is subject to the LWO, Licensee shall include the requirements of the ordinance, as defined in B.M.C. Chapter 13.27, in any and all sublicense agreements in

which Licensee enters with regard to the Property. Sublicensees shall be required to comply with this ordinance with regard to any employees who spend 25% or more of their compensated time on the Property.

d. If Licensee fails to comply with the requirements of the LWO and this License, the City shall have the rights and remedies described in this Section, in addition to any rights and remedies provided by law or equity.

Licensee's failure to comply with this Section shall be considered grounds for termination of this License in accordance with section 2 of this License.

In addition, at City's sole discretion, Licensee may be responsible for liquidated damages in the amount of \$50 per employee per day for each and every instance of an underpayment to an employee. It is mutually understood and agreed that Licensee's failure to pay any of its eligible employees at least the applicable living wage rate will result in damages being sustained by the City; that the nature and amount of the damages will be extremely difficult and impractical to fix; that the liquidated damages set forth herein is the nearest and most exact measure of damage for such breach that can be fixed at this time; and that the liquidated damage amount is not intended as a penalty of forfeiture for Licensee's breach.

24. BERKELEY EQUAL BENEFITS ORDINANCE

a. Licensee hereby agrees to comply with the provisions of the Berkeley Equal Benefits Ordinance, B.M.C. Chapter 13.29. If Licensee generates \$350,000 or more in annual gross receipts, Licensee will be required to provide all eligible employees with City mandated equal benefits during the term of this License, as defined in B.M.C. Chapter 13.29, as well as comply with the terms enumerated herein.

b. If Licensee is currently or becomes subject to the Berkeley Equal Benefits Ordinance, Licensee agrees to supply the City with any records the City deems necessary to determine compliance with this provision. Failure to do so shall be considered grounds for termination of this License in accordance with section 2 of this License.

c. If Licensee fails to comply with the requirements of this Section, City shall have the rights and remedies described in this Section, in addition to any rights and remedies provided by law or equity.

Licensee's failure to comply with this Section shall constitute grounds for termination of this License in accordance with section 2 of this License.

In addition, at City's sole discretion, Licensee may be responsible for liquidated damages in the amount of \$50.00 per employee per day for each and every instance of violation of this Section. It is mutually understood and agreed that Licensee's failure to provide its employees with equal benefits will result in damages being sustained by City; that the nature and amount of these damages will be extremely difficult and impractical to fix; that the liquidated damages set forth herein is the nearest and most exact measure of damages for such breach that can be fixed at this time; and that the liquidated damage amount is not intended as a penalty or forfeiture for Licensee's breach.

25. CONFLICT OF INTEREST PROHIBITED

a. In accordance with Government Code section 1090, Berkeley City Charter section 36, and the B.M.C. Chapter 3.64, neither Licensee nor any employee, officer, director, partner or member of Licensee, or immediate family member of any of the preceding, shall have served as an elected officer, an employee, or a City board, committee or commission member, who has directly or indirectly influenced the making of this License.

b. In accordance with Government Code section 1090 and the Political Reform Act, Government Code section 87100 *et seq.*, no person who is a director, officer, partner, trustee, employee or consultant of the Licensee, or immediate family member of any of the preceding, shall make or participate in a decision made by the City or a City board, commission or committee, if it is reasonably foreseeable that the decision will have a material effect on any source of income, investment or interest in real property of that person or Licensee.

c. Interpretation of this section shall be governed by the definitions and provisions used in the Political Reform Act, Government Code section 87100 *et seq.*, its implementing regulations, manuals and codes, Government Code section 1090, Berkeley City Charter section 36 and B.M.C. Chapter 3.64.

26. NUCLEAR FREE BERKELEY

Licensee agrees to comply with B.M.C. Chapter 12.90, the Nuclear Free Berkeley Act.

27. RECYCLED PAPER FOR WRITTEN REPORTS

If Licensee is required by this License to prepare a written report or study, Licensee shall use recycled paper for said report or study when such paper is available at a cost of not more than ten percent (10%) more than the cost of virgin paper, and when such paper is available at the time it is needed. For the purposes of this License, recycled paper is paper that contains at least fifty percent (50%) recycled product. If recycled paper is not available, Licensee shall use white paper. Written reports or studies prepared under this License shall be printed on both sides of the page whenever practical.

28. PESTICIDES: EFFECT ON SUCCESSORS AND ASSIGNS: RISK OF LOSS

a. All use of pesticides on the premises shall be in compliance with the City of Berkeley's Pesticide Use Policy as it exists at the time of such use.

b. This License shall be binding on and inure to the benefit of the heirs, executors, administrators, successors, and assigns of the parties hereto.

c. Licensee bears all risk of loss under this License.

29. AUDIT

The City Auditor's Office, or its designee, may conduct at any time an audit of Licensee's

financial and compliance records maintained in connection with the operations and services performed under this License, and with the payments made under this License. In the event of such audit, Licensee agrees to make all such financial and compliance records available to the Auditor's Office, or its designee. City agrees to provide Licensee an opportunity to discuss and respond to any findings before a final audit report is filed.

30. SETOFF AGAINST DEBTS

Licensee agrees that City may deduct from any payments due to Licensee under this License any amounts due to the City, and any monies that Licensee owes City under any ordinance, agreement or resolution for any unpaid taxes, fees, licenses, unpaid checks or other amounts.

31. GOVERNING LAW; AMENDMENTS

- a. The laws of the State of California shall govern this License.
- b. The term of this License shall not be altered or otherwise modified except by a written amendment to this License executed by City and Licensee.

32. CITY BUSINESS LICENSE; PAYMENT OF TAXES. TAX I.D. NUMBER

- a. Licensee has obtained a City business license as required by B.M.C. Chapter 9.04, and its license number is written below; or, Licensee is exempt from the provisions of B.M.C. Chapter 9.04 and has written below the specific B.M.C. section under which it is exempt. Licensee shall pay all state and federal income taxes and any other taxes due. Licensee certifies under penalty of perjury that the taxpayer identification number written is correct.

33. SEVERABILITY; WAIVER

- a. If any part of this License or the application thereof is declared invalid for any reason, such invalidity shall not affect the other terms of this License which can be given effect without the invalid provision or application, and to this end the provisions of this License are declared to be severable.
- b. Failure of City to insist on strict performance shall not constitute a waiver of any of the provisions of this License or a waiver of any other default of Licensee.

34. ENTIRE AGREEMENT

- a. The terms and conditions of this License, all exhibits attached and any documents expressly incorporated by reference represent the entire agreement between the parties with respect to the subject matter of this License. This License shall supersede any and all prior agreements, oral or written, regarding the subject matter between City and Licensee. No other agreement, statement, or promise relating to the subject matter of this License shall be valid or binding except by a written amendment to this License.

b. If any conflicts arise between the terms and conditions of this License and the terms and conditions of the attached exhibits or any documents expressly incorporated, the terms and conditions of this License shall control.

IN WITNESS WHEREOF, City and Licensee have executed this License as of the date written on the first paragraph of this License.

CITY OF BERKELEY

By: _____
CITY MANAGER

Registered by:

Approved as to form:

CITY AUDITOR

CITY ATTORNEY

Attest:

CITY CLERK

Dorothy Day House

By: _____
David Stegman, Executive Director

Tax Identification # _____

Berkeley Business License # _____

Incorporated: Yes No

Certified Woman Business Enterprise: Yes No

Certified Minority Business Enterprise: Yes No

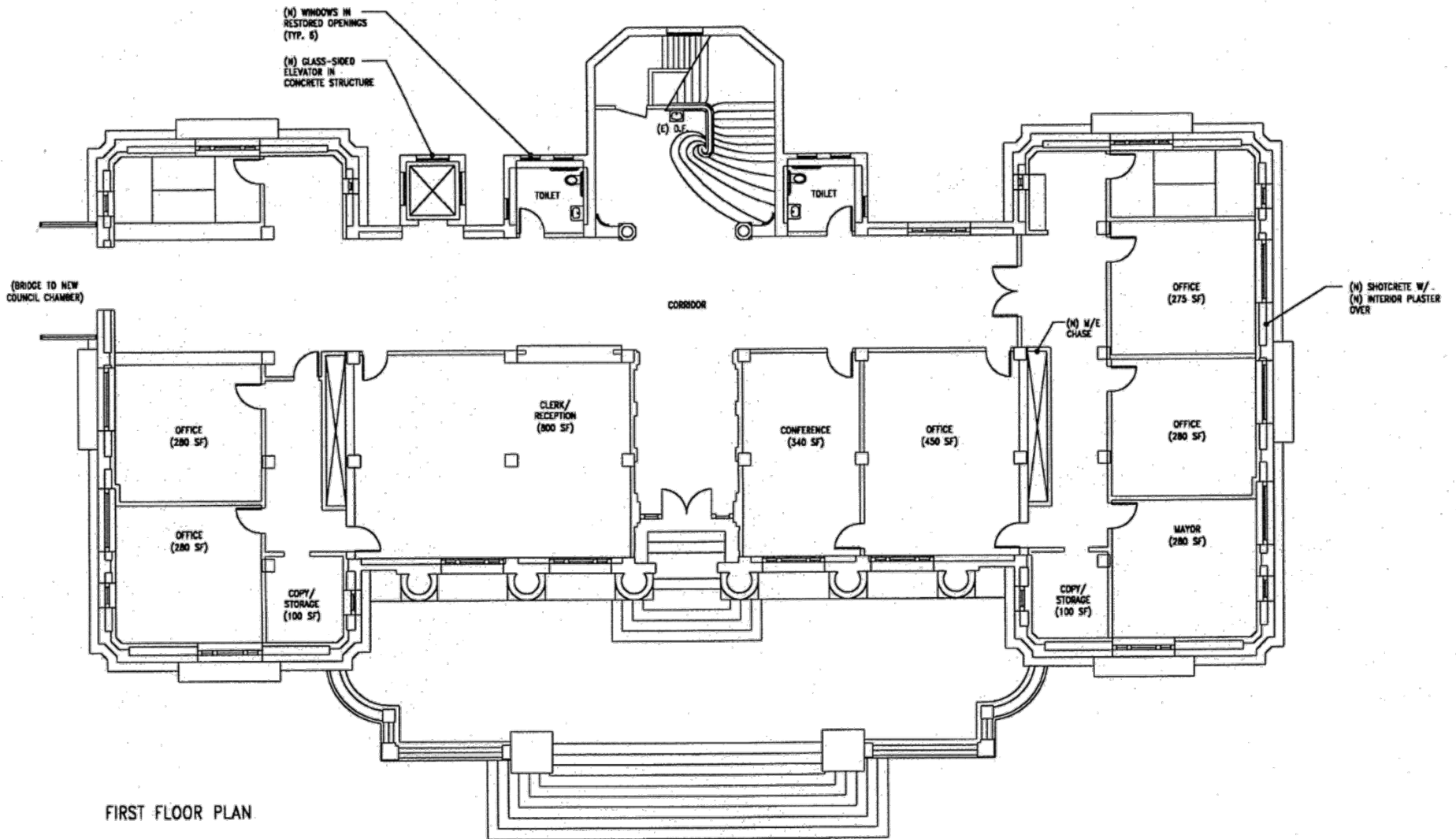
If yes, state ethnicity: _____

Certified Disadvantaged Business Enterprise:
Yes No

EXHIBIT A

PROPERTY DESCRIPTION

Dorothy Day House's Berkeley Emergency Storm Shelter (BESS) has use of the corridor and restrooms. (See plan below for details)



FIRST FLOOR PLAN

1/16"=1'-0"

EXHIBIT B

PAYMENT

- 1) Payments shall be due and payable upon execution of the agreement and the check made payable to the "City of Berkeley." Payments shall be paid at Finance Department Customer Service Center at 1947 Center Street, 1st Floor, Berkeley, CA 94704
- 2) Failure to make full payments on time is grounds for termination of this License by the City.
- 3) The license fee shall be \$100.00 per year.

SECURITY RULES FOR CITY BUILDINGS

Interior Rules/Signage

1. No member of the public may enter an interior area of a City building once a City employee advises that the area is closed to the public.
2. No member of the public may enter an interior area of a City building that is signed in any manner that suggests that the public should not enter, unless given permission to enter by a City employee. Such signs include, but are not limited to: "Reception Area- Please Check In," "Private," and "Employees Only"
3. A member of the public may remain in the lobby, hallways, waiting areas, or similar public areas inside a City building only as long as necessary to conduct City-related business or contact an employee. Members of the public may not wait in a City building for a City employee indefinitely, and may be asked to return at another time when the employee is expected to be in the office. When signage is not practical: use verbal warnings.
4. Bathrooms in City buildings shall not be used for bathing or washing clothes, unless the bathroom is equipped for such uses and the person is authorized to use the bathroom for such purposes. Acceptable Signage, But Only If the Problem Is Recurring: "No Bathing Allowed" or "No Bathing Or Washing Laundry Allowed"
5. In City buildings, no member of the public may:
 - a. Yell, threaten, or use profanity or rude, insulting language against City staff, e.g., calling the City staff member a "bastard" or an "idiot" in an attempt to intimidate the staff member into doing something that the staff member cannot do;
 - b. Disturb or annoy anyone with loud or unreasonable noise;
 - c. Insist that City staff provide a service, explanation or document that City staff has made clear cannot be provided at that time;
 - d. Insist on meeting with a City staff member or supervisor after being told that the person is either not available or will not meet with the person;
 - e. Conduct oneself in a manner that obstructs or intimidates City staff or patrons;
 - f. Block City entrances, ramps, or exits;
 - g. Enter a City building with animals other than service animals authorized by law;
 - h. Ride bikes, skates, scooters, Segways, skateboards, and other devices designed to enhance mobility but not intended for indoor use;
 - i. Smoke, eat, or drink, except where expressly permitted;
 - j. Lie on the floor or sleep; or
 - k. Exude extremely offensive odors

Exterior Rules/Signage

1. No member of the public may remain on the exterior steps or exterior grounds¹ of City buildings, unless the person is there to conduct City-related business or contact an employee.

Acceptable Signage: "No Sitting On Steps - BMC 13.36.065" and/or "Building Steps And Grounds For City Business Only-BMC 13.36.065."2 (See following text of BMC 13.36)

1 "Exterior grounds" means the area between the outer building facade and the property line. Exterior grounds can include an off-street parking lot. However, a public sidewalk is not part of the exterior grounds. (BMC §13.36.065 (8)) Also, if the City only leases a portion of a building, this rule still applies

Chapter 13.36 DISORDERLY CONDUCT*

Section 13.36.065 Violating building security rules for City buildings.

- A. Purpose. The purpose of this section is to enable the City Manager to establish building security rules for buildings that the City of Berkeley owns or leases for City government business or services. The City Manager's building security rules will be designed to maintain the safety of City employees and patrons, facilitate the City's ability to do government business and provide services, and prevent damage to City facilities. The City Manager's building security rules may apply to all City buildings, as defined in this section, or only to specific City buildings, depending on the security needs at each site.
- B. Definitions. "City building" as used in this section means any building that the City of Berkeley owns or leases for the purpose of conducting City government business or providing City services. If only a part of the interior of a building is leased by the City for City government business or services, then "City building" shall apply to only that part of the interior of the building. In addition, if only a part of the interior of a building is leased by the City for City government business or services, then "City building" shall also include the entire exterior curtilage of the building, unless the building owner or occupant authorizes the conduct prohibited by this section on the exterior curtilage.
- "Curtilage" as used in this section means the exterior grounds of a building. "Curtilage" shall include the steps and grounds that lie between the outer facade of the building and either (1) the public sidewalk, (2) a formally dedicated public park, or (3) the adjacent private property. Curtilage does not include the public sidewalk or a formally dedicated public park, but rather, ends there.
- C. Prohibited Conduct. No person shall violate the City Manager's building security rules governing any City building. The City Manager's building security rules shall promote safety for City employees and patrons, facilitate the City's ability to provide services, and/or help prevent damage to City facilities. The City Manager's building security rules shall include, but need not be limited to, prohibiting persons from:
- 1) Entering designated areas that are not open to the general public inside of City buildings without permission from a City employee or agent, and
 - 2) Remaining inside of or on the curtilage of a City building without a purpose related to conducting business, accessing services, or contacting an occupant on the premises.
- D. Citation. No person shall be arrested or cited under this section unless the person engages in conduct prohibited by this section after having been notified by a City official that he or she is in violation of the prohibition in this section.
- E. Penalty. Notwithstanding the provisions of Section 13.36.100, violation of this section shall be either an infraction or a misdemeanor, in the discretion of the prosecutor, and upon conviction shall be punishable as set forth in Chapter 1.20 of this code. (Ord. 6486-NS § 1, 1999)

SETTING UP A RECYCLING PROGRAM

A. Recycling and Composting Guidelines

1. All occupants in City-owned facilities must participate in recycling services provided by the City or provide an acceptable alternative for approval of City's Recycling Supervisor.
 - a. Assign someone to be in charge of your recycling program, and communicate needs and questions to the City's Solid Waste Management Division..
 - b. Recycle corrugated cardboard, office papers and beverage containers (glass bottles, plastic bottles and cans).
 - c. Place collection containers at convenient locations for licensee and employees including at desk sides and copy rooms, and containers for bottles/cans. See Section B below.
 - d. d.
 - e. Educate employees about recycling procedures.
 - f. Cooperate fully to make recyclables available for collection.
 - g. Recycle batteries and office equipment (contact City's Solid Waste Management Division for information about vendors).
2. Cafeterias and commercial kitchens may participate in the City's organics recycling program, with approval of refuse supervisor. The City will provide containers and training.
3. Licensee shall recycle construction waste from any licensee improvements.
4. The City shall provide the following services at standard rates:
 - a. Curbside collection service (cart) or on site for bins.
 - b. Containers for desk side, copy room and storage.
 - c. Assistance designing your recycling program.
 - d. Training and instructive posters.
5. Standard Rates:
 - a. There is no charge for recycling services for bottles/cans, papers and cardboard.
 - b. Organics collection is charged at 80% of equivalent refuse service.

B. Recycling happens in four phases:

1. Convenient separation where it's first generated:
 - a. Container next to each desk to hold office paper and trash.
 - b. Container by each copy machine. This container should be at least 13 gallons and can double as the central container for the office.
 - c. Container for bottles/cans in the break room.
2. Move small amounts to a central collection container:

- a. Employees usually empty their desk side containers into a larger central container. Often this doubles as the copy-room container.
 - b. Employees put their bottles/cans into a container in the break room.
3. Licensee is responsible to transfer the paper to the_ licensee's storage location, and setting storage containers by the curbside by 7:00 a.m. on collection day and bringing them back to the storage area as soon as possible after they are emptied.
 4. The City will pick up recycling materials on the regular collection day.



Office of the City Manager

MEMORANDUM

January 11, 2001

TO: All Staff

FROM: Weldon Rucker, Acting City Manager

RE: MUNICIPAL ELECTRIC LOAD CURTAILMENT

As you are aware, California's electric system is in a fragile condition. In order to prevent rolling blackouts, the City shall curtail municipal electric loads as described below. Since this problem is likely to persist, these procedures shall remain in effect until further notice.

The California Independent System Operator (ISO) issues alerts when power supply margins are too low. A Stage II emergency seeks voluntary load curtailment. A Stage III Emergency orders utilities to institute rolling black outs.

At all times, regardless of the ISO Emergency status, the procedures below shall be followed.

- 1) Site Safety Coordinators shall:
 - a) ensure that non-essential equipment including copiers, printers, computers, lights, space heaters, air conditioners, fans and air compressors are turned off at the end of the day;
 - b) ensure that Energy Saver features are enabled on all office equipment (copiers, printers, PCs, faxes);
 - c) minimize use of incandescent lighting (call the Energy Office to replace incandescent desk lamps with fluorescents); and,
 - d) be familiar with Stage II procedures.
- 2) No new incandescent (including halogen and quartz) floor or desk lamps may be purchased.
- 3) Information Systems shall set Energy Star features on all new installs and service calls.
- 4) Public Works Facilities Management shall review and connect settings on all setback thermostats (Operating hours: heat= 68 degrees; cooling= 74 degrees. Non-operating hours: heat= 55 degrees; cooling 90 = degrees).
- 5) Parks and Waterfront and Health and Human Services shall prepare a plan to notify ball field users of closures.

During Stage II Emergencies, the procedures below shall be followed:

- 1) Public Works and the Communications Center shall notify each other and Information Systems of the Stage II notice.
- 2) Information Systems shall send an email to Everyone (that includes excerpts from this document).
- 3) Site Safety Coordinators shall:
 - a) Disconnect electric vehicles from chargers;
 - b) Ensure all procedures above are implemented;
 - c) Turn off all non-essential air compressors;
 - d) Turn off all space heaters, window box air conditioners and fans;
 - e) Turn off all unused office equipment;
 - f) Turn off all unnecessary overhead lighting;
 - g) Reset thermostats to 78 degrees for cooling and to turn off ventilation equipment when heating/cooling element is not on.
- 4) Health and Human Services and Parks and Waterfront shall notify ball field users of the emergency and shall turn off ball field lighting.
- 5) Parks and Waterfront shall turn off ball court lighting.



Office of the City Manager

04

CONSENT CALENDAR
February 26, 2019

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Kelly Wallace, Interim Director, Health, Housing and Community Services Department

Subject: Receipt of and Contract Authorization for Kaiser Permanente's Northern California Community Benefit Program

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to accept \$150,000 in grant funds from the Kaiser Permanente Northern California Community Benefit Program (Grant Number 20663336) to support the Pathways STAIR Center, and to enter into a grant agreement (CMS # EC183) and any necessary grant agreement amendments for this award.

FISCAL IMPACTS OF RECOMMENDATION

Adopting this Resolution would add \$150,000 in funding for the Health, Housing, and Community Services Department's Housing and Community Services Division for the period of 7/1/2019 through 12/15/2019. The funds will be deposited and expensed to support the second year of the Pathways STAIR Center contract #10904 from the One-Time Grant: Non Capital Expenditures Fund (Fund #366) in the Housing and Community Services Division of the HHCS Department. These funds are designated to support the STAIR Center in FY 2020 and, if accepted, will be added to the FY 2020 baseline budget.

CURRENT SITUATION AND ITS EFFECTS

On August 20, 2018, HHCS staff applied for \$150,000 in funding from the Kaiser Permanente Northern California Community Benefit Program to support the Pathways STAIR Center's operations. Staff proposed that the funding be contracted to Bay Area Community Services to provide flexible funding in support of rapidly rehousing STAIR guests and helping them overcoming housing barriers.

Staff were notified on December 11, 2018 that the grant was approved at the amount requested.

BACKGROUND

The Pathways STAIR Center is a 45-bed, low barrier, service-rich shelter program for homeless people living in encampments in Berkeley. The City currently contracts with Bay Area Community Services (BACS) to provide services and operations at the site, a

hallmark feature of which is the administration of flexible funding to help homeless people overcome housing barriers. Staff applied for and on December 11, 2018 were awarded \$150,000 in funding from Kaiser Permanente to support this effort.

ENVIRONMENTAL SUSTAINABILITY

There are no environmental impacts associated with this report.

RATIONALE FOR RECOMMENDATION

Flexible funding is a proven best practice for helping homeless individuals overcome housing barriers, and Bay Area Community Services is currently providing this service at the STAIR Center. Approving the Recommendation would continue and expand this important work.

ALTERNATIVE ACTIONS CONSIDERED

None.

CONTACT PERSON

Peter Radu, Homeless Services Coordinator, HHCS, (510) 981-5435.

Attachments:

1: Resolution

Exhibit A: Grant Award Letter and Grant Agreement

RESOLUTION NO. ##,###-N.S.

KAISER PERMANENTE NORTHERN CALIFORNIA COMMUNITY BENEFIT
PROGRAMS GRANT AGREEMENT EXECUTION AUTHORIZATION

WHEREAS, the City of Berkeley is experiencing a crisis of unsheltered homelessness, with 668 people sleeping without shelter on any given night; and

WHEREAS, the City of Berkeley launched the Pathways STAIR Center on June 26th, 2018 to provide respite and housing navigation for the growing number of people living in encampments; and

WHEREAS, Kaiser Permanente's Northern California Community Benefits program has awarded \$150,000 to the City of Berkeley to support the efforts of the STAIR Center; and

WHEREAS, these funds will be deposited and expensed to support the second year of the Pathways STAIR Center contract #10904 from the One-Time Grant: Non Capital Expenditures Fund (Fund #366) in the Housing and Community Services Division of the HHCS Department, and

WHEREAS, these funds are designated to support the STAIR Center in FY20 and, if accepted, will be added to the FY20 baseline budget.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is hereby authorized to accept these funds and enter into a Grant Agreement, and to execute any necessary amendments to that grant agreement, with Kaiser Permanente's Northern California Community Benefits Program for an amount not to exceed \$150,000. A signed copy of said documents, agreements and any amendments will be kept on file with the Office of the City Clerk.

Exhibits

A: Grant Award Letter and Grant Agreement



Kaiser Foundation Health Plan, Inc.
Kaiser Foundation Hospitals
Northern California Region

Mr. Peter Radu
Homeless Services Coordinator
City of Berkeley
2180 Milvia Street, 2nd Floor
Berkeley, CA 94707

December 11, 2018

Re: Grant Award Letter for Grant Number 20663336

Dear Mr. Radu:

On behalf of Kaiser Permanente's Northern California Community Benefit Programs, we are pleased to inform you that a grant in the amount of \$150,000.00 has been awarded to City of Berkeley ("Grantee"). The purpose of these funds is to support the Housing and Health Initiative 2018-2019 (the "Grant").

Kaiser Permanente has a 65-year history and our mission includes improving the health of the communities we serve. As a nonprofit integrated healthcare delivery organization, we make investments in our communities. We believe in supporting organizations like yours that make a difference in people's lives.

Grant Period and Reporting

The Grant period (or term of the Grant) is: 12/15/2018 to 12/15/2019 and a final report is due no later than 30 days after the project end date. If a mid-term progress report is required, your grant manager will notify you of the timing. All required reports must be submitted electronically at https://www.grantrequest.com/SID_946/Default.asp?SA=AM

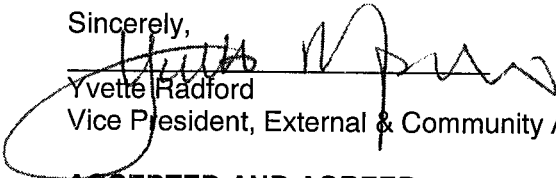
Documents to Sign and Send Back

Please review the enclosed Grant Agreement (pages 1-4) and Communications Guidelines (page 5) which describe the terms and conditions of your grant. In order to receive your payment, **please sign and return this award letter and the attached Grant Agreement promptly. Mail both signed documents to:**

Vanessa Davis
Kaiser Permanente, Community Benefit Programs
1800 Harrison Street, 25th Floor
Oakland, CA 94612

If you have questions or require additional information, please contact your grant manager, **Vanessa Davis** at Vanessa.W.Davis@kp.org or send an inquiry to: NCAL-CB-Programs@kp.org.

Sincerely,


Yvette Radford
Vice President, External & Community Affairs

Tuesday, December 11, 2018
Date

ACCEPTED AND AGREED

Ms. Dee Williams-Ridley
City Manager

Date

Kaiser Foundation Hospitals, Northern California Region
- Grant Agreement -

In addition to the specific terms of the Grant Award Letter for Grant Number 20663336, Kaiser Foundation Hospital's ("KFH") award of this Grant, managed by the KFH Northern California Community Benefit Programs Division, is contingent upon Grantee's compliance with the following terms and conditions, and Grantee agrees to all these terms and conditions. Together, the Grant Award Letter and these terms and conditions are "the Agreement."

1. Tax-Exempt Status

Grantee is a (i) tax-exempt organization currently recognized by the Internal Revenue Service ("IRS") as a public charity described in section 501(c)(3), (8), (10) or (19) or 501(k) or 509(a)(1), (2), or (3) of the Internal Revenue Code of 1986, as amended (the "Code") or (ii) a local, state or federal government agency. If Grantee is a public charity as described in (i), then Grantee represents and warrants that

- Grantee's tax-exempt status under the Code has not been revoked or modified since the issuance of the IRS determination letter provided to KFH and shall not be revoked or modified during the term of this Grant; and
- there is no issue presently pending before any office of the IRS that could result in any proposed changes to Grantees' tax-exempt status under the Code; and
- Grantee shall immediately notify KFH if Grantee's tax-exempt status is revoked, suspended or modified during the term of this Grant.

2. Expenditure of Funds

This Grant must be used for the project identified in the Grant Award Letter, as described in the Grantee's proposal and related correspondence, and may not be expended for any other purposes without KFH's prior written approval. If the Grant is intended to support a specific project or to provide general support for a specific period, any portion of the Grant unexpended at the completion of the project at the end of the period shall be returned immediately to KFH, unless otherwise agreed by KFH in writing. Grantee may not expend any Grant funds for any purpose that is not charitable or educational, for any political or lobbying activity, or for any purpose other than one specified in Section 170(c)(2)(b) of the Code. Grantee must obtain prior written approval from KFH for changes to budgetary allocations that amount to 10% or more of the total budget of the Grant award or for changes to the Grant period.

Grantee may not use any portion of this grant in connection with the enrollment of individuals in any Qualified Health Plan or non-Qualified Health Plan. If Grantee serves as a Certified Enrollment Entity or Navigator funded by the California Health Benefit Exchange (Covered California), Grantee will fully comply with any applicable state and federal statutes, regulations, and sub-regulatory guidance requiring disclosure of receipt of this funding to Covered California and consumers receiving application assistance from Grantee's personnel.

Kaiser Foundation Hospitals, Northern California Region
- Grant Agreement -

3. No Assignment or Delegation

Grantee may not assign, or otherwise transfer, its rights or delegate any of its obligations under this Grant without prior written approval from KFH.

4. Records and Reports

Grantee is required to keep a record of all receipts and expenditures relating to this Grant and to provide KFH with written reports summarizing the progress made, as detailed on KFH's reporting requirements outline. KFH may also require additional interim reports. Grantee's reports should describe its progress in achieving the purposes of the Grant and include a detailed accounting of the uses or expenditure of all Grant funds. Grantee also agrees to provide any other information reasonably requested by KFH. If Grantee obtains any audited financial statements covering any part of the Grant period, Grantee shall provide a copy to KFH as well. Grantee is required to keep the financial records with respect to this Grant, along with copies of any reports submitted to KFH, for at least four years following the year in which all Grant funds are fully expended.

5. Required Notification

Grantee is required to provide KFH with immediate written notification of: (1) any changes in its tax-exempt status; (2) its inability to expend the Grant for the purposes described in the Grant Award Letter; (3) any expenditure from this Grant made for any purpose other than those for which the Grant was intended; (4) any modification of the budget, Scope of Work of timeline; and (5) any significant changes in Grantee's leadership or staffing.

6. Reasonable Access for Evaluation

Grantee is expected to actively participate in the evaluation of Kaiser Permanente's Community Benefit Program, including KFH's evaluation of Grantee's project within that program. At KFH's request, Grantee will permit KFH and its representatives to conduct site visits and have reasonable access during regular business hours to Grantee's files, records, accounts, personnel and clients or other beneficiaries for the purpose of making financial audits, verifications or program evaluations as KFH deems necessary or appropriate concerning this Grant award.

7. Publicity

Whenever possible, Grantee shall obtain KFH's prior written or oral consent of any proposed publicity concerning this Grant prior to the release of such publicity. When acknowledging this Grant, Grantee will incorporate the following text: *"The project is supported by Kaiser Permanente Northern California Community Benefit Programs."*

KFH may include information regarding this Grant, including the amount and purpose, photographs provided by Grantee, Grantee's logo or trademark, or other information or materials about Grantee's organization and activities, in KFH's periodic public reports, newsletters, online channels, and news releases.

Kaiser Foundation Hospitals, Northern California Region

- Grant Agreement -

8. Right to Modify or Revoke Payments

Payments made under this Grant are contingent upon Grantee's compliance with the terms of this Agreement. KFH reserves the right to discontinue, modify or withhold any payments to be made under this Grant award or to require a total or partial refund of any Grant funds if, in KFH's sole discretion, such action is necessary: (i) because Grantee has not fully complied with the terms and conditions of this Grant, including without limitation, Grantee's loss of tax-exempt status or Grantee's use of Grant funds for purposes other than those designated; (ii) to protect the purpose and objectives of the Grant or any other charitable activities of KFH or the Kaiser Permanente Medical Care Program; or (iii) to comply with the requirement of any law, regulation, or regulatory agency policy applicable to Grantee, KFH or this Grant.

9. Termination

KFH may terminate this Grant for convenience upon 30 days' written notice to Grantee and may terminate this Grant immediately for the reasons specified in Section 8 or for Grantee's engagement in willful misconduct or negligence.

10. Independent Contractors

With respect to administration of this Grant, the parties understand and agree that each is at all times acting and performing as an independent contractor with respect to the other. Except as expressly set forth in this Agreement, neither party, nor any of its employees, shall be construed to be the agent, employee or representative of the other for any purpose, or liable for any acts or omissions of the other.

11. Compliance

Grantee shall (i) maintain, in full force and effect, all required governmental or professional licenses and credentials for itself, its facilities and its employees and all other persons engaged in work in conjunction with this Grant, and (ii) perform its duties and obligations under this Agreement according to industry standards and in compliance with all applicable laws. As an organization with numerous contracts with the federal government, KFH and its affiliates are subject to various federal laws, executive orders and regulations regarding equal opportunity and affirmative action. This Section constitutes notice that Grantee may be required to comply with the following Federal Acquisition Regulations (each a "FAR") at 48 CFR Part 52, which are incorporated herein by reference: (a) Equal Opportunity (April 2002) at FAR 52.222-26; (b) Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Sept. 2006) at FAR 52.222-35; (c) Affirmative Action for Workers with Disabilities (June 1998) at FAR 52.222-36, and (d) Utilization of Small Business Concerns (May 2004) at FAR 52.219-8. In addition, Executive Order 13495 concerning the obligations of federal contractors and subcontractors to provide notice to employees about their rights under Federal labor laws, or its successor, shall be incorporated herein by reference.

Kaiser Foundation Hospitals, Northern California Region
- Grant Agreement -

12. Miscellaneous

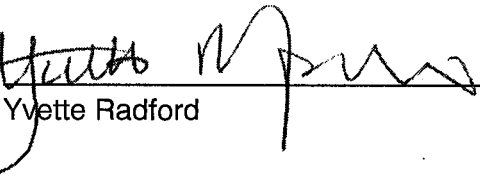
This Agreement shall be governed by the laws of the State of California. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be one and the same instrument. Grantee may not assign any right, duty or obligation under this Agreement without prior written approval from KFH. Any change of ownership or control of Grantee shall be deemed an assignment. This Agreement shall be binding upon and inure to the benefit of the parties and their respective, permitted successors and assigns. This Agreement, including any exhibits and attachments (all of which are incorporated into this Agreement by this reference), is the entire agreement of the parties with respect to the subject matter herein, and supersedes any and all other agreements, promises, negotiations or representations, whether oral or written. This Agreement, including exhibits and attachments, may not be amended except in a writing signed by each party.

ACCEPTED AND AGREED by duly authorized officers of KFH and Grantee:

KFH

Kaiser Foundation Hospitals
Northern California Community Benefit
Programs

By:


Yvette Radford

Title: Vice President

Date: Tuesday, December 11, 2018

Grantee:

City of Berkeley

By:

Ms. Dee Williams-Ridley

Title: City Manager

Date: _____

Kaiser Foundation Hospitals, Northern California Region

– Communications Guidelines –

Congratulations on your Kaiser Permanente Northern California Region grant. We appreciate the opportunity to partner with you and to help others learn about your important work. Please review the information below concerning communications and publicity and contact your grant manager if you have any questions.

How to acknowledge your grant. To make it easy to communicate about your grant, we have prepared language describing our partnership. This language can be used for newsletters, websites, or other communications. ***Please use this description when acknowledging your Kaiser Permanente grant.*** You can also find this text on our grantee website at kp.org/communitybenefit/ncal/forgrantees.

Short credit:

The project is supported by Kaiser Permanente Northern California Community Benefit Programs.

Longer credit:

About the Kaiser Permanente Northern California Community Benefit Grants Program
Kaiser Permanente's community involvement uniquely pairs grant funding with 65 years of clinical expertise, medical research, and volunteerism to support prevention-focused, evidence-based programs that are expanding access to care and creating healthy environments. Kaiser Permanente recently awarded City of Berkeley a \$150,000.00 grant that will help more people in this community get access to the resources they need to lead a healthy life. For more information about Kaiser Permanente's work in the community, visit www.kp.org/communitybenefit/ncal.

Logo. If you would like to use a Kaiser Permanente logo, please contact your grant manager. Tell them your preferred file type (JPEG or EPS) and color (blue or black). As a nonprofit organization, the Kaiser Permanente logo cannot be used on materials that imply endorsement of legislation or a candidate.

Promoting your Kaiser Permanente grant. Your new grant is an excellent time to tell the story of your important work—to your partners, the community, and the media. There are many ways to communicate, including via a press release, newsletter, Web site, social media, and donor communications. If you are interested in doing outreach or promotion, our communications team may be available to help. Please contact your grant manager to discuss this further.

Collecting stories about your work. Personal stories and testimonials are particularly effective ways to illustrate the value of your work—for fundraising, donor and board communications, and grant reports. The reporting requirements for this grant include capturing and relaying at least one story about your work, but we also appreciate your sharing stories with us at any point.

Free online training resources. At www.kp.org/communitybenefit/ncal/forgrantees you will find a "story capture sheet" and storytelling tips. This special website for our grantees has many other useful resources, including trainings and resource lists on storytelling, messaging, social media, and more.



Office of the City Manager

05

CONSENT CALENDAR
February 26, 2019

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Kelly Wallace, Interim Director, HHCS

Subject: Contract: Building Opportunities for Self-Sufficiency for Representative Payee Services

RECOMMENDATION

Adopt a Resolution authorizing the City Manager or her designee to enter into a contract and any amendments up to not to exceed (NTE) \$75,000 through March 31, 2020 with vendor Building Opportunities for Self-Sufficiency for representative payee services.

FISCAL IMPACTS OF RECOMMENDATION

Total cost of the proposed contract (CMS #TZDLP) is \$75,000 per contract year and expenses will be recorded in budget code 315-51-503-526-2017-000-451-636110.

CURRENT SITUATION AND ITS EFFECTS

The City of Berkeley's Mental Health Division (BMH) currently provides representative payee services to approximately 90 clients through the Alameda County Substitute Payee Program (ACSPP). Although ACSPP acts as payee, they do not have direct contact with clients, and BMH staff act as intermediaries. Providing these services detracts from BMH's core mission of providing outpatient mental health services which emphasize client needs, strengths, choices and empowerment. Moreover, providing these services alters the relationship between clients and clinicians, introducing angst and potentially damaging the rapport and trust necessary to produce healthy outcomes.

BACKGROUND

On May 26, 2015, City Council approved the MHSA FY14/15-16/17 Three Year Program and Expenditure Plan. In this Plan, the Division proposed to use a portion of CSS System Development Funds to outsource Sub-Representative Payee Services, and explained that the services would be acquired through a competitive Request for Proposal (RFP) process.

A representative payee is a person or organization appointed by the Social Security Administration to receive the Social Security or Supplemental Security Income benefits for anyone who is unable to manage or direct the management of his or her benefits. A payee's main duties are to use the benefits to pay for the current and future needs of the beneficiary, and properly save any benefits not needed to meet current needs. A

payee must also keep records of expenses. When a regulatory agency requests a report, a payee must provide an accounting of how he or she used or saved the benefits.

ENVIRONMENTAL SUSTAINABILITY

There are no identifiable environmental effects or opportunities associated with the subject of this report.

RATIONALE FOR RECOMMENDATION

An organization or organizations with additional capacity and specialized practices in administering a representative payee program could not only provide an enhanced level of service to consumers, but would also permit BMH clinicians to focus exclusively on their clients' other mental health needs.

ALTERNATIVE ACTIONS CONSIDERED

Continue providing Sub-representative payee services through BMH, with clinicians acting as intermediaries for the ACSPP, while potentially continuing to damage the rapport and trust necessary to produce healthy outcomes.

CONTACT PERSON

Steven Grolnic-McClurg, Division Manager, Mental Health, 510-981-5249

Attachments:

1: Resolution:

RESOLUTION NO. ##,###-N.S.

CONTRACT: BUILDING OPPORTUNITIES FOR SELF-SUFFICIENCY FOR
REPRESENTATIVE PAYEE SERVICES

WHEREAS, Mental Health Services Act (MHSA) funds are allocated to mental health jurisdictions across the state for the purposes of transforming the mental health system into one that is consumer and family driven, culturally competent, wellness and recovery oriented, includes community collaboration, and implements integrated services; and

WHEREAS, on May 26, 2015 by Resolution No. 67,026-N.S., the City Council authorized the City Manager to approve the MHSA Fiscal Years 2015 through 2017 Three Year Program and Expenditure Plan; and

WHEREAS, within the City Council approved MHSA Fiscal Years 2015 through 2017 Three Year Program and Expenditure Plan was the goal of contracting with a community based organization to provide Representative Payee Services; and

WHEREAS, on May 29, 2018 City Council approved the Finance Department's request to issue a Request for Proposals for Representative Payee Services; and

WHEREAS, the City of Berkeley's Mental Health Division issued a Request for Proposals for Representative Payee Services, and selected Building Opportunities for Self-Sufficiency as the vendor, and

WHEREAS, the total cost of the proposed contract (CMS #TZDLP) is \$75,000 per contract year and expenses will be recorded in budget code 315-51-503-526-2017-000-451-636110.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager or her designee is authorized to execute a contract and any amendments with Building Opportunities for Self-Sufficiency up to not to exceed (NTE) \$75,000 through March 31, 2020 for Representative Payee Services.



Office of the City Manager

06

CONSENT CALENDAR

February 26, 2019

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Kelly Wallace, Interim Director, Health, Housing, & Community Services

Subject: Amendment of Provider Participation Agreement with Department of Health Care Services for Targeted Case Management

RECOMMENDATION

Adopt a Resolution authorizing the City Manager or her designee to submit amendments to the Provider Participation Agreement with the State of California Department of Health Care Services, to accept the grant awards, and execute any resultant revenue agreements and amendments to conduct Targeted Case Management (TCM) services in Aging Services and Public Health Divisions within the Health, Housing & Community Services Department.

FISCAL IMPACTS OF RECOMMENDATION

The TCM program is a federal financial participation program, where the Medi-Cal program, through the State of California Department of Health Care Services (DHCS), reimburses the City up to 50% of certified public funds spent in the TCM program. The precise amount of revenue the City earns is determined by the City's cost report, program staff time-studies, and the number of qualifying client encounters. This Provider Participation Agreement with the DHCS is an "evergreen" grant, with no expiration date. Revenue for FY20 is expected to be \$350,000 for Public Health activities and \$350,000 for Aging Services activities. Revenue and expenses are tracked in Targeted Case Management/Linkages fund in the Aging Services Public Health Divisions.

CURRENT SITUATION AND ITS EFFECTS

The Targeted Case Management program provides case management services in the Aging Services and Public Health Divisions of the HHCS Department. Each division works with Berkeley residents who meet TCM target population criteria. This includes high-need, medically fragile, at-risk older adults, pregnant women, families, and individuals. Program staff conduct comprehensive needs assessments and provide advocacy and assistance in accessing medical, social, housing, educational and related services. The goal of the program is to provide quality, confidential, and community-based case management services that meet the needs of the client and improve health outcomes.

BACKGROUND

The City of Berkeley receives funding from many sources annually to complete work related to improving the health of the community. As a local health jurisdiction, the City is entitled to specific State funding to meet core public health objectives. The HHCS Department is committed to providing essential services to the community to address inequities and promote community health.

The State establishes funding caps for the Targeted Case Management programs, with actual revenue determined by City matching funds and service delivery. Revenue projections are based on recent year actual revenues in these programs, service-delivery staffing, eligible client populations, and available matching funds. These projections will enable the Department to keep expenditures within actual revenues, by budgeting expenditures to realistic revenue projections.

ENVIRONMENTAL SUSTAINABILITY

The Targeted Case Management program has been using an electronic case management system since July 2018, which has dramatically reduced paper consumption in the program.

RATIONALE FOR RECOMMENDATION

These funds support vital services related to our mandates as a public health jurisdiction and local initiatives designed to improve the health of Berkeley residents.

ALTERNATIVE ACTIONS CONSIDERED

This funding is essential for the HHCS Department's mission and goals. The HHCS Department assesses each funding source to ensure that it supports the City's mission and goals. The alternative action of not seeking any of these funding sources would result in a significant reduction in public health services to the community.

CONTACT PERSON

Leah Talley, Interim Deputy Director, Health, HHCS, (510) 981-5420

Attachments:

1: Resolution:

RESOLUTION NO. ##,###-N.S.

AUTHORIZING AMENDMENT TO PROGRAM PARTICIPATION AGREEMENT WITH STATE OF CALIFORNIA DEPARTMENT OF HEALTHCARE SERVICES FOR TARGETED CASE MANAGEMENT SERVICES

WHEREAS, the City of Berkeley Department of Health, Housing, and Community Department is committed to providing essential services to the community to address inequities and promote community health.; and

WHEREAS, the City of Berkeley Department of Health, Housing, and Community Services Department provides targeted case management services to Berkeley residents, including comprehensive needs assessments and provide advocacy and assistance in accessing medical, social, housing, educational and related services.; and

WHEREAS, the City of Berkeley Department of Health, Housing, and Community Services Department has an existing “evergreen” Provider Participation Agreement with the Department of Health Care Services to provides Targeted Case Management Services in Berkeley; and

WHEREAS, the precise amount of revenue the City earns is determined by the City’s cost report, program staff time-studies, and the number of qualifying client encounters; and

WHEREAS, revenue for FY20 is expected to be \$350,000 for Public Health activities and \$350,000 for Aging Services activities and are tracked in Targeted Case Management/Linkages fund in the Aging Services Public Health Divisions.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager or her designee to submit amendments to the Provider Participation Agreement with the State of California Department of Health Care Services, to accept the grant awards, and execute any resultant revenue agreements and amendments to conduct Targeted Case Management (TCM) services in Aging Services and Public Health Divisions within the Health, Housing & Community Services Department.



Office of the City Manager

07

CONSENT CALENDAR
February 26, 2019

To: Honorable Mayor and Members of the City Council
 From: Dee Williams-Ridley, City Manager
 Submitted by: Scott Ferris, Director, Parks Recreation and Waterfront
 Subject: Contract No. 8,749 Amendment with Official Payments Corporation (OPC)

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute a contract amendment with Official Payments Corporation (OPC) (contract no. 8749) approving online credit card payment processing transaction fees of 2.5%, borne by the City, for transactions in the Recreation Division's online registration system, for an amount not to exceed \$150,000 for the projected period commencing on or about March 1, 2019 through February 28, 2022, with an option to extend for up to two (2) additional years.

FISCAL IMPACTS OF RECOMMENDATION

Funds to cover the cost of this recommendation will come from Recreation program registration and facility reservation fees. Funds to cover FY19 expenses are available in General Fund, account code 011-52-543-570-0000-000-461-639110. Funds for future years will be appropriated in FY20-22.

The Parks, Recreation and Waterfront Department and the Information Technology Department recommend that the City amend the existing contract with Official Payments Corporation for a term of three years, with the option for the City Manager to extend the contract for up to two (2) additional years for a total of five (5) years.

The current Official Payments Corporation contract has been entered into the City's contract database and assigned Contract #8,749.

CURRENT SITUATION AND ITS EFFECTS

The City's Recreation Division manages facility reservations, program scheduling, activity registrations, scholarships, contract instructors, coaches, teams, leagues, equipment, supplies, inventory, staff scheduling, marketing, advertising and payment for all of the aforementioned programs. These functions are being performed using a combination of manual and automated systems, including BlueRec, a hosted recreation software solution, EZCamp2, an off-the-shelf camp registration software; and ERMA, the City's financial database.

On December 21, 2018, the City entered into a new contract (#31900042) with CivicPlus, Inc. for an improved recreation registration system based upon business analysis completed by the Department of Parks, Recreation and Waterfront in partnership with the Department of Information Technology. This new system requires integration with a third-party payment processor, which will process online credit card transactions.

The City has an existing contract with Official Payments Corporation (#8749) to process credit card transactions. This resolution would amend their existing contract to include credit card transaction processing services for the Recreation Division for a fee of 2.5% per transaction. This fee is less than what the Recreation Division currently pays for credit card payment processing services with other processors.

BACKGROUND

The City of Berkeley Parks, Recreation and Waterfront Department (PRW) provides a wide range of recreation facilities, programs, classes, and events for Berkeley resident and non-resident community members. The City operates two (2) swimming pools, four (4) community centers, eleven (11) sports fields, fifty-two (52) parks, three (3) remote residential camp sites, and one (1) skate park. The City depends on our online recreation registration programs to help community members register for activities for families, adults, and youth, including after-school programs, day camps, classes, residential camping programs, special events, sports, and swimming. In addition, PRW offers tennis court, picnic site, camp-site, and field rentals. For more information about the Parks, Recreation and Waterfront Department, see:
<http://www.cityofberkeley.info/prw/>

ENVIRONMENTAL SUSTAINABILITY

An improved Recreation Division registration system with greater efficiency and lower credit card processing fees will provide community members and City staff a more effective, responsive, and welcoming interface, saving both time and resources. The lower credit card transaction fee will encourage the City to promote citizens to sign-up for classes online thus reducing the use of paper and transportation.

RATIONALE FOR RECOMMENDATION

Staff recommend amending the Official Payments Corporation (OPC) contract because of their low cost, existing business relationship with the City, and their ability to integrate with CivicPlus, LLC. Other Departments within the City have responded positively and with good recommendations in regards to Official Payments.

ALTERNATIVE ACTIONS CONSIDERED

None

CONTACT PERSON

Scott Ferris, Director, Parks Recreation and Waterfront, 510.981.6711

RESOLUTION NO. ##,###-N.S.

CONTRACT AMENDMENT: OFFICIAL PAYMENTS CORPORATION (OPC) FOR RECREATION ONLINE REGISTRATION SYSTEM CREDIT CARD TRANSACTION PROCESSING FEES

WHEREAS, the City of Berkeley desires to procure a payment processor corporation to process online credit card transactions for registration for camps, recreational programs and reservations for facilities at various locations; and

WHEREAS, on December 21, 2018, the City of Berkeley entered into a new contract with CivicPlus, Inc for online registration services, requiring integration with a third-party credit card transaction payment processor; and

WHEREAS, the City has an existing contract with Official Payments Corporation to process credit card transactions; Official Payments can integrate with CivicPlus, Inc.; and Official Payments can offer payment processing services for a fee of 2.5%, which is lower than other vendors, and

WHEREAS, funds have been allocated in budget codes 011-52-543-570-0000-000-461-639110 for Fiscal Year 2019, and funds for future years will be appropriated in FY20-24.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is hereby authorized to amend Contract No. 8,749 with Official payments Corporation for credit card payment processing and related services, for an amount not to exceed \$150,000 for the period beginning March 1, 2019 to February 28, 2022, with an option to extend for up to two (2) additional years.



Office of the City Manager

08

CONSENT CALENDAR
February 26, 2019

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Phillip L. Harrington, Director, Department of Public Works

Subject: Contract No. 9114F Amendment – Stockton Tri Industries, Inc. to Clean, Paint, and Repair Refuse and Recycling Debris Bins

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute an amendment to Contract No. 9114F with Stockton Tri Industries, Inc. to increase the contract amount by \$40,000 for a total contract amount not to exceed \$200,000 to clean, paint, and repair refuse and recycling debris bins through contract expiration of June 30, 2019.

FISCAL IMPACTS OF RECOMMENDATION

Contract No. 9114F's \$160,000 authorized spending limit has almost been reached, Council approval is required to increase that spending authority by an additional \$40,000 for a total amount not to exceed (NTE) \$200,000. Funding is available in FY 2019 Zero Waste Fund 601 from various budget codes (601-54-627-732-3019-000-472-612990, 601-54-627-733-3019-000-472-612990, 601-54-627-732-3025-000-472-612990, 601-54-627-733-3025-000-472-612990, 601-54-627-733-3026-000-472-612990).

This contract amendment has been entered into the City's contract management database and assigned Contract Management System No. K1FK2.

CURRENT SITUATION AND ITS EFFECTS

Cleaning, painting, and repair of debris bins is critical to the Zero Waste Division's commercial operations. Dirty debris bins are a source of infectious agents including Salmonella, E Coli and Listeria that cause severe digestive illnesses and other health problems. In addition, dirty debris bins attract vectors to the facility. Amending the contract as requested is critical to continue the Division's ability to provide timely debris bin services to commercial customers.

A Request for Proposal (RFP) Specification #17-11155-C was issued on July 26, 2018 Solid Waste Metal Containers (Front & Rear Load Collection Trucks) for a new contract for the fabrication (new) and/or cleaning, repair and painting (existing). However, Public Works received no responses to the RFP. A new RFP will be issued with Specification #19-11284-C, currently in progress, but will not be finalized before spending authority for the current agreement has been exhausted.

BACKGROUND

Stockton Tri Industries Inc. has provided the City with excellent cleaning, painting and repair services since the September 27, 2012 City Manager authorization of Contract No. 9114 in an amount NTE \$20,000 for the period November 1, 2012 through October 31, 2015. Several amendments increasing the original contract amount and extending the expiration date were authorized as listed below:

	Date Authorized	NTE	Expiration Date
Original contract 9114	September 27, 2012	\$20,000	October 31, 2015
Amendment 9114A	February 1, 2014	\$5,000	October 31, 2015
Amendment 9114B	September 30, 2015	\$5,000	June 30, 2016
Amendment 9114C	February 1, 2016	\$20,000	June 30, 2017
Amendment 9114D	July 12, 2016	\$50,000	June 30, 2017
Extended by letter	June 14, 2017	-	June 30, 2018
Amendment 9114E	December 17, 2017	\$30,000	June 30, 2018
Amendment 9114F	July 24, 2018	\$30,000	June 30, 2019
Proposed Amendment	February 26, 2019	\$40,000	June 30, 2019
<u>TOTAL PROPOSED NTE</u>		<u>\$200,000</u>	

ENVIRONMENTAL SUSTAINABILITY

Debris bins that are well maintained reduce the potential for spillage and minimize the potential exposure to staff of infectious agents, disease, and vectors.

RATIONALE FOR RECOMMENDATION

Council action will ensure continued operation of this important repair and upkeep program that allows provision of preventative maintenance and repairs to refuse and recycling debris bins used by the Zero Waste Division.

ALTERNATIVE ACTIONS CONSIDERED

None, Stockton Tri Industries, Inc. has consistently provided the City with excellent service. Further, the City does not have in-house staff expertise or resources required to perform these specialized preventative maintenance and repairs.

CONTACT PERSON

Greg Apa, Solid Waste & Recycling Manager, Public Works (510) 981-6359

Attachments:

1: Resolution

RESOLUTION NO. ##,###-N.S.

CONTRACT NO. 9114F AMENDMENT WITH STOCKTON TRI INDUSTRIES, INC.
FOR CLEANING, PAINTING, AND REPAIRS OF THE CITY'S REFUSE AND
RECYCLING DEBRIS BINS

WHEREAS, the City of Berkeley Zero Waste Management Division has a continuing need for the preventative maintenance and repairs of refuse and recycling debris bins; and

WHEREAS, dirty debris bins in a deteriorated condition attract vectors to the refuse facility and are a source of infectious disease causing agents that can cause severe digestive illnesses and other health problems, and;

WHEREAS, preventative maintenance and repairs of refuse and recycling debris bins is critical for the Division's commercial operations, and the City does not have in-house staff resources to perform needed specialized preventative maintenance and repairs; and

WHEREAS, funds are available to perform this work in FY 2019 Zero Waste Fund 601 and this contract amendment been entered into the City's contract management database and assigned Contract Management System No. K1FK2.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute an amendment to Contract No. 9114F with Stockton Tri Industries, Inc. to clean, paint, and repair refuse and recycling debris bins to increase the contract amount by \$40,000 for a total contract amount not to exceed \$200,000. A record signature copy of said contract amendment to be on file in the Office of the City Clerk.



Office of the City Manager

CONSENT CALENDAR
February 26, 2019

To: Honorable Mayor and Members of the City Council
From: Dee Williams-Ridley, City Manager
Submitted by: Phillip L. Harrington, Director, Department of Public Works
Subject: Contract: D’Arcy & Harty Construction Inc. for Sanitary Sewer Rehabilitation and Replacement at Euclid Avenue and Regal Road Backline

RECOMMENDATION

Adopt a Resolution approving plans and specifications for the Sanitary Sewer Rehabilitation and Replacement- Euclid Avenue and Regal Road Backline project; accepting the bid of the lowest responsive and responsible bidder, D’Arcy & Harty Construction Inc.; and authorizing the City Manager to execute a contract and any amendments, extensions, or other change orders until completion of the project in accordance with the approved plans and specifications, in an amount not to exceed \$812,026, which includes a 10% contingency in the amount of \$73,821.

FISCAL IMPACTS OF RECOMMENDATION

Funding is available in the FY 2019 Sanitary Sewer Fund 611-54-623-676-0000-000-472-612310-PWENSR1902.

Low bid by D’Arcy & Harty	\$738,205
10% Contingency	\$73,821
Total construction cost	\$812,026

The contract has been entered into the Contract Management System (CMS) as CMS No. EJ8QE.

CURRENT SITUATION AND ITS EFFECTS

This sanitary sewer project is part of the City's ongoing program to rehabilitate or replace its aging sanitary sewer system, and to eliminate potential health hazards to the public. The project is sited in the backyards of private properties bound by Regal Road to the north, Euclid Avenue to the southeast, and Cragmont Avenue and Marin Avenue to the west as shown in the Location Map (Attachment 2). The sanitary sewer collection system in these areas needs immediate rehabilitation to prevent impending pipe failures, sewer blockages, and leakage problems. Field investigations performed using a closed circuit television camera revealed deteriorated piping and pipe defects in the existing sanitary sewer mains. These conditions are similar to problems previously found in other sanitary sewer mains

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prior to their replacement. In addition, existing sewer main support structures at two Codornices Creek crossings were found to be structurally deficient and in urgent need of replacement.

The Euclid Avenue / Regal Road Backline project consists of replacement or rehabilitation of approximately 715 linear feet (0.14 miles) of 6-inch sanitary sewer mains; construction of two crossings over Codornices Creek; rehabilitation or construction of manholes; and other related work. The creek crossings require the installation of welded steel casing pipe and the construction of 4 new concrete pier supports.

BACKGROUND

To remain compliant with the September 22, 2014 Consent Decree, the City has implemented a long-term mandated Sanitary Sewer Capital Improvement Program to eliminate sanitary sewer overflows (SSOs) and reduce storm water infiltration and inflow into the sanitary sewer system. Under this program, the City utilizes a comprehensive asset management approach based on complex and evolving hydrologic and hydraulic modeling and condition assessments to repair, replace, or upgrade the City's portion of the sanitary sewer system. Ultimately, these actions will assist East Bay Municipal Utility District (EBMUD) in their goal of eliminating discharges from their wet weather facilities by the end of 2035.

This is the fifth year of the twenty-two-year Consent Decree program, which stipulates the City shall perform collection system repair and rehabilitation to control infiltration and inflow.¹ This is in support of and in addition to ongoing work previously identified in the City's Sanitary Sewer Management Plan (SSMP) and Asset Management Implementation Plan (AMIP).

An Invitation for Bids (Specification No. 18-11234-C) was released on November 6, 2018 and ten non-local bids were received, ranging from a low of \$738,205 to a high of \$1,424,805 (Attachment 3, Bid Results). The engineer's estimate for the project was \$1,100,000. D'Arcy & Harty Construction Inc. (D'Arcy & Harty) of San Francisco, California was the lowest responsive and responsible bidder. Previous work and references of D'Arcy & Harty proved satisfactory, thus staff recommends award of the contract to D'Arcy & Harty.

The Living Wage Ordinance does not apply to this project as Department of Public Works construction contracts are subject to State prevailing wage laws. D'Arcy & Harty has submitted a Certification of Compliance with the Equal Benefits Ordinance. Because the project's estimated value exceeds \$500,000, the Department of Public Works intends to continue honoring the Community Workforce Agreement (CWA)

¹ At an average annual rate of no less than 22,120 feet of sanitary sewer mains on a three-fiscal-year rolling average.

and will apply its terms to this agreement. As a result, the successful bidder and all subcontractors must agree to be bound by the terms of the CWA.

ENVIRONMENTAL SUSTAINABILITY

Improvements to the City's sanitary sewer system will help protect water quality by reducing the frequency of SSOs, and the amount of infiltration and inflow into the City sanitary sewer system which can negatively affect the San Francisco Bay. The City has acquired a permit from the California Department of Fish and Wildlife (CDFW) so that the City can perform the rehabilitation and replacement of sanitary sewer mains and associated pier construction within CDFW jurisdictional limits.

RATIONALE FOR RECOMMENDATION

Contracted services are required for these large projects as the City lacks in-house resources needed to complete scheduled sanitary sewer rehabilitation and replacement projects. Further, the City must take timely action to address urgent/emergent sewer repairs without delay. Finally, subject to fines and stipulated penalties, the Consent Decree demands the City to repair acute defects within one year of discovery, and complete the sanitary sewer main rehabilitation and replacement at a three-year annual average minimum of 22,120 feet per fiscal year. The City will have a three year annual average of approximately 23,530 linear feet of replaced or rehabilitated sewer mains after completing the FY 2019 work by June 30, 2019.

ALTERNATIVE ACTIONS CONSIDERED

No reasonable alternative exists as the City's sanitary sewer pipelines are in poor condition and in need of timely rehabilitation to prevent an increased probability of infiltration and inflow, sanitary sewer leakages, and backup problems in the sanitary sewer system.

CONTACT PERSON

Andrew Brozyna, Deputy Director, Public Works, (510) 981-6396
Nisha Patel, Manager of Engineering, Public Works, (510) 981-6406
Adadu Yemane, Associate Civil Engineer, Public Works, (510) 981-6413

Attachments:

- 1: Resolution
- 2: Location Map
- 3: Bid Results

RESOLUTION NO. ##,###-N.S.

CONTRACT: D'ARCY & HARTY CONSTRUCTION, INC FOR SANITARY SEWER
REHABILITATION AND REPLACEMENT – EUCLID AVENUE AND REGAL ROAD
BACKLINE

WHEREAS, the Sanitary Sewer Project is part of the City's on-going Sanitary Sewer Capital Improvement Program to rehabilitate or replace the aging and deteriorated sanitary sewer system; and

WHEREAS, the Capital Improvement Program is a requirement of compliance with the National Pollution Discharge Elimination System Permit and California Regional Water Quality Control Board Consent Decree; and

WHEREAS, the City has neither the staff nor the equipment necessary to undertake this Sanitary Sewer Rehabilitation and Replacement Project and other urgent/emergent sewer repairs; and

WHEREAS, on November 6, 2018 the City released an Invitation for Bids (Specification #18-11234-C) for sanitary sewer rehabilitation and replacement; and

WHEREAS, the City received 10 submissions, and D'Arcy & Harty Construction, Inc. was found to be the lowest responsive and responsible bidder; and

WHEREAS, funds are available in the FY 2019 budget Sanitary Sewer Fund 611 and the contract has been entered as CMS No. EJ8QE; and

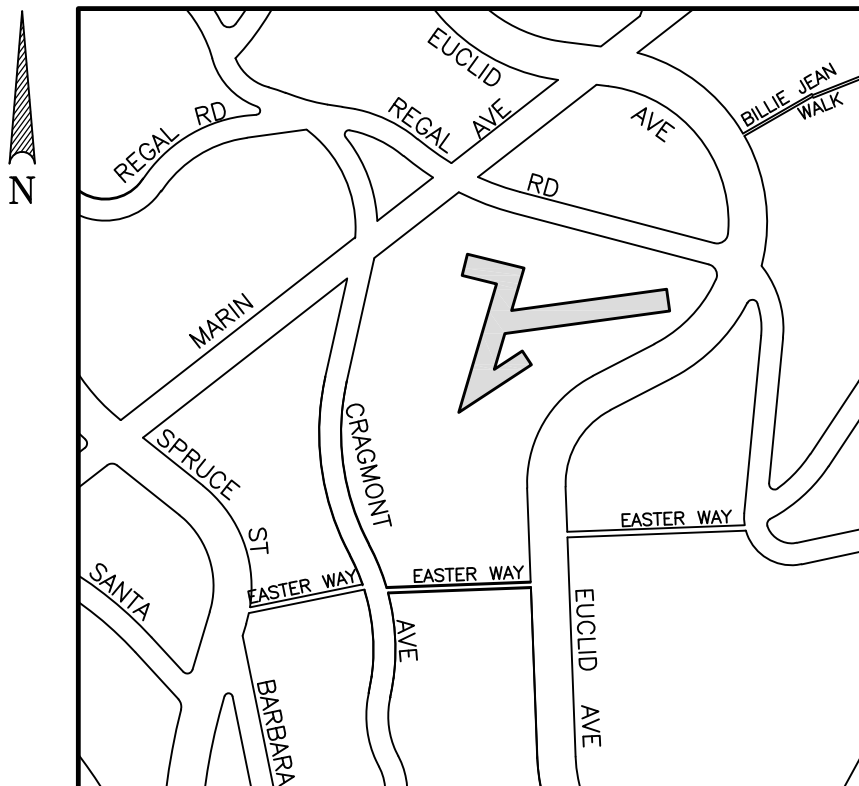
NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to approve a contract and any amendments with D'Arcy & Harty Construction, Inc. for Plans and Specifications No. 19-11234-C for the Sanitary Sewer Rehabilitation and Replacement Project until completion of the project located on Euclid Avenue and Regal Road Backline, in an amount not to exceed \$812,026, which includes a 10% contingency in the amount of \$73,821. A record signature copy of said agreement and any amendments will be on file in the Office of the City Clerk.

LOCATION MAP

SANITARY SEWER REHABILITATION AND REPLACEMENT

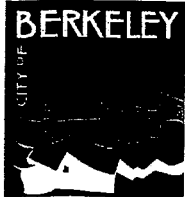
EUCLID AVENUE / REGAL ROAD BACKLINE

SPECIFICATION NO. 18-11234-C



— CONSTRUCTION AREA

ATTACHMENT 2



City of Berkeley
Abstract of Bid Worksheet

ATTACHMENT 3

Finance Department
General Services Division

FOR: *Sanitary Sewer Rehab - Equalized* Spec. # *18-112 54-C* Bid Date: *12/11/18*

	Bidders	Base Bid	Nuc Free	Work Force Comp	Opp. States	Living Wage	EBO	Bid Bond	Addenda
1	<i>Sanjia Truckless Inc.</i>	<i>979,679.00</i>	/	/	/	/	/	/	
2	<i>Don Vanev</i>	<i>888,300.00</i>	/	/	/	/	/	/	
3	<i>Quay & Hardy Const. Inc.</i>	<i>738,205.00</i>	/	/	/	/	/	/	
4	<i>Crates Inc.</i>	<i>938,147.00</i>	/	/	/	/	/	/	
5	<i>WR Trade Const. Inc.</i>	<i>1,424,805.00</i>	/	/	/	/	/	/	
6	<i>Westland Contractors</i>	<i>1,194,771.00</i>	/	/	/	/	/	/	
7	<i>Charles Const. Inc.</i>	<i>1,127,557.00</i>	/	/	/	/	/	/	
8	<i>Calif. Truckless Inc.</i>	<i>958,150.00</i>	/	/	/	/	/	/	
9	<i>CRK Engineering</i>	<i>907,387.00</i>	/	/	/	/	/	/	
10	<i>EGB Inc.</i>	<i>1,500,330.00</i>	/	/	/	/	/	/	

Bid Recorder: *[Signature]* *12/11/18*
 Bid Opener: *[Signature]* *12/11/18*

Project Manager: *[Signature]*
 2180 Milvia Street, Berkeley, CA 94704 Tel: 510.981.7320 TDD: 510.981.6903 Fax: 510.981.7390
 E-mail: finance@ci.berkeley.ca.us



Office of the City Manager

CONSENT CALENDAR
February 26, 2019

To: Honorable Mayor and Members of the City Council
From: Dee Williams-Ridley, City Manager
Submitted by: Phillip L. Harrington, Director, Department of Public Works
Subject: Contract: Mosto Construction for Sanitary Sewer Rehabilitation and Replacement - Urgent Sewer Repair Project FY 2019

RECOMMENDATION

Adopt a Resolution approving plans and specifications for the Urgent Sewer Repair Project FY 2019 with sites located throughout the City; accepting the bid of the lowest responsive and responsible bidder, Mosto Construction; and authorizing City Manager to execute a contract and any amendments, extensions, or other change orders until completion of the project in accordance with the approved plans and specifications, in an amount not to exceed \$398,808, which includes a 10% contingency of \$36,255.

FISCAL IMPACTS OF RECOMMENDATION

Funding is available in the FY 2019 budget in Sanitary Sewer Fund 611-54-623-676-0000-000-473-665130-PWENSR1906.

Low bid by Mosto.....	\$362,553
10% contingency	\$36,255
Total construction cost	\$398,808

The contract has been entered into the Contract Management System as CMS No. MAZ5X.

CURRENT SITUATION AND ITS EFFECTS

This sanitary sewer project is part of the City's ongoing program to rehabilitate or replace its aging sanitary sewer system, and to eliminate potential health hazards to the public. The project will be sited at various locations throughout the City as shown on the Location Map (Attachment 2). The sanitary sewer collection system in these areas needs immediate rehabilitation to prevent impending pipe failures, sewer blockages, and leakage problems. Field investigations performed using a closed circuit television camera revealed deteriorated piping and pipe defects in the existing sanitary sewer mains. These conditions are similar to problems previously found in other sanitary sewer mains prior to their replacement.

Planned work includes point (spot) repair of 8-inch, 10-inch and 12-inch diameter sanitary sewer pipes at twenty locations; rehabilitation of approximately 35 linear feet of

8-inch diameter sanitary sewer mains; rehabilitation of manholes; point repair of sanitary sewer laterals; and related work. These repairs will correct existing acute defects including imminent structural failures identified during the FY 2018 sanitary sewer system inspection and condition assessment program.

The scope of work also includes provisions for urgent/emergent actions related to acute sewer defects that will be undertaken at other citywide locations on an as-needed basis. As required by the United States Environmental Protection Agency (EPA) and Regional Water Quality Control Board Consent Decree, acute defects must be addressed no later than one year after they are identified. The eighty-five working day contract term includes a forty working day performance period, and an additional forty-five working days for project closeout. Finally, a 10% contingency of \$36,255 is included to pay for related unexpected future construction events.

BACKGROUND

To remain compliant with the September 22, 2014 Consent Decree, the City has implemented a long-term mandated Sanitary Sewer Capital Improvement Program to eliminate sanitary sewer overflows (SSOs) and reduce storm water infiltration and inflow into the sanitary sewer system. Under this program, the City utilizes a comprehensive asset management approach based on complex and evolving hydrologic and hydraulic modeling and condition assessments to repair, replace, or upgrade the City's portion of the sanitary sewer system. Ultimately, these actions will assist East Bay Municipal Utility District (EBMUD) in their goal of eliminating discharges from their wet weather facilities by the end of 2035.

This is the fifth year of the twenty-two year Consent Decree requiring the City to inspect and assess sanitary sewer system condition at a minimum average annual rate of 79,200 feet (based upon a three fiscal year rolling average). Last year, the City inspected approximately 172,207 feet of pipe, and identified acute defects scheduled for repair in FY 2019 with the Urgent Sewer Repair Project FY 2019. The City had a three year annual average of approximately 135,808 linear feet of sewer main inspection at the end of fiscal year 2018.

An Invitation for Bids (Spec. No. 19-11280-C) for the project was released on November 29, 2018, and nine non-local bids were received that ranged from \$362,553 to \$705,250 (Attachment 3). The engineer's project estimate was \$480,000. Mosto Construction (Mosto) of Oakland, California was the lowest responsive and responsible bidder. Previous work and references of Mosto proved satisfactory, thus staff recommends award of the contract to Mosto.

The Living Wage Ordinance does not apply to this project as Department of Public Works construction contracts are subject to State prevailing wage laws. Mosto submitted a Certification of Compliance with the Equal Benefits Ordinance. The Community Workforce Agreement (CWA) does not apply to this contract because the estimated project value does not exceed \$500,000.

ENVIRONMENTAL SUSTAINABILITY

Improvements to the City sanitary sewer system will help protect water quality by reducing the frequency of SSOs, and the amount of inflow and infiltration into the City sanitary sewer system which can negatively affect the San Francisco Bay.

RATIONALE FOR RECOMMENDATION

Contracted services are required for these large projects, as the City lacks in-house resources needed to complete scheduled sanitary sewer rehabilitation and replacement projects. Further, the City must take timely action to address urgent/emergent sewer repairs without delay. Finally, subject to fines and stipulated penalties, the Consent Decree demands the City to repair acute defects within one year of discovery, and complete the sanitary sewer main rehabilitation and replacement at a three-year annual average minimum of 22,120 feet per fiscal year. The City will have a three year annual average of approximately 23,530 linear feet of replaced or rehabilitated sewer mains after completing the FY 2019 work by June 30, 2019.

ALTERNATIVE ACTIONS CONSIDERED

No reasonable alternative exists as the City's sanitary sewer pipelines are in poor condition and in need of timely rehabilitation to prevent an increased probability of inflow and infiltration, sanitary sewer leakages, and backup problems in the sanitary sewer system.

CONTACT PERSON

Andrew Brozyna, Deputy Director, Public Works, (510) 981-6396
Nisha Patel, Manager of Engineering, Public Works, (510) 981-6406
Adadu Yemane, Associate Civil Engineer, Public Works, (510) 981-6413

Attachments:

- 1: Resolution
- 2: Location Map
- 3: Bid Results

RESOLUTION NO. ##,###-N.S.

CONTRACT: MOSTO CONSTRUCTION FOR SANITARY SEWER REHABILITATION –
URGENT SEWER REPAIR PROJECT FY 2019

WHEREAS, the Sanitary Sewer Project is part of the on-going City Sanitary Sewer Capital Improvement Program to rehabilitate the aging and deteriorated sanitary sewer system; and

WHEREAS, the Capital Improvement Program is a requirement of compliance with the National Pollution Discharge Elimination System Permit and California Regional Water Quality Control Board Consent Decree; and

WHEREAS, the City has neither the staff nor the equipment necessary to undertake this Sanitary Sewer Rehabilitation and Replacement Project and other urgent/emergent sewer repairs; and

WHEREAS, on November 20, 2018, the City released an Invitation for Bids (Specification #19-11280-C) for urgent sewer repair project; and

WHEREAS, the City received nine submissions and Mosto Construction was the lowest responsive and responsible bidder; and

WHEREAS funds are available in the FY 2019 budget in Sanitary Sewer Fund 611, and the contract has been entered as CMS No. MAZ5X.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to approve a contract and any amendments, extensions, or change orders with Mosto Construction until completion of the project in accordance with the approved specifications for the Urgent Sewer Repair Project FY 2019 at various locations throughout the City in an amount not to exceed \$398,808, which includes a 10% contingency of \$36,255. A record signature copy of said agreement and any amendments will be on file in the Office of the City Clerk.

LOCATION MAP

SANITARY SEWER REHABILITATION AND REPLACEMENT

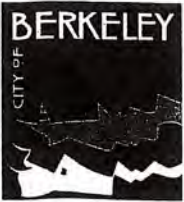
URGENT SEWER REPAIR PROJECT FY 2019

SPECIFICATION NO. 19-11280-C



— CONSTRUCTION AREA

ATTACHMENT 2



City of Berkeley
Abstract of Bid Worksheet

ATTACHMENT 3

Finance Department
General Services Division

FOR: *Urgent Sewer Rehab FY19* Spec. # *19-11280-C* Bid Date: *2/18/18*

	Bidders	Base Bid	Nuc Free	Work Force Comp	Opp. States	Living Wage	EBO	Bid Bond	Addenda
1	<i>Greenway Eng Inc</i>	<i>526,642.00</i>	/		/		/	/	
2	<i>Bay Const. Co.</i>	<i>648,713.00</i>	/		/		/	/	
3	<i>Mark Construction</i>	<i>362,553.00</i>	/		/		/	/	
4	<i>CAR Engineering</i>	<i>488,197.50</i>	/		/		/	/	
5	<i>Garage Engineering</i>	<i>428,052.00</i>	/		/		/	/	
6	<i>W R Goble Const.</i>	<i>705,250.00</i>	/		/		/	/	
7	<i>Kerrel Engineering</i>	<i>446,578.00</i>	/		/		/	/	
8	<i>Condes Construction</i>	<i>417,375.00</i>	/		/		/	/	
9	<i>EDS Inc.</i>	<i>564,256.00</i>	/		/		/	/	
10									

Bid Recorder: *Shirley Pappas 12/18/18*
 Bid Opener: *Shirley Pappas 12/18/18*

Project Manager: *Adrian Emene*
 2180 Milvia Street, Berkeley, CA 94704 Tel: 510.981.7320 TDD: 510.981.6903 Fax: 510.981.7390
 E-mail: finance@ci.berkeley.ca.us



Office of the Mayor

CONSENT CALENDAR
February 26, 2019

To: Honorable Mayor and Members of the City Council
From: Mayor Jesse Arreguín
Subject: Excused Absence for Councilmember Ben Bartlett

RECOMMENDATION

Excuse Councilmember Ben Bartlett from the November 27, 2018 Council meeting as a result of illness.

BACKGROUND

Pursuant to the City Charter, Article V, § 19, the City Council must approve an absence by a Councilmember from a meeting in order for that absence to be considered excused. Specifically, it states:

If the Mayor or any member of the Council is absent from one or more regular meetings of the Council during any calendar month, unless excused by the Council in order to attend to official business of the City, or unless excused by the Council as a result of illness from attending no more than two regular meetings in any calendar year, he or she shall be paid for each regular meeting attended during such months in an amount equal to the monthly remuneration divided by the number of regular meetings held during such month.

Councilmember Bartlett was unable to provide a 72 hour notice of his absence from the November 27, 2018 Council meeting due to an unforeseen sickness.

FINANCIAL IMPLICATIONS

None

ENVIRONMENTAL SUSTAINABILITY

Not applicable

CONTACT PERSON

Mayor Jesse Arreguín 510-981-7100



Office of the Mayor

12CONSENT CALENDAR

February 26, 2019

To: Members of the City Council

From: Mayor Jesse Arreguin, and Councilmembers Ben Bartlett, Lori Droste and Sophie Hahn

Subject: Establishment of Traffic Circle Policy Task Force

RECOMMENDATION

Establish a Traffic Circle Policy Task Force comprised of representatives from neighborhoods currently maintaining traffic circles. Members will be appointed by the Mayor and chosen from geographically diverse parts of the city, including one representative from Berkeley Partners for Parks. Staff participating will be appointed by the City Manager.

The charge of this Task Force is to:

1. Evaluate the City's current traffic circle vegetation policy for consideration by the City Council and Traffic Engineer;
2. Find a solution, through active participation and engagement with the community, that respects:
 - Environmental Policy
 - Habitat
 - Safety and Performance Standards
 - Existing and future liability issues that address sight lines; and
3. Deliver a policy to City Council for adoption prior to August 9, 2019.
4. Conduct a community-led process to update that policy to ensure pedestrian/bicycle/vehicle safety and community efforts to beautify traffic circles.

Task Force activities may include, but are not limited to:

- Recommend appropriate characteristics and parameters for allowed plantings based on input from the community and city staff;
- Recommend a policy that ensures lines of sight and other important safety considerations;
- Work with City staff to conduct a survey of current traffic circles and their vegetation;
- Conduct a survey of neighborhood associations, neighborhood captains, community and community groups such as Berkeley Partners for Parks to determine which traffic circles are being maintained by community members;
- Examine the City of Oakland's 'Adopt a Spot' initiative to encourage community involvement in the maintenance of public spaces by loaning tools, supplies, and technical assistance to committed members of the community;
- Host a presentation from City staff to better understand concerns with the current traffic circle policy and any safety concerns that should be taken into consideration;
- Recommend a clear set of guidelines/criteria to allow for community maintenance of traffic circles, with input from city staff;

RESUBMITTAL – CONSENT CALENDAR, February 26, 2019

Traffic Circle Policy Task Force

- Outline the appropriate community outreach strategy and process to share the updated policy for managing vegetation in traffic circles;
- Recommend a replanting strategy, with emphasis on drought-resistant plants.

BACKGROUND

In the summer of 2018 in response to a legal settlement agreement, the Public Works Department provided notice to all neighbors responsible for the maintenance of traffic circle vegetation, informing them that the City would be removing trees and other large vegetation that obscures line of sight and poses a safety risk.

This communication elicited significant concern from the community. Residents responded by asking for more outreach and engagement of neighborhood traffic circle volunteers, particularly regarding decisions on the removal of vegetation or updates to policy. The current Traffic Circle Planting and Maintenance policy, last updated in 2012, prohibits vegetation over two feet in height and/or six inches in diameter, yet there are many trees that exceed these limit in traffic circles. There is a need to update this policy to reflect current conditions and to ensure ongoing maintenance that improves safety at these intersections.

On August 8, 2018, the Mayor, Councilmembers and City staff held a public meeting where many of the traffic circle volunteers attended along with Berkeley Partners for Parks. A major takeaway was a strong desire by many for a more formal process to engage neighborhood volunteers and other stakeholders in updating the current Traffic Circle policy.

On September 25, 2018, the City Council unanimously referred to the Parks and Transportation Commissions to create a city/community task force on Traffic Circle vegetation maintenance. Since the Council's referral, the Parks Commission was informed that they do not have the authority to establish a Task Force, and that Council action is required.

A stakeholder task force would be the most strategic, effective, and appropriate approach to respond to the community's substantial interest in, and continuing care for, the circles. The City has partnered with its citizens on their stewardship for almost two decades. Now is the ideal time to revisit, enhance and formalize that partnership, support community involvement and work together to address important safety concerns. To help meet the spirit and desired follow up of the August 8th community meeting, it is important for community members to have representatives actively participating in and contributing to discussions about the traffic circles.

FINANCIAL IMPLICATIONS

Costs associated with staffing the Traffic Circle Task Force, hosting community meetings and developing a new Traffic Circle Planting Policy.

ENVIRONMENTAL SUSTAINABILITY

Supports the City's Climate Emergency Declaration, the City's Climate Action Plan and commitment to Vision Zero.

CONTACT PERSON

Mayor Jesse Arreguin (510) 981-7100



Cheryl Davila
Councilmember
District 2

CONSENT CALENDAR
February 26, 2019

To: Honorable Mayor and Members of the City Council

From: Councilmembers Cheryl Davila, Ben Bartlett, Kate Harrison and Mayor Jesse Arreguin

Subject: Adopt a resolution to denounce and oppose white nationalist and neo-Nazi groups including their actions.

RECOMMENDATION

Adopt a resolution denouncing and opposing white nationalist and neo-Nazi groups including their actions.

POLICY COMMITTEE RECOMMENDATION

On February 4, 2019, the Agenda and Rules Committee adopted the following action: M/S/C (Arreguin/Wengraf) to send the item to the full Council with a Positive Recommendation. Vote: All Ayes.

FISCAL IMPACTS OF RECOMMENDATION

No general fund impact.

ENVIRONMENTAL SUSTAINABILITY

No ecological impact.

BACKGROUND

According to the Southern Poverty Law Center, “white nationalist groups espouse white supremacist or white separatist ideologies, often focusing on the alleged inferiority of nonwhites. Groups listed in a variety of other categories - Ku Klux Klan, neo-

Confederate, neo-Nazi, racist skinhead, and Christian Identity - could also be fairly described as white nationalist.”¹

As documented in the November 3, 2018 cover article of the New York Times Magazine, since 9/11, U.S. counter-terrorism policy has focused almost entirely on combating American and foreign-born “jihadists,” failing to recognize the growing threat of far-right extremism. This has contributed to widespread vigilante attacks on, government surveillance and repression of, and sweeping policies that discriminate against Muslim, Arab and South Asian communities. Meanwhile, it has failed to address the growing threat and presence of white nationalists and neo-Nazis across the U.S.²

As Janet Reitman’s article documents, according to the data, far-right extremists have killed more people since 9/11 than any other category of domestic terrorism. According to the Anti-Defamation League, “71% of extremist-related deaths between 2008 and 2017 were committed by members of a far-right movement, while Islamic extremists were responsible for 26%.” Meanwhile, “between 2002 and 2017, the U.S. spent \$2.8 trillion on counterterrorism. In that time frame, terrorist attacks by Muslim extremists killed 100 people in the U.S. Between 2008 and 2017, meanwhile, domestic extremists killed 387 people.”³

Researchers at the University of Maryland published a report in 2017 showing an increase in attacks by right-wing extremists, from 6% in the 2000s to 35% in the 2010s. Quartz further confirmed that the trend persisted in 2017, when most attacks in the U.S. were committed by right-wing extremists. Out of 65 incidents last year, 37 were explicitly motivated by racist, anti-Muslim, homo/transphobic, anti-Semitic, fascist, anti-government, or xenophobic ideology.⁴

Reitman concludes, “These statistics belie the strident rhetoric around ‘foreign-born’ terrorists that the Trump administration has used to drive its anti-immigration agenda.” Similar conclusions were reached by The Brennan Center for Justice at NYU School of Law. Their report, *Wrong Priorities on Fighting Terrorism*, warns, “Some in the Justice Department are calling for new laws to fight domestic terrorism. But existing laws provide plenty of authority to prevent, investigate, and prosecute attacks. And passing new ones could worsen existing racial and religious disparities in who the government targets. Instead, we need a smarter approach that ensures resources are directed

¹ Southern Poverty Law Center: <https://www.splcenter.org/fighting-hate/extremist-files/ideology/white-nationalist>.

² Reitman, Janet. U.S. Law Enforcement Failed to See the Threat of White Nationalism. Now They Don’t Know How to Stop It. *New York Times Magazine*. November 3, 2018. <https://www.nytimes.com/2018/11/03/magazine/FBI-charlottesville-white-nationalism-far-right.html>.

³ Ibid

⁴ Romero, Luiz. US terror attacks are increasingly motivated by right-wing views. *Quartz*. October 24, 2018. <https://qz.com/1435885/data-shows-more-us-terror-attacks-by-right-wing-and-religious-extremists/>.

toward the deadliest terrorist threats. And we need to evaluate those threats based on objective evaluations of potential harm, not political considerations that prioritize some communities over others.”⁵

The report documents the ways in which while right-wing acts of mass violence are on the rise, the government is focused on an ideological war against Muslims and failing to address the rise of white nationalism and neo-Nazi threats despite the documented acts of violence they inspire and hateful goals of their activities. In addition, the report documents the decision of the Trump administration to not add white nationalist and neo-Nazi groups, both domestic and international, to the list of foreign or domestic terrorist organizations.⁶ Furthermore, it demonstrates that instead the federal government has consistently targeted social and environmental justice organizations over right-wing groups threatening and enacting mass violence.

As their report shows, in 2010, even the Justice Department criticized the FBI Joint Terrorism Task Force for a number of investigations of animal rights, peace, and social justice advocates for treating trespassing, nonviolent civil disobedience, and vandalism as “acts of terrorism.” Similarly, the report goes on to say, “in the weeks before the deadly Charlottesville, Virginia, “Unite the Right” rally, the FBI’s Domestic Terrorism Analysis Unit warned law enforcement that “Black Identity Extremists” posed a deadly threat, despite the fact that no such movement exists.”

Meanwhile, the Justice Department failed to bring federal charges after a series of violent far right riots around the country, in Sacramento, Anaheim, and Seattle – all before Charlottesville, left anti-racist counter-protesters stabbed, beaten, and shot.⁷ In contrast, under Trump, “federal prosecutors aggressively pursued more than 200 felony conspiracy cases against activists and journalists who attended a January 20, 2017, anti-Trump protest, where some in the crowd broke store windows and set a limousine on fire. After two trials of the first dozen activists ended with acquittals and the judge ruled prosecutors illegally withheld evidence from defense attorneys, the Justice Department dropped the remaining cases.”⁸

The report concludes that “there is reason to fear that new laws expanding the Justice Department’s counter-terrorism powers will not make Americans safer from terrorist violence. Instead, they may further entrench existing disparities in communities the

⁵ German, Michael and Sara Robinson. Wrong Priorities on Fighting Terrorism. *The Brennan Center for Justice*. October 31, 2018. <https://www.brennancenter.org/publication/wrong-priorities-fighting-terrorism>.

⁶ Ibid, page 4.

⁷ Ibid, page 2.

⁸ Ibid, page 3.

government targets with its most aggressive tactics, with serious implications for Americans' free speech, association, and equal protection rights.

In keeping with our resolution of non-participation with the so-called "Muslim-ban" and threatened registry and support for Berkeley communities, residents, families, students and workers being targeted by both, we need to denounce white nationalist and neo-Nazi groups and actions.

CONTACT PERSON

Cheryl Davila, Councilmember District 2 510.981.7120

ATTACHMENTS:

- 1: [U.S. Law Enforcement Failed to See the Threat of White Nationalism. Now They Don't Know How to Stop It.](#) New York Times Magazine, November 3, 2018.
- 2: [US terror attacks are increasingly motivated by right-wing views.](#) Quartz, October 24, 2018.
- 3: [Wrong Priorities on Fighting Terrorism.](#) The Brennan Center for Justice. October 31, 2018.
- 4: [The White Nationalists Are Winning: Fox News anchors and high-profile politicians are now openly pushing the racism of the alt-right. The fringe movement's messages have permeated the mainstream Republican Party.](#) The Atlantic. August 10, 2018.
- 5: [Democrats ask Trump administration for answers on rise of white nationalism in US.](#) CNN Politics. November 27, 2018.
- 6: Southern Poverty Law Center page on white nationalist hate groups: <https://www.splcenter.org/fighting-hate/extremist-files/ideology/white-nationalist>
- 7: [The limits of free speech for white supremacists marching at Unite the Right 2, explained: The First Amendment doesn't protect targeted racial slurs that could spark violence.](#) Vox. Aug 12, 2018.
- 8: [How the resurgence of white supremacy in the US sparked a war over free speech.](#) The Guardian. May 31, 2018.
- 9: [Powerful photo essay on the rise of white nationalism - Documenting the Rise of White Nationalism.](#) The New York Times. October 17, 2018.
- 10: Georgetown Institute for Constitutional Advocacy & Protection: Prohibiting Private Armies at Public Rallies: <https://www.law.georgetown.edu/icap/wp-content/uploads/sites/32/2018/04/Prohibiting-Private-Armies-at-Public-Rallies.pdf>.
- 11: [Tennessee House and Senate Resolution Denouncing White Nationalism and Neo-Nazis.](#)
- 12: [The City of Portland Condemns White Supremacist and Alt-Right Hate Groups \(Resolution\).](#)

RESOLUTION

CITY OF BERKELEY DENOUNCES AND OPPOSES WHITE NATIONALIST AND
NEO-NAZI GROUPS AND ACTIONS.

WHEREAS, throughout the course of U.S. history, white nationalism has promoted intimidation and violent repression of individuals solely on the basis of their race, ethnicity, religion and immigration status; and

WHEREAS, today, white nationalism has attempted to reinvent itself, self-identifying as the “Alt-Right,” yet their present day rhetoric and terrorism conjure painful memories of our nation’s past; and

WHEREAS, white nationalism and neo-Nazism seek to intensify racial animosities and inequities, further divide people in their shared interests in freedom, justice and humanity and foment hatred, classism, racism, xenophobia, anti-Muslim prejudice, antisemitism and ethnic eradication; and

WHEREAS, across the country there has been a rise in public expressions and violence by self-proclaimed white nationalists and neo-Nazis;⁹ and

WHEREAS, 71% of extremist-related deaths between 2008 and 2017 were committed by members of a far-right movement and there has been an increase in attacks by right-wing extremists, from 6% in the 2000s to 35% in the 2010s;¹⁰ and

WHEREAS, out of 65 incidents in 2017, 37 were explicitly motivated by racist, anti-Muslim, homo/transphobic, anti-Semitic, fascist, or xenophobic ideology;¹¹ and

WHEREAS, while free speech and assembly are bedrock civil liberties, white nationalists and neo-Nazi groups promote agendas that are in irreconcilable conflict with other fundamental rights including liberty and justice for all; and

WHEREAS, the white nationalist and neo-Nazi messages of racial and social intolerance have led to senseless acts of violence that continue to terrorize members of ethnic, racial and religious communities; and

⁹ Southern Poverty Law Center: <https://www.splcenter.org/fighting-hate/extremist-files/ideology/white-nationalist>.

¹⁰ Reitman, Janet. U.S. Law Enforcement Failed to See the Threat of White Nationalism. Now They Don’t Know How to Stop It. *New York Times Magazine*. November 3, 2018. <https://www.nytimes.com/2018/11/03/magazine/FBI-charlottesville-white-nationalism-far-right.html>.

¹¹ Romero, Luiz. US terror attacks are increasingly motivated by right-wing views. *Quartz*. October 24, 2018. <https://qz.com/1435885/data-shows-more-us-terror-attacks-by-right-wing-and-religious-extremists/>.

WHEREAS, the federal government has failed to address the rising violence of white nationalists and instead focused its effort on a broad, sweeping attack against what is perceived as a foreign terrorist threat abroad and at home, despite the numbers showing double the attacks by the former over attacks by the later;^{12,13, 14} and

WHEREAS, recent tragic and terrorizing events in Berkeley, Charlottesville, Sacramento, Anaheim, Portland and Seattle have proven that white nationalists and neo-Nazis remain a very real threat to safety, humanity and racial justice.

NOW, THEREFORE BE IT RESOLVED that the City of Berkeley strongly denounces and opposes the fascistⁱ impulses, violent actions, xenophobic biases, and bigoted ideologies that are promoted by white nationalists and neo-Nazis; and

BE IT FURTHER RESOLVED that the City of Berkeley will not tolerate discrimination or hate in any form or manifestation and that we stand united with resolve to promote and continue to secure equality for all people.

ⁱ “The common elements of fascism — extreme nationalism, social Darwinism, the leadership principle, elitism, anti-liberalism, anti-egalitarianism, anti-democracy, intolerance, glorification of war, the supremacy of the state and anti-intellectualism — together form a rather loose doctrine.” Ian Adams, [Political Ideology Today](#).

¹² Reitman, Janet. U.S. Law Enforcement Failed to See the Threat of White Nationalism. Now They Don't Know How to Stop It. *New York Times Magazine*. November 3, 2018. <https://www.nytimes.com/2018/11/03/magazine/FBI-charlottesville-white-nationalism-far-right.html>.

¹³ German, Michael and Sara Robinson. Wrong Priorities on Fighting Terrorism. *The Brennan Center for Justice*. October 31, 2018. <https://www.brennancenter.org/publication/wrong-priorities-fighting-terrorism>.

¹⁴ [Democrats ask Trump administration for answers on rise of white nationalism in US](#). CNN Politics. November 27, 2018.



Councilmember Ben Bartlett

City of Berkeley, District 3
2180 Milvia Street, 5th Floor
Berkeley, CA 94704
PHONE 510-981-7130
EMAIL: bbartlett@cityofberkeley.info

14

CONSENT CALENDAR
February 26th, 2019

To: Honorable Mayor and Members of the City Council
From: Councilmembers Ben Bartlett, Kate Harrison, Cheryl Davila and Sophie Hahn
Subject: Support AB 5 and Write Letter of Support to CA Assemblymember Lorena Gonzalez

RECOMMENDATION

That the Mayor of Berkeley and Members of the City Council support CA State Assembly Bill 5 (AB 5) by sending a letter of support to Author Assemblymember Lorena Gonzalez. Assembly Bill 5 codifies and clarifies the application of *Dynamex Operations West, Inc. v. Superior Court of Los Angeles (2018) 4 Cal.5th 903*, which established the 3-part “ABC” test to defend the labor rights of misclassified workers and ensure they receive the compensation they deserve.

CURRENT SITUATION

When companies misclassify workers to circumvent payroll taxes, Social Security, and disability insurance the marketplace becomes unfair, misclassified workers lose workplace protections, and the state loses needed revenue. The California Supreme Court decision in *Dynamex* established the “ABC” test to clearly define an independent contractor, preventing misclassification. Assembly Bill 5 incorporates the California Supreme Court decision into state law and clarifies its application.

BACKGROUND

The losses suffered by misclassified workers results in a myriad of problems that are avoidable by clearly outlining the requisites for classifying workers as independent contractors. This is accomplished by the Court’s ruling which establishes that it is the employer’s duty to classify their workers as independent contractors or employees according to the 3-part “ABC” test. This requires employers to establish each of the following three factors:

- A. that the worker is free from the control and direction of the hiring entity in connection with the performance of the work, both under the contract for the performance of the work and in fact; *and*

- B. that the worker performs work that is outside the usual course of the hiring entity's business; *and*
- C. that the worker is customarily engaged in an independently established trade, occupation, or business of the same nature as the work performed.

REVIEW OF EXISTING PLANS, PROGRAMS, POLICIES, AND LAWS

Dynamex Operations West, Inc. v. Superior Court of Los Angeles (2018) 4 Cal.5th 903

ACTIONS/ALTERNATIVES CONSIDERED

Writing additional language to City of Berkeley Ordinance to ensure the Minimum Wage and Paid Sick Leave policies are inline with Dynamex's Court Case

CONSULTATION/OUTREACH OVERVIEW AND RESULTS

Many labor Unions have signed on, see attachment

RATIONALE FOR RECOMMENDATION

To support legislatures who introduced legislations that ensure that workers, regardless employment and contracting status, are protected

IMPLEMENTATION, ADMINISTRATION AND ENFORCEMENT

N/A; State Enforcement

FISCAL IMPACTS OF RECOMMENDATION

Staff time to review/ edit letter and postage.

ENVIRONMENTAL SUSTAINABILITY

No negative impact.

RATIONALE FOR RECOMMENDATION

To show support for the contracting workers of Berkeley and California

OUTCOMES AND EVALUATION

CONTACT PERSON

Councilmember Ben Bartlett
Kyle Tang

510-981-7130
kyle.tang@berkeley.edu

ATTACHMENTS

1. Letter to Assemblymember Lorena Gonzalez
2. List of Labor Unions Supporting the Decision.

Attachment 1:
February XX, 2019

The Honorable Lorena Gonzalez
Member of the California State Assembly
[insert address]

Re: AB 5 (Gonzalez)

Dear Assemblymember Gonzalez:

The Honorable Mayor and Members of the Berkeley City Council are pleased to support AB 5. AB 5 codifies and clarifies the application of *Dynamex Operations West, Inc. v. Superior Court of Los Angeles (2018) 4 Cal.5th 903*, which established the 3-part “ABC” test to defend the labor rights of misclassified workers.

Prior to the *Dynamex* ruling, misclassified workers were unfairly denied wages and benefits by companies which sought to avoid paying payroll taxes, payment of premiums for workers compensation, Social Security, unemployment, and disability insurance. The Court decision and resulting 3-part “ABC” test reduce ambiguity, preventing worker misclassification and ensure that workers are fairly compensated.

AB 5 expresses the Legislature’s intent to codify the Court decision and clarify its future applications in state law.

It is crucial that the California Legislature defends workers’ rights and hold employers accountable. For these reasons, we strongly support AB 5.

Respectfully,
the Honorable Mayor and Members of the Berkeley City Council

Jesse Arreguin
Mayor, City of Berkeley

Members of the Berkeley City Council

Attachment 2:





Councilmember Ben Bartlett

City of Berkeley, District 3
2180 Milvia Street, 5th Floor
Berkeley, CA 94704
PHONE 510-981-7130
EMAIL: bbartlett@cityofberkeley.info

15

CONSENT CALENDAR
February 26th, 2019

To: Honorable Mayor and Members of the City Council

From: Councilmembers Ben Bartlett, Sophie Hahn and Cheryl Davila

Subject: Ensuring the Sustainability of the Berkeley Flea Market

RECOMMENDATION

Short-term referral to the City Manager to provide material and strategic assistance to the Berkeley Flea Market, to sustain and enhance its ability to serve both merchant participants and the community at large.

CURRENT SITUATION

The Berkeley Flea Market is struggling financially, as a result, the board members of the Community Services United (CSU)--the Berkeley nonprofit organization that runs the Market--have decided to shut down the market for the months of February and March. During this break, the CSU intends to create a plan to reinvigorate the market. The Market currently faces the risk of being shut down permanently, unless a sustainable path to solvency is discovered and enacted.

BACKGROUND

The Berkeley Flea Market is a community institution, providing pathways to entrepreneurship, a celebration of diversity and cultural expression, a community meeting place, and opportunities for reuse and recycling. The Market has contributed to the vitality of South Berkeley for nearly 50 years.

In late 2018, the Market suffered from reduced revenues due to smoke from the Camp Fire and extended rainy weekends. One rainy day easily contributes to a loss of an entire weekend's earnings. As a result, the Market is in a dire financial situation and is unable to cover its regular expenses-- including rent, insurance, and portable toilets. These elements are the backbone to the market and facilitate small business activity and contribute to creation of community.

The City of Berkeley can and should provide assistance to the Berkeley Flea Market including capacity building, developing a business plan, marketing, and exploring

alternate locations in the public right of way near their current location that will reduce costs for the Market and boost its visibility.

REVIEW OF EXISTING PLANS, PROGRAMS, POLICIES, AND LAWS

The Market will be shut down this upcoming February and March. In the meantime, the board members of CSU are implementing new plans to temporarily alleviate the situation during their two-month break. One existing plan is to share and/or sublet a part of their office space with another individual or group of people in need of a space to work. Sharing the space will split the rent in half and thus, provide CSU with an extra thousand dollar to save.

ACTIONS/ALTERNATIVES CONSIDERED

A potential alternative is to find an alternate location that is not only cheaper, but also physically visible and accessible. Exploring different venue options can and should be supported by the efforts of the City of Berkeley due to the amount of resources it has.

Some have also introduced the idea of increasing the space rental fees for vendors, but this alternative only shifts the CSU's financial crisis onto the backs of those whose income roots itself in their businesses at the Market. The market is designed for working class and poor people to be their own bosses and make a living, and increasing the space rental fees will deter vendors from selling at the market and further interfere with CSU's plans towards building sustainability.

OUTREACH OVERVIEW AND RESULTS

This past December, the board members of CSU initiated a GoFundMe campaign in order to pay their rent and manage the administration of the market. Aiming to receive support from community members, nonprofit organizations and neighborhood associations, and the people who frequently visit the Berkeley Flea Market, the campaign only raised \$2,654 of its \$20,000 goal. Unfortunately, this only covers about a month's worth of the Board's expenses. CSU needs an effective and immediate plan that goes beyond a fundraising campaign and will continuously sustain both the market and those whose income is primarily from their service as a vendor.

RATIONALE FOR RECOMMENDATION

The Berkeley Flea Market is on the verge of closing. Not only will its closing disrupt the Market's long years of creative collaboration and community building, but also it will negatively impact the lives of the working class and poor people who are the primary owners of the Market's diverse number of businesses. Therefore, the City of Berkeley needs to use their resources to help ensure the sustainability of the Market.

IMPLEMENTATION, ADMINISTRATION AND ENFORCEMENT

The Council should refer to the City Manager to provide assistance to the Berkeley Flea Market. The City Manager should then create a plan to further discuss with the board members of CSU on how to proceed.

In addition, all Councilmembers should assist with outreach by informing the community and their networks about the Market's search for an individual or group of people in need of a shared office space.

FISCAL IMPACTS OF RECOMMENDATION

Staff time and other costs associated with special events.

ENVIRONMENTAL SUSTAINABILITY

No negative impact.

OUTCOMES AND EVALUATION

It is expected that the City of Berkeley will assist CSU with sustaining the Berkeley Flea Market and as a result, there will be a newly created, but effective business model that will solve their financial crisis.

CONTACT PERSON

Councilmember Ben Bartlett
Katie Ly

510-981-7130
katiely22@berkeley.edu



CITY COUNCILMEMBER
RIGEL ROBINSON
DISTRICT 7

CONSENT CALENDAR
February 26, 2019

To: Honorable Mayor and Members of the City Council
From: Councilmembers Rigel Robinson, Ben Bartlett, Sophie Hahn and Lori Droste
Subject: Support for AB 177 (Election Day Holiday)

RECOMMENDATION

Send a letter to Senator Skinner, Assemblymember Wicks, and Assemblymember Low supporting AB 177, which would add any day a statewide general election is held to the list of state holidays.

BACKGROUND

Under current election law, Election Day occurs on the first Tuesday after the first Monday in November of each even-numbered year. Election Day is not on the list of California State holidays. Since Election Day falls on a weekday, getting to the polls can be difficult for people who have to attend school or work.

Voter turnout among young people is low, and turnout for registered voters aged 18-29 is consistently lower than all other age groups. Closing public schools and community colleges on Election Day would give young people greater opportunities to vote and exercise their civic duty.

Wait times and crowds at the polls can be unpredictable, and for people who work full time, finding time in the day to vote can be stressful. Polls are often busiest during the morning, evening, and during lunch breaks because of people’s work schedules. Giving workers the day off to vote would make voting easier for them and increase efficiency at polling stations.

This bill would add Election Day to the list of days where public schools and community colleges close and state employees get paid time off. This would give students and state workers more time to cast their ballots, and is an important step towards increasing voter turnout and promoting civic engagement in California.

FINANCIAL IMPLICATIONS

None.

ENVIRONMENTAL SUSTAINABILITY

No impact.

CONTACT PERSON

Rachel Alper, Intern to Councilmember Rigel Robinson, (510) 981-7170

Attachments:

- 1: Letter of support to Senator Skinner
- 2: Letter of support to Assemblymember Wicks
- 3: Letter of support to Assemblymember Low
- 4: Bill Text - AB 177

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201920200AB177

The Honorable Nancy Skinner
Member of the Senate
State Capitol, Room 2059
Sacramento, CA 95814

Re: AB 177 (Low) – Election Day Holiday

Dear Senator Skinner,

The Berkeley City Council would like to convey its full support for AB 177. AB 177 seeks to make voting easier for students and state workers by making Election Day a holiday.

Under current election law, Election Day occurs on the first Tuesday after the first Monday in November of each even-numbered year. Election Day is not on the list of California State holidays. Since Election Day falls on a weekday, getting to the polls can be difficult for people who have to attend school or work.

Voter turnout among young people is low, and turnout for registered voters aged 18-29 is consistently lower than all other age groups. Closing public schools and community colleges on Election Day would give young people more time to vote.

Wait times and crowds at the polls can be unpredictable, and for people who work full time, finding time in the day to vote can be stressful. Polls are often busiest during the morning, evening, and during lunch breaks because of people's work schedules. Giving workers the day off to vote would make voting easier for them and increase efficiency at polling stations.

This bill would add Election Day to the list of days where public schools and community colleges close and state employees get paid time off. This would give students and state workers more time to cast their ballots, and is an important step towards increasing voter turnout and promoting civic engagement in California.

Berkeley City Council requests that you support this important legislation to make voting easier for Californians.

Respectfully,
Berkeley City Council

The Honorable Buffy Wicks
Member of the Assembly
State Capitol, Room 5160
Sacramento, CA 95814

Re: AB 177 (Low) – Election Day Holiday

Dear Assemblymember Wicks,

The Berkeley City Council would like to convey its full support for AB 177. AB 177 seeks to make voting easier for students and state workers by making Election Day a holiday.

Under current election law, Election Day occurs on the first Tuesday after the first Monday in November of each even-numbered year. Election Day is not on the list of California State holidays. Since Election Day falls on a weekday, getting to the polls can be difficult for people who have to attend school or work.

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Voter turnout among young people is low, and turnout for registered voters aged 18-29 is consistently lower than all other age groups. Closing public schools and community colleges on Election Day would give young people more time to vote.

This bill would add Election Day to the list of days where public schools and community colleges close and state employees get paid time off. This would give students and state workers more time to cast their ballots, and is an important step towards increasing voter turnout and promoting civic engagement in California.

Berkeley City Council requests that you support this important legislation to make voting easier for Californians.

Respectfully,
Berkeley City Council

The Honorable Evan Low
Member of the Assembly
State Capitol, Room 4126
Sacramento, CA 95814

Re: AB 177 (Low) – Election Day Holiday

Dear Assemblymember Low,

The Berkeley City Council would like to convey its full support for AB 177.

Under current election law, Election Day occurs on the first Tuesday after the first Monday in November of each even-numbered year. Election Day is not on the list of California State holidays. Since Election Day falls on a weekday, getting to the polls can be difficult for people who have to attend school or work.

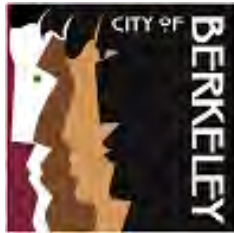
Wait times and crowds at the polls can be unpredictable, and for people who work full time, finding time in the day to vote can be stressful. Polls are often busiest during the morning, evening, and during lunch breaks because of people's work schedules. Giving workers the day off to vote would make voting easier for them and increase efficiency at polling stations.

Voter turnout among young people is low, and turnout for registered voters aged 18-29 is consistently lower than all other age groups. Closing public schools and community colleges on Election Day would give young people more time to vote.

Adding Election Day to the list of state holidays is an important step towards increasing voter turnout and promoting civic engagement in California.

Thank you for introducing this important piece of legislation.

Respectfully,
Berkeley City Council



Office of the City Manager

17

PUBLIC HEARING
FEBRUARY 26, 2019

To: Honorable Mayor and Members of the City Council
 From: Dee Williams-Ridley, City Manager
 Submitted by: Timothy Burroughs, Director, Planning and Development Department
 Subject: Proposed Location for the Apothecarium Cannabis Retailer

RECOMMENDATION

Conduct a public hearing to consider information pertaining to Apothecarium's proposed location at 2312 Telegraph Avenue, and upon conclusion, adopt a Resolution either to approve or to deny the proposed location.

FISCAL IMPACTS OF RECOMMENDATION

The Apothecarium is one of three cannabis businesses that was selected by City Council in 2016 to operate cannabis dispensaries. Approval of Apothecarium's proposed location would allow the business to begin operations in Berkeley in the near future. Once the business is operational, it would generate business license tax revenue. The exact amount depends upon volume of sales, but for comparison, three cannabis Retailers operating in Berkeley in 2017 generated \$1,645,012 through the City's business license tax.

Denial of the location would presumably mean that the Apothecarium would select a new location and repeat the City's Council-approved location selection process after identifying and securing a new location. Additional costs to the City would be incurred from staff time needed to evaluate the new location application and verify compliance with City regulations. If the Apothecarium could not or chose not to find another location, a new selection process would need to be initiated to choose a sixth cannabis Retailer. This would generate additional costs to the City from the staff time necessary to manage the application process and evaluate new applications.

CURRENT SITUATION AND ITS EFFECTS

In October 2018, the Apothecarium, a cannabis Retailer approved by City Council to operate a business in Berkeley, submitted an application for a new location. The new location would replace the original location approved by City Council in September 2016. The Apothecarium never opened at its originally-selected location, and that location is no longer viable.

The application for the new location, at 2312 Telegraph Avenue, is available for review at: <https://www.cityofberkeley.info/MedicalCannabis/>. Per City requirements, the application includes information designed to enable the Council and the community to consider issues related to the new location, including a revised business plan, neighborhood compatibility plan and safety and security plan. Staff reviewed the application and determined that it is complete. Staff also determined that the proposed location meets current buffer requirements from schools and other cannabis Retailers.

The proposed tenant space at 2312 Telegraph Avenue is located in the Telegraph Avenue Commercial (C-T) District and is currently occupied by Sam's Market. This location would be the third cannabis Retailer in the six-block segment of Telegraph Avenue within the C-T district. The other two cannabis Retailers are Hi-Fidelity, located at 2465 Telegraph, and Patients Care Collective, located at 2590 Telegraph Avenue. Berkeley's Cannabis Ordinance does not limit the number of cannabis Retailers within a district; however, it requires a 600-foot buffer between cannabis Retailers, and this location meets that requirement. City regulations also require that cannabis Retailers are at least 600 feet from a public or private elementary, middle or high school. The proposed location also meets this requirement. See Attachment 3 for a map of the proposed site and the adjacent area.

The applicant held a community meeting on Thursday, November 29, 2018, at the proposed location (2312 Telegraph). Notices were sent to property owners and residents within 300 feet of the proposed cannabis Retailer site, as per the approved location selection process. City staff attended the meeting and drafted meeting notes that summarize meeting attendance and questions and concerns that were expressed. Meeting notes are included as Attachment 4.

The Cannabis Commission held a meeting on January 10, 2019, to consider the proposed location. The meeting consisted of a presentation from the applicant, questions from the Commission to the applicants, public comment, and Commission discussion. The meeting was attended by approximately 40 members of the public.

The Commissioners discussed the location and the type of recommendation that would be forwarded to Council. The discussion focused on the potential impact of a new cannabis Retailer at the proposed location on the existing cannabis Retailers. Commissioners also discussed whether or not the Apothecarium would easily find another site in Berkeley if this location is denied.

The Commission was not able to reach a consensus and voted not to forward a recommendation to the Council. The results of the vote are included with the January 10th meeting minutes (Attachment 5).

BACKGROUND

On September 20, 2016, Council approved the Apothecarium as one of three new medical cannabis Dispensaries¹ to supplement the three which were in operation at that time. The Apothecarium was one of six applicants considered for the quota of three additional slots, through a competitive process. The process required applicants to include a specific location for their proposed business.

The Apothecarium was ultimately unable to secure its Council-approved location. At its October 31, 2017 meeting, the Council directed the City Manager to develop a process to allow the Apothecarium to select a new site. On January 23, 2018, the Council approved a location approval process which only applies to the Apothecarium, as the other cannabis Retailers selected were able to secure their approved sites.

This location approval process consisted of two Rounds:

Round 1: Application

The applicant submitted a completed application form and information about the proposed location of the business. The applicant also submitted a Business Plan, Neighborhood Compatibility Plan and a Safety and Security Plan. City staff reviewed the application for completeness and to determine that the Principals meet the City's eligibility requirements.

Round 2: Selection

The applicant held a community meeting to address questions and comments from property owners and residents in the area of the proposed Retailer. After that, the Cannabis Commission considered the application and voted to not make a recommendation to the Council. The Council will make the final decision regarding the location at a Council meeting.

See Attachment 6 for a complete description of the process as approved by Council in Resolution 68,298-N.S.

ENVIRONMENTAL SUSTAINABILITY

There are no identifiable environmental impacts or opportunities associated with the subject of this report.

RATIONALE FOR RECOMMENDATION

The recommendation follows the selection process approved by the City Council on January 23, 2018.

¹ California voters approved recreational (adult use) cannabis in 2016 (Propositions 64). The State has developed a regulatory framework for the medicinal and adult use cannabis industry. Under this framework, cannabis businesses which sell to the public are now known as Retailers, rather than Dispensaries.

ALTERNATIVE ACTIONS CONSIDERED

None.

CONTACT PERSON

Timothy Burroughs, Director, Planning and Development Department, 981-7410
Elizabeth Greene, Senior Planner, Planning and Development Department, 981-7484

Attachments:

1. Resolution approving 2312 Telegraph Avenue location
2. Resolution denying 2312 Telegraph Avenue location
3. Map of Berkeley showing proposed Apothecarium location, schools, and existing cannabis Retailers
4. Staff notes from the November 28, 2018 community meeting
5. Draft minutes from the January 10, 2019 Cannabis Commission meeting
6. Resolution 68,298-N.S., Dispensary Replacement Location Selection Process
7. Public Hearing Notice

RESOLUTION NO. ##,###-N.S.

ADOPTING A NEW LOCATION FOR THE APOTHECARIUM DISPENSARY AT
2312 TELEGRAPH AVENUE

WHEREAS, on July 1, 2014, the City Council adopted a Ranking and Allocation Process to select a limited number of new dispensaries per BMC Chapter 12.27; and

WHEREAS, as part of the process, applicants were ranked based on numerous mandatory criteria, including background checks of principals, proof of landlord approval, a competency test, proposed location, business plan, neighborhood compatibility, and safety and security plans; and

WHEREAS, the applicants were also ranked based on bonus criteria, such as community benefits, labor and employment standards and qualifications of the principals; and

WHEREAS, each applicant held a public hearing in the area proposed for its dispensary and was evaluated by the Medical Cannabis Commission; and

WHEREAS, on September 20, 2016 the Council selected the Apothecarium as one of the three new dispensaries; and

WHEREAS, the Apothecarium cannot locate at the Council-approved site due to a misunderstanding between the dispensary operators and the landlord, despite presenting adequate proof of landlord approval multiple times during the selection process; and

WHEREAS, on January 23, 2018, the Council adopted an abbreviated approval process to focus on approval of a new location for the Apothecarium would allow the dispensary to begin operations in a timely manner; and

WHEREAS, on October 24, 2018, the Apothecarium submitted an application for a new location at 2312 Telegraph Avenue; and

WHEREAS, City staff reviewed the application and determined that it was complete and met the 600-foot buffer requirement from schools and other cannabis Retailers; and

WHEREAS, on November 29, 2018, the applicant held a community meeting at 2312 Telegraph Avenue to provide information about the application to neighbors of the proposed site and answer questions; and

WHEREAS, on January 10, 2019, the Cannabis Commission held a meeting to consider the 2312 Telegraph Avenue location and take public comment; and

WHEREAS, the Cannabis Commission could not reach a consensus and voted to not make a recommendation to the City Council regarding the use of the site by the Apothecarium; and

WHEREAS, on February 26, 2019, the Council held a Public Hearing to consider information pertaining to the Apothecarium's proposed 2312 Telegraph Avenue location and to take public comment.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that a new location for the Apothecarium, at 2312 Telegraph Avenue, is hereby adopted.

RESOLUTION NO. ##,###-N.S.

DENYING A NEW LOCATION FOR THE APOTHECARIUM DISPENSARY AT
2312 TELEGRAPH AVENUE

WHEREAS, on July 1, 2014, the City Council adopted a Ranking and Allocation Process to select a limited number of new dispensaries per BMC Chapter 12.27; and

WHEREAS, as part of the process, applicants were ranked based on numerous mandatory criteria, including background checks of principals, proof of landlord approval, a competency test, proposed location, business plan, neighborhood compatibility, and safety and security plans; and

WHEREAS, the applicants were also ranked based on bonus criteria, such as community benefits, labor and employment standards and qualifications of the principals; and

WHEREAS, each applicant held a public hearing in the area proposed for its dispensary and was evaluated by the Medical Cannabis Commission; and

WHEREAS, on September 20, 2016 the Council selected the Apothecarium as one of the three new dispensaries; and

WHEREAS, the Apothecarium cannot locate at the Council-approved site due to a misunderstanding between the dispensary operators and the landlord, despite presenting adequate proof of landlord approval multiple times during the selection process; and

WHEREAS, on January 23, 2018, the Council adopted an abbreviated approval process to focus on approval of a new location for the Apothecarium would allow the dispensary to begin operations in a timely manner; and

WHEREAS, on October 24, 2018, the Apothecarium submitted an application for a new location at 2312 Telegraph Avenue; and

WHEREAS, City staff reviewed the application and determined that it was complete and met the 600-foot buffer requirement from schools and other cannabis Retailers; and

WHEREAS, on November 29, 2018, the applicant held a community meeting at 2312 Telegraph Avenue to provide information about the application to neighbors of the proposed site and answer questions; and










WHEREAS, on January 10, 2019, the Cannabis Commission held a meeting to consider the 2312 Telegraph Avenue location and take public comment; and

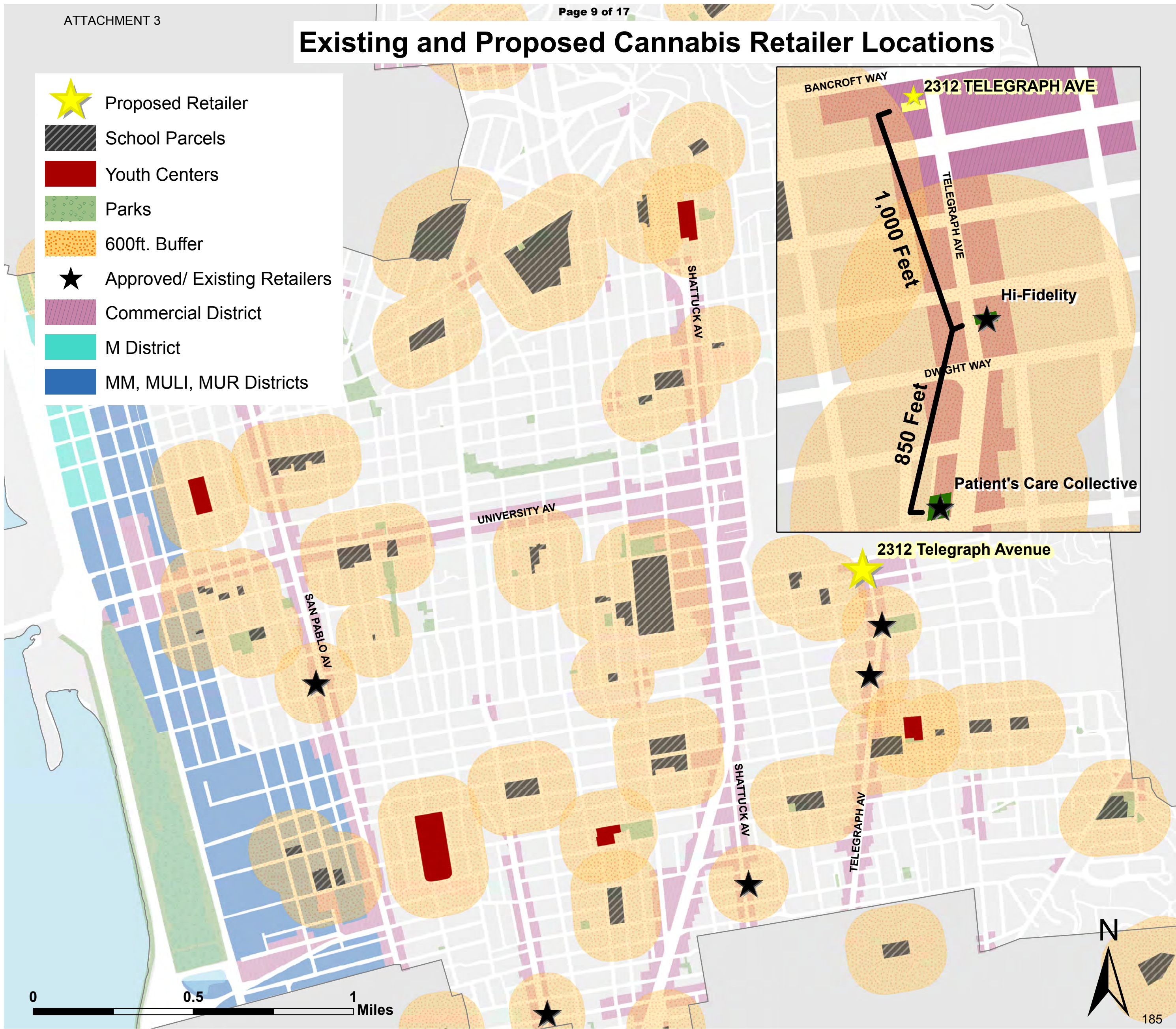
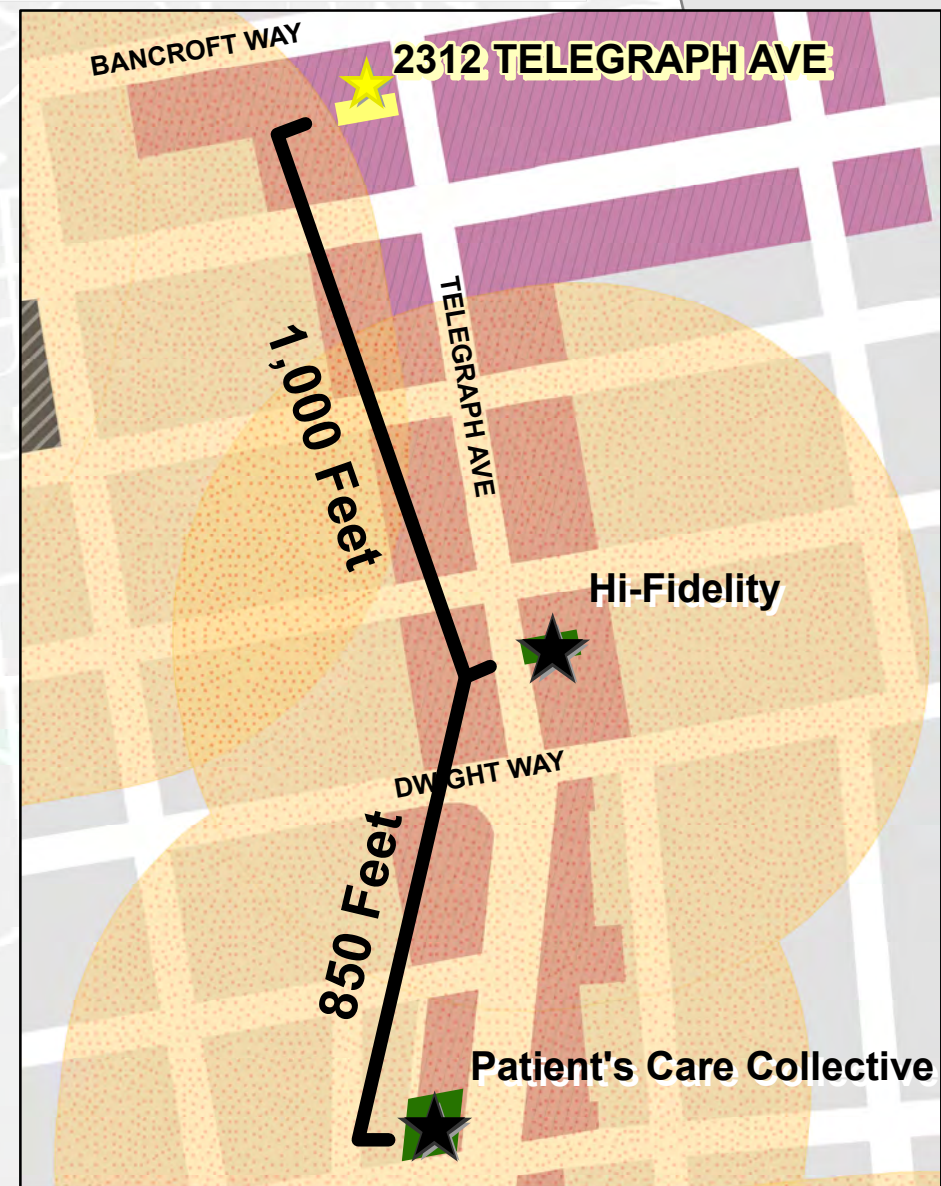
WHEREAS, the Cannabis Commission could not reach a consensus and voted to not make a recommendation to the City Council regarding the use of the site by the Apothecarium; and

WHEREAS, on February 26, 2019, the Council held a Public Hearing to consider information pertaining to the Apothecarium's proposed 2312 Telegraph Avenue location and to take public comment.

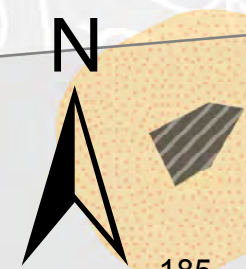
NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that a new location for the Apothecarium, at 2312 Telegraph Avenue, is hereby denied.

Existing and Proposed Cannabis Retailer Locations

-  Proposed Retailer
-  School Parcels
-  Youth Centers
-  Parks
-  600ft. Buffer
-  Approved/ Existing Retailers
-  Commercial District
-  M District
-  MM, MULI, MUR Districts



0 0.5 1 Miles



The Apothecarium Community Meeting

Meeting Time and Date: November 29, 2018, 6:12 PM- 7:30 PM

Meeting Location: Sam's Market, 2312 Telegraph Avenue, Berkeley, CA 94704

Proposed Dispensary Location: 2312 Telegraph Avenue

Applicant team members present: 4 = Elliott Dobris, Scott Hawkins, Arion Luce, Bianca Blesching.

Public present: Approximately 20-25

Any MCC members present? No

Any Councilmembers or representatives present? No

Public Comment

The main points are listed below:

- Concerns that a third dispensary on Telegraph Avenue will cause economic harm to the two existing dispensaries on Telegraph
- Concerns that clustering dispensaries will not provide adequate cannabis access throughout Berkeley.
- Concerns that a dispensary so close to the University will have adverse effects on students
- Concerns that this location primarily serves users on foot and that parking will be an issue for customers who need to drive
- Concerns that having this meeting in late November made it challenging for students to attend and provide input
- Questions about why this location was selected rather than Gilman Corridor, Shattuck Avenue, University Avenue, 4th Street, or North Berkeley
- Questions regarding why Apothecarium was allowed to relocate after issues with securing their first location on Shattuck
- Questions regarding cannabis use on site
- Statements of support for Amoeba and High Fidelity
- Statements that this location is already sufficiently served by the two existing dispensaries on Telegraph Avenue

**DRAFT MINUTES OF THE CANNABIS COMMISSION MEETING
JANUARY 10, 2019
(Partial)**

D. Consideration and possible recommendation to City Council of new location for cannabis Retailer (The Apothecarium) at 2312 Telegraph Avenue.

Representatives from the Apothecarium gave a presentation regarding the benefits of its business. The Commission asked questions regarding parking for the site, whether the business would sell medicinal and adult-use cannabis, the timeline for opening this location if it is approved, and why this location was selected.

Public Comment: Eighteen comments. Several comments raised concern over the concentration of cannabis Retailers on Telegraph, the impact on neighboring cannabis Retailers, potential difficulties accessing the location, UC Berkeley's concern about additional cannabis Retailers near the campus, and how other neighborhoods in Berkeley could benefit from a dispersal of these storefronts. Other comments were made in support of the Apothecarium, based on the atmosphere of their other locations, their offerings and services, and participation in cannabis research.

The Commission expressed support for a sixth dispensary in Berkeley, and discussed how this location could impact the potential of the two existing Retailers on Telegraph to succeed, the need for Retailers in other parts of Berkeley, the difficulty to find an appropriate cannabis Retail location in Berkeley, and the Council's possible preference for larger buffers around middle schools and high schools.

Motion/second to recommend approval of the location at 2312 Telegraph (Cooper/Brewster). The motion did not pass 2-2-2-0. (Ayes: Cooper, Brewster. Noes: Jones, Rice. Abstain: Cable, Pappas. Absent: None.)

Motion/second to make no recommendation to the City Council regarding the location at 2312 Telegraph (Rice/Jones). The motion carried 4-1-1-0. (Ayes: Rice, Jones, Cable, Pappas. Noes: Cooper. Abstain: Brewster. Absent: None.)

RESOLUTION NO. 68,298-N.S.

ADOPTING AN APPROVAL PROCESS FOR A NEW LOCATION FOR THE APOTHECARIUM DISPENSARY

WHEREAS, on July 1, 2014, the City Council adopted a Ranking and Allocation Process to select a limited number of new dispensaries per BMC Chapter 12.27; and

WHEREAS, as part of the process, applicants were ranked based on numerous mandatory criteria, including background checks of principals, proof of landlord approval, a competency test, proposed location, business plan, neighborhood compatibility, and safety and security plans; and

WHEREAS, the applicants were also ranked based on bonus criteria, such as community benefits, labor and employment standards and qualifications of the principals; and

WHEREAS, each applicant held a public hearing in the area proposed for its dispensary and was evaluated by the Medical Cannabis Commission; and

WHEREAS, on September 20, 2016 the Council selected the Apothecarium as one of the three new dispensaries; and

WHEREAS, the Apothecarium cannot locate at the Council-approved site due to a misunderstanding between the dispensary operators and the landlord, despite presenting adequate proof of landlord approval multiple times during the selection process; and

WHEREAS, the principals of the Apothecarium have not changed; and

WHEREAS, the Apothecarium previously met all of the requirements of the City and was highly ranked in the selection process; and

WHEREAS, this unusual and unanticipated situation is preventing the establishment of a sixth dispensary in Berkeley as approved by Council; and

WHEREAS, on October 31, 2017 the Council directed staff to develop a process for the relocation of the Apothecarium; and

WHEREAS, developing an abbreviated approval process to focus on approval of a new location for the Apothecarium would allow the dispensary to begin operations in a timely manner.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that an abbreviated approval process to select a new location for the Apothecarium, attached hereto as Exhibit A, is hereby adopted.

The foregoing Resolution was adopted by the Berkeley City Council on January 23, 2018 by the following vote:

Ayes: Davila, Droste, Hahn, Harrison, Maio, Wengraf, Worthington and Arreguin.

Noes: None.

Absent: Bartlett.



Jesse Arreguin, Mayor

Attest: 

Mark Numainville, City Clerk

EXHIBIT A

DISPENSARY REPLACEMENT LOCATION SELECTION PROCESS

INTRODUCTION

This process is based on the Ranking and Allocation Process approved by the Council to implement Berkeley Municipal Code Chapter 12.27. This abbreviated process has been developed to select a new location for a specific Applicant (the Apothecarium) that was previously approved by Council. Only criteria addressing the location will be considered in this process, as the applicant was evaluated in the previous Ranking and Selection process.

PUBLIC INFORMATION

Applications and associated materials in the possession of the City are public records. While certain information will likely be exempt from disclosure, other information will not be, and some information will necessarily be made public as part of the ranking process. In complying with the Public Records Act, the City will make reasonable efforts to keep sensitive information from being disclosed, but cannot guaranty that information an applicant may want to be kept confidential will not be disclosed. The City will make reasonable efforts to notify applicants whenever requests for disclosure of their information are received. The City shall not in any way be liable for the disclosure of any such records or portions thereof if the disclosure is made pursuant to a request under the Public Records Act, and applicants assume the risk of such disclosure by submitting their applications.

DESCRIPTION OF PROCESS

The location selection process shall consist of a single application and a public review process, described below:

Round 1: Application

The Applicant will submit the following information:

1. Completed Application form
2. Proposed Location(s) of business
3. Business Plan
4. Neighborhood Compatibility Plan
5. Safety and Security Plan

City staff will review the information to determine if it is complete. Any new principals that were not considered under the previous application will need to submit information to verify that they meet the eligibility requirement of BMC Section 12.23.030.

Round 2: Selection

Once staff determines the application is complete, the Applicant shall conduct a community meeting in the area proposed for its dispensary. This meeting must be held within 45 days of receiving notice from staff that the application is complete. If no location in the immediate area is available, the Applicant shall use a community facility that is as near as reasonably possible. Notice of the community meeting shall be on a form approved by the City and shall be provided as set forth in BMC Chapter 23B.32 for Use Permit public hearings. Within 5 days after notice of the community meeting is mailed, the Applicant shall provide to the City a copy of the notice of the community meeting, a list of addresses to which it was sent, and an affidavit of mailing. Failure to hold a community meeting within 45 days will disqualify the Applicant from further consideration and will allow other entities to be considered for the sixth dispensary location.

The Cannabis Commission shall consider the application either before or after the community meeting. The Commission may make a recommendation to the City Council.

After the community meeting, the application shall be presented to the City Council. The Council will make the final selection on the location. Notice of the Council's public meeting shall be provided as set forth in BMC Chapter 23B.32 for Use Permit public hearings.

DESCRIPTION OF EVALUATION CRITERIA

- **Application.** The Applicant will be required to submit an application on a form provided by the City. The application shall be signed by the Principals under penalty of perjury that they have personal knowledge of the information stated in the application and that it is true. The application shall include such information as the City may require that demonstrates compliance with applicable provisions of Chapter 12.27, as well as the following:
 - The name of a single point of contact for the Applicant, who shall be a Principal.
 - All information required by Section 12.27.040.
 - A description of the Dispensary and its proposed location(s), including the address of any proposed facility with proof of ownership, lease, and or letter of owner's guarantee to lease.
 - The names of all Principals. All Principals need to include proof of patient/caregiver status. Principals that were not included in the previous application will also need to provide proof of Live Scan submittal to the Berkeley Police Department.
- **Proposed Location(s).** The application must include the address and a detailed description of the proposed location(s). Plans for alteration of the proposed site and buildings must be included. This section should also describe all confronting and abutting uses, transit access and accessibility, and nearby sensitive uses, such as schools. The Dispensary must be located in a commercial (C-) district and must not be within a 600-foot radius of schools or other legally operating Dispensaries. If more than one location is considered, information must be provided about each potential location, including a Neighborhood Compatibility Plan and a Safety and Security Plan.
- **Business Plan.** With as much detail as possible, the Business Plan should describe:
 - Description of day-to-day operations.
 - How the MCD will conform to local and state law. See BMC Chapters 12.26 and 12.27, Resolution No. 66,711-N.S., and California's Medicinal and Adult Use Cannabis Regulation and Safety Act (MAUCRSA).
 - How medical cannabis will be tracked and monitored to prevent diversion.
 - A schedule for beginning operation, including a narrative outlining any proposed construction and improvements and a timeline for completion.
 The Business Plan should include:
 - A **budget** for construction, operation, maintenance, compensation of employees, equipment costs, utility costs, and other operation costs. The budget must demonstrate sufficient capital in place to pay startup costs and at least three months of operating costs, as well as a description of the sources and uses of funds.
 - **Proof of capitalization**, in the form of documentation of cash or other liquid assets on hand, Letters of Credit or other equivalent assets.

- A **pro forma** for at least three years of operation.
- **Neighborhood Compatibility Plan.** For each proposed location, the application should address how the dispensary, including its exterior areas and surrounding public areas, will be managed, so as to avoid becoming a nuisance or having impacts on its neighbors and the surrounding community. Further, a site plan (accurate, dimensioned and at a minimum scale of 1/16") should be included for each potential location. If changes are proposed to the site, the site plan should reflect these changes.
- **Safety and Security Plan.** For each proposed location, the application should include:
 - A detailed **safety plan.** This plan should describe the fire prevention, suppression, HVAC and alarm systems the facility will have in place. **It should include an assessment of the facility's fire safety by a qualified fire prevention and suppression consultant.** An appropriate plan will have considered all possible fire, hazardous material, and inhalation issues/threats and will have both written and physical mechanisms in place to deal with each specific situation.
 - A detailed **security plan.** This plan should include a description and detailed schematic of the overall facility security. It should have details on operational security, including but not limited to general security policies for the facility, employee specific policies, training, sample written policies, transactional security, visitor security, 3rd party contractor security, and delivery security. In particular, applications should address ingress and egress access, perimeter security, product security (at all hours), internal security measures for access (area specific), types of security systems (alarms and cameras), and security personnel to be employed. **The security plan shall also include an assessment of site security by a qualified security consultant.** Security plans will not be made public.
 - A **floor plan** showing existing conditions. If changes are proposed as part of the project, then a proposed floor plan should also be submitted. The floor plan(s) should be accurate, dimensioned and at a minimum scale of 1/8".

**NOTICE OF PUBLIC HEARING
BERKELEY CITY COUNCIL**

**COUNCIL CONSIDERATION OF CANNABIS RETAILER LOCATION AT
2312 TELEGRAPH AVENUE**

NOTICE IS HEREBY GIVEN that the City Council of the City of Berkeley will conduct a public hearing regarding the following proposed action:

1. Adopt a resolution either approving or denying the use of 2312 Telegraph for a storefront cannabis retailer by The Apothecarium Berkeley.

A map of the proposed location and its location in relation to K-12 schools and other cannabis Retailers is available online:

https://www.cityofberkeley.info/uploadedFiles/Planning_and_Development/Level_3_-_Commissions/Commission_for_Medical_Cannabis/2018-01-10_CC_Dist%20at%20mtg_Staff_Apothecarium%20vicinity%20map.pdf

The hearing will be held on **TUESDAY, FEBRUARY 26, 2019 at 6:00 p.m.** in the BUSD Board Room, 1231 Addison Street, Berkeley. A copy of the agenda material for this hearing will be available on the City’s website at www.CityofBerkeley.info as of **February 14, 2019**.

For further information, please contact:

- Timothy Burroughs, Director, Planning and Development Department, (510) 981-7437
- Elizabeth Greene, Senior Planner, (510) 981-7484.

Written comments should be mailed or delivered directly to the City Clerk, 2180 Milvia Street, Berkeley, CA 94704, in order to ensure delivery to all Councilmembers and inclusion in the agenda packet.

Communications to the Berkeley City Council are public record and will become part of the City’s electronic records, which are accessible through the City’s website. **Please note: e-mail addresses, names, addresses, and other contact information are not required, but if included in any communication to the City Council, will become part of the public record.** If you do not want your e-mail address or any other contact information to be made public, you may deliver communications via U.S. Postal Service or in person to the City Clerk. If you do not want your contact information included in the public record, please do not include that information in your communication. Please contact the City Clerk at 981-6900 or clerk@cityofberkeley.info for further information.

Noticing per Berkeley Municipal Code Section 23B.32.020

~~~~~  
I hereby certify that the Notice for this Public Hearing of the Berkeley City Council was posted at the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way, as well as on the City’s website, on February 14, 2019.

\_\_\_\_\_  
Mark Numainville, City Clerk



**REVISED  
AGENDA MATERIAL  
for Supplemental Packet 2**

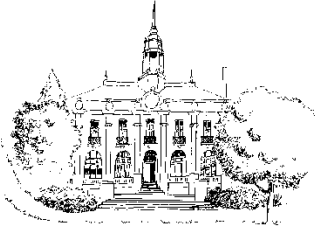
**Meeting Date:** October 16<sup>th</sup>, 2018

**Item Number:** 21

**Item Description:** Adopt the Sanctuary Contracting Ordinance proposed by the Peace and Justice Commission

**Submitted by:** Councilmember Worthington

Add Councilmember Harrison as co-sponsor.



## Kriss Worthington

Councilmember, City of Berkeley, District 7  
2180 Milvia Street, 5<sup>th</sup> Floor, Berkeley, CA 94704  
PHONE 510-981-7170, FAX 510-981-7177,  
EMAIL [kworthington@cityofberkeley.info](mailto:kworthington@cityofberkeley.info)

### CONSENT CALENDAR

October 16, 2018

To: Honorable Mayor and Members of the City Council  
From: Councilmember [Cheryl Davila, Kate Harrison, and](#) Kriss Worthington  
Subject: Adopt the Sanctuary Contracting Ordinance proposed by the Peace and Justice Commission

#### RECOMMENDATION:

That the City Council adopt the attached Sanctuary Contracting Ordinance proposed by the Peace and Justice Commission. This ordinance prohibits the award of city contracts to vendors acting as ICE data brokers, or those providing extreme vetting services.

#### BACKGROUND:

The City Council has previously referred a draft ordinance to the Peace and Justice Commission, and the Commission has reviewed, amended, and recommended the adoption of this ordinance, by a vote of 5-0 with two absent members. This updated and refined version of the Sanctuary Contracting Ordinance by the Peace and Justice Commission would prohibit the award of city contracts to ICE vendors acting as "Data Brokers" or those who provide "Extreme Vetting" services. By adopting this ordinance, the City of Berkeley will protect the privacy, safety, dignity, and quality of life of the members of the Berkeley community, especially targeted immigrants and religious minorities. It is the duty of the City to uphold and promote values of inclusion and shared prosperity.

Here is a link to the Peace and Justice Commission Recommendation with track changes:  
<https://drive.google.com/file/d/1V9nY1BeWSbFOlgb7YF5opB4rkBKvBqd/view?usp=sharing>

#### FINANCIAL IMPLICATIONS:

Minimal.

#### ENVIRONMENTAL SUSTAINABILITY:

Consistent with Berkeley's Environmental Sustainability Goals and no negative impact.

#### CONTACT PERSON:

Councilmember Kriss Worthington 510-981-7170

ORDINANCE NO. -N.S.

BE IT ORDAINED by the Council of the City of Berkeley as follows:

**Section 1. Title**

This ordinance shall be known as the Sanctuary City Contracting Ordinance.

**Section 2. Definitions**

- 1) "City" means the City of Berkeley, California.
- 2) "Data Broker" (also commonly called information broker, information reseller, data aggregator, and information solution provider) means either of the following:
  - a) The collection of information, including personal information about consumers, from a wide variety of sources for the purposes of reselling such information to their customers, which include both private-sector businesses and government agencies;
  - b) The aggregation of data that was collected for another purpose from that for which it is ultimately used.
- 3) "Extreme Vetting" means data-mining, threat modeling, predictive risk analysis, or other similar services.
- 4) "ICE" means the United States Immigration and Customs Enforcement, and any subdivision thereof.
- 5) "Person or Entity" means any private natural person, corporation, institution, subsidiary, affiliate, or division under operating control of such person; the parent entities that have operating control over such person, and the subsidiaries, affiliates and divisions under operating control of such parent entity. Government entities and employees are expressly excluded from this definition.

**Section 3. Prohibition on Use of City Resources**

- 1) No officer, employee, department, board, commission, City Council, City Manager, or other entity of the City shall enter into a new, amended, or extended contract or agreement with any Person or Entity that provides ICE with any "Data Broker" or "Extreme Vetting" services, as defined herein, unless a waiver is granted based on a specific determination that no reasonable alternative exists, taking into consideration the following:
  - a) The intent and purpose of this ordinance;
  - b) The availability of alternative services, goods and equipment; and
  - c) Quantifiable additional costs resulting from use of available alternatives.The following process shall be followed in considering a waiver: the City Manager or designee shall file a waiver request with the Peace and Justice Commission. The Commission shall weigh the above considerations and make a recommendation to the City Council. The Council shall make the final decision on granting the waiver.
- 2) All public works, construction bids, requests for information, requests for proposals, or any other solicitation issued by the City shall include notice of the prohibition listed above.
- 3) For the purpose of determining which Person or Entity provides ICE with Data Broker or Extreme Vetting services, the City Manager shall rely on:
  - a) Information published by reliable sources
  - b) Information released by public agencies
  - c) A declaration under the penalty of perjury executed by the Person or Entity, affirming that they do not provide Data Broker or Extreme Vetting services to ICE
  - d) Information submitted to the City Manager by any member of the public, and thereafter duly verified
- 4) Any Person or Entity identified as a supplier of Data Broker or Extreme Vetting services to ICE and potentially affected by this section shall be notified by the City Manager of the determination. Any such Person or Entity shall be entitled to a review of the

determination by appeal to the City Manager. Request for such review shall be made within thirty (30) days of notification, or seven (7) days of the date of a City solicitation or notice of a pending contract or purchase, of interest to the Person or Entity seeking review. Any Person or Entity vendor so identified may appeal the City Manager's determination to the City Council, within fifteen (15) days of the determination.

#### **Section 4. Investigation And Reporting**

- (a) The City Manager, or his or her designee, shall review compliance with Section 3. The City Manager may initiate and shall receive complaints regarding violations of Section 3. After investigating such complaints, the City Manager shall issue findings regarding any alleged violation. If the City Manager finds that a violation occurred, the City Manager shall, within 30 days of such finding, send a report of such finding to the City Council, the Mayor, and the head of any department involved in the violation or in which the violation occurred. All officers, employees, departments, boards, commissions, and other entities of the City shall cooperate with the City Manager in any investigation of a violation of Sections 3.
- (b) By April 1 of each year, each City department shall certify its compliance with this ordinance by written notice to the City Manager.
- (c) By May 1 of each year, the City Manager shall schedule and submit to the City Council a written, public report regarding compliance with Section 3 over the previous calendar year. At minimum, this report must (1) detail with specificity the steps taken to ensure compliance with Sections 3, (2) disclose any issues with compliance, including any violations or potential violations of this Ordinance, and (3) detail actions taken to cure any deficiencies with compliance.

#### **Section 5. Enforcement**

- (a) Cause of Action. Any violation of this Ordinance constitutes an injury, and any person may institute proceedings for injunctive relief, declaratory relief, or writ of mandate in any court of competent jurisdiction to enforce this Ordinance.
- (b) Damages and Civil Penalties. If the City is found liable in a cause of action brought by an individual under section (a) above, the City shall be liable for (1) the damages suffered by the plaintiff, if any, as determined by the court, and (2) a civil penalty no greater than \$5,000 per violation, as determined by the court. In determining the amount of the civil penalty, the court shall consider whether the violation was the result of arbitrary or capricious action by the City or an employee or agent thereof in his or her official capacity, and any other prior violations of this ordinance by the City department that committed the violation.
- (c) Attorney's Fees and Costs. A court shall award a plaintiff who prevails on a cause of action under subsection (a) reasonable attorney's fees and costs.
- (d) Limitations on Actions. Any person bringing an action pursuant to this ordinance must first file a claim with the City pursuant to Government Code 905 or any successor statute within four years of the alleged violation.
- (e) Any Person or Entity knowingly or willingly supplying false information in violation of Section 3 (3)(c), shall be guilty of a misdemeanor and up to a \$1,000 fine.

#### **Section 6. Severability**

The provisions in this Ordinance are severable. If any part of provision of this Ordinance, or the application of this Ordinance to any person or circumstance, is held invalid, the remainder of this Ordinance, including the application of such part or provisions to other persons or circumstances, shall not be affected by such holding and shall continue to have force and effect.

#### **Section 7. Construction**

The provisions of this Ordinance are to be construed broadly to effectuate the purposes of this Ordinance.

#### **Section 8. Effective Date**



This Ordinance shall take effect on [DATE].



## Kriss Worthington

Councilmember, City of Berkeley, District 7  
2180 Milvia Street, 5<sup>th</sup> Floor, Berkeley, CA 94704  
PHONE 510-981-7170, FAX 510-981-7177,  
EMAIL [kworthington@cityofberkeley.info](mailto:kworthington@cityofberkeley.info)

### ACTION CALENDAR

February 26, 2019

*(Continued from January 29, 2019)*

To: Honorable Mayor and Members of the City Council  
From: Councilmember Kriss Worthington, Councilmember Cheryl Davila, and  
Councilmember Ben Bartlett

Subject: Adopt the Sanctuary Contracting Ordinance proposed by the Peace and Justice  
Commission

#### RECOMMENDATION:

That the City Council adopt the attached Sanctuary Contracting Ordinance proposed by the Peace and Justice Commission. This ordinance prohibits the award of city contracts to vendors acting as ICE data brokers, or those providing extreme vetting services.

#### BACKGROUND:

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<https://drive.google.com/file/d/1V9nY1BeWSbFOlgb7YF5opB4rlkBKvBqd/view?usp=sharing>

#### FINANCIAL IMPLICATIONS:

Minimal.

#### ENVIRONMENTAL SUSTAINABILITY:

Consistent with Berkeley's Environmental Sustainability Goals and no negative impact.

#### CONTACT PERSON:

Councilmember Kriss Worthington 510-981-7170

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thereafter duly verified

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**Section 7. Construction**

The provisions of this Ordinance are to be construed broadly to effectuate the purposes of this Ordinance.

**Section 8. Effective Date**

This Ordinance shall take effect on [DATE].





City Auditor's Office

ACTION CALENDAR

February 26, 2019

To: Honorable Mayor and Members of the City Council

From: Jenny Wong, City Auditor

Subject: City Auditor's Quarterly Summary Report on Audit Recommendations

INTRODUCTION

The City Auditor's Quarterly Summary highlights City management's action on audit recommendations and calls attention to the recommendations that remain open and require action.

CURRENT SITUATION AND ITS EFFECTS

The City Auditor's Office monitored management's progress on implementing audit recommendations and reported to Council on actions and risks of inaction.

BACKGROUND AND ENVIRONMENTAL SUSTAINABILITY

The City Auditor's Office provides independent oversight of City operations and is a catalyst for improving City government and holding it accountable in its use of public resources. We manage our documents electronically in support of sustainability.

POSSIBLE FUTURE ACTION AND FISCAL IMPACTS

Council directs the City Manager to fully address audit recommendations and report on progress made, generally every six months. Implementing recommendations will improve fiscal sustainability, environmental sustainability, and progress toward other Council and community goals.

CONTACT PERSON

Jenny Wong, City Auditor, City Auditor's Office, 510-981-6750

## Attachment:

1: City Auditor's Quarterly Summary Report on Audit Recommendations, Q2, FY 2019



# City Auditor's Quarterly Summary Report on Audit Recommendations

Quarter 2, Fiscal Year 2019 (October—December 2018)

## Recommendation Updates Reviewed by the City Auditor

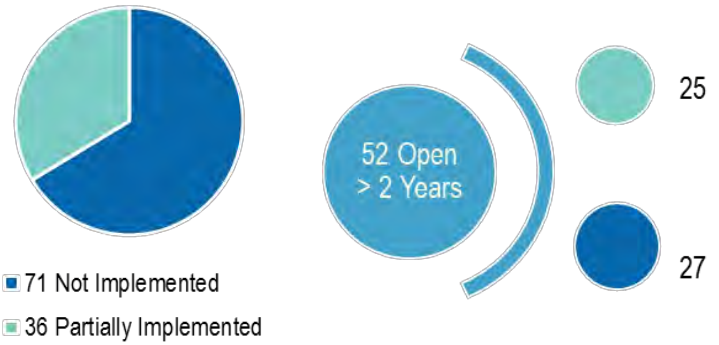
The Code Enforcement Unit (CEU) is the only auditee that submitted an audit update to our office during the second quarter. The unit has made substantial progress in addressing 10 of the 12 audit recommendations resulting in improved resource analysis, case management, and oversight.

For example, Council established standing Policy Committees as part of the legislative process to evaluate the resource impact and feasibility of any new policy or program, including ordinances. The CEU supervisor issued comprehensive procedures for staff including guidelines for assigning and prioritizing cases. The unit is recording various monthly statistics to capture performance metrics and trends in cases.

Additional actions are needed, however, to fully implement eight of the 12 recommendations.

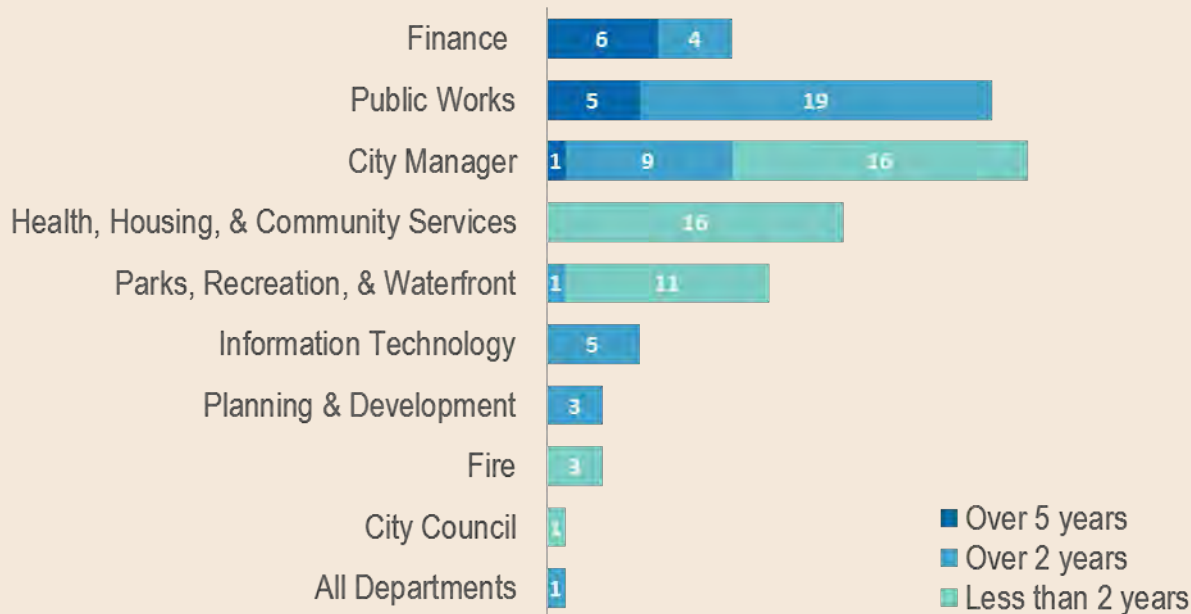
# 107

## Recommendations Open



Full implementation is less likely for 25 partially implemented and 27 not implemented recommendations that are over 2 years old, resulting in lost opportunities for improvement and continued risk of fraud.

## Open recommendations by department responsible for implementation





# Audits with Recommendations Not Implemented

| Audit                                                                                                                                     | Issued     | Recommendations | Lead Department                       |
|-------------------------------------------------------------------------------------------------------------------------------------------|------------|-----------------|---------------------------------------|
| Leases Audit: Conflicting Directives Hinder Contract Oversight                                                                            | 6/2/2009   | 7               | City Manager                          |
| Business License Taxes: Providing Better Guidance and Customer Service Will Increase Revenues                                             | 5/29/2012  | 5               | Finance                               |
| Construction Permits: Monitor Performance and Fee Assessments to Ensure Excellent and Equitable Customer Service                          | 3/25/2014  | 3               | Planning and Development              |
| \$52,000 Theft: More Can Be Expected Without Citywide Changes in Culture and Procedures                                                   | 4/1/2014   | 3               | Finance, City Manager                 |
| Underfunded Mandate: Resources, Strategic Plan, and Communication Needed to Continue Progress Toward the Year 2020 Zero Waste Goal        | 7/1/2014   | 11              | Public Works                          |
| Audit Report: Most Contracts Executed Timely but Contract Project Managers Could Use Better Tools and Guidance                            | 10/6/2015  | 1               | Finance                               |
| Public Works Grant Follow Up                                                                                                              | 7/19/2016  | 14              | City Manager                          |
| Examination of Department Directors Transition Procedures Follow Up Audit                                                                 | 7/19/16    | 3               | City Manager                          |
| Unified Vision of Zero Waste Activities Will Help Align Service Levels with Billing and Ensure Customer Equity                            | 9/20/2016  | 5               | Public Works                          |
| City at Crossroads as Long-Standing Need for Structured Approach to Line of Business Experts Function Intersects with ERP Implementation  | 1/24/2017  | 5               | Information Technology                |
| Berkeley's Ethical Climate Rated Strong Overall and Management Working to Make it Better                                                  | 3/14/2017  | 6               | City Manager                          |
| Berkeley Fire Department Ambulance Billing Follow Up                                                                                      | 3/28/2017  | 3               | Fire                                  |
| PRW On-Call Program: Ensure Equity by Developing Procedures for Charging for Services, and Improve Monitoring Practices and Communication | 11/14/2017 | 14              | Parks, Recreation, & Waterfront       |
| Stronger Oversight Necessary to Ensure Continued Assistance for Severely Physically Disabled Persons                                      | 5/1/2018   | 16              | Health, Housing, & Community Services |
| Code Enforcement Resources Significantly Constrained and Improvements Needed in Case Management and Oversight                             | 6/26/2018  | 8               | City Manager                          |
| Credit Card Use: Clearer Guidance Needed                                                                                                  | 6/26/2018  | 3               | Finance                               |





Office of the City Manager

**20**ACTION CALENDAR

February 26, 2019

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Kelly Wallace, Interim Director, Health, Housing & Community Services Department

Subject: Referral Response: 1000 Person Plan to Address Homelessness

SUMMARY

On any given night in Berkeley, there are nearly 1,000 people experiencing homelessness. The City of Berkeley has implemented a number of programs to respond to this crisis, but data from the homeless point-in-time count indicate that, for the past several years, homelessness has nonetheless steadily increased. To understand the resources and interventions required to end homelessness in Berkeley--both by housing the currently unhoused population and by preventing inflow of future homelessness--the City Council asked staff to create a 1000 Person Plan on April 4, 2017. This report responds to that referral.

While all homeless people lack stable housing, not everyone needs the same level of support to obtain housing. To end homelessness in Berkeley, the city needs targeted investments in a variety of interventions, ensuring every person who experiences homelessness in Berkeley receives an appropriate and timely resolution according to their level of need (i.e., a homeless population of size "functional zero"). HHCS staff analyzed ten years of administrative homelessness data to understand the personal characteristics of people experiencing homelessness in Berkeley, how they are interacting with homeless services in Berkeley, and the factors most predictive of exiting homelessness without eventually returning back to the system.

From these analyses, HHCS staff estimate that over the course of a year, nearly 2000 people experience homelessness in Berkeley. This population has been growing because the population is increasingly harder to serve (longer histories of homelessness and more disabilities) and because housing is too expensive for them to afford on their own.

The types and sizes of all interventions to help Berkeley reach "functional zero" by 2028 are described in this report. To end homelessness for 1000 people in Berkeley, the original referral directive from City Council, the city will need up-front investments in targeted homelessness prevention, light-touch housing problem-solving, rapid rehousing, and permanent subsidies, with a cost of \$16 - \$19.5 million up front and an

annual ongoing expense of between roughly \$12 – 15 million. These analyses suggest, though, that a 1000 Person Plan will not address the entire homeless population in Berkeley, but rather a portion of it. To end homelessness for all who experience it in Berkeley over the coming ten years, staff estimate an annual expense of between \$17 and \$21 million in year one, growing annually to a total expense of between \$31 and \$43 million by 2028. Staff recommend four strategic goals for the Council to consider in moving Berkeley's current system more rapidly towards a goal of functional zero.

These projected costs are in addition to Berkeley's current general fund expenditures on homeless services. Detailed analyses and cost estimates supporting staff's conclusions and recommendations are included as Attachment 1.

## CURRENT SITUATION AND ITS EFFECTS

### *Overview of homelessness in Berkeley*

Most homeless services experts agree that the HUD Point-in-Time (PIT) count actually undercounts the number of people experiencing homelessness in a community. If Berkeley's estimated homeless population size of 972 is based on a single night of data, that number will have missed anyone who lost their housing the next night, or who ended their homelessness the night before. This static, one-night number provides insufficient data to plan for a budgetary response to homelessness over the course of several fiscal years.

To address this, HHCS staff obtained 42,500 individual records from the county's Homeless Management Information System (HMIS), HUD's standardized homeless database where information on every person touching the service system in Berkeley is recorded. These records date to 2006, the first year Berkeley programs began participating in HMIS, and represent the most comprehensive data source available for such a project. Using these data, staff found:

- Over the course of a year in Berkeley, nearly 2000 people experience homelessness of some duration. This number has been steadily growing at an average rate of 10% every 2 years and is highly disproportionate in its racial disparity: since 2006, 65% of homeless service users in Berkeley identify as Black or African American, compared to a general population of less than 10%.
- Despite this growing population, Berkeley's homeless services beds<sup>1</sup> have been serving fewer unique households over time—even after accounting for the change in system bed capacity over time. The average number of unique individuals served per system bed has dropped from a high in 2011 of over 5 to under 3 by 2017.

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<sup>1</sup> This includes emergency shelter, transitional housing, and rapid rehousing programs.

- The same individuals appear to be cycling in and out of homelessness in Berkeley. When looking only at clients who have used the system multiple times we find that the average number of times these individuals return back to homeless services has been increasing 9% year over year, and has increased 160% since 2006 (from 1.4 previous entries in 2006 to 3.5 in 2017). Moreover, these homeless people are finding it harder to exit those beds to permanent housing year over year; the average number of days they are spending in homeless services beds has been increasing an average of 13% year over year, from just under 1 month in 2006 to just under 3 months in 2017.
- The likelihood of returning back to homelessness in Berkeley after previously exiting the system for a permanent housing bed is increasing over time, irrespective of personal characteristics or the type of service accessed. Importantly, among those who previously exited the system to permanent housing in the past but eventually returned, the largest percentage of those exits had been to unsubsidized rental units. None of this is surprising given the extreme increase in the East Bay's rental housing costs over the past several years, and the volatility that creates for poor and formerly homeless people struggling to make rent.
- A comprehensive regression analysis found that having any disability (physical, developmental, substance-related, etc.) is by far the single largest reason a person is unlikely to exit homelessness to housing and subsequently not return back to homelessness.<sup>2</sup> Unfortunately, the percentage of homeless Berkeleyans self-reporting a disability of any kind has increased greatly, from 40% in 2006 to 68% by 2017--meaning the population is increasingly comprised of those least likely to permanently end their homelessness with the services available.
- Per Federal mandate, all entities receiving HUD funding for homeless services are required to create a Coordinated Entry System (CES) that prioritizes limited housing resources for those who are most vulnerable. However, Berkeley's Federal permanent supportive housing (PSH) budget, which supports housing for 260 homeless people, can place only about 25-30 new people every year. To help alleviate this lack of permanent housing subsidy, Berkeley experimented with prioritizing rapid rehousing for its highest-needs individuals at the Hub. We found that rapid rehousing can be used as a bridge to permanent housing subsidies, but, used alone, cannot prevent some of the highest needs people from returning to homelessness.

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<sup>2</sup> We regressed all final permanent exits from Berkeley's homeless services system (i.e., an exit to permanent housing with no eventual return back to the system at some point thereafter) on a variety of personal characteristics, controlling for type of service accessed and year of enrollment in that project. Those reporting any disability were over 730% less likely to permanently exit the system. Race and gender had no discernable pattern of effects on outcomes.

Staff conclude from these findings that **the system has not created sufficient permanently subsidized housing resources to appropriately service a Coordinated Entry System**, and has instead relied on rapid rehousing to exit them from the system. Overreliance on rapid rehousing with high needs individuals in a tight housing market—all of which we found evidence for in these data—is a strategy that is tenuous in the long-run, as HHCS has previously explained in an April 2018 Information Report.<sup>3</sup>

#### *Overview of a Homelessness Response Plan*

In offering a response to this situation, HHCS staff offers the following:

- First, even with a fully-funded system, some people will continue to experience housing crises over time, and some of those people may lose their housing as a result. What can be designed, however, is a homelessness response system that renders homelessness brief, rare, and non-recurring: that is, a system that quickly triages each person based on their need and assigns them to an appropriate level of support to resolve their housing crisis as quickly as possible. A homeless population of ‘zero’ on any given night cannot be planned for, but a homeless population of ‘functional zero’ can: in other words, if the system’s capacity to resolve homelessness is greater than the rate at which people are becoming homeless over time, then long-term, chronic episodes of homelessness can be eliminated.
- Second, while every homeless person lacks permanent housing, not everyone needs the same level of support to obtain and retain new housing. A “right-sized” system offers the right amount of a variety of interventions, ranging from targeted homelessness prevention, to light-touch, one time assistance like housing problem solving assistance, to rapid-rehousing, to permanently subsidized housing.
- Third, not all permanent housing subsidies are the same. Some high-needs individuals require a deep subsidy (whereby they pay 30% of their income, whatever that may be, towards rent, with subsidy to cover the rest). However, many others would be able to remain permanently housed with a shallow subsidy (for example, \$600 per month). In projecting costs, we offer two permanent subsidy options for Council to consider: an option with 100% deep subsidies for everyone who needs ongoing support, and an option that has some subsidy variation.<sup>4</sup>

<sup>3</sup> See: [https://www.cityofberkeley.info/Clerk/City\\_Council/2018/04\\_Apr/Documents/2018-04-24\\_Item\\_39\\_Rapid\\_Rehousing\\_What\\_it\\_Can.aspx](https://www.cityofberkeley.info/Clerk/City_Council/2018/04_Apr/Documents/2018-04-24_Item_39_Rapid_Rehousing_What_it_Can.aspx)

<sup>4</sup> Specifically, we assume that 1/3 will receive set-aside access to below market-rate (BMR) affordable units already subsidized for those at 50% AMI; 1/4 will receive market-rate apartments with subsidies covering 50% of the rent; 1/5 will receive a flat subsidy of \$600 per month; and 1/4 will receive permanent

*Addressing homelessness for 1000 people in Berkeley—the 1000 Person Plan*

To permanently end homelessness for 1000 people in Berkeley, we estimate that the resources outlined below will be required. Detailed information on calculations, assumptions, and cost projections are available in Attachment 1.

| <b>Inventory - slots needed</b>                                                                  |                     |
|--------------------------------------------------------------------------------------------------|---------------------|
| Targeted homeless prevention slots                                                               | 295                 |
| Light touch, no financial assistance slots                                                       | 211                 |
| Rapid Rehousing slots                                                                            | 211                 |
| Permanent Supportive Housing (PSH) slots                                                         | 218                 |
| Permanently subsidized housing (PH) slots                                                        | 361                 |
| Outreach (FTE)                                                                                   | 11                  |
| <b>Cost (all line items assume 20% nonprofit admin expenses and associated city staff costs)</b> |                     |
| Targeted homeless prevention slots                                                               | \$1,326,230         |
| Rapid Rehousing slots                                                                            | \$2,000,112         |
| PH + PSH subsidies and case management -- 100% deep subsidies*                                   | \$15,347,297        |
| PH + PSH subsidies and case management -- with subsidy variation*                                | \$11,891,616        |
| Outreach costs                                                                                   | \$891,000           |
| <b>TOTAL ANNUAL COST -- 100% deep subsidies</b>                                                  | <b>\$19,564,639</b> |
| <b>TOTAL ANNUAL COST -- with subsidy variation</b>                                               | <b>\$16,108,958</b> |

\* Represents an ongoing annual expense

This amounts to an up-front expense ranging from roughly \$16 - \$19.5 million up front, with an annual ongoing expense of between roughly \$12 – 15 million for permanent subsidies.

A plan for solving homelessness for 1,000 people, the original Council referral, does not transform Berkeley's homeless system into a system that achieves "functional zero". To achieve functional zero, more resources would be needed as outlined below.

*Ending all homelessness in Berkeley – A plan for Functional Zero by 2028*

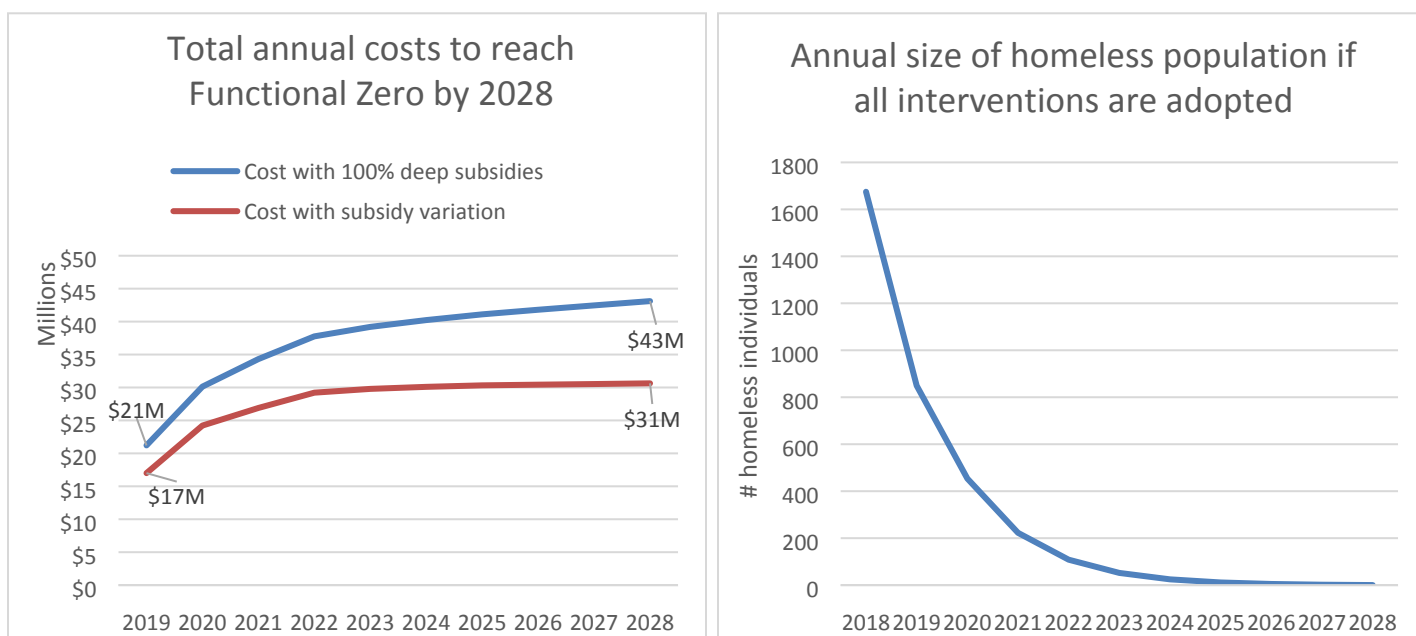
A plan to sustainably end homelessness in Berkeley within 10 years would require:

- An investment in targeted homelessness prevention of roughly \$1.5M annually;

subsidy in market-rate apartments at 30% of their income. These proportions align with those used in the 2018 EveryOne Home Strategic Plan update.

- An investment in light-touch, housing problem-solving for rapid rehousing of roughly \$2M in year one, shrinking to roughly \$700,000 by 2028;
- An investment in permanently subsidized housing of:
  - \$17M in year one, growing to \$42M annually by 2028, for 100% deep subsidies;
  - \$13M in year one, growing to \$29M by 2028, for a varied approach to permanent subsidy.

This amounts to a total annual expense—and corresponding effect on the homeless population—as follows:



Detailed information on calculations, assumptions, and cost projections are available in Attachment 1.

Since this option requires an investment of substantially more resources than currently available, staff propose the following 5-year goals as a starting point.

*Strategic Goals for Addressing Homelessness in Berkeley*

Given the complexity and cost of homelessness in Berkeley, staff recommend that Council prioritize the following strategic goals over the following 5 years:

1. *Transform Berkeley’s shelter system into a housing-focused, low-barrier Navigation System.* Staff project that this can be accomplished with \$4.8 million in



2019, growing annually with costs of living to reach \$5 million annually by 2023. To be maximally successful, this strategy relies on increased County and State funding for permanent housing subsidies. We believe, however, that shelters could improve housing outcomes with additional financial resources. Navigation centers, which are open 24 hours and allow more flexibility for clients, are more appealing to Berkeley's highest-needs street homeless population.

2. *Reduce chronic homelessness by 50% by 2023.* Staff project a total annual cost of \$1.3 million beginning 2019, growing to \$5.1 million annually in 2023 and beyond, to fund both deep and shallow permanent housing subsidies.
3. *Enhance the efficacy of homeless prevention resources with pilot interventions specifically targeted to need.* Staff project that this can be accomplished with \$1.45 million in 2019, growing with costs of living to reach \$1.52 million annually by 2023. For reasons detailed in the report, we recommend Council adopt this goal only after making progress on goals 1 and 2. Ideally, this would be funded by Alameda County, given the regional nature of housing and homelessness.
4. *Continue to implement changes to Berkeley's Land Use, Zoning, and Development Review Requirements for new housing with an eye towards alleviating homelessness.* If present economic trends continue, the pace with which new housing is currently being built in Berkeley will likely not allow for a declining annual homeless population. Berkeley should continue to streamline development approval processes and reform local policies to help increase the overall supply of housing available, including affordable housing mandated by inclusionary policies.

We project that the annual costs of achieving all these goals (with the exception of goal #4, which cannot be quantified at this time) is \$7.8 million in year one, growing to \$12.7 million annually by 2023. Detailed information on calculations, assumptions, and cost projections are available in Attachment 1.

#### BACKGROUND

On April 4, 2017, Council voted unanimously to take the following action: "Refer to the City Manager the creation of a 1,000 Person Plan to address the homeless crisis in Berkeley as described in the attached Pathways Project report, including prevention measures and a comprehensive approach that addresses the long-term needs of the City's approximately 1,000 homeless individuals. The plan should include the assessment, development and prioritization of all homeless housing projects currently underway; all homeless housing referrals from Council; housing and service opportunities that may be proposed by the City Manager; and a comprehensive plan to purchase, lease, build or obtain housing and services for Berkeley's homeless. The 1,000 Person Plan shall be presented to the City Council by the end of 2017 and include a preliminary budget and proposed sources of income to fund capital and operational needs over a 10-year period."

#### ENVIRONMENTAL SUSTAINABILITY

There are no identifiable environmental effects associated with strategic goals #1, 2, and 3 recommended in this report. The adoption of strategic goal #4 may have potentially significant environmental impacts, such as the reduction in vehicle emissions as commuters have access to denser housing along public transit corridors, case managers have less distance to travel when performing home visits to their formerly homeless clients, etc. Precise effects depend on specific actions taken.

POSSIBLE FUTURE ACTION

The City may consider adopting one or more of the four strategic goals outlined above.

FISCAL IMPACTS OF POSSIBLE FUTURE ACTION

True costs of all four goals are unknown, but staff estimate that the 5-year strategic goals 1-3 will cost \$7.8 million in year one, growing to \$12.7 million annually by 2023.

CONTACT PERSON

Peter Radu, Homeless Services Coordinator, HHCS, 510-981-5435.

Attachments:

1: Analyses, assumptions, and cost projections.

Attachment 1: Analyses, Assumptions, and Cost Projections Supporting the 1000 Person Plan Referral Response

To perform these analyses, HHCS has over the past several months:

- Obtained 42,500 individual records from the county's Homeless Management Information System (HMIS), HUD's standardized homeless database where information on every person touching the service system in Berkeley is recorded. These records date to 2006, the first year Berkeley programs began participating in HMIS, and represent the most comprehensive data source available for such a project.
- Partnered with an intern from the UC Berkeley Goldman School of Public Policy to perform intensive data preparation and preliminary analyses.
- Aligned analytical methods with EveryOne Home (Alameda County's collective impact organization to end homelessness) and the City of Oakland, which have both undertaken similar sets of analyses, to ensure comparability to other strategic plans to address homelessness in the East Bay.

This attachment is structured in three parts.

- **Part I** presents comprehensive analyses of Berkeley's Homeless Services System using HMIS data, finding that homeless services users in Berkeley are generally getting more disabled and experiencing more spells of homelessness, exacerbating two problems: (i) they are remaining in shelter and transitional housing, finding it increasingly difficult to exit; and (ii) they are returning to homelessness with increasing frequency for lack of permanently affordable housing options in the greater Bay Area housing market. It draws the conclusion that the greatest need to end homelessness in Berkeley is permanently subsidized, affordable housing.
- **Part II** uses the analytical findings from Part I to present a model for reaching "functional zero" in Berkeley by 2028. We argue that to permanently render homelessness brief, rare, and non-recurring in Berkeley, the city should invest in the following five types of interventions:
  1. Targeted homeless prevention;
  2. Light-touch interventions with no financial assistance;
  3. Rapid Re-housing;
  4. Permanent Supportive Housing; and
  5. Permanently subsidized housing without services.

Using intervention types and analytical methods that closely align with those used by EveryOne Home and the City of Oakland, we project that the total annual cost of these interventions is between \$17 and \$21 million in year one, growing annually to a total annual cost of between \$31 and \$43 million by 2028, to reach "functional zero."

Much discussion has been given to the concept and costs associated with housing 1000 people in Berkeley. Using the same analytical methods, we estimate that permanently ending homelessness for 1000 people in Berkeley (i.e., the number sleeping on our streets on any given night) will require ongoing costs of between \$16 and \$20 million annually. This does not account for future inflow of newly homeless people into Berkeley so will not permanently address homelessness in Berkeley.

All projected costs are in addition to Berkeley's current general fund contribution to homeless services.

- **Part III** presents strategic recommendations for the Council. Given the complexity and cost of homelessness in Berkeley, staff recommend that Council prioritize the following strategic goals over the following 5 years:
  1. *Transform Berkeley's shelter system into a housing-focused, low-barrier Navigation System.* Staff project that this can be accomplished with \$4.8 million in 2019, growing annually with costs of living to reach \$5 million annually by 2023. To be maximally successful, this strategy relies on increased County and State funding for permanent housing subsidies.
  2. *Reduce chronic homelessness by 50% by 2023.* Staff project a total annual cost of \$1.3 million beginning 2019, growing to \$5.1 million annually in 2023 and beyond.
  3. *Enhance the efficacy of homeless prevention resources with pilot interventions specifically targeted to need.* Staff project that this can be accomplished with \$1.45 million in 2019, growing annually with costs of living to reach \$1.52 million annually by 2023. For reasons detailed in the report, we recommend that Council adopt this goal only after making progress on goals 1 and 2. Ideally, such an effort would be funded by Alameda County, given the regional nature of housing and homelessness.
  4. *Continue implementing changes to Berkeley's Land Use, Zoning, and Development Review Requirements for new housing with an eye towards alleviating homelessness.* If present economic trends continue, the pace with which new housing is currently being built in Berkeley will likely not allow for a declining annual homeless population. Berkeley should continue to streamline development approval processes and reform local policies to help increase the overall supply of housing available.

We project that the annual costs of achieving all these goals (with the exception of goal #4, which cannot be quantified at this time) is \$7.8 million in year one, growing to \$12.7 million annually by 2023.

## Part I - Overview of Berkeley's Homeless System Performance

*Finding 1: Our homeless population is growing—and it is bigger than we thought.*

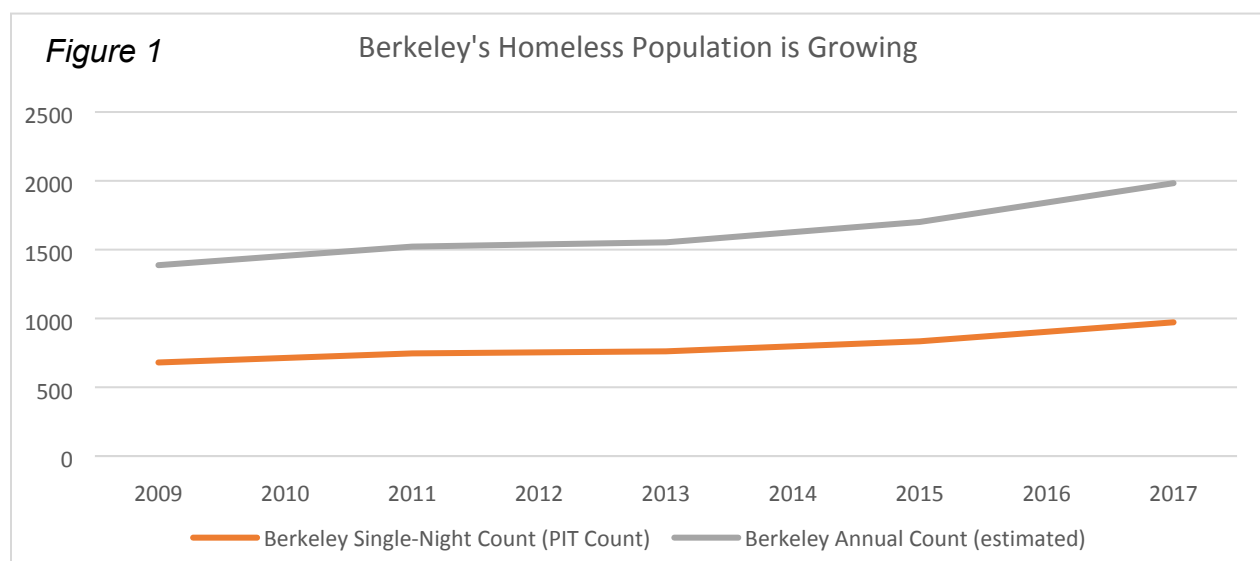
Most homeless services experts agree that the HUD Point-in-Time (PIT) count actually undercounts the number of people experiencing homelessness in a community. If Berkeley’s estimated homeless population size of 972 is based on a single night of data, that number will have missed anyone who lost their housing the next night, or who ended their homelessness the night before. If people flow in and out of homelessness every day, then utilizing a static, single-night estimate of the population size as the baseline will underestimate the true annual need from a resources perspective (and thus annual costs from a budgetary perspective). Simply put, a plan to house 1000 people will not end Berkeley’s homeless crisis, but rather end a portion of it.

With this in mind, estimating the *annualized* homeless population size in Berkeley—and quantifying how it changes over time—is the first step towards “right-sizing” the system. Projecting the correct number of housing subsidies to fund in a budget year, for example, should be based on the estimated number of people who actually need to be served over the course of that budget year.

|                                                     | 2009 | 2011 | 2013 | 2015 | 2017 |
|-----------------------------------------------------|------|------|------|------|------|
| <i>Single-Night Count (from point-in-time data)</i> | 680  | 746* | 761* | 834  | 972  |
| <i>Annual homeless pop. (estimated)</i>             | 1387 | 1522 | 1553 | 1701 | 1983 |
| <i>Percent change from previous count</i>           |      | 10%  | 2%   | 10%  | 17%  |

\* Estimated from Alameda County counts; Berkeley-specific data are not available.

**HHCS estimates that, over the course of 2017 (the last year for which data are available), as many as 1,983 people experienced homelessness in Berkeley.**<sup>1</sup> As indicated in Figure 1, this annual population has been increasing at an average rate of roughly 10% every two years, with the largest gains occurring between 2015 and 2017:



<sup>1</sup> This number was obtained by estimating a “multiplier” to translate the single-night estimate into an annual estimate. Our estimated multiplier of 2.04 is within the range expected by homeless system experts. The specific methodology used for estimating the multiplier is available upon request.

HHCS has previously reported on staggering racial disparities in the homeless services system.<sup>2</sup> Whereas people identifying as Black or African-American constitute less than 10% of Berkeley's general population, for example, they represent 50% of the single-night homeless population. These analyses reveal that the disparity among service users is even worse: since 2006, 65% of homeless service users in Berkeley identify as Black or African American. This large difference in Black individuals between the point-in-time count and service utilization count suggests that Black Berkeleyans are more likely to seek help from the system if they lose their housing, though this cannot be confirmed from the data available.

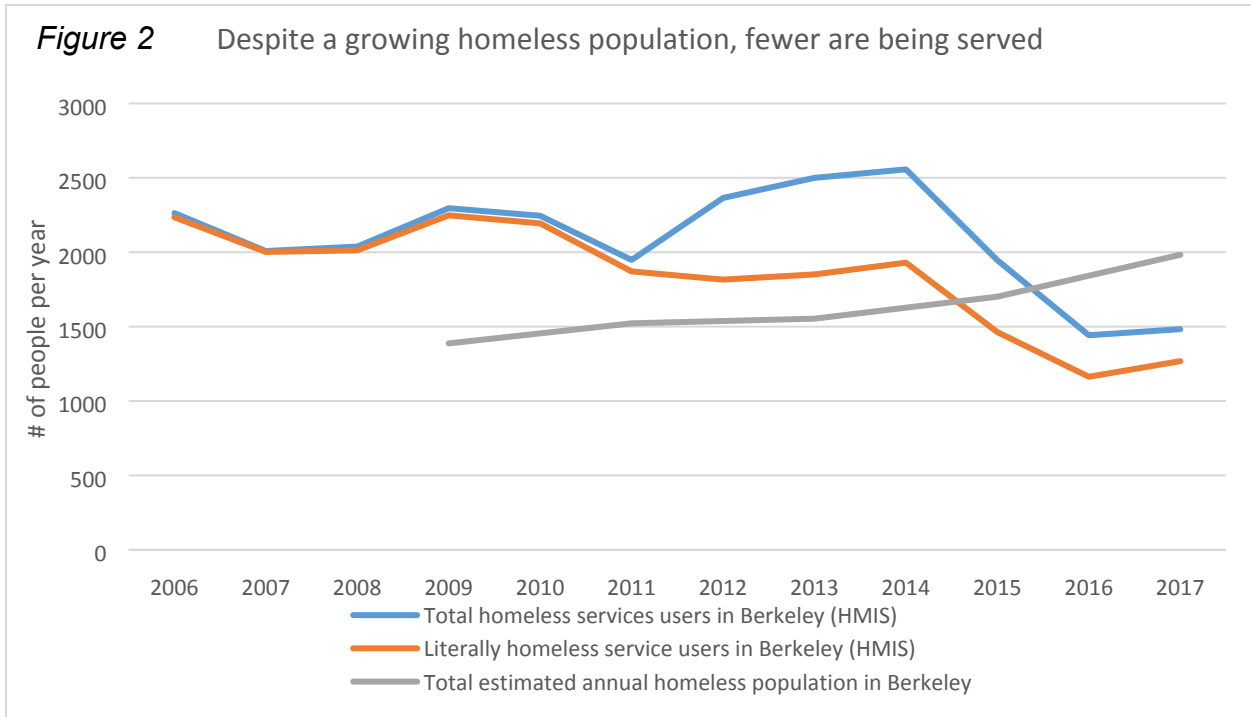
*Finding 2: Despite a growing population, our system is serving a progressively smaller percentage of the literally homeless population.*

Despite a growing homeless population size, the number of people actually using homeless system services each year in Berkeley (such as shelters, drop-in centers, or rapid rehousing subsidies) has not kept pace with this growth since 2015. Our analysis of HMIS data finds that, between 2011 and 2014, the homeless services system served a large population that was not “literally homeless” upon entry—in other words, people who reported staying with friends or family the night before, or coming from their own housing. Filtering for only those users who came from literal homelessness when entering the system, we find evidence that, **since 2014, the homeless services system is serving a smaller portion of the overall homeless population (see Figure 2).**<sup>3</sup>

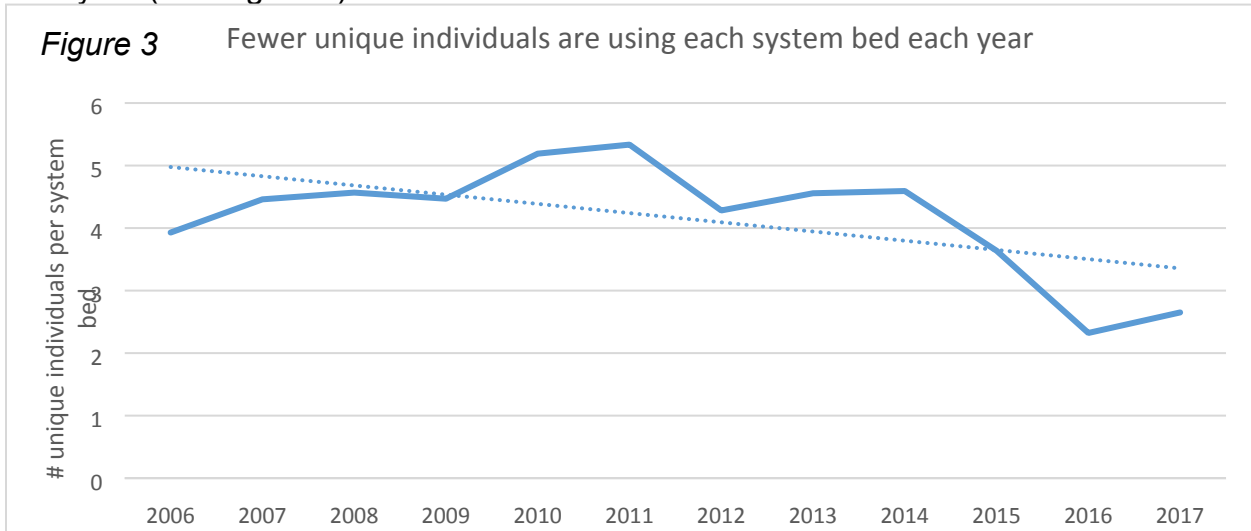
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<sup>2</sup> See: [https://www.cityofberkeley.info/Clerk/City\\_Council/2017/07\\_Jul/Documents/2017-07-25\\_Item\\_53\\_2017\\_Berkeley\\_Homeless.aspx](https://www.cityofberkeley.info/Clerk/City_Council/2017/07_Jul/Documents/2017-07-25_Item_53_2017_Berkeley_Homeless.aspx)

<sup>3</sup> In 2014, Berkeley's drop-in centers largely stopped entering new data in HMIS. When isolating the effects of drop-in data, we find that since that time 45% of the discrepancy between literally and non literally homeless users is attributable to drop-in center clients—in other words, 45% of non literally homeless people who used homeless services did so at Berkeley's drop-in centers. Importantly, removing drop-in data altogether has no impact on the trend of overall declining system usership.



**This drop in overall service users does not appear to be a function of a decline in the system’s bed inventory over time.** Between 2006 and 2017, the number of beds in Berkeley’s system (shelter, transitional housing, and rapid rehousing slots) changed, on average, less than 1% year over year. When controlling for the number of beds in the system, we actually find that fewer unique individuals are using any given bed year over year (see Figure 3).



|                          | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|--------------------------|------|------|------|------|------|------|------|------|------|------|------|------|
| Total Beds - RRH, ES, TH | 294  | 296  | 296  | 296  | 284  | 254  | 284  | 255  | 265  | 276  | 273  | 269  |

Of note, both of the graphs above indicate that, beginning in 2016, trends began to reverse. In 2016, Berkeley began implementing its Coordinated Entry System (CES). These trends indicate that CES has had the discernable effect of serving a rising number of literally homeless people (rather than serving people who could resolve their homelessness with other options, like returning back to family), as was the system's intention.

*Finding 3: The same people appear to be cycling in and out of the homeless system in Berkeley*

What explains this drop in service utilization over time? There are two reasons why fewer unique individuals might be using any given bed each year:

- Hypothesis 1: Different users might be getting increasingly “stuck” in the system over time--finding it more and more difficult, for example, to exit a shelter bed for housing.
- Hypothesis 2: Alternatively, the same, repeat individuals might be cycling through the system more and more over time, thus reducing access to the system for other, “new” users.

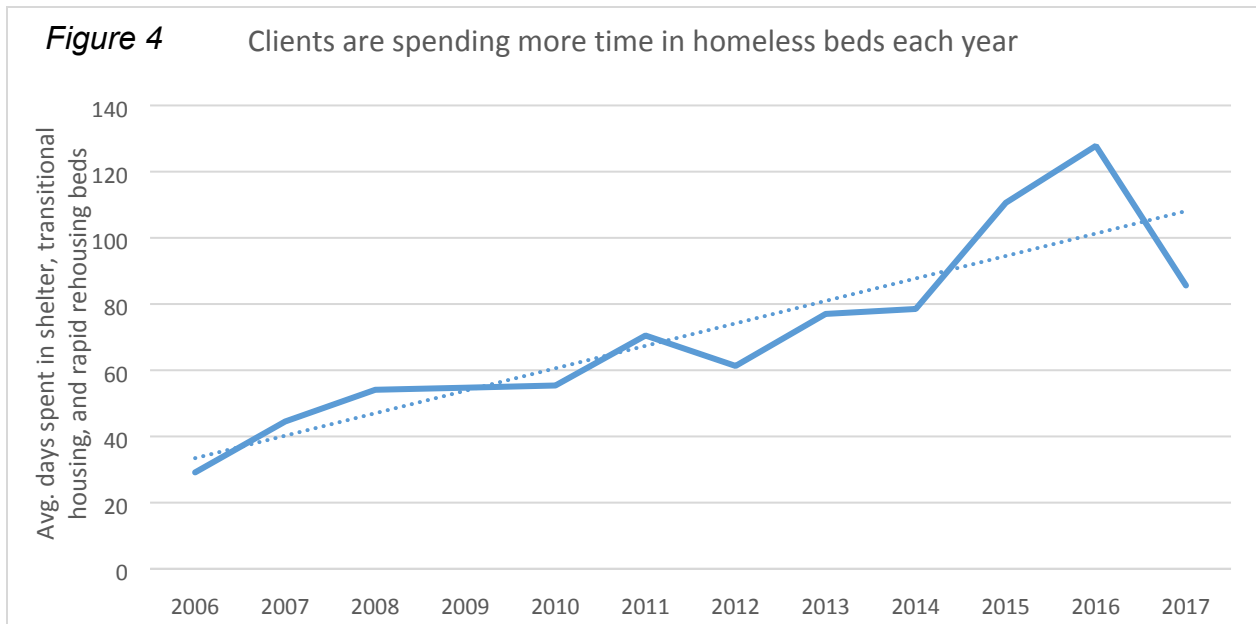
This is a critical distinction with divergent policy solutions: the first hypothesis implies that the system lacks resources to quickly “exit” people from homelessness (for example, rapid rehousing subsidies to create “flow” through system beds). The second hypothesis instead implies that the system lacks *permanency* of exits for clients—even if someone previously exited the system to housing, they may be returning to homelessness with greater frequency over time for lack of permanent affordability in the housing market.

**Our analysis of the data provides some support for both hypotheses.** First, as indicated in Figure 4, the average number of days individuals are spending in homeless services beds has been increasing an average of 13% year over year, from just under 1 month in 2006 to just under 3 months in 2017. Berkeley's shelters only removed length-of-stay limits in 2016 (well after this trend emerged), meaning that the increase cannot be attributed to this policy shift alone (see footnote<sup>4</sup> for more on the dip in 2017):

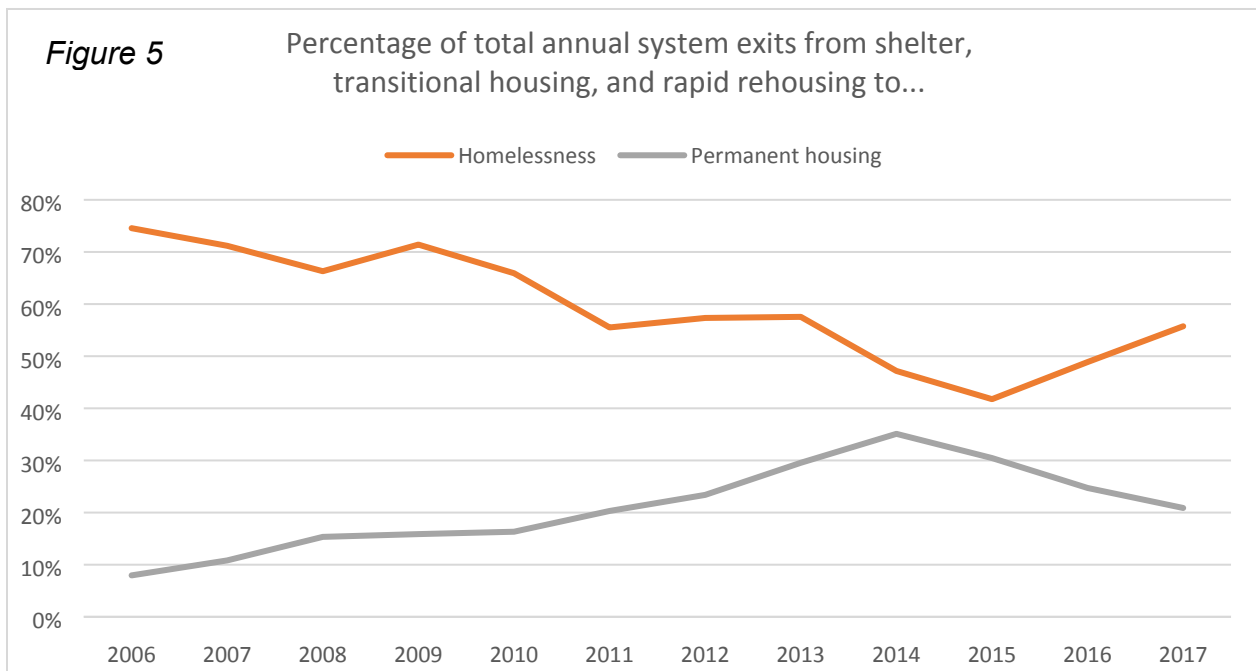
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<sup>4</sup> Note that, beginning with the initiation of Coordinated Entry in 2016, the upward trend of time spent in homeless beds sharply reversed. There are two potential explanations for this trend reversal: either (i) the average shelter stay length decreased as high-needs individuals, for whom CES began reserving beds, chose not to remain in shelter for long; and/or (ii) CES began prioritizing the longest-term homeless people for housing first, thus helping move some very long-term stayers out of system beds and into housing. Unfortunately, the data available cannot reliably determine which explanation is driving the trend.





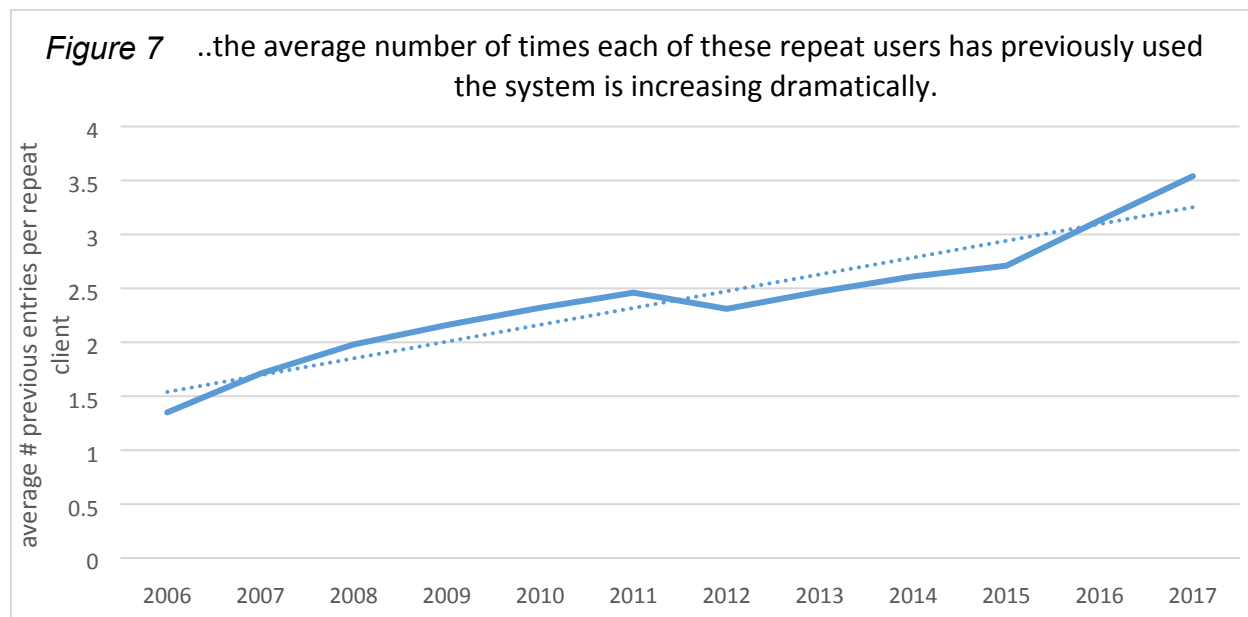
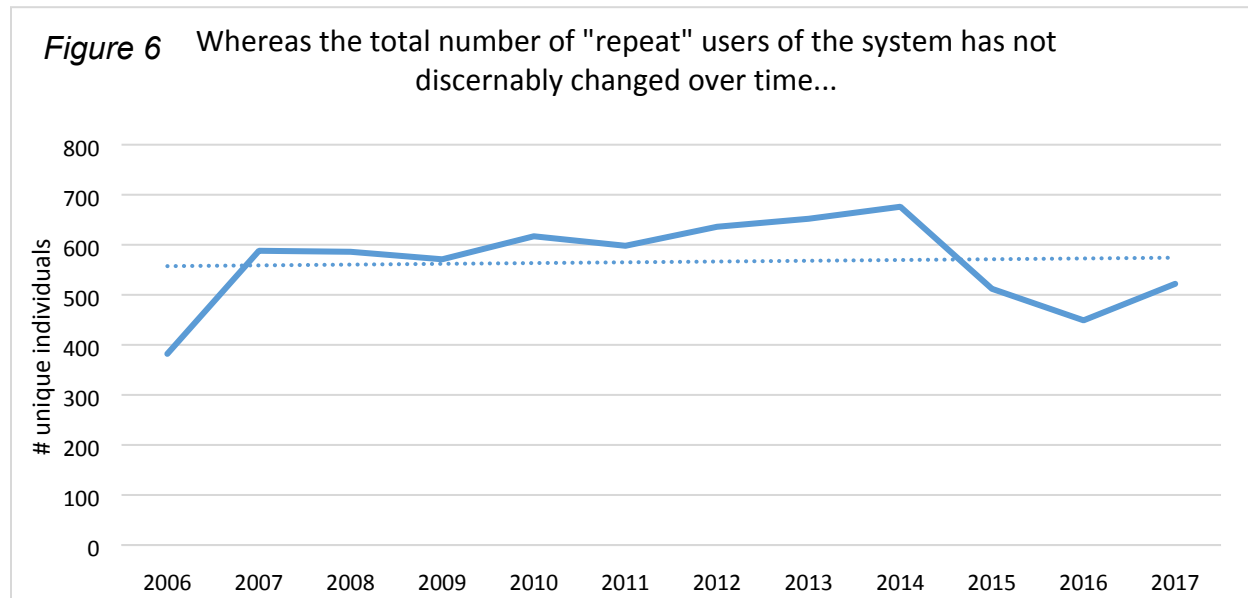
Moreover, in recent years, Berkeley has seen a reversal of an otherwise positive trend: since 2014, clients are increasingly likely to exit the system to homelessness, and less likely to exit to permanent housing destinations (see Figure 5)<sup>5</sup>:



Second, analyses demonstrate that the system is increasingly open to only a small pool of repeat consumers. As shown in Figure 6, the number of repeat consumers has remained relatively stable over time (with Coordinated Entry reversing a downward

<sup>5</sup> Figure 5 includes exits from all system “beds” (including shelter, transitional housing, and rapid rehousing).

trend in 2016, indicating success in targeting long-term homeless people for services), but Figure 7 reveals that this pool of individuals is accounting for an increasingly large share of overall service use:



Overall, the average number of previous entries is increasing an average of 9% year over year, and has increased 160% since 2006—from 1.4 previous entries in 2006 to 3.5 in 2017. (These analyses account for shelter, transitional housing, and rapid rehousing beds only).

To summarize, these trends indicate that homeless people in Berkeley are generally finding that it is harder, and takes longer, to exit homelessness to permanent housing each year—and once they do exit, they seem increasingly likely to return back to the

system over time. A regression analysis on the likelihood of exiting homelessness without eventually returning found that, relative to 2006, Berkeleyans were 16%, 19%, and 22% less likely to exit to housing without returning in 2015, 2016, and 2017, respectively—regardless of any personal characteristics, or the type of service they accessed.

None of this is especially surprising when viewed in light of the East Bay's dramatic uptick in rental prices and housing instability, at all income levels, over the past several years. Between January 2015 and December 2017, for example, average asking rents in Berkeley jumped 54% (from \$1,371 to \$2,113). Meanwhile, homeless Berkeleyans' incomes are increasingly unable to keep pace: in 2017, homeless people exited the system with an average of only \$628 in monthly income, with only 7% able to increase their income by any amount during their stay in the system (from an average of \$481 to an average of \$1,190), irrespective of the type of service accessed. Meanwhile, the average asking rent for a one bedroom apartment in Berkeley in 2017 was \$2,581;<sup>6</sup> in Oakland over the same period, rent averaged \$2,285.<sup>7</sup>

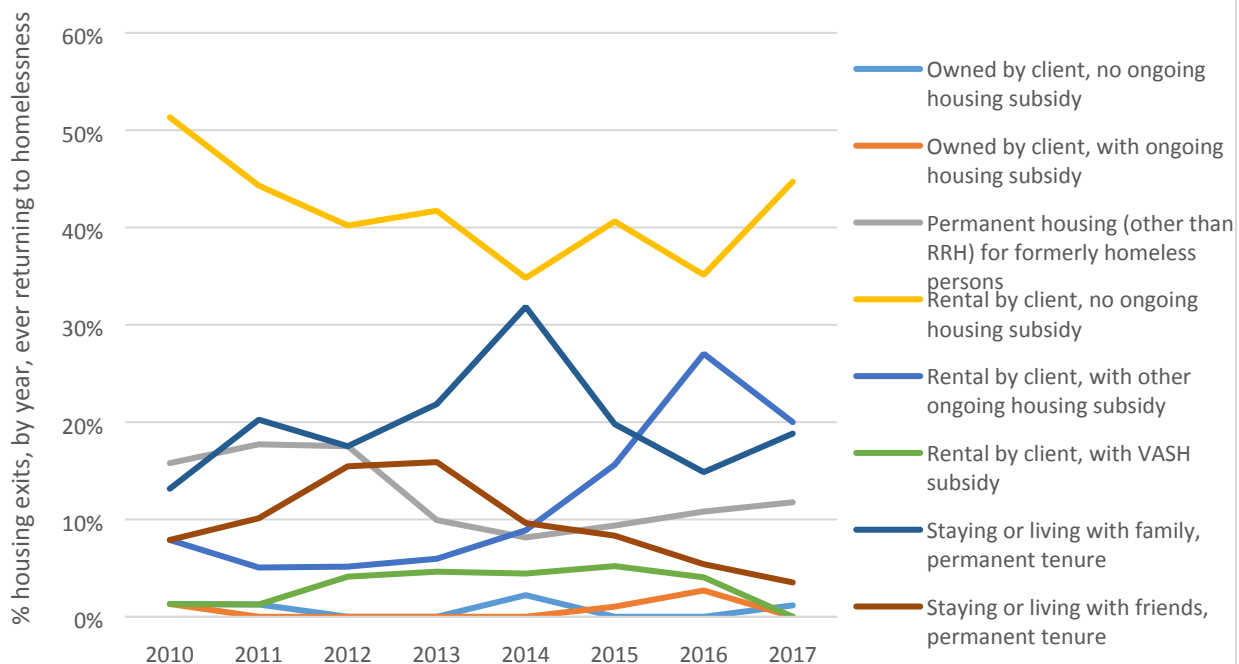
This housing instability, and general inability for previously homeless people to afford rent on their own, is clearly reflected in the system data (Figure 8): among those who previously exited the system to permanent housing in the past but eventually returned, the largest percentage of those exits had been to unsubsidized rental units. **Without an intervention that focuses on creating permanent affordability in the housing market, all available evidence suggests that anything Berkeley does to address homelessness will not reduce it so long as present trends continue.**

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<sup>6</sup> See: <https://www.rentjungle.com/average-rent-in-berkeley-rent-trends/>

<sup>7</sup> See: <https://www.rentjungle.com/average-rent-in-alameda-rent-trends/>

**Figure 8** Those who exit homelessness to an unsubsidized rental unit are the most likely to eventually return to homelessness



\* HUD has changed HMIS data categories over the years, making data prior to 2010 incomparable.

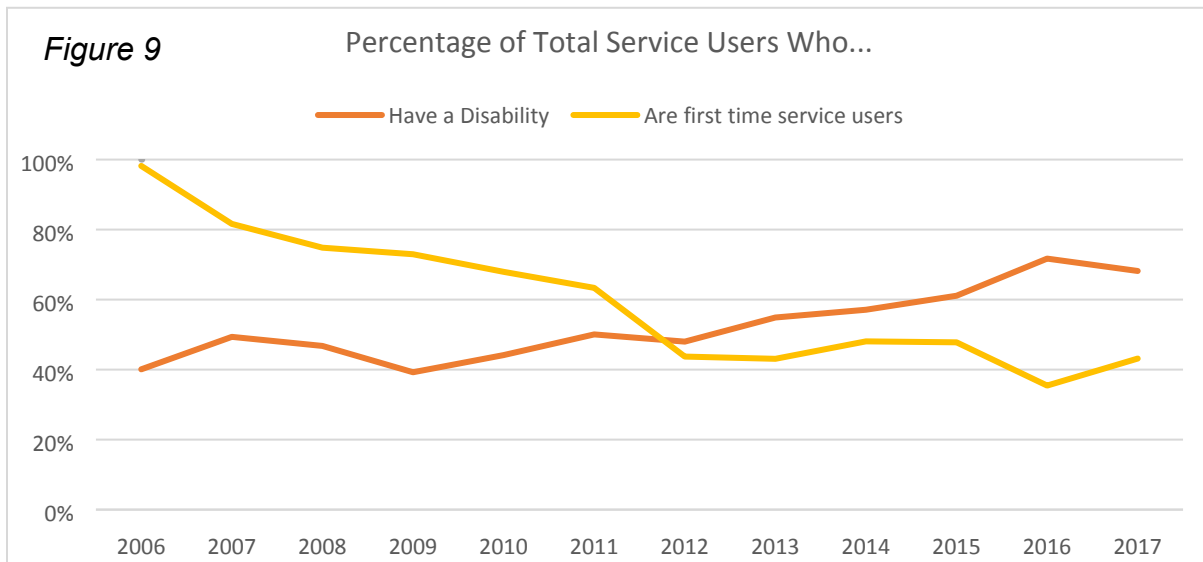
**Finding 4: Berkeley’s homeless population is getting increasingly harder to serve**

All of this begs the question: why are people getting stuck and cycling in and out of homelessness in Berkeley? For one, the data clearly suggest that, in part, the population is increasingly comprised of people who are very difficult to serve.

To isolate the effects of personal characteristics on likelihood of successfully exiting the system and not returning to homelessness, we partnered with an intern from the Goldman School of Public Policy to perform comprehensive system regression analyses. The table below summarizes a few predictive variables of interest in an analysis that controls for year and type of service accessed:

| Characteristic                         | Effect on likelihood of successfully exiting from homelessness |
|----------------------------------------|----------------------------------------------------------------|
| Amt. total monthly income (per dollar) | No effect                                                      |
| Engagement in criminal activity        | -5%                                                            |
| Having a disability (of any kind)      | -733%                                                          |

Overall, these analyses reveal that having any disability (physical, developmental, substance-related, etc.) is by far the single largest reason a person is unlikely to exit homelessness to housing and subsequently not return.<sup>8</sup> Perhaps unsurprisingly, Berkeley’s homeless population is not only increasingly serving “repeat” consumers,<sup>9</sup> but a greater proportion of people with a disability over time (see Figure 9):



Note that, in 2016, the percentage of first-time service users saw its single largest increase in the history of the database. By design, Coordinated Entry prioritizes homeless resources for the most vulnerable (those least likely to be able to access the system on their own). We believe that the success of this policy shift is reflected in these trends.

*Finding 5: Coordinated Entry is unlikely to end homelessness in Berkeley without additional permanent subsidies.*

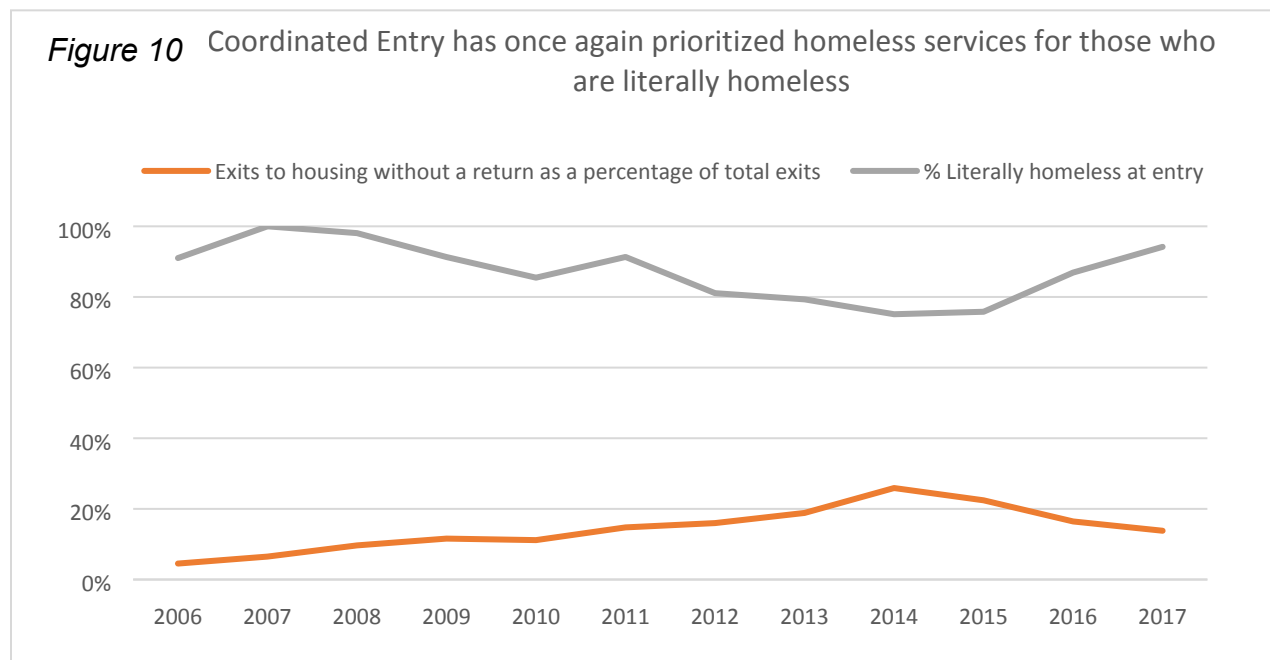
The previous analyses have found that, over the past 11 years, (i) fewer first-time homeless individuals are being served, (ii) more people with disabilities are entering, and (iii) fewer people are exiting to permanent housing—and fewer are likely to keep their housing once they leave. While much of this is undeniably the effect of a housing market that has become more supply-constrained, competitive, and expensive, some of it is also by design: beginning in 2016, our system began intentionally serving long-term and disabled homeless individuals first.

<sup>8</sup> Surprisingly, race/ethnicity had no major effects on someone’s likelihood to exit homelessness without eventually returning, despite the documented disproportionality among people of color experiencing homelessness. We posit two potential explanations: (i) either the system is not regularly discriminating by race when sustainably exiting people to housing; and/or (ii) people of color previously served by the system but returning to homelessness are less likely to access services altogether, or more likely to simply relocate to other communities. The available data cannot be used to distinguish between these two potential explanations.

<sup>9</sup> Note that 100% of clients were “first-time users” in 2006. This is because the database was initiated in 2006, meaning every instance of service use was necessarily someone’s first.

Per Federal mandate,<sup>10</sup> all entities receiving HUD funding for homeless services are required to create a Coordinated Entry System (CES) that prioritizes limited housing resources for those who are most vulnerable (and therefore least likely to resolve their homelessness on their own). On January 4, 2016, Berkeley became the first jurisdiction in Alameda County to establish such a system. This fortunate timing affords these analyses two full years of data to explore the effects of CES on homelessness.

First, Figure 10 demonstrates that Coordinated Entry has restored homeless services for people who are actually literally homeless. Beginning in 2011, Berkeley’s homeless services system began serving a significant number of people who were not actually literally homeless—i.e., they spent the previous night in their own rental unit or with friends and family. Unsurprisingly, these individuals likely drove a temporary spike in the percent of overall system exits to housing without an eventual return. Beginning in 2016, with the start of Coordinated Entry, the City’s homeless services were restricted to literally homeless people. This change in priority to help literally homeless people who had been on the streets the longest and were disabled has had the trade-off of compromising system housing performance in a remarkably consistent fashion:

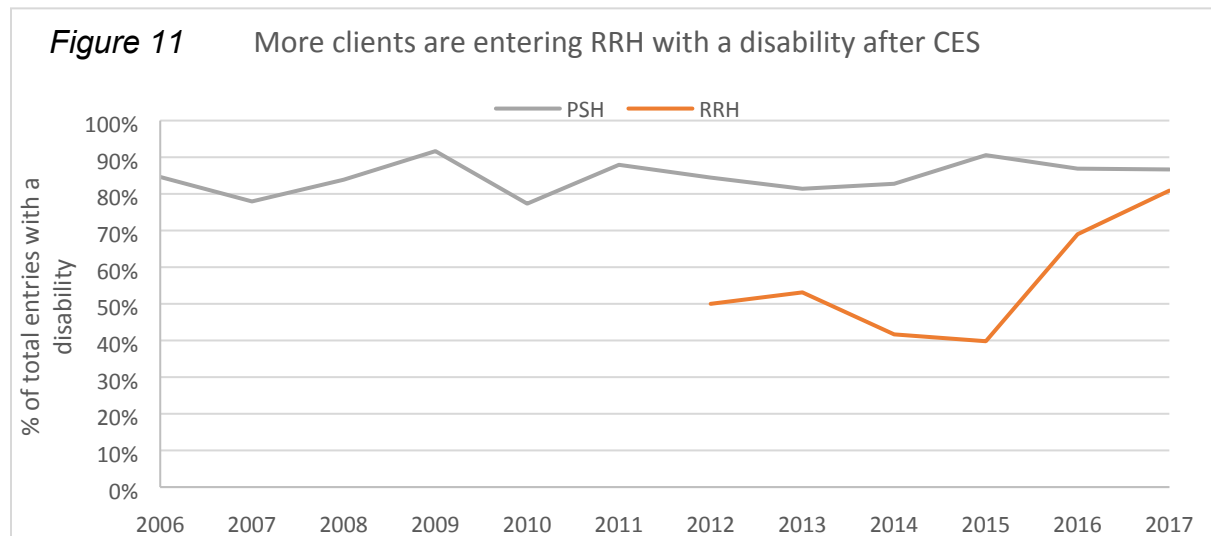


Additional analyses suggest not that Coordinated Entry is ineffective at housing high-needs homeless people in Berkeley, but rather that Berkeley has not had access to sufficient tools needed to implement this policy shift. Berkeley has roughly 260 permanent supportive housing (PSH) vouchers for homeless people. In any given year, only about 10% of these vouchers turn over for new placements, meaning that only 25-30 homeless individuals can be permanently housed, with ongoing deep rental subsidy,

<sup>10</sup> See: <https://www.hudexchange.info/resources/documents/Notice-CPD-17-01-Establishing-Additional-Requirements-or-a-Continuum-of-Care-Centralized-or-Coordinated-Assessment-System.pdf>

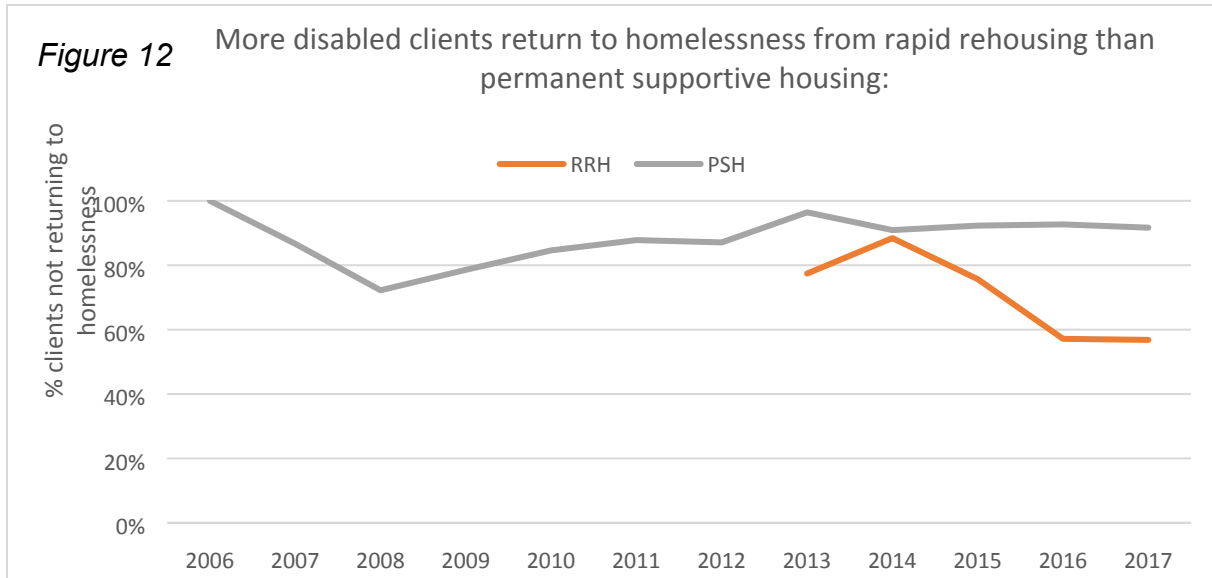
in any given year. Meanwhile, 27% of Berkeley’s homeless population is chronically homeless—261 individuals *on any given night*.

To alleviate this supply/demand mismatch, the City implemented a policy of prioritizing high-needs people not just for PSH, but also for rapid rehousing (RRH),<sup>11</sup> beginning in 2016. As a result, the percentage of RRH clients entering with disability had approached that of PSH by 2017 (see Figure 11):

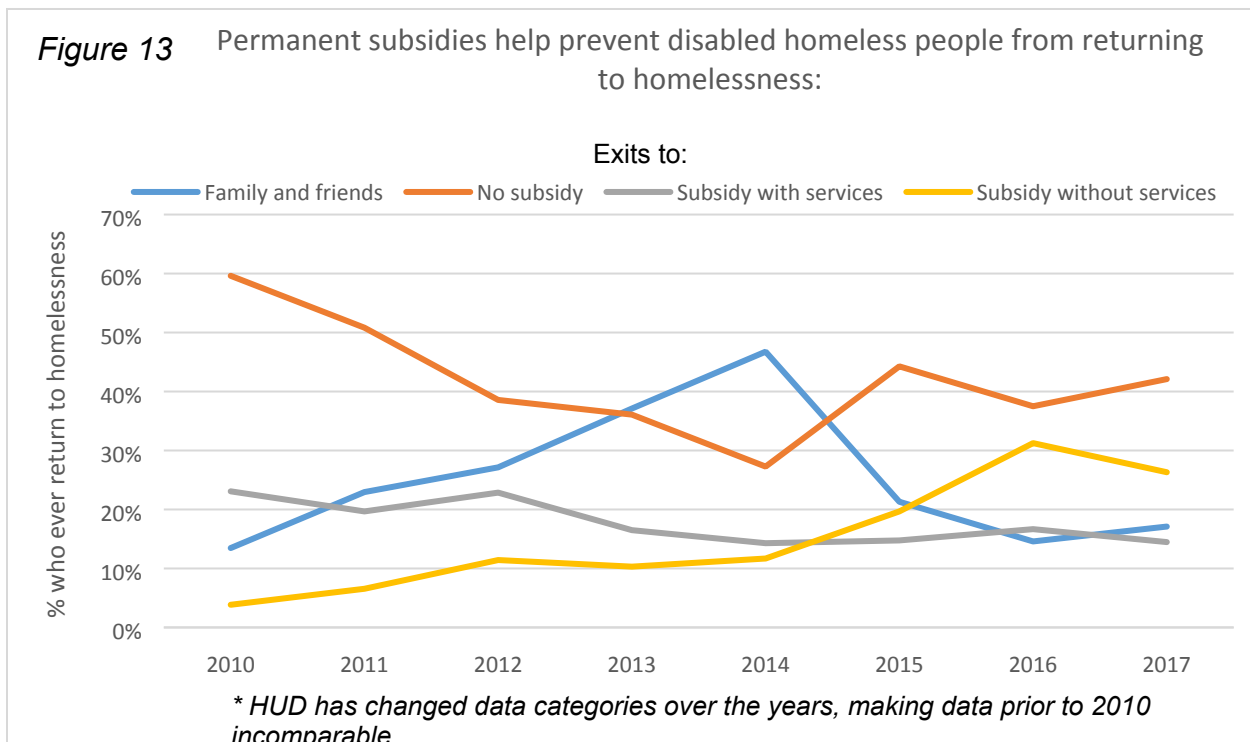


Given what we now know about the statistical effect of disability on housing success, this has had the predictable effect of reducing the percentage of clients who are able to ultimately keep their housing after the subsidy and intervention ends, from a pre-CES average of 81% to a post-CES average of 57%. Compare this to PSH homeless return rates, which were less than 9% in 2017:

<sup>11</sup> For more information on rapid rehousing as an intervention for homelessness, see: [https://www.cityofberkeley.info/Clerk/City\\_Council/2018/04\\_Apr/Documents/2018-04-24\\_Item\\_39\\_Rapid\\_Rehousing\\_What\\_it\\_Can.aspx](https://www.cityofberkeley.info/Clerk/City_Council/2018/04_Apr/Documents/2018-04-24_Item_39_Rapid_Rehousing_What_it_Can.aspx)



In fact, among those who self-report a disability at exit, those exiting to housing with subsidies are consistently less likely to eventually return to homelessness than those who do not:



**Conclusion:** Berkeley’s homeless services system is not under-performing—rather, it lacks the tools appropriate for the population it serves.

These analyses demonstrate, with a level of rigor not previously undertaken within our system, that the performance of homeless services in Berkeley is declining over time



because it is suffering from a fundamental mismatch between client characteristics and appropriate resources. The homeless population has gotten larger over time, but fewer and fewer people are accessing the system as “repeat” clients cycle in and out of homelessness. In response, Berkeley has prioritized resources for those most in need through Coordinated Entry, and has seen tremendous success in restoring homeless services for those who are literally homeless and unable to access the system on their own. However, **is the system has not created sufficient permanently subsidized housing resources to appropriately service a Coordinated Entry System**, and has instead relied on rapid rehousing to exit them from the system. Overreliance on rapid rehousing with high needs individuals in a tight housing market is a strategy that is tenuous in the long-run, as HHCS previously explained in an April 2018 Information Report.<sup>12</sup>

## Part II – Overview of Interventions and Costs Needed to Achieve “Functional Zero”

To reach “functional zero” in Berkeley (that is, a dynamic system where the number of people entering homelessness equals the number exiting homelessness each year), the City must right-size its system such that the appropriate number of resources are available, per year, to the right people who need them.

HHCS staff performed an analysis of system flow and trends, and projects that, if present trends continue (i.e., no additional resources but continuing rates of exits, returns, and system inflow), Berkeley will need resources for an additional 1,748 people beginning in 2019, and an additional 2,664 people by 2028. This need is above and beyond the total number the city’s current budget is projected to house each year:

| Annual...                                 | 2019        | 2020        | 2021        | 2022        | 2023        | 2024        | 2025        | 2026        | 2027        | 2028        |
|-------------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Size of Homeless Population               | 2146        | 2233        | 2323        | 2416        | 2513        | 2615        | 2720        | 2830        | 2944        | 3062        |
| <i>Of this population, estimated...</i>   |             |             |             |             |             |             |             |             |             |             |
| Newly homeless population                 | 944         | 982         | 1022        | 1063        | 1106        | 1150        | 1197        | 1245        | 1295        | 1347        |
| Returners & long-term homeless population | 1202        | 1250        | 1301        | 1353        | 1408        | 1464        | 1523        | 1585        | 1649        | 1715        |
| Exits to permanent housing                | 398         | 398         | 398         | 398         | 398         | 398         | 398         | 398         | 398         | 398         |
| <b>Number remaining homeless</b>          | <b>1748</b> | <b>1835</b> | <b>1925</b> | <b>2018</b> | <b>2115</b> | <b>2217</b> | <b>2322</b> | <b>2432</b> | <b>2546</b> | <b>2664</b> |
| <i>Of this population, estimated...</i>   |             |             |             |             |             |             |             |             |             |             |
| # not currently using services            | 410         | 430         | 452         | 474         | 496         | 520         | 545         | 571         | 597         | 625         |
| # using services                          | 1338        | 1404        | 1473        | 1545        | 1619        | 1697        | 1777        | 1861        | 1948        | 2039        |

The table above quantifies this estimate. A significant portion of the population consists of people who are new to the system (the “newly homeless population”). In other words, with present resources, we project that as many as 944 individuals will fall into homelessness for the first time in Berkeley in 2019—or roughly 17 people per week. The remainder will consist of previously homeless individuals returning to homelessness

<sup>12</sup> See: [https://www.cityofberkeley.info/Clerk/City\\_Council/2018/04\\_Apr/Documents/2018-04-24\\_Item\\_39\\_Rapid\\_Rehousing\\_What\\_it\\_Can.aspx](https://www.cityofberkeley.info/Clerk/City_Council/2018/04_Apr/Documents/2018-04-24_Item_39_Rapid_Rehousing_What_it_Can.aspx)

and long-term homeless individuals not yet served. Not all of these individuals will have been last housed in Berkeley, but estimating the actual number last housed in Berkeley cannot reliably be accomplished with existing data sources.

If present funding trends continue (i.e., funding for the current system remains constant), we expect 398 permanent housing placements annually. Subtracting these placements from the annual homeless population yields an estimate of those remaining homeless, which contributes to the ensuing year's population growth. By calculating the difference between the annual estimated homeless population and the subset of those individuals who actually surface in our homeless system database, we estimate that just under 25% of the population annually will not utilize any homeless service and will require additional outreach resources to engage.

Not all of these individuals will need or benefit from the same type of intervention. While some will be unable to exit homelessness for good without the assistance of permanent supportive housing, others will benefit from time-limited, lighter-touch interventions like housing problem-solving conversations with appropriate referrals. To reach functional zero, staff estimate that, Berkeley will need to invest in the following five types of interventions:

1. Targeted homeless prevention;
2. Light-touch interventions with no financial assistance;
3. Rapid Re-housing;
4. Permanent Supportive Housing; and
5. Permanently subsidized housing without services

Below we describe each intervention, and their associated costs, in turn.

### *Targeted Homeless Prevention*

One of the greatest uncertainties in a “functional zero” analysis is estimating the number of people who could have been prevented from entering homelessness in the first place.

- First, it is difficult to estimate the number that become “newly homeless” year over year. There is no database that registers an entry every time someone loses housing and enters homelessness. Moreover, HMIS data (the database used for this report) only tracks people who access services; with a limited number of shelter beds, we know that a growing percentage of people do not access services, anecdotally evidenced in part by the significant growth in homeless encampments.
- Second, not everybody experiencing homelessness in Berkeley was housed in Berkeley at the time they became homeless. For this population, Berkeley homeless prevention efforts would likely be impossible. Since homelessness is clearly such a regional issue, Alameda County must be the lead for an expanded prevention effort to be maximally successful.

- Third, the ability to accurately target homeless prevention resources to people who are actually going to become homeless remains quite low.<sup>13</sup> Not every person who is at risk of becoming homeless actually goes on to experience homelessness. There are far more unstably housed people and people experiencing poverty than people experiencing homelessness in this country, making upstream prevention efforts difficult and often inefficient.

For these reasons, we found that approximately 221 (roughly 25%) of the estimated 873 people who became newly homeless in Berkeley in 2018 would have been amenable to homeless prevention interventions,<sup>14</sup> at a cost of roughly \$1.3 million annually.<sup>15</sup> These interventions would be targeted as much as possible using homeless risk screening tools and prioritized for people least likely to resolve their housing crisis on their own, and are therefore qualitatively different from broader eviction prevention efforts currently funded by the City of Berkeley.

We also predict that a small number of individuals who lose their permanent supportive housing and return to homelessness for preventable reasons, such as nonpayment of rent (no more than 10 on average each year) could be prevented with a modest additional investment (roughly \$130,000 in year one).

Figure 14 summarizes the annual investment needs for this intervention. The spike in 2021 results from preventing additional future returns to homelessness from new permanent interventions discussed below.

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<sup>13</sup> See: <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.926.5184&rep=rep1&type=pdf>

<sup>14</sup> We calculate this number from by multiplying (i) the percentage of people who, in 2016 and 2017, entered homelessness from living situations amenable to homelessness prevention, such as their own rental housing or from friends/family (25%); (ii) the percentage of Berkeleyans in the 2017 Point-In-Time Survey that reported being housed in Alameda County at the time they lost housing (76%), using this as a proxy for being housed in Berkeley for lack of more specific data; and (iii) the percentage of people who would likely actually have their housing successfully sustained by prevention efforts (75%), using data from Berkeley's Housing Retention Program. This methodology was also used by EveryOne Home and the City of Oakland.

<sup>15</sup> This assumes an average grant size of \$5000 per recipient and 20% for administrative and nonprofit overhead expenses.



### *Light-touch Interventions with No Financial Assistance*

Not everybody who becomes homeless requires a great deal of assistance to resolve their homelessness. Poor and unstably housed people are remarkably resilient and often able to resolve their homelessness on their own with no financial assistance. For example, 38% of system users in Berkeley between 2006 and 2017 touched the system only one time and never returned back to the system again. Of these, roughly 10% exited to unassisted permanent destinations, such as permanent accommodations with family or their own, unsubsidized housing.

From these numbers, we estimate that up to 10% of non-chronically homeless individuals in Berkeley would benefit from light-touch interventions with no financial assistance, such as a focused housing problem-solving conversation with trained staff.<sup>16</sup> We believe this type of intervention could be built into the administrative expenses quantified in the rapid rehousing interventions described below.

### *Rapid Rehousing*

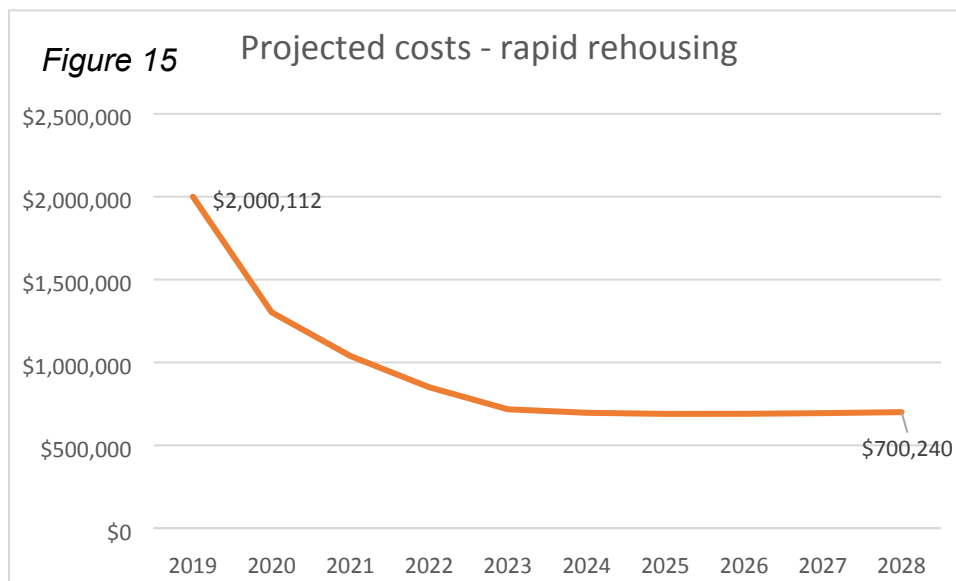
The 2017 point-in-time homeless count revealed that 94% of Berkeley's homeless population consists of single, unaccompanied adults. As we have previously reported to the Council,<sup>17</sup> very little research exists on the long-term efficacy of rapid rehousing in ending homelessness among single adults, and while this intervention can be successful for this population, it must be carefully applied to people who are most likely to succeed with the short-term assistance it offers.

<sup>16</sup> This proportion was used by the City of Oakland and EveryOne Home as well.

<sup>17</sup> See: [https://www.cityofberkeley.info/Clerk/City\\_Council/2018/04\\_Apr/Documents/2018-04-24\\_Item\\_39\\_Rapid\\_Rehousing\\_What\\_it\\_Can.aspx](https://www.cityofberkeley.info/Clerk/City_Council/2018/04_Apr/Documents/2018-04-24_Item_39_Rapid_Rehousing_What_it_Can.aspx)

From national literature, a highly important predictor of success is the ability to increase income over the course of the intervention.<sup>18</sup> Locally, the analyses in this report reveal that the single largest predictor of returning to homelessness over the long-run is having a disability of any kind. Therefore, to estimate the proportion of individuals in Berkeley who are likely to benefit from rapid rehousing and not eventually return to homelessness, we examined the proportion of non-disabled individuals who had some capacity to increase their income (either they already worked or did not report a fixed disability income as their only source). From these numbers, we estimate that roughly 10% of the population is likely to permanently exit homelessness with a rapid rehousing intervention, with roughly half of that requiring only one-time assistance (e.g., assistance with security deposits) and the other half requiring up to several months of rental subsidy and case management. This translates into 211 rapid rehousing “slots” at an annual cost of \$2 million in year one, and shrinking to \$700,000 by 2028<sup>19</sup> as the overall homeless population shrinks.

In comparison to the Hub and the STAIR Center’s budgets for rapid rehousing and administration, these estimates reveal that Berkeley actually needs little additional rapid rehousing investment, as this has been the greatest focus of subsidy expansion in recent years. Figure 15 summarizes the annual costs for this intervention through 2028.



<sup>18</sup> Focus Strategies (2017). Valley of the Sun United Way Final Evaluation of the Rapid Rehousing 250 Program. [http://kjzz.org/sites/default/files/RRH%20250%20Final%20Phase%20One%20Report%2006262017%20\(1\).pdf](http://kjzz.org/sites/default/files/RRH%20250%20Final%20Phase%20One%20Report%2006262017%20(1).pdf)

<sup>19</sup> For one-time assistance costs, we relied on HMIS exit data finding that among those exiting to unassisted permanent destinations in 2016 and 2017, 55% exited to their own rental housing and 45% exit to family and friends; we assume \$3500 in average assistance for the former, plus an average travel or relocation voucher of \$250 for the latter. For those exiting with several months of assistance, we employ Hub data to estimate average rents and durations. Both estimates include associated staff and administrative expenses of 20%.

### *Permanent Supportive Housing and Permanently Subsidized Housing Without Services*

Part I of this report concludes that the single largest “missing piece” in Berkeley’s efforts to end homelessness is permanently subsidized, affordable housing. As rents rise while wages and fixed-income benefits stagnate, those who exit to unassisted permanent housing (for example, after a rapid rehousing intervention has ended) face ongoing risks of returning to homelessness in the face of ongoing housing market volatility. To reach functional zero in Berkeley, the single largest investment required will be in permanent rental subsidies for the majority of homeless people who are simply too poor—and do not have the capacity to increase their incomes—to make it on their own in Northern California’s tight, expensive housing market.

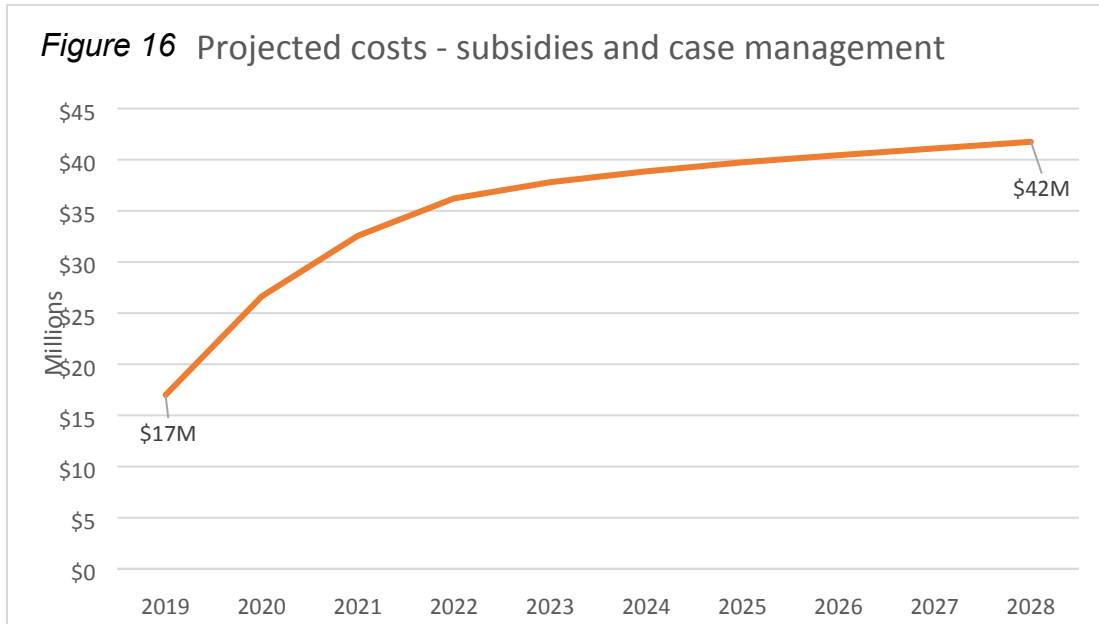
We distinguish between two types of permanent subsidies—those with supportive services, and those without. The former is traditionally reserved for the chronically homeless, but we believe that only 50% of chronically homeless people in Berkeley require ongoing case management. The rest—as well as the rest of the homeless population unable to benefit from prevention, light-tough, or rapid rehousing assistance—will simply need permanent rental subsidies. This translates to roughly 218 permanent supportive housing exits, and 440 permanent subsidy exits, in year 1 alone.

Figure 16 summarizes the annual costs<sup>20</sup> associated with this intervention through 2028. Note two important characteristics of the cost curve over time:

- First, the curve **increases over time** because permanent subsidies require a permanent fiscal outlay—as new individuals are housed each year, the overall fiscal commitment grows.
- Second, the curve **plateaus over time**. This is because (i) a large initial investment is required up front to address the currently homeless population, and (ii) as the portfolio of subsidies increases, a growing fraction of the need each year can be addressed with turnover.

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<sup>20</sup> To calculate costs, we assume (i) apartments are rented at HUD rent-reasonableness rates for Berkeley (those data courtesy of the Berkeley Housing Authority); (ii) an average client income at SSI levels for 2018, with tenant rents at 30% of that amount; (iii) annual rent growths of 2% and annual program cost growths of 1%; and (iv) sufficient city staff and nonprofit administrative support to administer what amounts to 5 times the current Shelter Plus Care capacity in Berkeley.



### *Experimenting with Permanent Subsidy Variation*

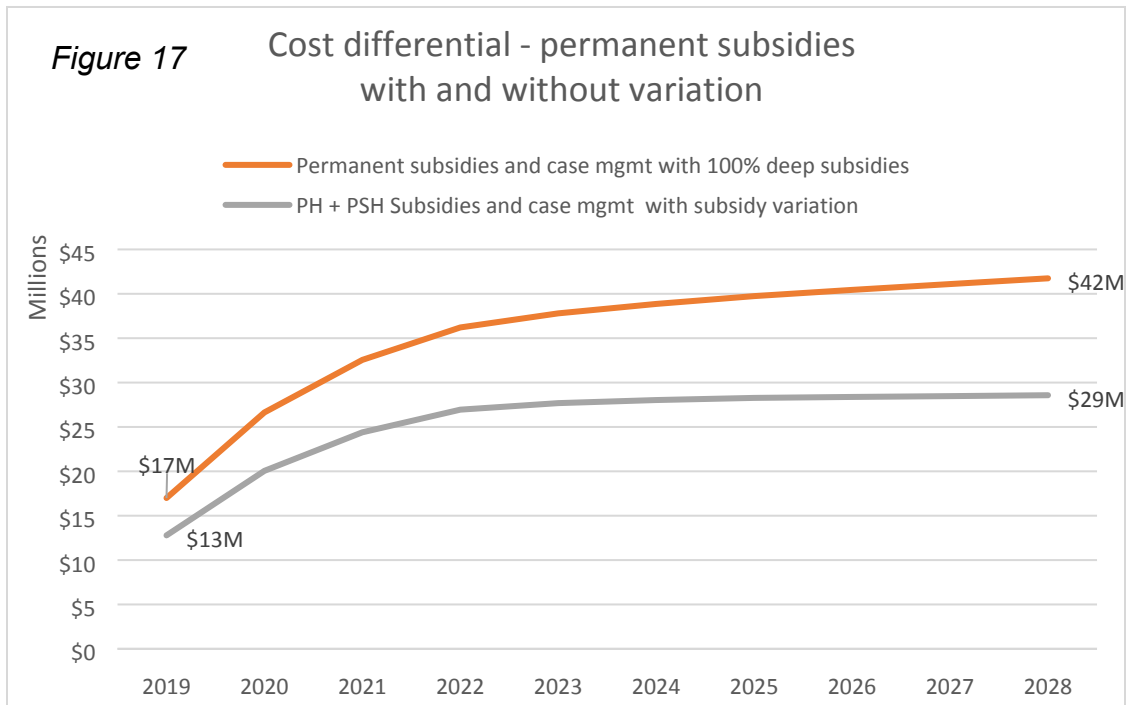
These cost estimates assume a “worst-case scenario” in which all individuals are housed at rents equaling 30% of their income, with subsidy to cover the difference. Emerging evidence suggests, however, that flat or shallow subsidies (for example, a fixed monthly subsidy of, say, \$600 per month) can prove extremely effective at helping formerly homeless people maintain their housing over time.<sup>21</sup> If Berkeley were to pilot such an approach, yearly costs could be reduced. Following EveryOne Home’s recommendation, for example, we calculated the annual costs if:

- 1/3 of the population had set-aside access to below market-rate (BMR) affordable units already subsidized for those at 50% AMI;
- 1/4 of the population were housed in market-rate apartments with subsidies covering 50% of the rent;
- 1/5 of the population received a flat subsidy of \$600 per month (akin to the Basic Income experiment starting in Stockton in 2019<sup>22</sup>); and
- 1/4 of the population received permanent subsidy in market-rate apartments at 30% of their income.

Piloting such an approach to subsidy variation is predicted to have the cost differential effects depicted in Figure 17:

<sup>21</sup> See: <https://www.urban.org/sites/default/files/publication/22311/413031-A-Proposed-Demonstration-of-a-Flat-Rental-Subsidy-for-Very-Low-Income-Households.PDF>

<sup>22</sup> See: <https://www.nytimes.com/2018/05/30/business/stockton-basic-income.html>



**Capital Expenses**

The permanent subsidy expenses calculated above simply account for operating subsidy expenses; they do not account for capital costs to build new units. With vacancy rates in the greater Bay Area at historic lows as construction of all types of housing lags behind projected need—and as other Bay Area jurisdictions compete with one another for a shrinking pool of naturally-occurring affordable housing for their respective homeless populations—there are simply not enough units in the rental market to make an approach that relies solely on scattered-site, tenant-based subsidies viable. Some new construction, of 100% affordable projects and/or market-rate projects that take advantage of inclusionary zoning policies, will have to be a part of this solution over the long-run.

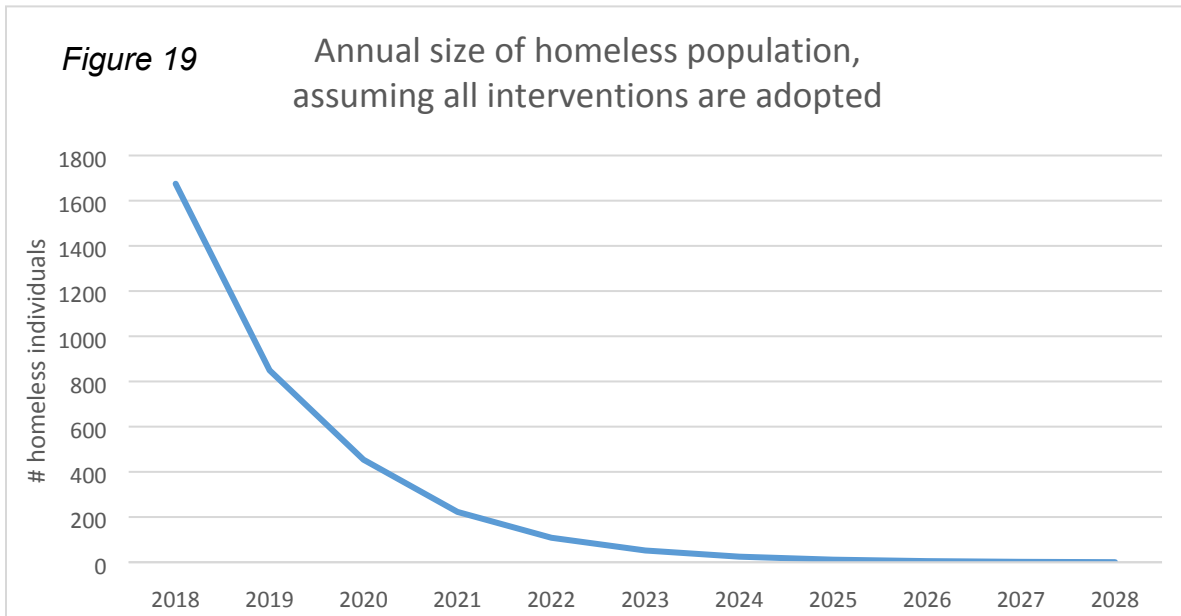
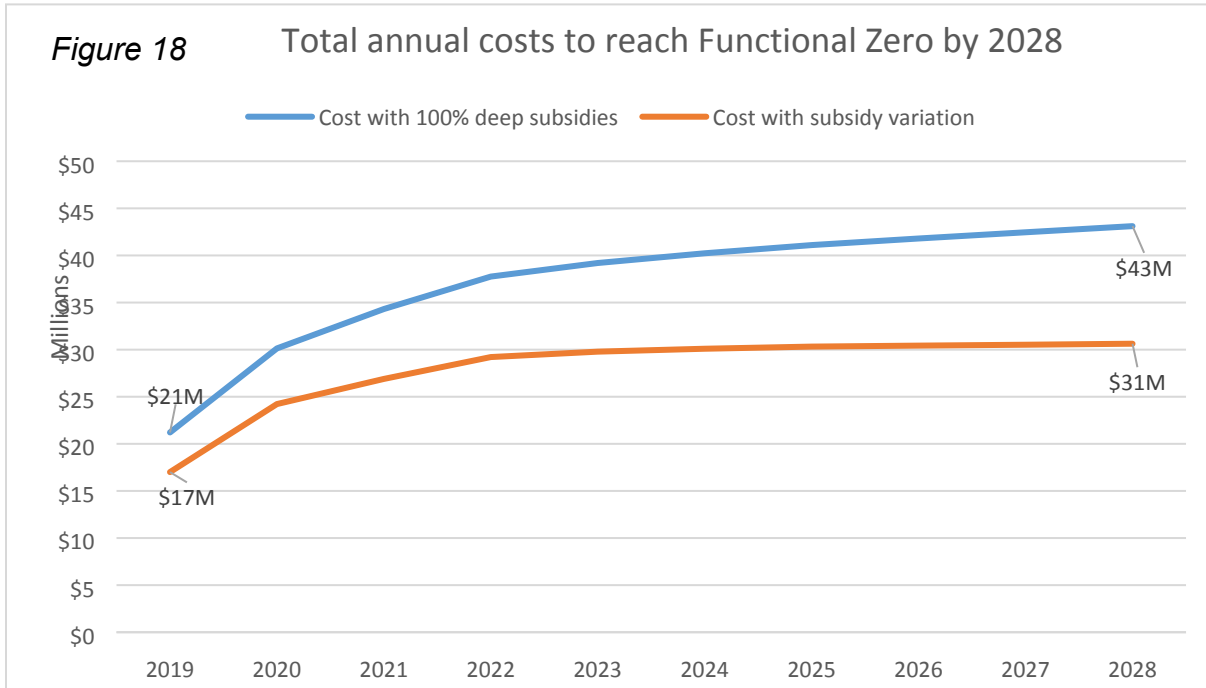
At the time of writing, the outcome of Measure O, the City’s Affordable Housing Bond Measure, is unknown. If the measure passes, City officials must decide how to use the proceeds. If the City opts to utilize all of the \$135 million in bond funds to construct new affordable housing, staff estimate that this one-time infusion of funds would result in approximately 450-750 new affordable housing units (at a City subsidy rate of \$150,000-250,000 development cost per unit), with approximately 20% (or 90-150) of those units affordable to the homeless population. If other types of more costly housing are desired, the net new units would be fewer.

**Total Expenses and Effects on Homelessness in Berkeley**

The types and sizes of the interventions above are designed to help Berkeley reach “functional zero” by 2028. If each is adopted, it would come at an estimated annual expense of between \$17 and \$21 million in year one, growing annually to a total annual



budget obligation of between \$31 and \$43 million by 2028. Figure 18 depicts how annual expenses change over time, while Figure 19 depicts associated annual decreases in homelessness:



**1000 Person Plan to Address Homelessness in Berkeley**

To permanently end homelessness for 1000 people in Berkeley, we estimate that the resources outlined below will be required.

| <u>Inventory - slots needed</u>                                                                  |                     |
|--------------------------------------------------------------------------------------------------|---------------------|
| Targeted homeless prevention slots                                                               | 295                 |
| Light touch, no financial assistance slots                                                       | 211                 |
| Rapid Rehousing slots                                                                            | 211                 |
| Permanent Supportive Housing (PSH) slots                                                         | 218                 |
| Permanently subsidized housing (PH) slots                                                        | 361                 |
| Outreach (FTE)                                                                                   | 11                  |
| <u>Cost (all line items assume 20% nonprofit admin expenses and associated city staff costs)</u> |                     |
| Targeted homeless prevention slots                                                               | \$1,326,230         |
| Rapid Rehousing slots                                                                            | \$2,000,112         |
| PH + PSH subsidies and case management -- 100% deep subsidies*                                   | \$15,347,297        |
| PH + PSH subsidies and case management -- with subsidy variation*                                | \$11,891,616        |
| Outreach costs                                                                                   | \$891,000           |
| <b>TOTAL ANNUAL COST -- 100% deep subsidies</b>                                                  | <b>\$19,564,639</b> |
| <b>TOTAL ANNUAL COST -- with subsidy variation</b>                                               | <b>\$16,108,958</b> |

\* Represents an ongoing annual expense

This amounts to an up-front expense ranging from roughly \$16 - \$19.5 million up front, with an annual ongoing expense of between roughly \$12 – 15 million for permanent subsidies.

### Part III – Strategic Goals and Recommendations

In the event the City is unable to finance the functional zero or 1000 person plan costs estimated above, staff offer the goals below as more realistic alternatives for Berkeley's budget and capacity. They are strategically designed to maximize potential federal drawdowns over time, and to recognize the role that Alameda County must play as a collaborative partner in the effort.

#### **1. Transform Berkeley's shelter system into a housing-focused Navigation**

**System.** The functional zero analyses in Section I reveal that shelter users in Berkeley are (i) getting “stuck” in beds for lack of access to housing exits, and (ii) with Coordinated Entry, increasingly coming from a long-term and disabled homeless population. Berkeley's traditional year-round shelters have an average annual budget of \$640,000—little more than 25% of the STAIR Center's budget. However, any shelter can be turned into a Navigation Center with sufficient staffing and flexible funding. To help move Berkeley's shelter system from one that is focused on *respite* to one that is focused on *flow* from the streets into housing, we recommend bolstering shelter budgets so they all reflect the priorities of the STAIR Center.

*Achieving this goal will require an additional \$4.8M in total new funding for shelters, growing annually with inflation/costs of living. This funds:*

- New navigators, peer site monitors, and management at each shelter at highly competitive salaries to attract and retain top talent;
- Flexible subsidies and one meal a day for each bed;
- Overhead and training support for shelter staff.

Staff believe that this goal is appropriate and achievable for Berkeley given its position as a relatively small jurisdiction within Alameda County. Berkeley's general funds and powers of taxation are insufficient to generate the revenue needed to fund permanent subsidies at the numbers calculated in Section II of this report. Thus, Berkeley can provide the low-barrier, service rich navigation centers to help transition unhoused residents from the streets and into housing, but Alameda County administers increasing levels of State funding for homelessness (such as California Whole Person Care and various revenues stemming from California SB 850) and must take the lead in piloting permanent operating subsidies for its homeless population. Homelessness does not respect arbitrary jurisdictional boundaries within Alameda County; stronger county investment in permanent housing support is imperative for this local investment strategy to be maximally effective.

Even without sufficient permanent affordable housing to create “flow,” there are still tangible benefits to investing in lower-barrier shelter models. As staff highlighted in a recent evaluation of the STAIR Center's opening,<sup>23</sup> lower barriers generally mean that higher-needs individuals are more willing to use shelter, addressing the “meanwhile” problem of very disabled and chronically homeless people sleeping on the streets.

- 2. Reduce chronic homelessness by 50% by 2023.** In the event the County cannot provide new permanent subsidies, Berkeley has a robust federally funded Shelter Plus Care program with extensive expertise in the administration of permanent subsidies for chronically homeless individuals, and already funds a small number of permanent subsidies for chronically homeless people through the Square One program. By expanding Square One to 54 new vouchers in 2019 and 222 total vouchers by 2023, we calculate that Berkeley, on its own, can achieve the goal of reducing chronic homelessness by 50% by 2023.

Increased funding for subsidies and staff can also help leverage Federal support over time, as HUD funds are increasingly tied to measurable reductions in yearly homeless counts. Tackling chronic homelessness is an effective way to bring overall homeless counts in Berkeley down, as Berkeley's rate of chronicity (27%) far exceeds the national average (roughly 15%).

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<sup>23</sup> See: [https://www.cityofberkeley.info/Clerk/City\\_Council/2018/10\\_Oct/Documents/2018-10-09\\_WS\\_Item\\_01\\_An\\_Evaluation\\_of\\_the\\_Pathways.aspx](https://www.cityofberkeley.info/Clerk/City_Council/2018/10_Oct/Documents/2018-10-09_WS_Item_01_An_Evaluation_of_the_Pathways.aspx)

*Achieving this goal will require:*

- An additional \$1.3M in funding in year 1, growing to \$5.1M annually by 2023.
  - Administrative, staff, and services costs total \$370k in year 1, and \$1M annually by 2023.
  - Subsidy expenses total \$900k in year 1, and \$3.9M annually by 2023.
- New and existing below market-rate unit set-asides for chronic homelessness.

- 3. Enhance the Accuracy of Homeless Prevention Interventions by Targeting to Need.** Our ability to accurately target homeless prevention resources to people who are actually going to become homeless remains low.<sup>24</sup> Most people who are unstably housed in this country do not become homeless; our functional zero analyses necessarily assume that large numbers of people cannot be prevented, even with additional resources. For these reasons, discussed in more detail in Section II, we do not recommend focusing on homeless prevention at this time. Instead, we strongly recommend (i) targeting all prevention funds to those who are previously homeless and at risk of returning from rapid rehousing or permanent supportive housing interventions, and/or (ii) piloting a new, targeted approach to homeless prevention that prioritizes applicants based on imminent homelessness and relative level of need, and lowers barriers to receiving aid (such as certain documentation requirements).

*Achieving this goal will require an additional \$1.5M annually through 2023, growing annually with inflation/costs of living.* This funds:

- Flexible funds for keeping previously homeless people housed;
- Administration and flexible funds for a pilot Coordinated Entry approach to prevention that prioritizes based on need.

- 4. Continue to implement changes to Berkeley’s Land Use, Zoning, and Development Review Requirements.**

Even if Council funds sufficient scattered-site housing subsidies, there is not enough available housing stock to utilize them--all Bay Area cities are competing for the same limited supply for their own homeless populations. Staff believes new housing construction will have to be part of any long-term plan to end homelessness in Berkeley.

An emerging body of research links high housing costs and low vacancy rates—and therefore, high rates of homelessness<sup>25</sup>—to land use and development regulations that restrict the creation of new housing of all income levels.<sup>26</sup> For example, a 2015

<sup>24</sup> See: <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.926.5184&rep=rep1&type=pdf>

<sup>25</sup> See: [http://urbanpolicy.berkeley.edu/pdf/qrs\\_restat01pb.pdf](http://urbanpolicy.berkeley.edu/pdf/qrs_restat01pb.pdf)

<sup>26</sup> See, for example, <https://lao.ca.gov/reports/2015/finance/housing-costs/housing-costs.pdf>

report from the bipartisan California Legislative Analyst's Office<sup>27</sup> found that urban density is growing at a slower rate in Coastal California relative to comparable metro areas nationally, in part because California's local governments (i) impose slow and cumbersome project review standards (each additional layer of independent review was associated with a 4 percent increase in a jurisdiction's home prices); (ii) impose growth controls, such as limiting height and densities via zoning regulations (each additional growth control policy a community added was associated with a 3 percent to 5 percent increase in home prices); and (iii) use CEQA and other design review processes to regulate housing construction (only 4 other states impose similar review standards). Such local policy decisions, the report concludes, are worsening California's income inequality, increasing poverty rates, increasing commute times, and forcing lower-income residents into crowded living situations.

Between 2014 and 2016, San Francisco and San Jose were the second and fourth highest performing metro economies in the world, respectively, as measured by employment and GDP growth per capita.<sup>28</sup> Berkeley—caught in the middle of these two global economic powerhouses—will likely continue to experience housing shortages as wealth accumulates amidst an inelastic housing supply.

Because similar pressures are emerging in other metro areas, Federal funders of affordable housing and homeless services are beginning to take note:

- For the first time, the US Interagency Council on Homelessness' new Federal Strategic Plan to Prevent and End Homelessness, released in July of 2018, recommends that local governments begin *“Examining and removing local policy barriers that limit housing development in the private market and have adverse impacts on housing affordability.”*<sup>29</sup>
- HUD has begun a stakeholder engagement process to reform enforcement of the Fair Housing Act by tying federal grants to less restrictive local residential zoning regulations.<sup>30</sup>

With this in mind, the pace with which new housing is currently being developed in Berkeley will likely not accommodate a declining annual homeless population over time. Staff recommends that Council heed the emerging funding pressures noted above and continue the difficult process of examining how local land use restrictions can be reformed with a specific eye towards alleviating homelessness.

### *Costs and Impacts of Strategic Goals and Recommendations*

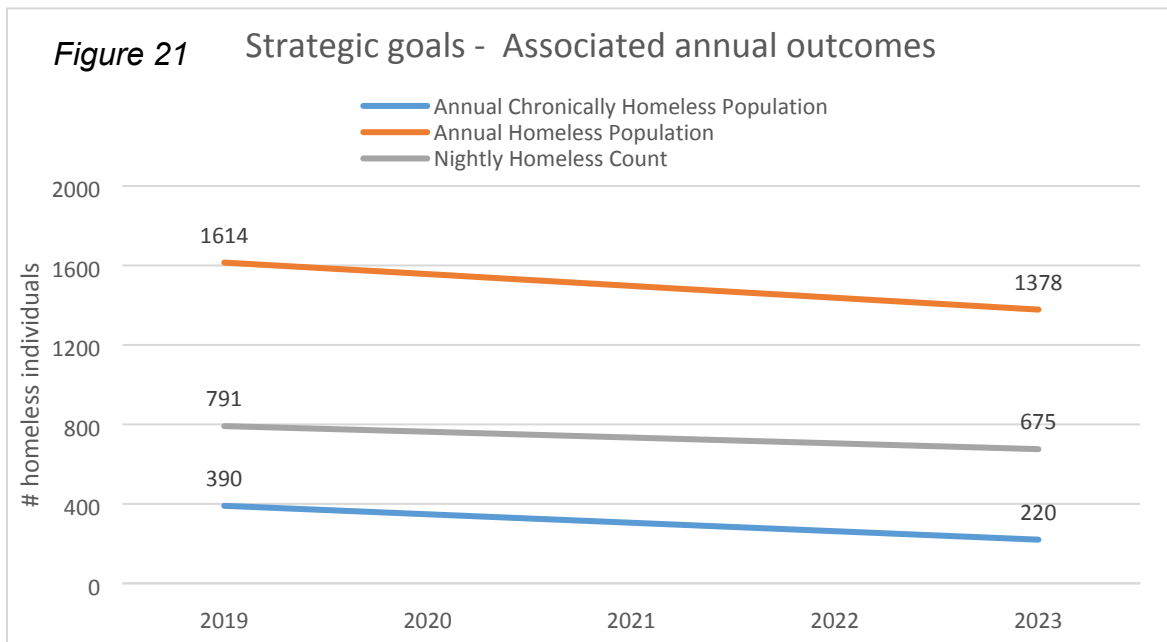
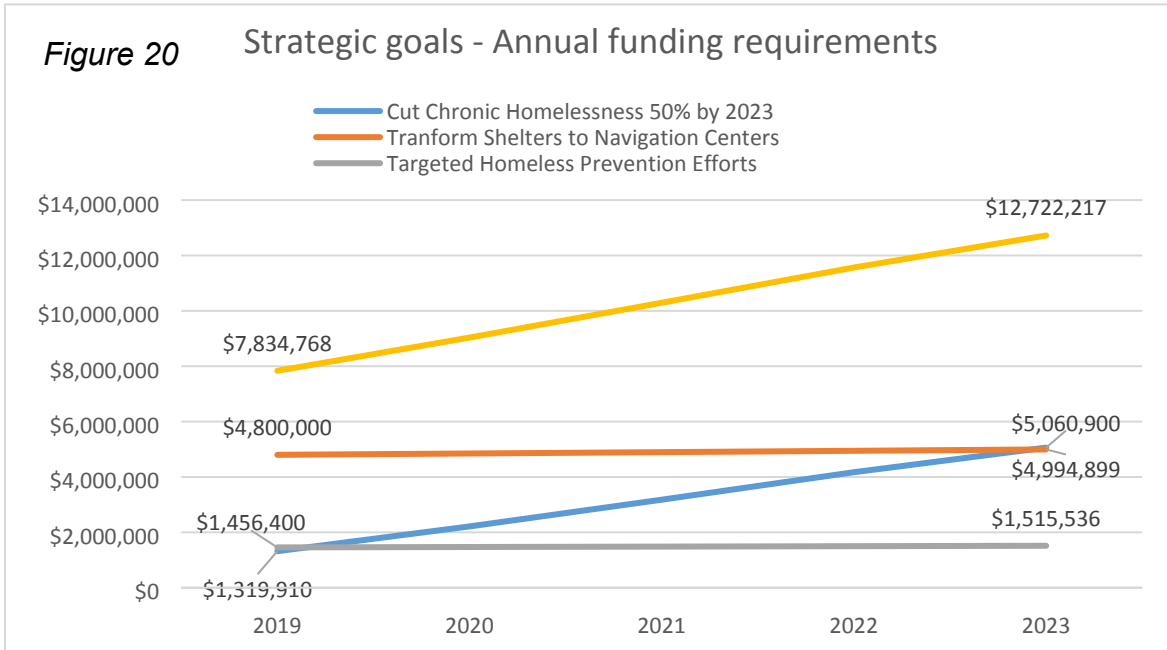
<sup>27</sup> See: <https://lao.ca.gov/reports/2015/finance/housing-costs/housing-costs.pdf>

<sup>28</sup> See: <https://www.brookings.edu/research/global-metro-monitor-2018/>

<sup>29</sup> See p. 20: [https://www.usich.gov/resources/uploads/asset\\_library/Home-Together-Federal-Strategic-Plan-to-Prevent-and-End-Homelessness.pdf](https://www.usich.gov/resources/uploads/asset_library/Home-Together-Federal-Strategic-Plan-to-Prevent-and-End-Homelessness.pdf)

<sup>30</sup> See: <https://www.wsj.com/articles/hud-moves-to-shake-up-fair-housing-enforcement-1534161601>

Figure 20 summarizes the annual costs associated with strategic recommendations #1, 2, and 3 above, while Figure 21 highlights the relative impact these goals would have on the city’s homeless population through 2023.



**CONTACT PERSON**

Peter Radu, Homeless Services Coordinator, HHCS, (510) 981-5435.



Lori Droste  
Berkeley City Councilmember, District 8

**ACTION CALENDAR**  
February 26, 2019

**To:** Members of the City Council

**From:** Councilmember Lori Droste, Councilmember Ben Bartlett, Councilmember Rigel Robinson, and Councilmember Rashi Kesarwani

**Subject:** Missing Middle Report

RECOMMENDATION

Refer to the City Manager to bring back to Council a report of potential revisions to the zoning code to foster a broader range of housing types across Berkeley, particularly missing middle housing types (duplexes, triplexes/fourplexes, courtyard apartments, bungalow courts, townhouses, etc.), in areas with access to essential components of livability like parks, schools, employment, transit, and other services.

Report should include, but is not limited to:

- Identifying where missing middle housing is optimal/should be permitted
- Allowing the possibility of existing houses/footprints/zoning envelopes to be divided up to 4 units
- Excluding very high fire severity zones as defined by the CalFire and/or the City of Berkeley
- Considering form-based zoning as a potential strategy<sup>1</sup>

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<sup>1</sup> Form-Based Codes Institute at Smart Growth America, 1152 15th Street NW Ste. 450 Washington, DC 20005. <https://formbasedcodes.org/definition/>

- Creating incentives to maintain family-friendly housing stock while adding more diversity and range of smaller units
- Creating incentives for building more than one unit on larger than average lots
- Provision of tenant protections, demolition controls, and no net loss provisions

### **CURRENT PROBLEM AND ITS EFFECTS**

The nine-county Bay Area region is facing an extreme shortage of homes that are affordable for working families. The Metropolitan Transportation Commission illustrates the job-housing imbalance in a recently released a report showing that only one home is added for every 3.5 jobs created in the Bay Area region.<sup>2</sup> Governor Gavin Newsom has called for a “Marshall Plan for affordable housing” and has pledged to create millions of more homes in California to tackle the state’s affordability and homelessness crisis.

In Berkeley, the median sale price of a home is \$1.2 million (as of December 2018)—an increase of 65% over the median sale price in December 2013 of \$727,000. Similarly, Berkeley’s median rent index is \$3,663/month—a 54% increase since since December 2013.<sup>3</sup> The escalating rents coincide with an increase of 17% in Berkeley’s homeless population as documented in the 2015 and 2017 point-in-time counts.<sup>4</sup> These skyrocketing housing costs put extreme pressure on low-, moderate- and middle-income households, as they are forced to spend an increasing percentage share of their income on housing (leaving less for other necessities like food and medicine), live in overcrowded conditions, or endure super-commutes of 90 minutes or more in order to make ends meet.

#### *Low-Income Households*

Recently, low-income households experienced the greatest increases in rent as a portion of their monthly income. According to the Urban Displacement Project, households are considered to be “rent burdened” when more than a third of their income goes toward housing costs. In Alameda County, “Although rent burden increased across all income groups, it rose most substantially for low- and very low-income households. In both 2000 and 2015, extremely low-income renters were by far the most likely to experience severe rent burden, with nearly three quarters spending more than half their income on rent.”<sup>5</sup>

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<sup>2</sup> Metropolitan Transportation Commission, 2018. <http://www.vitalsigns.mtc.ca.gov/>

<sup>3</sup> Berkeley Home Prices and Values, <https://www.zillow.com/berkeley-ca/home-values/>

<sup>4</sup> Berkeley Homeless Point-in-Time Count and Survey Data, 2017. [https://www.cityofberkeley.info/Clerk/City\\_Council/2017/07\\_Jul/Documents/2017-07-25\\_Item\\_53\\_2017\\_Berkeley\\_Homeless.aspx](https://www.cityofberkeley.info/Clerk/City_Council/2017/07_Jul/Documents/2017-07-25_Item_53_2017_Berkeley_Homeless.aspx)

<sup>5</sup> Zuk, M., & Chapple, K. (2015). Urban Displacement Project. [http://www.urbandisplacement.org/sites/default/files/images/alameda\\_final.pdf](http://www.urbandisplacement.org/sites/default/files/images/alameda_final.pdf)



Although residents of Berkeley recently passed Measure O which will substantially increase funding for affordable housing, low-income units are increasingly expensive to create. Low-income housing units typically cost well over \$500,000 to create and the demand for this type of affordable/subsidized housing exceeds the supply.<sup>6</sup> In Berkeley, roughly 700 seniors applied for the 42 affordable/subsidized units at Harpers Crossings.<sup>7</sup> Without a substantial additional increase in funding for affordable housing, the vast majority of low-income individuals have to rely on the market.

### *Middle-Income Households*

In the Bay Area, those earning middle incomes are facing similar challenges in finding affordable homes. The Pew Research Center classifies middle income households as those with “adults whose annual household income is two-thirds to double the national median.” In 2016, middle income households were those earning approximately \$45,000 to \$136,000 for a household of three.<sup>8</sup> However, in Berkeley, a similarly-sized family earning up to \$80,650 (80% Area Median Income) is considered low-income according to the U.S. Department of Housing and Urban Development.<sup>9</sup>

In the Bay Area, a family currently has to earn \$200,000 annually to afford the principal, interest, taxes and insurance payments on a median-priced home in the Bay Area (assuming they can pay 20 percent of the median home price of nearly \$1,000,000 up front).<sup>10</sup> This means that many City of Berkeley employees couldn't afford to live where they work: a community health worker (making \$63,600) and a janitor (making \$58,300) wouldn't be able to afford a home. Neither would a fire captain (making \$142,000) with a stay at home spouse. Even a police officer (making \$122,600) and a groundskeeper (making \$69,300), or two librarians (making \$71,700) couldn't buy a house.<sup>11</sup>

### *Families*

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<sup>6</sup> “The Cost of Building Housing” *The Turner Center* <https://turnercenter.berkeley.edu/construction-costs-series>

<sup>7</sup> Flood, Lucy. (1/18/2018). “Berkeley low-income seniors get a fresh start at Harper Crossing.” <https://www.berkeleyside.com/2018/01/18/berkeley-low-income-seniors-get-fresh-start-harper-crossing>

<sup>8</sup> Kochhar, Rakesh. “The American middle class is stable in size, but losing ground financially to upper-income families,” 9/16/2018, Pew Research Center. <http://www.pewresearch.org/fact-tank/2018/09/06/the-american-middle-class-is-stable-in-size-but-losing-ground-financially-to-upper-income-families/>

<sup>9</sup> Berkeley Housing Authority, HUD Income Guidelines, effective April 1, 2018. [https://www.cityofberkeley.info/BHA/Home/Payment\\_Standards,\\_Income\\_Limits,\\_and\\_Utility\\_Allowance.aspx](https://www.cityofberkeley.info/BHA/Home/Payment_Standards,_Income_Limits,_and_Utility_Allowance.aspx)

<sup>10</sup> “The salary you must earn to buy a home in the 50 largest metros” (10/14/2018). HSH.com <https://www.hsh.com/finance/mortgage/salary-home-buying-25-cities.html#>

<sup>11</sup> City of Berkeley Human Resources, “Job Descriptions” accessed 2.4.2019 <http://agency.governmentjobs.com/berkeley/default.cfm?action=agencyspecs&agencyID=1568>

Many families are fleeing the Bay Area due to the high cost of living. According to a recently released study by the Turner Center for Housing Innovation, the income and racial patterns out-migration and in-migration indicate that “the region risks backsliding on inclusion and diversity and displacing its economically vulnerable and minority residents to areas of more limited opportunity.”<sup>12</sup> Rent for a two bedroom apartment in Berkeley costs approximately \$3,200/month<sup>13</sup> while the median child care cost in Alameda County is \$1,824 a month, an increase of 36% in the past four years.<sup>14</sup> Consequently, many families are paying well over \$60,000 for living and childcare expenses alone.

### *Homelessness*

High housing costs also lead to California having among the highest rates of poverty in the nation at 19%.<sup>15</sup> Consequently, homelessness is on the rise throughout California. The Bay Area has one of the largest and least-sheltered homeless populations in North America.<sup>16</sup> The proliferation of homeless encampments—from select urban neighborhoods to locations across the region—is the most visible manifestation of the Bay Area’s extreme housing affordability crisis. According to the 2017 point-in-time count, Berkeley had approximately 972 individuals experiencing homelessness on any given night.<sup>17</sup> In order to help homeless individuals get housed, the City needs to create more homes. Tighter housing markets are associated with higher rates of homelessness, indicating that the creation of additional housing for all income levels is key to mitigating the crisis.<sup>18</sup>

## **BACKGROUND**

### **Missing Middle**

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<sup>12</sup> Romem, Issa and Elizabeth Kneebone, 2018. “Disparity in Departure: Who Leaves the Bay Area and Where Do They Go?” <https://turnercenter.berkeley.edu/disparity-in-departure>

<sup>13</sup> Berkeley Rentals, <https://www.zillow.com/berkeley-ca/home-values/>

<sup>14</sup> D’Souza, Karen, 2/3/19. “You think Bay Area housing is expensive? Child care costs are rising, too.” <https://www.mercurynews.com/2019/02/03/you-think-bay-area-housing-is-expensive-childcare-costs-are-rising-too/amp/>

<sup>15</sup> The U.S. Census The Supplemental Poverty Measure adjusts thresholds based on cost of living indexes.

<sup>16</sup> SPUR: Ideas and Action for a Better City. “Homelessness in the Bay Area: Solving the problem of homelessness is arguably our region’s greatest challenge.” Molly Turner, Urbanist Article, October 23, 2017 <https://www.spur.org/publications/urbanist-article/2017-10-23/homelessness-bay-area>

<sup>17</sup> Berkeley Homeless Point-in-Time Count and Survey Data, 2017. [https://www.cityofberkeley.info/Clerk/City\\_Council/2017/07\\_Jul/Documents/2017-07-25\\_Item\\_53\\_2017\\_Berkeley\\_Homeless.aspxn](https://www.cityofberkeley.info/Clerk/City_Council/2017/07_Jul/Documents/2017-07-25_Item_53_2017_Berkeley_Homeless.aspxn)

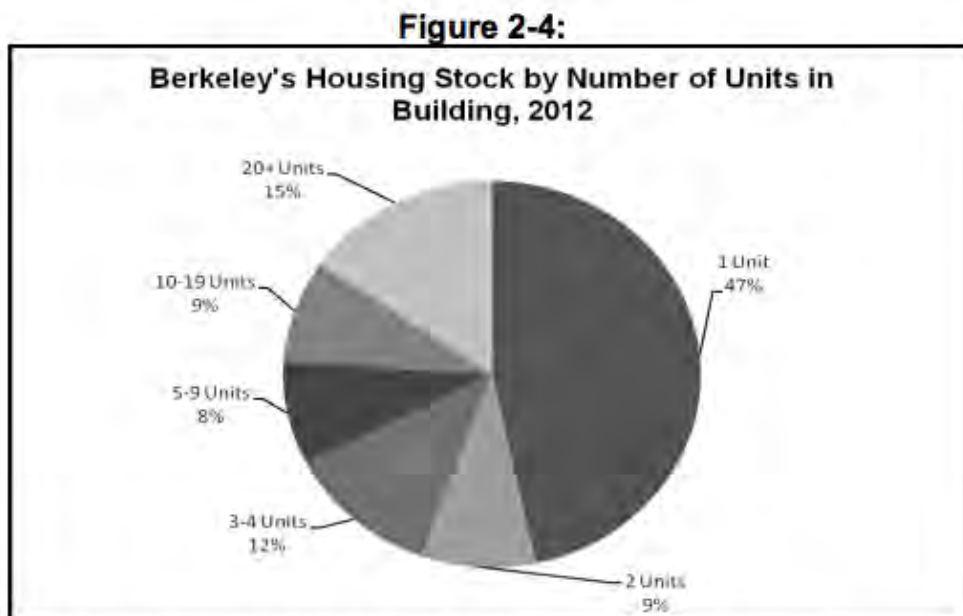
<sup>18</sup> *Homeless in America, Homeless in California*. John M. Quigley, Steven Raphael, and Eugene Smolensky. The Review of Economics and Statistics, February 2001, 83(1): 37–51 © 2001 by the President and Fellows of Harvard College and the Massachusetts Institute of Technology. [https://urbanpolicy.berkeley.edu/pdf/qrs\\_restat01pb.pdf](https://urbanpolicy.berkeley.edu/pdf/qrs_restat01pb.pdf)

### What is missing middle housing?

Missing middle housing is a term used to describe:

1. a range of clustered or multi-unit housing types compatible in scale with single family homes<sup>19</sup> and/or
2. housing types naturally affordable to those earning between 80-120% of the area median income.

While this legislation aims to address the former, by definition and design, missing middle housing will always be less expensive than comparable single family homes in the same neighborhood, leading to greater accessibility to those earning median, middle, or lower incomes. Currently, the median price of a single family home in Berkeley is \$1.2 million dollars, which is out of reach for the majority of working people.<sup>20</sup> Approximately half of Berkeley's housing stock consists of single family units<sup>21</sup> and more than half of Berkeley's residential land is zoned in ways that preclude most missing middle housing. As a result, today, only wealthy households can afford homes in Berkeley.



Source: US Census, ACS 2008-2012 5-Year Estimate., Table B25024

Missing middle housing includes duplexes, triplexes, courtyard apartments, bungalow courts, and multiplexes that often house people with a variety of incomes. These housing types generally have small- to medium-sized footprints and are often three

<sup>19</sup> Parolek, Dan. Opticos Design. <http://missingmiddlehousing.com/>

<sup>20</sup> Berkeley Home Prices and Values, <https://www.zillow.com/berkeley-ca/home-values/>

<sup>21</sup> City of Berkeley 2015 -2023 Housing Element.

[https://www.cityofberkeley.info/uploadedFiles/Planning\\_and\\_Development/Level\\_3\\_-\\_Commissions/Commission\\_for\\_Planning/2015-2023%20Berkeley%20Housing%20Element\\_FINAL.pdf](https://www.cityofberkeley.info/uploadedFiles/Planning_and_Development/Level_3_-_Commissions/Commission_for_Planning/2015-2023%20Berkeley%20Housing%20Element_FINAL.pdf)

stories or less, allowing them to blend into the existing neighborhood while still encouraging greater socioeconomic diversity. These types of homes exist in every district of Berkeley before they were banned in districts only allowing single family homes and missing middle homes were severely limited in other districts by zoning changes initiated in 1973.

One study found that individuals trying to create missing middle housing cannot compete financially with larger projects in areas zoned for higher density, noting “many smaller developers have difficulty obtaining the necessary resources (including the competitive funding) required to offset the high initial per-unit development costs, and larger developers with deeper pockets and more experience navigating complex regulatory systems will almost always opt to build projects that are large enough to achieve the bulk per-unit development rate.”<sup>22</sup> Additionally, missing middle housing is not permitted in areas zoned R1 (single family family only). Other factors that may prevent the creation of missing middle housing include onerous lot coverage ratios and excessive setback and parking requirements.<sup>23</sup>

### **History of Exclusionary Zoning, Racial and Economic Segregation and Current Zoning**

Prior to the 1970s, a variety of missing middle housing was still being produced and made available to families throughout the Bay Area, particularly in Berkeley. Many triplexes, etc exist in areas now zoned for single family residential (R-1), limited two-family residential (R-1A), and restricted two-family residential (R-2). These areas are now some of the most expensive parts of our city—especially on a per-unit basis.

Until 1984, Martin Luther King Jr Way was known as Grove Street. For decades, Grove Street created a wall of segregation down the center of Berkeley. Asian-Americans and African-Americans could not live east of Grove Street due to race-restrictive covenants that barred them from purchasing or leasing property.<sup>24</sup> While many people are aware of this sordid piece of Berkeley history, less know about Mason-McDuffie Company’s use of zoning laws and racially-restrictive property deeds and covenants to prevent people of color from living in east Berkeley.

Mason-McDuffie race-restrictive covenants state: “if prior to the first day of January 1930 any person of African or Mongolian descent shall be allowed to purchase or lease said property or any part thereof, then this conveyance shall be and become void...”<sup>25</sup> In

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<sup>22</sup> The Montgomery Planning Dept., “The Missing Middle Housing Study,” September 2018. [http://montgomeryplanning.org/wp-content/uploads/2018/09/MissingMiddleHousingStudy\\_9-2018.pdf](http://montgomeryplanning.org/wp-content/uploads/2018/09/MissingMiddleHousingStudy_9-2018.pdf)

<sup>23</sup> Ibid.

<sup>24</sup> Wollenberg, *Berkeley, A City in History*, 2008.

<sup>25</sup> Claremont Park Company Indenture, 1910

1916, McDuffie began lobbying for the exclusionary zoning ordinances in Berkeley to protect against the “disastrous effects of uncontrolled development”<sup>26</sup> and restrict Chinese laundromats and African American dance halls, particularly in the Elmwood and Claremont neighborhoods.<sup>27</sup>

After *Buchanan v Wareley* in 1917, explicit racially restrictive zoning became illegal. However, consideration to maintaining the character of districts became paramount and Mason-McDuffie contracts still stipulated that property owners must be white.

In 1933, the federal government created a Home Owners Loan Corporation (HOLC), which produced residential maps of neighborhoods to identify mortgage lending risks for real estate agents, lenders, etc. These maps were based on racial composition, quality of housing stock, access to amenities, etc. and were color coded to identify best (green), still desirable (blue), definitely declining (yellow), and hazardous (red) neighborhoods. These maps enabled discriminatory lending practices (later called ‘redlining’) and allowed lenders to enforce local segregation standards.<sup>28</sup>

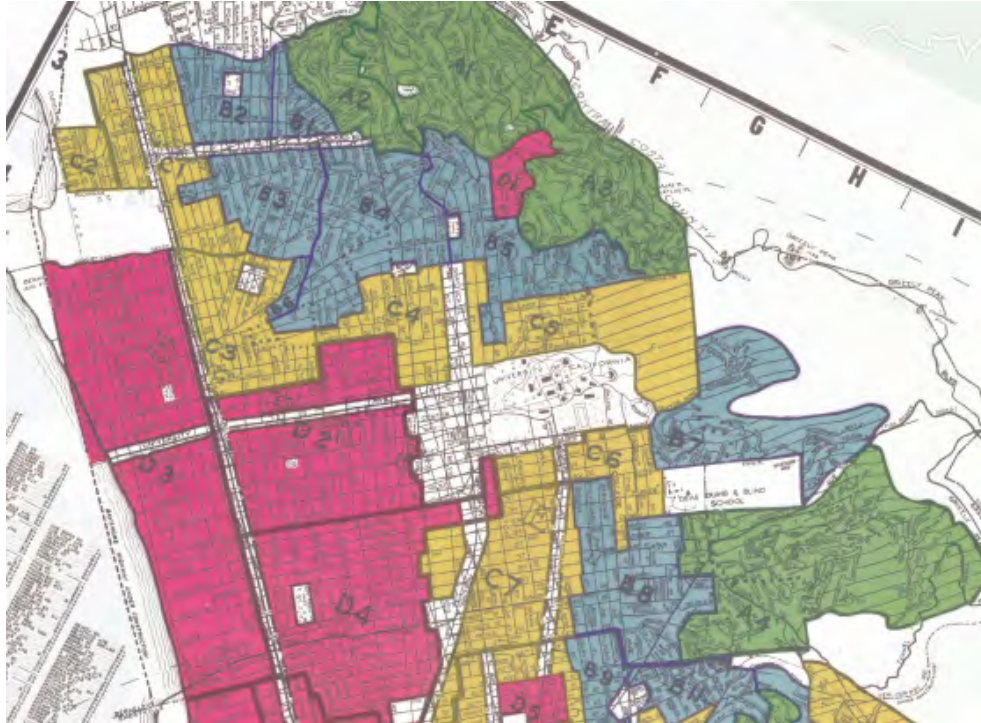
The images below compare a HOLC-era map of Berkeley with a current zoning map. Neighborhoods identified as “best” in green on the HOLC-era map typically remain zoned as single family residential areas today. Red ‘hazardous’ neighborhoods in the first map are now largely zoned as manufacturing, mixed use, light industrial, or limited two family residential.

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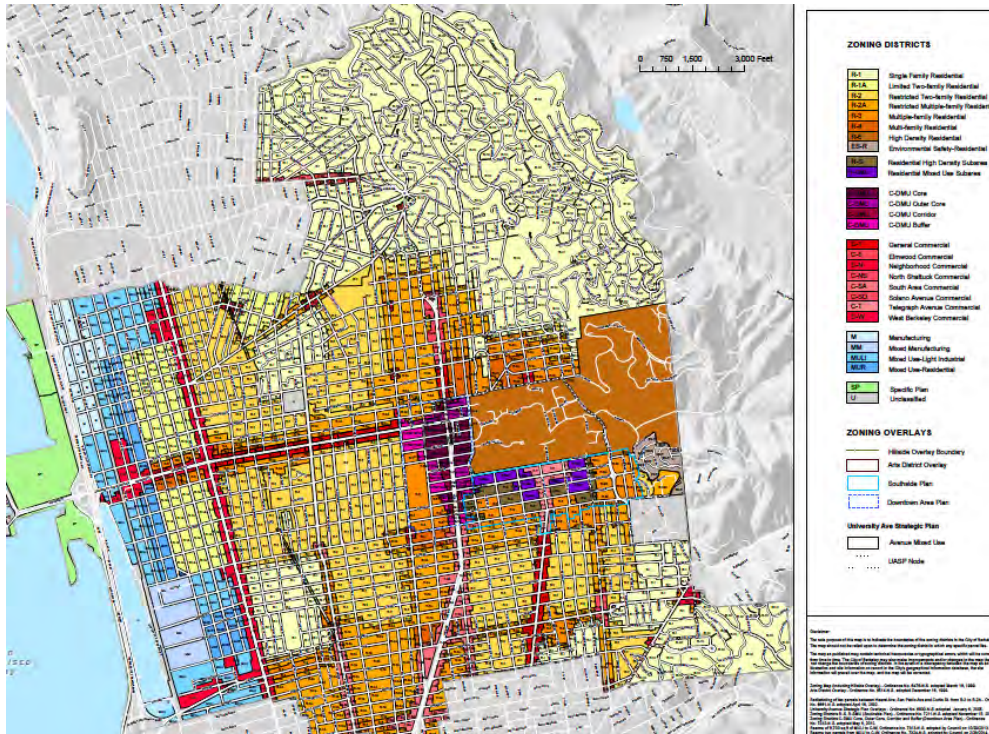
<sup>26</sup> Lory, Maya Tulip. “A History of Racial Segregation, 1878–1960.” *The Concord Review*, 2013. <http://www.schoolinfosystem.org/pdf/2014/06/04SegregationinCA24-2.pdf>

<sup>27</sup> Weiss, M. A. (1986). Urban Land Developers and the Origins of Zoning Laws: The Case of Berkeley. *Berkeley Planning Journal*, 3(1). Retrieved from <https://escholarship.org/uc/item/26b8d8zh>

<sup>28</sup> NCRC Opening Doors to Economic Opportunity, “HOLC “REDLINING” MAPS: The persistent structure of segregation and economic inequality.” Bruce Mitchell and Juan Franco. [https://ncrc.org/wp-content/uploads/dlm\\_uploads/2018/02/NCRC-Research-HOLC-10.pdf](https://ncrc.org/wp-content/uploads/dlm_uploads/2018/02/NCRC-Research-HOLC-10.pdf)



Thomas Bros Map of Oakland, Berkeley, Alameda, San Leandro, Piedmont Emeryville Albany. <sup>29</sup>



<sup>29</sup>Robert K. Nelson, LaDale Winling, Richard Marciano, Nathan Connolly, et al., "Mapping Inequality," *American Panorama*, ed. Robert K. Nelson and Edward L. Ayers, accessed January 24, 2019. <https://dsl.richmond.edu/panorama/redlining/#loc=10/37.8201/-122.4399&opacity=0.8&sort=17&city=oakland-ca&adview=full> in

Most cities still retain the vestiges of exclusionary zoning practices. By restricting desirable areas to single-family homes (and banning less expensive housing options, such as duplexes, tri-/four-plexes, courtyard apartments, bungalow courts, and townhouses), the current zoning map dictates that only wealthier families will be able to live or rent in Berkeley. Today, with the median sale price at \$1.2 million, this de-facto form of segregation is even more pronounced.

According to the data mapped by the Urban Displacement Project, most of the low-income tracts in Berkeley are at-risk or have ongoing displacement and gentrification. Higher-income tracts in Berkeley are classified as ‘at-risk of exclusion’, currently feature ‘ongoing exclusion’, or are at stages of ‘advanced exclusion’. Degrees of exclusion are measured by a combination of data: the loss of low-income households over time, presence of high income households, being considered in a ‘hot housing market,’ and migration patterns. The Urban Displacement Project’s findings indicate that exclusion is more prevalent than gentrification in the Bay Area.<sup>30</sup> While Berkeley has created policies and designated funding to prevent gentrification, policies that focus on preventing exclusion have lagged.

### **ALTERNATIVE ACTIONS CONSIDERED**

We considered an urgency ordinance but after consultation with City of Berkeley staff, we are recommending a report on potential zoning changes to inform future policy decisions, as opposed to immediate zoning revisions.

### **IMPLEMENTATION, ADMINISTRATION, AND ENFORCEMENT**

Not applicable as this item requests an analytical report.

### **FINANCIAL IMPLICATIONS**

Staffing or consulting costs to analyze zoning code and produce the report.

### **ENVIRONMENTAL SUSTAINABILITY**

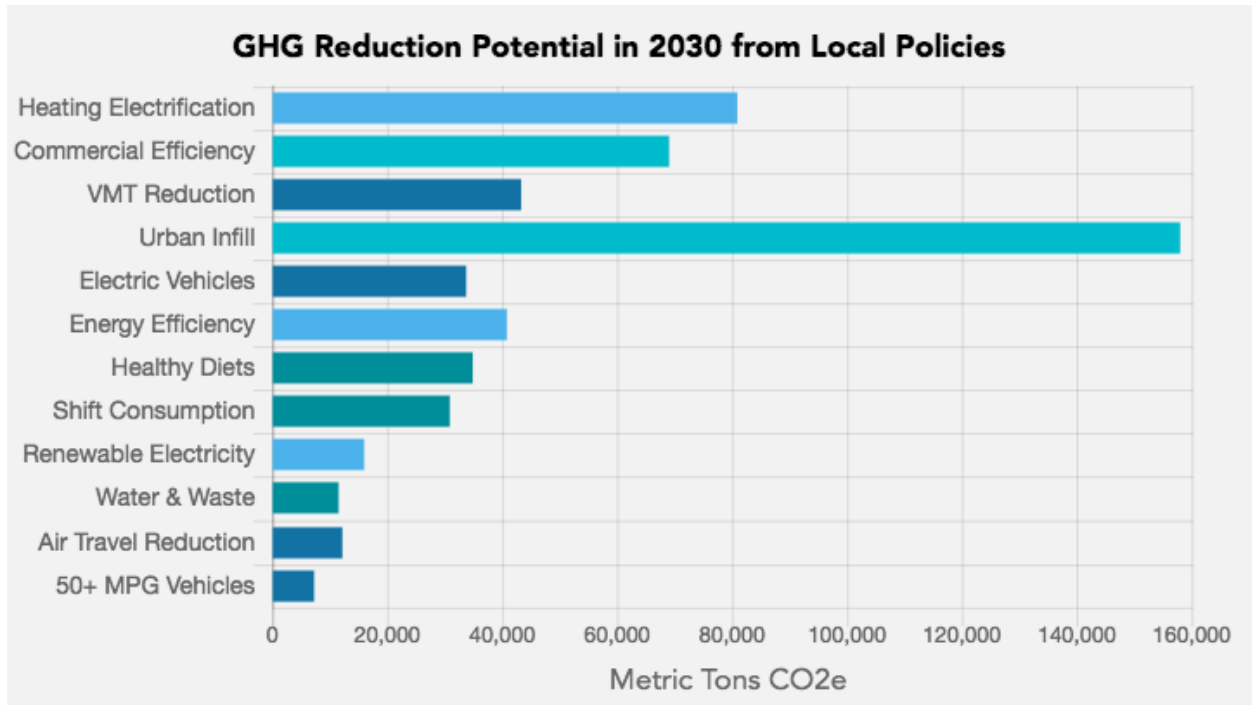
Berkeley declared a climate emergency in 2018. Among other concerns, wildfires and sea level rise are constant ecological threats to our community. The City of Berkeley needs to act urgently to address this imminent danger. Last year, climate researchers in Berkeley quantified local and state opportunities to reduce greenhouse gases from a “comprehensive consumption-based perspective.”<sup>31</sup> The most impactful local policy to

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<sup>30</sup> Zuk, M., & Chapple, K. (2015). Urban Displacement Project. <http://www.urbandisplacement.org/map/sf>

<sup>31</sup> “Carbon Footprint Planning: Quantifying Local and State Mitigation Opportunities for 700 California Cities.” Christopher M. Jones, Stephen M. Wheeler, and Daniel M. Kammen. Urban Planning (ISSN: 2183–7635) 2018, Volume 3, Issue 2. <https://rael.berkeley.edu/wp-content/uploads/2018/04/Jones-Wheeler-Kammen-700-California-Cities-Carbon-Footprint-2018.pdf>

potentially reduce greenhouse gas consumption by 2030 is urban infill. In short, Berkeley can meaningfully address climate change if we allow the production of more homes near job centers and transit.



**CONTACT PERSON(S):**

Lori Droste, 510-981-7180

**ATTACHMENTS:**

Minneapolis Plan:

[https://minneapolis2040.com/media/1428/pdf\\_minneapolis2040\\_with\\_appendices.pdf](https://minneapolis2040.com/media/1428/pdf_minneapolis2040_with_appendices.pdf)

Seattle' Plan:

<http://www.seattle.gov/Documents/Departments/SeattlePlanningCommission/SPCNeighborhoodsForAllFINAL121318digital.pdf>



## **Berkeleyside**

### **Opinion: We can design our way out of Berkeley's housing crisis with 'missing middle' buildings**

*A Berkeley architect argues that Berkeley should build more small-scale, multi-unit buildings such as duplexes, bungalow courts, fourplexes, and small mansion apartments.*

By Daniel Parolek

Dec. 19, 2017

Berkeley's housing problems have gone national recently, as The New York Times' Conor Dougherty highlighted in a thought-provoking article, "The Great American Single-Family Home Problem." Dougherty examines the conflicting interests and regulations that threatened to halt the development of one lot on Haskell Street, and shows how those conflicting forces are contributing to the affordable housing crisis we are seeing in our state – and across the country.

As an architect and urban designer based in Berkeley for the past 20 years, I agree that California municipalities have an urgent need to deliver more housing. That said, just delivering more housing is not enough. We need to think about how this housing reinforces a high quality built environment and how to provide a range of housing for all segments of the market, including moderate and low-income households. More small-scale, multi-unit buildings such as duplexes, bungalow courts, fourplexes, and small mansion apartments, or what I call "Missing Middle Housing," should be a key focus of that housing.

Unfortunately, the design proposed for the Haskell Street site in Berkeley does not deliver on reinforcing a high quality built environment or affordability and, as the NYT article makes clear, does not deliver on any level of affordability. There are better design solutions that deliver a more compatible form, that have more and a broader range of housing units, and that can be more effective at building local support for this and similar infill projects.

For example, the 50' x 150' lot at 310 Haskell Street is big enough to accommodate a traditional fourplex, with two units down and two units above in a building that is the scale of a house (see image attached from our Missing Middle research). The units would typically be between 750-900 square feet each. An important characteristic of this housing type is that they do not go deeper onto the lot than a traditional house, thus eliminating the concern about privacy and shading and providing high-quality outdoor living spaces. These fourplex housing types exist all over Berkeley and are often successfully integrated onto blocks with single-family homes.

So how do we get there? Berkeley and most cities across the country need to sharpen their pencils on their outdated zoning codes, first to remove barriers for better solutions and secondly, to create a set of regulations that ensure that inappropriate design solutions like the one proposed for Haskell Street or even worse are not allowed on these sites. Lower densities do not equal better design solutions and higher densities do not need to mean larger or more buildings. This is a delicate balance that few zoning codes achieve and few code writers fully

understand.

We also need to change the way we communicate about housing needs in our communities. If we are using George Lakoff's rules for effective communication we would never go into a housing conversation with a community and use terms like "increasing density, adding multi-family, or upzoning a neighborhood." I can think of few neighborhoods that would feel good about saying yes to any of those options if they were framed in that way, but which can mostly get on board with thinking about aging within a neighborhood, or ensuring their kids or grandkids can afford to move back to the city they grew up in. Beginning this conversation by simply showing photographic and/or local existing documented examples of good Missing Middle housing types often disarms this conversation and leads to more fruitful results.

Berkeley's challenges related to housing are not going to go away anytime soon. We need to thoughtfully remove barriers to enable a broad range of solutions like the fourplex that have been a core part of choices provided in our communities already and learn how to effectively build consensus and support for good design solutions such as Missing Middle housing types.

*Daniel Parolek is an architect and urban designer who co-authored the book "Form-Based Codes," coined the term Missing Middle Housing ([www.missingmiddlehousing.com](http://www.missingmiddlehousing.com)) and speaks and consults nationally on these topics.*



Office of the Mayor

22

ACTION CALENDAR  
February 26, 2019

To: Members of the City Council  
From: Mayor Jesse Arreguín  
Subject: Retirement of Council Ad Hoc Subcommittees

RECOMMENDATION

Adopt a Resolution:

1. Officially retiring the Ad Hoc Subcommittee on Community Benefits, Ad Hoc Subcommittee on Urban Shield, Ad Hoc Subcommittee on Small Business, Ad Hoc Subcommittee on Automatic Door Openers effective immediately, and;
2. Retiring the Ad Hoc Subcommittee on Paid Family Leave and Fair Work Week, and Ad Hoc Subcommittee on Climate Emergency effective March 31, 2019, and requesting that these Ad Hoc Subcommittees complete their business before that time and make a recommendation to the City Council.

BACKGROUND

The City Council has created several Standing and Ad Hoc committees in order to study and analyze important city issues. Once an Ad Hoc Subcommittee has completed its work it must report back to the City Council, in some cases by an established target date. Some Ad Hoc committees may not always have a specific report back date and a formal action of the Council is needed to officially clarify the status of the Subcommittee.

The City Council Rules of Procedure Chapter II, Section I, state that when an Ad-Hoc Subcommittee is established by the Council there must be a specific charge or outline of responsibilities which must be completed, and a target date established for a report back to Council. The maximum life of a Subcommittee is one year unless extended.

The City Council Rules of Procedure and Order Chapter II, Section I, also states that Subcommittees must be reviewed annually by the Council to determine if they are to continue.

Throughout 2017 and 2018, the Council established a number of Ad Hoc Subcommittees to study important issues and review proposed legislation. Some of



Office of the Mayor

these Ad Hoc Committees were established with a date certain by which they must complete their work, and some Subcommittees have no target date.

In order to allow more review and public comment on proposed legislation, the City Council voted on December 11, 2018 to create a system of Standing Policy Committees. The new Standing Policy Committees negate the need for multiple Ad Hoc Subcommittees to review Council items and discuss important policy issues.

### **Status of Existing Ad Hoc Subcommittees**

The Ad Hoc Subcommittee on NCRIC and Urban Shield and the Ad Hoc Subcommittee on Small Business have completed their designated responsibilities and have reported back to the City Council. They should therefore be officially retired.

The Ad Hoc Subcommittee on Community Benefits was established on January 23, 2018 to review a specific City Council item "*Strengthening Provisions of Significant Community Benefits in the Downtown*". One year has passed since the Subcommittee was established and since that time the Council has asked the Planning Commission to amend the Development Agreement process, which will enable taller buildings Downtown to seek streamlined approval and provide specific community benefit packages. Because of this, the Agenda and Rules Committee voted on January 7, 2019 to take no action on the "*Significant Community Benefits*" item. Therefore this Subcommittee should be retired.

The Ad Hoc Subcommittee on Automatic Door Openers was established on October 13, 2017 to analyze the issue of automatic door openers in new multi-unit residential buildings and whether to apply the requirement to existing buildings. One year has passed and the Council did not extend the life of the Subcommittee. Therefore it should be retired.

The Ad Hoc Subcommittee on Paid Family Leave and Fair Work Week was established on April 3, 2018 to review and make recommendations on legislation expanding Paid Family Leave and Fair Scheduling requirements for employees. This Ad Hoc Subcommittee was created with no target date to report back. This item requests that the Subcommittee complete its work and make a recommendation to the City Council by March 31, 2019.

The Ad Hoc Subcommittee on Climate Emergency was created on June 12, 2018 with the primary goal of coordinating a regional Climate Emergency Mobilization Town Hall. The Subcommittee, chaired by Councilmember Davila, organized a Town Hall in August 2018. Since that time the Subcommittee has met regularly to discuss ways to implement the city's Climate Emergency Declaration. With the creation of a Standing Policy



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Committee on Facilities, Infrastructure, Transportation, Environment and Sustainability and multiple City Commissions (Energy, Zero Waste, CEAC, Transportation) developing policies on accelerating our Climate response, it is appropriate to retire this Subcommittee and allow the new Council Committee and City Commissions to carry on the work. This item requests that the Subcommittee complete its work by March 31, 2019 and make a recommendation to the City Council.

#### RATIONALE FOR RECOMMENDATION

To maintain an accurate accounting of the status of Council committees so that it is clear to the public which committees are active and inactive.

#### ENVIRONMENTAL SUSTAINABILITY

There are no identifiable environmental effects associated with the recommendation of this report.

#### FISCAL IMPACTS OF RECOMMENDATION

None.

#### CONTACT PERSON

Mayor Jesse Arreguín      510-981-7100

Attachments:

1: Resolution



Office of the Mayor

RESOLUTION NO. ##,###-N.S.  
SUNSET OF COUNCIL AD-HOC COMMITTEES

WHEREAS, the City Council has created several standing and ad hoc committees to address significant city issues; and

WHEREAS, some of these committees have completed their tasks and are no longer active.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the Ad Hoc Subcommittee on Community Benefits, Ad Hoc Subcommittee on Urban Shield, Ad Hoc Subcommittee on Small Business, Ad Hoc Subcommittee on Automatic Door Openers are hereby retired; and

BE IT FURTHER RESOLVED that the Ad Hoc Subcommittee on Paid Family Leave and Fair Work Week, and Ad Hoc Subcommittee on Climate Emergency are officially retired effective March 31, 2019; and

BE IT FURTHER AND FINALLY RESOLVED that the Council requests that the Ad Hoc Subcommittee on Paid Family Leave and Fair Work Week and Ad Hoc Subcommittee on Climate Emergency complete their business and make a recommendation to the City Council by March 31, 2019.



Office of the City Manager

**23**INFORMATION CALENDAR

February 26, 2019

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Mark Numainville, City Clerk

Subject: City Council Short Term Referral Process – Monthly Update

INTRODUCTION

This report is a monthly update on the status of short term (90-day) and other date-certain Council referrals.

CURRENT SITUATION AND ITS EFFECTS

In this context, tracking refers to a manually updated chart (Attachment 1). The May 15, 2018 Council referral establishing the monthly update includes both “short term” and “date-certain” referrals. Short term referrals are referrals that staff determines they will be able to complete in approximately three months. Date-certain referrals are those which contain a specified date of completion at the time they are approved by the City Council. Currently, the City only tracks short term referrals in an Excel spreadsheet.

Providing a monthly update on all short term and date-certain referrals will allow Council and the public to see the status of these referrals and any circumstances which lead to delays.

BACKGROUND

In 2016, the City Council adopted a system of Re-Weighted Range Voting (RRV) to prioritize the outstanding City Council referrals to staff. The RRV system enables City Council to provide direction to staff on which referrals are highest priority to the City Council. However, that process does not provide information on the status of short term or date-certain referrals. While many short term or date-certain referrals were “updated” through being completed and presented to Council as consent or information items, there was no comprehensive overview of this subset of referrals.

ENVIRONMENTAL SUSTAINABILITY

There are no identifiable environmental effects or opportunities associated with the subject of this report.

POSSIBLE FUTURE ACTION

The City Council may wish to direct staff to evaluate this process after it has been in place six months.

FISCAL IMPACTS OF POSSIBLE FUTURE ACTION

No direct fiscal impact. Greater efficiencies in staff resources due to prioritization of work and alignment with budget and strategic plan goals.

CONTACT PERSON

Mark Numainville, City Clerk, 981-6900

Attachments:

1: Short Term and Date-Certain Referrals



| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Referred by      | Councilmember (District #)                                                    | Responsible Department/Division | Due Date   | Status    | Revised Due Date | Explanation for Delay                                            | Date Completed |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-------------------------------------------------------------------------------|---------------------------------|------------|-----------|------------------|------------------------------------------------------------------|----------------|
| Refer to the City Manager creation of a policy for companies such as Airbnb to pay the Transient Occupancy Tax, as currently paid by other small local businesses.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Councilmember(s) | Worthington (Dist. 7)                                                         | Planning                        | 7/28/2014  | Completed |                  |                                                                  | 9/7/2016       |
| Refer to the Planning Commission the task of revising the current zoning ordinance so that it reflects the West Berkeley Plan's goals of encouraging medical uses in West Berkeley.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Councilmember(s) | Moore (Dist. 2)                                                               | Planning                        | 3/16/2015  | Completed |                  |                                                                  | 1/24/2017      |
| Refer to the Community Environmental Advisory Commission to explore requiring a maximum of 1.8 GPM low flow showerheads in new housing projects and all housing renovations exceeding \$50,000 throughout Berkeley.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Councilmember(s) | Worthington (Dist. 7)                                                         | Planning                        | 12/14/2015 | Completed |                  |                                                                  | 7/19/2016      |
| Direct the City Manager and Community Health Commission to draft an ordinance amending Berkeley Municipal Code Chapter 9.80 "Tobacco Retailers" to prohibit the sales of tobacco products and smoking paraphernalia to persons under the age of 21.                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Councilmember(s) | Arreguin (Dist. 4)                                                            | HHCS                            | 12/14/2015 | Completed |                  |                                                                  |                |
| Review and consider information regarding the activities and costs associated with implementing and enforcing the Commission on Labor's proposed amendments to the Minimum Wage Ordinance (MWO), including the potential impact of the proposed amendments on the City's minimum wage employees, employers, non-profit organizations and community-based organizations, on-call workers and youth training program workers, and either:<br>1. Adopt first reading of an Ordinance amending Berkeley Municipal Code Chapter 13.99, which includes staff-recommended revisions to the Commission's proposed Ordinance;<br>-OR-<br>2. Refer the MWO back to the City Manager for further analysis and revisions. | Councilmember(s) |                                                                               | CMO                             | 2/8/2016   | Completed |                  |                                                                  | 9/1/2016       |
| Key: Highlighting indicates an update from the previous month/report.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                  |                                                                               |                                 |            |           |                  |                                                                  |                |
| No recommendation noted. Action: Moved to Consent Calendar and held over to January 19, 2016. Fire to report back in May 2016 for permanent program.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Councilmember(s) |                                                                               | Fire                            | 2/15/2016  | Completed |                  |                                                                  | 7/1/2018       |
| Refer to the City Manager to adopt a Pilot Program to implement Solar Trash Compactors on Telegraph Avenue and Downtown Berkeley.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Councilmember(s) | Worthington (Dist. 7),<br>Maio (Dist. 1), Wengraf (Dist. 6), Droste (Dist. 8) | Public Works                    | 2/29/2016  | Completed |                  | 6/2018 RFPs received; 2 solar compactors to be issued contracts. | 7/24/2018      |

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Referred by      | Councilmember (District #)                                                   | Responsible Department/Division | Due Date  | Status    | Revised Due Date | Explanation for Delay                                                                                                                                             | Date Completed |
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| Refer to the City Manager and Planning Commission an immediate implementation strategy to bring the City Zoning Ordinance in compliance with the policy adopted by City Council to increase Floor Area Ratio (FAR) in the Telegraph Commercial District between Dwight and Bancroft                                                                                                                                                                                                                                                                                                                                                                       | Councilmember(s) | Worthington (Dist. 7)                                                        | CMO                             | 2/29/2016 | Completed |                  |                                                                                                                                                                   |                |
| Refer to the City Manager to: 1. Look into the feasibility of creating a Small Sites Program to allow non-profits to purchase small multi-family buildings (5-25 units) to create and preserve affordable housing, with an emphasis on properties with a high potential for conversion to cooperative homeownership. 2. Develop an inventory of City-owned land and other land owned by public agencies in the City of Berkeley which could potentially be used to create below-market rate housing.                                                                                                                                                      | Councilmember(s) | Arreguin (Dist. 4)                                                           | HHCS                            | 3/14/2016 | Completed |                  | 2 is completed. 1 was later prioritized long term as top priority of Council's housing action plan. Plan outline complete and will bring before HAC in July 2018. | 12/13/2016     |
| Refer to the City Manager to determine the cost to make the appropriate repairs so that it will be safe for public use.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Councilmember(s) | Moore (Dist. 2)                                                              | CMO                             | 3/14/2016 | Completed |                  |                                                                                                                                                                   | 3/14/2017      |
| Refer to the City Manager and City Attorney to draft an ordinance amending Berkeley Municipal Code Section 2.06.070.E (Open Government Ordinance) to allow the submission of revised or supplemental agenda material for the Supplemental Communications Packet 2. The revised or supplemental material must be submitted no later than 12 noon the day of the City Council meeting at which the item is to be considered. The online version of the City Council agenda shall also contain a link to such items. If revised agenda material is submitted by this deadline, it would not require a two-thirds vote of the Council to accept the material. | Councilmember(s) | Arreguin (Dist. 4), Capitelli (Dist. 5), Wengraf (Dist. 6), Droste (Dist. 8) | CMO/City Attorney               | 3/14/2016 | Completed |                  |                                                                                                                                                                   |                |
| Refer to the City Manager and the Rent Stabilization Board to draft an ordinance regulating situations where a tenant agrees to vacate a rent-controlled unit in exchange for a sum of money, known as a buyout.                                                                                                                                                                                                                                                                                                                                                                                                                                          | Councilmember(s) | Arreguin (Dist. 4.)                                                          | CMO                             | 4/18/2016 | Completed |                  |                                                                                                                                                                   | 3/31/2016      |
| Refer to the City Manager to develop a provision for the Landmarks Preservation Ordinance (LPO) that would allow a landmark designation to be de-designated for a building that has been previously landmarked but subsequently has been legally demolished.                                                                                                                                                                                                                                                                                                                                                                                              | Councilmember(s) | Moore (Dist. 2)                                                              | CMO                             | 5/9/2016  | Completed |                  |                                                                                                                                                                   | 5/10/2016      |
| Refer to the 2016 Mid-year budget process the purchasing of BigBelly Solar Compactor Bins in order to save money, meet zero waste goals, and reduce Berkeley's greenhouse gas emissions.                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Councilmember(s) | Worthington (Dist. 7), Droste (Dist. 8)                                      | Public Works                    | 5/9/2016  | Completed |                  | 6/2018 RFPs received; 2 solar compactors to be issued contracts.                                                                                                  | 7/24/2018      |
| Direct the City Manager and Transportation staff to prioritize and expedite the installation of a bicycle lane on Fulton Street between Bancroft Way and Channing Way.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Councilmember(s) | Mayor, Arreguin (Dist. 4)                                                    | Public Works                    | 6/13/2016 | Completed |                  |                                                                                                                                                                   | 5/10/2016      |

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                | Referred by      | Councilmember (District #) | Responsible Department/Division | Due Date   | Status    | Revised Due Date | Explanation for Delay | Date Completed |
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| That the City of Berkeley amend Council Item 10a to remove the option of paying a substantially-reduced mitigation fee at the issuance of a permit, and to preserve revenue from the mitigation fees to maintain or increase the funds designated towards units for incomes at or below 50% AMI, and add a sunset clause.                                                                                     | Councilmember(s) | Worthington (Dist. 7)      | HHCS                            | 7/4/2016   | Completed |                  |                       | 7/19/2016      |
| Refer to the City Manager to create a mobile application for the 311 system and improve the 311 Online Service Center.                                                                                                                                                                                                                                                                                        | Councilmember(s) | Arreguin (D4)              | IT                              | 7/25/2016  | Completed |                  |                       | 11/15/2016     |
| ABAG has a new report and the City Council has voted twice in favor; thus, the City of Berkeley should approve and sign an agreement for collaborative services for Property Assessed Clean Energy Financing (PACE) marketplace. Also, that the City of Berkeley approve and sign acknowledgement addendum of RCSA, as executed between ABAG and RPPs.                                                        | Councilmember(s) | Worthington (D7)           | City Attorney                   | 8/8/2016   | Completed |                  |                       | 9/20/2016      |
| Refer to the City Manager to consider adding Energy Efficient Equity as an additional property assessed clean energy program.                                                                                                                                                                                                                                                                                 | Councilmember(s) | Worthington (D7)           | Planning                        | 8/29/2016  | Completed |                  |                       | 9/20/2016      |
| Request the City Manager direct staff to prepare a report outlining the details of City funded homeless services. The purpose of this report is to help Council and the community understand the various factors related to the allocation of resources to address homelessness within the City. Once the report is complete, it is requested that city staff schedule a worksession to go over the findings. | Councilmember(s) | Capitelli (D5)             | HHCS                            | 8/29/2016  | Completed |                  |                       | 11/1/2016      |
| Refer to the City Manager to consider investing in a high-capacity scanner to digitize City records for the Council and multiple City departments.                                                                                                                                                                                                                                                            | Councilmember(s) | Worthington (D7)           | Information Technology          | 9/26/2016  | Completed |                  |                       | 12/12/2017     |
| That the City Manager consider applying for the \$100,000 grant that PG&E's Better Together Resilient Communities grant program will offer in the beginning of 2017.                                                                                                                                                                                                                                          | Councilmember(s) | Worthington (D7)           | Planning                        | 10/10/2016 | Completed |                  |                       | 2016           |
| Refer to staff to write an ordinance based on the Community Health Commission (CHC) recommendation with the changes suggested by staff.                                                                                                                                                                                                                                                                       | Councilmember(s) | Staff                      | HHCS                            | 10/17/2016 | Completed |                  |                       | 11/29/2016     |
| Refer to the City Manager to consider the four recommendations in response to the Alameda County Grand Jury Report recommendations.                                                                                                                                                                                                                                                                           | Councilmember(s) | Worthington (D7)           | IT                              | 12/19/2016 | Completed |                  |                       | 10/20/2016     |

## CITY OF BERKELEY Short Term and Date-Certain Referrals

| Recommendation                                                                                                                                                                                                                                                                                                                                                                               | Referred by      | Councilmember (District #) | Responsible Department/Division | Due Date   | Status    | Revised Due Date | Explanation for Delay                                            | Date Completed |
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| Direct staff to return with a policy recommendation consistent with the recommendations in this report, i.e., noting that as a matter of courtesy and respect, Councilmembers are expected to set the date a commissioner is to be replaced on a commission and communicate that date to the commissioner not less than two weeks from the official date of replacement.                     | Councilmember(s) | Commission                 | City Clerk                      | 12/19/2016 | Completed | 6/12/2018        | Incorporating changes from City Council.                         | 6/12/2018      |
| Refer to the City Manager to examine the feasibility of procuring BigBelly Solar Compactor Bins to save money, meet zero waste goals, and reduce Berkeley's greenhouse gas emissions.                                                                                                                                                                                                        | Councilmember(s) | Worthington (Dist. 7)      | Public Works                    | 12/19/2016 | Completed |                  | 6/2018 RFPs received; 2 solar compactors to be issued contracts. | 7/24/2018      |
| Request the City Manager draft a resolution to revise the Public Art in Private Development Program Guide to provide the Civic Arts Commission guidance and more flexibility in the use of the Cultural Trust Fund with the language suggested in the report.                                                                                                                                | Councilmember(s) | Mayor                      | OED                             | 1/16/2017  | Completed |                  |                                                                  | 12/13/2016     |
| Request the City Manager draft an ordinance for Council adoption to revise BMC 23C.23.050, the One-Percent for Public Art on Private Projects Ordinance, to do the following: 2. Allow developers the third option of satisfying the Percent for Art requirements with a combination of on-site art and in-lieu payment by modifying BMC 23C.23.050 with suggested language from the report. | Councilmember(s) | Mayor                      | Planning                        | 1/16/2017  | Completed |                  |                                                                  | 12/13/2016     |
| Request the City Manager draft an ordinance for Council adoption to revise BMC 23C.23.050, the One-Percent for Public Art on Private Projects Ordinance, to do the following: 1. Have 5% of the 1% requirement go directly to administration of the Public Art in Private Development program regardless of how the developer decides to satisfy the requirement;                            | Councilmember(s) | Mayor                      | OED                             | 1/16/2017  | Completed |                  |                                                                  | 1/24/2017      |

## CITY OF BERKELEY Short Term and Date-Certain Referrals

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Referred by      | Councilmember (District #) | Responsible Department/Division | Due Date  | Status    | Revised Due Date | Explanation for Delay | Date Completed    |
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| Refer the following actions to the City Manager to consider in developing a plan for emergency shelter/services during the upcoming winter season. These actions will help implement Resolution No. 67,357-N.S. "Declaring a Homeless Shelter Crisis in Berkeley": 1. Allow full use of the Multi-Agency Service Center (MASC) at 1931 Center Street as a Warming Center. Direct the City Manager to study the feasibility of using the West Berkeley Senior Center as a day-time Warming Center or evening shelter. Engage in discussions with Dorothy Day House about a day-time respite center. 2. Direct staff to develop a winter shelter services program for Fall 2016-Spring 2017 with funding to increase warming centers and emergency shelter. 3. Direct staff to work with service providers and faith-based organizations who have capacity, to add shelter beds during the year. 4. Direct that all bathrooms in City-owned buildings be available to homeless people for use at the City Manager's discretion. 5. Prioritize people on the street for Housing First funds who are in frail health, disabled, or with special needs and have a source of income. Direct the City Manager to create a list of city-owned properties that could be used for a Tiny House development for the homeless, a successful and growing model for dense urban regions. | Councilmember(s) | Arreguin                   | HHCS                            | 1/16/2017 | Completed |                  |                       | 6/27/2017         |
| Approved revised recommendation to request a report from the City Manager on how the City is using the permitted exemptions in compliance with the Public Records Act.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Councilmember(s) | Worthington (D7)           | City Attorney                   | 1/30/2017 | Completed |                  |                       | 12/13/2016        |
| Request that the City Manager draft ordinance language to amend Section 16.10.100 of the Berkeley Municipal Code to include Standards for Testing and Certification of DAS Antennas and return to the City Council within 60 days.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Councilmember(s) | Wengraf (D6)               | City Attorney                   | 3/13/2017 | Completed |                  |                       | 3/28/2017         |
| Request that the City Manager ensure that all City buildings provide and maintain at least one private place reasonably close to an employee's workspace for breastfeeding mothers to pump.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Councilmember(s) | Droste                     | City Manager                    | 4/24/2017 | Completed |                  |                       | 7/1/2017          |
| Request that the City Manager create a provision and enforcement mechanism to ensure that all publically-accessible City buildings install and maintain at least one baby diaper-changing accommodation that is accessible in both men and women's restrooms or a single diaper-changing accommodation that is accessible to all genders. In addition, request that the City Manager provide recommendations to mandate all businesses to provide changing stations in either women's and men's restrooms or gender-neutral restrooms.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Councilmember(s) | Droste                     | City Manager                    | 4/24/2017 | Completed |                  |                       | 7/1/2017          |
| Request that the City Manager provide an information report to Council with analysis of the questions presented by Councilmember Hahn.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Councilmember(s) | All                        | Planning                        | 5/1/2017  | Completed |                  |                       | 6/13/17, Item #60 |
| Request that the Planning Commission consider the six location limit on an expedited basis and the use a first-come/first served application process.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Councilmember(s) | All                        | Planning Commission             | 5/1/2017  | Completed |                  |                       | 7/11/17, Item #35 |

## CITY OF BERKELEY Short Term and Date-Certain Referrals

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Referred by      | Councilmember (District #) | Responsible Department/Division | Due Date  | Status    | Revised Due Date | Explanation for Delay                                                                                                  | Date Completed      |
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| Request that the City Manager return to the City Council in April with an Information Report on Measure M implementation, expenditures, projected expenses and plans.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Councilmember(s) | Wengraf (D6)               | Public Works                    | 5/15/2017 | Completed |                  |                                                                                                                        | 5/2/2017            |
| REFER to the City Manager to enact a pilot program in downtown Berkeley with the goal of greatly reducing cigarette butt litter that accumulates on sidewalks and curbsides, in a central location. This pilot program would: a) Place a total of four receptacles for cigarette butt disposal in front of three adult schools and a bus stop where smoking behavior continues despite its prohibition. The receptacles are to be placed in front of: i. Berkeley City College, 2050 Center Street; ii. Language Studies International on 2015 Center Street; iii. Kaplan International, Berkeley, 150 Berkeley Square; and iv. a selected major bus stop in the vicinity of an entrance to the Downtown Berkeley BART station; and b) Exhibit graphics on the receptacles to remind and inform the public that tobacco litter is hazardous to the health of the Bay; and c) Enter into a partnering agreement with the Downtown Berkeley Association (DBA) for upkeep of the receptacles for the duration of the one-year pilot program, including sending collected butts to the company for recycling; and d) TerraCycle® will track the weight of butts received, and share the data with the City of Berkeley and CEAC commissioners to help track and assess the success of the pilot program; and e) Identify funding sources to expand the pilot program if successful at the end of the one year trial. | Councilmember(s) | CEAC                       | OED                             | 6/26/2017 | Completed |                  |                                                                                                                        | 5/30/2017           |
| Request that the City Manager return to Council with an update on the referral to create a voluntary database of security cameras in Berkeley. With an increase in crime, residents are anxious to help the Berkeley Police Department solve cases and arrest the perpetrators - amended to include direction that guidelines protect privacy and prevent misuse of camera footage.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Councilmember(s) | Wengraf (D6)               | Police                          | 6/26/2017 | Completed | 9/30/2018        | Item is near completion, though there have been delays associated with preparations for August 5th demonstrations.     | 8/15/2018           |
| Eliminate the requirement for Commissioners to submit Affidavits of Residency when they are appointed, and annually thereafter, in pursuit of saving time and money for the City of Berkeley.<br>Revised Materials -<br><a href="http://www.cityofberkeley.info/Clerk/City_Council/2017/05_May/Documents/2017-05-30_Item_53_Eliminate_the_Required_-_Rev.aspx">http://www.cityofberkeley.info/Clerk/City_Council/2017/05_May/Documents/2017-05-30_Item_53_Eliminate_the_Required_-_Rev.aspx</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Councilmember(s) | Wothington (D7)            | City Clerk                      | 8/28/2017 | Completed |                  |                                                                                                                        | 9/12/2017           |
| Request the City Manager to create and fill the position of Housing Inspection and Community Services Manager.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Councilmember(s) | Arreguin                   | Planning                        | 9/25/2017 | Completed | 11/27/2018       | New position approved by Personnel Board. Will bring to Council for adoption by November which will complete referral. | 9/13/2018, Item #11 |

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                           | Referred by      | Councilmember (District #)       | Responsible Department/Division | Due Date   | Status    | Revised Due Date | Explanation for Delay                                                                                                                                                         | Date Completed    |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|----------------------------------|---------------------------------|------------|-----------|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| Direct the City Manager to expedite the compilation and delivery of a list of federal funds that the City of Berkeley receives and the programs and facilities supported by such funds.                                                                                                                                                                                                                                                  | Councilmember(s) | Hahn, Arreguin, Davila, Harrison | HHCS                            | 10/23/2017 | Completed | 12/11/2018       | HHCS is updating with the latest single audit findings.                                                                                                                       | 12/11/2018        |
| Refer to the City Manager and Cannabis Commission the proposed local ordinances to establish a licensing process for Commercial Cannabis operations, as permitted under Proposition 64, Adult Use of Marijuana Act. The Council requests that the City Manager and Cannabis Commission                                                                                                                                                   | Councilmember(s) | Arreguin                         | Planning                        | 10/23/2017 | Completed | 12/11/2018       | Lengthy process involving 3 Commissions and many City departments. Some Ordinance changes will be at Council                                                                  | 9/13/18, Item #24 |
| Direct the City Manager to provide voter registration forms on the main floor of all designated city buildings that are open to the public and in all Community based organizations within the city limits. Community based organizations that are funded by the City of Berkeley will be required to pick up the voter registration forms from the City Clerk's Office and that should be clearly stated in their respective contracts. | Councilmember(s) | Davila, Harrison, Hahn           | City Clerk                      | 12/11/2017 | Completed |                  |                                                                                                                                                                               | 11/8/2017         |
| Request that the City Manager in coordination with the Director of Planning and the Chief Building Official work to establish a voluntary parallel permitting process for applications to construct housing in the City of Berkeley.                                                                                                                                                                                                     | Councilmember(s) | Wengraf, Maio, Droste, Arreguin  | Planning                        | 1/1/2018   | Completed |                  | This voluntary parallel permitting option already exists. Following October 2017 referral we advised Building staff to be sure to make option known to interested applicants. | 11/1/2017         |
| Request that the City Manager work with the City's lobbyist to create and maintain a master list of the legislation on which the City Council has taken a formal position of support or opposition through passage of an item.                                                                                                                                                                                                           | Councilmember(s) | Harrison, Hahn, Davila           | City Clerk                      | 1/1/2018   | Completed |                  |                                                                                                                                                                               | 1/23/2018         |

## CITY OF BERKELEY Short Term and Date-Certain Referrals

| Recommendation                                                                                                                                                                                                                                                                                                                                                                         | Referred by      | Councilmember (District #)         | Responsible Department/Division | Due Date  | Status    | Revised Due Date | Explanation for Delay                                                                                                                                                                                                                                                                 | Date Completed |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------------------------|---------------------------------|-----------|-----------|------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| Refer to the City Manager to approve a process for the relocation of Apothecarium, a cannabis dispensary with valid permits.                                                                                                                                                                                                                                                           | Councilmember(s) | Worthington                        | Planning                        | 1/29/2018 | Completed |                  |                                                                                                                                                                                                                                                                                       | 1/23/2018      |
| Prioritize new business before old business at City Council Meetings by: 1. Altering the Council rules of procedure as adopted May 24, 2016 so that new business comes before old business. The reformatted section will read "The agenda for the regular business meetings shall include the following:                                                                               | Councilmember(s) | Worthington                        | City Clerk                      | 3/5/2018  | Completed |                  |                                                                                                                                                                                                                                                                                       | 1/30/2018      |
| Refer to the City Manager consideration of applying for CPUC interconnection applications.                                                                                                                                                                                                                                                                                             | Councilmember(s) | Worthington                        | Public Works                    | 3/5/2018  | Completed |                  |                                                                                                                                                                                                                                                                                       | 4/4/2018       |
| Short Term Referral to City Manager to assess the feasibility to keep the West Campus Pool open all year round and to start COB Shower Program at the West Campus Pool. Keeping the West Campus Pool open all year round will provide equitable swimming options in both North Berkeley and in South/West Berkeley and provide another location available for our community to shower. | Councilmember(s) | Davila, Bartlett, Harrison, Hahn   | Parks                           | 4/23/2018 | Completed | 9/15/2018        | a) On June 12, 2018, Council received an Off Agenda Memo that identifies the cost to establish a shower program at West Campus Pool.<br>B) In mid-September 2018, Council will receive an Off Agenda Memo that describes the feasibility of keeping West Campus pool open year-round. | 10/16/2018     |
| 4. Request that the City Manager expeditiously create a process for finding appropriate for-profit and non-profit interim uses; Continue conversations                                                                                                                                                                                                                                 | Councilmember(s) | Hahn, Arreguin, Maio, Harrison     | City Manager; Public Works      | 4/30/2018 | Completed |                  |                                                                                                                                                                                                                                                                                       | 7/24/2018      |
| 2. b. Provide an estimated timeline for development of the site.                                                                                                                                                                                                                                                                                                                       | Councilmember(s) | Hahn, Arreguin, Maio, Harrison     | HHCS                            | 4/30/2018 | Completed |                  |                                                                                                                                                                                                                                                                                       |                |
| Refer to the City Manager to add a nonbinary gender option on the General Application for appointment to Berkeley boards and commissions.                                                                                                                                                                                                                                              | Councilmember(s) | Droste, Maio, Wengraf, Worthington | City Clerk                      | 5/14/2018 | Completed |                  |                                                                                                                                                                                                                                                                                       | 3/1/2018       |



## CITY OF BERKELEY Short Term and Date-Certain Referrals

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Referred by      | Councilmember (District #)       | Responsible Department/Division | Due Date  | Status    | Revised Due Date | Explanation for Delay | Date Completed    |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|----------------------------------|---------------------------------|-----------|-----------|------------------|-----------------------|-------------------|
| A referral to the City Manager to submit a filing with the California Public Utilities Commission (CPUC) concerning the CPUC's current review of Electric Rule 20. The CPUC is considering, among other things, how the existing program is administered by the various utility companies operating in California and the definition of what projects are to be included in the public interest.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Councilmember(s) | Wengraf, Hahn, Arreguin, Droste  | Public Works                    | 5/14/2018 | Completed |                  |                       |                   |
| To address the urgent firestorm risk demonstrated by the recent, devastating fires in Northern and Southern California: Direct the City Manager to report back to Council identifying the most important, financially feasible measures that can be deployed immediately or with relative speed and will have the                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Councilmember(s) | Council                          | Fire                            | 5/28/2018 | Completed |                  |                       |                   |
| Refer to the City Manager a request to develop a cost estimate and an installation plan for installing sculpture lighting into adjacent street lights for the William Byron Rumford statue on Sacramento and Julia Street. Refer the cost estimate and plan to the Arts Commission.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Councilmember(s) | Bartlett, Harrison, Davila, Hahn | Public Works                    | 6/11/2018 | Completed |                  |                       |                   |
| 2. Refer to the City Manager to take the following actions to initiate the process of developing Affordable Housing at Premier Cru, and report back to Council at or before the June 12, 2018 Council Meeting: a. Create a preliminary term sheet outlining the full development potential of the parcel, including maximum allowable parcel buildout with a density bonus, either as a single or two/multi-phased project. Include rough estimates of number of units possible, allowing for a mix of unit sizes from small studios to multi-bedroom family units and space for anticipated on-site services, and demonstrate possible massing options that would maximize height on the San Pablo and other commercial frontages. Explain the status of the historic central building at 1007 University Ave and consider possible use or adaptation that preserves the building and conforms to historic preservation standards. b. Provide an estimated timeline for development of the site. | Councilmember(s) | Hahn, Arreguin, Maio, Harrison   | Planning                        | 6/12/2018 | Completed |                  |                       | 5/29/18, Item #36 |

## CITY OF BERKELEY Short Term and Date-Certain Referrals

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Referred by      | Councilmember (District #)  | Responsible Department/Division      | Due Date  | Status    | Revised Due Date | Explanation for Delay           | Date Completed |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-----------------------------|--------------------------------------|-----------|-----------|------------------|---------------------------------|----------------|
| Adopt a Resolution updating the City's Five-Year Street Rehabilitation Plan for FY 2018 to FY 2022. The City Council may consider the information put forth by the Public Works Commission relevant to adoption of the recommended plan.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Councilmember(s) |                             | Public Works                         | 6/26/2018 | Completed |                  |                                 | 7/24/2018      |
| to refer the item as written in Supplemental Reports Packet #2 to the City Manager to conduct an analysis of the item, including a review of current indigency procedures and coordination with similar efforts in the City of Oakland, and report back to the Council in 90 days.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Councilmember(s) | Bartlett                    | Finance, Transportation, Cedric Cobb | 7/1/2018  | Completed |                  |                                 | 7/2/2018       |
| 2) refer to the City Manager to draft an ordinance regarding retaliation against employees using state family leave, including a private right of action provision.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Councilmember(s) | COSOW, Labor                | City Attorney                        | 7/2/2018  | Completed | 12/11/2018       | Key staff return in mid-October | 12/18/2018     |
| Adopt first reading of an Ordinance, by two-thirds vote of the Council, amending Chapter 7.18 of the Berkeley Municipal Code to authorize the City Manager to enter into and amend contracts of up to \$200,000 with applicants recommended for funding by staff and the Housing Advisory Commission under the City's Community Development Block Grant (CDBG) program for community facility improvements.                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Councilmember(s) |                             | HHCS                                 | 7/24/2018 | Completed |                  |                                 | 4/24/2018      |
| 1. Direct the City Manager to expedite implementation of two publicly available, secure storage facilities to accommodate as many individuals as possible, based on the parameters set in staff's March 2, 2018 RFI: Downtown Homeless Storage Pilot - Staffing and Operations and on additional parameters outlined in Program Details, below. 2. Direct the City Manager to publicize the locations, hours, and rules applicable to new storage facilities through normal outreach channels (website, press release, etc.) and through direct outreach to homeless individuals by the City, community organizations (CBOs) and other partners such as the Downtown Berkeley Association and Telegraph Avenue BID. 3. Refer \$100,000 to the budget process; an added \$25,000 for the downtown storage location and \$75,000 for storage in West Berkeley. | Councilmember(s) | Arreguin, Hahn, Harrison, N | HHCS                                 | 8/27/2018 | Completed |                  |                                 | 7/24/2018      |

## CITY OF BERKELEY Short Term and Date-Certain Referrals

| Recommendation                                                                                                                                                                                                                                                                      | Referred by      | Councilmember (District #) | Responsible Department/Division | Due Date          | Status                            | Revised Due Date | Explanation for Delay                                                                                                                           | Date Completed |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|----------------------------|---------------------------------|-------------------|-----------------------------------|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| Make a referral to the City Manager to consolidate all City Commission Workplans in one place for easy (electronic) access for staff, the public, and elected officials.                                                                                                            | Councilmember(s) | Hahn, Wengraf, Droste      | City Clerk                      | 10/8/2018         | Completed                         |                  |                                                                                                                                                 | 9/13/2018      |
| Amended to be a referral to the City Manager regarding enforcement of measures to mitigate damage to the general welfare of the City and neighborhood resulting from the damage and subsequently-required removal of trees at 1698 University Avenue.                               | Councilmember(s) | Harrison                   | Planning                        | 12/12/2018        | Completed                         |                  |                                                                                                                                                 | 10/1/2018      |
| Refer to the City Manager to review draft Safe Storage of Firearms ordinance, identify and resolve issues, and return to Council within 90 days.                                                                                                                                    | Councilmember(s) | Wengraf, Hahn              | City Attorney                   | 12/24/2018        | Completed                         |                  |                                                                                                                                                 |                |
| Request an analysis from the City Manager before the November budget discussion on the administrative impacts and cost to implement the lobbyist ordinance.                                                                                                                         | Councilmember(s) | Council                    | City Attorney/City Clerk        | 12/31/2018        | Completed                         |                  |                                                                                                                                                 |                |
| Adopt a Resolution approving the Berkeley Bicycle Plan 2017, and directing the City Manager to pursue implementation of the Plan as funding and staffing permit.                                                                                                                    | Councilmember(s) |                            | Public Works                    | No date specified | Completed                         |                  |                                                                                                                                                 |                |
| Refer to the City Manager and Planning Commission an immediate implementation strategy to bring the City Zoning Ordinance in compliance with the policy adopted by City Council to increase Floor Area Ratio (FAR) in the Telegraph Commercial District between Dwight and Bancroft | Councilmember(s) | Worthington (Dist. 7)      | Planning                        | 2/29/2016         | Completed<br>6/28/2016<br>Item 39 |                  |                                                                                                                                                 | 6/28/2016      |
| Refer to the City Manager and Transportation Department a review of the concerns, emerging regarding some features of the recently implemented GIG Car Share pilot program, request adjustments before the two-year pilot program from staff.                                       | Councilmember(s) | Maio, Wengraf              | Public Works                    | 10/23/2017        | Past Due                          | 5/28/2019        | The program evaluation will be conducted in early 2019 and an action report prepared for Council to continue, modify, or discontinue the pilot. |                |

## CITY OF BERKELEY Short Term and Date-Certain Referrals

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Referred by      | Councilmember (District #) | Responsible Department/Division | Due Date   | Status   | Revised Due Date | Explanation for Delay                                                                                                                                                           | Date Completed                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|----------------------------|---------------------------------|------------|----------|------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|
| Refer to the City Manager to develop the following "Neighborhood Public Toilet Policy": Develop a process in which residents can obtain a permit for a neighborhood public toilet via an official petition; Residents should contact the City via 311 to obtain an official petition form to apply for a permit; In order to obtain the permit, the petition should be signed by at least 51% of residential addresses and business owners within the nearest two block radius of the proposed public toilet site; The City shall not fund or contribute to the financing of the public toilets or their maintenance. | Councilmember(s) | Bartlett                   | City Manager                    | 10/23/2017 | Past Due | January 2018     | Staff transition led to a delay in developing this policy; the policy is currently under development.                                                                           |                                |
| 1. Refer to the Transportation Commission consideration of additional or supplemental stop sign criteria which addresses the needs of vulnerable populations, the presence of bicycle boulevards, and the difficulty of crossing particular intersections. 2. Direct that staff consult with the Bicycle Subcommittee of the Transportation Commission when making decisions impacting bicycle boulevards, whenever possible. 3. Request that the City Manager provide an informational report on the particular state and federal warrants and local policies that prevent stop signs being used as traffic          | Councilmember(s) | Harrison, Bartlett, Droste | Public Works                    | 1/29/2018  | Past Due |                  | Transportation Commission formed a subcommittee and held first meeting 6/11/18, additional meetings to be planned by subcommittee                                               | With Transportation Commission |
| The Housing Advisory Commission respectfully requests that the Council direct the City Manager to assist the HAC in its review of the Smoke-Free Residential Housing Ordinance, a regulation of tobacco use, as follows: 1. By responding to the HAC's questions enumerated in the report with any readily available responsive information. 2. By facilitating the conduct of a "Berkeley Considers" questionnaire about the Smoke-Free Residential Housing Ordinance, questions for which are proposed in the report.                                                                                               | Councilmember(s) | HAC                        | HHCS                            | 7/23/2018  | Past Due |                  | Public Health has provided answers to the HAC's questions in the July 2018 packet. Questions for the Berkeley Considers poll have been developed and are awaiting distribution. |                                |

CITY OF BERKELEY Short Term and Date-Certain Referrals

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Referred by      | Councilmember (District #)                                         | Responsible Department/Division | Due Date  | Status                  | Revised Due Date | Explanation for Delay                                                                                    | Date Completed |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|--------------------------------------------------------------------|---------------------------------|-----------|-------------------------|------------------|----------------------------------------------------------------------------------------------------------|----------------|
| Adopt a Resolution providing \$2,400 from the General Fund to support a half-day Transgender Health Access Training for City of Berkeley Public Health staff in June 2018.                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Councilmember(s) | COSOW                                                              | HHCS                            | 8/13/2018 | Past Due                | 2/28/2019        | Trainer is scheduled for February 4, 2019                                                                |                |
| <p>Discuss and refer the following services and ordinances to the City Manager for implementation, and adopt first reading of three Ordinances:</p> <ol style="list-style-type: none"> <li>1. Adding Section 13.36.085 to the Berkeley Municipal Code prohibiting urination and defecation in public places.</li> <li>2. Amending Sections 14.48.020 and 14.48.170 of the Berkeley Municipal Code regulating use of sidewalks.</li> <li>3. Adding Section 13.36.040 to the Berkeley Municipal Code prohibiting obstruction of City-owned planters and trees.</li> </ol> <p>Additional Services: Refer to Council report.</p> | Councilmember(s) | Maio (Dist. 1), Capitelli (Dist. 5), Droste (Dist. 8), Mayor Bates | CMO                             | 2/15/2016 | Pending Not On Schedule | 7/24/2018        | Amendments to Section 14.48 were adopted on 10/30. Staff is currently working on an implementation plan. |                |

## CITY OF BERKELEY Short Term and Date-Certain Referrals

| Recommendation                                                                                                                                                                                                                                                                                    | Referred by      | Councilmember (District #)       | Responsible Department/Division | Due Date   | Status                  | Revised Due Date | Explanation for Delay                                                                                                                                                                                          | Date Completed |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|----------------------------------|---------------------------------|------------|-------------------------|------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| Refer to the City Manager to issue a request for information to explore grant writing services from specialized municipal grant-writing firms, and report back to Council.                                                                                                                        | Councilmember(s) | Hahn, Harrison, Davila, Bartlett | Finance                         | 1/1/2018   | Pending Not On Schedule | 9/30/2018        | Issued #18-11201 Feb. 5, 2018 as an RFI (Request for information); closed March 1, 2018. Received 13 information responses for review. Next Steps: use responses to inform scope of work, then release as RFP. |                |
| Direct the City Manager to develop an ordinance prohibiting companies involved in the construction of a border wall from contracting with the City of Berkeley. Return to Council with the proposed ordinance within 90 days.                                                                     | Councilmember(s) | Bartlett, Hahn, Davila           | Finance                         | 3/19/2018  | Pending Not On Schedule | 7/22/2018        |                                                                                                                                                                                                                |                |
| Direct the City Manager to amend the eligibility requirements of the Community Service In Lieu of Parking Penalties Program in order to allow all indigent individuals to be eligible to participate in the program (regardless of the registration status of a potential participant's vehicle). | Councilmember(s) | Bartlett, Davila, Harrison, Hahn | Public Works                    | 10/29/2018 | Pending Not On Schedule |                  | Because this is a multidepartmental task assigned to Public Works, involving Finance and City Attorney, and administered by the City of Oakland, the completion date is unclear.                               |                |

CITY OF BERKELEY Short Term and Date-Certain Referrals

| Recommendation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Referred by      | Councilmember (District #) | Responsible Department/Division | Due Date   | Status                  | Revised Due Date | Explanation for Delay                                              | Date Completed |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|----------------------------|---------------------------------|------------|-------------------------|------------------|--------------------------------------------------------------------|----------------|
| Referral to the City Manager to consider the following suggestions for requirements and qualifications for Emergency Standby Officers and return to Council within 90 days with recommendations. Possible requirements may include: -Trainings in roles and responsibilities to serve as a standby officer possibly including: ethics and workplace harassment. -City government experience. -Council District residency. -Require standby officers to meet the same qualifications, including restrictions on conflict of interest, as required in the City Charter for City Councilmembers. -In addition, consider requiring Councilmembers to nominate three people in a single action. | Councilmember(s) | Wengraf, Arreguin, Hahn    | City Clerk                      | 12/12/2018 | Pending Not On Schedule | 2/19/2019        | Ongoing discussion with City Attorney regarding potential criteria |                |







Office of the City Manager

**24**INFORMATION CALENDAR

February 26, 2019

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Henry Oyekanmi, Director, Finance Department

Subject: FY 2018 Fourth Quarter Investment Report: Ended June 30, 2018

SUMMARY

The City's investment policy requires that a quarterly investment report be submitted to the City Council on the status of the investment portfolio. The report includes all investments managed by the City of Berkeley and provides information on the types, values (par, book, and market), term, and yield of each security.

- The return on pooled investments for the quarter ended June 30, 2018 was 1.606% or .151% less than the 1.757% earned by the State Local Agency Investment Fund (State LAIF), which is the benchmark for investment performance used by the City. The return on pooled investments of 1.606% for the quarter ended June 30, 2018 was .215% more than the rate of 1.391% earned in the quarter ended March 31, 2018.
- The average return on all Retiree Medical Trust Fund investments was 3.807% for the quarter ended June 30, 2018. This rate will continue to drop slightly in the next few quarters as staff reinvests the proceeds of maturing securities at lower interest rates.

CURRENT SITUATION AND ITS EFFECTS

Attached is a summary of quarterly reports for fiscal year 2018 fourth quarter ending June 30, 2018 representing the status of the City's investment portfolio. The report includes all investments managed by the City of Berkeley and provides information on the values (par, book, and market), term, and yield of each security.

Summary information by type of security and detailed information on each security is provided on Exhibit 2-A. An evaluation of portfolio performance for this accounting period compared to the previous three accounting periods is also included in Attachment 1.

**A. Portfolio Results**1. Liquidity of Portfolio:

The average investment in the pooled portfolio matured in 546 days as of June 30, 2018. This is 80 days more than maturity days of 466 days as of March 31, 2018.

2. Comparison of Results to Performance Measures – Pooled investments:  
Quarter Ended June 30, 2018

The City's yield on investments for the quarter ended June 30, 2018 was 1.606%, an increase of 21.5 basis points (.215%) from the 1.391% earned during the quarter ended March 30, 2018. The short-term rate was 1.606%. The average yield on a 90-day Treasury bill at the end of the quarter ended June 30, 2018 was 1.913%, an increase of 21.3 basis points (.213%) from the 1.700% at the end of the previous quarter.

As summarized in Table 1, staff's overall results fell short of the performance measure for the quarter by 15.1 basis points (.151%). Staff's performance was under the performance measure in April by 7.8 basis points (-.078%); under the performance measure in May by 28.7 basis points (-.287%); and, was under the performance measure in Jun by 8.8 basis points (-.088%). The performance measure for the return on investments is compared to the rate of return of the State LAIF.

**Table 1**

| For Quarter Ending June 30, 2018 |        |            |            |
|----------------------------------|--------|------------|------------|
| Period                           | City   | State LAIF | Difference |
| Apr-18                           | 1.583% | 1.661%     | -0.078%    |
| May-18                           | 1.567% | 1.854%     | -0.287%    |
| Jun-18                           | 1.667% | 1.755%     | -0.088%    |
| Apr-Jun 18                       | 1.606% | 1.757%     | -0.151%    |

3. Investment Results-Retiree Health Insurance Funds:

Average interest rates earned on the retiree health insurance trust funds for the quarter ended June 30, 2018 compared to the quarter ended March 31, 2018 were as follows:

**Table 2**

| <b>EARNED INTEREST RATES</b>                               |                             |                             |
|------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>For Quarter Ended 06/30/2018 Compared To 03/31/2018</b> |                             |                             |
| <b>Trust Fund</b>                                          | <b>3rd Qtr<br/>03/31/18</b> | <b>4th Qtr<br/>06/30/18</b> |
| Retiree Medical Trust Fund (Misc Employees)                | 4.647%                      | 4.428%                      |
| Fire Retiree Medical Trust Fund                            | 4.015%                      | 3.599%                      |
| Police Retiree Medical Trust Fund                          | 3.894%                      | 3.395%                      |

The rates earned on these plans will continue to drop slightly over the next few quarters as staff reinvests the proceeds of maturing securities at lower rates.

Details related to retiree health trust fund investments are in Attachment 3, Exhibits 3-A, 3-B, and 3-C of this report.

**B. Discussion of Interest Rate Environment and Outlook**

On November 8, 2018 the Federal Open Market Committee issued its latest statement on the economy and interest rates:

Information received since the Federal Open Market Committee met in September indicates that the labor market has continued to strengthen and that economic activity has been rising at a strong rate. Job gains have been strong, on average, in recent months, and the unemployment rate has declined. Household spending has continued to grow strongly, while growth of business fixed investment has moderated from its rapid pace earlier in the year. On a 12-month basis, both overall inflation and inflation for items other than food and energy remain near 2 percent. Indicators of longer-term inflation expectations are little changed, on balance.

Yield Trend

Consistent with its statutory mandate, the Committee seeks to foster maximum employment and price stability. The Committee expects that further gradual increases in the target range for the federal funds rate will be consistent with sustained expansion of economic activity, strong labor market conditions, and

inflation near the Committee's symmetric 2 percent objective over the medium term. Risks to the economic outlook appear roughly balanced.

In view of realized and expected labor market conditions and inflation, the Committee decided to maintain the target range for the federal funds rate at 2 to 2-1/4 percent.

In determining the timing and size of future adjustments to the target range for the federal funds rate, the Committee will assess realized and expected economic conditions relative to its maximum employment objective and its symmetric 2 percent inflation objective. This assessment will take into account a wide range of information, including measures of labor market conditions, indicators of inflation pressures and inflation expectations, and readings on financial and international developments.

In the current interest rate environment, staff expects returns in FY 2018 to be slightly higher than the returns earned in FY 2017, as the Federal Reserve Board moves short-term rates up gradually. Also, the City's rate earned is expected to be higher than the City's benchmark (State LAIF) and comparable to rates earned by most other cities in California, a sample of which is reflected in table 3 below:

**Table 3**

| Other California Cities              |              | Earned Interest Rates |
|--------------------------------------|--------------|-----------------------|
| For the Quarter Ending June 30, 2018 |              |                       |
| City                                 | Rates Earned |                       |
| Palo Alto *                          | 2.20%        |                       |
| Sacramento                           | 2.05%        |                       |
| San Francisco                        | 1.92%        |                       |
| Oakland                              | 1.86%        |                       |
| San Jose                             | 1.81%        |                       |
| <b>Berkeley</b>                      | <b>1.61%</b> |                       |

\*Investment policies allow maturities out to 10 year, so higher rates were locked in longer; the other cities' maximum maturity is 5 years.

The City's investment strategy will continue to focus on (1) locking in reasonable rates on long-term investments, when opportunities present themselves and (2) matching of investment maturities to cash flow.

## BACKGROUND

- Pooled Investments

Short-term cash is invested primarily in government sponsored enterprises (referred to as Federal Agency) notes securities for periods of one to five years. Additional cash is invested in a money market fund or overnight securities to meet the liquidity needs of the City.

In some cases, the City may have investments with a current market value that is greater or less than the recorded cost. These changes in market value are due to fluctuations in the market and have no effect on yield, as the City does not intend to sell securities prior to maturity.

- Retiree Health Trust Fund Investments

The City agreed to provide retiree Health insurance coverage for fire, police and miscellaneous employees under certain terms and conditions. An actuarial study commissioned by the City many years ago determined that, in addition to City Contributions, an average rate of return of 7% on miscellaneous employees trust fund assets invested must be achieved to fund the retiree health benefit at the desired 70% level. Primarily as a result of the Federal Reserve Board's decision to keep short-term rates near zero for the last 10 years, the average rate currently earned is significantly below that 7% level. City Finance Department staff manages these investment portfolios.

#### ENVIRONMENTAL SUSTAINABILITY

There are no identifiable environmental effects or opportunities associated with the subject of this report.

#### CONTACT PERSON

Henry Oyekanmi, Director, Finance Department, 981-7300

#### ATTACHMENTS

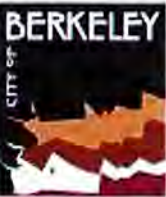
1. Portfolio Evaluation FY 2018
2. Investment Report Analysis FY 2018
  - a. Exhibit 2-A: Pooled Cash and Investments
  - b. Exhibit 2-B.1 through 2-B.3: Interest Earnings Apr 2018 – Jun 2018
  - c. Exhibit 2-C: Book Value By Investment Type
  - d. Exhibit 2-D: Current Holdings vs. Policy Limits
  - e. Exhibit 2-E: Investment Portfolio Trend
3. Summary of Pooled and Cash Investments FY 2018 –Trust Funds
  - a. Exhibit 3-A: Retiree Medical Trust Funds –Misc.
  - b. Exhibit 3-B: Retiree Medical Trust Funds –Fire
  - c. Exhibit 3-C: Retiree Medical Trust Funds –Police



Portfolio Evaluation  
Quarter Ended June 30, 2018

Attachment 1

|                                             | Quarter Ending                |                               |                               |                               |
|---------------------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
|                                             | June 2018                     | March 2018                    | December 2017                 | September 2017                |
| <b>Total Portfolio</b>                      |                               |                               |                               |                               |
| Pooled Cash and Investments (COB)           | \$ 402,661,365                | \$ 384,413,163                | \$ 388,015,576                | \$ 323,928,240                |
| Pooled Cash and Investments (Trust)         | 43,451,692                    | 43,578,087                    | 43,142,695                    | 43,011,693                    |
| Total Cash and Investments                  | <u>\$ 446,113,057</u>         | <u>\$ 427,991,250</u>         | <u>\$ 431,158,271</u>         | <u>\$ 366,939,933</u>         |
| <b>Average Life of Investment Portfolio</b> |                               |                               |                               |                               |
| Pooled Investments (CoB)                    | 546 days                      | 466 days                      | 521 days                      | 613 days                      |
| Trust Investments                           | 6.388 years                   | 5.854 years                   | 5.071 years                   | 5.320 years                   |
| <b>Weighted Yield</b>                       |                               |                               |                               |                               |
| Pooled Investments (CoB)                    | 1.606%                        | 1.391%                        | 1.274%                        | 1.269%                        |
| Trust Investments                           | 3.807%                        | 4.185%                        | 4.265%                        | 3.981%                        |
| Prime Rate                                  | 5.000%                        | 4.750%                        | 4.500%                        | 4.250%                        |
| 91-day Treasury Bill Rate                   | 1.913%                        | 1.700%                        | 1.376%                        | 1.041%                        |
| 2-year Treasury Note Rate                   | 2.528%                        | 2.266%                        | 1.883%                        | 1.483%                        |
| <b>Cash and Investments Maturity</b>        |                               |                               |                               |                               |
| Within one year                             | \$ 223,310,573 50.06%         | \$ 199,719,197 46.66%         | \$ 254,745,898 59.08%         | \$ 171,239,652 46.67%         |
| Between 1 to 3 years                        | 184,410,289 41.34%            | 194,527,248 45.45%            | 137,150,371 31.81%            | 150,974,596 41.14%            |
| Between 3 to 5 years                        | 12,637,510 2.83%              | 7,700,870 1.80%               | 23,159,630 5.37%              | 28,313,043 7.72%              |
| Between 5 to 10 years                       | 25,754,685 5.77%              | 26,043,935 6.09%              | 16,102,372 3.73%              | 16,412,642 4.47%              |
| Over 10 years                               | - 0.00%                       | - 0.00%                       | - 0.00%                       | - 0.00%                       |
| Total                                       | <u>\$ 446,113,057 100.00%</u> | <u>\$ 427,991,250 100.00%</u> | <u>\$ 431,158,271 100.00%</u> | <u>\$ 366,939,933 100.00%</u> |



**City of Berkeley**  
**Pooled Cash and Investments**  
**As of June 30, 2018**

| CUSIP                                   | Investment # | Issuer                         | Investment Class | Book Value                  | Market Value          | Current Rate | YTM/C 365    | Maturity Date | Days To Maturity | Credit Rating |
|-----------------------------------------|--------------|--------------------------------|------------------|-----------------------------|-----------------------|--------------|--------------|---------------|------------------|---------------|
| <b>Medium Term Notes</b>                |              |                                |                  |                             |                       |              |              |               |                  |               |
| 037833AK6                               | 14536        | Apple Inc                      | Held             | 4,816,567.87                | 4,817,150.00          | 2.400        | 3.225        | 05/03/2023    | 1,767            | AA1           |
|                                         |              |                                |                  | <b>Subtotal and Average</b> | <b>4,817,150.00</b>   |              | <b>3.225</b> |               | <b>1,767</b>     |               |
| <b>Federal Agency Coupon Securities</b> |              |                                |                  |                             |                       |              |              |               |                  |               |
| 3133EJAD1                               | 14528        | Fed. Farm Credit Banks Funding | Held             | 10,000,000.00               | 9,874,300.00          | 2.150        | 2.150        | 12/23/2020    | 906              | AAA           |
| 3133EG7F6                               | 14517        | Fed. Farm Credit Banks Funding | Held             | 5,000,000.00                | 4,881,550.00          | 1.750        | 1.750        | 02/16/2021    | 961              | AAA           |
| 3133EHBA0                               | 14520        | Fed. Farm Credit Banks Funding | Held             | 6,500,000.00                | 6,391,840.00          | 1.520        | 1.520        | 03/02/2020    | 610              | AAA           |
| 3133EHQB2                               | 14527        | Fed. Farm Credit Banks Funding | Held             | 9,001,000.00                | 8,816,659.52          | 1.550        | 1.550        | 07/06/2020    | 736              | AAA           |
| 3130ADKF8                               | 14529        | Federal Home Loan Banks        | Held             | 15,000,000.00               | 14,925,900.00         | 2.100        | 2.100        | 01/30/2020    | 578              | AAA           |
| 3130ADJUB6                              | 14533        | Federal Home Loan Banks        | Held             | 21,000,000.00               | 20,940,990.00         | 2.320        | 2.321        | 12/19/2019    | 536              | AAA           |
| 3130ADVE9                               | 14534        | Federal Home Loan Banks        | Held             | 11,000,000.00               | 10,988,010.00         | 2.125        | 2.125        | 03/21/2019    | 263              | AAA           |
| 3130A5M48                               | 14338        | Federal Home Loan Banks        | Held             | 5,000,000.00                | 4,990,950.00          | 1.250        | 1.250        | 09/25/2018    | 86               | AAA           |
| 3130A5NC9                               | 14339        | Federal Home Loan Banks        | Held             | 5,000,000.00                | 4,987,400.00          | 1.300        | 1.300        | 10/30/2018    | 121              | AAA           |
| 3130A5NC9                               | 14340        | Federal Home Loan Banks        | Held             | 5,000,000.00                | 4,987,400.00          | 1.300        | 1.300        | 10/30/2018    | 121              | AAA           |
| 3130A5WY1                               | 14347        | Federal Home Loan Banks        | Held             | 5,000,000.00                | 4,998,800.00          | 1.000        | 1.000        | 07/10/2018    | 9                | AAA           |
| 3130A5WY1                               | 14348        | Federal Home Loan Banks        | Held             | 5,000,000.00                | 4,998,800.00          | 1.000        | 1.000        | 07/10/2018    | 9                | AAA           |
| 3130A63A3                               | 14349        | Federal Home Loan Banks        | Held             | 5,000,000.00                | 4,996,350.00          | 1.150        | 1.150        | 08/03/2018    | 33               | AAA           |
| 3130A63A3                               | 14350        | Federal Home Loan Banks        | Held             | 5,000,000.00                | 4,996,350.00          | 1.150        | 1.150        | 08/03/2018    | 33               | AAA           |
| 3130AAS82                               | 14519        | Federal Home Loan Banks        | Held             | 9,998,907.88                | 9,844,600.00          | 1.550        | 1.557        | 02/06/2020    | 585              | AAA           |
| 3130ABTD8                               | 14526        | Federal Home Loan Banks        | Held             | 15,000,000.00               | 14,807,400.00         | 1.450        | 1.450        | 10/18/2019    | 474              | AAA           |
| 3137EAE55                               | 14516        | Federal Home Loan Mortgage Co  | Held             | 4,999,736.24                | 4,921,450.00          | 1.500        | 1.503        | 01/17/2020    | 565              | AAA           |
| 3135G0E33                               | 14335        | Federal National Mortgage Assn | Held             | 4,999,845.05                | 4,998,050.00          | 1.125        | 1.185        | 07/20/2018    | 19               | AAA           |
| 3136G2QJ9                               | 14357        | Federal National Mortgage Assn | Held             | 5,000,000.00                | 4,983,000.00          | 1.000        | 1.000        | 10/26/2018    | 117              | AAA           |
| 3135G0T29                               | 14521        | Federal National Mortgage Assn | Held             | 3,500,000.00                | 3,440,850.00          | 1.500        | 1.500        | 02/28/2020    | 607              | AAA           |
| 3135G0T29                               | 14522        | Federal National Mortgage Assn | Held             | 9,977,263.21                | 9,831,000.00          | 1.500        | 1.641        | 02/28/2020    | 607              | AAA           |
|                                         |              |                                |                  | <b>Subtotal and Average</b> | <b>165,976,752.38</b> |              | <b>1.662</b> |               | <b>445</b>       |               |



**City of Berkeley**  
**Pooled Cash and Investments**  
**As of June 30, 2018**

| CUSIP                                       | Investment # | Issuer                         | Investment Class | Book Value            | Market Value          | Current Rate | YTM/C 365    | Maturity Date | Days To Maturity | Credit Rating |
|---------------------------------------------|--------------|--------------------------------|------------------|-----------------------|-----------------------|--------------|--------------|---------------|------------------|---------------|
| <b>Federal Agency Continuously Callable</b> |              |                                |                  |                       |                       |              |              |               |                  |               |
| 3132X02G5                                   | 14537        | Farmer Mac                     | Held             | 5,000,000.00          | 5,000,950.00          | 1.650        | 3.269        | 6/21/2023     | 1,816            | -             |
| 3133EJKC2                                   | 14535        | Fed. Farm Credit Banks Funding | Held             | 20,000,000.00         | 19,873,800.00         | 2.670        | 2.670        | 4/9/2021      | 1,013            | AAA           |
| 3133EF4C8                                   | 14503        | Fed. Farm Credit Banks Funding | Held             | 5,000,000.00          | 4,947,750.00          | 1.190        | 1.190        | 04/25/2019    | 298              | AAA           |
| 3133EGAW5                                   | 14504        | Fed. Farm Credit Banks Funding | Held             | 5,000,000.00          | 4,932,750.00          | 1.250        | 1.247        | 08/19/2019    | 414              | AAA           |
| 3133EGD77                                   | 14507        | Fed. Farm Credit Banks Funding | Held             | 10,000,000.00         | 9,889,100.00          | 1.120        | 1.120        | 05/03/2019    | 306              | AAA           |
| 3133EGD77                                   | 14509        | Fed. Farm Credit Banks Funding | Held             | 10,000,000.00         | 9,889,100.00          | 1.120        | 1.120        | 05/03/2019    | 306              | AAA           |
| 3130A7GZ2                                   | 14500        | Federal Home Loan Banks        | Held             | 5,000,000.00          | 4,920,600.00          | 1.250        | 1.250        | 03/30/2021    | 1,003            | AAA           |
| 3130A9YW5                                   | 14512        | Federal Home Loan Banks        | Held             | 4,999,536.11          | 4,905,550.00          | 1.190        | 1.197        | 11/22/2019    | 509              | AAA           |
| 3130AAJZ2                                   | 14513        | Federal Home Loan Banks        | Held             | 3,742,500.00          | 3,682,844.55          | 1.750        | 1.750        | 04/27/2020    | 666              | AAA           |
| 3134G7T68                                   | 14352        | Federal Home Loan Mortgage Co  | Held             | 5,000,000.00          | 4,996,800.00          | 1.000        | 1.000        | 07/27/2018    | 26               | AAA           |
| 3134G7S77                                   | 14358        | Federal Home Loan Mortgage Co  | Held             | 5,000,000.00          | 4,936,150.00          | 1.250        | 1.125        | 10/29/2020    | 851              | AAA           |
| 3134G9MA2                                   | 14505        | Federal Home Loan Mortgage Co  | Held             | 5,000,000.00          | 4,946,950.00          | 1.125        | 1.125        | 05/24/2019    | 327              | -             |
| 3136G2YR2                                   | 14365        | Federal National Mortgage Assn | Held             | 5,000,000.00          | 4,950,350.00          | 1.000        | 1.000        | 02/26/2021    | 971              | AAA           |
| 3136G3PA7                                   | 14506        | Federal National Mortgage Assn | Held             | 5,000,000.00          | 4,966,600.00          | 1.000        | 1.000        | 06/07/2019    | 341              | AAA           |
| 3135G0S46                                   | 14514        | Federal National Mortgage Assn | Held             | 5,000,000.00          | 4,923,550.00          | 1.650        | 1.650        | 01/27/2020    | 575              | AAA           |
| 3135G0S46                                   | 14515        | Federal National Mortgage Assn | Held             | 5,000,000.00          | 4,923,550.00          | 1.650        | 1.650        | 01/27/2020    | 575              | AAA           |
| 3136G4LP6                                   | 14518        | Federal National Mortgage Assn | Held             | 5,000,000.00          | 4,906,150.00          | 1.800        | 1.800        | 08/28/2020    | 789              | AAA           |
| <b>Subtotal and Average</b>                 |              |                                |                  | <b>108,742,036.11</b> | <b>107,592,544.55</b> |              | <b>1.255</b> |               | <b>501</b>       |               |

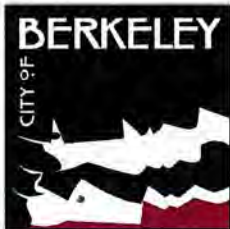




**City of Berkeley**  
**Pooled Cash and Investments**  
**As of June 30, 2018**

| CUSIP                        | Investment # | Issuer                          | Investment Class | Book Value               | Market Value             | Current Rate | YTM/C 365    | Maturity Date | Days To Maturity | Credit Rating |
|------------------------------|--------------|---------------------------------|------------------|--------------------------|--------------------------|--------------|--------------|---------------|------------------|---------------|
| <b>Municipal Bonds</b>       |              |                                 |                  |                          |                          |              |              |               |                  |               |
| 672319BZ2                    | 14281        | Oakland CA Pension Obligation   | Held             | 3,000,000.00             | 3,005,880.00             | 2.817        | 2.817        | 12/15/2018    | 167              | AA3           |
| 672319CA6                    | 14282        | Oakland CA Pension Obligation   | Held             | 5,000,000.00             | 5,039,700.00             | 3.267        | 3.267        | 12/15/2019    | 532              | AA3           |
|                              |              | <b>Subtotal and Average</b>     |                  | <b>8,000,000.00</b>      | <b>8,045,580.00</b>      |              | <b>3.099</b> |               | <b>395</b>       |               |
| <b>Fidelity Money Market</b> |              |                                 |                  |                          |                          |              |              |               |                  |               |
| SYS14265                     | 14265        | Fidelity Money Market - Regular |                  | 75,195,848.25            | 75,195,848.25            | 0.003        | 1.669        |               | 1                |               |
| SYS14190                     | 14190        | Fidelity Money Market - Trans   |                  | 26,296,056.12            | 26,296,056.12            | 0.002        | 1.695        |               | 1                |               |
|                              |              | <b>Subtotal and Average</b>     |                  | <b>101,491,904.37</b>    | <b>101,491,904.37</b>    |              | <b>1.685</b> |               | <b>1</b>         |               |
|                              |              | <b>Total Investments</b>        |                  | <b>\$ 389,027,260.73</b> | <b>\$ 386,548,828.44</b> |              |              |               |                  |               |

|                                                  |                       |
|--------------------------------------------------|-----------------------|
| <b>Total Investments (Book Value)</b>            | <b>389,027,260.73</b> |
| Cash                                             | <b>16,112,536.00</b>  |
| <b>Total Investments (Book Value) and Cash</b>   | <b>405,139,796.73</b> |
| <b>Decrease in Market Value of Securities</b>    | <b>(2,478,432.29)</b> |
| <b>Total Investments (Market Value) and Cash</b> | <b>402,661,364.44</b> |



**Pooled Investment - Long Term  
Interest Earnings  
Sorted by Fund - Fund  
April 1, 2018 - April 30, 2018  
Yield on Average Book Value**

| CUSIP                                      | Investment # | Fund | Security Type | Ending Par Value | Beginning Book Value | Average Book Value | Maturity Date | Current/Annualized Rate | Yield | Interest Earned | Adjusted Interest Earnings |                            |
|--------------------------------------------|--------------|------|---------------|------------------|----------------------|--------------------|---------------|-------------------------|-------|-----------------|----------------------------|----------------------------|
|                                            |              |      |               |                  |                      |                    |               |                         |       |                 | Amortization/ Accretion    | Adjusted Interest Earnings |
| <b>Fund: Pooled Investment - Long Term</b> |              |      |               |                  |                      |                    |               |                         |       |                 |                            |                            |
| 3130A5QA0                                  | 14342        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 06/22/2018    | 1.150                   | 1.166 | 4,791.67        | 0.00                       | 4,791.67                   |
| 3130A5QA0                                  | 14343        | 010  | FAC           | 5,000,000.00     | 4,999,724.38         | 4,999,777.12       | 06/22/2018    | 1.150                   | 1.191 | 4,791.67        | 102.08                     | 4,893.75                   |
| 3130A5NCB                                  | 14340        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 10/30/2018    | 1.300                   | 1.318 | 5,416.67        | 0.00                       | 5,416.67                   |
| 3130A5QA0                                  | 14341        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 06/22/2018    | 1.150                   | 1.166 | 4,791.67        | 0.00                       | 4,791.67                   |
| 3130A5UU1                                  | 14346        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 05/30/2018    | 1.050                   | 1.065 | 4,375.00        | 0.00                       | 4,375.00                   |
| 3130A7GZ2                                  | 14500        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 03/30/2021    | 1.250                   | 1.267 | 5,208.33        | 0.00                       | 5,208.33                   |
| 3130A5WY1                                  | 14347        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 07/10/2018    | 1.000                   | 1.014 | 4,166.67        | 0.00                       | 4,166.67                   |
| 3130AAJZ2                                  | 14513        | 010  | MC5           | 3,742,500.00     | 3,742,500.00         | 3,742,500.00       | 04/27/2020    | 1.750                   | 1.774 | 5,457.81        | 0.00                       | 5,457.81                   |
| 3130A9YW5                                  | 14512        | 010  | MC5           | 4,999,452.78     | 4,999,467.13         | 4,999,467.13       | 11/22/2019    | 1.190                   | 1.213 | 4,958.34        | 27.78                      | 4,986.12                   |
| 3130A63A3                                  | 14349        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 08/03/2018    | 1.150                   | 1.166 | 4,791.67        | 0.00                       | 4,791.67                   |
| 3130A63A3                                  | 14350        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 08/03/2018    | 1.150                   | 1.166 | 4,791.67        | 0.00                       | 4,791.67                   |
| 3130A5M48                                  | 14338        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 09/25/2018    | 1.250                   | 1.267 | 5,208.33        | 0.00                       | 5,208.33                   |
| 3130A5WY1                                  | 14348        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 07/10/2018    | 1.000                   | 1.014 | 4,166.67        | 0.00                       | 4,166.67                   |
| 3130A5NC9                                  | 14339        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 10/30/2018    | 1.300                   | 1.318 | 5,416.67        | 0.00                       | 5,416.67                   |
| 3130A5JD2                                  | 14337        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 06/29/2018    | 1.100                   | 1.115 | 4,583.33        | 0.00                       | 4,583.33                   |
| 3130ADUB6                                  | 14533 T1     | 010  | FAC           | 21,000,000.00    | 21,000,000.00        | 21,000,000.00      | 12/19/2019    | 2.320                   | 2.352 | 40,600.00       | 0.00                       | 40,600.00                  |
| 3130ADKFB                                  | 14529        | 010  | FAC           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 01/30/2020    | 2.100                   | 2.129 | 26,250.00       | 0.00                       | 26,250.00                  |
| 3130A5BZ1                                  | 14330        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 05/07/2018    | 1.000                   | 1.014 | 4,166.67        | 0.00                       | 4,166.67                   |
| 3130ABTD8                                  | 14526        | 010  | FAC           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 10/18/2019    | 1.450                   | 1.470 | 18,125.00       | 0.00                       | 18,125.00                  |
| 3130ADVE9                                  | 14534 T1     | 010  | FAC           | 11,000,000.00    | 11,000,000.00        | 11,000,000.00      | 03/21/2019    | 2.125                   | 2.155 | 19,479.16       | 0.00                       | 19,479.16                  |
| 3130AASB2                                  | 14519        | 010  | FAC           | 9,998,736.94     | 9,998,736.94         | 9,998,766.38       | 02/06/2020    | 1.550                   | 1.579 | 12,916.66       | 56.98                      | 12,973.64                  |
| 3130A5JD2                                  | 14336        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 06/29/2018    | 1.100                   | 1.115 | 4,583.33        | 0.00                       | 4,583.33                   |
| 3130A5BK4                                  | 14333        | 010  | FAC           | 4,999,279.86     | 4,999,279.86         | 4,999,406.70       | 06/29/2018    | 1.000                   | 1.074 | 4,166.67        | 245.50                     | 4,412.17                   |
| 3133EGD77                                  | 14509        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/03/2019    | 1.120                   | 1.136 | 9,333.34        | 0.00                       | 9,333.34                   |
| 3133EGD77                                  | 14507        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/03/2019    | 1.120                   | 1.136 | 9,333.34        | 0.00                       | 9,333.34                   |
| 3133EGAW5                                  | 14504        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 08/19/2019    | 1.250                   | 1.267 | 5,208.33        | 0.00                       | 5,208.33                   |
| 3133EJAD1                                  | 14528        | 010  | FAC           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 12/23/2020    | 2.150                   | 2.180 | 17,916.67       | 0.00                       | 17,916.67                  |
| 3133EJKC2                                  | 14535        | 010  | MC4           | 20,000,000.00    | 0.00                 | 14,666,666.67      | 04/09/2021    | 2.670                   | 2.707 | 32,633.33       | 0.00                       | 32,633.33                  |
| 3133EHBA0                                  | 14520        | 010  | FAC           | 6,500,000.00     | 6,500,000.00         | 6,500,000.00       | 03/02/2020    | 1.520                   | 1.541 | 8,233.33        | 0.00                       | 8,233.33                   |
| 3133EHQB2                                  | 14527        | 010  | FAC           | 9,001,000.00     | 9,001,000.00         | 9,001,000.00       | 07/06/2020    | 1.550                   | 1.572 | 11,626.29       | 0.00                       | 11,626.29                  |

Pooled Investment - Long Term  
Interest Earnings  
April 1, 2018 - April 30, 2018

Exhibit 2-B.1

| CUSIP                                      | Investment # | Fund | Security Type | Ending Par Value      | Beginning Book Value  | Average Book Value    | Maturity Date | Current Annualized Rate | Yield        | Interest Earned   | Adjusted Interest Earnings |                            |
|--------------------------------------------|--------------|------|---------------|-----------------------|-----------------------|-----------------------|---------------|-------------------------|--------------|-------------------|----------------------------|----------------------------|
|                                            |              |      |               |                       |                       |                       |               |                         |              |                   | Amortization/ Accretion    | Adjusted Interest Earnings |
| <b>Fund: Pooled Investment - Long Term</b> |              |      |               |                       |                       |                       |               |                         |              |                   |                            |                            |
| 3133EG7F6                                  | 14517        | 010  | FAC           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 02/16/2021    | 1.750                   | 1.774        | 7,291.67          | 0.00                       | 7,291.67                   |
| 3133EF4C8                                  | 14503        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 04/25/2019    | 1.190                   | 1.207        | 4,958.34          | 0.00                       | 4,958.34                   |
| 3133EE098                                  | 14332        | 010  | FAC           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 05/21/2018    | 1.000                   | 1.014        | 4,166.66          | 0.00                       | 4,166.66                   |
| 3133EEJ50                                  | 14331        | 010  | FAC           | 5,000,000.00          | 4,999,701.25          | 4,999,817.02          | 05/11/2018    | 1.030                   | 1.099        | 4,291.66          | 224.06                     | 4,515.72                   |
| 3137EAEE5                                  | 14516        | 010  | FAC           | 5,000,000.00          | 4,999,693.55          | 4,999,700.90          | 01/17/2020    | 1.500                   | 1.524        | 6,250.00          | 14.23                      | 6,264.23                   |
| 3134G7T68                                  | 14352        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 07/27/2018    | 1.000                   | 1.014        | 4,166.67          | 0.00                       | 4,166.67                   |
| 3134G7S77                                  | 14358        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 10/29/2020    | 1.250                   | 1.267        | 5,208.33          | 0.00                       | 5,208.33                   |
| 3134G9MA2                                  | 14505        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 05/24/2019    | 1.125                   | 1.141        | 4,687.54          | 0.00                       | 4,687.54                   |
| 3135G0T29                                  | 14521        | 010  | FAC           | 3,500,000.00          | 3,500,000.00          | 3,500,000.00          | 02/28/2020    | 1.500                   | 1.521        | 4,375.00          | 0.00                       | 4,375.00                   |
| 3135G0T29                                  | 14522        | 010  | FAC           | 10,000,000.00         | 9,973,835.55          | 9,974,425.87          | 02/28/2020    | 1.500                   | 1.664        | 12,500.00         | 1,142.56                   | 13,642.56                  |
| 3135G0E33                                  | 14335        | 010  | FAC           | 5,000,000.00          | 4,999,111.10          | 4,999,237.50          | 07/20/2018    | 1.125                   | 1.200        | 4,687.50          | 244.65                     | 4,932.15                   |
| 3136G2YR2                                  | 14365        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 02/26/2021    | 1.750                   | 1.774        | 7,291.67          | 0.00                       | 7,291.67                   |
| 3136G4LP6                                  | 14518        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 08/28/2020    | 1.800                   | 1.825        | 7,500.00          | 0.00                       | 7,500.00                   |
| 3135G0S46                                  | 14514        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 01/27/2020    | 1.650                   | 1.673        | 6,875.00          | 0.00                       | 6,875.00                   |
| 3136G2QJ9                                  | 14357        | 010  | FAC           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 10/26/2018    | 1.000                   | 1.014        | 4,166.66          | 0.00                       | 4,166.66                   |
| 3136G3PA7                                  | 14506        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 06/07/2019    | 1.000                   | 1.014        | 4,166.67          | 0.00                       | 4,166.67                   |
| 3135G0S46                                  | 14515        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 01/27/2020    | 1.650                   | 1.673        | 6,875.00          | 0.00                       | 6,875.00                   |
| 672319CA6                                  | 14282        | 010  | MUN           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 12/15/2019    | 3.267                   | 3.312        | 13,612.50         | 0.00                       | 13,612.50                  |
| 672319BZ2                                  | 14281        | 010  | MUN           | 3,000,000.00          | 3,000,000.00          | 3,000,000.00          | 12/15/2018    | 2.817                   | 2.856        | 7,042.50          | 0.00                       | 7,042.50                   |
| 13068LFX8                                  | 14297        | 010  | MUN           | 1,000,000.00          | 1,004,340.33          | 1,003,219.08          | 06/01/2018    | 4.000                   | 1.411        | 3,333.33          | -2,170.17                  | 1,163.16                   |
| <b>Subtotal</b>                            |              |      |               | <b>328,743,500.00</b> | <b>308,717,375.74</b> | <b>323,383,984.36</b> |               |                         | <b>1.583</b> | <b>420,934.99</b> | <b>-112.33</b>             | <b>420,822.66</b>          |
| <b>Total</b>                               |              |      |               | <b>328,743,500.00</b> | <b>308,717,375.74</b> | <b>323,383,984.36</b> |               |                         | <b>1.583</b> | <b>420,934.99</b> | <b>-112.33</b>             | <b>420,822.66</b>          |



Pooled Investment - Long Term  
Interest Earnings  
Sorted by Fund - Fund  
May 1, 2018 - May 31, 2018  
Yield on Average Book Value

| CUSIP                                      | Investment # | Fund | Security Type | Ending Par Value | Beginning Book Value | Average Book Value | Maturity Date | Current Annualized Rate | Yield | Interest Earned | Amortization/ Accretion | Adjusted Interest Earnings |
|--------------------------------------------|--------------|------|---------------|------------------|----------------------|--------------------|---------------|-------------------------|-------|-----------------|-------------------------|----------------------------|
| <b>Fund: Pooled Investment - Long Term</b> |              |      |               |                  |                      |                    |               |                         |       |                 |                         |                            |
| 3130A5QA0                                  | 14342        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 06/22/2018    | 1.150                   | 1.128 | 4,791.66        | 0.00                    | 4,791.66                   |
| 3130A5QA0                                  | 14343        | 010  | FAC           | 5,000,000.00     | 4,999,826.46         | 4,999,880.79       | 06/22/2018    | 1.150                   | 1.152 | 4,791.66        | 102.08                  | 4,893.74                   |
| 3130A5NC9                                  | 14340        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 10/30/2018    | 1.300                   | 1.276 | 5,416.66        | 0.00                    | 5,416.66                   |
| 3130A5QA0                                  | 14341        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 06/22/2018    | 1.150                   | 1.128 | 4,791.66        | 0.00                    | 4,791.66                   |
| 3130A5UU1                                  | 14346        | 010  | FAC           | 0.00             | 5,000,000.00         | 4,877,419.35       | 05/30/2018    | 1.050                   | 1.065 | 4,229.16        | 0.00                    | 4,229.16                   |
| 3130A7GZ2                                  | 14500        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 03/30/2021    | 1.250                   | 1.226 | 5,208.34        | 0.00                    | 5,208.34                   |
| 3130A5WY1                                  | 14347        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 07/10/2018    | 1.000                   | 0.981 | 4,166.66        | 0.00                    | 4,166.66                   |
| 3130AAJZ2                                  | 14513        | 010  | MC5           | 3,742,500.00     | 3,742,500.00         | 3,742,500.00       | 04/27/2020    | 1.750                   | 1.717 | 5,457.81        | 27.77                   | 5,457.81                   |
| 3130A9YW5                                  | 14512        | 010  | MC5           | 4,999,480.56     | 4,999,480.56         | 4,999,480.56       | 11/22/2019    | 1.190                   | 1.174 | 4,958.33        | 0.00                    | 4,958.33                   |
| 3130A63A3                                  | 14349        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 08/03/2018    | 1.150                   | 1.128 | 4,791.66        | 0.00                    | 4,791.66                   |
| 3130A63A3                                  | 14350        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 08/03/2018    | 1.150                   | 1.128 | 4,791.66        | 0.00                    | 4,791.66                   |
| 3130A5M48                                  | 14338        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 09/25/2018    | 1.250                   | 1.226 | 5,208.33        | 0.00                    | 5,208.33                   |
| 3130A5WY1                                  | 14348        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 07/10/2018    | 1.000                   | 0.981 | 4,166.66        | 0.00                    | 4,166.66                   |
| 3130A5NC9                                  | 14339        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 10/30/2018    | 1.300                   | 1.276 | 5,416.66        | 0.00                    | 5,416.66                   |
| 3130A5JD2                                  | 14337        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 06/29/2018    | 1.100                   | 1.079 | 4,583.33        | 0.00                    | 4,583.33                   |
| 3130ADUB6                                  | 14533 T1     | 010  | FAC           | 21,000,000.00    | 21,000,000.00        | 21,000,000.00      | 12/19/2019    | 2.320                   | 2.276 | 40,600.00       | 0.00                    | 40,600.00                  |
| 3130ADKF8                                  | 14529        | 010  | FAC           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 01/30/2020    | 2.100                   | 2.060 | 26,250.00       | 0.00                    | 26,250.00                  |
| 3130A5BZ1                                  | 14330        | 010  | FAC           | 0.00             | 5,000,000.00         | 967,741.94         | 05/07/2018    | 1.000                   | 1.014 | 833.33          | 0.00                    | 833.33                     |
| 3130ABTD8                                  | 14526        | 010  | FAC           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 10/18/2019    | 1.450                   | 1.423 | 18,125.00       | 0.00                    | 18,125.00                  |
| 3130ADVE9                                  | 14534 T1     | 010  | FAC           | 11,000,000.00    | 11,000,000.00        | 11,000,000.00      | 03/21/2019    | 2.125                   | 2.085 | 19,479.17       | 0.00                    | 19,479.17                  |
| 3130AASB2                                  | 14519        | 010  | FAC           | 10,000,000.00    | 9,998,793.92         | 9,998,824.25       | 02/06/2020    | 1.550                   | 1.528 | 12,916.67       | 56.98                   | 12,973.65                  |
| 3130A5JD2                                  | 14336        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 06/29/2018    | 1.100                   | 1.079 | 4,583.33        | 0.00                    | 4,583.33                   |
| 3130A5BK4                                  | 14333        | 010  | FAC           | 5,000,000.00     | 4,999,525.36         | 4,999,656.03       | 06/29/2018    | 1.000                   | 1.039 | 4,166.67        | 245.50                  | 4,412.17                   |
| 3133EGD77                                  | 14509        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/03/2019    | 1.120                   | 1.099 | 9,333.33        | 0.00                    | 9,333.33                   |
| 3133EGD77                                  | 14507        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/03/2019    | 1.120                   | 1.099 | 9,333.33        | 0.00                    | 9,333.33                   |
| 3133EGAW5                                  | 14504        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 08/19/2019    | 1.250                   | 1.226 | 5,208.33        | 0.00                    | 5,208.33                   |
| 3133EJAD1                                  | 14528        | 010  | FAC           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 12/23/2020    | 2.150                   | 2.110 | 17,916.66       | 0.00                    | 17,916.66                  |
| 3133EJKC2                                  | 14535        | 010  | MC4           | 20,000,000.00    | 20,000,000.00        | 20,000,000.00      | 04/09/2021    | 2.670                   | 2.620 | 44,500.00       | 0.00                    | 44,500.00                  |
| 3133EHBA0                                  | 14520        | 010  | FAC           | 6,500,000.00     | 6,500,000.00         | 6,500,000.00       | 03/02/2020    | 1.520                   | 1.491 | 8,233.34        | 0.00                    | 8,233.34                   |
| 3133EHQB2                                  | 14527        | 010  | FAC           | 9,001,000.00     | 9,001,000.00         | 9,001,000.00       | 07/06/2020    | 1.550                   | 1.521 | 11,626.29       | 0.00                    | 11,626.29                  |

Exhibit 2-B.2

Pooled Investment - Long Term  
Interest Earnings  
May 1, 2018 - May 31, 2018

| CUSIP                                      | Investment # | Fund | Security Type | Ending Par Value      | Beginning Book Value  | Average Book Value    | Maturity Date | Current Annualized Rate | Yield        | Interest Earned   | Amortization/ Accretion | Adjusted Interest Earnings |
|--------------------------------------------|--------------|------|---------------|-----------------------|-----------------------|-----------------------|---------------|-------------------------|--------------|-------------------|-------------------------|----------------------------|
| <b>Fund: Pooled Investment - Long Term</b> |              |      |               |                       |                       |                       |               |                         |              |                   |                         |                            |
| 3133EG7F6                                  | 14517        | 010  | FAC           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 02/16/2021    | 1.750                   | 1.717        | 7,291.66          | 0.00                    | 7,291.66                   |
| 3133EF4C8                                  | 14503        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 04/25/2019    | 1.190                   | 1.168        | 4,958.33          | 0.00                    | 4,958.33                   |
| 3133EM98                                   | 14332        | 010  | FAC           | 0.00                  | 5,000,000.00          | 3,225,806.45          | 05/21/2018    | 1.000                   | 1.014        | 2,777.78          | 0.00                    | 2,777.78                   |
| 3133EEJ50                                  | 14331        | 010  | FAC           | 0.00                  | 4,999,925.31          | 1,612,892.38          | 05/11/2018    | 1.030                   | 1.099        | 1,430.56          | 74.69                   | 1,505.25                   |
| 3137EAEE5                                  | 14516        | 010  | FAC           | 5,000,000.00          | 4,999,707.78          | 4,999,715.35          | 01/17/2020    | 1.500                   | 1.475        | 6,250.00          | 14.23                   | 6,264.23                   |
| 3134G7T68                                  | 14352        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 07/27/2018    | 1.000                   | 0.981        | 4,166.66          | 0.00                    | 4,166.66                   |
| 3134G7S77                                  | 14358        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 10/29/2020    | 1.250                   | 1.226        | 5,208.34          | 0.00                    | 5,208.34                   |
| 3134G9MA2                                  | 14505        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 05/24/2019    | 1.125                   | 1.104        | 4,687.53          | 0.00                    | 4,687.53                   |
| 3135G0T29                                  | 14521        | 010  | FAC           | 3,500,000.00          | 3,500,000.00          | 3,500,000.00          | 02/28/2020    | 1.500                   | 1.472        | 4,375.00          | 0.00                    | 4,375.00                   |
| 3135G0T29                                  | 14522        | 010  | FAC           | 10,000,000.00         | 9,974,978.11          | 9,975,585.01          | 02/28/2020    | 1.500                   | 1.610        | 12,500.00         | 1,142.55                | 13,642.55                  |
| 3135G0E33                                  | 14335        | 010  | FAC           | 5,000,000.00          | 4,999,355.75          | 4,999,485.97          | 07/20/2018    | 1.125                   | 1.162        | 4,687.50          | 244.65                  | 4,932.15                   |
| 3136G2YR2                                  | 14365        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 02/26/2021    | 1.750                   | 1.717        | 7,291.67          | 0.00                    | 7,291.67                   |
| 3136G4LP6                                  | 14518        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 08/28/2020    | 1.800                   | 1.766        | 7,500.00          | 0.00                    | 7,500.00                   |
| 3135G0S46                                  | 14514        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 01/27/2020    | 1.650                   | 1.619        | 6,875.00          | 0.00                    | 6,875.00                   |
| 3136G2QJ9                                  | 14357        | 010  | FAC           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 10/26/2018    | 1.000                   | 0.981        | 4,166.67          | 0.00                    | 4,166.67                   |
| 3136G3PA7                                  | 14506        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 06/07/2019    | 1.000                   | 0.981        | 4,166.67          | 0.00                    | 4,166.67                   |
| 3135G0S46                                  | 14515        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 01/27/2020    | 1.650                   | 1.619        | 6,875.00          | 0.00                    | 6,875.00                   |
| 672319CA6                                  | 14282        | 010  | MUN           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 12/15/2019    | 3.267                   | 3.206        | 13,612.50         | 0.00                    | 13,612.50                  |
| 672319BZ2                                  | 14281        | 010  | MUN           | 3,000,000.00          | 3,000,000.00          | 3,000,000.00          | 12/15/2018    | 2.817                   | 2.764        | 7,042.50          | 0.00                    | 7,042.50                   |
| 13068LFX8                                  | 14297        | 010  | MUN           | 1,000,000.00          | 1,002,170.16          | 1,001,015.08          | 06/01/2018    | 4.000                   | 1.368        | 3,333.33          | -2,170.16               | 1,163.17                   |
| <b>Subtotal</b>                            |              |      |               | <b>308,743,500.00</b> | <b>328,717,263.41</b> | <b>319,201,017.95</b> |               |                         | <b>1.567</b> | <b>425,072.39</b> | <b>-261.71</b>          | <b>424,810.68</b>          |
| <b>Total</b>                               |              |      |               | <b>308,743,500.00</b> | <b>328,717,263.41</b> | <b>319,201,017.95</b> |               |                         | <b>1.567</b> | <b>425,072.39</b> | <b>-261.71</b>          | <b>424,810.68</b>          |

Exhibit 2-B.3

Pooled Investment - Long Term  
Interest Earnings  
Sorted by Fund - Fund  
June 1, 2018 - June 30, 2018  
Yield on Average Book Value



| CUSIP                                      | Investment # | Fund | Security Type | Ending Par Value | Beginning Book Value | Average Book Value | Maturity Date | Current/Annualized Rate | Yield | Interest Earned | Amortization/ Accretion | Adjusted Interest Earnings |
|--------------------------------------------|--------------|------|---------------|------------------|----------------------|--------------------|---------------|-------------------------|-------|-----------------|-------------------------|----------------------------|
| <b>Fund: Pooled Investment - Long Term</b> |              |      |               |                  |                      |                    |               |                         |       |                 |                         |                            |
| 3130A5QA0                                  | 14342        | 010  | FAC           | 0.00             | 5,000,000.00         | 3,500,000.00       | 06/22/2018    | 1.150                   | 1.166 | 3,354.17        | 0.00                    | 3,354.17                   |
| 3130A5QA0                                  | 14343        | 010  | FAC           | 0.00             | 4,999,928.54         | 3,499,976.18       | 06/22/2018    | 1.150                   | 1.191 | 3,354.17        | 71.46                   | 3,425.63                   |
| 3130A5NC9                                  | 14340        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 10/30/2018    | 1.300                   | 1.318 | 5,416.67        | 0.00                    | 5,416.67                   |
| 3130A5QA0                                  | 14341        | 010  | FAC           | 0.00             | 5,000,000.00         | 3,500,000.00       | 06/22/2018    | 1.150                   | 1.166 | 3,354.17        | 0.00                    | 3,354.17                   |
| 3130A7GZ2                                  | 14500        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 03/30/2021    | 1.250                   | 1.267 | 5,208.33        | 0.00                    | 5,208.33                   |
| 3130A5WY1                                  | 14347        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 07/10/2018    | 1.000                   | 1.014 | 4,166.67        | 0.00                    | 4,166.67                   |
| 3130AAJ22                                  | 14513        | 010  | MC5           | 3,742,500.00     | 3,742,500.00         | 3,742,500.00       | 04/27/2020    | 1.750                   | 1.774 | 5,457.81        | 0.00                    | 5,457.81                   |
| 3130A9YW5                                  | 14512        | 010  | MC5           | 5,000,000.00     | 4,999,508.33         | 4,999,522.69       | 11/22/2019    | 1.190                   | 1.213 | 4,958.33        | 27.78                   | 4,986.11                   |
| 3130A63A3                                  | 14349        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 08/03/2018    | 1.150                   | 1.166 | 4,791.67        | 0.00                    | 4,791.67                   |
| 3130A63A3                                  | 14350        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 08/03/2018    | 1.150                   | 1.166 | 4,791.67        | 0.00                    | 4,791.67                   |
| 3130A5M48                                  | 14338        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 09/25/2018    | 1.250                   | 1.267 | 5,208.34        | 0.00                    | 5,208.34                   |
| 3130A5WY1                                  | 14348        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 07/10/2018    | 1.000                   | 1.014 | 4,166.67        | 0.00                    | 4,166.67                   |
| 3130A5NC9                                  | 14339        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 10/30/2018    | 1.300                   | 1.318 | 5,416.67        | 0.00                    | 5,416.67                   |
| 3130A5JD2                                  | 14337        | 010  | FAC           | 0.00             | 5,000,000.00         | 4,666,666.67       | 06/29/2018    | 1.100                   | 1.115 | 4,277.78        | 0.00                    | 4,277.78                   |
| 3130ADUB6                                  | 14533 T1     | 010  | FAC           | 21,000,000.00    | 21,000,000.00        | 21,000,000.00      | 12/19/2019    | 2.320                   | 2.352 | 40,600.00       | 0.00                    | 40,600.00                  |
| 3130ADKF8                                  | 14529        | 010  | FAC           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 01/30/2020    | 2.100                   | 2.129 | 26,250.00       | 0.00                    | 26,250.00                  |
| 3130ABTD8                                  | 14526        | 010  | FAC           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 10/18/2019    | 1.450                   | 1.470 | 18,125.00       | 0.00                    | 18,125.00                  |
| 3130ADVE9                                  | 14534 T1     | 010  | FAC           | 11,000,000.00    | 11,000,000.00        | 11,000,000.00      | 03/21/2019    | 2.125                   | 2.155 | 19,479.17       | 0.00                    | 19,479.17                  |
| 3130AASB2                                  | 14519        | 010  | FAC           | 10,000,000.00    | 9,998,850.90         | 9,998,880.34       | 02/06/2020    | 1.550                   | 1.579 | 12,916.67       | 56.98                   | 12,973.65                  |
| 3130A5JD2                                  | 14336        | 010  | FAC           | 0.00             | 5,000,000.00         | 4,666,666.67       | 06/29/2018    | 1.100                   | 1.115 | 4,277.78        | 0.00                    | 4,277.78                   |
| 3130A5BK4                                  | 14333        | 010  | FAC           | 0.00             | 4,999,770.86         | 4,666,563.56       | 06/29/2018    | 1.000                   | 1.074 | 3,888.89        | 229.14                  | 4,118.03                   |
| 3133EGD77                                  | 14509        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/03/2019    | 1.120                   | 1.136 | 9,333.33        | 0.00                    | 9,333.33                   |
| 3133EGD77                                  | 14507        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/03/2019    | 1.120                   | 1.136 | 9,333.33        | 0.00                    | 9,333.33                   |
| 3133EGW5                                   | 14504        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 08/19/2019    | 1.250                   | 1.267 | 5,208.34        | 0.00                    | 5,208.34                   |
| 3133EJAD1                                  | 14528        | 010  | FAC           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 12/23/2020    | 2.150                   | 2.180 | 17,916.67       | 0.00                    | 17,916.67                  |
| 3133EJKC2                                  | 14535        | 010  | MC4           | 20,000,000.00    | 20,000,000.00        | 20,000,000.00      | 04/09/2021    | 2.670                   | 2.707 | 44,500.00       | 0.00                    | 44,500.00                  |
| 3133EHBA0                                  | 14520        | 010  | FAC           | 6,500,000.00     | 6,500,000.00         | 6,500,000.00       | 03/02/2020    | 1.520                   | 1.541 | 8,233.33        | 0.00                    | 8,233.33                   |
| 3133EHQB2                                  | 14527        | 010  | FAC           | 9,001,000.00     | 9,001,000.00         | 9,001,000.00       | 07/06/2020    | 1.550                   | 1.572 | 11,626.29       | 0.00                    | 11,626.29                  |
| 3133EG7F6                                  | 14517        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 02/16/2021    | 1.750                   | 1.774 | 7,291.67        | 0.00                    | 7,291.67                   |
| 3133EF4C8                                  | 14503        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 04/25/2019    | 1.190                   | 1.207 | 4,958.33        | 0.00                    | 4,958.33                   |

Exhibit 2-B.3

Pooled Investment - Long Term  
Interest Earnings  
June 1, 2018 - June 30, 2018

| CUSIP                                      | Investment # | Fund | Security Type | Ending Par Value      | Beginning Book Value  | Average Book Value    | Maturity Date | Current Annualized Rate | Yield        | Interest Earned   | Adjusted Interest Earnings |                            |
|--------------------------------------------|--------------|------|---------------|-----------------------|-----------------------|-----------------------|---------------|-------------------------|--------------|-------------------|----------------------------|----------------------------|
|                                            |              |      |               |                       |                       |                       |               |                         |              |                   | Amortization/ Accretion    | Adjusted Interest Earnings |
| <b>Fund: Pooled Investment - Long Term</b> |              |      |               |                       |                       |                       |               |                         |              |                   |                            |                            |
| 3137EAE5                                   | 14516        | 010  | FAC           | 5,000,000.00          | 4,999,722.01          | 4,999,729.36          | 01/17/2020    | 1.500                   | 1.524        | 6,250.00          | 14.23                      | 6,264.23                   |
| 3134G7T68                                  | 14352        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 07/27/2018    | 1.000                   | 1.014        | 4,166.67          | 0.00                       | 4,166.67                   |
| 3134G7S77                                  | 14358        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 10/29/2020    | 1.250                   | 1.267        | 5,208.33          | 0.00                       | 5,208.33                   |
| 3134G9MAZ                                  | 14505        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 05/24/2019    | 1.125                   | 1.141        | 4,687.54          | 0.00                       | 4,687.54                   |
| 3135G0T29                                  | 14521        | 010  | FAC           | 3,500,000.00          | 3,500,000.00          | 3,500,000.00          | 02/28/2020    | 1.500                   | 1.521        | 4,375.00          | 0.00                       | 4,375.00                   |
| 3135G0T29                                  | 14522        | 010  | FAC           | 10,000,000.00         | 9,976,120.66          | 9,976,710.98          | 02/28/2020    | 1.500                   | 1.664        | 12,500.00         | 1,142.55                   | 13,642.55                  |
| 3135G0E33                                  | 14335        | 010  | FAC           | 5,000,000.00          | 4,999,600.40          | 4,999,726.81          | 07/20/2018    | 1.125                   | 1.200        | 4,687.50          | 244.65                     | 4,932.15                   |
| 3136G2YR2                                  | 14365        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 02/26/2021    | 1.750                   | 1.774        | 7,291.66          | 0.00                       | 7,291.66                   |
| 3136G4LP6                                  | 14518        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 08/28/2020    | 1.800                   | 1.825        | 7,500.00          | 0.00                       | 7,500.00                   |
| 3135G0S46                                  | 14514        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 01/27/2020    | 1.650                   | 1.673        | 6,875.00          | 0.00                       | 6,875.00                   |
| 3136G2QJ9                                  | 14357        | 010  | FAC           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 10/26/2018    | 1.000                   | 1.014        | 4,166.67          | 0.00                       | 4,166.67                   |
| 3136G3PA7                                  | 14506        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 06/07/2019    | 1.000                   | 1.014        | 4,166.66          | 0.00                       | 4,166.66                   |
| 3135G0S46                                  | 14515        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 01/27/2020    | 1.650                   | 1.673        | 6,875.00          | 0.00                       | 6,875.00                   |
| 672319CA6                                  | 14282        | 010  | MUN           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 12/15/2019    | 3.267                   | 3.312        | 13,612.50         | 0.00                       | 13,612.50                  |
| 672319BZ2                                  | 14281        | 010  | MUN           | 3,000,000.00          | 3,000,000.00          | 3,000,000.00          | 12/15/2018    | 2.817                   | 2.856        | 7,042.50          | 0.00                       | 7,042.50                   |
| 13068LFX8                                  | 14297        | 010  | MUN           | 0.00                  | 1,000,000.00          | 0.00                  | 06/01/2018    | 4.000                   |              | 0.00              | 0.00                       | 0.00                       |
| 037833AK6                                  | 14536        | 010  | MTN           | 5,000,000.00          | 0.00                  | 2,086,905.63          | 05/03/2023    | 2.400                   | 3.324        | 4,333.33          | 1,368.90                   | 5,702.23                   |
| 3132X02G5                                  | 14537        | 010  | MC4           | 5,000,000.00          | 0.00                  | 1,666,666.67          | 09/21/2023    | 3.270                   | 3.315        | 4,541.67          | 0.00                       | 4,541.67                   |
| <b>Subtotal</b>                            |              |      |               | <b>287,743,500.00</b> | <b>308,717,001.70</b> | <b>306,004,848.87</b> |               |                         | <b>1.667</b> | <b>416,141.95</b> | <b>3,155.69</b>            | <b>419,297.64</b>          |
| <b>Total</b>                               |              |      |               | <b>287,743,500.00</b> | <b>308,717,001.70</b> | <b>306,004,848.87</b> |               |                         | <b>1.667</b> | <b>416,141.95</b> | <b>3,155.69</b>            | <b>419,297.64</b>          |

Exhibit 2-C

Pooled Cash and Investments  
(Book Value)  
as of June 30, 2018

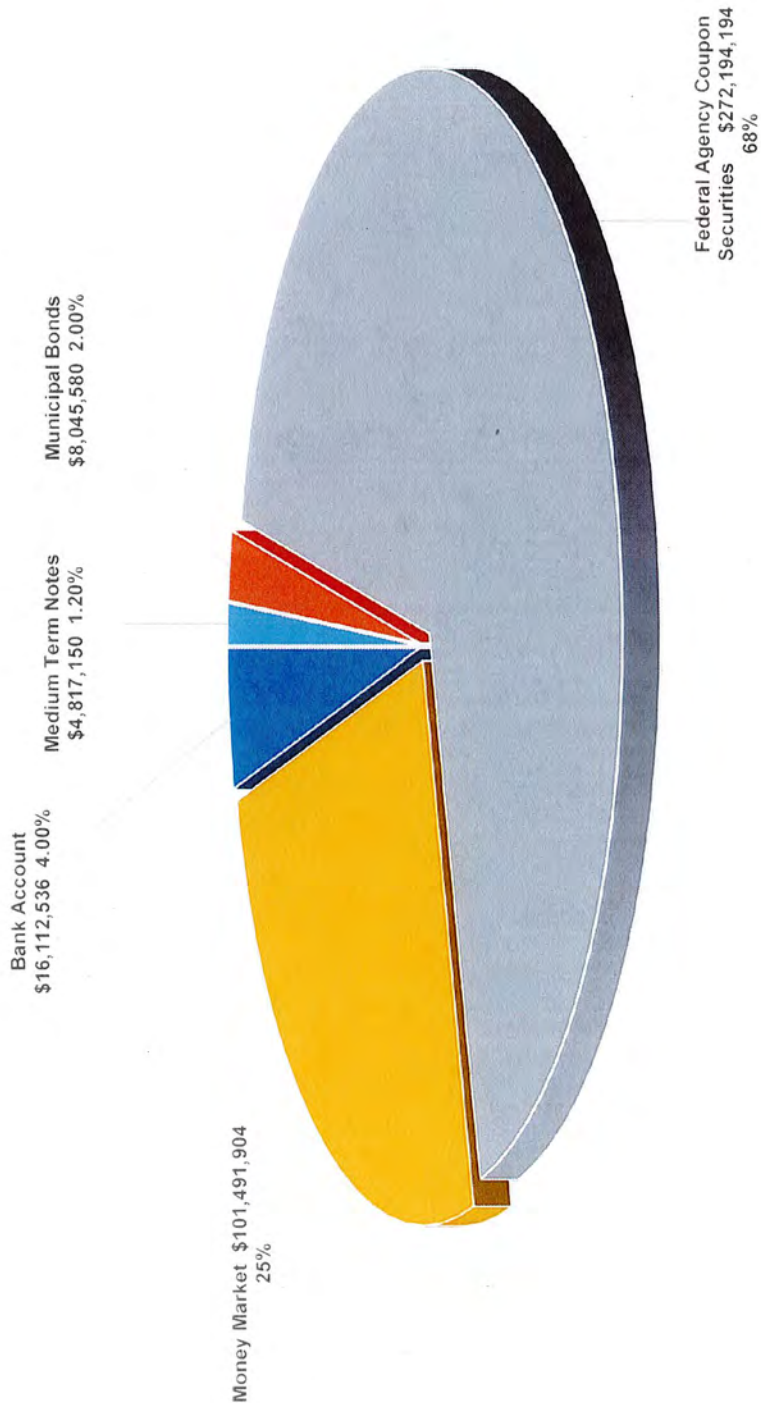




Exhibit 2-D

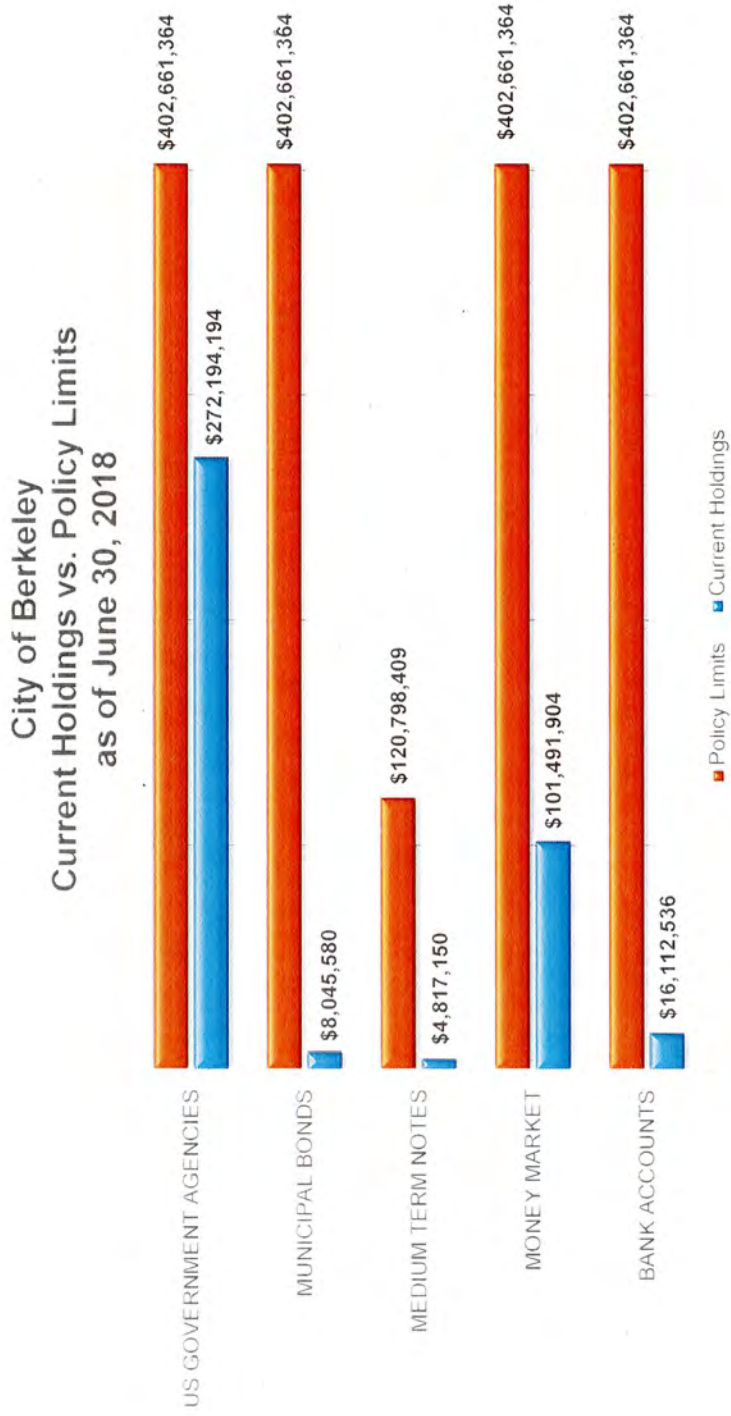
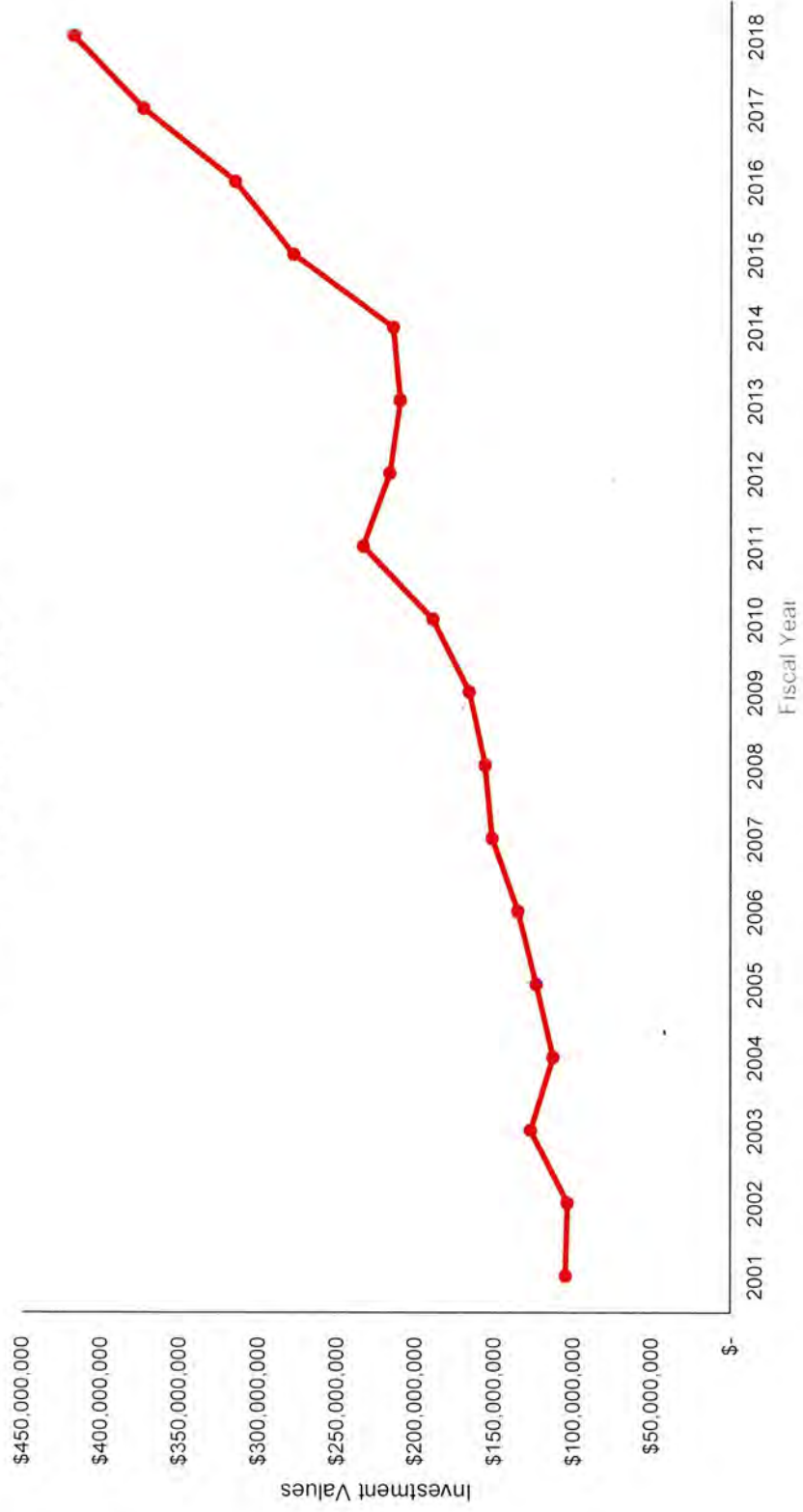


Exhibit 2-E

Pooled and Trust  
Cash and Investment Portfolio Trend  
as of June 30, 2018





Summary of Pooled Cash and Investments - Trust Funds  
(Market Value)  
As of June 30, 2018

|                                         |                                        | Pooled Cash         | Investments<br>(Book Value) | Gain/Loss on<br>Investments | Pooled Cash<br>& Investments<br>(Market Value) |
|-----------------------------------------|----------------------------------------|---------------------|-----------------------------|-----------------------------|------------------------------------------------|
| <b>Retiree Medical Trust Fund</b>       |                                        |                     |                             |                             |                                                |
| <b>Fund No.</b>                         |                                        |                     |                             |                             |                                                |
| 941                                     | BHA                                    | \$ 28,340           | \$ 285,631                  | \$ 2,181                    | \$ 316,152                                     |
| 942                                     | M1=IBEW                                | (2,594)             | 183,801                     | 3,398                       | 184,605                                        |
| 943                                     | M2=Local 1                             | 456,493             | 6,780,470                   | 160,030                     | 7,396,993                                      |
| 944                                     | MUI=Z1                                 | 59,354              | 1,694,338                   | 53,750                      | 1,807,442                                      |
| 945                                     | MUI=Z2 to Z6                           | 108,426             | 2,216,976                   | 60,582                      | 2,385,985                                      |
| 946                                     | M535= Local 535                        | 349,008             | 7,080,374                   | 221,486                     | 7,650,868                                      |
| 947                                     | M3=Local 790                           | 256,818             | 5,017,628                   | 100,402                     | 5,374,848                                      |
| <b>Total Retiree Medical Trust Fund</b> |                                        | <b>1,255,845</b>    | <b>23,259,218</b>           | <b>601,829</b>              | <b>25,116,893</b>                              |
| <b>Fire Medical Trust Fund</b>          |                                        |                     |                             |                             |                                                |
| 949                                     | Fire Medical Trust Fund                | 1,577,563           | 8,560,992                   | (17,104)                    | 10,121,452                                     |
| <b>Total Fire Medical Trust Fund</b>    |                                        | <b>1,577,563</b>    | <b>8,560,992</b>            | <b>(17,104)</b>             | <b>10,121,452</b>                              |
| <b>Police Medical Trust Fund</b>        |                                        |                     |                             |                             |                                                |
| 903                                     | Police EE Retiree HLT Assistance Plan  | 134,668             | 1,694,254                   | (38,017.91)                 | 1,828,922                                      |
| 905                                     | Safety Members Pension Fund            | 37,210              | -                           | -                           | 37,210                                         |
| 950                                     | Police Medical Trust Fund              | 953,761             | 5,323,863                   | 10,673.94                   | 6,277,624                                      |
| 970                                     | Pension Annuity Fund Trust Investments | -                   | -                           | -                           | 0                                              |
| 970                                     | Pension Annuity Fund-Mass Mutual       | -                   | 96,934                      | -                           | 96,934                                         |
| <b>Total Police Medical Trust Fund</b>  |                                        | <b>1,125,640</b>    | <b>7,115,052</b>            | <b>(27,344)</b>             | <b>8,213,348</b>                               |
| <b>Total Trust Funds</b>                |                                        | <b>\$ 3,959,048</b> | <b>\$ 38,935,262</b>        | <b>\$ 557,382</b>           | <b>\$ 43,451,692</b>                           |

Exhibit 3-A



Retiree Medical Trust Fund  
Fund 941 - 947  
Interest Earnings  
April 1, 2018 to June 30, 2018

| CUSIP                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Investment # | Issuer                      | Par Value    | Beginning Book Value | Ending Book Value | Market Value | Maturity Date | Moody's Rating | Current Rate | Annualized Yield | Interest Earnings |                            |                                      |                       |                      |  |  |  |  |  |  |  |  |  |  |                                                  |       |                             |              |              |              |              |            |     |       |       |           |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  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 |  |  |  |  |  |  |  |  |  |  |                  |  |  |  |  |  |  |  |  |  |  |  |  |          |       |        |            |            |            |            |            |   |       |       |          |          |  |  |  |  |  |  |  |  |  |  |  |              |              |                      |                       |                      |
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-------|--|--|--|--|--|--|--|--|--|--|--|--|------------------|--|--|--|--|--|--|--|--|--|--|--|--|----------|-------|--------|------------|------------|------------|------------|------------|---|-------|-------|----------|----------|--|--|--|--|--|--|--|--|--|--|--|--------------|--------------|----------------------|-----------------------|----------------------|
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         |                   |              |               |                |              |                  | Interest Earned   | Adjusted Interest Earnings |                                      |                       |                      |  |  |  |  |  |  |  |  |  |  |                                                  |       |                             |              |              |              |              |            |     |       |       |           |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    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 |  |  |  |  |  |  |  |  |  |                  |  |  |  |  |  |  |  |  |  |  |  |  |          |       |        |            |            |            |            |            |   |       |       |          |          |  |  |  |  |  |  |  |  |  |  |  |              |              |                      |                       |                      |
| Investments as of June 30, 2018                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        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| Interest Earnings April 1, 2018 to June 30, 2018                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       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| <table border="1"> <thead> <tr> <th colspan="13">Investments as of June 30, 2018</th> </tr> <tr> <th colspan="13">Interest Earnings April 1, 2018 to June 30, 2018</th> </tr> <tr> <th>CUSIP</th> <th>Investment #</th> <th>Issuer</th> <th>Par Value</th> <th>Beginning Book Value</th> <th>Ending Book Value</th> <th>Market Value</th> <th>Maturity Date</th> <th>Moody's Rating</th> <th>Current Rate</th> <th>Annualized Yield</th> <th>Interest Earned</th> <th>Adjusted Interest Earnings</th> </tr> </thead> </table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          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         |                   |              |               |                |              |                  |                   |                            | Investments as of June 30, 2018      |                       |                      |  |  |  |  |  |  |  |  |  |  | Interest Earnings April 1, 2018 to June 30, 2018 |       |                             |              |              |              |              |            |     |       |       |           |           | CUSIP                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Investment # | Issuer       | Par Value    | Beginning Book Value | Ending Book Value | Market Value | Maturity Date | Moody's Rating | Current Rate | Annualized Yield | Interest Earned | Adjusted Interest Earnings |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                       |                      |              |              |              |              |            |    |       |       |           |           |                      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| Investments as of June 30, 2018                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        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| Interest Earnings April 1, 2018 to June 30, 2018                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       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| CUSIP                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  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Book Value | Ending Book Value | Market Value | Maturity Date | Moody's Rating | Current Rate | Annualized Yield | Interest Earned   | Adjusted Interest Earnings |                                      |                       |                      |  |  |  |  |  |  |  |  |  |  |                                                  |       |                             |              |              |              |              |            |     |       |       |           |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  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| <table border="1"> <thead> <tr> <th colspan="13">Medium Term Notes</th> </tr> </thead> <tbody> <tr> <td>06744CUS8</td> <td>14530</td> <td>Barclays Bank PLC</td> <td>6,000,000.00</td> <td>6,000,000.00</td> <td>6,000,000.00</td> <td>5,933,340.00</td> <td>02/06/2028</td> <td>A2</td> <td>3.125</td> <td>3.134</td> <td>46,875.00</td> <td>46,875.00</td> </tr> <tr> <td>38141EA25</td> <td>14110</td> <td>Goldman Sacs</td> <td>3,000,000.00</td> <td>3,003,279.03</td> <td>3,002,339.18</td> <td>3,082,860.00</td> <td>02/15/2019</td> <td>A3</td> <td>7.500</td> <td>7.388</td> <td>56,250.00</td> <td>55,310.15</td> </tr> <tr> <td>6174WAF6</td> <td>14224</td> <td>Morgan Stanley</td> <td>1,666,686.67</td> <td>1,694,445.17</td> <td>1,691,979.63</td> <td>1,762,083.34</td> <td>01/25/2021</td> <td>A3</td> <td>5.750</td> <td>5.091</td> <td>23,958.34</td> <td>21,492.80</td> </tr> <tr> <td colspan="13"> <table border="1"> <thead> <tr> <th colspan="13">Federal Agency Coupon Securities</th> </tr> </thead> <tbody> <tr> <td>3133EFQT7</td> <td>14361</td> <td>Fed Farm Credit Bank</td> <td>2,600,000.00</td> <td>2,613,915.94</td> <td>2,613,461.17</td> <td>2,534,480.00</td> <td>11/25/2025</td> <td>-</td> <td>2.700</td> <td>2.623</td> <td>17,550.00</td> <td>(454.77)</td> </tr> <tr> <td colspan="13"> <table border="1"> <thead> <tr> <th colspan="13">Federal Agency Continuously Callable</th> </tr> </thead> <tbody> <tr> <td>3134GAWD2</td> <td>14510</td> <td>Fed Home Loan Mortgage Corp</td> <td>1,500,000.00</td> <td>1,500,000.00</td> <td>1,500,000.00</td> <td>1,473,225.00</td> <td>11/27/2019</td> <td>AAA</td> <td>1.300</td> <td>1.304</td> <td>4,875.00</td> <td>-</td> </tr> <tr> <td colspan="13"> <table border="1"> <thead> <tr> <th colspan="13">Municipal Bonds</th> </tr> </thead> <tbody> <tr> <td>672319CC2</td> <td>14263</td> <td>OAKGEN</td> <td>2,750,000.00</td> <td>2,731,434.67</td> <td>2,732,687.21</td> <td>2,819,410.00</td> <td>12/15/2021</td> <td>AA3</td> <td>3.800</td> <td>4.019</td> <td>26,125.00</td> <td>1,252.54</td> </tr> <tr> <td>786091AG3</td> <td>14316</td> <td>SACGEN</td> <td>5,000,000.00</td> <td>5,396,259.84</td> <td>5,382,750.96</td> <td>5,919,650.00</td> <td>08/01/2025</td> <td>BAA1</td> <td>7.250</td> <td>5.739</td> <td>90,625.00</td> <td>(13,508.86)</td> </tr> <tr> <td colspan="13"> <table border="1"> <thead> <tr> <th colspan="13">Savo Island Loan</th> </tr> </thead> <tbody> <tr> <td>SYS10986</td> <td>10988</td> <td>EMPMED</td> <td>336,000.00</td> <td>336,000.00</td> <td>336,000.00</td> <td>336,000.00</td> <td>09/01/2025</td> <td>-</td> <td>8.000</td> <td>8.000</td> <td>6,701.58</td> <td>6,701.58</td> </tr> <tr> <td colspan="11"></td> <td><b>Total</b></td> <td><b>4,428</b></td> <td><b>\$ 272,959.92</b></td> <td><b>\$ (16,116.48)</b></td> <td><b>\$ 256,843.44</b></td> </tr> </tbody> </table> </td> </tr> </tbody> </table> </td></tr></tbody></table></td></tr></tbody></table></td></tr></tbody></table> |              |                             |              |                      |                   |              |               |                |              |                  |                   |                            | Medium Term Notes                    |                       |                      |  |  |  |  |  |  |  |  |  |  | 06744CUS8                                        | 14530 | Barclays Bank PLC           | 6,000,000.00 | 6,000,000.00 | 6,000,000.00 | 5,933,340.00 | 02/06/2028 | A2  | 3.125 | 3.134 | 46,875.00 | 46,875.00 | 38141EA25                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 14110        | Goldman Sacs | 3,000,000.00 | 3,003,279.03         | 3,002,339.18      | 3,082,860.00 | 02/15/2019    | A3             | 7.500        | 7.388            | 56,250.00       | 55,310.15                  | 6174WAF6                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 14224                 | Morgan Stanley       | 1,666,686.67 | 1,694,445.17 | 1,691,979.63 | 1,762,083.34 | 01/25/2021 | A3 | 5.750 | 5.091 | 23,958.34 | 21,492.80 | <table border="1"> <thead> <tr> <th colspan="13">Federal Agency Coupon Securities</th> </tr> </thead> <tbody> <tr> <td>3133EFQT7</td> <td>14361</td> <td>Fed Farm Credit Bank</td> <td>2,600,000.00</td> <td>2,613,915.94</td> <td>2,613,461.17</td> <td>2,534,480.00</td> <td>11/25/2025</td> <td>-</td> <td>2.700</td> <td>2.623</td> <td>17,550.00</td> <td>(454.77)</td> </tr> <tr> <td colspan="13"> <table border="1"> <thead> <tr> <th colspan="13">Federal Agency Continuously Callable</th> </tr> </thead> <tbody> <tr> <td>3134GAWD2</td> <td>14510</td> <td>Fed Home Loan Mortgage Corp</td> <td>1,500,000.00</td> <td>1,500,000.00</td> <td>1,500,000.00</td> <td>1,473,225.00</td> <td>11/27/2019</td> <td>AAA</td> <td>1.300</td> <td>1.304</td> <td>4,875.00</td> <td>-</td> </tr> <tr> <td colspan="13"> <table border="1"> <thead> <tr> <th colspan="13">Municipal Bonds</th> </tr> </thead> <tbody> <tr> <td>672319CC2</td> <td>14263</td> <td>OAKGEN</td> <td>2,750,000.00</td> <td>2,731,434.67</td> <td>2,732,687.21</td> <td>2,819,410.00</td> <td>12/15/2021</td> <td>AA3</td> <td>3.800</td> <td>4.019</td> <td>26,125.00</td> <td>1,252.54</td> </tr> <tr> <td>786091AG3</td> <td>14316</td> <td>SACGEN</td> <td>5,000,000.00</td> <td>5,396,259.84</td> <td>5,382,750.96</td> <td>5,919,650.00</td> <td>08/01/2025</td> <td>BAA1</td> <td>7.250</td> <td>5.739</td> <td>90,625.00</td> <td>(13,508.86)</td> </tr> <tr> <td colspan="13"> <table border="1"> <thead> <tr> <th colspan="13">Savo Island Loan</th> </tr> </thead> <tbody> <tr> <td>SYS10986</td> <td>10988</td> <td>EMPMED</td> <td>336,000.00</td> <td>336,000.00</td> <td>336,000.00</td> <td>336,000.00</td> <td>09/01/2025</td> <td>-</td> <td>8.000</td> <td>8.000</td> <td>6,701.58</td> <td>6,701.58</td> </tr> <tr> <td colspan="11"></td> <td><b>Total</b></td> <td><b>4,428</b></td> <td><b>\$ 272,959.92</b></td> <td><b>\$ (16,116.48)</b></td> <td><b>\$ 256,843.44</b></td> </tr> </tbody> </table> </td> </tr> </tbody> </table> </td></tr></tbody></table></td></tr></tbody></table> |       |                             |              |              |              |              |            |     |       |       |           |          | Federal Agency Coupon Securities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |       |        |              |              |              |              |            |      |       |       |           |             | 3133EFQT7                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 14361 | Fed Farm Credit Bank | 2,600,000.00 | 2,613,915.94 | 2,613,461.17 | 2,534,480.00 | 11/25/2025 | - | 2.700 | 2.623 | 17,550.00    | (454.77)     | <table border="1"> <thead> <tr> <th colspan="13">Federal Agency Continuously Callable</th> </tr> </thead> <tbody> <tr> <td>3134GAWD2</td> <td>14510</td> <td>Fed Home Loan Mortgage Corp</td> <td>1,500,000.00</td> <td>1,500,000.00</td> <td>1,500,000.00</td> <td>1,473,225.00</td> <td>11/27/2019</td> <td>AAA</td> <td>1.300</td> <td>1.304</td> <td>4,875.00</td> <td>-</td> </tr> <tr> <td colspan="13"> <table border="1"> <thead> <tr> <th colspan="13">Municipal Bonds</th> </tr> </thead> <tbody> <tr> <td>672319CC2</td> <td>14263</td> <td>OAKGEN</td> <td>2,750,000.00</td> <td>2,731,434.67</td> <td>2,732,687.21</td> <td>2,819,410.00</td> <td>12/15/2021</td> <td>AA3</td> <td>3.800</td> <td>4.019</td> <td>26,125.00</td> <td>1,252.54</td> </tr> <tr> <td>786091AG3</td> <td>14316</td> <td>SACGEN</td> 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|       |        |              |              |              |              |            |      |       |       |           |             | 3134GAWD2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 14510 | Fed Home Loan Mortgage Corp | 1,500,000.00 | 1,500,000.00 | 1,500,000.00 | 1,473,225.00 | 11/27/2019 | AAA | 1.300 | 1.304 | 4,875.00     | -            | <table border="1"> <thead> <tr> <th colspan="13">Municipal Bonds</th> </tr> </thead> <tbody> <tr> <td>672319CC2</td> <td>14263</td> <td>OAKGEN</td> <td>2,750,000.00</td> 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                   |                      |  |  |  |  |  |  |  |  |  |  | Municipal Bonds |       |        |            |            |            |            |            |   |       |       |          |          | 672319CC2 | 14263 | OAKGEN | 2,750,000.00 | 2,731,434.67 | 2,732,687.21 | 2,819,410.00 | 12/15/2021 | AA3 | 3.800 | 4.019 | 26,125.00    | 1,252.54     | 786091AG3            | 14316                 | SACGEN               | 5,000,000.00 | 5,396,259.84 | 5,382,750.96 | 5,919,650.00 | 08/01/2025 | BAA1 | 7.250 | 5.739 | 90,625.00 | (13,508.86) | <table border="1"> <thead> <tr> <th colspan="13">Savo Island Loan</th> </tr> </thead> <tbody> <tr> <td>SYS10986</td> <td>10988</td> <td>EMPMED</td> <td>336,000.00</td> <td>336,000.00</td> <td>336,000.00</td> <td>336,000.00</td> <td>09/01/2025</td> <td>-</td> <td>8.000</td> <td>8.000</td> <td>6,701.58</td> <td>6,701.58</td> </tr> <tr> <td colspan="11"></td> <td><b>Total</b></td> <td><b>4,428</b></td> <td><b>\$ 272,959.92</b></td> 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| Medium Term Notes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      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 |  |  |  |  |  |  |  |  |  |                  |  |  |  |  |  |  |  |  |  |  |  |  |          |       |        |            |            |            |            |            |   |       |       |          |          |  |  |  |  |  |  |  |  |  |  |  |              |              |                      |                       |                      |
| 06744CUS8                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 14530        | Barclays Bank PLC           | 6,000,000.00 | 6,000,000.00         | 6,000,000.00      | 5,933,340.00 | 02/06/2028    | A2             | 3.125        | 3.134            | 46,875.00         | 46,875.00                  |                                      |                       |                      |  |  |  |  |  |  |  |  |  |  |                                                  |       |                             |              |              |              |              |            |     |       |       |           |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        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| 38141EA25                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 14110        | Goldman Sacs                | 3,000,000.00 | 3,003,279.03         | 3,002,339.18      | 3,082,860.00 | 02/15/2019    | A3             | 7.500        | 7.388            | 56,250.00         | 55,310.15                  |                                      |                       |                      |  |  |  |  |  |  |  |  |  |  |                                                  |       |                             |              |              |              |              |            |     |       |       |           |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        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| 6174WAF6                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 14224        | Morgan Stanley              | 1,666,686.67 | 1,694,445.17         | 1,691,979.63      | 1,762,083.34 | 01/25/2021    | A3             | 5.750        | 5.091            | 23,958.34         | 21,492.80                  |                                      |                       |                      |  |  |  |  |  |  |  |  |  |  |                                                  |       |                             |              |              |              |              |            |     |       |       |           |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        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            |              |                      |                   |              |               |                |              |                  |                   |                            | Federal Agency Coupon Securities     |                       |                      |  |  |  |  |  |  |  |  |  |  | 3133EFQT7                                        | 14361 | Fed Farm Credit Bank        | 2,600,000.00 | 2,613,915.94 | 2,613,461.17 | 2,534,480.00 | 11/25/2025 | -   | 2.700 | 2.623 | 17,550.00 | (454.77)  | <table border="1"> <thead> <tr> <th colspan="13">Federal Agency Continuously Callable</th> </tr> </thead> <tbody> <tr> <td>3134GAWD2</td> <td>14510</td> <td>Fed Home Loan Mortgage Corp</td> <td>1,500,000.00</td> <td>1,500,000.00</td> <td>1,500,000.00</td> <td>1,473,225.00</td> <td>11/27/2019</td> <td>AAA</td> <td>1.300</td> <td>1.304</td> <td>4,875.00</td> <td>-</td> </tr> <tr> <td colspan="13"> <table border="1"> <thead> <tr> <th colspan="13">Municipal Bonds</th> 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 |       |           |           | 3134GAWD2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 14510 | Fed Home Loan Mortgage Corp | 1,500,000.00 | 1,500,000.00 | 1,500,000.00 | 1,473,225.00 | 11/27/2019 | AAA | 1.300 | 1.304 | 4,875.00  | -        | <table border="1"> <thead> <tr> <th colspan="13">Municipal Bonds</th> </tr> </thead> <tbody> <tr> <td>672319CC2</td> <td>14263</td> <td>OAKGEN</td> <td>2,750,000.00</td> <td>2,731,434.67</td> <td>2,732,687.21</td> <td>2,819,410.00</td> <td>12/15/2021</td> <td>AA3</td> <td>3.800</td> <td>4.019</td> <td>26,125.00</td> <td>1,252.54</td> </tr> <tr> <td>786091AG3</td> <td>14316</td> <td>SACGEN</td> <td>5,000,000.00</td> <td>5,396,259.84</td> <td>5,382,750.96</td> <td>5,919,650.00</td> <td>08/01/2025</td> <td>BAA1</td> <td>7.250</td> <td>5.739</td> <td>90,625.00</td> <td>(13,508.86)</td> </tr> <tr> <td colspan="13"> <table border="1"> <thead> <tr> <th colspan="13">Savo Island Loan</th> </tr> </thead> <tbody> <tr> <td>SYS10986</td> <td>10988</td> <td>EMPMED</td> <td>336,000.00</td> 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                                      |       |                      |              |              |              |              |            |   |       |       |              |              | 672319CC2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 14263                 | OAKGEN               | 2,750,000.00 | 2,731,434.67 | 2,732,687.21 | 2,819,410.00 | 12/15/2021 | AA3 | 3.800 | 4.019 | 26,125.00 | 1,252.54 | 786091AG3                            | 14316 | SACGEN | 5,000,000.00 | 5,396,259.84 | 5,382,750.96 | 5,919,650.00 | 08/01/2025 | BAA1 | 7.250 | 5.739 | 90,625.00 | (13,508.86) | <table border="1"> <thead> <tr> <th colspan="13">Savo Island Loan</th> </tr> </thead> <tbody> <tr> <td>SYS10986</td> <td>10988</td> <td>EMPMED</td> <td>336,000.00</td> <td>336,000.00</td> <td>336,000.00</td> <td>336,000.00</td> <td>09/01/2025</td> <td>-</td> <td>8.000</td> <td>8.000</td> <td>6,701.58</td> <td>6,701.58</td> </tr> <tr> <td colspan="11"></td> <td><b>Total</b></td> <td><b>4,428</b></td> <td><b>\$ 272,959.92</b></td> <td><b>\$ (16,116.48)</b></td> <td><b>\$ 256,843.44</b></td> </tr> </tbody> </table> |       |                             |              |              |              |              |            |     |       |       |              |              | Savo Island Loan                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                       |                      |  |  |  |  |  |  |  |  |  |  | SYS10986        | 10988 | EMPMED | 336,000.00 | 336,000.00 | 336,000.00 | 336,000.00 | 09/01/2025 | - | 8.000 | 8.000 | 6,701.58 | 6,701.58 |           |       |        |              |              |              |              |            |     |       |       | <b>Total</b> | <b>4,428</b> | <b>\$ 272,959.92</b> | <b>\$ (16,116.48)</b> | <b>\$ 256,843.44</b> |              |              |              |              |            |      |       |       |           |             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                         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| Federal Agency Coupon Securities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       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| 3133EFQT7                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 14361        | Fed Farm Credit Bank        | 2,600,000.00 | 2,613,915.94         | 2,613,461.17      | 2,534,480.00 | 11/25/2025    | -              | 2.700        | 2.623            | 17,550.00         | (454.77)                   |                                      |                       |                      |  |  |  |  |  |  |  |  |  |  |                                                  |       |                             |              |              |              |              |            |     |       |       |           |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        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         |                   |              |               |                |              |                  |                   |                            | Federal Agency Continuously Callable |                       |                      |  |  |  |  |  |  |  |  |  |  | 3134GAWD2                                        | 14510 | Fed Home Loan Mortgage Corp | 1,500,000.00 | 1,500,000.00 | 1,500,000.00 | 1,473,225.00 | 11/27/2019 | AAA | 1.300 | 1.304 | 4,875.00  | -         | <table border="1"> <thead> <tr> <th colspan="13">Municipal Bonds</th> </tr> </thead> <tbody> <tr> <td>672319CC2</td> <td>14263</td> <td>OAKGEN</td> <td>2,750,000.00</td> <td>2,731,434.67</td> <td>2,732,687.21</td> <td>2,819,410.00</td> <td>12/15/2021</td> <td>AA3</td> <td>3.800</td> <td>4.019</td> <td>26,125.00</td> <td>1,252.54</td> </tr> <tr> <td>786091AG3</td> <td>14316</td> <td>SACGEN</td> <td>5,000,000.00</td> <td>5,396,259.84</td> <td>5,382,750.96</td> <td>5,919,650.00</td> <td>08/01/2025</td> 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| 14263 | OAKGEN                      | 2,750,000.00 | 2,731,434.67 | 2,732,687.21 | 2,819,410.00 | 12/15/2021 | AA3 | 3.800 | 4.019 | 26,125.00 | 1,252.54 | 786091AG3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 14316 | SACGEN | 5,000,000.00 | 5,396,259.84 | 5,382,750.96 | 5,919,650.00 | 08/01/2025 | BAA1 | 7.250 | 5.739 | 90,625.00 | (13,508.86) | <table border="1"> <thead> <tr> <th colspan="13">Savo Island Loan</th> </tr> </thead> <tbody> <tr> <td>SYS10986</td> <td>10988</td> <td>EMPMED</td> <td>336,000.00</td> <td>336,000.00</td> <td>336,000.00</td> <td>336,000.00</td> <td>09/01/2025</td> <td>-</td> <td>8.000</td> <td>8.000</td> <td>6,701.58</td> <td>6,701.58</td> </tr> <tr> <td colspan="11"></td> <td><b>Total</b></td> <td><b>4,428</b></td> <td><b>\$ 272,959.92</b></td> <td><b>\$ (16,116.48)</b></td> <td><b>\$ 256,843.44</b></td> </tr> </tbody> </table> |       |                      |              |              |              |              |            |   |       |       |              |              | Savo Island Loan                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                       |                      |              |              |              |              |            |     |       |       |           |          | SYS10986                             | 10988 | EMPMED | 336,000.00   | 336,000.00   | 336,000.00   | 336,000.00   | 09/01/2025 | -    | 8.000 | 8.000 | 6,701.58  | 6,701.58    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |       |                             |              |              |              |              |            |     |       |       | <b>Total</b> | <b>4,428</b> | <b>\$ 272,959.92</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>\$ (16,116.48)</b> | <b>\$ 256,843.44</b> |  |  |  |  |  |  |  |  |  |  |                 |       |        |            |            |            |            |            |   |       |       |          |          |           |       |        |              |              |              |              |            |     |       |       |              |              |                      |                       |                      |              |              |              |              |            |      |       |       |           |             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               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| Federal Agency Continuously Callable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   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| 3134GAWD2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 14510        | Fed Home Loan Mortgage Corp | 1,500,000.00 | 1,500,000.00         | 1,500,000.00      | 1,473,225.00 | 11/27/2019    | AAA            | 1.300        | 1.304            | 4,875.00          | -                          |                                      |                       |                      |  |  |  |  |  |  |  |  |  |  |                                                  |       |                             |              |              |              |              |            |     |       |       |           |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        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| <table border="1"> <thead> <tr> <th colspan="13">Municipal Bonds</th> </tr> </thead> <tbody> <tr> <td>672319CC2</td> <td>14263</td> <td>OAKGEN</td> <td>2,750,000.00</td> <td>2,731,434.67</td> <td>2,732,687.21</td> <td>2,819,410.00</td> <td>12/15/2021</td> <td>AA3</td> <td>3.800</td> <td>4.019</td> <td>26,125.00</td> <td>1,252.54</td> </tr> <tr> <td>786091AG3</td> <td>14316</td> <td>SACGEN</td> <td>5,000,000.00</td> <td>5,396,259.84</td> <td>5,382,750.96</td> <td>5,919,650.00</td> <td>08/01/2025</td> <td>BAA1</td> <td>7.250</td> <td>5.739</td> <td>90,625.00</td> <td>(13,508.86)</td> </tr> <tr> <td colspan="13"> <table border="1"> <thead> <tr> <th colspan="13">Savo Island Loan</th> </tr> </thead> <tbody> <tr> <td>SYS10986</td> <td>10988</td> <td>EMPMED</td> <td>336,000.00</td> <td>336,000.00</td> <td>336,000.00</td> <td>336,000.00</td> <td>09/01/2025</td> <td>-</td> <td>8.000</td> <td>8.000</td> <td>6,701.58</td> <td>6,701.58</td> </tr> <tr> <td colspan="11"></td> <td><b>Total</b></td> <td><b>4,428</b></td> <td><b>\$ 272,959.92</b></td> <td><b>\$ (16,116.48)</b></td> <td><b>\$ 256,843.44</b></td> </tr> </tbody> </table> </td> </tr> </tbody> </table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   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         |                   |              |               |                |              |                  |                   |                            | Municipal Bonds                      |                       |                      |  |  |  |  |  |  |  |  |  |  | 672319CC2                                        | 14263 | OAKGEN                      | 2,750,000.00 | 2,731,434.67 | 2,732,687.21 | 2,819,410.00 | 12/15/2021 | AA3 | 3.800 | 4.019 | 26,125.00 | 1,252.54  | 786091AG3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 14316        | SACGEN       | 5,000,000.00 | 5,396,259.84         | 5,382,750.96      | 5,919,650.00 | 08/01/2025    | BAA1           | 7.250        | 5.739            | 90,625.00       | (13,508.86)                | <table border="1"> <thead> <tr> <th colspan="13">Savo Island Loan</th> </tr> </thead> <tbody> <tr> <td>SYS10986</td> <td>10988</td> <td>EMPMED</td> <td>336,000.00</td> <td>336,000.00</td> <td>336,000.00</td> <td>336,000.00</td> <td>09/01/2025</td> <td>-</td> <td>8.000</td> <td>8.000</td> <td>6,701.58</td> <td>6,701.58</td> </tr> <tr> <td colspan="11"></td> <td><b>Total</b></td> <td><b>4,428</b></td> <td><b>\$ 272,959.92</b></td> <td><b>\$ (16,116.48)</b></td> <td><b>\$ 256,843.44</b></td> </tr> </tbody> </table> |                       |                      |              |              |              |              |            |    |       |       |           |           | Savo Island Loan     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                           |              |              |              |              |            |     |       |       |           |          | SYS10986                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 10988 | EMPMED | 336,000.00   | 336,000.00   | 336,000.00   | 336,000.00   | 09/01/2025 | -    | 8.000 | 8.000 | 6,701.58  | 6,701.58    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |       |                      |              |              |              |              |            |   |       |       | <b>Total</b> | <b>4,428</b> | <b>\$ 272,959.92</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>\$ (16,116.48)</b> | <b>\$ 256,843.44</b> |              |              |              |              |            |     |       |       |           |          |                                      |       |        |              |              |              |              |            |      |       |       |           |             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |       |                             |              |              |              |              |            |     |       |       |              |              |                                                                                                                                                                                                                                                                  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| Municipal Bonds                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        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| 672319CC2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 14263        | OAKGEN                      | 2,750,000.00 | 2,731,434.67         | 2,732,687.21      | 2,819,410.00 | 12/15/2021    | AA3            | 3.800        | 4.019            | 26,125.00         | 1,252.54                   |                                      |                       |                      |  |  |  |  |  |  |  |  |  |  |                                                  |       |                             |              |              |              |              |            |     |       |       |           |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        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| 786091AG3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              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5,396,259.84         | 5,382,750.96      | 5,919,650.00 | 08/01/2025    | BAA1           | 7.250        | 5.739            | 90,625.00         | (13,508.86)                |                                      |                       |                      |  |  |  |  |  |  |  |  |  |  |                                                  |       |                             |              |              |              |              |            |     |       |       |           |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        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               |       |        |            |            |            |            |            |   |       |       |          |          |           |       |        |              |              |              |              |            |     |       |       |              |              |                      |                       |                      |              |              |              |              |            |      |       |       |           |             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |  |  |  |  |  |  |  |  |                  |  |  |  |  |  |  |  |  |  |  |  |  |          |       |        |            |            |            |            |            |   |       |       |          |          |  |  |  |  |  |  |  |  |  |  |  |              |              |                      |                       |                      |
| <table border="1"> <thead> <tr> <th colspan="13">Savo Island Loan</th> </tr> </thead> <tbody> <tr> <td>SYS10986</td> <td>10988</td> <td>EMPMED</td> <td>336,000.00</td> <td>336,000.00</td> <td>336,000.00</td> <td>336,000.00</td> <td>09/01/2025</td> <td>-</td> <td>8.000</td> <td>8.000</td> <td>6,701.58</td> <td>6,701.58</td> </tr> <tr> <td colspan="11"></td> <td><b>Total</b></td> <td><b>4,428</b></td> <td><b>\$ 272,959.92</b></td> <td><b>\$ (16,116.48)</b></td> <td><b>\$ 256,843.44</b></td> </tr> </tbody> </table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  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         |                   |              |               |                |              |                  |                   |                            | Savo Island Loan                     |                       |                      |  |  |  |  |  |  |  |  |  |  | SYS10986                                         | 10988 | EMPMED                      | 336,000.00   | 336,000.00   | 336,000.00   | 336,000.00   | 09/01/2025 | -   | 8.000 | 8.000 | 6,701.58  | 6,701.58  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |              |              |              |                      |                   |              |               |                |              |                  | <b>Total</b>    | <b>4,428</b>               | <b>\$ 272,959.92</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>\$ (16,116.48)</b> | <b>\$ 256,843.44</b> |              |              |              |              |            |    |       |       |           |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               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   |       |        |            |            |            |            |            |   |       |       |          |          |           |       |        |              |              |              |              |            |     |       |       |              |              |                      |                       |                      |              |              |              |              |            |      |       |       |           |             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |  |  |  |  |  |  |  |  |                  |  |  |  |  |  |  |  |  |  |  |  |  |          |       |        |            |            |            |            |            |   |       |       |          |          |  |  |  |  |  |  |  |  |  |  |  |              |              |                      |                       |                      |
| Savo Island Loan                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                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 |  |  |  |  |  |  |  |  |  |                  |  |  |  |  |  |  |  |  |  |  |  |  |          |       |        |            |            |            |            |            |   |       |       |          |          |  |  |  |  |  |  |  |  |  |  |  |              |              |                      |                       |                      |
| SYS10986                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 10988        | EMPMED                      | 336,000.00   | 336,000.00           | 336,000.00        | 336,000.00   | 09/01/2025    | -              | 8.000        | 8.000            | 6,701.58          | 6,701.58                   |                                      |                       |                      |  |  |  |  |  |  |  |  |  |  |                                                  |       |                             |              |              |              |              |            |     |       |       |           |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    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          |      |       |       |           |             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |       |                             |              |              |              |              |            |     |       |       |              |              |                                                                                                                                                                                                                                                                  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   |       |        |            |            |            |            |            |   |       |       |          |          |           |       |        |              |              |              |              |            |     |       |       |              |              |                      |                       |                      |              |              |              |              |            |      |       |       |           |             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |  |  |  |  |  |  |  |  |                  |  |  |  |  |  |  |  |  |  |  |  |  |          |       |        |            |            |            |            |            |   |       |       |          |          |  |  |  |  |  |  |  |  |  |  |  |              |              |                      |                       |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |              |                             |              |                      |                   |              |               |                |              |                  | <b>Total</b>      | <b>4,428</b>               | <b>\$ 272,959.92</b>                 | <b>\$ (16,116.48)</b> | <b>\$ 256,843.44</b> |  |  |  |  |  |  |  |  |  |  |                                                  |       |                             |              |              |              |              |            |     |       |       |           |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    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          |      |       |       |           |             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |       |                             |              |              |              |              |            |     |       |       |              |              |                                                                                                                                                                                                                                                                  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 |  |  |  |  |  |  |  |  |  |                  |  |  |  |  |  |  |  |  |  |  |  |  |          |       |        |            |            |            |            |            |   |       |       |          |          |  |  |  |  |  |  |  |  |  |  |  |              |              |                      |                       |                      |

|                                                     |                  |
|-----------------------------------------------------|------------------|
| Total Investments (Book Value)                      | \$ 23,259,218.17 |
| Gain/Loss on Investments                            | 601,830.17       |
| Total Investments (Market Value)                    | 23,861,048.34    |
| Temporarily Invested with Pooled Cash & Investments | 1,255,844.96     |
| Total Pooled Cash and Investments                   | \$ 25,116,893.30 |

Exhibit 3-B



Fire Retiree Medical  
Fund 949  
Interest Earnings  
April 1, 2018 to June 30, 2018

| CUSIP                                            | Investment # | Issuer                     | Ending Par Value       | Beginning Book Value   | Ending Book Value      | Market Value           | Maturity Date | Credit Rating | Current Rate | Annualized Yield | Interest Earnings |                            |                      |
|--------------------------------------------------|--------------|----------------------------|------------------------|------------------------|------------------------|------------------------|---------------|---------------|--------------|------------------|-------------------|----------------------------|----------------------|
|                                                  |              |                            |                        |                        |                        |                        |               |               |              |                  | Interest Earned   | Amortization/ Accretion    |                      |
| Investments as of June 30, 2018                  |              |                            |                        |                        |                        |                        |               |               |              |                  |                   |                            |                      |
| Interest Earnings April 1, 2018 to June 30, 2018 |              |                            |                        |                        |                        |                        |               |               |              |                  |                   |                            |                      |
|                                                  |              |                            |                        |                        |                        |                        |               |               |              |                  |                   | Adjusted Interest Earnings |                      |
| Medium Term Notes                                |              |                            |                        |                        |                        |                        |               |               |              |                  |                   |                            |                      |
| 05744CUS8                                        | 14530        | Barclays Bank PLC          | 2,000,000.00           | 2,000,000.00           | 2,000,000.00           | 1,977,780.00           | 02/18/2028    | A2            | 3.125        | 3.134            | 15,625.00         | 15,625.00                  |                      |
| 6174467X1                                        | 14318        | Morgan Stanley DW DTC#0015 | 2,000,000.00           | 2,059,034.35           | 2,057,104.43           | 2,073,260.00           | 11/24/2025    | BAA2          | 5.000        | 4.496            | 25,000.00         | (1,925.92)                 |                      |
| 61747WAF6                                        | 14225        | Morgan Stanley             | 1,666,666.67           | 1,694,445.17           | 1,691,979.63           | 1,762,083.34           | 01/25/2021    | A3            | 5.750        | 5.081            | 23,958.34         | (2,465.54)                 |                      |
| <b>Federal Agency Coupon Securities</b>          |              |                            |                        |                        |                        |                        |               |               |              |                  |                   |                            |                      |
| 3133EFQ17                                        | 14362        | Fed Farm Credit Bank       | 2,300,000.00           | 2,312,310.26           | 2,311,907.96           | 2,242,040.00           | 11/25/2025    |               | 2.700        | 2.623            | 16,525.00         | (402.30)                   |                      |
| <b>Federal Agency Continuously Callable</b>      |              |                            |                        |                        |                        |                        |               |               |              |                  |                   |                            |                      |
| 3150A9WAS                                        | 14508        | FHLS                       | 500,000.00             | 500,000.00             | 500,000.00             | 488,725.00             | 04/27/2020    | AAA           | 1.300        | 1.304            | 1,625.00          |                            |                      |
| <b>Total</b>                                     |              |                            |                        |                        |                        |                        |               |               |              |                  |                   |                            |                      |
|                                                  |              |                            | <b>\$ 8,466,666.67</b> | <b>\$ 8,565,789.78</b> | <b>\$ 8,560,992.02</b> | <b>\$ 8,543,888.34</b> |               |               |              |                  |                   |                            | <b>\$ 81,733.34</b>  |
|                                                  |              |                            |                        |                        |                        |                        |               |               |              |                  |                   |                            | <b>\$ (4,797.76)</b> |
|                                                  |              |                            |                        |                        |                        |                        |               |               |              |                  |                   |                            | <b>\$ 76,935.58</b>  |

Total Investments (Book Value) \$ 8,560,992.02  
Gain/Loss on Investments (17,103.68)  
Total Investments (Market Value) 8,543,888.34  
Temporarily Invested with Pooled Cash & Investments 1,577,563.40  
Total Pooled Cash and Investments \$ 10,121,451.74



Police Retiree Medical  
Fund 903, 950 and 970  
Interest Earnings  
April 1, 2018 to June 30, 2018

| CUSIP                                | Investment # | Issuer                         | Ending Par Value | Beginning Book Value | Ending Book Value | Market Value | Maturity Date | Credit Rating | Current Rate | Annualized Yield | Interest Earnings |                         |                            |                     |
|--------------------------------------|--------------|--------------------------------|------------------|----------------------|-------------------|--------------|---------------|---------------|--------------|------------------|-------------------|-------------------------|----------------------------|---------------------|
|                                      |              |                                |                  |                      |                   |              |               |               |              |                  | Interest Earned   | Amortization/ Accretion | Adjusted Interest Earnings |                     |
| Investments as of June 30, 2018      |              |                                |                  |                      |                   |              |               |               |              |                  |                   |                         |                            |                     |
| Medium Term Notes                    |              |                                |                  |                      |                   |              |               |               |              |                  |                   |                         |                            |                     |
| 06744CUS8                            | 14532        | Barclays Bank PLC              | 2,000,000.00     | 2,000,000.00         | 2,000,000.00      | 1,977,780.00 | 02/08/2028    | A2            | 3.125        | 3.134            | 15,625.00         | 15,625.00               |                            |                     |
| 6174467XT                            | 14319        | Morgan Stanley DW DTC#0015     | 500,000.00       | 514,758.59           | 514,276.11        | 518,315.00   | 11/24/2025    | BAA2          | 5            | 4.496            | 6,250.00          | (482.48)                | 5,767.52                   |                     |
| 61747WAF6                            | 14226        | Morgan Stanley                 | 1,666,666.67     | 1,694,445.17         | 1,691,979.63      | 1,762,063.34 | 01/25/2021    | A3            | 5.75         | 5.091            | 23,968.34         | (2,465.54)              | 21,492.80                  |                     |
| Federal Agency Coupon Securities     |              |                                |                  |                      |                   |              |               |               |              |                  |                   |                         |                            |                     |
| 3133EFQ17                            | 14363        | Fed. Farm Credit Banks Funding | 2,300,000.00     | 2,312,310.26         | 2,311,907.96      | 2,242,040.00 | 11/25/2025    |               | 2.7          | 2.623            | 15,525.00         | (402.30)                | 15,122.70                  |                     |
| Federal Agency Continuously Callable |              |                                |                  |                      |                   |              |               |               |              |                  |                   |                         |                            |                     |
| 3130ASVW5                            | 14511        | Federal Home Loan Banks        | 500,000.00       | 499,945.28           | 499,953.61        | 490,555.00   | 11/22/2019    | AAA           | 1.19         | 1.2              | 1,487.50          | 8.33                    | 1,495.83                   |                     |
| <b>Total</b>                         |              |                                |                  |                      |                   |              |               |               |              |                  | <b>3,395</b>      | <b>\$ 62,845.84</b>     | <b>\$ (3,341.99)</b>       | <b>\$ 59,503.85</b> |

|                                                     |                        |
|-----------------------------------------------------|------------------------|
| Total Investments (Book Value)                      | \$ 7,018,117.31        |
| Gain/Loss on Investments                            | (27,343.97)            |
| <b>Total Investments (Market Value)</b>             | <b>6,990,773.34</b>    |
| Fund 970 Cash and Investments in Mass Mutual        | 96,934.44              |
| Temporarily Invested with Pooled Cash & Investments | 1,125,640.07           |
| <b>Total Pooled Cash and Investments</b>            | <b>\$ 8,213,347.85</b> |



Office of the City Manager

INFORMATION CALENDAR  
February 26, 2019

To: Honorable Mayor and Members of the City Council  
 From: Dee Williams-Ridley, City Manager  
 Submitted by: Henry Oyekanmi, Director, Finance Department  
 Subject: FY 2019 First Quarter Investment Report: Ended September 30, 2018

SUMMARY

The City's investment policy requires that a quarterly investment report be submitted to the City Council on the status of the investment portfolio. The report includes all investments managed by the City of Berkeley and provides information on the types, values (par, book, and market), term, and yield of each security.

- The return on pooled investments for the quarter ended September 30, 2018 was 1.87% or .132% less than the 2.002% earned by the State Local Agency Investment Fund (State LAIF), which is the benchmark for investment performance used by the City. The return on pooled investments of 1.87% for the quarter ended September 30, 2018 was .264% more than the rate of 1.606% earned in the quarter ended June 30, 2018.
- The average return on all Retiree Medical Trust Fund investments was 3.772% for the quarter ended June 30, 2018. This rate will continue to drop slightly in the next few quarters as staff reinvests the proceeds of maturing securities with high yields at lower interest rates.

CURRENT SITUATION AND ITS EFFECTS

Attached is a summary of quarterly reports for fiscal year 2019 first quarter ending September 30, 2018 representing the status of the City's investment portfolio. The report includes all investments managed by the City of Berkeley and provides information on the values (par, book, and market), term, and yield of each security.

Summary information by type of security and detailed information on each security is provided on Exhibit 2-A. An evaluation of portfolio performance for this accounting period compared to the previous three accounting periods is also included in Attachment 1.

**A. Portfolio Results**1. Liquidity of Portfolio:

The average investment in the pooled portfolio matured in 656 days as of September 30, 2018. This is 110 days more than maturity days of 546 days as of June 30, 2018, as staff began extending the maturities on new investments as interest rates rose.

2. Comparison of Results to Performance Measures – Pooled investments:  
Quarter Ended September 30, 2018

The City's yield on investments for the quarter ended September 30, 2018 was 1.87%, an increase of 26.4 basis points (.264%) from the 1.606% earned during the quarter ended June 30, 2018. The average yield on a 90-day Treasury bill at the end of the quarter ended September 30, 2018 was 2.196%, an increase of 28.3 basis points (.283%) from the 1.913% at the end of the previous quarter.

As summarized in Table 1, staff's overall results fell short of the performance measure for the quarter by 13.2 basis points (.132%). Staff's performance was under the performance measure in July by 16.3 basis points (-.163%); under the performance measure in August by 14.2 basis points (-.142%); and, was under the performance measure in September by 9.1 basis points (-.091%). The performance measure for the return on investments is compared to the rate of return of the State LAIF.

**Table 1**

| For Quarter Ending September 30, 2018 |        |            |            |
|---------------------------------------|--------|------------|------------|
| Period                                | City   | State LAIF | Difference |
| Jul-18                                | 1.781% | 1.944%     | -0.163%    |
| Aug-18                                | 1.856% | 1.998%     | -0.142%    |
| Sep-18                                | 1.972% | 2.063%     | -0.091%    |
| Jul -Sep 18                           | 1.870% | 2.002%     | -0.132%    |

3. Investment Results-Retiree Health Insurance Funds:

Average interest rates earned on the retiree health insurance trust funds for the quarter ended September 30, 2018 compared to the quarter ended June 30, 2018, were as follows:



**Table 2**

| <b>EARNED INTEREST RATES</b>                               |                             |                             |
|------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>For Quarter Ended 09/30/2018 Compared To 06/30/2018</b> |                             |                             |
| <b>Trust Fund</b>                                          | <b>4th Qtr<br/>06/30/18</b> | <b>1st Qtr<br/>09/30/18</b> |
| Retiree Medical Trust Fund (Misc Employees)                | 4.428%                      | 4.384%                      |
| Fire Retiree Medical Trust Fund                            | 3.599%                      | 3.566%                      |
| Police Retiree Medical Trust Fund                          | 3.395%                      | 3.365%                      |

The rates earned on these plans will continue to drop slightly over the next few quarters as staff reinvests the proceeds of maturing securities at lower rates.

Details related to retiree health trust fund investments are in Attachment 3, Exhibits 3-A, 3-B, and 3-C of this report.

#### **B. Discussion of Interest Rate Environment and Outlook**

In its meeting on January 30, 2019, the Fed noted that information received since the Federal Open Market Committee met in December indicates that the labor market has continued to strengthen and that economic activity has been rising at a solid rate. Job gains have been strong, on average, in recent months, and the unemployment rate has remained low. Household spending has continued to grow strongly, while growth of business fixed investment has moderated from its rapid pace earlier last year. On a 12-month basis, both overall inflation and inflation for items other than food and energy remain near 2 percent. Although market-based measures of inflation compensation have moved lower in recent months, survey-based measures of longer-term inflation expectations are little changed.

#### **Yield Trend**

Consistent with its statutory mandate, the Committee seeks to foster maximum employment and price stability. In support of these goals, the Committee decided to maintain the target range for the federal funds rate at 2-1/4 to 2-1/2 percent. The Committee continues to view sustained expansion of economic activity, strong labor market conditions, and inflation near the Committee's symmetric 2 percent objective as the most likely outcomes. In light of global economic and financial developments and muted inflation pressures, the Committee will be patient as it determines what future adjustments to the target range for the federal funds rate may be appropriate to support these outcomes.

In determining the timing and size of future adjustments to the target range for the federal funds rate, the Committee will assess realized and expected economic conditions relative to its maximum employment objective and its symmetric 2 percent

inflation objective. This assessment will take into account a wide range of information, including measures of labor market conditions, indicators of inflation pressures and inflation expectations, and readings on financial and international developments.

Interest rates dropped in response to the Fed's January 30, 2019 statement indicating that the increases in interest rates are on hold for the foreseeable future. In the current interest rate environment, staff expects returns in FY 2019 to be slightly higher than the returns earned in FY 2018. Also, the City's rate earned is expected to be higher than the City's benchmark (State LAIF) and comparable to rates earned by most other cities in California, once a number of low yielding investments mature in FY 2019. A sample of those comparable returns is reflected in table 3 below:

**Table 3**

| <b>Other California Cities<br/>Earned Interest Rates</b> |                     |
|----------------------------------------------------------|---------------------|
| For the Quarter Ending September 30, 2018                |                     |
| <b>City</b>                                              | <b>Rates Earned</b> |
| Palo Alto                                                | 2.17%               |
| Sacramento                                               | 2.40%               |
| San Francisco                                            | 2.10%               |
| Oakland                                                  | 2.01%               |
| San Jose                                                 | 1.94%               |
| <b>Berkeley</b>                                          | <b>1.87%</b>        |

The City's investment strategy will continue to focus on (1) locking in reasonable rates on long-term investments, when opportunities present themselves, (2) matching of investment maturities to cash flow, and diversifying the portfolio.

## BACKGROUND

- Pooled Investments

Short-term cash is invested primarily in government sponsored enterprises (referred to as Federal Agency) notes securities and medium-term corporate securities for periods of one to five years. Additional cash is invested in a money market fund or overnight securities to meet the liquidity needs of the City.

In some cases, the City may have investments with a current market value that is greater or less than the recorded cost. These changes in market value are due to fluctuations in the market and have no effect on the yield earned by the City, as the City does not intend to sell securities prior to maturity.

- Retiree Health Trust Fund Investments

The City agreed to provide retiree Health insurance coverage for fire, police and miscellaneous employees under certain terms and conditions. An actuarial study commissioned by the City many years ago determined that, in addition to City Contributions, an average rate of return of 7% on miscellaneous employees trust fund assets invested must be achieved to fund the retiree health benefit at the desired 70% level. Primarily as a result of the Federal Reserve Board's decision to keep short-term rates near zero for the last 10 years, the average rate currently earned is significantly below that 7% level. City Finance Department staff manages these investment portfolios.

#### ENVIRONMENTAL SUSTAINABILITY

There are no identifiable environmental effects or opportunities associated with the subject of this report.

#### CONTACT PERSON

Henry Oyekanmi, Director, Finance Department, 981-7300

#### ATTACHMENTS

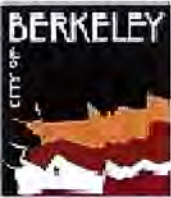
1. Portfolio Evaluation FY 2019
2. Investment Report Analysis FY 2019
  - a. Exhibit 2-A: Pooled Cash and Investments
  - b. Exhibit 2-B.1 through 2-B.3: Interest Earnings July 1, 2018 – Sep 30, 2018
  - c. Exhibit 2-C: Book Value By Investment Type
  - d. Exhibit 2-D: Current Holdings vs. Policy Limits
  - e. Exhibit 2-E: Investment Portfolio Trend
3. Summary of Pooled and Cash Investments FY 2019 –Trust Funds
  - a. Exhibit 3-A: Retiree Medical Trust Funds –Misc.
  - b. Exhibit 3-B: Retiree Medical Trust Funds –Fire
  - c. Exhibit 3-C: Retiree Medical Trust Funds –Police



**Portfolio Evaluation**  
Quarter Ended September 30, 2018

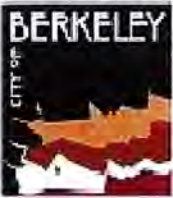
Attachment 1

|                                             | Quarter Ending        |                       |                       |                       |                       |                |                       |                |
|---------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------|-----------------------|----------------|
|                                             | September 2018        | June 2018             | March 2018            | December 2017         |                       |                |                       |                |
| <b>Total Portfolio</b>                      |                       |                       |                       |                       |                       |                |                       |                |
| Pooled Cash and Investments (COB)           | \$ 318,612,235        | \$ 402,661,365        | \$ 384,413,163        | \$ 388,015,576        |                       |                |                       |                |
| Pooled Cash and Investments (Trust)         | 44,222,899            | 43,451,692            | 43,578,087            | 43,142,695            |                       |                |                       |                |
| Total Cash and Investments                  | <u>\$ 362,835,134</u> | <u>\$ 446,113,057</u> | <u>\$ 427,991,250</u> | <u>\$ 431,158,271</u> |                       |                |                       |                |
| <b>Average Life of Investment Portfolio</b> |                       |                       |                       |                       |                       |                |                       |                |
| Pooled Investments (CoB)                    | 656 days              | 546 days              | 466 days              | 521 days              |                       |                |                       |                |
| Trust Investments                           | 6.133 years           | 6.388 years           | 5.854 years           | 5.071 years           |                       |                |                       |                |
| <b>Weighted Yield</b>                       |                       |                       |                       |                       |                       |                |                       |                |
| Pooled Investments (CoB)                    | 1.870%                | 1.606%                | 1.391%                | 1.274%                |                       |                |                       |                |
| Trust Investments                           | 3.772%                | 3.807%                | 4.185%                | 4.265%                |                       |                |                       |                |
| Prime Rate                                  | 5.250%                | 5.000%                | 4.750%                | 4.500%                |                       |                |                       |                |
| 91-day Treasury Bill Rate                   | 2.196%                | 1.913%                | 1.700%                | 1.376%                |                       |                |                       |                |
| 2-year Treasury Note Rate                   | 2.819%                | 2.528%                | 2.266%                | 1.883%                |                       |                |                       |                |
| <b>Cash and Investments Maturity</b>        |                       |                       |                       |                       |                       |                |                       |                |
| Within one year                             | \$ 110,849,998        | 30.55%                | \$ 223,310,573        | 50.06%                | \$ 199,719,197        | 46.66%         | \$ 254,745,898        | 59.08%         |
| Between 1 to 3 years                        | 180,564,620           | 49.76%                | 184,410,289           | 41.34%                | 194,527,248           | 45.45%         | 137,150,371           | 31.81%         |
| Between 3 to 5 years                        | 35,945,816            | 9.91%                 | 12,637,510            | 2.83%                 | 7,700,870             | 1.80%          | 23,159,630            | 5.37%          |
| Between 5 to 10 years                       | 35,474,699            | 9.78%                 | 25,754,685            | 5.77%                 | 26,043,935            | 6.09%          | 16,102,372            | 3.73%          |
| Over 10 years                               | -                     | 0.00%                 | -                     | 0.00%                 | -                     | 0.00%          | -                     | 0.00%          |
| Total                                       | <u>\$ 362,835,134</u> | <u>100.00%</u>        | <u>\$ 446,113,057</u> | <u>100.00%</u>        | <u>\$ 427,991,250</u> | <u>100.00%</u> | <u>\$ 431,158,271</u> | <u>100.00%</u> |



**City of Berkeley**  
**Pooled Cash and Investments**  
**As of September 30, 2018**

| CUSIP                                      | Investment # | Issuer                         | Investment Class | Book Value           | Market Value         | Current Rate | YTM/C 365    | Maturity Date | Days To Maturity | Credit Rating |
|--------------------------------------------|--------------|--------------------------------|------------------|----------------------|----------------------|--------------|--------------|---------------|------------------|---------------|
| <b>Certificates of Deposit - S &amp; L</b> |              |                                |                  |                      |                      |              |              |               |                  |               |
| 254673RD0                                  | 14539        | Discover Bank                  | Held             | 250,000.00           | 249,855.00           | 3.300        | 3.300        | 07/05/2023    | 1,738            |               |
| 795450T47                                  | 14540        | Sallie Mae Bank                | Held             | 250,000.00           | 249,865.00           | 3.300        | 3.300        | 07/03/2023    | 1,736            |               |
|                                            |              | <b>Subtotal and Average</b>    |                  | <b>500,000.00</b>    | <b>499,720.00</b>    |              | <b>3.300</b> |               | <b>1,737</b>     |               |
| <b>Medium Term Notes</b>                   |              |                                |                  |                      |                      |              |              |               |                  |               |
| 037833AK6                                  | 14536        | Apple Inc                      | Held             | 4,826,044.84         | 4,807,100.00         | 2.400        | 3.225        | 05/03/2023    | 1,675            |               |
| 084670BJ6                                  | 14542        | Berkshire Hathaway             | Held             | 4,969,683.41         | 4,964,500.00         | 3.000        | 3.150        | 02/11/2023    | 1,594            |               |
| 589331AT4                                  | 14545        | Merck & Co Inc                 | Held             | 4,883,571.46         | 4,846,700.00         | 2.400        | 3.030        | 09/15/2022    | 1,445            |               |
|                                            |              | <b>Subtotal and Average</b>    |                  | <b>14,679,299.71</b> | <b>14,618,300.00</b> |              | <b>3.135</b> |               | <b>1,571</b>     |               |
| <b>Medium Term Notes - Callable</b>        |              |                                |                  |                      |                      |              |              |               |                  |               |
| 06406HBY4                                  | 14538        | Bank of New York Mellon Corp   | Held             | 3,589,602.16         | 3,574,055.10         | 3.550        | 3.150        | 09/23/2021    | 1,088            |               |
| 06406FAB9                                  | 14541        | Bank of New York Mellon Corp   | Held             | 1,421,719.10         | 1,414,391.22         | 2.050        | 3.060        | 05/03/2021    | 945              |               |
| 3132X04Z1                                  | 14544        | Farmer Mac                     | Held             | 5,000,000.00         | 4,949,250.00         | 3.250        | 3.250        | 08/15/2023    | 1,779            |               |
|                                            |              | <b>Subtotal and Average</b>    |                  | <b>10,011,321.26</b> | <b>9,937,696.32</b>  |              | <b>3.187</b> |               | <b>1,412</b>     |               |
| <b>Federal Agency Coupon Securities</b>    |              |                                |                  |                      |                      |              |              |               |                  |               |
| 3133EJAD1                                  | 14528        | Fed. Farm Credit Banks Funding |                  | 10,000,000.00        | 9,846,600.00         | 2.150        | 2.150        | 12/23/2020    | 814              |               |
| 3130ADKF8                                  | 14529        | Federal Home Loan Banks        |                  | 15,000,000.00        | 14,872,650.00        | 2.100        | 2.100        | 01/30/2020    | 486              |               |
| 3130ADUB6                                  | 14533 T1     | Federal Home Loan Banks        |                  | 21,000,000.00        | 20,867,070.00        | 2.320        | 2.321        | 12/19/2019    | 444              |               |
| 3130ADVE9                                  | 14534 T1     | Federal Home Loan Banks        |                  | 11,000,000.00        | 10,987,130.00        | 2.125        | 2.125        | 03/21/2019    | 171              |               |
| 3133EG7F6                                  | 14517        | Fed. Farm Credit Banks Funding |                  | 5,000,000.00         | 4,872,250.00         | 1.750        | 1.750        | 02/16/2021    | 869              |               |
| 3133EHBA0                                  | 14520        | Fed. Farm Credit Banks Funding |                  | 6,500,000.00         | 6,387,875.00         | 1.520        | 1.520        | 03/02/2020    | 518              |               |
| 3133EHQB2                                  | 14527        | Fed. Farm Credit Banks Funding |                  | 9,001,000.00         | 8,805,498.28         | 1.550        | 1.550        | 07/06/2020    | 644              |               |

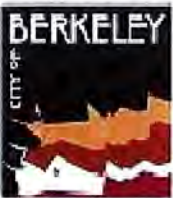


City of Berkeley  
Pooled Cash and Investments  
As of September 30, 2018

| CUSIP                       | Investment # | Issuer                         | Investment Class | Book Value            | Market Value          | Current Rate | YTM/C 365    | Maturity Date | Days To Maturity | Credit Rating |
|-----------------------------|--------------|--------------------------------|------------------|-----------------------|-----------------------|--------------|--------------|---------------|------------------|---------------|
| 3130A5NC9                   | 14339        | Federal Home Loan Banks        |                  | 5,000,000.00          | 4,996,550.00          | 1.300        | 1.300        | 10/30/2018    | 29               |               |
| 3130A5NC9                   | 14340        | Federal Home Loan Banks        |                  | 5,000,000.00          | 4,996,550.00          | 1.300        | 1.300        | 10/30/2018    | 29               |               |
| 3130AAS82                   | 14519        | Federal Home Loan Banks        |                  | 9,999,078.82          | 9,841,500.00          | 1.550        | 1.557        | 02/06/2020    | 493              |               |
| 3130ABTD8                   | 14526        | Federal Home Loan Banks        |                  | 15,000,000.00         | 14,808,450.00         | 1.450        | 1.450        | 10/18/2019    | 382              |               |
| 3137EAE5                    | 14516        | Federal Home Loan Mortgage Co  |                  | 4,999,778.94          | 4,922,000.00          | 1.500        | 1.503        | 01/17/2020    | 473              |               |
| 3136G2QJ9                   | 14357        | Federal National Mortgage Assn |                  | 5,000,000.00          | 4,995,850.00          | 1.000        | 1.000        | 10/26/2018    | 25               |               |
| 3135G0T29                   | 14521        | Federal National Mortgage Assn |                  | 3,500,000.00          | 3,440,150.00          | 1.500        | 1.500        | 02/28/2020    | 515              |               |
| 3135G0T29                   | 14522        | Federal National Mortgage Assn |                  | 9,980,690.87          | 9,829,000.00          | 1.500        | 1.641        | 02/28/2020    | 515              |               |
| <b>Subtotal and Average</b> |              |                                |                  | <b>135,980,548.63</b> | <b>134,469,123.28</b> |              | <b>1.781</b> |               | <b>445</b>       |               |

Federal Agency Continuously Callable

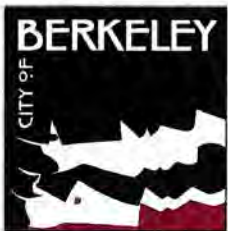
|           |       |                                |  |               |               |       |       |            |       |  |
|-----------|-------|--------------------------------|--|---------------|---------------|-------|-------|------------|-------|--|
| 3132X02G5 | 14537 | Farmer Mac                     |  | 5,000,000.00  | 4,959,750.00  | 3.270 | 3.270 | 06/21/2023 | 1,724 |  |
| 3133EJKC2 | 14535 | Fed. Farm Credit Banks Funding |  | 20,000,000.00 | 19,770,800.00 | 2.670 | 2.670 | 04/09/2021 | 921   |  |
| 3134GSQU2 | 14543 | Federal Home Loan Mortgage Co  |  | 4,580,000.00  | 4,553,298.60  | 3.000 | 3.756 | 07/18/2023 | 1,751 |  |
| 3134GSUV5 | 14546 | Federal Home Loan Mortgage Co  |  | 5,000,000.00  | 4,989,700.00  | 3.300 | 3.300 | 09/14/2023 | 1,809 |  |
| 3134GSVB8 | 14547 | Federal Home Loan Mortgage Co  |  | 5,000,000.00  | 4,976,150.00  | 3.250 | 3.250 | 09/13/2023 | 1,808 |  |
| 3133EF4C8 | 14503 | Fed. Farm Credit Banks Funding |  | 5,000,000.00  | 4,965,050.00  | 1.190 | 1.190 | 04/25/2019 | 206   |  |
| 3133EGAW5 | 14504 | Fed. Farm Credit Banks Funding |  | 5,000,000.00  | 4,942,450.00  | 1.250 | 1.247 | 08/19/2019 | 322   |  |
| 3133EGD77 | 14507 | Fed. Farm Credit Banks Funding |  | 10,000,000.00 | 9,920,700.00  | 1.120 | 1.120 | 05/03/2019 | 214   |  |
| 3133EGD77 | 14509 | Fed. Farm Credit Banks Funding |  | 10,000,000.00 | 9,920,700.00  | 1.120 | 1.120 | 05/03/2019 | 214   |  |
| 3130A7GZ2 | 14500 | Federal Home Loan Banks        |  | 5,000,000.00  | 4,912,800.00  | 1.250 | 1.250 | 03/30/2021 | 911   |  |
| 3130A9YW5 | 14512 | Federal Home Loan Banks        |  | 4,999,619.44  | 4,913,350.00  | 1.190 | 1.197 | 11/22/2019 | 417   |  |
| 3130AAJZ2 | 14513 | Federal Home Loan Banks        |  | 3,742,500.00  | 3,682,170.90  | 1.750 | 1.750 | 04/27/2020 | 574   |  |
| 3134G7S77 | 14358 | Federal Home Loan Mortgage Co  |  | 5,000,000.00  | 4,946,700.00  | 1.250 | 1.125 | 10/29/2020 | 759   |  |
| 3134G9MA2 | 14505 | Federal Home Loan Mortgage Co  |  | 5,000,000.00  | 4,955,600.00  | 1.125 | 1.125 | 05/24/2019 | 235   |  |
| 3136G2YR2 | 14365 | Federal National Mortgage Assn |  | 5,000,000.00  | 4,946,650.00  | 1.750 | 1.450 | 02/26/2021 | 879   |  |
| 3136G3PA7 | 14506 | Federal National Mortgage Assn |  | 5,000,000.00  | 4,986,250.00  | 1.000 | 1.000 | 06/07/2019 | 249   |  |
| 3135G0S46 | 14514 | Federal National Mortgage Assn |  | 5,000,000.00  | 4,928,900.00  | 1.650 | 1.650 | 01/27/2020 | 483   |  |
| 3135G0S46 | 14515 | Federal National Mortgage Assn |  | 5,000,000.00  | 4,928,900.00  | 1.650 | 1.650 | 01/27/2020 | 483   |  |



**City of Berkeley**  
**Pooled Cash and Investments**  
**As of September 30, 2018**

| CUSIP                                 | Investment # | Issuer                          | Investment Class                                 | Book Value            | Market Value          | Current Rate | YTM/C 365    | Maturity Date | Days To Maturity | Credit Rating |
|---------------------------------------|--------------|---------------------------------|--------------------------------------------------|-----------------------|-----------------------|--------------|--------------|---------------|------------------|---------------|
| 3136G4LP6                             | 14518        | Federal National Mortgage Assn  |                                                  | 5,000,000.00          | 4,897,550.00          | 1.800        | 1.800        | 08/28/2020    | 697              |               |
|                                       |              |                                 | <b>Subtotal and Average</b>                      | <b>118,322,119.44</b> | <b>117,097,469.50</b> |              |              |               |                  |               |
| <b>Municipal Bonds</b>                |              |                                 |                                                  |                       |                       |              |              |               |                  |               |
| 672319BZ2                             | 14281        | Oakland CA Pension Obligation   | Held                                             | 3,000,000.00          | 3,001,650.00          | 2.817        | 2.817        | 12/15/2018    | 75               |               |
| 672319CA6                             | 14282        | Oakland CA Pension Obligation   | Held                                             | 5,000,000.00          | 5,018,150.00          | 3.267        | 3.267        | 12/15/2019    | 440              |               |
|                                       |              |                                 | <b>Subtotal and Average</b>                      | <b>8,000,000.00</b>   | <b>8,019,800.00</b>   |              | <b>3.099</b> |               | <b>303</b>       |               |
| <b>Fidelity Money Market</b>          |              |                                 |                                                  |                       |                       |              |              |               |                  |               |
| SYS14265                              | 14265        | Fidelity Money Market - Regular |                                                  | 19,648,258.42         | 19,648,258.42         | 0.003        | 1.669        |               | 1                |               |
| SYS14190                              | 14190        | Fidelity Money Market - Trans   |                                                  | 14,225,217.81         | 14,225,217.81         | 0.002        | 1.695        |               | 1                |               |
|                                       |              |                                 | <b>Subtotal and Average</b>                      | <b>33,873,476.23</b>  | <b>33,873,476.23</b>  |              | <b>1.685</b> |               | <b>1</b>         |               |
|                                       |              | <b>Total Investments</b>        |                                                  | <b>321,366,765.27</b> | <b>318,515,585.33</b> |              |              |               |                  |               |
| <b>Total Investments (Book Value)</b> |              |                                 |                                                  |                       |                       |              |              |               |                  |               |
|                                       |              |                                 | Cash                                             | 96,650.00             |                       |              |              |               |                  |               |
|                                       |              |                                 | <b>Total Investments (Book Value) and Cash</b>   | <b>321,463,415.27</b> |                       |              |              |               |                  |               |
|                                       |              |                                 | <b>Decrease in Market Value of Securities</b>    | <b>(2,851,179.94)</b> |                       |              |              |               |                  |               |
|                                       |              |                                 | <b>Total Investments (Market Value) and Cash</b> | <b>318,612,235.33</b> |                       |              |              |               |                  |               |

Pooled Investments Selected Funds  
Interest Earnings  
Sorted by Fund - Fund  
July 1, 2018 - July 31, 2018  
Yield on Average Book Value



| CUSIP                                      | Investment # | Fund | Security Type | Ending Par Value | Beginning Book Value | Average Book Value | Maturity Date | Current Annualized Rate | Yield | Interest Earned | Amortization/ Accretion | Adjusted Interest Earnings |
|--------------------------------------------|--------------|------|---------------|------------------|----------------------|--------------------|---------------|-------------------------|-------|-----------------|-------------------------|----------------------------|
| <b>Fund: Pooled Investment - Long Term</b> |              |      |               |                  |                      |                    |               |                         |       |                 |                         |                            |
| 3130A5WY1                                  | 14347        | 010  | FAC           | 0.00             | 5,000,000.00         | 1,451,612.90       | 07/10/2018    | 1.000                   | 1.014 | 1,250.00        | 0.00                    | 1,250.00                   |
| 3130A5NC9                                  | 14340        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 10/30/2018    | 1.300                   | 1.276 | 5,416.67        | 0.00                    | 5,416.67                   |
| 3130A63A3                                  | 14349        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 08/03/2018    | 1.150                   | 1.128 | 4,791.67        | 0.00                    | 4,791.67                   |
| 3130ADUB6                                  | 14533 T1     | 010  | FAC           | 21,000,000.00    | 21,000,000.00        | 21,000,000.00      | 12/19/2019    | 2.320                   | 2.276 | 40,600.00       | 0.00                    | 40,600.00                  |
| 3130A63A3                                  | 14350        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 08/03/2018    | 1.150                   | 1.128 | 4,791.67        | 0.00                    | 4,791.67                   |
| 3130ABTD8                                  | 14526        | 010  | FAC           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 10/18/2019    | 1.450                   | 1.423 | 18,125.00       | 0.00                    | 18,125.00                  |
| 3130AAS82                                  | 14519        | 010  | FAC           | 10,000,000.00    | 9,998,907.88         | 9,998,938.21       | 02/06/2020    | 1.550                   | 1.528 | 12,916.66       | 56.98                   | 12,973.64                  |
| 3130AAJZ2                                  | 14513        | 010  | MC5           | 3,742,500.00     | 3,742,500.00         | 3,742,500.00       | 04/27/2020    | 1.750                   | 1.717 | 5,457.82        | 0.00                    | 5,457.82                   |
| 3130A9YW5                                  | 14512        | 010  | MC5           | 5,000,000.00     | 4,999,536.11         | 4,999,550.90       | 11/22/2019    | 1.190                   | 1.174 | 4,958.34        | 27.78                   | 4,986.12                   |
| 3130ADKF8                                  | 14529        | 010  | FAC           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 01/30/2020    | 2.100                   | 2.060 | 26,250.00       | 0.00                    | 26,250.00                  |
| 3130A7GZ2                                  | 14500        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 03/30/2021    | 1.250                   | 1.226 | 5,208.33        | 0.00                    | 5,208.33                   |
| 3130A5NC9                                  | 14339        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 10/30/2018    | 1.300                   | 1.276 | 5,416.67        | 0.00                    | 5,416.67                   |
| 3130A5WY1                                  | 14348        | 010  | FAC           | 0.00             | 5,000,000.00         | 1,451,612.90       | 07/10/2018    | 1.000                   | 1.014 | 1,250.00        | 0.00                    | 1,250.00                   |
| 3130A5M48                                  | 14338        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 09/25/2019    | 1.250                   | 1.226 | 5,208.33        | 0.00                    | 5,208.33                   |
| 3130ADVE9                                  | 14534 T1     | 010  | FAC           | 11,000,000.00    | 11,000,000.00        | 11,000,000.00      | 03/21/2019    | 2.125                   | 2.085 | 19,479.16       | 0.00                    | 19,479.16                  |
| 3133EHQB2                                  | 14527        | 010  | FAC           | 9,001,000.00     | 9,001,000.00         | 9,001,000.00       | 07/06/2020    | 1.550                   | 1.521 | 11,626.30       | 0.00                    | 11,626.30                  |
| 3133EGD77                                  | 14509        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/03/2019    | 1.120                   | 1.099 | 9,333.34        | 0.00                    | 9,333.34                   |
| 3133EF4C8                                  | 14503        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 04/25/2019    | 1.190                   | 1.168 | 4,958.34        | 0.00                    | 4,958.34                   |
| 3133EJAD1                                  | 14528        | 010  | FAC           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 12/23/2020    | 2.150                   | 2.110 | 17,916.67       | 0.00                    | 17,916.67                  |
| 3133EGAW5                                  | 14504        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 08/19/2019    | 1.250                   | 1.226 | 5,208.33        | 0.00                    | 5,208.33                   |
| 3133EG7F6                                  | 14517        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 02/16/2021    | 1.750                   | 1.717 | 7,291.67        | 0.00                    | 7,291.67                   |
| 3133EHB0A                                  | 14520        | 010  | FAC           | 6,500,000.00     | 6,500,000.00         | 6,500,000.00       | 03/02/2020    | 1.520                   | 1.491 | 8,233.33        | 0.00                    | 8,233.33                   |
| 3133EGD77                                  | 14507        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/03/2019    | 1.120                   | 1.099 | 9,333.34        | 0.00                    | 9,333.34                   |
| 3133EJKC2                                  | 14535        | 010  | MC5           | 20,000,000.00    | 20,000,000.00        | 20,000,000.00      | 04/09/2021    | 2.670                   | 2.620 | 44,500.00       | 0.00                    | 44,500.00                  |
| 3137EAE5                                   | 14516        | 010  | FAC           | 5,000,000.00     | 4,999,736.24         | 4,999,743.82       | 01/17/2020    | 1.500                   | 1.475 | 6,250.00        | 14.23                   | 6,264.23                   |
| 3134G7768                                  | 14352        | 010  | MC5           | 0.00             | 5,000,000.00         | 4,193,548.39       | 07/27/2018    | 1.000                   | 1.014 | 3,611.11        | 0.00                    | 3,611.11                   |
| 3134GSSQU2                                 | 14543        | 010  | MC5           | 4,580,000.00     | 5,000,000.00         | 2,069,387.10       | 07/18/2023    | 3.000                   | 2.824 | 4,961.67        | 0.00                    | 4,961.67                   |
| 3134G577                                   | 14358        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 10/29/2020    | 1.250                   | 1.226 | 5,208.33        | 0.00                    | 5,208.33                   |
| 3134G9MA2                                  | 14505        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 05/24/2019    | 1.125                   | 1.104 | 4,687.54        | 0.00                    | 4,687.54                   |
| 3135G0T29                                  | 14522        | 010  | FAC           | 10,000,000.00    | 9,977,263.21         | 9,977,870.12       | 02/28/2020    | 1.500                   | 1.610 | 12,500.00       | 1,142.55                | 13,642.55                  |



Exhibit 2-B.1

Pooled Investments Selected Funds  
Interest Earnings  
July 1, 2018 - July 31, 2018

| CUSIP                                      | Investment # | Fund | Security Type | Ending Par Value      | Beginning Book Value  | Average Book Value    | Maturity Date | Current Annualized Rate | Yield        | Interest Earned   | Amortization/ Accretion | Adjusted Interest Earnings |
|--------------------------------------------|--------------|------|---------------|-----------------------|-----------------------|-----------------------|---------------|-------------------------|--------------|-------------------|-------------------------|----------------------------|
| <b>Fund: Pooled Investment - Long Term</b> |              |      |               |                       |                       |                       |               |                         |              |                   |                         |                            |
| 3135G3PA7                                  | 14506        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 06/07/2019    | 1.000                   | 0.981        | 4,166.67          | 0.00                    | 4,166.67                   |
| 3135G0T29                                  | 14521        | 010  | FAC           | 3,500,000.00          | 3,500,000.00          | 3,500,000.00          | 02/28/2020    | 1.500                   | 1.472        | 4,375.00          | 0.00                    | 4,375.00                   |
| 3136G2QJ9                                  | 14357        | 010  | FAC           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 10/26/2018    | 1.000                   | 0.981        | 4,166.66          | 0.00                    | 4,166.66                   |
| 3136G4LP6                                  | 14518        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 08/28/2020    | 1.800                   | 1.766        | 7,500.00          | 0.00                    | 7,500.00                   |
| 3136G2YR2                                  | 14365        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 02/26/2021    | 1.750                   | 1.717        | 7,291.67          | 0.00                    | 7,291.67                   |
| 3135G0E33                                  | 14335        | 010  | FAC           | 0.00                  | 4,999,845.05          | 3,064,471.14          | 07/20/2018    | 1.125                   | 1.200        | 2,968.75          | 154.95                  | 3,123.70                   |
| 3135G0S46                                  | 14514        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 01/27/2020    | 1.650                   | 1.619        | 6,875.00          | 0.00                    | 6,875.00                   |
| 3135G0S46                                  | 14515        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 01/27/2020    | 1.650                   | 1.619        | 6,875.00          | 0.00                    | 6,875.00                   |
| 672319B22                                  | 14281        | 010  | MUN           | 3,000,000.00          | 3,000,000.00          | 3,000,000.00          | 12/15/2018    | 2.817                   | 2.764        | 7,042.50          | 0.00                    | 7,042.50                   |
| 672319CA6                                  | 14282        | 010  | MUN           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 12/15/2019    | 3.267                   | 3.206        | 13,612.50         | 0.00                    | 13,612.50                  |
| 037833AK6                                  | 14536        | 010  | MTN           | 5,000,000.00          | 4,816,567.87          | 4,818,249.26          | 05/03/2023    | 2.400                   | 3.216        | 10,000.00         | 3,158.99                | 13,158.99                  |
| 254673RD0                                  | 14539        | 010  | SCD           | 250,000.00            | 0.00                  | 217,741.94            | 07/05/2023    | 3.300                   | 3.300        | 610.27            | 0.00                    | 610.27                     |
| 06406FAB9                                  | 14541        | 010  | MC3           | 1,458,000.00          | 0.00                  | 1,190,073.89          | 05/03/2021    | 2.050                   | 3.016        | 2,075.62          | 973.20                  | 3,048.82                   |
| 06406HBY4                                  | 14538        | 010  | MC3           | 3,542,000.00          | 0.00                  | 3,476,968.46          | 09/23/2021    | 3.550                   | 2.994        | 10,129.13         | -1,287.74               | 8,841.39                   |
| 795450T47                                  | 14540        | 010  | SCD           | 250,000.00            | 0.00                  | 233,870.97            | 07/03/2023    | 3.300                   | 3.300        | 655.48            | 0.00                    | 655.48                     |
| 084670BJ6                                  | 14542        | 010  | MTN           | 5,000,000.00          | 0.00                  | 3,686,180.98          | 02/11/2023    | 3.000                   | 3.064        | 9,166.66          | -424.82                 | 9,591.48                   |
| 3132X02G5                                  | 14537        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 06/21/2023    | 3.270                   | 3.208        | 13,625.00         | 0.00                    | 13,625.00                  |
| <b>Subtotal</b>                            |              |      |               | <b>282,823,500.00</b> | <b>287,535,356.36</b> | <b>288,572,320.95</b> |               |                         | <b>1.765</b> | <b>427,876.20</b> | <b>4,665.76</b>         | <b>432,541.96</b>          |
| <b>Fund: Fidelity MM - Trans</b>           |              |      |               |                       |                       |                       |               |                         |              |                   |                         |                            |
| SYS14190                                   | 14190        | 030  | RRP           | 14,181,209.64         | 26,296,056.12         | 20,811,084.63         |               | 0.002                   | 1.855        | 32,789.64         | 0.00                    | 32,789.64                  |
| <b>Subtotal</b>                            |              |      |               | <b>14,181,209.64</b>  | <b>26,296,056.12</b>  | <b>20,811,084.63</b>  |               |                         | <b>1.855</b> | <b>32,789.64</b>  | <b>0.00</b>             | <b>32,789.64</b>           |
| <b>Fund: Fidelity MM - Regular</b>         |              |      |               |                       |                       |                       |               |                         |              |                   |                         |                            |
| SYS14265                                   | 14265        | 040  | RRP           | 42,351,750.55         | 75,195,848.25         | 69,769,240.89         |               | 0.003                   | 1.827        | 108,266.18        | 0.00                    | 108,266.18                 |
| <b>Subtotal</b>                            |              |      |               | <b>42,351,750.55</b>  | <b>75,195,848.25</b>  | <b>69,769,240.89</b>  |               |                         | <b>1.827</b> | <b>108,266.18</b> | <b>0.00</b>             | <b>108,266.18</b>          |
| <b>Total</b>                               |              |      |               | <b>339,356,460.19</b> | <b>389,027,260.73</b> | <b>379,152,646.49</b> |               |                         | <b>1.781</b> | <b>568,932.02</b> | <b>4,665.76</b>         | <b>573,597.78</b>          |

Pooled Investments Selected Funds  
Interest Earnings  
Sorted by Fund - Fund  
August 1, 2018 - August 31, 2018  
Yield on Average Book Value



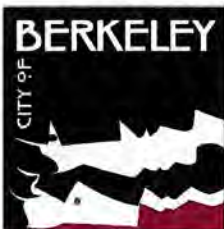
| CUSIP                                      | Investment # | Fund | Security Type | Ending Par Value | Beginning Book Value | Average Book Value | Maturity Date | Current Annualized Rate | Yield | Interest Earned | Amortization/ Accretion | Adjusted Interest Earnings |
|--------------------------------------------|--------------|------|---------------|------------------|----------------------|--------------------|---------------|-------------------------|-------|-----------------|-------------------------|----------------------------|
| <b>Fund: Pooled Investment - Long Term</b> |              |      |               |                  |                      |                    |               |                         |       |                 |                         |                            |
| 3130A5NC9                                  | 14340        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 10/30/2018    | 1.300                   | 1.276 | 5,416.66        | 0.00                    | 5,416.66                   |
| 3130A63A3                                  | 14349        | 010  | FAC           | 0.00             | 5,000,000.00         | 322,580.65         | 08/03/2018    | 1.150                   | 1.166 | 319.44          | 0.00                    | 319.44                     |
| 3130ADUB6                                  | 14533 T1     | 010  | FAC           | 21,000,000.00    | 21,000,000.00        | 21,000,000.00      | 12/19/2019    | 2.320                   | 2.276 | 40,600.00       | 0.00                    | 40,600.00                  |
| 3130A63A3                                  | 14350        | 010  | FAC           | 0.00             | 5,000,000.00         | 322,580.65         | 08/03/2018    | 1.150                   | 1.166 | 319.44          | 0.00                    | 319.44                     |
| 3130ABTD8                                  | 14526        | 010  | FAC           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 10/18/2019    | 1.450                   | 1.423 | 18,125.00       | 0.00                    | 18,125.00                  |
| 3130AAS82                                  | 14519        | 010  | FAC           | 10,000,000.00    | 9,998,964.86         | 9,998,995.19       | 02/06/2020    | 1.550                   | 1.528 | 12,916.67       | 56.98                   | 12,973.65                  |
| 3130AAJZ2                                  | 14513        | 010  | MC5           | 3,742,500.00     | 3,742,500.00         | 3,742,500.00       | 04/27/2020    | 1.750                   | 1.717 | 5,457.81        | 0.00                    | 5,457.81                   |
| 3130A9YW5                                  | 14512        | 010  | MC5           | 5,000,000.00     | 4,999,563.89         | 4,999,578.67       | 11/22/2019    | 1.190                   | 1.174 | 4,958.33        | 27.78                   | 4,986.11                   |
| 3130ADKF8                                  | 14529        | 010  | FAC           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 01/30/2020    | 2.100                   | 2.060 | 26,250.00       | 0.00                    | 26,250.00                  |
| 3130A7GZ2                                  | 14500        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 03/30/2021    | 1.250                   | 1.226 | 5,208.34        | 0.00                    | 5,208.34                   |
| 3130A5NC9                                  | 14339        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 10/30/2018    | 1.300                   | 1.276 | 5,416.66        | 0.00                    | 5,416.66                   |
| 3130A5M48                                  | 14338        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 09/25/2018    | 1.250                   | 1.226 | 5,208.33        | 0.00                    | 5,208.33                   |
| 3130ADVE9                                  | 14534 T1     | 010  | FAC           | 11,000,000.00    | 11,000,000.00        | 11,000,000.00      | 03/21/2019    | 2.125                   | 2.085 | 19,479.17       | 0.00                    | 19,479.17                  |
| 3133EHQB2                                  | 14527        | 010  | FAC           | 9,001,000.00     | 9,001,000.00         | 9,001,000.00       | 07/06/2020    | 1.550                   | 1.521 | 11,626.29       | 0.00                    | 11,626.29                  |
| 3133EGD77                                  | 14509        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/03/2019    | 1.120                   | 1.099 | 9,333.33        | 0.00                    | 9,333.33                   |
| 3133EF4C8                                  | 14503        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 04/25/2019    | 1.190                   | 1.168 | 4,958.33        | 0.00                    | 4,958.33                   |
| 3133EJAD1                                  | 14528        | 010  | FAC           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 12/23/2020    | 2.150                   | 2.110 | 17,916.66       | 0.00                    | 17,916.66                  |
| 3133EGAW5                                  | 14504        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 08/19/2019    | 1.250                   | 1.226 | 5,208.33        | 0.00                    | 5,208.33                   |
| 3133EG7F6                                  | 14517        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 02/16/2021    | 1.750                   | 1.717 | 7,291.66        | 0.00                    | 7,291.66                   |
| 3133EHBA0                                  | 14520        | 010  | FAC           | 6,500,000.00     | 6,500,000.00         | 6,500,000.00       | 03/02/2020    | 1.520                   | 1.491 | 8,233.34        | 0.00                    | 8,233.34                   |
| 3133EGD77                                  | 14507        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/03/2019    | 1.120                   | 1.099 | 9,333.33        | 0.00                    | 9,333.33                   |
| 3133EJKC2                                  | 14535        | 010  | MC5           | 20,000,000.00    | 20,000,000.00        | 20,000,000.00      | 04/09/2021    | 2.670                   | 2.620 | 44,500.00       | 0.00                    | 44,500.00                  |
| 3137EAE55                                  | 14516        | 010  | FAC           | 5,000,000.00     | 4,999,750.47         | 4,999,758.05       | 01/17/2020    | 1.500                   | 1.475 | 6,250.00        | 14.24                   | 6,264.24                   |
| 3134GSSU2                                  | 14543        | 010  | MC5           | 4,580,000.00     | 4,580,000.00         | 4,580,000.00       | 07/18/2023    | 3.000                   | 2.944 | 11,450.00       | 0.00                    | 11,450.00                  |
| 3134G7S77                                  | 14358        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 10/29/2020    | 1.250                   | 1.226 | 5,208.34        | 0.00                    | 5,208.34                   |
| 3134G9MA2                                  | 14505        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 05/24/2019    | 1.125                   | 1.104 | 4,687.54        | 0.00                    | 4,687.54                   |
| 3135G0T29                                  | 14522        | 010  | FAC           | 10,000,000.00    | 9,978,405.76         | 9,979,013.89       | 02/28/2020    | 1.500                   | 1.610 | 12,500.00       | 1,142.55                | 13,642.55                  |
| 3136G3PA7                                  | 14506        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 06/07/2019    | 1.000                   | 0.981 | 4,166.67        | 0.00                    | 4,166.67                   |
| 3135G0T29                                  | 14521        | 010  | FAC           | 3,500,000.00     | 3,500,000.00         | 3,500,000.00       | 02/28/2020    | 1.500                   | 1.472 | 4,375.00        | 0.00                    | 4,375.00                   |
| 3136G2QJ9                                  | 14357        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 10/26/2018    | 1.000                   | 0.981 | 4,166.67        | 0.00                    | 4,166.67                   |

Exhibit 2-B.2

Pooled Investments Selected Funds  
Interest Earnings  
August 1, 2018 - August 31, 2018

| CUSIP                                      | Investment # | Fund | Security Type | Ending Par Value      | Beginning Book Value  | Average Book Value    | Maturity Date | Current Annualized Rate | Yield        | Interest Earned   | Amortization/ Accretion | Adjusted Interest Earnings |
|--------------------------------------------|--------------|------|---------------|-----------------------|-----------------------|-----------------------|---------------|-------------------------|--------------|-------------------|-------------------------|----------------------------|
| <b>Fund: Pooled Investment - Long Term</b> |              |      |               |                       |                       |                       |               |                         |              |                   |                         |                            |
| 3136G4LP6                                  | 14518        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 08/28/2020    | 1.800                   | 1.766        | 7,500.00          | 0.00                    | 7,500.00                   |
| 3136G2YR2                                  | 14365        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 02/26/2021    | 1.750                   | 1.717        | 7,291.67          | 0.00                    | 7,291.67                   |
| 3135G0S46                                  | 14514        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 01/27/2020    | 1.650                   | 1.619        | 6,875.00          | 0.00                    | 6,875.00                   |
| 3135G0S46                                  | 14515        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 01/27/2020    | 1.650                   | 1.619        | 6,875.00          | 0.00                    | 6,875.00                   |
| 672319BZ2                                  | 14281        | 010  | MUN           | 3,000,000.00          | 3,000,000.00          | 3,000,000.00          | 12/15/2018    | 2.817                   | 2.764        | 7,042.50          | 0.00                    | 7,042.50                   |
| 672319CA6                                  | 14282        | 010  | MUN           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 12/15/2019    | 3.267                   | 3.206        | 13,612.50         | 0.00                    | 13,612.50                  |
| 037833AK6                                  | 14536        | 010  | MTN           | 4,819,726.86          | 4,821,408.26          | 4,821,408.26          | 05/03/2023    | 2.400                   | 3.214        | 10,000.00         | 3,158.99                | 13,158.99                  |
| 254573RD0                                  | 14539        | 010  | SCD           | 250,000.00            | 250,000.00            | 250,000.00            | 07/05/2023    | 3.300                   | 3.300        | 700.69            | 0.00                    | 700.69                     |
| 06406FAB9                                  | 14541        | 010  | MC3           | 1,458,000.00          | 1,419,363.42          | 1,420,005.01          | 05/03/2021    | 2.050                   | 3.034        | 2,490.75          | 1,167.84                | 3,658.59                   |
| 06406HBV4                                  | 14538        | 010  | MC3           | 3,542,000.00          | 3,592,266.46          | 3,591,557.41          | 09/23/2021    | 3.550                   | 2.998        | 10,478.42         | -1,332.15               | 9,146.27                   |
| 795450T47                                  | 14540        | 010  | SCD           | 250,000.00            | 250,000.00            | 250,000.00            | 07/03/2023    | 3.300                   | 3.300        | 700.68            | 0.00                    | 700.68                     |
| 084670BJ6                                  | 14542        | 010  | MTN           | 5,000,000.00          | 4,968,524.82          | 4,968,833.16          | 02/11/2023    | 3.000                   | 3.099        | 12,500.00         | 579.30                  | 13,079.30                  |
| 3132X04Z1                                  | 14544        | 010  | MC3           | 5,000,000.00          | 0.00                  | 2,741,935.48          | 08/15/2023    | 3.250                   | 3.101        | 7,222.22          | 0.00                    | 7,222.22                   |
| 3132X02G5                                  | 14537        | 010  | MC5           | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 06/21/2023    | 3.270                   | 3.208        | 13,625.00         | 0.00                    | 13,625.00                  |
| 589331AT4                                  | 14545        | 010  | MTN           | 5,000,000.00          | 0.00                  | 2,991,249.81          | 09/15/2022    | 2.400                   | 2.941        | 6,000.00          | 1,471.71                | 7,471.71                   |
| <b>Subtotal</b>                            |              |      |               | <b>282,823,600.00</b> | <b>282,600,086.54</b> | <b>278,980,996.23</b> |               |                         | <b>1.857</b> | <b>433,795.77</b> | <b>6,287.24</b>         | <b>440,083.01</b>          |
| <b>Fund: Fidelity MM - Trans</b>           |              |      |               |                       |                       |                       |               |                         |              |                   |                         |                            |
| SYS14190                                   | 14190        | 030  | RRP           | 14,203,176.25         | 14,181,209.64         | 14,181,918.24         |               | 0.002                   | 1.624        | 21,966.61         | 0.00                    | 21,966.61                  |
| <b>Subtotal</b>                            |              |      |               | <b>14,203,176.25</b>  | <b>14,181,209.64</b>  | <b>14,181,918.24</b>  |               |                         | <b>1.624</b> | <b>21,966.61</b>  | <b>0.00</b>             | <b>21,966.61</b>           |
| <b>Fund: Fidelity MM - Regular</b>         |              |      |               |                       |                       |                       |               |                         |              |                   |                         |                            |
| SYS14265                                   | 14265        | 040  | RRP           | 30,314,343.20         | 42,351,750.55         | 39,692,479.35         |               | 0.003                   | 1.657        | 62,592.65         | 0.00                    | 62,592.65                  |
| <b>Subtotal</b>                            |              |      |               | <b>30,314,343.20</b>  | <b>42,351,750.55</b>  | <b>39,692,479.35</b>  |               |                         | <b>1.657</b> | <b>62,592.65</b>  | <b>0.00</b>             | <b>62,592.65</b>           |
| <b>Total</b>                               |              |      |               | <b>327,341,019.45</b> | <b>339,133,046.73</b> | <b>332,855,393.81</b> |               |                         | <b>1.856</b> | <b>518,355.03</b> | <b>6,287.24</b>         | <b>524,642.27</b>          |

**Pooled Investments Selected Funds  
Interest Earnings  
Sorted by Fund - Fund  
September 1, 2018 - September 30, 2018  
Yield on Average Book Value**



| CUSIP                                      | Investment # | Fund | Security Type | Ending Par Value | Beginning Book Value | Average Book Value | Maturity Date | Current Annualized Rate | Yield | Interest Earned | Amortization/ Accretion | Adjusted Interest Earnings |
|--------------------------------------------|--------------|------|---------------|------------------|----------------------|--------------------|---------------|-------------------------|-------|-----------------|-------------------------|----------------------------|
| <b>Fund: Pooled Investment - Long Term</b> |              |      |               |                  |                      |                    |               |                         |       |                 |                         |                            |
| 3130A5NC9                                  | 14340        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 10/30/2018    | 1.300                   | 1.318 | 5,416.67        | 0.00                    | 5,416.67                   |
| 3130ADUB6                                  | 14533 T1     | 010  | FAC           | 21,000,000.00    | 21,000,000.00        | 21,000,000.00      | 12/19/2019    | 2.320                   | 2.352 | 40,600.00       | 0.00                    | 40,600.00                  |
| 3130ABTD8                                  | 14526        | 010  | FAC           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 10/18/2019    | 1.450                   | 1.470 | 18,125.00       | 0.00                    | 18,125.00                  |
| 3130AAS82                                  | 14519        | 010  | FAC           | 10,000,000.00    | 9,999,021.84         | 9,999,051.28       | 02/06/2020    | 1.550                   | 1.579 | 12,916.67       | 56.98                   | 12,973.65                  |
| 3130AAJZ2                                  | 14513        | 010  | MC5           | 3,742,500.00     | 3,742,500.00         | 3,742,500.00       | 04/27/2020    | 1.750                   | 1.774 | 5,457.81        | 0.00                    | 5,457.81                   |
| 3130A9YW5                                  | 14512        | 010  | MC5           | 5,000,000.00     | 4,999,591.67         | 4,999,606.02       | 11/22/2019    | 1.190                   | 1.213 | 4,958.33        | 27.77                   | 4,986.10                   |
| 3130ADKF8                                  | 14529        | 010  | FAC           | 15,000,000.00    | 15,000,000.00        | 15,000,000.00      | 01/30/2020    | 2.100                   | 2.129 | 26,250.00       | 0.00                    | 26,250.00                  |
| 3130A7GZ2                                  | 14500        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 03/30/2021    | 1.250                   | 1.267 | 5,208.33        | 0.00                    | 5,208.33                   |
| 3130A5NC9                                  | 14339        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 10/30/2018    | 1.300                   | 1.318 | 5,416.67        | 0.00                    | 5,416.67                   |
| 3130A5M48                                  | 14338        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 09/25/2018    | 1.250                   | 1.267 | 4,166.67        | 0.00                    | 4,166.67                   |
| 3130ADVE9                                  | 14534 T1     | 010  | FAC           | 11,000,000.00    | 11,000,000.00        | 11,000,000.00      | 03/21/2019    | 2.125                   | 2.155 | 19,479.17       | 0.00                    | 19,479.17                  |
| 3133EHQB2                                  | 14527        | 010  | FAC           | 9,001,000.00     | 9,001,000.00         | 9,001,000.00       | 07/06/2020    | 1.550                   | 1.572 | 11,626.29       | 0.00                    | 11,626.29                  |
| 3133EGD77                                  | 14509        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/03/2019    | 1.120                   | 1.136 | 9,333.33        | 0.00                    | 9,333.33                   |
| 3133EF4C8                                  | 14503        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 04/25/2019    | 1.190                   | 1.207 | 4,958.33        | 0.00                    | 4,958.33                   |
| 3133EJAD1                                  | 14528        | 010  | FAC           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 12/23/2020    | 2.150                   | 2.180 | 17,916.67       | 0.00                    | 17,916.67                  |
| 3133EGAW5                                  | 14504        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 08/19/2019    | 1.250                   | 1.267 | 5,208.34        | 0.00                    | 5,208.34                   |
| 3133EG7F6                                  | 14517        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 02/16/2021    | 1.750                   | 1.774 | 7,291.67        | 0.00                    | 7,291.67                   |
| 3133EHBA0                                  | 14520        | 010  | FAC           | 6,500,000.00     | 6,500,000.00         | 6,500,000.00       | 03/02/2020    | 1.520                   | 1.541 | 8,233.33        | 0.00                    | 8,233.33                   |
| 3133EGD77                                  | 14507        | 010  | MC5           | 10,000,000.00    | 10,000,000.00        | 10,000,000.00      | 05/03/2019    | 1.120                   | 1.136 | 9,333.33        | 0.00                    | 9,333.33                   |
| 3133EJKC2                                  | 14535        | 010  | MC5           | 20,000,000.00    | 20,000,000.00        | 20,000,000.00      | 04/09/2021    | 2.670                   | 2.707 | 44,500.00       | 0.00                    | 44,500.00                  |
| 3137EAE55                                  | 14516        | 010  | FAC           | 5,000,000.00     | 4,999,764.71         | 4,999,772.06       | 01/17/2020    | 1.500                   | 1.524 | 6,250.00        | 14.23                   | 6,264.23                   |
| 3134GSVB8                                  | 14547        | 010  | MC5           | 5,000,000.00     | 0.00                 | 3,000,000.00       | 09/13/2023    | 3.250                   | 3.295 | 8,125.00        | 0.00                    | 8,125.00                   |
| 3134GSQU2                                  | 14543        | 010  | MC5           | 4,580,000.00     | 4,580,000.00         | 4,580,000.00       | 07/18/2023    | 3.000                   | 3.042 | 11,450.00       | 0.00                    | 11,450.00                  |
| 3134G7S77                                  | 14358        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 10/29/2020    | 1.250                   | 1.267 | 5,208.33        | 0.00                    | 5,208.33                   |
| 3134G9MA2                                  | 14505        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 05/24/2019    | 1.125                   | 1.141 | 4,687.54        | 0.00                    | 4,687.54                   |
| 3134GSUV5                                  | 14546        | 010  | MC5           | 5,000,000.00     | 0.00                 | 2,833,333.33       | 09/14/2023    | 3.300                   | 3.346 | 7,791.67        | 0.00                    | 7,791.67                   |
| 3135G0T29                                  | 14522        | 010  | FAC           | 10,000,000.00    | 9,979,548.31         | 9,980,138.64       | 02/28/2020    | 1.500                   | 1.663 | 12,500.00       | 1,142.56                | 13,642.56                  |
| 3136G3PA7                                  | 14506        | 010  | MC5           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 06/07/2019    | 1.000                   | 1.014 | 4,166.66        | 0.00                    | 4,166.66                   |
| 3135G0T29                                  | 14521        | 010  | FAC           | 3,500,000.00     | 3,500,000.00         | 3,500,000.00       | 02/28/2020    | 1.500                   | 1.521 | 4,375.00        | 0.00                    | 4,375.00                   |
| 3136G2QJ9                                  | 14357        | 010  | FAC           | 5,000,000.00     | 5,000,000.00         | 5,000,000.00       | 10/26/2018    | 1.000                   | 1.014 | 4,166.67        | 0.00                    | 4,166.67                   |

Exhibit 2-B.3

Pooled Investments Selected Funds  
Interest Earnings  
September 1, 2018 - September 30, 2018

| CUSIP                                      | Investment # | Fund | Security Type   | Ending Par Value      | Beginning Book Value  | Average Book Value    | Maturity Date | Current Annualized Rate | Yield        | Interest Earned   | Amortization/ Accretion | Adjusted Interest Earnings |
|--------------------------------------------|--------------|------|-----------------|-----------------------|-----------------------|-----------------------|---------------|-------------------------|--------------|-------------------|-------------------------|----------------------------|
| <b>Fund: Pooled Investment - Long Term</b> |              |      |                 |                       |                       |                       |               |                         |              |                   |                         |                            |
| 3136G4LP6                                  | 14518        | 010  | MC5             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 08/28/2020    | 1.800                   | 1.825        | 7,500.00          | 0.00                    | 7,500.00                   |
| 3136G2YR2                                  | 14365        | 010  | MC5             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 02/26/2021    | 1.750                   | 1.774        | 7,291.66          | 0.00                    | 7,291.66                   |
| 3135G0S46                                  | 14514        | 010  | MC5             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 01/27/2020    | 1.650                   | 1.673        | 6,875.00          | 0.00                    | 6,875.00                   |
| 3135G0S46                                  | 14515        | 010  | MC5             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 01/27/2020    | 1.650                   | 1.673        | 6,875.00          | 0.00                    | 6,875.00                   |
| 672319BZ2                                  | 14281        | 010  | MUN             | 3,000,000.00          | 3,000,000.00          | 3,000,000.00          | 12/15/2018    | 2.817                   | 2.856        | 7,042.50          | 0.00                    | 7,042.50                   |
| 672319CA6                                  | 14282        | 010  | MUN             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 12/15/2019    | 3.267                   | 3.312        | 13,612.50         | 0.00                    | 13,612.50                  |
| 037833AK6                                  | 14536        | 010  | MTN             | 4,822,885.85          | 4,822,885.85          | 4,824,518.00          | 05/03/2023    | 2.400                   | 3.318        | 10,000.00         | 3,158.99                | 13,158.99                  |
| 254673RD0                                  | 14539        | 010  | SCD             | 250,000.00            | 250,000.00            | 250,000.00            | 07/05/2023    | 3.300                   | 3.300        | 678.08            | 0.00                    | 678.08                     |
| 06406FAB9                                  | 14541        | 010  | MC3             | 1,458,000.00          | 1,420,551.26          | 1,421,154.64          | 05/03/2021    | 2.050                   | 3.132        | 2,490.75          | 1,167.84                | 3,658.59                   |
| 06406HBV4                                  | 14538        | 010  | MC3             | 3,542,000.00          | 3,590,934.31          | 3,590,246.03          | 09/23/2021    | 3.550                   | 3.099        | 10,478.41         | -1,332.15               | 9,146.26                   |
| 795450T47                                  | 14540        | 010  | SCD             | 250,000.00            | 250,000.00            | 250,000.00            | 07/03/2023    | 3.300                   | 3.300        | 678.09            | 0.00                    | 678.09                     |
| 084670BJ6                                  | 14542        | 010  | MTN             | 5,000,000.00          | 4,969,104.12          | 4,969,403.42          | 02/11/2023    | 3.000                   | 3.202        | 12,500.00         | 579.29                  | 13,079.29                  |
| 3132X04Z1                                  | 14544        | 010  | MC3             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 08/15/2023    | 3.250                   | 3.295        | 13,541.67         | 0.00                    | 13,541.67                  |
| 3132X0ZG5                                  | 14537        | 010  | MC5             | 5,000,000.00          | 5,000,000.00          | 5,000,000.00          | 06/21/2023    | 3.270                   | 3.315        | 13,625.00         | 0.00                    | 13,625.00                  |
| 589331AT4                                  | 14545        | 010  | MTN             | 5,000,000.00          | 4,881,118.61          | 4,882,385.91          | 09/15/2022    | 2.400                   | 3.103        | 10,000.00         | 2,452.85                | 12,452.85                  |
|                                            |              |      | <b>Subtotal</b> | <b>287,823,500.00</b> | <b>282,486,020.68</b> | <b>287,323,109.33</b> |               |                         | <b>1.971</b> | <b>458,306.14</b> | <b>7,258.36</b>         | <b>465,574.50</b>          |
| <b>Fund: Fidelity MM - Trans</b>           |              |      |                 |                       |                       |                       |               |                         |              |                   |                         |                            |
| SYS14190                                   | 14190        | 030  | RRP             | 14,225,217.81         | 14,203,176.25         | 14,203,910.97         |               | 0.002                   | 1.888        | 22,041.56         | 0.00                    | 22,041.56                  |
|                                            |              |      | <b>Subtotal</b> | <b>14,225,217.81</b>  | <b>14,203,176.25</b>  | <b>14,203,910.97</b>  |               |                         | <b>1.888</b> | <b>22,041.56</b>  | <b>0.00</b>             | <b>22,041.56</b>           |
| <b>Fund: Fidelity MM - Regular</b>         |              |      |                 |                       |                       |                       |               |                         |              |                   |                         |                            |
| SYS14265                                   | 14265        | 040  | RRP             | 19,648,258.42         | 30,314,343.20         | 21,501,068.06         |               | 0.003                   | 2.040        | 36,058.63         | 0.00                    | 36,058.63                  |
|                                            |              |      | <b>Subtotal</b> | <b>19,648,258.42</b>  | <b>30,314,343.20</b>  | <b>21,501,068.06</b>  |               |                         | <b>2.040</b> | <b>36,058.63</b>  | <b>0.00</b>             | <b>36,058.63</b>           |
|                                            |              |      | <b>Total</b>    | <b>321,696,976.23</b> | <b>327,003,540.13</b> | <b>323,028,088.36</b> |               |                         | <b>1.972</b> | <b>516,406.33</b> | <b>7,268.36</b>         | <b>523,674.69</b>          |

Exhibit 2-C

Pooled Cash and Investments  
(Book Value)  
as of September 30, 2018

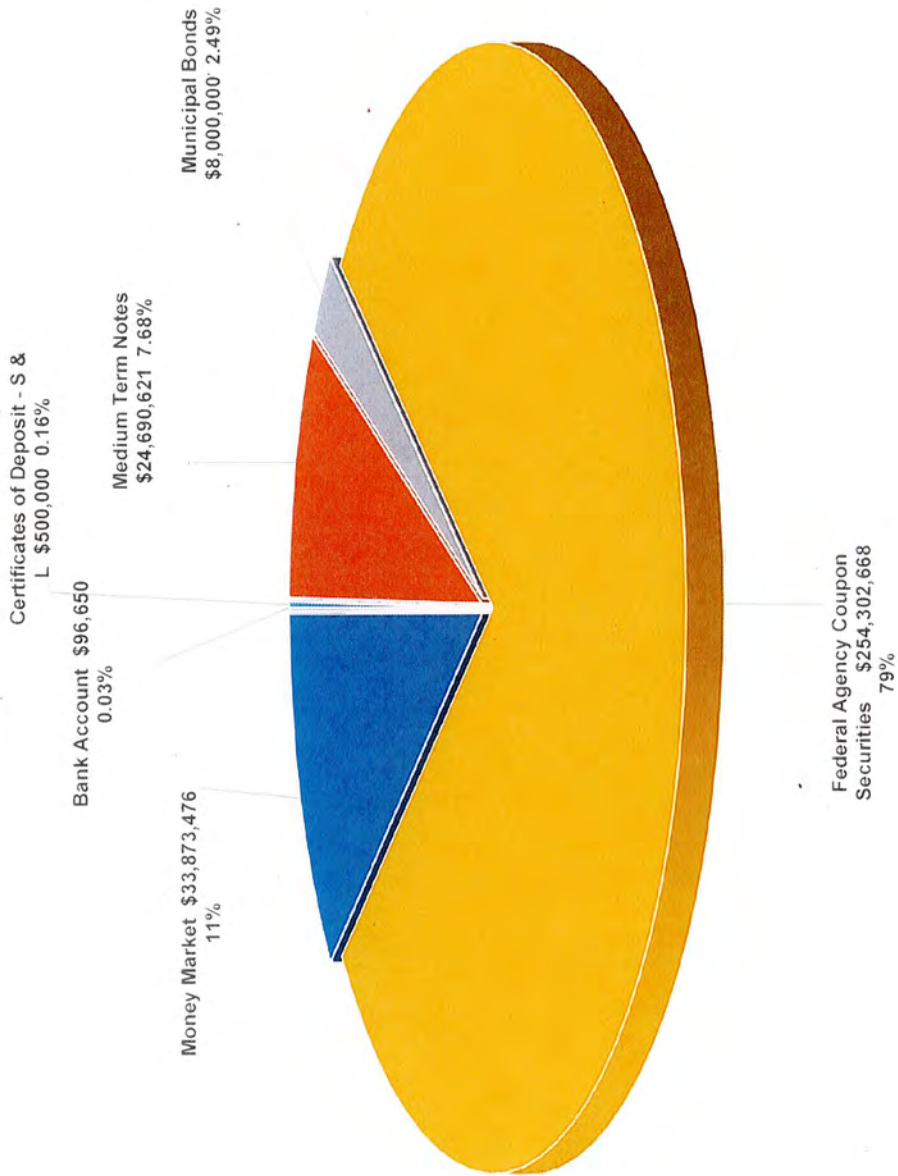


Exhibit 2-D

City of Berkeley  
Current Holdings vs. Policy Limits  
as of September 30, 2018

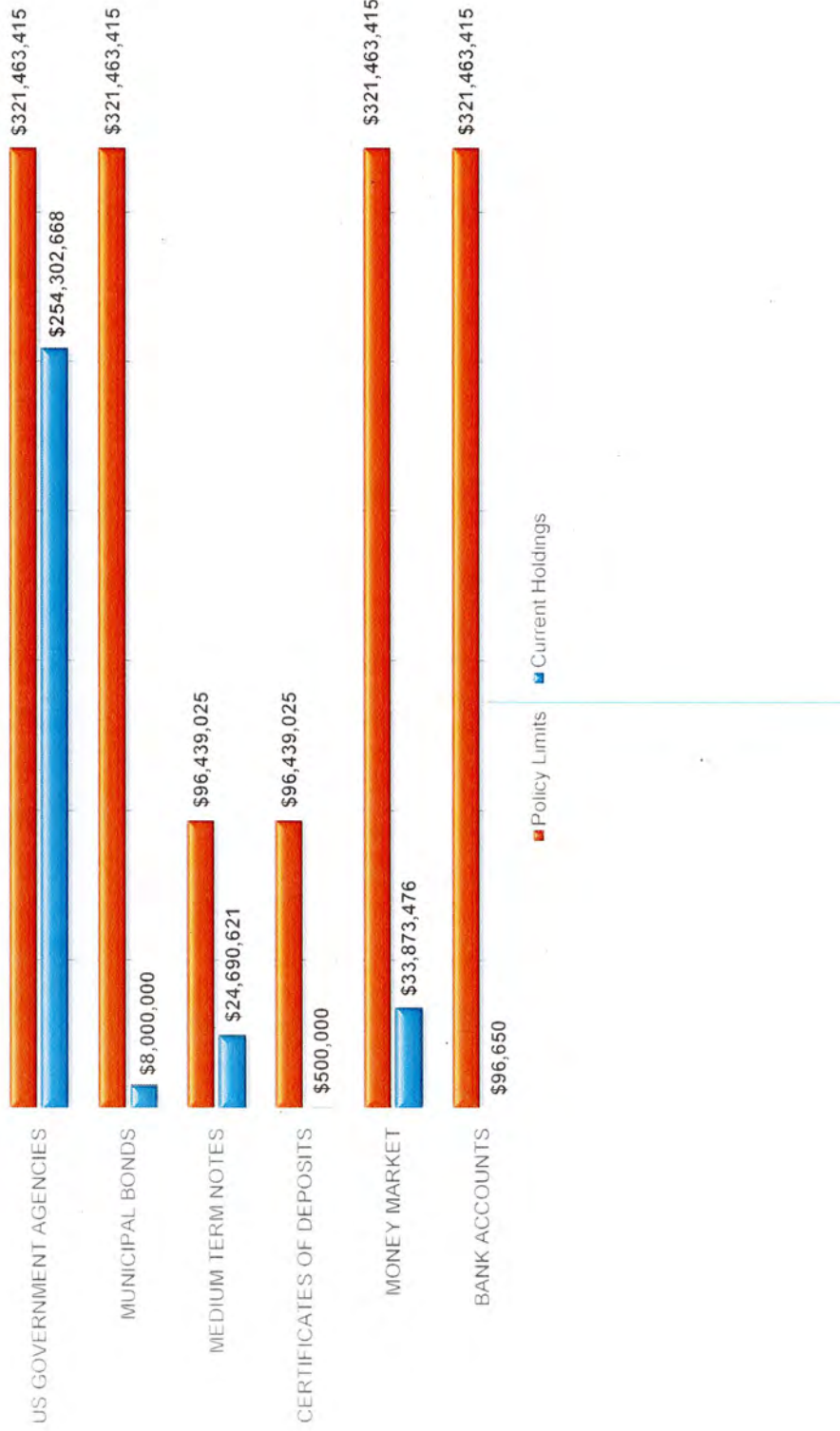
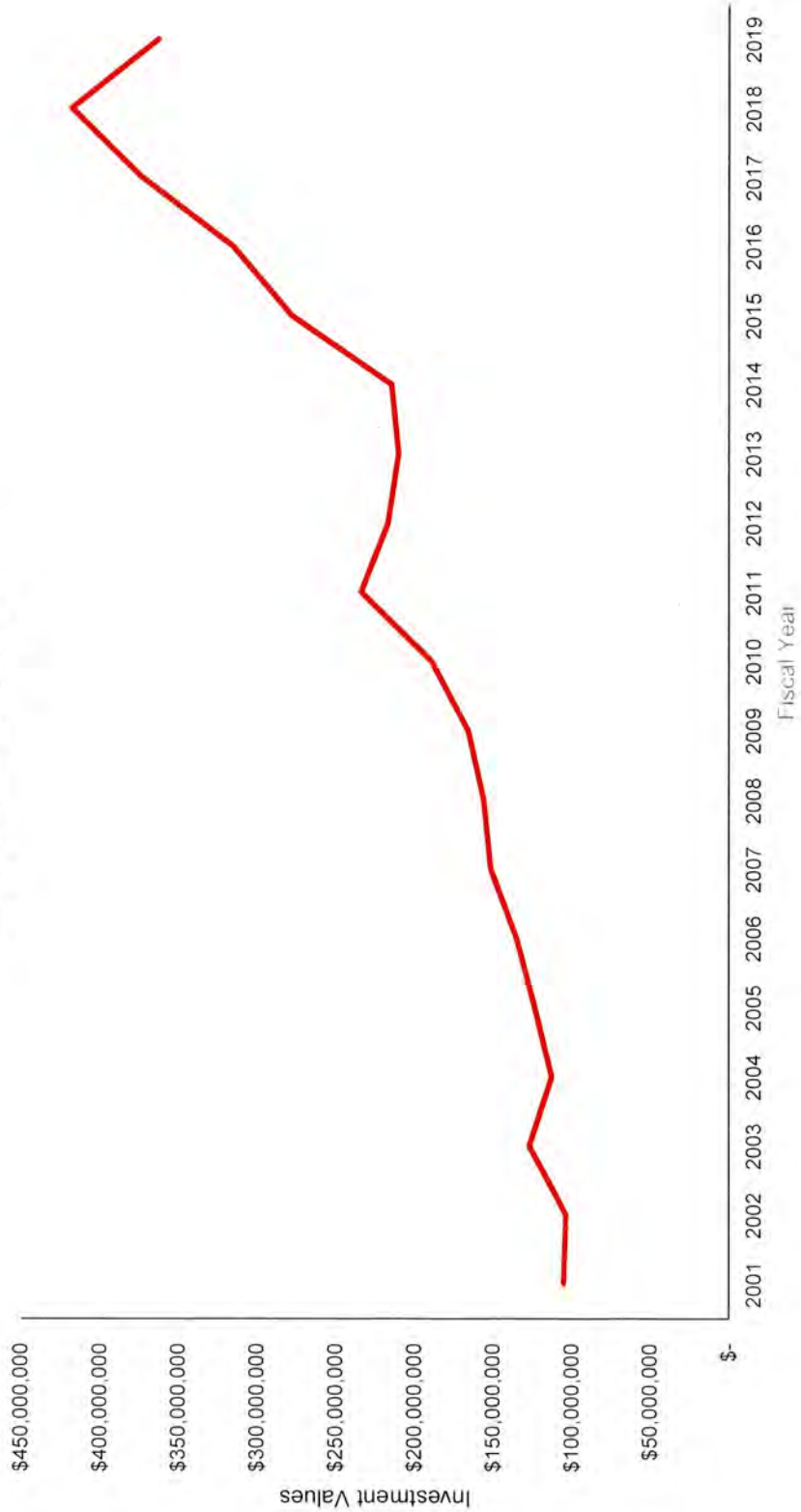


Exhibit 2-E

Pooled and Trust  
Cash and Investment Portfolio Trend  
as of September 30, 2018







**Summary of Pooled Cash and Investments - Trust Funds**  
**(Market Value)**  
**As of September 30, 2018**

|                                         |                                        | <u>Pooled Cash</u>  | <u>Investments<br/>(Book Value)</u> | <u>Gain/Loss on<br/>Investments</u> | <u>Pooled Cash<br/>&amp; Investments<br/>(Market Value)</u> |
|-----------------------------------------|----------------------------------------|---------------------|-------------------------------------|-------------------------------------|-------------------------------------------------------------|
| <b>Retiree Medical Trust Fund</b>       |                                        |                     |                                     |                                     |                                                             |
| <b>Fund No.</b>                         |                                        |                     |                                     |                                     |                                                             |
| 941                                     | BHA                                    | \$ 47,206           | \$ 285,513                          | \$ (135)                            | \$ 332,584                                                  |
| 942                                     | M1=IBEW                                | (2,868)             | 183,688                             | 1,816                               | 182,635                                                     |
| 943                                     | M2=Local 1                             | 750,081             | 6,775,863                           | 97,887                              | 7,623,831                                                   |
| 944                                     | MUI=Z1                                 | 119,817             | 1,693,004                           | 37,497                              | 1,850,318                                                   |
| 945                                     | MUI=Z2 to Z6                           | 189,915             | 2,215,373                           | 39,895                              | 2,445,184                                                   |
| 946                                     | M535= Local 535                        | 593,314             | 7,074,863                           | 153,540                             | 7,821,717                                                   |
| 947                                     | M3=Local 790                           | 413,259             | 5,014,798                           | 54,200                              | 5,482,256                                                   |
| <b>Total Retiree Medical Trust Fund</b> |                                        | <b>2,110,725</b>    | <b>23,243,101</b>                   | <b>384,700</b>                      | <b>25,738,526</b>                                           |
| <b>Fire Medical Trust Fund</b>          |                                        |                     |                                     |                                     |                                                             |
| 949                                     | Fire Medical Trust Fund                | 1,815,462           | 8,560,992                           | (67,769)                            | 10,308,685                                                  |
| <b>Total Fire Medical Trust Fund</b>    |                                        | <b>1,815,462</b>    | <b>8,560,992</b>                    | <b>(67,769)</b>                     | <b>10,308,685</b>                                           |
| <b>Police Medical Trust Fund</b>        |                                        |                     |                                     |                                     |                                                             |
| 903                                     | Police EE Retiree HLT Assistance Plan  | 191,811             | 1,694,087                           | (51,856.59)                         | 1,885,898                                                   |
| 905                                     | Safety Members Pension Fund            | 53,789              | -                                   | -                                   | 53,789                                                      |
| 950                                     | Police Medical Trust Fund              | 915,620             | 5,320,688                           | (20,386.05)                         | 6,236,308                                                   |
| 970                                     | Pension Annuity Fund Trust Investments | (25,000)            | -                                   | -                                   | (25,000)                                                    |
| 970                                     | Pension Annuity Fund-Mass Mutual       | -                   | 96,934                              | -                                   | 96,934                                                      |
| <b>Total Police Medical Trust Fund</b>  |                                        | <b>1,136,220</b>    | <b>7,111,710</b>                    | <b>(72,243)</b>                     | <b>8,175,688</b>                                            |
| <b>Total Trust Funds</b>                |                                        | <b>\$ 5,062,408</b> | <b>\$ 38,915,803</b>                | <b>\$ 244,688</b>                   | <b>\$ 44,222,898</b>                                        |

Exhibit 3-A



Retiree Medical Trust Fund  
Fund 941 - 947  
Interest Earnings  
July 1, 2018 to August 31, 2018

| CUSIP                                | Investment # | Issuer                      | Par Value               | Beginning Book Value    | Ending Book Value       | Market Value | Maturity Date | Moody's Rating | Current Rate | Annualized Yield        | Interest Earnings |                         |                       |                      |
|--------------------------------------|--------------|-----------------------------|-------------------------|-------------------------|-------------------------|--------------|---------------|----------------|--------------|-------------------------|-------------------|-------------------------|-----------------------|----------------------|
|                                      |              |                             |                         |                         |                         |              |               |                |              |                         | Interest Earned   | Amortization/ Accretion |                       |                      |
| Investments as of September 30, 2018 |              |                             |                         |                         |                         |              |               |                |              |                         |                   |                         |                       |                      |
| July 1, 2018 to August 31, 2018      |              |                             |                         |                         |                         |              |               |                |              |                         |                   |                         |                       |                      |
| Medium Term Notes                    |              |                             |                         |                         |                         |              |               |                |              |                         |                   |                         |                       |                      |
| 08744CUS8                            | 14500        | Baileys Bank PLC            | 6,000,000.00            | 6,000,000.00            | 5,876,160.00            | 02/08/2028   |               | 3.125          | 3.100        | 46,875.00               | -                 | 46,875.00               |                       |                      |
| 38141EA25                            | 14110        | Goldman Sachs               | 3,000,000.00            | 3,001,399.33            | 3,052,050.00            | 02/15/2019   |               | 7.500          | 7.310        | 56,250.00               | (939.85)          | 55,310.15               |                       |                      |
| 61747WAF6                            | 14224        | Morgan Stanley              | 1,666,666.67            | 1,691,979.63            | 1,751,866.67            | 01/25/2021   |               | 5.750          | 5.043        | 23,959.33               | (2,465.65)        | 21,492.78               |                       |                      |
| Federal Agency Coupon Securities     |              |                             |                         |                         |                         |              |               |                |              |                         |                   |                         |                       |                      |
| 3133EFQ77                            | 14361        | Fed Farm Credit Bank        | 2,600,000.00            | 2,613,461.17            | 2,512,692.00            | 11/25/2025   |               | 2.700          | 2.585        | 17,550.00               | (454.77)          | 17,095.23               |                       |                      |
| Federal Agency Continuously Callable |              |                             |                         |                         |                         |              |               |                |              |                         |                   |                         |                       |                      |
| 3134GAWD2                            | 14510        | Fed Home Loan Mortgage Corp | 1,500,000.00            | 1,500,000.00            | 1,475,750.00            | 11/27/2019   |               | 1.300          | 1.289        | 4,875.00                | -                 | 4,875.00                |                       |                      |
| Municipal Bonds                      |              |                             |                         |                         |                         |              |               |                |              |                         |                   |                         |                       |                      |
| 672319CC2                            | 14283        | OAKGEN                      | 2,750,000.00            | 2,733,939.74            | 2,791,442.50            | 12/15/2021   |               | 3.800          | 3.974        | 26,125.00               | 1,252.53          | 27,377.53               |                       |                      |
| 786091AG3                            | 14316        | SACGEN                      | 5,000,000.00            | 5,369,242.13            | 5,831,800.00            | 08/01/2025   |               | 7.250          | 5.691        | 90,625.00               | (13,508.85)       | 77,116.15               |                       |                      |
| Savo Island Loan                     |              |                             |                         |                         |                         |              |               |                |              |                         |                   |                         |                       |                      |
| SYS1099B                             | 10988        | EMPMED                      | 336,000.00              | 336,000.00              | 336,000.00              | 09/01/2025   |               | 8.000          | 8.000        | 6,775.24                | -                 | 6,775.24                |                       |                      |
| <b>Total</b>                         |              |                             |                         |                         |                         |              |               |                |              |                         |                   |                         |                       |                      |
|                                      |              |                             | <b>\$ 22,852,666.67</b> | <b>\$ 23,259,218.17</b> | <b>\$ 23,243,101.68</b> |              |               |                |              | <b>\$ 23,627,801.17</b> | <b>\$ 4.384</b>   | <b>\$ 273,033.57</b>    | <b>\$ (16,116.49)</b> | <b>\$ 256,917.08</b> |

|                                                     |                         |
|-----------------------------------------------------|-------------------------|
| Total Investments (Book Value)                      | \$ 23,243,101.68        |
| Gain/Loss on Investments                            | 384,699.49              |
| <b>Total Investments (Market Value)</b>             | <b>23,627,801.17</b>    |
| Temporarily Invested with Pooled Cash & Investments | 2,110,724.96            |
| <b>Total Pooled Cash and Investments</b>            | <b>\$ 25,738,526.13</b> |



**Fire Retiree Medical  
Fund 949  
Interest Earnings  
July 1, 2018 to August 31, 2018**

| CUSIP                                             | Investment # | Issuer                     | Ending Par Value       | Beginning Book Value   | Ending Book Value      | Market Value           | Maturity Date | Credit Rating | Current Rate | Annualized Yield | Interest Earnings   |                         |                            |
|---------------------------------------------------|--------------|----------------------------|------------------------|------------------------|------------------------|------------------------|---------------|---------------|--------------|------------------|---------------------|-------------------------|----------------------------|
|                                                   |              |                            |                        |                        |                        |                        |               |               |              |                  | Interest Earned     | Amortization/ Accretion | Adjusted Interest Earnings |
| Investments as of September 30, 2018              |              |                            |                        |                        |                        |                        |               |               |              |                  |                     |                         |                            |
| Interest Earnings July 1, 2018 to August 31, 2018 |              |                            |                        |                        |                        |                        |               |               |              |                  |                     |                         |                            |
| Medium Term Notes                                 |              |                            |                        |                        |                        |                        |               |               |              |                  |                     |                         |                            |
| 06744CJUS8                                        | 14531        | Barclays Bank PLC          | 2,000,000.00           | 2,000,000.00           | 2,000,000.00           | 1,958,720.00           | 02/18/2028    | A2            | 3.125        | 3.100            | 15,625.00           | 15,625.00               |                            |
| 6174467X1                                         | 14318        | Morgan Stanley DW DTC#0015 | 2,000,000.00           | 2,057,104.43           | 2,055,174.50           | 2,071,380.00           | 11/24/2025    | BA&2          | 5.000        | 4.451            | 25,000.00           | (1,929.93)              |                            |
| 61747WAF6                                         | 14225        | Morgan Stanley             | 1,666,666.67           | 1,691,979.63           | 1,689,514.08           | 1,751,866.67           | 01/25/2021    | A3            | 5.750        | 5.043            | 23,958.33           | (2,465.55)              |                            |
| <b>Federal Agency Coupon Securities</b>           |              |                            |                        |                        |                        |                        |               |               |              |                  |                     |                         |                            |
| 3133EFQ17                                         | 14362        | Fed Farm Credit Bank       | 2,300,000.00           | 2,311,907.96           | 2,311,505.67           | 2,222,766.00           | 11/25/2025    |               | 2.700        | 2.585            | 15,525.00           | (402.29)                |                            |
| <b>Federal Agency Continuously Callable</b>       |              |                            |                        |                        |                        |                        |               |               |              |                  |                     |                         |                            |
| 3130A9WAS                                         | 14508        | FHLB                       | 500,000.00             | 500,000.00             | 500,000.00             | 488,490.00             | 04/27/2020    | AAA           | 1.300        | 1.289            | 1,625.00            |                         |                            |
| <b>Total</b>                                      |              |                            | <b>\$ 8,466,666.67</b> | <b>\$ 8,560,992.02</b> | <b>\$ 8,556,194.25</b> | <b>\$ 8,493,222.67</b> |               |               |              |                  | <b>\$ 81,733.33</b> | <b>\$ (4,797.77)</b>    | <b>\$ 76,935.56</b>        |

|                                                     |                         |
|-----------------------------------------------------|-------------------------|
| Total Investments (Book Value)                      | \$ 8,556,194.25         |
| Gain/Loss on Investments                            | (62,971.58)             |
| <b>Total Investments (Market Value)</b>             | <b>8,493,222.67</b>     |
| Temporarily Invested with Pooled Cash & Investments | 1,815,462.18            |
| <b>Total Pooled Cash and Investments</b>            | <b>\$ 10,308,684.85</b> |

Exhibit 3-C



Police Retiree Medical  
Fund 903, 950 and 970  
Interest Earnings  
July 1, 2018 to August 31, 2018

| CUSIP                                       | Investment # | Issuer                         | Ending Par Value | Beginning Book Value | Ending Book Value | Market Value | Maturity Date | Credit Rating | Current Rate | Annualized Yield | Interest Earnings |                         |                                 |                     |                      |                     |
|---------------------------------------------|--------------|--------------------------------|------------------|----------------------|-------------------|--------------|---------------|---------------|--------------|------------------|-------------------|-------------------------|---------------------------------|---------------------|----------------------|---------------------|
|                                             |              |                                |                  |                      |                   |              |               |               |              |                  | Interest Earned   | Amortization/ Accretion |                                 |                     |                      |                     |
| Investments as of September 30, 2018        |              |                                |                  |                      |                   |              |               |               |              |                  |                   |                         | July 1, 2018 to August 31, 2018 |                     |                      |                     |
| Medium Term Notes                           |              |                                |                  |                      |                   |              |               |               |              |                  |                   |                         | Adjusted Interest Earnings      |                     |                      |                     |
| 06744CUS8                                   | 14532        | Barclays Bank PLC              | 2,000,000.00     | 2,000,000.00         | 1,958,720.00      | 02/08/2028   | A2            | 3.125         | 3.134        | 15,625.00        | -                 | 15,625.00               |                                 |                     |                      |                     |
| 6174467X1                                   | 14319        | Morgan Stanley DW DTCR0015     | 500,000.00       | 514,276.11           | 513,793.62        | 11/24/2025   | BAA2          | 5.000         | 4.451        | 6,250.00         | (482.49)          | 5,767.51                |                                 |                     |                      |                     |
| 61747WAF6                                   | 14226        | Morgan Stanley                 | 1,666,666.67     | 1,691,979.63         | 1,751,866.67      | 01/25/2021   | A3            | 5.750         | 5.043        | 23,958.33        | (2,465.55)        | 21,492.78               |                                 |                     |                      |                     |
| <b>Federal Agency Coupon Securities</b>     |              |                                |                  |                      |                   |              |               |               |              |                  |                   |                         |                                 |                     |                      |                     |
| 3133EFQ17                                   | 14363        | Fed. Farm Credit Banks Funding | 2,300,000.00     | 2,311,907.96         | 2,311,505.67      | 11/25/2025   | -             | 2.700         | 2.595        | 15,525.00        | (402.29)          | 15,122.71               |                                 |                     |                      |                     |
| <b>Federal Agency Continuously Callable</b> |              |                                |                  |                      |                   |              |               |               |              |                  |                   |                         |                                 |                     |                      |                     |
| 3130A9YW5                                   | 14511        | Federal Home Loan Banks        | 500,000.00       | 499,953.61           | 499,961.94        | 11/22/2019   | AAA           | 1.190         | 1.187        | 1,487.50         | 8.33              | 1,495.83                |                                 |                     |                      |                     |
| <b>Total</b>                                |              |                                |                  |                      |                   |              |               |               |              |                  |                   |                         | <b>3,366</b>                    | <b>\$ 62,845.83</b> | <b>\$ (3,342.00)</b> | <b>\$ 59,503.83</b> |

|                                                     |                        |
|-----------------------------------------------------|------------------------|
| Total Investments (Book Value)                      | \$ 7,014,775.31        |
| Gain/Loss on Investments                            | (72,242.64)            |
| <b>Total Investments (Market Value)</b>             | <b>6,942,532.67</b>    |
| Fund 970 Cash and Investments in Mass Mutual        | 96,934.44              |
| Temporarily Invested with Pooled Cash & Investments | 1,136,220.45           |
| <b>Total Pooled Cash and Investments</b>            | <b>\$ 8,175,687.56</b> |



Office of the City Manager

**26**INFORMATION CALENDAR

February 26, 2019

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Phillip L. Harrington, Director, Public Works

Subject: goBerkeley Parking Management Program - Recommended Adjustments for April 1, 2019

INTRODUCTION

This report provides information to the City Council regarding planned parking rate adjustments included in the goBerkeley Parking Management Program (“goBerkeley parking program”).<sup>1</sup> These rate changes will take effect Monday, April 1, 2019. In order to provide the necessary 30-day public notice, on March 1, 2019, City staff will begin to notify the public through updates to the City website, and coordination with merchant groups in program areas. Please see the rate adjustments summarized as Attachment 1 to this report.

CURRENT SITUATION AND ITS EFFECTS

The goBerkeley parking program regularly monitors parking conditions in the program areas of Elmwood, Southside/Telegraph, Northside (Euclid/Hearst), and Downtown Berkeley to ensure a majority of blockfaces<sup>2</sup> in these areas maintain parking occupancies of 65% to 85%. goBerkeley areas consist of “Premium” and “Value” zones, which are designed to balance demand for parking in and around popular commercial districts by increasing driver choices. Typically, “Premium” zones feature higher prices and shorter time limits to improve access in high-demand core commercial areas, while peripheral “Value” zones feature lower prices and longer time limits, offering customers the option to park in areas with lower demand for a longer duration.

Staff collected and analyzed parking demand data during fall 2018 at on-street meters, and City-owned off-street parking lots and garages. The following summary presents the City’s key findings and recommended adjustments in these areas:

I. Downtown Berkeley

Note: Although parking occupancy data collected in fall 2017 indicated price changes were warranted in Downtown Berkeley, no adjustments were made on April 1, 2018.

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<sup>1</sup> These changes are made in compliance with the July 12, 2016 Resolution No. 67,613-N.S. that specifies how demand-responsive on-street and off-street parking is implemented within goBerkeley parking program areas.

<sup>2</sup> Blockface - one side of one block, e.g., the north side of Center Street between Milvia Street and Shattuck Avenue.

Staff recognized that the ongoing closure and reconstruction of the Center Street Garage created special, temporary circumstances by reducing the overall parking supply in that area. Data analyzed for the recommended April 1, 2019 changes was collected after the Center Street Garage reopened.

#### A. Observed Conditions

- A majority of blockfaces in the two-hour “Premium” zone continues to exceed the target occupancy rate of 65%-85%.
- Parking occupancy in the “Value” zone has also increased and exceeds the target rate.
- While parking availability in the Berkeley Way Lot exceeds the target occupancy rate at peak hours, short-term parking occupancy at the Oxford Garage has availability throughout the average weekday.
- On average, parking transactions and paid parking duration in the Downtown have remained consistent since the April 1, 2018 adjustment. The average length of stay at a 4-hour Value zone meter is just over one (1) hour.

#### B. Recommended Adjustments

- “Premium” zone meters: Increase hourly rate from \$3.50/hour to \$3.75/hour, which may shift some users into the Center Street Garage, which has a lower hourly rate of \$3.00/hour for up to four hours.
- “Value” zone meters, including Berkeley Way Lot: Increase hourly rate from \$2.25/hour to \$2.50/hour.

## II. Southside/Telegraph

#### A. Observed Conditions

- Most blockfaces in the two-hour “Premium” zone exceeded 85%, indicating that parking demand has increased since prices were lowered to \$3.00/hour in April 2018.
- While a majority of “Value” zone blockfaces are within the 65% to 85% occupancy range, distinct sections of the “Value” zone are either too full or too empty, presenting an opportunity to reconfigure the zones as a further means of generating parking availability adjacent to the Telegraph Avenue commercial corridor.
- On average, Telegraph Channing Garage short-term parking reaches optimal occupancy rates during peak hours, and has high parking availability throughout the day.

#### B. Recommended Adjustments

- “Premium” zone meters: Increase hourly rate from \$3.00/hour to \$3.25/hour.
- “Value” zone meters: No change.
- “Premium” and “Value” zone boundaries: Reconfigure the boundaries of the “Premium” and “Value” zones per the map provided as Attachment 5.
- Telegraph Channing Garage: No change.

### III. Elmwood

#### A. Observed Conditions

- A significant majority of blockfaces exceed optimal occupancy rates in the “Premium” zone, indicating that parking availability is low at peak times.
- At the Elmwood Lot, the area’s lone “Value” zone, parking occupancy remains below 65% throughout the day.

#### B. Recommended Adjustments

- “Premium” zone meters: Increase rate from \$2.50/hour to \$2.75/hour.
- Elmwood Lot “Value” zone: Decrease rate from \$1.50/hour to \$1.25/hour.

### IV. Northside

Northside (Euclid/Hearst), the newest goBerkeley area, went into effect November 1, 2018. Given its recent implementation, parking demand was not assessed in this area in fall 2018. Staff will conduct parking occupancy counts in early 2019 to determine if the initial goBerkeley parking rates and time limits have successfully achieved optimal parking occupancy levels in this area.

### Notification

On January 14, 2019, Department of Public Works Transportation Division staff hosted a meeting of goBerkeley’s Community Advisory Group and provided an update on the proposed adjustments. Attendees included representatives from the Downtown Berkeley Association, Telegraph Business Improvement District, and the Elmwood Business Association. Notifications to inform the public of upcoming changes will begin March 1, 2019. Activities will include:

- Updates via City of Berkeley website. A notification will be posted on the City’s website at [www.cityofberkeley.info/Public\\_Works/Transportation](http://www.cityofberkeley.info/Public_Works/Transportation).
- Outreach in partnership with Downtown Berkeley Association, Telegraph Business Improvement District, and Elmwood Merchants Association to notify their members through email and in-person outreach.

### BACKGROUND

The City uses parking meters to manage parking demand, particularly in commercial areas where parking availability and turnover are critical for visitor access and convenience. The program consists of a suite of strategies and initiatives designed to improve economic vitality and reduce greenhouse gas emissions. The program features improved parking availability that improves pedestrian and bicyclist safety by reducing the likelihood of incidents of distracted driving as drivers search for parking. Clearer signage and longer on-street parking time limits also provide better customer service.

### ENVIRONMENTAL SUSTAINABILITY

The goBerkeley parking program’s recommended rate adjustments should improve parking management and lessen traffic congestion and vehicle emissions, as drivers are anticipated to spend less time searching for available parking spaces. Reducing greenhouse gas emissions produced by vehicular traffic is one of the City’s 2009 Climate Action Plan goals.

POSSIBLE FUTURE ACTION

If Council takes no action regarding the recommended rate adjustments, staff will begin public notification March 1, 2019 through the City website, distribution of flyers, and outreach to business associations. Staff anticipates implementing these rate adjustments April 1, 2019.

FISCAL IMPACTS OF POSSIBLE FUTURE ACTION

Fiscal impacts are difficult to forecast as demand-responsive parking pricing recommendations include increased or decreased parking rates in different areas, and parking behaviors resulting from these price adjustments may vary, particularly at on-street meters. While parking revenues from the Elmwood Lot may decline as a result of the recommended hourly parking rate reduction, staff anticipates incremental parking revenue from the goBerkeley parking program should continue to be sufficient to cover expected expenditures of the program.

CONTACT PERSON

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Danette Perry, Parking Services Manager, Public Works (510) 981-7057  
Gordon Hansen, Senior Planner, Public Works (510) 981-7064

Attachments:

- 1: City Council Notification Report
- 2: Parking Occupancy On-Street – Average Peak Weekday – November 2018
- 3: Parking Garage Occupancy – October 2018
- 4: Public Notification Flyer
- 5: Proposed Southside/Telegraph Premium & Value Zones



**PARKING CHANGES**

The following tables show the seven elements that staff updates Council and the public on prior to each goBerkeley Program change.

| 1. Types of Parking Affected                         |                                  |                                          |
|------------------------------------------------------|----------------------------------|------------------------------------------|
| <input checked="" type="checkbox"/> ON-STREET METERS | <input type="checkbox"/> GARAGES | <input checked="" type="checkbox"/> LOTS |

| 2. Dates                |                                                                |                                                                              |
|-------------------------|----------------------------------------------------------------|------------------------------------------------------------------------------|
| Date of Proposed Change | Date of Previous Change                                        | Days Between Change                                                          |
| April 1, 2019           | April 1, 2018 (on-street meters, off-street lots, and garages) | On-street meters, off-street lots, and garages: 365 days (12 months, 0 days) |

| 3. Areas Affected    |                  |                                                                                                                                                                                                                                                                                                                  |                          |
|----------------------|------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| Area Name            | Area Zone        | Boundaries                                                                                                                                                                                                                                                                                                       | Map                      |
| Downtown Berkeley    | Premium          | No boundary changes recommended at this time.                                                                                                                                                                                                                                                                    | See Attachments 4 and 5. |
|                      | Value            | No boundary changes recommended at this time.                                                                                                                                                                                                                                                                    |                          |
|                      | Berkeley Way Lot |                                                                                                                                                                                                                                                                                                                  |                          |
| Southside/ Telegraph | Premium          | Adjust boundaries to include the following blocks:<br>2200-2700 Bancroft Way; 2300-2500 Durant Ave; 2400-2500 Channing Way; 2400-2500 Haste St; 2400-2500 Dwight Way; 2300 Fulton St (east side); 2300-2400 Dana St; 2300-2400 Telegraph Avenue; 2300-2350 Bowditch St; 2300-2350 College Ave; 2200 Piedmont Ave |                          |
|                      | Value            | Adjust boundaries to include the following blocks:<br>2600 Durant Ave; 2600 Channing Way; 2600 Haste St; 2600 Dwight Way; 2350-2400 Bowditch Street; 2351-2500 College Ave                                                                                                                                       |                          |
| Elmwood              | Premium          | No boundary changes recommended at this time.                                                                                                                                                                                                                                                                    |                          |
|                      | Elmwood Lot      |                                                                                                                                                                                                                                                                                                                  |                          |

| <b>4. Rate Changes</b> |                     |                      |                      |               |
|------------------------|---------------------|----------------------|----------------------|---------------|
| <b>Name</b>            | <b>Parking Type</b> | <b>Existing Rate</b> | <b>Proposed Rate</b> | <b>Change</b> |
| Downtown Berkeley      | Premium             | \$3.50/hour          | \$3.75/hour          | + \$0.25      |
|                        | Value               | \$2.25/hour          | \$2.50/hour          | + \$0.25      |
|                        | Berkeley Way Lot    | \$2.25/hour          | \$2.50/hour          | + \$0.25      |
| Southside/ Telegraph   | Premium             | \$3.00/hour          | \$3.25/hour          | + \$0.25      |
|                        | Value               | \$2.50/hour          | \$2.50/hour          | N/A           |
| Elmwood                | Premium             | \$2.50/hour          | \$2.75/hour          | + \$0.25      |
|                        | Elmwood Lot         | \$1.50/hour          | \$1.25/hour          | - \$0.25      |

| <b>5. Time Limit Changes</b>         |                  |                 |                 |
|--------------------------------------|------------------|-----------------|-----------------|
| <b>Area Name</b>                     | <b>Area Zone</b> | <b>Existing</b> | <b>Proposed</b> |
| No changes recommended at this time. |                  |                 |                 |

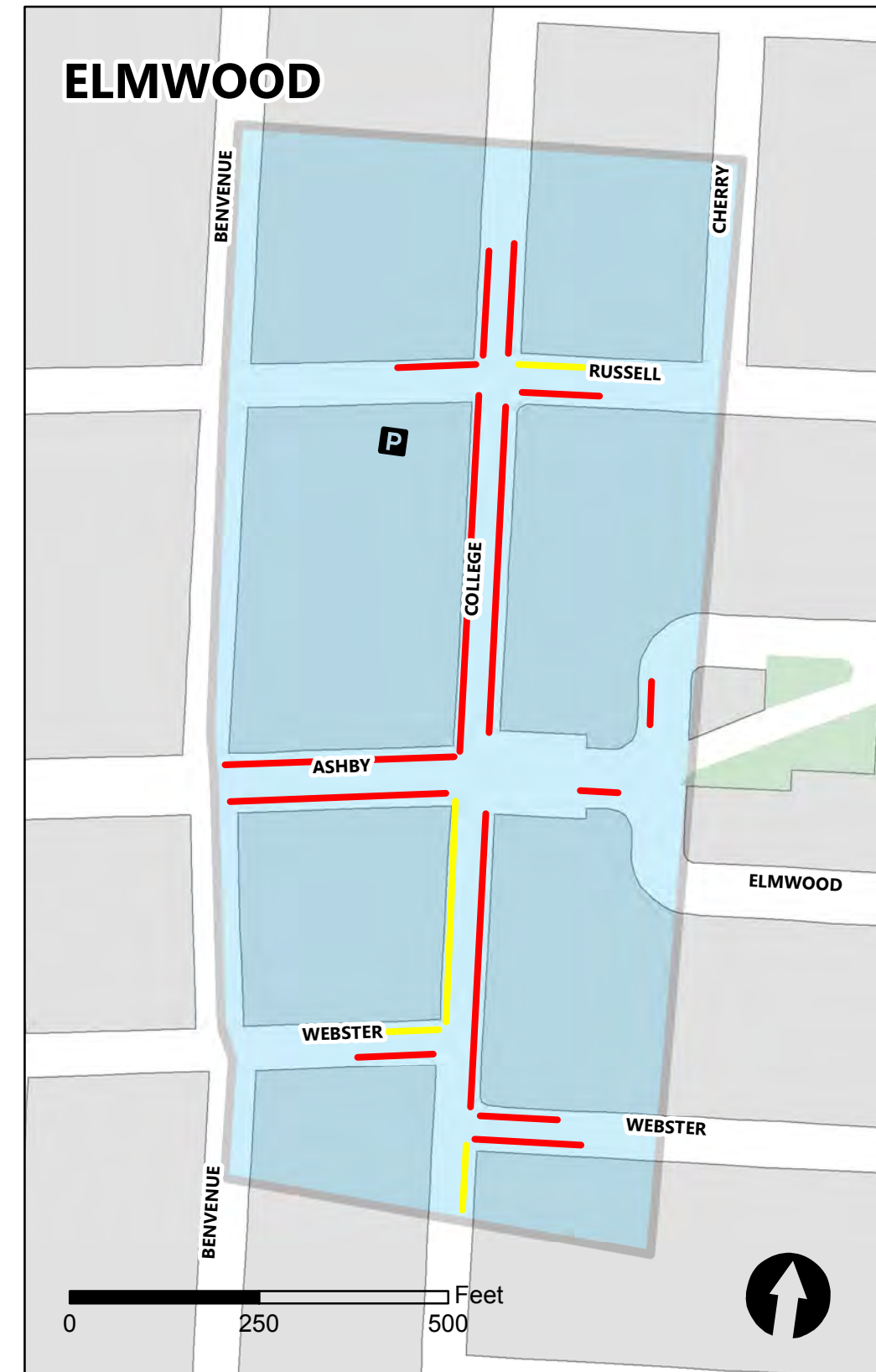
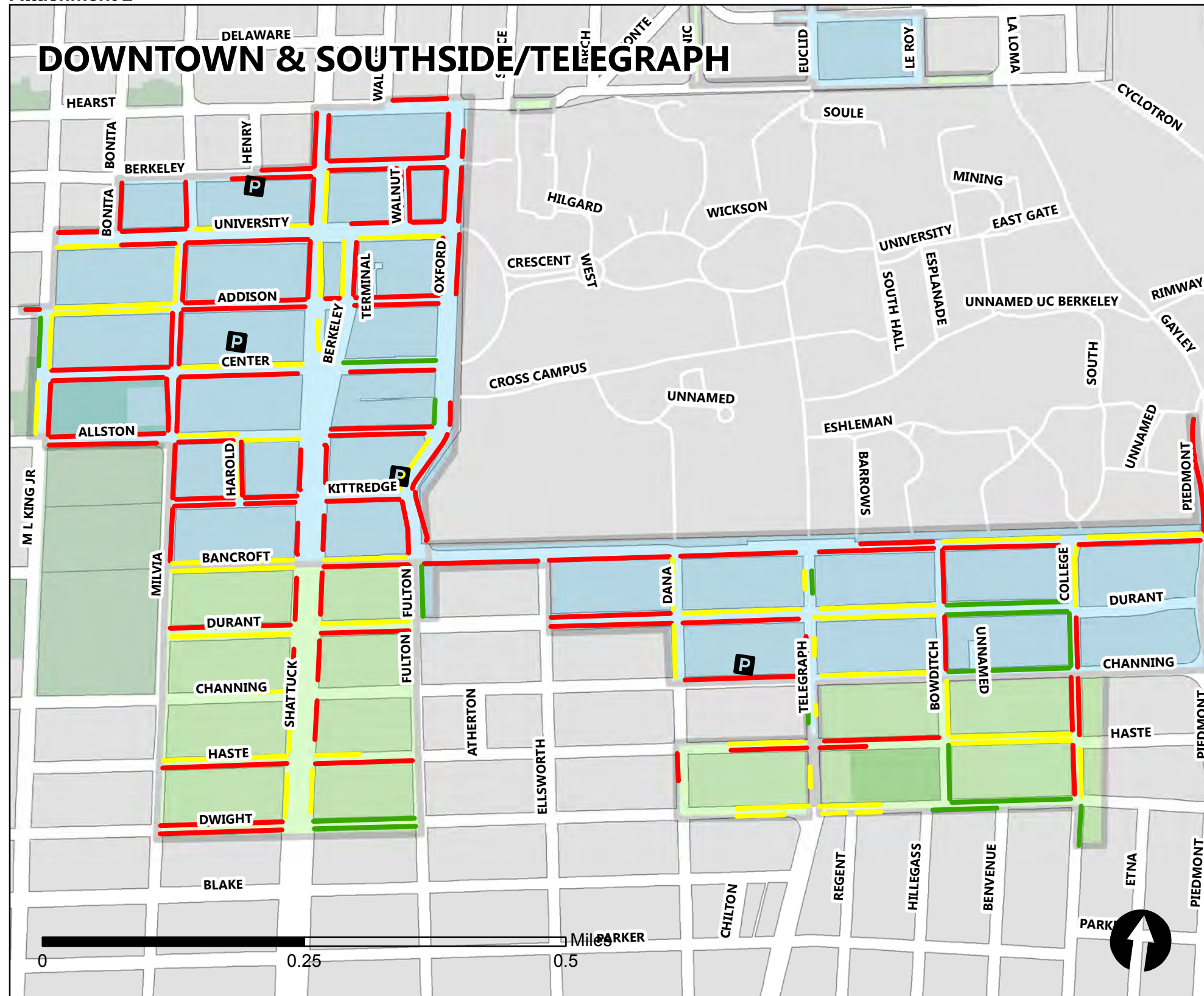
| <b>6. Hours of Operation</b>         |                  |                 |               |
|--------------------------------------|------------------|-----------------|---------------|
| <b>Area Name</b>                     | <b>Area Zone</b> | <b>Existing</b> | <b>Change</b> |
| No changes recommended at this time. |                  |                 |               |

| 7. Parking Occupancy                                  |                              |                                                                                                                                                                                         |                                                                       |                        |
|-------------------------------------------------------|------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|------------------------|
| Area Name                                             | Area Zone                    | Occupancy Type*                                                                                                                                                                         | Proportion of On-Street Blockfaces                                    | Garage/Lot Occupancy % |
| Downtown Berkeley                                     | Premium (2 Hour)             | Under                                                                                                                                                                                   | 4%                                                                    | N/A                    |
|                                                       |                              | Target                                                                                                                                                                                  | 22%                                                                   |                        |
|                                                       |                              | Over                                                                                                                                                                                    | 74%                                                                   |                        |
|                                                       | Value (4 Hour)               | Under                                                                                                                                                                                   | 8%                                                                    |                        |
|                                                       |                              | Target                                                                                                                                                                                  | 35%                                                                   |                        |
|                                                       |                              | Over                                                                                                                                                                                    | 57%                                                                   |                        |
|                                                       | Oxford Garage                | Short-Term Occupancy <sup>3</sup>                                                                                                                                                       | N/A                                                                   | 63%                    |
| Berkeley Way Lot                                      | Total Occupancy <sup>4</sup> | N/A                                                                                                                                                                                     | 87%                                                                   |                        |
| Southside/ Telegraph                                  | Premium (2 Hour)             | Under                                                                                                                                                                                   | 16%                                                                   | N/A                    |
|                                                       |                              | Target                                                                                                                                                                                  | 38%                                                                   |                        |
|                                                       |                              | Over                                                                                                                                                                                    | 46%                                                                   |                        |
|                                                       | Value (8 Hour)               | Under                                                                                                                                                                                   | 19%                                                                   |                        |
|                                                       |                              | Target                                                                                                                                                                                  | 48%                                                                   |                        |
|                                                       |                              | Over                                                                                                                                                                                    | 33%                                                                   |                        |
| Telegraph Channing Garage                             | Short-Term Occupancy         | N/A                                                                                                                                                                                     | 69%                                                                   |                        |
| Elmwood                                               | Premium (3 Hour)             | Under                                                                                                                                                                                   | 0%                                                                    | N/A                    |
|                                                       |                              | Target                                                                                                                                                                                  | 23%                                                                   |                        |
|                                                       |                              | Over                                                                                                                                                                                    | 77%                                                                   |                        |
|                                                       | Elmwood Lot                  | Total Occupancy                                                                                                                                                                         | N/A                                                                   | 41%                    |
| Northside (Euclid/Hearst)                             | Premium (2 Hour)             | goBerkeley area implemented November 1, 2018. Staff will reassess parking demand in this area in early 2019 and recommend any necessary rate and/or time limit adjustments in mid-2019. |                                                                       | N/A                    |
|                                                       | Value (4 Hour)               |                                                                                                                                                                                         |                                                                       |                        |
| <b>*Occupancy Ranges:</b>                             |                              |                                                                                                                                                                                         | <b>Average Weekday (T, W, Th),<sup>5</sup> November/December 2018</b> |                        |
| "Under" = 0-65%    "Target" = 65-85%    "Over" = 85%+ |                              |                                                                                                                                                                                         |                                                                       |                        |

<sup>3</sup> Short-term parking refers to parking durations up to four hours. Excludes monthly parking.

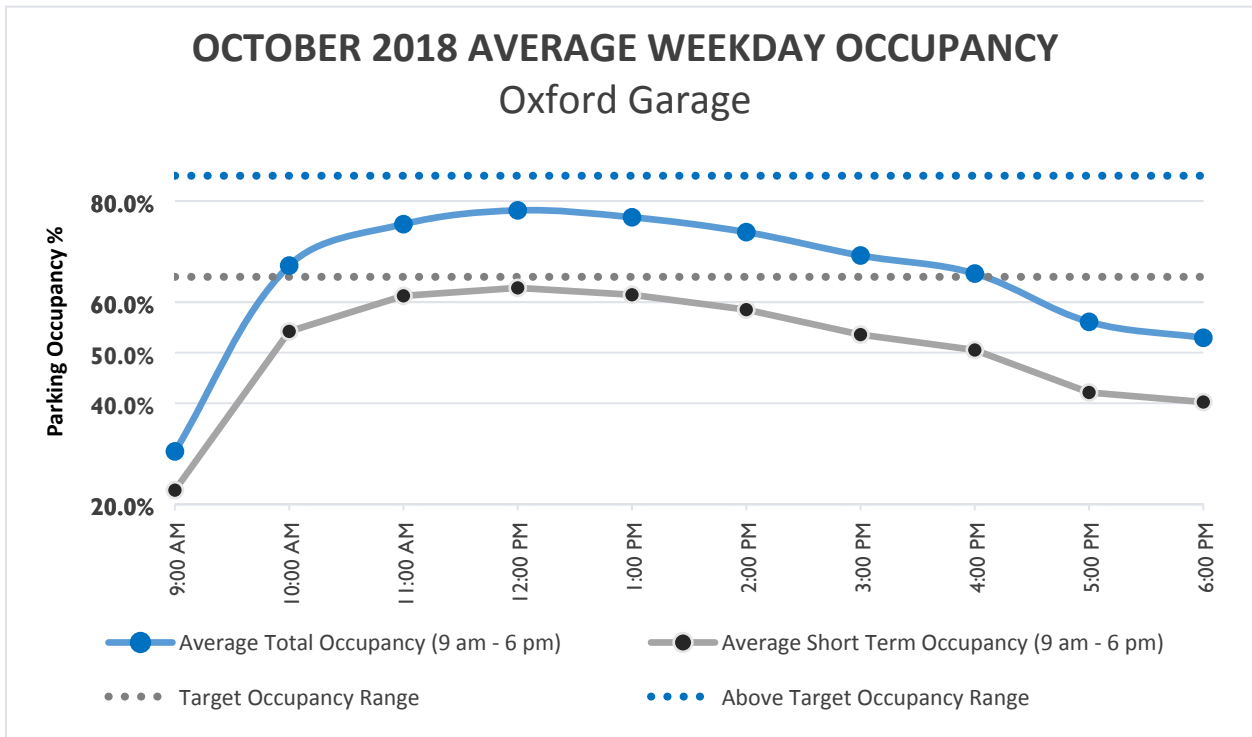
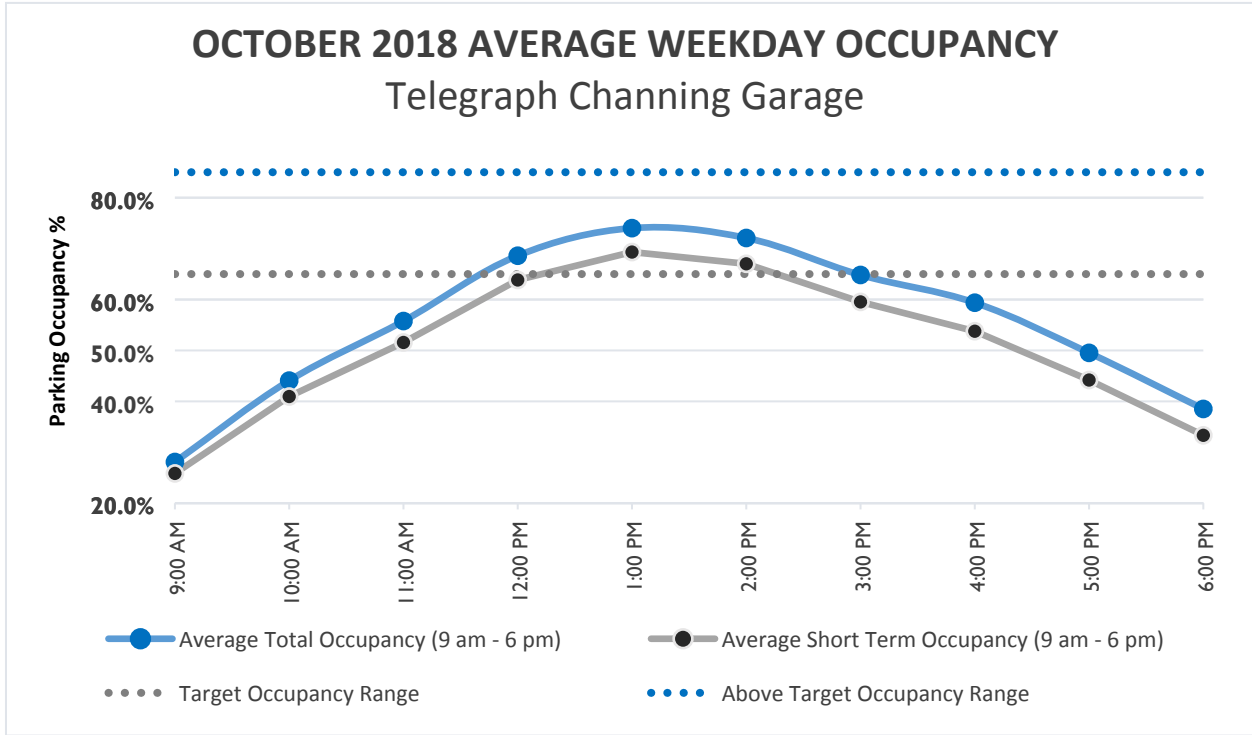
<sup>4</sup> Occupancy reflects both regular metered and stack parking capacity combined.

<sup>5</sup> Weekday = Average of typical daily peak (12PM) of Tuesday, November 11, Wednesday, November 12, and Thursday, December 6, 2018.



|  |                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                 |
|--|-------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
|  | <p><b>Average Weekday Peak (12 pm) Parking Demand</b><br/>Fall 2018</p> | <p><b>Legend</b></p> <ul style="list-style-type: none"> <li><span style="color: green;">—</span> Below Target (&gt;65%)</li> <li><span style="color: yellow;">—</span> Target (65 - 85%)</li> <li><span style="color: red;">—</span> Above Target (85 - 100%)</li> <li><span style="border: 1px solid black; padding: 2px;">P</span> City Garage/Lot</li> <li><span style="background-color: lightblue; border: 1px solid black; width: 15px; height: 10px; display: inline-block;"></span> Premium</li> <li><span style="background-color: lightgreen; border: 1px solid black; width: 15px; height: 10px; display: inline-block;"></span> Value</li> </ul> | <p><b>Notes</b></p> <p>Target percentages indicate the percent of a block face occupied by parked vehicles.</p> |
|--|-------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|

Parking Garage Occupancy (Average Weekday)

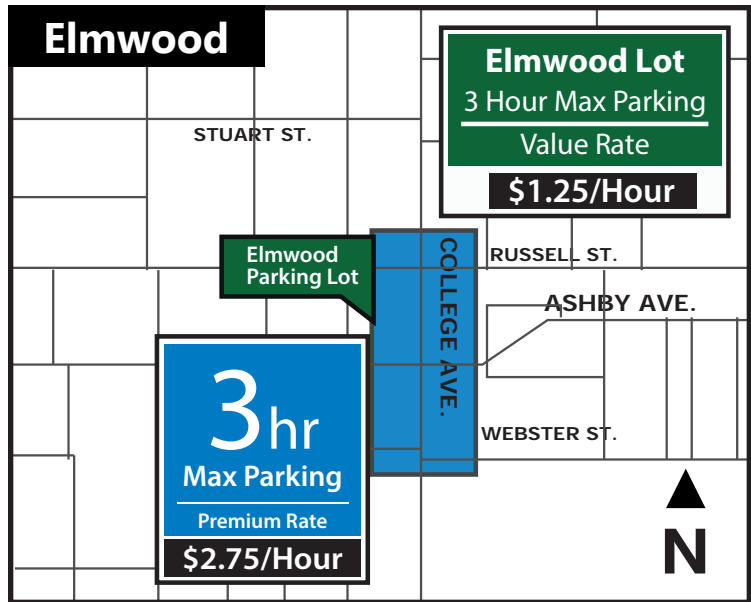
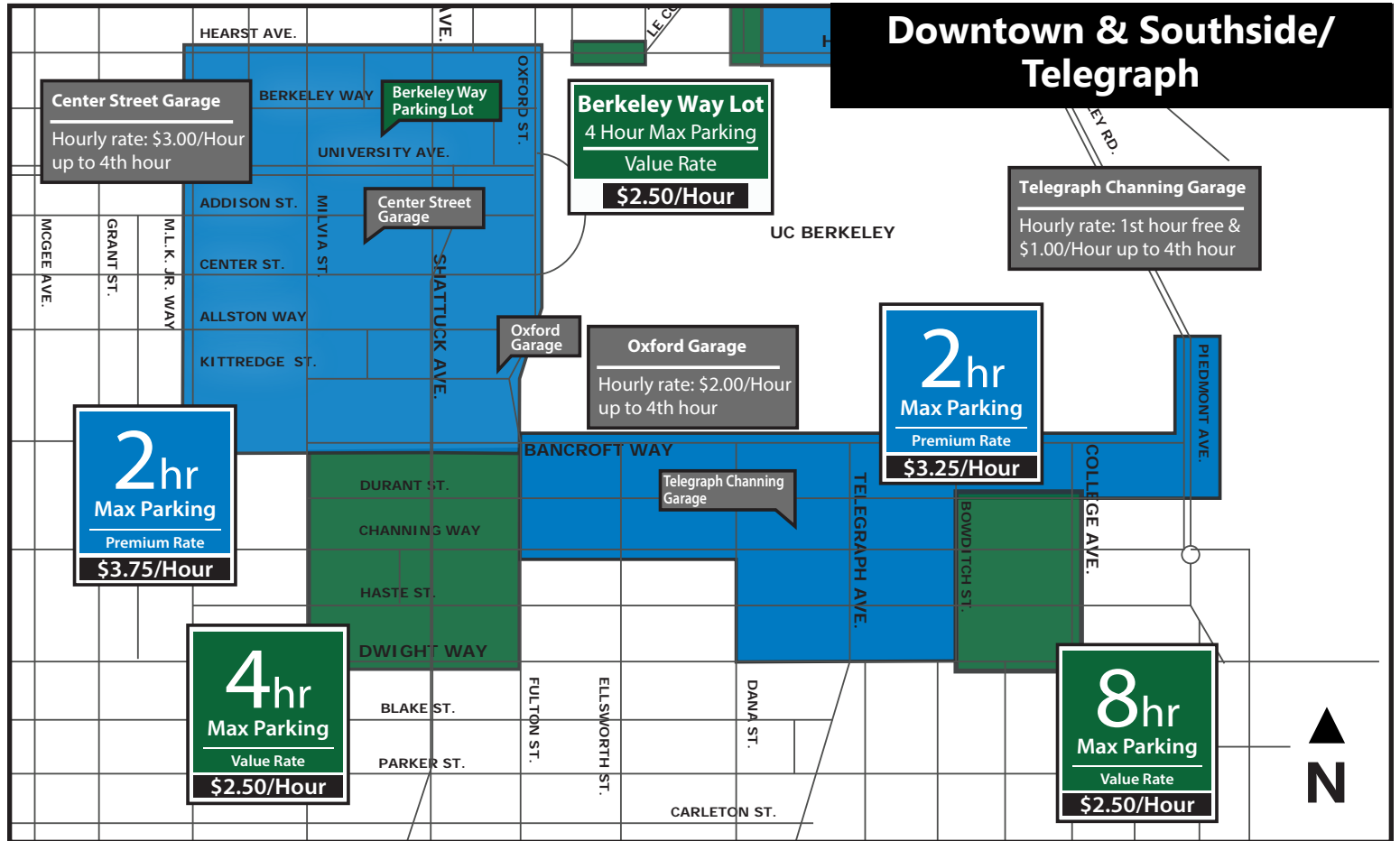


# PARKING RATES & TIME LIMITS

in Downtown | Southside/Telegraph | Elmwood



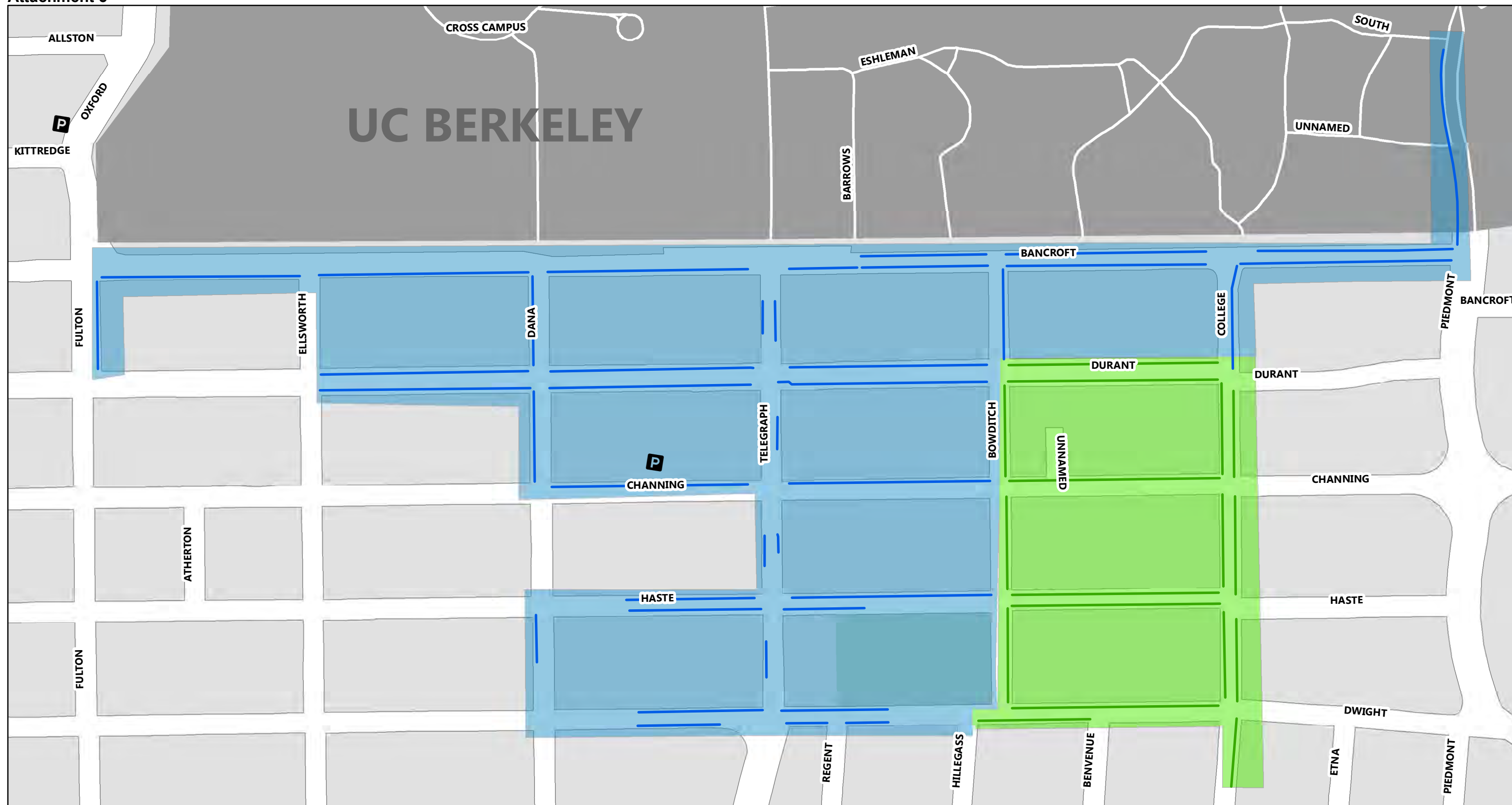
**STARTING APRIL 1, 2019**



## What is goBerkeley?

**goBerkeley** is a City of Berkeley program with the goal of making it easier to park in Berkeley. Currently in place in: Downtown, Southside/Telegraph, Northside, and the Elmwood, goBerkeley uses an evidence based and demand responsive approach to increase parking availability. After analyzing parking activity, meter rates are adjusted to ensure 1-2 parking spaces are always for on-street spaces, so drivers don't have to circle around for a spot. The goBerkeley program is also employed at the City's three off-street garages and two on-street lots. goBerkeley also increases driver choice by lengthening time limits in some areas, and makes it easier to understand parking rules and expectations through clearer and brighter signage.

Visit [www.cityofberkeley.info/transportation](http://www.cityofberkeley.info/transportation) or [www.goberkeley.info](http://www.goberkeley.info) for more information.



|  |                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |  |  |
|--|-----------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|
|  | <p><b>Proposed Southside/Telegraph Premium &amp; Value Zones</b><br/>2019 goBerkeley Adjustment</p> | <p><b>Legend</b></p> <ul style="list-style-type: none"> <li><span style="display:inline-block; width:15px; height:15px; background-color:lightblue; border:1px solid black;"></span> Premium</li> <li><span style="display:inline-block; width:15px; height:15px; background-color:lightgreen; border:1px solid black;"></span> Value</li> <li><span style="display:inline-block; width:15px; height:15px; background-color:black; color:white; text-align:center; line-height:15px;">P</span> City Garage/Lot</li> </ul> |  |  |
|--|-----------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|







# Communications

All communications submitted to the City Council are public record. Communications are not published directly to the City's website. Copies of individual communications are available for viewing at the City Clerk Department and through Records Online.

## **City Clerk Department**

2180 Milvia Street  
Berkeley, CA 94704  
(510) 981-6900

## **Records Online**

<http://www.cityofberkeley.info/recordsonline>

To search for communications associated with a particular City Council meeting using Records Online:

1. Select Search Type = “Public – Communication Query (Keywords)”
2. From Date: Enter the date of the Council meeting
3. To Date: Enter the date of the Council meeting (this may match the From Date field)
4. Click the “Search” button
5. Communication packets matching the entered criteria will be returned
6. Click the desired file in the Results column to view the document as a PDF