

**CITY OF BELMONT
CITY COUNCIL AND BELMONT FIRE
PROTECTION DISTRICT BOARD OF
DIRECTORS**



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CITY COUNCIL REGULAR MEETING AGENDA

Tuesday, June 27, 2023

7:00 PM

City Council Chambers

City Hall, One Twin Pines Lane, Belmont, California

The meeting will be broadcast live to Belmont residents on Comcast Cable Channel 27, streamed live via the City's website at www.Belmont.gov. The public may also attend the meeting in the Chambers and address the Council from the Chambers.

PUBLIC COMMENT:

To maximize time for live public comment, we encourage members of the public to provide comments by joining the Committee meeting via Zoom : For web, visit <https://belmont-gov.zoom.us/> select "Join" and enter **Meeting ID: 95745673035**. Use the Raise Hand feature to request to speak. You may rename your profile if you wish to remain anonymous.

For dial- in comments, call *67 1-(669) 900-6833 (your phone number will appear on the live broadcast if *67 is not dialed prior to the phone number), enter **Meeting ID: 95745673035**, and press *9 to request to speak. All public comments are subject to a 3-minute time limit unless otherwise determined by the Committee Chair.

If you wish to submit written public comment, you may send an email to cclerk@belmont.gov before the council considers the item. Please indicate the agenda item topic or agenda item number you wish to comment on in your email's subject line. Any public comment regarding agenda items that are received from the publication of the agenda through the meeting date will be made part of the meeting record but will not be read during the Council meeting.

1. ROLL CALL

2. PLEDGE OF ALLEGIANCE

3. REPORT FROM CLOSED SESSION

4. SPECIAL PRESENTATIONS

A. Proclamation Recognizing Daniel Ourtiague on His Retirement

B. Proclamation Celebrating "Parks Make Life Better" Month

5. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

This portion of the meeting is reserved for persons wishing to address the Body on any City matter not on the agenda. The period for public comment at this point in the agenda is limited to 15 minutes, with a maximum of 3 minutes per speaker. Speakers who requested but did not receive an opportunity to speak during this comment period will be given an opportunity to address the Body later in the meeting. State law prohibits the Body from acting on non-agenda items.

6. COUNCILMEMBER ANNOUNCEMENTS

7. CONSENT BUSINESS

Consent business items are considered to be routine in nature and will be enacted by one motion. There will be no separate discussion on these items unless a member or staff request specific items to be removed for separate action. The City Attorney will read the title of ordinances to be adopted.

A. Approval of Minutes

Recommendation: Consider modifications and approve minutes

Attachment(s):

[Council Special and Regular Meeting May 23, 2023](#)

[Council Special and Regular Meeting June 13, 2023](#)

[BFPD May 9, 2023](#)

[BFPD May 23, 2023](#)

[BFPD June 13, 2023](#)

B. Monthly Financial Reports - April

Recommendation: Motion to Approve Monthly Financial Reports

Attachment(s):

[Monthly Financial Reports - April 2023.pdf](#)

C. Harbor Industrial Area (HIA) Annexation

Recommendation: Adopt a resolution authorizing the City Manager to execute Task Order No. 9 with RSG, Inc. to provide Harbor Industrial Area Annexation Strategy services in the amount of \$158,670, plus a 10% contingency for a total not-to-exceed amount of \$174,537

Attachment(s):

[Staff Report](#)

[Resolution](#)

[Proposed Scope of Services](#)

D. 3288 Oak Court Permanent Encroachment Agreement (APN: 043-221-210)

Recommendation: Adopt a resolution approving a Permanent Encroachment Agreement to allow construction of retaining walls and stairs in the public right-of-way fronting 3288 Oak Court (APN: 043-221-210)

Attachment(s):

[Staff Report](#)

[Resolution](#)

[Exhibit A.pdf](#)

E. Formation of the San Francisco Peninsula Tourism Marketing District (SFPTMD)

Recommendation: Adopt a resolution granting consent to the City of Burlingame to form the San Francisco Peninsula Tourism Marketing District (SFPTMD) and include the City of Belmont in the SFPTMD

Attachment(s):

[Staff Report](#)

[Resolution](#)

[Burlingame Resolution](#)

[SFPTMD Management District Plan](#)

8. PUBLIC HEARINGS-None

9. GENERAL BUSINESS

General Business items are considered separately, typically in the order listed. The chair will call for public comment on each item when the body considers the item.

A. Revised Master Employee Pay Schedule

Recommendation: Adopt a resolution approving a revision to the City's Master Employee Pay Schedule in accordance with California Public Employees Retirement System (CalPERS) regulations

Attachment(s):

[Staff Report](#)

[Resolution](#)

[Master Pay Schedule - Revised June 2023](#)

B. Reginal Commercial (RC & Planned Development (PD) General Plan Land Use and Zoning District Designation Amendments

Recommendation: Provide direction on amendments to the Regional Commercial (RC) & Planned Development (PD) General Plan Land Use and Zoning District Designations, and direct staff to proceed with the amendments

Attachment(s):

[Staff Report](#)

[City of Fremont RD Performance Standards](#)

[BSL Graphics](#)

10. BRIEF VERBAL REPORTS FROM MEMBERS AND STAFF

A. Verbal report from Councilmembers on Intergovernmental (IGR) and Subcommittee Assignments

B. Verbal report from City Manager

11. MATTERS OF INTEREST/CLARIFICATION

Items in this category are for discussion and direction to staff only. However, Council/Board may take final action on an item if there is no need for additional staff analysis.

12. ADJOURNMENT

If you need assistance to participate in this meeting, please contact the City Clerk at (650) 595-7413. Notification in advance of the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. Meeting information can also be accessed via the internet at: www.belmont.gov. All staff reports will be posted to the web in advance of the meeting, and any writings or documents provided to a majority of the City Council/District Board or Commission regarding any item on this agenda will be made available for public inspection in the City Clerk's Office, One Twin Pines Lane, during normal business hours and at the Council Chambers at City Hall, Second Floor, during the meeting.

MINUTES OF REGULAR MEETING OF CITY OF BELMONT CITY COUNCIL AND BELMONT FIRE PROTECTION DISTRICT BOARD OF DIRECTORS

TUESDAY, MAY 23, 2023

City Council Chambers City Hall, One Twin Pines Lane, Belmont, California and ZOOM

SPECIL MEETING

6:15 PM

COUNCILMEMBERS PRESENT: Pang-Maganaris, McCune, Hurt, Mates

COUNCLMEMERS ABSENT: Latimerlo

ITEMS OF BUSINESS

CLOSED SESSION

A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION Government Code Section 54956.9(d)(1))

G. Gasivoda & Assoc. v. City of Belmont et al, San Mateo Superior Court No.23-CIV-01693

STUDY SESSION-6:30 PM

COUNCILMEMBERS PRESENT: Latimerlo, Pang-Maganaris, McCune, Hurt, Mates

COUNCILMEMBERS ABSENT: None

Belmont's 2023-2027 Strategic Plan Update

City Manager Oskoui provided a presentation on the draft action plan of the goals and objectives of the 2023-2027 Strategic Plan focus areas, based on discussions at the March 2nd Council and Staff Workshop. He reviewed the mid-year progress of the 3-5 year plan and provided an update on the existing priorities and development of new goals, initiatives and strategies.

Council discussion ensued, and suggested including climate resilient infrastructure, and retrofitting for decarbonization as objectives, as well as investing in active mobility infrastructure for assessment of emissions and carbon, and evaluation of economic activity hub strategies for fiscal sustainability and addressing public safety in areas of mental health.

Council concluded the discussion.

ADJOURNMENT at this time being 6:58 P.M

**Jozi Plut
City Clerk**

REGULAR MEETING

CALL TO ORDER: 7:00 P.M.

ROLL CALL

COUNCILMEMBERS PRESENT: Latimerlo, Pang-Maganaris, McCune, Hurt, Mates

COUNCLMEMERS ABSENT: None

PLEDGE OF ALLEGIANCE

Led by Police Chief Stenquist.

REPORT FROM CLOSED SESSION

City Attorney Rennie stated no reportable actions from the earlier closed session.

SPECIAL PRESENTATIONS

Proclamation Celebrating Pride Month

Mayor Mates read the proclamation.

Students from the Carlmont High School Gender Sexuality Alliance (GSA) thanked the Council for the recognition and commented on the importance of a welcoming, accepting, and inclusive environment for all.

APWA Presentation of Awards and Proclamation Recognizing National Public Works Week "Connecting the World Through Public Works"

Mayor Mates read the proclamation.

Public Works Director Brown introduced members of the Belmont Public Works Staff.

Alec Nicholas, American Public Works Association (APWA) Silicon Valley Chapter, commented on the education and services provided by the association. He noted that the Association recently awarded Belmont Public Works for the Ralston Avenue Signalization System as project of the Year Award and Mathew Wang Belmont Associate Engineer with the Young Leader Award. He also commended the department for their efforts in perusing the APWA Accreditation.

Proclamation Recognizing Economic Development and Housing Manager Jennifer Rose for Outstanding Public Service

Mayor Mates read the proclamation.

Council and Staff thanked Ms. Rose for her service to the City.

Public Safety Employee Recognition

Police Chief Stenquist introduced the newest members of the Belmont Police Department Officer Meleseini Hafoka and Dispatcher Kaitlyn Panizza.

Family members pinned the officers' badges and City Clerk Plut administered the Oath of Office.

Chief Stenquist presented Volunteer Ed Marion with the Volunteered of the Year award, Dana Herrera with the Professional Staff Member of the Year and Detective James O'Connor, Officer of the Year.

HIP Housing Home Sharing Program Presentation

Laura Fanucchi, Human Investment Project (HIP Housing) provided information on various housing resources provided by the organization.

RECESS: 7:50 PM

RECONVENE: 7:55 PM

PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

No members of the public came forward to speak.

COUNCILMEMBER ANNOUNCEMENTS

Mayor Mates and Councilmembers provided information on upcoming local and regional events.

CONSENT BUSINESS

Resolution 2023-043 approving a list of proposed projects for FY 2023-2024 funded by the Road Repair and Accountability Act of 2017

Resolution 2023-044 authorizing the City Manager to negotiate and execute a Memorandum of Understanding (MOU) with San Mateo County to join the Multi-Jurisdictional Safety Element Project with consultant support from PlaceWorks, Inc. and Community Planning Collaborative for the term of June 15, 2023, through June 15, 2026 with a total obligation not to exceed \$155,11

Resolution 2023-045 approving the creation of a Deputy Director of Community Development and Planning; and revising the City's Master Employee Pay Schedule to include Deputy Director of Community Development and Planning in accordance with California Public Employees Retirement System (CalPERS) regulations.

ACTION: On a motion made by Councilmember Hurt and seconded by Councilmember McCune the Consent Business was unanimously approved by a roll call vote.

PUBLIC HEARINGS (NONE)

GENERAL BUSINESS

American Public Works Accreditation (APWA) Update Recommendation

Janice Svenson provided an update on the multi-year process of attaining the national standard accreditation. She noted that the accreditation is being sought to promote and recognize excellence in the operation and management of the public works. She outlined the process, objectives, and timeline.

In response to Council questions Public Works Director explained that the potential for lower insurance premiums and reduction in infrastructure liability claims, increased funding approvals

for projects from the governing body, improved efficiencies and succession planning are all benefits of accreditation.

Council concluded the discussion; no action was required.

Introduction of the Proposed Fiscal Year 2023-24 Budget

Finance Director Castaneda provided an overview of the process and proposed fiscal year (FY) 2023-24 budget. She noted that the budget will be finalized for adoption at the upcoming June 13th regular Council meeting.

She explained that the City's budget aligns with the adopted strategic focus areas to sustain long term operational needs and meet community identified priorities. She noted that the budget is balanced and the focus remains on infrastructure funding and capital improvement. She also explained the local control over local revenue sources remains a priority.

She explained that the City's FY 2023-24 total operating budget including the Fire Protection District is proposed at \$75.2 million and the total Citywide budget is \$95 million. She noted the proposed personnel count is 144.25 plus 2.75 (full time equivalent (FTE) as the city conducts it's needs assessment.

She provided an overview of the City's general fund resources and explained that property tax makes up 40% of the 2024 General Fund and explained that the VLF reimbursement claims rejected by the State continue to strain the City's budget. She further explained that the General Fund impact is a loss of \$11 million over 5 years or \$34 million over 10 years if the state continues to underfund property tax in lieu of the Vehicle License Funds (VLF). She explained the cause and effect of the issue and noted that the City along with a County delegation are lobbying members of the State's legislature for reinstituting and continuing the funding.

Ms. Castaneda noted that the Fire Protection District is not impacted by the VLF Shortfall she explained that capital reserves are planned for the next five years to fund a new fire station.

She provided an overview of the Capital Improvement Plan (CIP) and noted that the proposed FY 2023-24 CIP is \$20.6 million, and a five-year plan is \$75.1 million with the majority of the budgeted fund slated for sewer and storm upgrades.

Council discussion ensued regarding the actions of the State and preserving and managing the City's reserves.

City Executive Team presented departmental budget summaries, highlights, and initiatives.

Further Council discussion ensued.

Ms. Castaneda briefly stated the next steps in the budget process and noted that a public hearing is set for June 13, 2023, to consider budget adoption.

Mayor Mates opened the item for public comment, no members of the public came forward.

BRIEF VERBAL REPORTS FROM MEMBERS AND STAFF

Verbal report from Councilmembers on Intergovernmental (IGR) and Subcommittee Assignments

Councilmembers reported on their assignments.

Verbal report from City Manager

City Manager Oskoui stated that the City and Council participated in a grand opening of the Firehouse phase one event. He stated that a Harbor Industrial Area (HIA) Specific Plan community meeting is scheduled for June 8. He acknowledged Parks Staff Member Michael Moran for his Professional Merit Award from a Local Chapter of California Parks and Recreation Society.

MATTERS OF INTEREST/CLARIFICATION

None

ADJOURNMENT at this time being 9:30 p.m.

Jozi Plut
City Clerk

MINUTES OF CITY OF BELMONT CITY COUNCIL AND BELMONT FIRE PROTECTION DISTRICT BOARD OF DIRECTORS SPECIAL AND REGULAR MEETING

City Council Chambers, City Hall, One Twin Pines Lane, Belmont, California

TUESDAY, JUNE 13, 2023

6:30 PM

COUNCILMEMBERS PRESENT: Latimerlo, Pang-Maganaris, McCune, Hurt, Mates

ITEMS OF BUSINESS

STUDY SESSION

Diversity, Equity, and Inclusion Update Recommendation

Diversity and Equity Officer Shearer and City Consultant Irma Zoepf provided an update on the DEI initiatives and efforts to date. Ms Zoepf stated that the initiative began with an assessment of internal practices to generate DEI awareness and identify opportunities for advancing DEI practices with staff.

Ms. Shearer noted several findings from the assessment including expanding HR resources, the need for more staff interaction and recognition, more DEI training and outreach.

Danielle Giuliacci and AnnMarie Garcia, DEI Working Group Committee Members outlined the groups goals, actions and next steps.

Council discussion ensued. Council concurred to support the actions of the committee and the DEI initiatives internally and externally.

ADJOURNMENT at this time being 7:00 p.m.

**Jozi Plut
City Clerk**

REGULAR MEETING

CALL TO ORDER: 7:10 p.m.

ROLL CALL

COUNCILMEMBERS PRESENT: Latimerlo, Pang-Maganaris, McCune, Hurt, Mates

COUNCILMEMBERS ABSENT: None

PLEDGE OF ALLEGIANCE

Led by Mayor for a Day, local 5th grade student Kevin Li

REPORT FROM CLOSED SESSION

No closed session items on the agenda.

SPECIAL PRESENTATIONS

Recognition of the RethinkWaste "Trash to Art" Contest Winners

The Council recognized two local grade school students Parthi Patel and Isabel Yoo for their first and second placement in a the annual RethinkWaste Art to Trash Contest

Proclamation Observing Juneteenth Independence Day

Mayor Mates read the proclamation

Rev Lorrie Carter Owens, President of San Mateo NAACP, Alexis Lewis, 1st VP San Mateo NAACP, and Kathryn Haysbert, 3rd VP of San Mateo NAACP thanked the Council for recognizing Juneteenth.

Lois Fried, Local Poet thanked the Council for recognizing Juneteenth. She provided a history of events leading to Juneteenth and read her poem *Juneteenth Memories* commemorating the holiday.

Proclamation Celebrating SAMCEDA - 70 Years

Mayor Mates read the proclamation.

Larisa Ocañada, SAMCEDA Marketing, Communications and Operations Manager accepted the proclamation.

Proclamation Recognizing Mosquito Vector Month and Annual Presentation

Chuck Cotten, Belmont Representative on the Mosquito Vector Control Board provided an update of upcoming events provided by the organization.

Dr. Rachel Curtis Robles, Public Health Education and Outreach Officer provided the annual report on the San Mateo Mosquito and Vector Control District.

PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

Terri Cook provided information on the upcoming Music in the Park series.

COUNCILMEMBER ANNOUNCEMENTS

Councilmembers commented on local events they attended and those that are upcoming.

CONSENT BUSINESS

May 9, 2023 Special & Regular Meeting Minutes

Resolution 2023-046 approving the creation of new job classification, Information Technology (IT) Manager and IT Business System Analyst; and revising the City's Master Employee Pay

COMBINED AGENCY MINUTES

Regular and Special Meeting

June 13, 2023

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Schedule, to include Information Technology Manager and IT Business System Analyst, in accordance with California Public Employees Retirement System (CalPERS) regulations

Resolution 2023-047 authorizing the City Manager to negotiate and execute an amendment to the Service Agreement with Eaton & Associates for managed information technology services in an amount not-to-exceed amount of \$275,000

It was noted that the IT Manager job description was duplicated, and the Analyst position was not included with the initial agenda packet at the time of posting the online agenda will be amended.

ACTION: on a motion made by Councilmember Hurt and seconded by Councilmember McCune the Consent Business items were unanimously approved by roll call vote (5-0).

PUBLIC HEARINGS

Annual Report for Collection of Sewer Service Fees

Public works Director Brown stated that an annual public hearing is required to consider the method of collection of sewer service fees and the annual reports for collection that are placed on the tax roll charged to Belmont parcels to fund the operation and maintenance of the City's sewer collection system. He noted that a majority of parcel owners are needed to protest and overrule the fees.

Mayor Mates opened the public hearing, no members of the public came forward to speak. Mayor Mates closed the public hearing.

City Clerk Plut noted that no written protest was received.

ACTION: on a motion made by Councilmember McCune and seconded by Councilmember Latimerlo **Resolution 2023-048** Approving The Annual Report For Collection On The Tax Roll Of The Sewer Service Fees Charged To Parcels To Fund The Operation And Maintenance Of The City's Sewer Collection System For Fiscal Year 2023-2024 was unanimously approved by roll call vote. (5-0)

Annual Report for Collection of Sewer Treatment Facility Charges

Public works Director Brown stated the same action is required for collecting sewer treatment fees and unless there is a majority protest to overrule the fees a resolution approving the annual report for collection placed on the tax roll of the sewer treatment facility fees charged to parcel owners to fund the City share of the Silicon Valley Clean Water (SVCW) sewer treatment plant and conveyance system is the required Council action.

Mayor Mates opened the public hearing, no members of the public came forward to speak. Mayor Mates closed the public hearing.

City Clerk Plut stated that no written protest was received.

ACTION: On a motion made by Councilmember McCune and seconded by Councilmember Pang-Maganaris **Resolution 2023-049** Approving The Annual Report For Collection On The Tax Roll Of The Sewer Treatment Facility Fees Charged To Parcels To Fund The City Of Belmont's Share Of The Silicon Valley Clean Water (SVCW) Sewer Treatment Plant And Conveyance System Upgrades For Fiscal Year 2023-2024 was unanimously approved by a roll call vote (5-0).

Annual Report for Collection of Storm Drainage Fees

Public Works Director Brown stated that this is a \$30 per parcel fee and is not regularly increased. He stated the same public hearing action is required or collection of storm drainage fees charged to parcel owners on the tax roll to fund the City National Pollutant Discharge Elimination System (NPDES) Storm Water Compliance Program for FY 2023-202.

Mayor Mates opened the public hearing, no members of the public came forward to speak. Mayor Mates closed the public hearing.

City Clerk Plut stated that no written protest was received.

ACTION: On a motion made by Councilmember Hurt and seconded by Councilmember McCune **Resolution 2023-050** adopting The Annual Report For Collection On The Tax Roll Of Storm Drainage Fees Charged To Parcels To Fund The City Of Belmont's National Pollutant Discharge Elimination System (NPDES) Storm Water Compliance Program For Fiscal Year 2023-2024 was unanimously approved by roll call vote (5-0).

Adopt Budget and Related Items for Fiscal Year 2023-24

Finance Director Castaneda outlined the FY 2023-24 budget process to date and noted that the item is before the Council for adoption. She explained that since the budget introduction in May the VLF shortfall is now included in the Senate and Assembly versions of the State Budget after being left off the Governor's January and May revise budget. She clarified that it was not yet signed but the City stands optimistic to continue receiving its share of the funds.

Ms. Castaneda concluded her presentation with a recommendation to approve resolutions adopting the Fiscal Year 2023-24 Budget, approving the Appropriations Limit, authorizing the Special Library Tax, and approving revisions to certain fees in the Master Revenue Schedule.

Mayor Mates opened the public hearing, no members of the public came forward to speak. Mayor Mates closed the public hearing.

Correction item:

Councilmember Hurt motioned to approve the resolutions related to the FY 2023-24 for the City of Belmont seconded by Councilmember Latimerlo and passed by roll call vote.

City Manager Oskoui noted that the Fire Protection Budget resolutions require adoption, City Attorney Rennie clarified that Council may motion to approve the staff recommendation.

ACTION: On a motion made Councilmember Hurt and seconded by Councilmember McCune
Resolution 2023-051 Adopting Fiscal Year 2023-24 Revenue, Appropriations, And Capital Improvement Program Budgets And Permanent Staffing Plan For The City Of Belmont

Resolution 2023-052 Establishing The City Of Belmont's Appropriation Limit For Fiscal Year 2023-24

Resolution 2023-053 Establishing The Annual Special Tax For Community Facilities District No. 2000-1 (Library Project) For Fiscal Year 2023-24 And Requesting The County Of San Mateo Collect The Special Tax On The Property Tax Rolls

Resolution 2023-054 Making Fiscal Year 2023-24 Amendments To The Master Revenue Schedule were approved by a roll call vote.

Consider amendments to Belmont Zoning Ordinance (BZO) Section 2 (Definitions), Section 5B (Harbor Industrial Area), Section 8 (Off-Street Parking and Loading), and Section 8A (Off-Street Parking and Loading in the Corridor Mixed Use and Regional Commercial Districts) to include a "Research and Development Facilities" definition, parking ratio, and loading space requirements.

Community Director de Melo stated that the item was introduced at the May 9, 2023 Council Meeting after recommendation from the Planning Commission, Council did not provide any changes to the amendments at the time. He noted the Council is conducting a 2nd reading public hearing and adoption of the amendments. He noted that Council received public comment on bio-safety levels (BSL) and further noted that staff will address BSL in greater detail going forward and this action is for parking ratio and loading space requirements.

Dara Sanders, City Consultant with Good City, provided an overview of the amendments.

Council Discussion ensued regarding parking ratios.

Public Comment

Email correspondence received.

David Crabbe Sierra Club commented on biosafety level implications.

Giuliano Carlini commented on reducing parking maximums and use of public transportation.

Gary Baldocchi commented on biosafety and pathogens associated with biolabs.

Debbie Baldocchi commented on the City's response to winter storms and hazards associated with biosafety labs.

Gladwyn De Souza commented on the hazardous effects of level 3 and 4 biolabs.

Council concurred to support the amendments as presented.

ACTION: On a motion made by Councilmember Hurt and seconded by Councilmember McCune, the Ordinance title was read by City Attorney Rennie Ordinance amending Belmont Zoning Ordinance (BZO) Section 2 (Definitions), Section 5B (Harbor Industrial Area), Section 8 (Off-Street Parking and Loading), and Section 8A (Off-Street Parking and Loading in the Corridor Mixed Use and Regional Commercial Districts) to include a "Research and Development

Facilities” definition, minimum and maximum parking ratio, and loading space requirements was adopted by a roll call vote (5-0).

GENERAL BUSINESS

None

BRIEF VERBAL REPORTS FROM MEMBERS AND STAFF

Verbal report from Councilmembers on Intergovernmental (IGR) and Subcommittee Assignments

Councilmembers reported on their IGR assignments.

Verbal report from City Manager

City Manager Oskoui noted that summer road and street construction start and continue through the summer months.

MATTERS OF INTEREST/CLARIFICATION

None

ADJOURNMENT at this time being 9:00 p.m.

**Jozi Plut
City Clerk**

**MEETING MINUTES OF REGULAR MEETINGS OF DIRECTORS OF BELMONT
FIRE PROTECTION DISTRICT**

City Council Chambers, City Hall, One Twin Pines Lane, Belmont, California

TUESDAY, May 9, 2023

CALL TO ORDER 7:05 PM

ROLL CALL

DIRECTORS PRESENT: Latimerlo, McCune, Pang-Maganaris, Mates

DIRECTORS ABSENT: Hurt

CONSENT

Minutes of BFPD April 11, 2023 Regular Meeting and BFPD April 25, 2023 Regular Meeting

ACTION: On a motion made by Director McCune and seconded by Director Latimerlo the Consent Business was unanimously approved by a roll call vote (5-1, Hurt absent)

ADJOURNMENT at this time being 9:25 P.M.

**Jozi Plut
District Secretary**

MEETING MINUTES OF REGULAR MEETINGS OF DIRECTORS OF BELMONT FIRE PROTECTION DISTRICT

City Council Chambers, City Hall, One Twin Pines Lane, Belmont, California

TUESDAY, May 23, 2023

CALL TO ORDER 7:00 PM

ROLL CALL

DIRECTORS PRESENT: Latimerlo, McCune, Pang-Maganaris, Hurt, Mates

DIRECTORS ABSENT: None

GENERAL BUSINESS

Introduction of the Proposed Fiscal Year 2023-24 Budget

Item was discussed in tandem with the City Budget.

Finance Director Castaneda provided an overview of the process and proposed fiscal year (FY) 2023-24 budget. She noted that the budget will be finalized for adoption at the upcoming June 13th regular Council meeting.

She explained that the City's budget aligns with the adopted strategic focus areas to sustain long term operational needs and meet community identified priorities. She noted that the budget is balanced and the focus remains on infrastructure funding and capital improvement. She also explained the local control over local revenue sources remains a priority.

She explained that the City's FY 2023-24 total operating budget including the Fire Protection District is proposed at \$75.2 million and the total Citywide budget is \$95 million. She noted the proposed personnel count is 144.25 plus 2.75 (full time equivalent (FTE) as the city conducts it's needs assessment.

She provided an overview of the City's general fund resources and explained that property tax makes up 40% of the 2024 General Fund and explained that the VLF reimbursement claims rejected by the State continue to strain the City's budget. She further explained that the General Fund impact is a loss of \$11 million over 5 years or \$34 million over 10 years if the state continues to underfund property tax in lieu of the Vehicle License Funds (VLF). She explained the cause and effect of the issue and noted that the City along with a County delegation are lobbying members of the State's legislature for reinstituting and continuing the funding.

Ms. Castaneda noted that the Fire Protection District is not impacted by the VLF Shortfall she explained that capital reserves are planned for the next five years to fund a new fire station.

She provided an overview of the Capital Improvement Plan (CIP) and noted that the proposed FY 2023-24 CIP is \$20.6 million, and a five-year plan is \$75.1 million with the majority of the budgeted fund slated for sewer and storm upgrades.

Council discussion ensued regarding the actions of the State and preserving and managing the City's reserves.

City Executive Team presented departmental budget summaries, highlights, and initiatives.

Further Council discussion ensued.

Ms. Castaneda briefly stated the next steps in the budget process and noted that a public hearing is set for June 13, 2023, to consider budget adoption.

Mayor Mates opened the item for public comment, no members of the public came forward.

ADJOURNMENT at this time being 9:30 P.M.

Jozi Plut
District Secretary

MEETING MINUTES OF REGULAR MEETINGS OF DIRECTORS OF BELMONT FIRE PROTECTION DISTRICT

City Council Chambers, City Hall, One Twin Pines Lane, Belmont, California

TUESDAY, JUNE 13, 2023

CALL TO ORDER 7:10 PM

ROLL CALL

DIRECTORS PRESENT: Latimerlo, McCune, Pang-Maganaris, Hurt, Mates

DIRECTORS ABSENT: None

PUBLIC HEARING:

Adopt Budget and Related Items for Fiscal Year 2023-24

Item was discussed in tandem with the City Budget adoption.

Finance Director Castaneda outlined the FY 2023-24 budget process to date and noted that the item is before the Council for adoption. She explained that since the budget introduction in May the VLF shortfall is now included in the Senate and Assembly versions of the State Budget after being left off the Governor's January and May revise budget. She clarified that it was not yet signed but the City stands optimistic to continue receiving its share of the funds.

Ms. Castaneda concluded her presentation with a recommendation to approve resolutions adopting the Fiscal Year 2023-24 Budget, approving the Appropriations Limit, authorizing the Special Library Tax, and approving revisions to certain fees in the Master Revenue Schedule.

Mayor Mates opened the public hearing, no members of the public came forward to speak. Mayor Mates closed the public hearing.

Correction item:

Councilmember Hurt motioned to approve the resolutions related to the FY 2023-24 for the City of Belmont seconded by Councilmember Latimerlo and passed by roll call vote.

City Manager Oskoui noted that the Fire Protection Budget resolutions require adoption, City Attorney Rennie clarified that Council may motion to approve the staff recommendation.

ACTION: On a motion made by Director Hurt and seconded by Director McCune **Resolution 2023-03** Adopting Fiscal Year 2023-24 Revenue And Appropriations Budgets, and Permanent Staffing Plan For The District and **Resolution 2023-04** Establishing The District's Appropriation Limit For FY 2023-24 were unanimously approved by roll call vote (5-0).

ADJOURNMENT at this time being 9:00 P.M.

Jozi Plut
District Secretary



HIGHLIGHTS

PERFORMANCE AT A GLANCE REPORT

- General Fund balance increased compared to prior YTD
- Some funds experiencing cyclical deficits

FUND RECAP AT A GLANCE REPORT

Notable Fund Balance Increase compared to prior YTD:

- General Fund
- Belmont Fire Protection District
- Affordable Housing Successor
 - Planned Park
- Sewer Collection System
 - Sewer Treatment
 - Measure W
- Liability Insurance

Notable Fund Balance Decrease compared to prior YTD:

- Street Improvements
- Infrastructure

BUDGET VARIANCE REPORT

- Management Discussion & Analysis
- Tax Trends

CASH DISBURSEMENTS & PURCHASE ORDER ACTIVITY REPORT

This report contains financial information which has not been reviewed or audited by an independent auditor, does not reflect the application of generally accepted accounting principles in all instances and is subject to future revision. This report has not been prepared with a view to informing an investment decision in any of the City's bonds, notes or other obligations. Any projections, plans or other forward-looking statements included in this report are subject to a variety of uncertainties that could cause any actual plans or results to differ materially from any such statement. The information herein is not intended to be used by investors or potential investors in considering the purchase or sale of the City's bonds, notes or other obligations and investors and potential investors should rely only on information filed by the City on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures and website, maintained on the World Wide Web at <https://emma.msrb.org/>

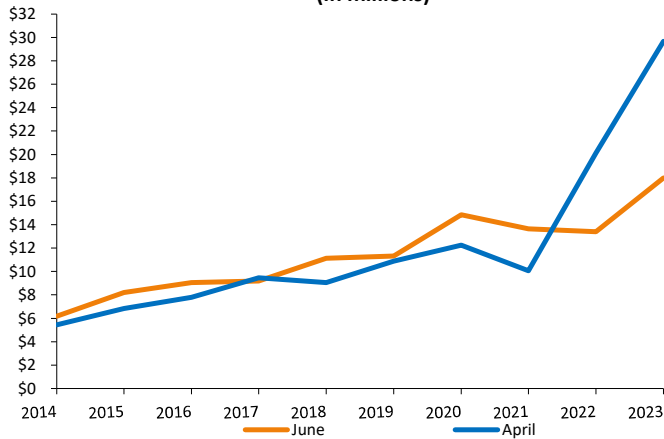
These financial reports are designed to provide a general overview of the City of Belmont's interim finances. Questions concerning any information provided in these reports should be addressed to financedept@belmont.gov or for additional information regarding the City's financial activities, including past award winning audited financial statements, transparency efforts and best practices please visit the City at www.belmont.gov.



City of Belmont
Performance at a Glance
Results for the Period Ended April 30, 2023
 (000's)



General Fund Balance Trend
 (in millions)

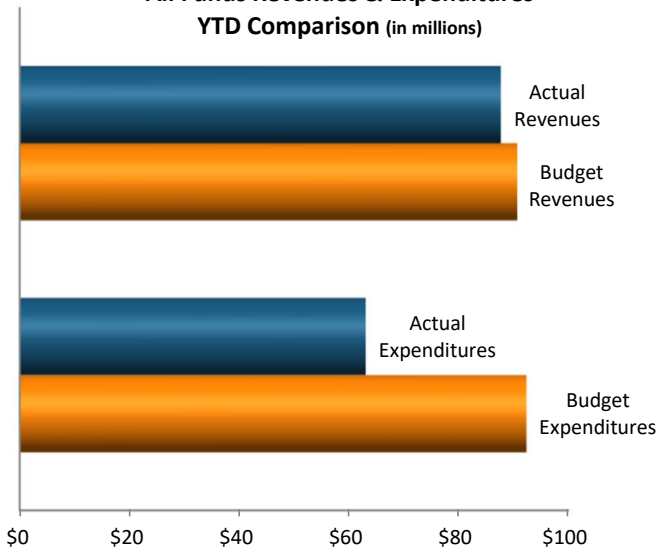


General Fund Balance Trends*

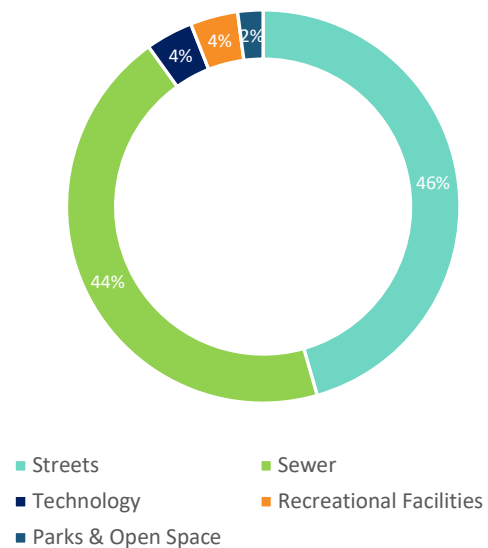
6/30/2013	\$6,200	Audited
6/30/2014	\$8,204	Audited
6/30/2015	\$9,049	Audited
6/30/2016	\$9,177	Audited
6/30/2017	\$11,128	Audited
6/30/2018	\$11,325	Audited
6/30/2019	\$14,846	Audited
6/30/2020	\$13,637	Audited
6/30/2021	\$13,398	Audited
6/30/2022	\$18,013	Audited
4/30/2023	\$29,687	Unaudited

* excludes Measure I

All Funds Revenues & Expenditures
YTD Comparison (in millions)



Capital Improvement Plan



General Fund

The General Fund balance is \$29.7 million, a \$11.7 million increase compared to amount at the prior fiscal year end. The increase compared to the 6/30/22 balance was primarily due to the receipt of the second and last tranche of one-time \$3.2 million in ARPA Federal Coronavirus State and Local Fiscal Recovery Funds, a \$1.5 million VLF reimbursement due to the shortfall from two years prior, transient occupancy tax recovering from the prior year, as well as \$2.7 million property tax collections that were received in April. Additionally, a \$4.4 million budgeted operating transfers from the General Fund to support other funds will not be recorded until the end of the fiscal year based on actual results.

Fund Balance - YTD Fund Deficits

As shown on the Fund Recap at a Glance (page 3) the Recreation Fund, Street Maintenance, and Facilities Management Fund have deficits and are expected to be eliminated in a future period.

City of Belmont
Fund Recap at a Glance
Results for the Period Ended April 30, 2023
(000's)



Fund	Fund Name	Audited Fund Balance 06/30/22 (1)	Revenues					Expenditures					Unaudited Fund Balance 04/30/23 (1)+(2)-(3)	PY YTD Fund Balance 04/30/22	
			YTD Budget	YTD Actual (2)	Variance (Under) Over	%	PY YTD Actual	YTD Budget	YTD Actual (3)	Variance (Under) (Over)	%	PY YTD Actual			
GENERAL FUND															
	101 General	\$18,013	\$28,950	\$29,798	\$848	103%	\$23,716	\$23,676	\$18,124	\$5,552	77%	\$16,994	\$	29,687	20,134
	102 Measure I	2,938	1,892	1,606	(286)	85%	1,519	6,853	782	6,071	11%	2,182		3,762	3,088
SPECIAL REVENUE FUNDS															
	205 Recreation	(0)	3,251	1,984	(1,267)	61%	1,568	2,865	2,484	381	87%	2,217		(500)	(627)
	206 Library Maintenance & Operation	836	253	292	39	115%	273	600	288	312	48%	328		840	907
	207 Athletic Field Maintenance	376	75	114	39	152%	87	225	141	84	63%	85		349	379
	208 City Tree	297	9	13	4	144%	8	61	31	30	51%	32		279	302
	209 Senior Services Donation	90	3	2	(1)	67%	3	0	0	0	N/A	0		92	89
	210 Development Services	1,084	4,606	3,576	(1,030)	78%	3,540	5,148	4,307	841	84%	3,747		353	211
	212 General Plan Maintenance	1,305	418	515	97	123%	200	1,517	107	1,410	7%	8		1,713	930
	223 Belmont Fire Protection District	16,217	13,536	15,145	1,609	112%	10,735	10,272	9,690	582	94%	11,310		21,672	14,833
	225 Police Grants and Donations	33	0	0	0	N/A	0	4	3	1	75%	2		30	33
	227 Supplemental Law Enforcement	-	157	160	3	102%	160	149	148	1	99%	194		12	(35)
	231 Street Maintenance	-	2,008	990	(1,018)	49%	831	2,095	1,796	299	86%	1,581		(806)	(28)
	232 RMRA Street Project	-	504	465	(39)	92%	394	642	9	633	1%	624		456	93
	233 Measure W	1,457	735	466	(269)	63%	848	543	0	543	0%			1,923	747
	234 Street Improvements	905	1,696	1,382	(314)	81%	1,490	2,567	876	1,691	34%	2,662		1,411	1,340
	237 Traffic Impact	200	678	3	(675)	0%	200	96	0	96	0%			203	200
	239 Public Art	396	2	6	4	300%	0	0	0	0	N/A			402	0
	275 Affordable Housing Successor	6,468	2,743	3,053	310	111%	75	413	364	49	88%	378		9,157	3,384
	277 Inclusionary Housing	2,452	3	2	(1)	67%	0	0	0	0	N/A			2,454	2,385
	Total Special Revenue	32,117	30,677	28,168	(2,509)	92%	20,412	27,197	20,244	6,953	74%	23,168		40,041	25,144
CAPITAL PROJECT FUNDS															
	308 General Facilities	725	31	10	(21)	32%	0	309	7	302	2%	87		728	741
	310 Infrastructure	2,810	1,201	725	(476)	60%	1,462	2,278	994	1,284	44%	192		2,541	3,572
	312 Comcast PEG Program	396	0	6	6	N/A	33	100	0	100	0%			402	395
	341 Planned Park	1,989	1,167	437	(730)	37%	0	625	730	(105)	117%	817		1,696	(459)
	342 Park Impact	327	237	287	50	121%	1	1,110	151	959	14%			463	1,398
	343 Open Space	164	7	5	(2)	71%	0	146	63	83	43%	48		106	158
	704 Special Assessment Districts	308	0	4	4	N/A	0	0	0	0	N/A			312	308
	Total Capital Projects	6,719	2,643	1,474	(1,169)	56%	1,496	4,568	1,945	2,623	43%	1,144		6,248	6,112
DEBT SERVICE & OTHER FUNDS															
	406 Library Bond Debt Service	270	562	625	63	111%	607	571	674	(103)	118%	669		221	204
	501-505 Sewer Collection System	25,616	13,150	14,515	1,365	110%	12,680	14,161	8,723	5,438	62%	8,112		31,408	19,915
	507 Sewer Treatment	25,992	2,627	2,896	269	110%	2,832	3,562	3,055	507	86%	4,384		25,833	21,961
	525 Storm Drainage Enterprise	2,588	1,837	994	(843)	54%	870	2,438	1,482	956	61%	1,576		2,100	2,880
	530 Solid Waste Management	1,766	456	458	2	100%	401	464	420	44	91%	352		1,804	1,630
	570 Worker's Compensation	1,537	582	665	83	114%	606	610	671	(61)	110%	558		1,531	1,386
	571 Liability Insurance	3,386	586	142	(444)	24%	(1,257)	889	748	141	84%	571		2,780	1,547
	572 Self Funded Vision	-	2	2	0	100%	9	4	(6)	10	-150%	(3)		8	12
	573 Fleet & Equipment Management	7,438	3,712	3,799	87	102%	4,252	4,079	3,103	976	76%	2,820		8,134	7,265
	574 Facilities Management	0	1,842	1,483	(359)	81%	1,396	2,128	2,017	111	95%	1,711		(534)	(273)
	575 Benefit Prefunding	1,082	1,228	1,132	(96)	92%	1,104	1,193	1,122	71	94%	1,436		1,092	1,104
	Total Debt & Other	69,676	26,584	26,711	127	100%	27,424	30,099	22,009	8,090	73%	22,754		74,378	62,602
	Total All Funds	\$129,464	\$90,746	\$87,757	(\$2,989)	97%	\$74,567	\$92,393	\$63,104	\$29,289	68%	\$66,242		\$154,116	\$117,081

Fund Types:

General Fund - Used to account for and report all financial resources not accounted for and reported in another fund.

Special Revenue Funds - Used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.

Capital Projects Funds - Used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital

Debt Service & Other Funds - Includes funds used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest; funds used to finance and account for special activities and services performed by a designated department for other departments in the City on a cost reimbursement basis; and funds to account for operations financed and operated in a manner similar to a private business enterprise with the intent that the cost of providing goods and services is primarily financed through user charges; and funds used to account for assets held by the City as an agent.

City of Belmont
Budget Variance Report
General Fund / All Other Funds
Results for the Period Ended April 30, 2023
(000's)



	General Fund					All Other Funds								
	Budget	Year to Date (YTD)		%	Annual Budget	PY YTD Actual	Budget	Year to Date (YTD)		%	Annual Budget	PY YTD Actual		
REVENUES														
Taxes	\$19,866	\$19,645	(\$221)	99%	a	\$23,839	\$15,123	\$17,054	\$17,933	\$879	105%	\$20,466	\$17,948	
<i>Property Taxes</i>	5,983	6,371	388	106%		7,180	5,095	13,305	14,492	1,187	91%	15,965	14,585	
<i>Sales Taxes</i>	3,614	2,949	(665)	82%		4,336	2,950	2,935	2,536	(399)	71%	3,523	2,451	
<i>Other Taxes</i>	10,269	10,325	56	101%		12,323	7,078	814	906	92	99%	977	912	
Licenses and permits	978	829	(149)	85%	b	1,174	698	1,548	1,814	266	117%	1,858	1,473	
Intergovernmental	2,957	3,636	679	123%		3,549	3,448	4,024	2,666	(1,358)	66%	d	4,828	2,524
Charge for services	3,745	3,646	(99)	97%		4,494	3,398	30,210	30,426	216	101%	36,253	28,679	
Fines and forfeits	138	99	(39)	72%		165	121	-	-	-	N/A	-	-	
Use of money and property	964	1,918	954	199%		1,157	847	591	2,243	1,652	380%	709	290	
Miscellaneous	302	26	(276)	9%	c	362	80	164	(73)	(237)	-45%	e	198	(1,466)
Other financing sources	-	-	-	N/A		-	-	2,425	2,951	526	122%	2,910	17	
Operating transfers in	-	-	-	N/A		-	-	5,781	-	(5,781)	f	6,938	1,386	
Total Revenues	28,950	29,799	849	103%		34,740	23,715	61,797	57,961	(3,836)	94%	74,159	50,851	
EXPENDITURES														
General government	5,915	4,563	(1,352)	77%		7,098	4,415	6,919	5,677	(1,242)	82%	8,302	5,422	
Public safety	12,232	11,936	(296)	98%		14,678	11,045	10,418	9,841	(577)	94%	12,502	11,506	
Streets and utilities	-	-	-	N/A		-	-	31,503	15,137	(16,366)	48%	37,803	18,088	
Culture and recreation	1,845	1,625	(220)	88%		2,214	1,534	6,849	5,411	(1,438)	79%	8,219	4,785	
Urban redevelopment	-	-	-	N/A		-	-	5,440	3,444	(1,996)	63%	6,528	3,616	
Debt service	-	-	-	N/A		-	-	5,491	5,469	(22)	100%	6,589	4,447	
Operating transfer out	3,683	-	(3,683)			4,420	-	2,098	-	(2,098)		2,518	1,386	
Total Expenditures	23,675	18,124	(5,551)	77%		28,410	16,994	68,718	44,979	(23,739)	65%	82,461	49,250	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES														
	\$5,275	\$11,675	(\$4,702)			\$6,330	\$6,721	(\$6,921)	\$12,982	(\$27,575)		(\$8,302)	\$1,601	

Management Discussion and Analysis

(Items with unfavorable budget variance more than \$0.1 million)

General Fund:

Revenues

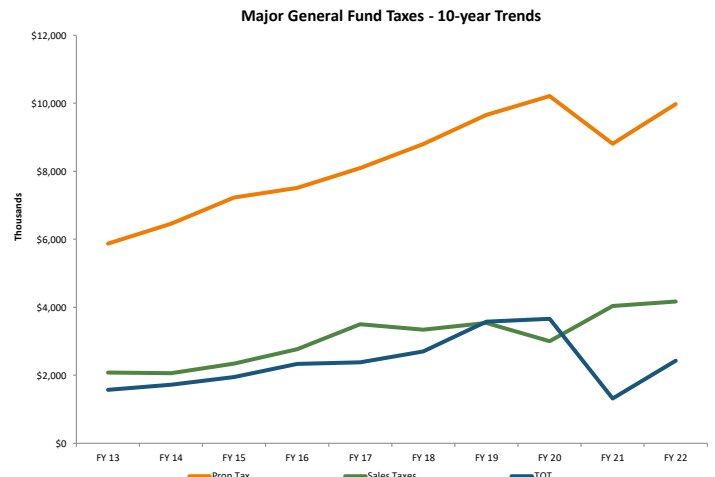
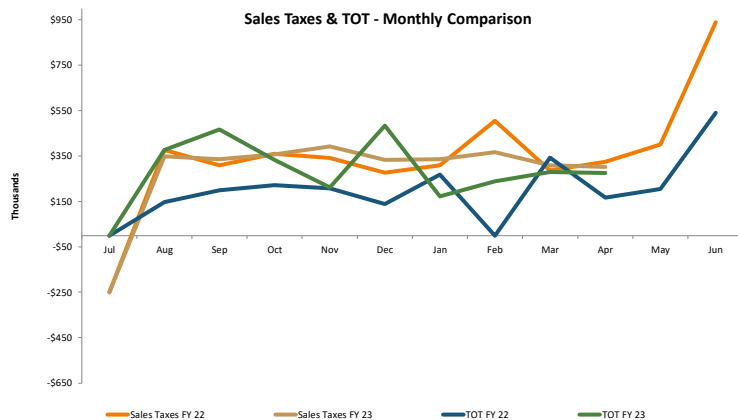
- a) **Taxes** - April Sales Taxes and Transient Occupancy Taxes (TOT) remittances were received in May and will be reported in that period.
- b) **Licenses and permits** - April Business license revenue will be received in May and will be reported in that period.
- c) **Miscellaneous** - The budget variance is primarily due to the timing of the annual Crystal Springs Uplands School (CSUS) Public Service Fee, which will be received in a future reporting period.

Other Funds

Revenues

- d) **Intergovernmental** - The revenue will be received in a future reporting period and includes activities related to the prior fiscal year, which are subject to accounting adjustment.
- e) **Miscellaneous** - This revenue is subject to an accounting adjustment during the fiscal year closing process related to claims liability.
- f) **Operating Transfers In** - Budgeted operating transfers will be recorded at the end of the fiscal year based on actual results.

Trends



** July TOT revenues received were for June activities and accrued to the previous FY. July revenues will be received in August.

City of Belmont
Disbursements & Purchase Order Activity Report
Results for the Period Ended April 30, 2023



Disbursements Amounts Equal to \$50,000 and Above

Vendor	Description	Date	No.	Amount
ADP	PAYROLL 04/07/2023 TAXES	4/7/23	DAJ000008108	90,832.62
ADP	PAYROLL 04/21/2023 TAXES	4/21/23	DAJ000008112	94,372.47
CALPERS	COB CONTRIBUTION PPE 3/10/23	4/5/23	DAJ000008119	115,012.67
CALPERS	COB CONTRIBUTION PPE 3/24/23	4/18/23	DAJ000008132	115,337.71
CITY OF BELMONT EMPLOYEES	PAYROLL 04/07/2023	4/7/23	DAJ000008109	404,513.41
CITY OF BELMONT EMPLOYEES	PAYROLL 04/21/2023	4/21/23	DAJ000008113	416,050.34
GOOD CITY COMPANY	PROFESSIONAL SERVICES FOR PLANNING	4/28/23	EFT00031731	68,501.64
SILICON VALLEY CLEAN WATER	MAY CONTRIBUTIONS	4/7/23	EFT00031521	303,292.00

Total Disbursements in Excess of \$50,000	\$ 1,607,912.86
Total Count	8

Purchase Order Amounts Equal to \$50,000 and Above

Vendor	Description	Date	No.	Amount
MAZE & ASSOCIATES	AUDIT AND RELATED SERVICES	4/18/23	23 00046	122,121.50

Total Purchase Orders Issued in Excess of \$50,000	\$ 122,121.50
Total Count	1

CITY OF BELMONT TREASURER'S REPORT April-23



Agency Receipts and Disbursements Summary

	Beginning Balance March 31, 2023		Receipts		Disbursements		Ending Balance April 30, 2023
City of Belmont	\$ 106,707,609.27	\$	10,652,844.84	\$	(2,725,981.51)	\$	114,634,472.60
Belmont Fire Protection District	17,485,703.42		4,209,278.90		(28,132.67)		21,666,849.65
Total	\$ 124,193,312.69	\$	14,862,123.74	\$	(2,754,114.18)	\$	136,301,322.25

Balance Summary

		Deposit		Investments		Pool Total
City of Belmont & Belmont Fire Protection District	\$	974,097.93	\$	135,327,224.32	\$	136,301,322.25

I certify that this report accurately reflects all investments of City of Belmont and Belmont Fire Protection District, and is in conformance with the adopted Investment Policy mandated by Government Code 53646. Furthermore, I certify to the best of my knowledge, sufficient investment liquidity and anticipated revenues are available to meet the Agency's budgeted expenditure requirement for the next six months.

Respectfully Submitted,

s/b Grace Castaneda
Grace Castaneda
City Treasurer

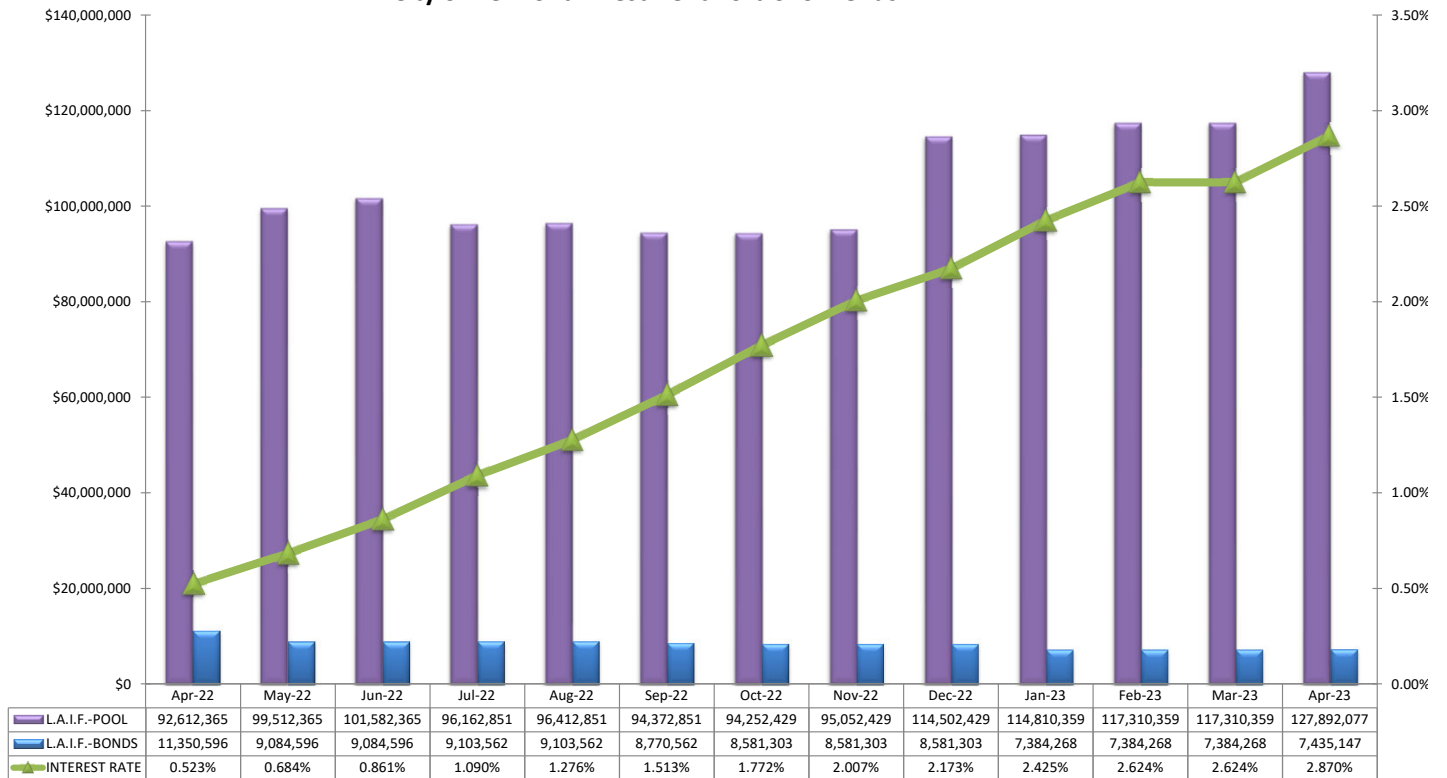
CITY OF BELMONT TREASURER'S REPORT April-23



Investment Detail

Investment Type	Issuer	Maturity Date	Par Amount	Current Market Value	Interest Total	Investment Period	Rate	Pricing Source	Manager
Deposit									
General Account	Wells Fargo		\$ 974,097.93	\$ 974,097.93				Bank	Bank
Investments:									
L.A.I.F.-POOL	State of California	Daily	127,892,076.85	126,166,854.81	305,875.22	90 days	2.870%	LAIF	LAIF
L.A.I.F.-BONDS	State of California	Daily	7,435,147.47	7,334,849.78	17,782.39	90 days	2.870%	LAIF	LAIF
Total			\$ 136,301,322.25	\$ 134,475,802.52	\$ 323,657.61				

City of Belmont Investment Portfolio Trends





STAFF REPORT

Meeting Date: June 27, 2023
Agency: City of Belmont
Staff Contact: Grace Castaneda, Finance Director, (650) 595-7436, gcastaneda@belmont.gov
Agenda Title: Harbor Industrial Area (HIA) Annexation Strategy
Agenda Action: Resolution

Recommendation

Adopt a resolution authorizing the City Manager to execute Task Order No. 9 with RSG, Inc. to provide Harbor Industrial Area Annexation Strategy services in the amount of \$158,670, plus a 10% contingency for a total not-to-exceed amount of \$174,537.

Strategic Focus Area

Economic Development and Housing

Background

The Harbor Industrial Area, or HIA, is an unincorporated area within the Belmont Sphere of Influence as defined under the Local Agency Formation Commission (LAFCo). According to the most recent Municipal Services Review (MSR) on July 13, 2011, San Mateo LAFCo reported that the HIA was approximately 60.71 acres of generally developed area bounded by the Belmont City limits on the north, east, and west, and by the Belmont Creek/San Carlos City limits to the south. The unincorporated HIA is part of a larger 230-acre area of the same name, much of which was annexed by San Carlos in 1997 and smaller portions of which have gradually annexed by Belmont; most recently 1304 Elmer Street and 633 O'Neill Avenue were annexed to the City of Belmont in 2019.

While much of the unincorporated HIA is designated by the San Mateo County General Plan as General Industrial, the character of the HIA is expected to transform significantly as land uses in this area transition to uses that are more suitable for the land values and market today – such as office, life science, hotel, and residential use. This seems to be the trend in neighboring areas, as industrial areas are being acquired, rezoned, and redeveloped, which in turn impacts changes to land use policy, as well as future municipal service demands.

These transformations also bring about necessary changes in infrastructure serving the HIA which has led the city to recently initiate preparation of a Specific Plan for this area that responds to its future uses if annexed into Belmont. In the interim, property owners have applied to San Mateo LAFCo to annex portions of the HIA; but both the city and county acknowledge the desire for a holistic annexation effort to properly address the burden of future infrastructure and service demands. As such, an analysis will be necessary to develop an annexation strategy for the existing and future buildout of the HIA.

The city received a proposal from RSG, Inc (“RSG”) to prepare an analysis and annexation strategy for the HIA. These services are very specialized in nature and there are few consultants providing these



services to municipalities. RSG is a long-standing member with the California Association of Local Economic Development and works specifically with public agencies in achieving economic development goals, offering a set of uniquely tailored services focused on a combination of real estate, economic development, fiscal health, and affordable housing initiatives. The city has consulted RSG to complete annexation studies for two annexations of portions of the HIA in the past three years, including 1304 Elmer Street and 633 O'Neill Avenue, as part of the property tax exchange agreement with the County.

Analysis

Specifically, RSG's proposed scope of work includes preparation of an annexation strategy for the existing and future buildout of the HIA and will consist of the following components:

- a) forecast of potential development,
- b) a service demand and fiscal impact analysis; and,
- c) a financing strategy that considers the potential revenues, service costs, and capital improvements needed to achieve the goals outlined above.

Deliverables will include a study document for use by the city and a Memorandum of Understanding that outlines the objectives of the Annexation Strategy Study, and assistance with the City and County negotiations.

Once the Annexation Strategy Study is completed and circulated to the city, RSG will provide the city with advisory services necessary to negotiate any property tax exchange agreement among other aspects of the annexation strategy, as well as work with LAFCo on oversight and any ensuing application.

Staff requests that the City Council authorize the City Manager to execute Task Order No. 9 to the existing Master Service Agreement with RSG, Inc. for the procurement of Harbor Industrial Area Annexation Strategy services, to assist with the city's ongoing Economic Development efforts. As set forth in the proposed resolution accompanying this report and considering the complexity of the topics to be addressed, an additional 10% contingency of \$15,867 is recommended for a total not-to-exceed amount of \$174,537. A copy of that proposal is attached as Attachment B.

Alternatives

1. Deny the requested authority.
2. Solicit services from an alternative firm.
3. Continue the item for future discussion.

Attachments

- A. Resolution
- B. RSG Proposed Scope of Services



Fiscal Impact

☐ No Fiscal Impact

☒ Funding Source Confirmed: There are sufficient funds available in the General Plan Maintenance Fund (212-5-906-8351) for this purpose in the Fiscal Year 2022-23 Budget.

Source:

Staff

Purpose:

Council Vision/Priority

Public Outreach:

Posting of Agenda

RESOLUTION NO. 2023 –

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELMONT AUTHORIZING THE CITY MANAGER TO EXECUTE A TASK ORDER WITH RSG, INC. TO PROVIDE HARBOR INDUSTRIAL AREA ANNEXATION STRATEGY SERVICES IN THE AMOUNT OF \$158,670, PLUS A 10% CONTINGENCY FOR A TOTAL NOT-TO-EXCEED AMOUNT OF \$174,537

WHEREAS, the Harbor Industrial Area (HIA) is one of two unincorporated areas within the Belmont Sphere of Influence and is subject to the San Mateo County's policy that urban development should occur only within cities, and that the unincorporated pockets should eventually be annexed into their surrounding cities; and,

WHEREAS, as part of the city's Economic Development efforts, staff has worked with property owners in the HIA for a number of years on various strategies with the goal of annexing the area to the city; and,

WHEREAS, the character of the HIA is expected to transform significantly due to transitioning the area to uses that are more suitable for the land values and market today; and,

WHEREAS, in order to continue progress in annexation efforts, the city has need of consulting services to assist with developing and preparing an effective strategy for HIA annexation; and,

WHEREAS, these services are highly specialized and require a consultant with particular expertise; and,

WHEREAS, the city does not possess the technical expertise in-house to conduct annexation strategy services.

NOW, THEREFORE, the City Council of the City of Belmont resolves as follows:

SECTION 1. The City Manager is authorized to negotiate and execute Task Order No. 9 to the Master Service Agreement #2018-46-00 purchasing Harbor Industrial Area (HIA) annexation services from RSG, Inc. for \$158,670, plus a 10% contingency for a total not-to-exceed amount of \$174,537

SECTION 2. The Agreement will be funded by 212-5-906-8351, as identified in the FY 2022-23 Budget.

* * *

ADOPTED June 27, 2023 by the City of Belmont City Council by the following vote:

Ayes:

Noes:

Absent:

Abstain:

ATTEST:

City Clerk

Mayor

APPROVED AS TO FORM:

City Attorney



17872 GILLETTE AVE.
SUITE 350
IRVINE, CA 92614

714 541 4585
INFO@WEBRSG.COM
WEBRSG.COM

April 10, 2023

Via Electronic Mail

Jennifer Rose, Economic Development and Housing Manager
CITY OF BELMONT
One Twin Pines Lane, Suite 320
Belmont, CA 94002

TASK ORDER 9: HARBOR INDUSTRIAL AREA ANNEXATION STRATEGY

Dear Ms. Rose:

Following up our discussions with staff and your planning consultant for the Harbor Boulevard Specific Plan (Carol Johnson of Good City Company), RSG is pleased to present this work program and budget to prepare an annexation financial analysis and annexation strategy recommendations study for the Harbor Industrial Area (HIA) within the City of Belmont's Sphere of Influence. This work builds upon the work on the recently completed studies for 608 Harbor BI and 601 Harbor BI annexation studies.

This letter describes a scope of work and budget to prepare a development phasing forecast (in collaboration with Good City Company), a fiscal and service impact study, and a preliminary financing plan as the primary components of the study. RSG also would provide ongoing advisory services including preparation of a memorandum of understanding to aid the City and County of San Mateo County's collaboration for this exercise.

DESCRIPTION OF STUDY AREA

The HIA is one of two unincorporated areas within the Belmont Sphere of Influence. According to the most recent Municipal Services Review (MSR) on July 13, 2011, San Mateo LAFCO reported that the HIA was approximately 60.71 acres of generally developed area bounded by the Belmont City limits on the north, east, and west, and by the Belmont Creek/San Carlos City limits to the south. The MSR also reported that the population of the HIA was approximately 155 persons as of the 2000 Census. The unincorporated HIA is part of a larger 230-acre area of the same name, much of which was annexed by San Carlos in 1997 and smaller portions of which have gradually annexed by Belmont. Most recently, 1304 Elmer Street was annexed by the City of Belmont a few years ago. Two other annexations are pending, including 608 Harbor Boulevard and 601 Harbor Boulevard; RSG completed draft studies that are being reviewed by City staff in April 2023.

Figure 1 provides a map identifying the location of the unincorporated HIA within Belmont's Sphere of Influence as of 2011.

While much of the unincorporated HIA is designated by the San Mateo County General Plan as General Industrial with the exception of a mobile home park, the character of the HIA is expected to transform significantly due to the City transitioning the area to uses that are more suitable for the land values and market today – such as office, life science, hotel, and residential use. Throughout the greater Midpeninsula, industrial areas are being acquired, rezoned, and redeveloped which impacts not only changes to land use policy, but future municipal service demands which were not on the horizon even 10 years ago.

CURRENT CONDITIONS AND NEED FOR AN ANNEXATION STRATEGY

These transformations also bring about necessary changes in infrastructure serving the HIA which has led the City to recently initiate preparation of a Specific Plan for this area that responds to its future uses once annexed into Belmont. In the interim, property owners have applied to San Mateo LAFCO to annex portions of the HIA twice in the past three years; both the City and County acknowledge shortcomings in a piecemeal annexation effort that may place the burden of future infrastructure and service demands unfairly on owners who annex at a less than opportune time. Whether the area is annexed into Belmont or remains in the County, both parties have expressed an interest to look at a long-term strategy that considers three main goals:

1. Ensure that future annexation of the balance of the HIA generate sufficient revenue to meet recurring service costs for Belmont.
2. Provide funding mechanism(s) for creation of an infrastructure financing plan that may entail developer contributions and public financing vis-a-vis a tax increment financing district with participation by the County, City, and affected Special Districts.
3. Sequence annexation activities through an agreement between San Mateo LAFCO, the County, and the City to achieve the above.

SCOPE OF SERVICES

RSG is proposing to prepare an annexation strategy for the existing and future buildout of the HIA consisting of the following components: a) forecast of potential development, b) a service demand and fiscal impact analysis, and c) a financing strategy that considers the potential revenues, service costs, and capital improvements needed to achieve the goals outlined above. At the conclusion of each phase, RSG would be preparing and expanding a study document for use by the City and County.

1. Future Development Forecast: Evaluate buildout/redevelopment potential of the HIA and develop a forecast with realistic phasing for future redevelopment that ties into the City's ongoing Specific Plan for the HIA. RSG would work in conjunction with the Community Development Department and Good City Company on the creation of a realistic level and pace of buildout that will draw upon the general trends of redevelopment in the area with a heavy emphasis expected on life science and multifamily residential projects.
2. Estimate Service and Fiscal Impacts
 - a. Estimate potential cost of city services associated with the above.
 - b. In conjunction with Belmont Public Works Department, identify potential capital improvements needed in the HIA and segregate between deferred maintenance or replacement costs (which may not necessarily be assessed to future development) and required new or expanded infrastructure.
 - c. Develop forecast of recurring municipal revenues as well as any impact fees or other one-time charges levied by the city to capture costs for infrastructure improvements. Segregate revenues between City, County, and affected Special Districts.

3. Financing Strategy

- a. Compare resulting shortfall or surplus and ascertain overall feasibility based on status quo and potential tax increment financing district, including the boundaries of such. (TIF District could be larger than the HIA, at discretion of city, which has pros and cons).
- b. Layer potential financing capacity of community facilities district (CFD) to supplement public financing
- c. Evaluate results, then discuss potential of any near-term sources that may be accessible – for example, public benefits agreement from initial development proposals. This may entail a feasibility analysis of these projects individually and/or in aggregate to scale the potential. In this step, we would have to figure out current cost and value of project(s) to gauge the potential of any above-market profit that could be shared between project applicants and the City in future development and/or community benefits agreement(s).
- d. Evaluate overall feasibility including go/no-go recommendation, process, and terms and conditions for negotiations.

4. Advisory Services: Once the annexation strategy study is completed it will be circulated to the City and Good City Company for review and discussion. After refinement, it is intended to aid as a tool in negotiations with the County as well as inform San Mateo LAFCO around the challenges and potential solutions that may be necessary for annexation to proceed.

RSG would be available to assist the City and County with advisory services necessary to negotiate any property tax exchange agreement among other aspects of the annexation strategy and work with LAFCO in terms of oversight and any ensuing application. In addition, RSG has included time for virtual or in-person meetings that may be necessary as part of this scope of work under this task.

To facilitate the collaboration between the City and County, RSG will assist in the drafting of a memorandum of understanding that outlines the objectives of the annexation strategy study and responsibilities of the parties.

FEE PROPOSAL

An overall schedule for the work program above with the various optional components is included as an attachment to this letter. RSG has estimated a project budget of \$158,670 to complete the services described herein, to be billed on a time-and-materials basis in accordance with our contract fee schedule.

Our Billing Rates are as follows:

Principal / Director	\$275
Senior Associate	\$200
Associate	\$185
Senior Analyst	\$150
Analyst	\$135
Research Assistant	\$125
Technician	\$100
Clerical	\$60

Jennifer Rose, Economic Development and Housing Manager
CITY OF BELMONT
April 10, 2023
Page 4

RSG does not charge clients for travel or mileage (except direct costs related to field work/surveys), parking, standard telephone/fax expenses, general postage, or incidental copies. However, we do charge for messenger services, overnight shipping/express mail costs and teleconferencing services. We also charge for copies of reports, documents, notices, and support material more than five (5) copies. These costs are charged back at the actual expense plus a 10% surcharge.

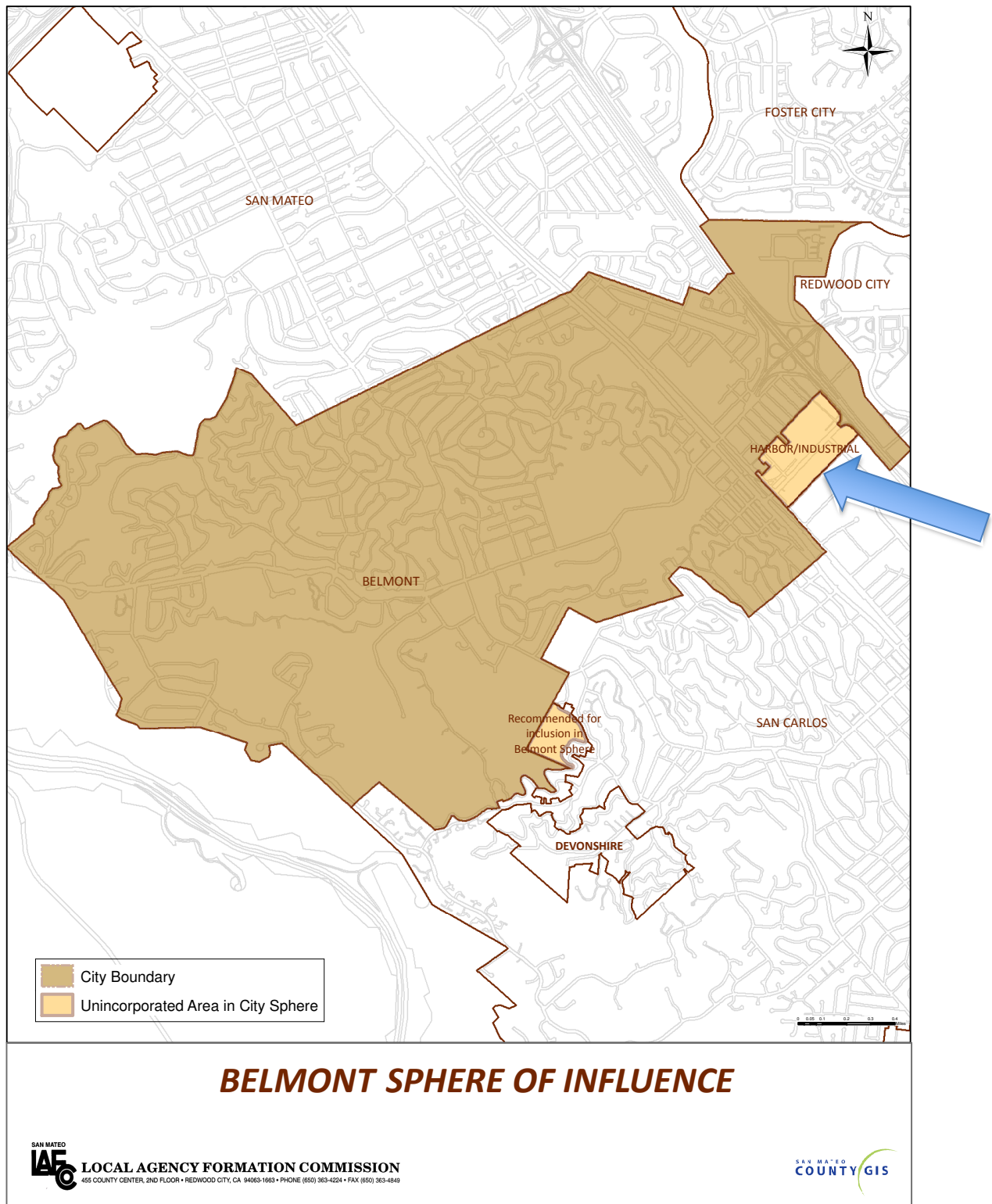
RSG issues monthly invoices payable upon receipt, unless otherwise agreed upon in advance. Invoices identify tasks completed to date, hours expended and the hourly rate.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jim Simon", with a stylized flourish at the end.

Jim Simon, Principal

Figure 1: Harbor Industrial Area, as of 2011 Municipal Services Review





STAFF REPORT

Meeting Date: June 27, 2023
Agency: City of Belmont
Staff Contact: Nima Mazhari, Public Works, (650) 730-5706, nmazhari@belmont.gov
Agenda Title: 3288 Oak Court Permanent Encroachment Agreement (APN: 043-221-210)
Agenda Action: Resolution

Recommendation

Adopt a resolution approving a Permanent Encroachment Agreement to allow construction of retaining walls and stairs in the public right-of-way fronting 3288 Oak Court (APN: 043-221-210)

Strategic Focus Area

Economic Development and Housing

Background

On February 1, 2022, the Planning Commission approved a Single-Family Design Review (SFDR) application for the construction of a 3,105 square foot house on a vacant lot. As part of the project's condition of approval, the property owner is required to obtain a permanent encroachment agreement from the Department of Public Works, with approval by the City Council, for the retaining walls and stairs to be constructed within the public right-of-way.

Analysis

The Major Encroachment Permit (via an Agreement) is called for in Belmont City Code (BCC) section 22-6 and will clearly define the maintenance of the structure as the property owner's responsibility. BCC Section 22-6 regulates encroachments into the public right-of-way. The Code gives the City Council the sole authority to issue permits for "major or unusual encroachments" that include above-ground structures such as retaining walls, fences, poles, and awnings. This class of encroachment is commonly known as a "permanent encroachment". However, the City retains the right to revoke the permit and require removal if the structure is not being used or if it interferes with planned public improvements. Section 22-6(b) requires the Director of Public Works to review all permanent encroachment applications. If the Director finds the application is in compliance with the BCC, the Director will recommend approval with conditions necessary to protect the health and safety of the public and the City.

The property owner of 3288 Oak Court has submitted a permanent encroachment agreement application to allow encroachment into the right-of-way as shown in Exhibit A, which is attached. Staff has reviewed the application and found it in compliance with the City Code. The City Council may choose to approve or to conditionally approve the request only if it considers that there is some public benefit for the encroachment. BCC Section 22-6(e)(1) provides examples of acceptable public benefits, such as added off-street parking, or sidewalk, safer sight distance, reduced amount of grading, and replacement or improvement of an existing undesirable physical condition.



The proposed encroachment will meet code requirements by providing public benefits, allowing for improved landscape aesthetics, the addition of a new sidewalk and to reduce site grading with construction of the tiered retaining walls.

Alternatives

1. Reject the application
2. Refer back to staff for more information

Attachments

- A. Resolution
- B. Exhibit A

Fiscal Impact

- ☐ No Fiscal Impact
- ☒ Funding Source Confirmed: Applicant has paid the appropriate permit fees.

Source:

Staff

Purpose:

Discretionary Action

Public Outreach:

Posting of Agenda

RESOLUTION NO. 2023 –

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELMONT APPROVING A PERMANENT ENCROACHMENT AGREEMENT TO ALLOW CONSTRUCTION OF RETAINING WALLS AND STAIRS IN THE PUBLIC RIGHT- OF-WAY FRONTING 3288 OAK COURT (APN: 043-221-210)

WHEREAS, the City of Belmont is authorized by Belmont City Code (BCC) Section 22-6 to issue encroachment permits for construction of structures in the public right-of-way; and,

WHEREAS, the property owner of 3288 Oak (APN 043-221-210) has applied for a Permanent Encroachment Agreement to allow for construction of retaining walls and stairs within the public right-of-way as indicated in Exhibit A; and,

WHEREAS, the proposed encroachments will allow for public benefits such as a new sidewalk, improved landscape aesthetics and reduced site grading with construction of the retaining walls and stairs; and,

WHEREAS, the Public Works Director has reviewed the application and determined that the application is in accordance with the requirements of BCC Chapter 22, Section 6(e); and,

WHEREAS, the encroached structure in connection with this agreement shall be constructed in accordance with City standards with the location as shown in Exhibit A

NOW, THEREFORE, the City Council of the City of Belmont resolves as follows:

(a) There is a public benefit to the encroachments as the encroachment will allow for a new sidewalk, improved landscape aesthetics and reduced site grading with construction of the retaining walls; and,

(b) The encroachment will not unduly restrict the public right of way or public water course for other typical uses; and,

(c) The City will be duly protected from liability for injury to persons and property; and,

(d) The required bonds will guarantee the faithful performance of all conditions and requirements specified in the encroachment agreement.

SECTION 2. Authorizes the City Manager to execute the Permanent Encroachment Agreement on behalf of the City of Belmont.

SECTION 3. Authorizes the City Clerk to file said Agreement with the County Recorder.

SECTION 4. The Permanent Encroachment Permit is approved subject to following conditions of approval which must be strictly complied with:

(a) The encroached structure shall be constructed according to the approved plans unless otherwise approved by the Director of Public Works and be included as part of the project; and,

(b) The property owners shall be responsible and bear all costs necessary to remove the encroachment in the event the structure is not being used or if it interferes with planned public improvements as determined by the Director of Public Works; and,

(c) The property owners shall be responsible for any restoration required as a consequence of work authorized by the City of Belmont within the public right-of-way; and,

(d) The applicant agrees to begin and complete said improvements to the City's satisfaction within 180 calendar days (or as extended by the Public Works Director) from and after the passage date of this Council Resolution approving this agreement.

* * *

ADOPTED June 27, 2023 by the City of Belmont City Council by the following vote:

Ayes:

Noes:

Absent:

Abstain:

ATTEST:

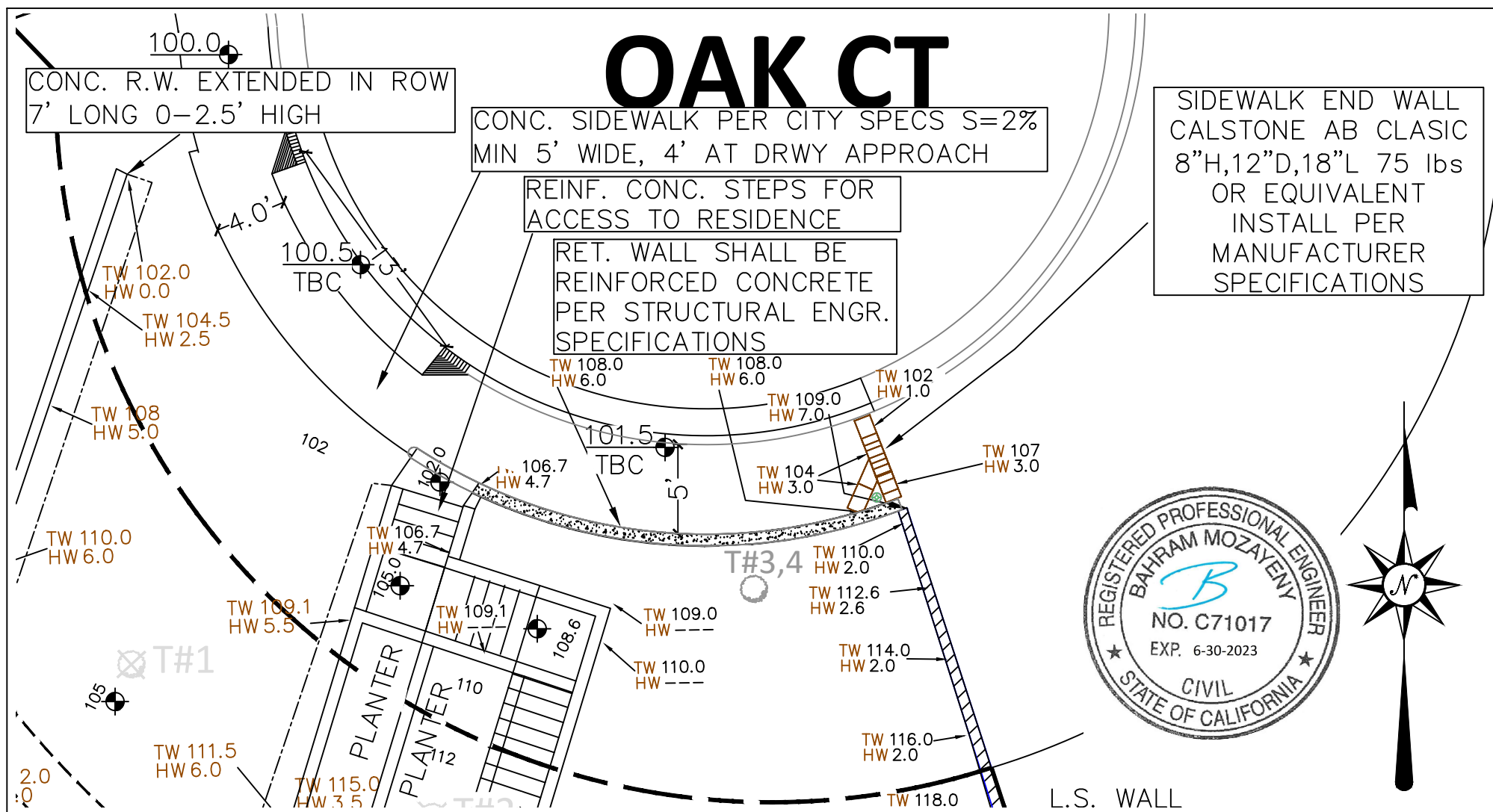
City Clerk

Mayor

APPROVED AS TO FORM:

City Attorney

OAK CT



SCALE 1"=8'



STAFF REPORT

Meeting Date: June 27, 2023
Agency: City of Belmont
Staff Contact: Grace Castaneda, Finance Director, (650) 595-7436, gcastaneda@belmont.gov
Agenda Title: Formation of the San Francisco Peninsula Tourism Marketing District (SFPTMD)
Agenda Action: Resolution

Recommendation

Adopt a resolution granting consent to the City of Burlingame to form the San Francisco Peninsula Tourism Marketing District (SFPTMD) and include the City of Belmont in the SFPTMD.

Strategic Focus Area

Fiscal and Organizational Sustainability

Background

In 2001, the San Mateo County Tourism Business Improvement District (SMCTBID) was formed pursuant to the Parking and Business Improvement Area Law of 1989 (89 Law). The San Mateo County/Silicon Valley Convention and Visitors Bureau dba The San Francisco Peninsula (SFP) and San Mateo County lodging businesses seek to modernize the SMCTBID by forming a new District, the SFPTMD, pursuant to the Property and Business Improvement District Law of 1994.

The SFPTMD is a benefit assessment district proposed to create a revenue source to help fund marketing and sales promotion efforts for San Francisco Peninsula area lodging businesses. This approach has been used successfully in other destination areas throughout the state to improve tourism and drive additional room nights to assessed lodging businesses. The proposed SFPTMD includes all lodging businesses located within the boundaries of the cities of Belmont, Brisbane, Burlingame, East Palo Alto, Foster City, Half Moon Bay, Menlo Park, Millbrae, Pacifica, Redwood City, San Bruno, San Carlos, San Mateo, South San Francisco, and the unincorporated area of San Mateo County.

SFP and lodging business owners decided to pursue formation of the SFPTMD in order to create a revenue source devoted to marketing the San Francisco Peninsula area as a tourist, meeting and event destination. If established, the SFPTMD would generate approximately \$10,895,479 on an annual basis for promotion of travel and tourism specific to the San Francisco Peninsula area.

Analysis

Tourism Marketing Districts

Tourism Marketing Districts (TMDs) utilize the efficiencies of private sector operation in the market-based promotion of tourism. These special assessment districts allow lodging business owners to organize their efforts to increase tourism. Lodging business owners within the TMD fund the TMD, and those funds



are used to provide services that are desired by and benefit the lodging businesses within the TMD. Some TMD benefits include:

- Funds cannot be diverted for other government programs;
- They are customized to fit the needs of each destination;
- They allow for a wide range of services; including destination marketing, tourism promotion, and sales lead generation;
- They are designed, created and governed by those who will pay the assessment; and
- They provide a stable funding source for tourism promotion.

In California, TMDs are primarily formed pursuant to the Property and Business Improvement District Law of 1994 (“94 Law”). This law allows for the creation of a special benefit assessment districts to raise funds within a specific geographic area. The key difference between TMDs and other special benefit assessment districts is that funds raised are returned to the private non-profit corporation governing the TMD.

Management District Plan

The Management District Plan (Attachment C) includes the proposed boundary of the SFPTMD, a service plan and budget and a proposed means of governance. The SFPTMD will include all lodging businesses located within the boundaries of the cities of Belmont, Brisbane, Burlingame, East Palo Alto, Foster City, Half Moon Bay, Menlo Park, Millbrae, Pacifica, Redwood City, San Bruno, San Carlos, San Mateo, South San Francisco, and the unincorporated area of San Mateo County.

The annual assessment rate is one- and one-half percent (1.5%) of gross short-term sleeping room rental revenue for lodging businesses with 5,000 square feet or more of dedicated meeting space, and 0.75% for all other lodging businesses within the SFPTMD’s boundaries. Based on the benefit received, assessments will not be collected on stays of more than thirty (30) consecutive days; stays provided to airline cockpit and/or cabin crews pursuant to an agreement between a hotel and an airline, which is in furtherance of or to facilitate such crews’ performance of their jobs for the airline, including layovers between flights; employees of the state or federal government if room charges are paid directly by their employing agency and copies of official travel orders are submitted as applicable; and any properly credentialed officer or employee of a foreign government who is exempt by reason of express provision of federal law or international treaty.

The proposed SFPTMD will have a five (5) year life, beginning October 1, 2023, or as soon as possible thereafter, and ending five (5) years from its start date. The assessment will be implemented beginning October 1, 2023, or as soon as possible thereafter. Once per year beginning on the anniversary of SFPTMD formation there is a thirty (30) day period in which business owners paying fifty percent (50%) or more of the assessment may protest and begin proceedings to terminate the SFPTMD.

The City of Burlingame shall be responsible for collecting the assessments on a monthly basis (including any delinquencies, penalties and interest) from each lodging business located in the boundaries of the SFPTMD. The City of Burlingame shall take all reasonable efforts to collect the



assessments from each lodging business. The City of Burlingame shall be paid a fee equal to one percent (1%) of the amount of assessment collected or a flat fee of \$60,000, whichever is greater each year to cover its costs of collection and administration.

Adoption of the attached resolution granting consent to the City of Burlingame to form the SFPTMD and include the City of Belmont in the SFPTMD, will enable the City of Burlingame and the SFP to move forward with the SFPTMD formation process. Upon successful formation, the SFPTMD will be governed by SFP and by the Management District Plan and will be facilitated by the Burlingame City Council.

Alternatives

- 1. Take no action.
- 2. Provide alternative direction to staff.

Attachments

- A. Resolution
- B. Adopted City of Burlingame Resolution Requesting Consent from the cities of Belmont, Brisbane, East Palo Alto, Foster City, Half Moon Bay, Menlo Park, Millbrae, Pacifica, Redwood City, San Bruno, San Carlos, San Mateo, South San Francisco, and the unincorporated area of San Mateo County
- C. SFPTMD Management District Plan

Fiscal Impact

☒ No Fiscal Impact

Lodging businesses within the SFPTMD boundaries will pay the annual assessment rate. Because the SFPTMD programs are intended to increase room night sales for assessed lodging businesses within the SFPTMD, there may be an increase in tax collections.

☐ Funding Source Confirmed:

Source:

Staff

Purpose:

Discretionary Action

Public Outreach:

Posting of Agenda

RESOLUTION NO. 2023 –

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELMONT GRANTING CONSENT TO THE CITY OF BURLINGAME TO FORM THE SAN FRANCISCO PENINSULA TOURISM MARKETING DISTRICT (SFPTMD)

WHEREAS, in 2001, the San Mateo County Tourism Business Improvement District (SMCTBID) was formed pursuant to the Parking and Business Improvement Area Law of 1989 (89 Law) by City of Burlingame Ordinance No. 1648; and,

WHEREAS, the City of Belmont granted consent to the City of Burlingame to be included within the boundaries of the SMCTBID by Belmont City Council Resolution No. 8916; and,

WHEREAS, the City of Burlingame, San Mateo County/Silicon Valley Convention and Visitors Bureau dba The San Francisco Peninsula (SFP), and San Mateo County lodging businesses seek to modernize the SMCTBID by forming a new District, the San Francisco Peninsula Tourism Marketing District (SFPTMD), pursuant to the Property and Business Improvement District Law of 1994; and,

WHEREAS, the Property and Business Improvement Law of 1994, Streets and Highways Code § 36600 et seq., authorizes the City of Burlingame to establish business improvement districts for the purposes of driving increased business sales directly to payors; and,

WHEREAS, the City Council of the City of Burlingame has requested consent to form the SFPTMD in the City of Belmont with adoption of Burlingame City Council Resolution No. 050-2023, dated May 15, 2023.

NOW, THEREFORE, the City Council of the City of Belmont resolves as follows:

SECTION 1. The above recitals are true and correct.

SECTION 2. The City of Burlingame is hereby granted consent to include Belmont in the SFPTMD, for the formation of the SFPTMD and future renewals.

SECTION 3. The Clerk of the City of Belmont is hereby directed to transmit a certified copy of this Resolution to the Clerk of the City of Burlingame.

SECTION 4. This Resolution is effective upon its adoption

* * *

ADOPTED June 27, 2023 by the City of Belmont City Council by the following vote:

Ayes:

Noes:

Absent:

Abstain:

ATTEST:

City Clerk

Mayor

APPROVED AS TO FORM:

City Attorney

RESOLUTION NO. 050-2023

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BURLINGAME REQUESTING
CONSENT OF THE CITIES OF BELMONT, BRISBANE, EAST PALO ALTO, FOSTER CITY,
HALF MOON BAY, MENLO PARK, MILLBRAE, PACIFICA, REDWOOD CITY, SAN BRUNO,
SAN CARLOS, SAN MATEO, SOUTH SAN FRANCISCO, AND THE UNINCORPORATED
AREA OF SAN MATEO COUNTY TO FORM THE SAN FRANCISCO PENINSULA TOURISM
MARKETING DISTRICT**

WHEREAS, the City Council of the City of Burlingame (the Council) desires to begin proceedings to form the San Francisco Peninsula Tourism Marketing District (SFPTMD); and

WHEREAS, certain lodging business owners have requested that the Council form the SFPTMD; and

WHEREAS, a portion of the territory proposed to be included in the SFPTMD lies within the boundaries of the cities of Belmont, Brisbane, Burlingame, East Palo Alto, Foster City, Half Moon Bay, Menlo Park, Millbrae, Pacifica, Redwood City, San Bruno, San Carlos, San Mateo, South San Francisco, and the unincorporated area of San Mateo County (the Cities and County), as shown on the map attached hereto as Exhibit A and incorporated herein by such attachment; and

WHEREAS, the area of the Cities and County that lies within the boundaries of the proposed SFPTMD will, in the opinion of the Council, be benefited by the improvements and activities, and the purpose sought to be accomplished by the work can best be accomplished by a single comprehensive scheme of work.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF BURLINGAME that:

Section 1: The above recitals are true and correct.

Section 2: Consent of the cities of Belmont, Brisbane, East Palo Alto, Foster City, Half Moon Bay, Menlo Park, Millbrae, Pacifica, Redwood City, San Bruno, San Carlos, San Mateo, South San Francisco, and the unincorporated area of San Mateo County, through their City Councils and Board of Supervisors, is hereby requested to form the SFPTMD, and to grant to the Council of the City of Burlingame jurisdiction for all the purposes in connection with the creation, operation, and future renewals of the proposed SFPTMD.

Section 3: The Burlingame City Clerk is hereby directed to transmit a certified copy of this Resolution to the clerks of the Granting Cities and County.



Michael Brownrigg, Mayor

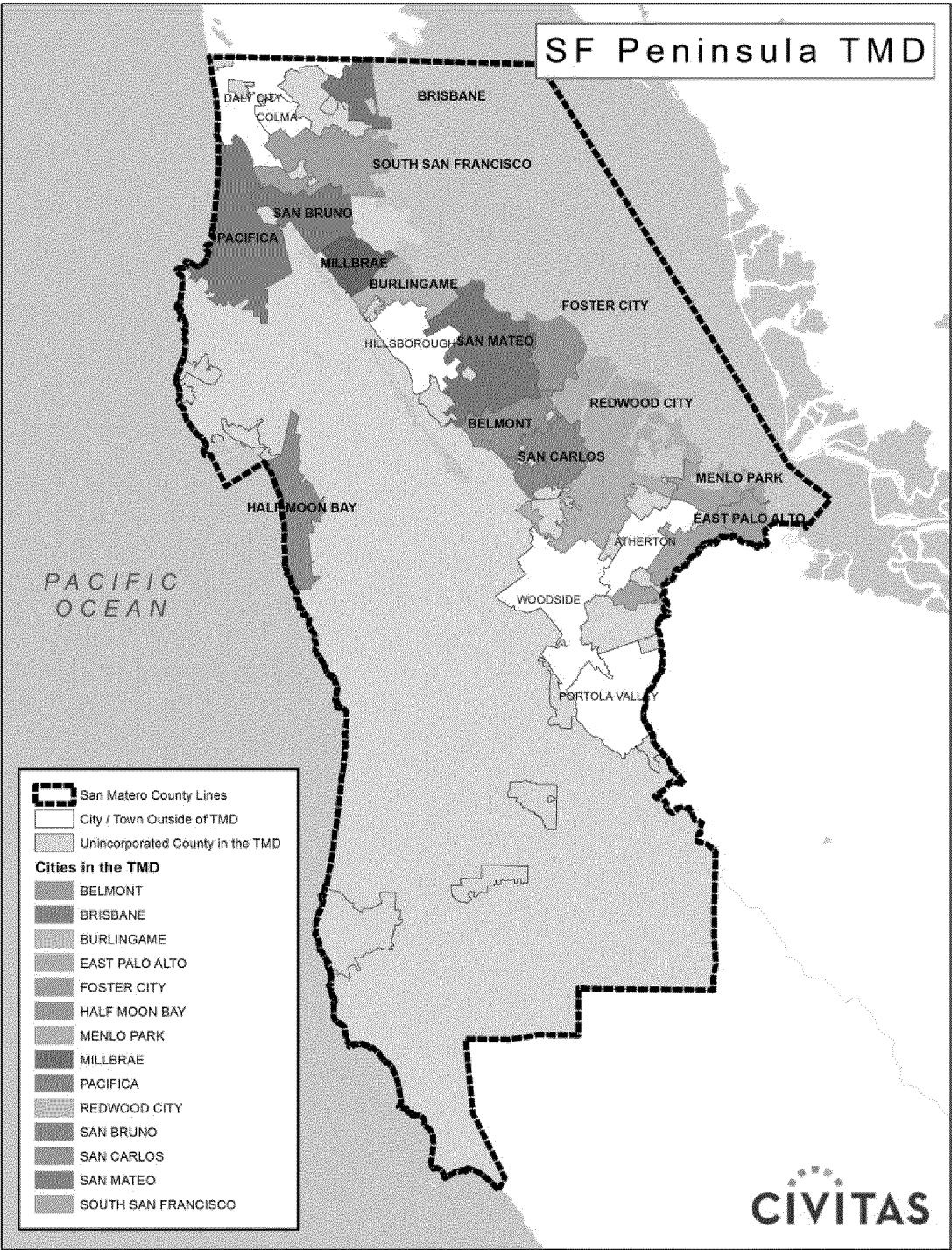
I, Meaghan Hassel-Shearer, City Clerk of the City of Burlingame, certify that the foregoing Resolution was introduced at a regular meeting of the City Council on the 15th day of May, 2023, and was adopted thereafter by the following vote:

AYES: Councilmembers: BEACH, BROWNRIGG, COLSON, ORTIZ, STEVENSON
NOES: Councilmembers: NONE
ABSENT: Councilmembers: NONE

Meaghan Hassel-Shearer

Meaghan Hassel-Shearer, City Clerk

Exhibit A
Boundary Map



2023-2028



SAN FRANCISCO PENINSULA TOURISM MARKETING DISTRICT MANAGEMENT DISTRICT PLAN

*Prepared pursuant to the Property and Business Improvement District
Law of 1994, Streets and Highways Code section 36600 et seq.*

January 23, 2023

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Prepared by
Civitas



(800)999-7781
www.civitasadvisors.com

I. OVERVIEW

Developed by the San Mateo County/Silicon Valley Convention and Visitors Bureau dba The San Francisco Peninsula (SFP) and San Mateo County lodging businesses, the San Francisco Peninsula Tourism Marketing District (SFPTMD) is an assessment district proposed to provide specific benefits to payors, by funding marketing and sales promotion efforts for assessed businesses. This approach has been used successfully in other destination areas throughout the country to provide the benefit of additional room night sales directly to payors. In 2001, the San Mateo County Tourism Business Improvement District (SMCTBID) was formed pursuant to the Parking and Business Improvement Area Law of 1989 (89 Law). This effort seeks to modernize the SMCTBID by disestablishing the 89 Law District and forming a new District, the SFPTMD, pursuant to the Property and Business Improvement District Law of 1994 (94 Law).

- Location:* The SFPTMD includes all lodging businesses, existing and in the future, located within the boundaries of the cities of Belmont, Brisbane, Burlingame, East Palo Alto, Foster City, Half Moon Bay, Menlo Park, Millbrae, Pacifica, Redwood City, San Bruno, San Carlos, San Mateo, South San Francisco, and the unincorporated area of San Mateo County, as shown on the map in Section III.
- Services:* The SFPTMD is designed to provide specific benefits directly to payors by increasing awareness and demand for room night sales, meetings, and conventions. Sales and marketing programs will increase demand for overnight tourism and market payors as tourist, meeting and event destinations, thereby increasing demand for room night sales, meetings, and conventions.
- Budget:* The total SFPTMD annual assessment budget for the initial year of its five (5) year operation is anticipated to be approximately \$10,895,479. A similar budget is expected to apply to subsequent years, but this budget is expected to fluctuate as room sales do.
- Cost:* The annual assessment rate is one- and one-half percent (1.5%) of gross short-term sleeping room rental revenue for lodging businesses with 5,000 square feet or more of dedicated meeting space, and 0.75% for all other lodging businesses within the SFPTMD's boundaries. Based on the benefit received, assessments will not be collected on stays of more than thirty (30) consecutive days; stays provided to airline cockpit and/or cabin crews pursuant to an agreement between a hotel and an airline, which is in furtherance of or to facilitate such crews' performance of their jobs for the airline, including layovers between flights; employees of the state or federal government if room charges are paid directly by their employing agency and copies of official travel orders are submitted as applicable; and any properly credentialed officer or employee of a foreign government who is exempt by reason of express provision of federal law or international treaty.
- Collection:* The City of Burlingame shall be responsible for collecting the assessments on a monthly basis (including any delinquencies, penalties and interest) from each lodging business located in the boundaries of the SFPTMD. The City shall take all reasonable efforts to collect the assessments from each lodging business.

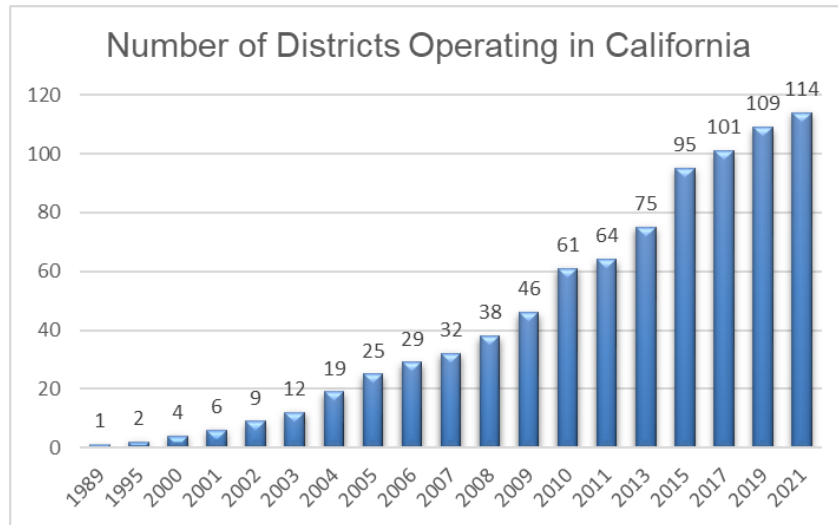
Duration: The SFPTMD will have a five (5) year life, beginning October 1, 2023, or as soon as possible thereafter, and ending five (5) years from its start date. After five (5) years, the SFPTMD may be renewed pursuant to the 94 Law if business owners support continuing the SFPTMD programs. Once per year, beginning on the anniversary of SFPTMD formation, there is a thirty (30) day period in which owners paying fifty percent (50%) or more of the assessment may protest and initiate a hearing on SFPTMD termination.

Management: The San Mateo County/Silicon Valley Convention and Visitors Bureau dba The San Francisco Peninsula (SFP) shall serve as the SFPTMD's Owners' Association. The Owners' Association is charged with managing funds and implementing programs in accordance with this Plan, and must provide annual reports to the Burlingame City Council.

The SFP shall create a SFPTMD Committee tasked with determining how SFPTMD funds are spent, within the designated programs in this Plan, subject to final approval by the SFP Board. The SFPTMD Committee shall include lodging business owners or representatives paying the SFPTMD assessment.

II. BACKGROUND

TMDs are an evolution of the traditional Business Improvement District. The first TMD was formed in West Hollywood, California in 1989. Since then, over 100 California destinations have followed suit. In recent years, other states have begun adopting the California model – Massachusetts, Montana, South Dakota, Washington, Colorado, Texas and Louisiana have adopted TMD laws. Several other states are in the process of adopting their own legislation. The cities of Wichita, Kansas and Newark, New Jersey used an existing business improvement district law to form a TMD. And, some cities, like Portland, Oregon and Memphis, Tennessee have utilized their home rule powers to create TMDs without a state law.



California's TMDs collectively raise over \$300 million annually for local destination marketing. With competitors raising their budgets, and increasing rivalry for visitor dollars, it is important that San Francisco Peninsula tourism businesses invest in stable, commerce-specific marketing programs.

TMDs utilize the efficiencies of private sector operation in the market-based promotion of

tourism districts. TMDs allow tourism business owners to organize their efforts to increase commerce. Tourism business owners within the TMD pay an assessment and those funds are used to provide services that increase commerce.

In California, most TMDs are formed pursuant to the Property and Business Improvement District Law of 1994. This law allows for the creation of a benefit assessment district to raise funds within a specific geographic area. *The key difference between TMDs and other benefit assessment districts is that funds raised are returned to the private non-profit corporation governing the district.*

There are many benefits to TMDs:

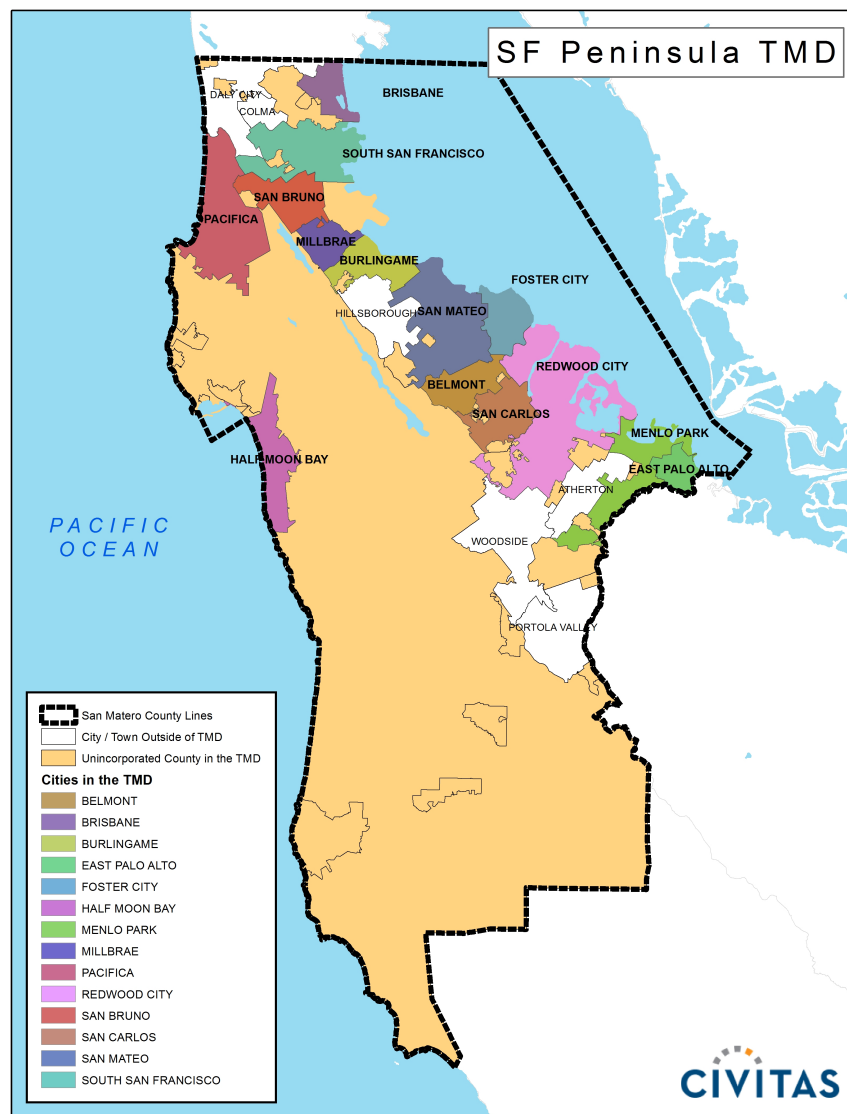
- Funds must be spent on services and improvements that provide a specific benefit only to those who pay;
- Funds cannot be diverted to general government programs;
- They are customized to fit the needs of payors in each destination;
- They allow for a wide range of services;
- They are ***designed, created and governed by those who will pay*** the assessment; and
- They provide a stable, long-term funding source for tourism promotion.

III. BOUNDARY

The SFPTMD includes all lodging businesses, existing and in the future, located within the boundaries of the cities of Belmont, Brisbane, Burlingame, East Palo Alto, Foster City, Half Moon Bay, Menlo Park, Millbrae, Pacifica, Redwood City, San Bruno, San Carlos, San Mateo, South San Francisco, and the unincorporated area of San Mateo County, illustrated by the map below.

“Lodging business” means: any hotel, motel, inn, bed and breakfast, or other similar structure or portion thereof that is rented for dwelling, lodging, or sleeping purposes on a transient basis. Tourist home or house, studio hotel, bachelor hotel, lodginghouse, roominghouse, apartment house, dormitory, public or private club, mobile home or house trailer at a fixed location, are not included in the definition of “lodging business.”

The boundary is shown on the map below. A list of lodging businesses proposed to be assessed in the SFPTMD can be found in Appendix 2.

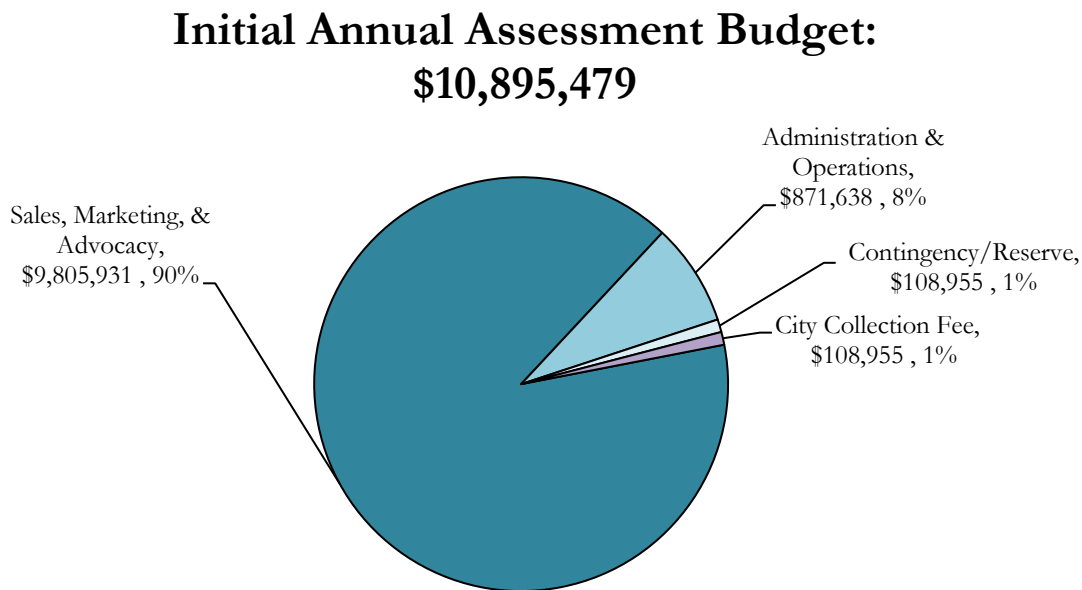


IV. ASSESSMENT BUDGET AND SERVICES

A. Annual Service Plan

Assessment funds will be spent to provide specific benefits conferred or privileges granted directly to the payors that are not provided to those not charged, and which do not exceed the reasonable cost to the City of conferring the benefits or granting the privileges. The privileges and services provided with the SFPTMD funds are sales and marketing programs available only to assessed businesses.

A service plan assessment budget has been developed to deliver services that benefit the assessed businesses. A detailed annual assessment budget will be developed and approved by the SFP. The table below illustrates the initial annual assessment budget allocations. These activities and allocations will also apply in subsequent years. The total initial assessment budget is \$10,895,479.



Although actual revenues will fluctuate due to market conditions, the proportional allocations of the budget shall remain the same. However, the City and the SFP board shall have the authority to adjust budget allocations between the categories by no more than twenty (20%) of the total budget per year. A description of the proposed improvements and activities for the initial year of operation is below. The same activities are proposed for subsequent years. In the event of a legal challenge against the SFPTMD, any and all assessment funds may be used for the costs of defending the SFPTMD. In the first year of operation, the costs of creating the SFPTMD may be repaid by deducting repayment funds proportionally from budget categories.

Each budget category includes all costs related to providing that service. For example, the sales and marketing budget includes the cost of staff time dedicated to overseeing and implementing the sales and marketing program. Staff time dedicated purely to administrative tasks is allocated to the administrative portion of the budget. The costs of an individual staff member may be allocated to multiple budget categories. The staffing levels necessary to provide the services below will be determined by the SFP Board on an as-needed basis.

Sales, Marketing, & Advocacy

A sales and marketing program will promote assessed businesses as tourist, meeting, and event destinations. The sales and marketing program will have a central theme of promoting San Francisco Peninsula as a desirable place for overnight visits. The program will have the goal of increasing overnight visitation and room night sales at assessed businesses, and may include the following activities:

- Funds to support group business to offset costs within the destination, thereby generating room nights for assessed businesses;
- Payment of bid fees, incentives or other costs associated with bringing large scale events to the destination that generate room nights for assessed businesses;
- Funds to support events and/or local partnerships that increase the public notoriety of the destination as a tourist, meetings, or event destination – thereby increasing consumer demand for assessed businesses;
- Support of public relation strategies that increase the profile of the destination as a tourist, meetings, or event destination – thereby increasing consumer demand for assessed businesses;
- Strategic partnerships, sponsorships, or other alliances that reinforce the destination within the travel marketplace and position the San Francisco Peninsula as a destination of choice for meetings, events, and leisure travel to assessed businesses;
- Internet marketing efforts to increase awareness and optimize internet presence to drive overnight visitation and room sales to assessed businesses;
- Print ads in magazines and newspapers, television ads, and radio ads targeted at potential visitors to drive overnight visitation and room sales to assessed businesses;
- Attendance of trade shows to promote assessed businesses;
- Familiarization tours of the destination and assessed businesses;
- Preparation and production of collateral promotional materials such as brochures, flyers and maps featuring assessed businesses;
- Attendance of professional industry conferences and affiliation events to promote assessed businesses;
- Lead generation activities designed to attract tourists and group events to assessed businesses;
- Director of Sales and General Manager meetings to plan and coordinate tourism promotion efforts for assessed businesses;
- Education of hospitality staff on service and safety (related to alcohol and food) designed to create a visitor experience that will bring repeat visits to assessed businesses;
- Education of lodging business management and the Owners' Association on advocacy and marketing strategies best suited to meet assessed businesses' needs; and
- Other activities that increase the profile and notoriety of The San Francisco Peninsula as an overnight travel destination and promote greater room night sales for assessed businesses.

Administration & Operations

The administration and operations portion of the budget shall be utilized for administrative staffing costs, office costs, and other general administrative costs such as insurance, legal, and accounting fees.

Contingency/Reserve

The budget includes a contingency line item to account for uncollected assessments, if any. If there are contingency funds collected, they may be held in a reserve fund or utilized for other program, administration or renewal costs at the discretion of the SFP Board. Policies relating to contributions to the reserve fund, the target amount of the reserve fund, and expenditure of monies from the reserve

fund shall be set by the SFP Board. Contingency/reserve funds may be spent on SFPTMD programs or administrative and renewal costs in such proportions as determined by the SFP Board. The reserve fund may be used for the costs of renewing the SFPTMD.

City Collection Fee

As lead agency, the City of Burlingame shall retain a fee equal to one percent (1%) of the amount of assessment collected or a flat fee of \$60,000, whichever is greater each year, to cover their costs of collection and administration.

B. Annual Budget

The total five (5) year improvement and service plan budget is projected at approximately \$10,895,479 annually, or \$64,132,237 through 2028. A similar budget is expected to apply to subsequent years, but this budget is expected to fluctuate as room sales do.

The following chart has been prepared based on a five-year projection developed by SMG Consulting. The full report can be found in Appendix 4.

Fiscal Year	Sales, Marketing, & Advocacy	Administration & Operations	Contingency / Reserve	City Collection Fee	Total
2023-24	\$9,805,931	\$871,638	\$108,955	\$108,955	\$10,895,479
2024-25	\$10,612,716	\$943,353	\$117,919	\$117,919	\$11,791,907
2025-26	\$11,437,986	\$1,016,710	\$127,089	\$127,089	\$12,708,873
2026-27	\$12,422,508	\$1,104,223	\$138,028	\$138,028	\$13,802,787
2027-28	\$13,439,872	\$1,194,655	\$149,332	\$149,332	\$14,933,191
Total	\$57,719,013	\$5,130,579	\$641,322	\$641,322	\$64,132,237

C. California Constitutional Compliance

The SFPTMD assessment is not a property-based assessment subject to the requirements of Proposition 218. Courts have found Proposition 218 limited the term ‘assessments’ to levies on real property.¹ Rather, the SFPTMD assessment is a business-based assessment, and is subject to Proposition 26. Pursuant to Proposition 26 all levies are a tax unless they fit one of seven exceptions. Two of these exceptions apply to the SFPTMD, a “specific benefit” and a “specific government service.” Both require that the costs of benefits or services do not exceed the reasonable costs to the City of conferring the benefits or providing the services.

1. Specific Benefit

Proposition 26 requires that assessment funds be expended on, “a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the

¹ *Jarvis v. the City of San Diego* 72 Cal App. 4th 230

privilege.”² The services in this Plan are designed to provide targeted benefits directly to assessed businesses, and are intended only to provide benefits and services directly to those businesses paying the assessment. These services are tailored not to serve the general public, businesses in general, or parcels of land, but rather to serve the specific businesses within the SFPTMD. The activities described in this Plan are specifically targeted to increase demand for room night sales for assessed lodging businesses within the boundaries of the SFPTMD, and are narrowly tailored. SFPTMD funds will be used exclusively to provide the specific benefit of increased demand for room night sales directly to the assessees. Assessment funds shall not be used to feature non-assessed lodging businesses in SFPTMD programs, or to directly generate sales for non-assessed businesses. The activities paid for from assessment revenues are business services constituting and providing specific benefits to the assessed businesses. Nothing in this Plan limits the ability of the SFP Corporation to enter into private contracts with non-assessed lodging businesses for the provision of services to those businesses.

The assessment imposed by this SFPTMD is for a specific benefit conferred directly to the payors that is not provided to those not charged. The specific benefit conferred directly to the payors is an increase in demand for room night sales. The specific benefit of an increase in demand for room night sales for assessed lodging businesses will be provided only to lodging businesses paying the district assessment, with marketing and sales programs promoting lodging businesses paying the SFPTMD assessment. The marketing and sales programs will be designed to increase room night sales at each assessed lodging businesses. Because they are necessary to provide the marketing and sales programs that specifically benefit the assessed lodging businesses, the administration and contingency services also provide the specific benefit of increased demand for room night sales to the assessed lodging businesses.

Although the SFPTMD, in providing specific benefits to payors, may produce incidental benefits to non-paying businesses, the incidental benefit does not preclude the services from being considered a specific benefit. The legislature has found that, “A specific benefit is not excluded from classification as a ‘specific benefit’ merely because an indirect benefit to a non-payor occurs incidentally and without cost to the payor as a consequence of providing the specific benefit to the payor.”³

2. Specific Government Service

The assessment may also be utilized to provide, “a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product.”⁴ The legislature has recognized that marketing and promotions services like those to be provided by the SFPTMD are government services within the meaning of Proposition 26⁵. Further, the legislature has determined that “a specific government service is not excluded from classification as a ‘specific government service’ merely because an indirect benefit to a nonpayor occurs incidentally and without cost to the payor as a consequence of providing the specific government service to the payor.”⁶

3. Reasonable Cost

SFPTMD services will be implemented carefully to ensure they do not exceed the reasonable cost of such services. The full amount assessed will be used to provide the services described herein. Funds will be managed by the SFP, and reports submitted on an annual basis to the City. Only assessed

² Cal. Const. art XIII C § 1(e)(1)

³ Government Code § 53758(a)

⁴ Cal. Const. art XIII C § 1(e)(2)

⁵ Government Code § 53758(b)

⁶ Government Code § 53758(b)

lodging businesses will be featured in marketing materials, receive sales leads generated from SFPTMD-funded activities, be featured in advertising campaigns, and benefit from other SFPTMD-funded services. Non-assessed lodging businesses will not receive these, nor any other, SFPTMD-funded services and benefits.

The SFPTMD-funded programs are all targeted directly at and feature only assessed businesses. It is, however, possible that there will be a spill-over benefit to non-assessed businesses. If non-assessed lodging businesses receive incremental room nights, that portion of the promotion or program generating those room nights shall be paid with non-SFPTMD funds. SFPTMD funds shall only be spent to benefit the assessed businesses, and shall not be spent on that portion of any program which directly generates incidental room nights for non-assessed businesses.

D. Assessment

The annual assessment rate is one- and one-half percent (1.5%) of gross short-term sleeping room rental revenue for lodging businesses with 5,000 square feet or more of dedicated meeting space, and 0.75% for all other lodging businesses within the SFPTMD's boundaries. Based on the benefit received, assessments will not be collected on stays of more than thirty (30) consecutive days; stays provided to airline cockpit and/or cabin crews pursuant to an agreement between a hotel and an airline, which is in furtherance of or to facilitate such crews' performance of their jobs for the airline, including layovers between flights; employees of the state or federal government if room charges are paid directly by their employing agency and copies of official travel orders are submitted as applicable; and any properly credentialed officer or employee of a foreign government who is exempt by reason of express provision of federal law or international treaty.

The services provided in the SFPTMD are all targeted to benefit payors, however, not all programs benefit payors equally. The determination of the assessment rates of one- and one-half percent (1.5%) of gross short-term sleeping room rental revenue for lodging businesses with 5,000 square feet or more of dedicated meeting space, and 0.75% for all other lodging businesses within the SFPTMD's boundaries, was calculated based on benefit received by payors. SMG Consulting was engaged to conduct a Hotel Revenue Proportionality Estimate analysis to quantify the estimated benefit the lodging business types will receive from SFPTMD services. By analyzing the projected number of rooms sold and the total amount of revenue estimated to be generated from sales and marketing programs, SMG Consulting found that properties with 5,000 square feet or more of dedicated meeting space will receive approximately double the amount of benefit to all other lodging businesses. The SFPTMD Sales, Marketing, and Advocacy program included in the budget has services that are intended to drive convention and meetings to the SFPTMD. Since lodging businesses with 5,000 square feet or more of dedicated meeting space are uniquely suited to accommodate large conventions and will benefit from overnight stays as a result of SFPTMD services intended to bring such business activity to the SFPTMD, they are assessed at a higher rate than other lodging businesses in the SFPTMD.

The term "dedicated meeting space" as used herein means: a permanent room or space whose primary use is dedicated for group and social meetings, meals, and/or functions. The space has been designed for and is marketed and sold as group or event function space.

The term "gross sleeping room rental revenue" as used herein means: the consideration charged, whether or not received, for the occupancy of space in a lodging business valued in money, whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits and property and services of any kind or nature, without any deduction therefrom whatsoever. Gross sleeping room rental revenue shall not include any federal, state, or local taxes collected, including but not

limited to transient occupancy taxes. Based on the benefit received, assessments will not be collected on stays of more than thirty (30) consecutive days; stays provided to airline cockpit and/or cabin crews pursuant to an agreement between a hotel and an airline, which is in furtherance of or to facilitate such crews' performance of their jobs for the airline, including layovers between flights; employees of the state or federal government if room charges are paid directly by their employing agency and copies of official travel orders are submitted as applicable; and any properly credentialed officer or employee of a foreign government who is exempt by reason of express provision of federal law or international treaty.

The assessment is levied upon and a direct obligation of the assessed lodging business. However, the assessed lodging business may, at its discretion, pass the assessment on to transients. The amount of assessment, if passed on to each transient, shall be disclosed in advance and separately stated from the amount of rent charged and any other applicable taxes, and each transient shall receive a receipt for payment from the business. If the SFPTMD assessment is identified separately it shall be disclosed as the "SFPTMD Assessment." As an alternative, the disclosure may include the amount of the SFPTMD assessment and the amount of the assessment imposed pursuant to the California Tourism Marketing Act, Government Code §13995 et seq. and shall be disclosed as the "Tourism Assessment." The assessment is imposed solely upon, and is the sole obligation of the assessed lodging business even if it is passed on to transients. The assessment shall not be considered revenue for any purpose, including calculation of transient occupancy taxes.

Bonds shall not be issued.

E. Penalties and Interest

The SFPTMD shall reimburse the City of Burlingame for any costs associated with collecting unpaid assessments. If sums in excess of the delinquent SFPTMD assessment are sought to be recovered in the same collection action by the City, the SFPTMD shall bear its pro rata share of such collection costs. Assessed businesses which are delinquent in paying the assessment shall be responsible for paying:

1. *Original Delinquency:* Any lodging business that fails to remit any assessment imposed within the time required shall pay a penalty of five percent (5%) of the amount of the assessment in addition to the amount of the assessment.
2. *Continued Delinquency:* Any lodging business that fails to remit any delinquent remittance on or before a period of fifteen (15) days following the date on which the remittance first became delinquent shall pay a second delinquency penalty of five percent (5%) of the amount of the assessment in addition to the amount of the assessment and the five percent (5%) penalty first imposed. An additional penalty of five percent (5%) shall be paid for each fifteen (15) days thereafter which the remittance is delinquent.
3. *Fraud:* If the City determines that the nonpayment of any remittance due under this chapter is due to fraud, a penalty of twenty-five percent (25%) of the amount of the assessment shall be added thereto in addition to the penalties stated in subsections (1) and (2) of this section.
4. *Interest:* In addition to the penalties imposed, any lodging business that fails to remit any assessment imposed shall pay interest at the rate of one percent (1%) per month or fraction thereof on the amount of the assessment, exclusive of penalties, from the date on which the remittance first became delinquent until paid.

F. Time and Manner for Collecting Assessments

The SFPTMD assessment will be implemented beginning October 1, 2023, or as soon as possible thereafter, and ending five (5) years from its start date. The City of Burlingame shall be responsible for collecting the assessment on a monthly basis, (including any delinquencies, penalties and interest) from each lodging business located in the boundaries of the SFPTMD. The City shall take all reasonable efforts to collect the assessments from each lodging business. The City shall forward the assessments collected to the Owners' Association.

V. GOVERNANCE

A. Owners' Association

The Burlingame City Council, through adoption of this Management District Plan, has the right, pursuant to Streets and Highways Code §36651, to identify the body that shall implement the proposed program, which shall be the Owners' Association of the SFPTMD as defined in Streets and Highways Code §36612. The San Francisco Peninsula (SFP) will serve as the SFPTMD's Owners' Association. The Owners' Association is charged with managing funds and implementing programs in accordance with the Management District Plan, and must provide annual reports to Burlingame City Council.

The SFP shall create a SFPTMD Committee tasked with determining how SFPTMD funds are spent, within the designated programs in this Plan, subject to final approval by the SFP Board. The SFPTMD Committee shall include lodging business owners or representatives paying the SFPTMD assessment.

B. Brown Act and California Public Records Act Compliance

An Owners' Association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. The Owners' Association is, however, subject to government regulations relating to transparency, namely the Ralph M. Brown Act and the California Public Records Act. These regulations are designed to promote public accountability. The Owners' Association acts as a legislative body under the Ralph M. Brown Act (Government Code §54950 et seq.). Thus, meetings of the SFP board and certain committees must be held in compliance with the public notice and other requirements of the Brown Act. The Owners' Association is also subject to the record keeping and disclosure requirements of the California Public Records Act. Accordingly, the Owners' Association shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

C. Annual Report

The SFP shall present an annual report at the end of each year of operation to the City Council pursuant to Streets and Highways Code §36650 (see Appendix 1). The annual report shall include:

- Any proposed changes in the boundaries of the improvement district or in any benefit zones or classification of businesses within the district.
- The improvements and activities to be provided for that fiscal year.
- An estimate of the cost of providing the improvements and the activities for that fiscal year.
- The method and basis of levying the assessment in sufficient detail to allow each business owner to estimate the amount of the assessment to be levied against his or her business for that fiscal year.
- The estimated amount of any surplus or deficit revenues to be carried over from a previous fiscal year.
- The estimated amount of any contributions to be made from sources other than assessments levied pursuant to this part.

APPENDIX 1 – LAW

*** THIS DOCUMENT IS CURRENT THROUGH THE 2022 SUPPLEMENT ***
(ALL 2021 LEGISLATION)

STREETS AND HIGHWAYS CODE DIVISION 18. PARKING PART 7. PROPERTY AND BUSINESS IMPROVEMENT DISTRICT LAW OF 1994

CHAPTER 1. General Provisions

ARTICLE 1. Declarations

36600. Citation of part

This part shall be known and may be cited as the “Property and Business Improvement District Law of 1994.”

36601. Legislative findings and declarations; Legislative guidance

The Legislature finds and declares all of the following:

- (a) Businesses located and operating within business districts in some of this state’s communities are economically disadvantaged, are underutilized, and are unable to attract customers due to inadequate facilities, services, and activities in the business districts.
- (b) It is in the public interest to promote the economic revitalization and physical maintenance of business districts in order to create jobs, attract new businesses, and prevent the erosion of the business districts.
- (c) It is of particular local benefit to allow business districts to fund business related improvements, maintenance, and activities through the levy of assessments upon the businesses or real property that receive benefits from those improvements.
- (d) Assessments levied for the purpose of conferring special benefit upon the real property or a specific benefit upon the businesses in a business district are not taxes for the general benefit of a city, even if property, businesses, or persons not assessed receive incidental or collateral effects that benefit them.
- (e) Property and business improvement districts formed throughout this state have conferred special benefits upon properties and businesses within their districts and have made those properties and businesses more useful by providing the following benefits:
 - (1) Crime reduction. A study by the Rand Corporation has confirmed a 12-percent reduction in the incidence of robbery and an 8-percent reduction in the total incidence of violent crimes within the 30 districts studied.
 - (2) Job creation.
 - (3) Business attraction.
 - (4) Business retention.
 - (5) Economic growth.
 - (6) New investments.
- (f) With the dissolution of redevelopment agencies throughout the state, property and business improvement districts have become even more important tools with which communities can combat blight, promote economic opportunities, and create a clean and safe environment.
- (g) Since the enactment of this act, the people of California have adopted Proposition 218, which added Article XIII D to the Constitution in order to place certain requirements and restrictions on the formation of, and activities, expenditures, and assessments by property-based districts. Article XIII D of the Constitution provides that property-based districts may only levy assessments for special benefits.
- (h) The act amending this section is intended to provide the Legislature’s guidance with regard to this act, its interaction with the provisions of Article XIII D of the Constitution, and the determination of special benefits in property-based districts.
 - (1) The lack of legislative guidance has resulted in uncertainty and inconsistent application of this act, which discourages the use of assessments to fund needed improvements, maintenance, and activities in property-based districts, contributing to blight and other underutilization of property.
 - (2) Activities undertaken for the purpose of conferring special benefits upon property to be assessed inherently produce incidental or collateral effects that benefit property or persons not assessed. Therefore, for special benefits to exist as a separate and distinct category from general benefits, the incidental or collateral effects of those special benefits are inherently part of those special benefits. The

mere fact that special benefits produce incidental or collateral effects that benefit property or persons not assessed does not convert any portion of those special benefits or their incidental or collateral effects into general benefits.

(3) It is of the utmost importance that property-based districts created under this act have clarity regarding restrictions on assessments they may levy and the proper determination of special benefits. Legislative clarity with regard to this act will provide districts with clear instructions and courts with legislative intent regarding restrictions on property-based assessments, and the manner in which special benefits should be determined.

36602. Purpose of part

The purpose of this part is to supplement previously enacted provisions of law that authorize cities to levy assessments within property and business improvement districts, to ensure that those assessments conform to all constitutional requirements and are determined and assessed in accordance with the guidance set forth in this act. This part does not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes.

36603. Preemption of authority or charter city to adopt ordinances levying assessments

Nothing in this part is intended to preempt the authority of a charter city to adopt ordinances providing for a different method of levying assessments for similar or additional purposes from those set forth in this part. A property and business improvement district created pursuant to this part is expressly exempt from the provisions of the Special Assessment Investigation, Limitation and Majority Protest Act of 1931 (Division 4 (commencing with Section 2800)).

36603.5. Part prevails over conflicting provisions

Any provision of this part that conflicts with any other provision of law shall prevail over the other provision of law, as to districts created under this part.

36604. Severability

This part is intended to be construed liberally and, if any provision is held invalid, the remaining provisions shall remain in full force and effect. Assessments levied under this part are not special taxes.

ARTICLE 2. Definitions

36606. “Activities”

“Activities” means, but is not limited to, all of the following that benefit businesses or real property in the district:

- (a) Promotion of public events.
- (b) Furnishing of music in any public place.
- (c) Promotion of tourism within the district.
- (d) Marketing and economic development, including retail retention and recruitment.
- (e) Providing security, sanitation, graffiti removal, street and sidewalk cleaning, and other municipal services supplemental to those normally provided by the municipality.
- (f) Other services provided for the purpose of conferring special benefit upon assessed real property or specific benefits upon assessed businesses located in the district.

36606.5. “Assessment”

“Assessment” means a levy for the purpose of acquiring, constructing, installing, or maintaining improvements and providing activities that will provide certain benefits to properties or businesses located within a property and business improvement district.

36607. “Business”

“Business” means all types of businesses and includes financial institutions and professions.

36608. “City”

“City” means a city, county, city and county, or an agency or entity created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code, the public member agencies of which includes only cities, counties, or a city and county, or the State of California.

36609. “City council”

“City council” means the city council of a city or the board of supervisors of a county, or the agency, commission, or board created pursuant to a joint powers agreement and which is a city within the meaning of this part.

36609.4. “Clerk”

“Clerk” means the clerk of the legislative body.

36609.5. “General benefit”

“General benefit” means, for purposes of a property-based district, any benefit that is not a “special benefit” as defined in Section 36615.5.

36610. “Improvement”

“Improvement” means the acquisition, construction, installation, or maintenance of any tangible property with an estimated useful life of five years or more including, but not limited to, the following:

- (a) Parking facilities.
- (b) Benches, booths, kiosks, display cases, pedestrian shelters and signs.
- (c) Trash receptacles and public restrooms.
- (d) Lighting and heating facilities.
- (e) Decorations.
- (f) Parks.
- (g) Fountains.
- (h) Planting areas.
- (i) Closing, opening, widening, or narrowing of existing streets.
- (j) Facilities or equipment, or both, to enhance security of persons and property within the district.
- (k) Ramps, sidewalks, plazas, and pedestrian malls.
- (l) Rehabilitation or removal of existing structures.

36611. “Management district plan”; “Plan”

“Management district plan” or “plan” means a proposal as defined in Section 36622.

36612. “Owners’ association”

“Owners’ association” means a private nonprofit entity that is under contract with a city to administer or implement improvements, maintenance, and activities specified in the management district plan. An owners’ association may be an existing nonprofit entity or a newly formed nonprofit entity. An owners’ association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. Notwithstanding this section, an owners’ association shall comply with the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code), at all times when matters within the subject matter of the district are heard, discussed, or deliberated, and with the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code), for all records relating to activities of the district.

36614. “Property”

“Property” means real property situated within a district.

36614.5. “Property and business improvement district”; “District”

“Property and business improvement district,” or “district,” means a property and business improvement district established pursuant to this part.

36614.6. “Property-based assessment”

“Property-based assessment” means any assessment made pursuant to this part upon real property.

36614.7. “Property-based district”

“Property-based district” means any district in which a city levies a property-based assessment.

36615. “Property owner”; “Business owner”; “Owner”

“Property owner” means any person shown as the owner of land on the last equalized assessment roll or otherwise known to be the owner of land by the city council. “Business owner” means any person recognized by the city as the owner of the business. “Owner” means either a business owner or a property owner. The city council has no obligation to obtain other information as to the ownership of land or businesses, and its determination of ownership shall be final and conclusive for the purposes of this part. Wherever this part requires the signature of the property owner, the signature of the authorized agent of the property owner shall be sufficient. Wherever this part requires the signature of the business owner, the signature of the authorized agent of the business owner shall be sufficient.

36615.5. “Special benefit”

“Special benefit” means, for purposes of a property-based district, a particular and distinct benefit over and above general benefits conferred on real property located in a district or to the public at large. Special benefit includes incidental or collateral effects that arise from the improvements, maintenance, or activities of property-based districts even if those incidental or collateral effects benefit property or persons not assessed. Special benefit excludes general enhancement of property value.

36616. “Tenant”

“Tenant” means an occupant pursuant to a lease of commercial space or a dwelling unit, other than an owner.

ARTICLE 3. Prior Law

36617. Alternate method of financing certain improvements and activities; Effect on other provisions

This part provides an alternative method of financing certain improvements and activities. The provisions of this part shall not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes. Every improvement area established pursuant to the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500) of this division) is valid and effective and is unaffected by this part.

CHAPTER 2. Establishment

36620. Establishment of property and business improvement district

A property and business improvement district may be established as provided in this chapter.

36620.5. Requirement of consent of city council

A county may not form a district within the territorial jurisdiction of a city without the consent of the city council of that city. A city may not form a district within the unincorporated territory of a county without the consent of the board of supervisors of that county. A city may not form a district within the territorial jurisdiction of another city without the consent of the city council of the other city.

36621. Initiation of proceedings; Petition of property or business owners in proposed district

- (a) Upon the submission of a written petition, signed by the property or business owners in the proposed district who will pay more than 50 percent of the assessments proposed to be levied, the city council may initiate proceedings to form a district by the adoption of a resolution expressing its intention to form a district. The amount of assessment attributable to property or a business owned by the same property or business owner that is in excess of 40 percent of the amount of all assessments proposed to be levied, shall not be included in

determining whether the petition is signed by property or business owners who will pay more than 50 percent of the total amount of assessments proposed to be levied.

(b) The petition of property or business owners required under subdivision (a) shall include a summary of the management district plan. That summary shall include all of the following:

- (1) A map showing the boundaries of the district.
- (2) Information specifying where the complete management district plan can be obtained.
- (3) Information specifying that the complete management district plan shall be furnished upon request.

(c) The resolution of intention described in subdivision (a) shall contain all of the following:

- (1) A brief description of the proposed improvements, maintenance, and activities, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property or businesses within the district, a statement as to whether bonds will be issued, and a description of the exterior boundaries of the proposed district, which may be made by reference to any plan or map that is on file with the clerk. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements, maintenance, and activities, and the location and extent of the proposed district.
- (2) A time and place for a public hearing on the establishment of the property and business improvement district and the levy of assessments, which shall be consistent with the requirements of Section 36623.

36622. Contents of management district plan

The management district plan shall include, but is not limited to, all of the following:

(a) If the assessment will be levied on property, a map of the district in sufficient detail to locate each parcel of property and, if businesses are to be assessed, each business within the district. If the assessment will be levied on businesses, a map that identifies the district boundaries in sufficient detail to allow a business owner to reasonably determine whether a business is located within the district boundaries. If the assessment will be levied on property and businesses, a map of the district in sufficient detail to locate each parcel of property and to allow a business owner to reasonably determine whether a business is located within the district boundaries.

(b) The name of the proposed district.

(c) A description of the boundaries of the district, including the boundaries of benefit zones, proposed for establishment or extension in a manner sufficient to identify the affected property and businesses included, which may be made by reference to any plan or map that is on file with the clerk. The boundaries of a proposed property assessment district shall not overlap with the boundaries of another existing property assessment district created pursuant to this part. This part does not prohibit the boundaries of a district created pursuant to this part to overlap with other assessment districts established pursuant to other provisions of law, including, but not limited to, the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500)). This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with another business assessment district created pursuant to this part. This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with a property assessment district created pursuant to this part.

(d) The improvements, maintenance, and activities proposed for each year of operation of the district and the maximum cost thereof. If the improvements, maintenance, and activities proposed for each year of operation are the same, a description of the first year's proposed improvements, maintenance, and activities and a statement that the same improvements, maintenance, and activities are proposed for subsequent years shall satisfy the requirements of this subdivision.

(e) The total annual amount proposed to be expended for improvements, maintenance, or activities, and debt service in each year of operation of the district. If the assessment is levied on businesses, this amount may be estimated based upon the assessment rate. If the total annual amount proposed to be expended in each year of operation of the district is not significantly different, the amount proposed to be expended in the initial year and a statement that a similar amount applies to subsequent years shall satisfy the requirements of this subdivision.

(f) The proposed source or sources of financing, including the proposed method and basis of levying the assessment in sufficient detail to allow each property or business owner to calculate the amount of the assessment to be levied against his or her property or business. The plan also shall state whether bonds will be issued to finance improvements.

(g) The time and manner of collecting the assessments.

(h) The specific number of years in which assessments will be levied. In a new district, the maximum number of years shall be five. Upon renewal, a district shall have a term not to exceed 10 years. Notwithstanding these limitations, a district created pursuant to this part to finance capital improvements with bonds may levy assessments until the maximum maturity of the bonds. The management district plan may set forth specific increases in assessments for each year of operation of the district.

- (i) The proposed time for implementation and completion of the management district plan.
- (j) Any proposed rules and regulations to be applicable to the district.
- (k)
 - (1) A list of the properties or businesses to be assessed, including the assessor's parcel numbers for properties to be assessed, and a statement of the method or methods by which the expenses of a district will be imposed upon benefited real property or businesses, in proportion to the benefit received by the property or business, to defray the cost thereof.
 - (2) In a property-based district, the proportionate special benefit derived by each identified parcel shall be determined exclusively in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the activities. An assessment shall not be imposed on any parcel that exceeds the reasonable cost of the proportional special benefit conferred on that parcel. Only special benefits are assessable, and a property-based district shall separate the general benefits, if any, from the special benefits conferred on a parcel. Parcels within a property-based district that are owned or used by any city, public agency, the State of California, or the United States shall not be exempt from assessment unless the governmental entity can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit. The value of any incidental, secondary, or collateral effects that arise from the improvements, maintenance, or activities of a property-based district and that benefit property or persons not assessed shall not be deducted from the entirety of the cost of any special benefit or affect the proportionate special benefit derived by each identified parcel.
- (l) In a property-based district, the total amount of all special benefits to be conferred upon the properties located within the property-based district.
- (m) In a property-based district, the total amount of general benefits, if any.
- (n) In a property-based district, a detailed engineer's report prepared by a registered professional engineer certified by the State of California supporting all assessments contemplated by the management district plan.
- (o) Any other item or matter required to be incorporated therein by the city council.

36623. Procedure to levy assessment

- (a) If a city council proposes to levy a new or increased property assessment, the notice and protest and hearing procedure shall comply with Section 53753 of the Government Code.
- (b) If a city council proposes to levy a new or increased business assessment, the notice and protest and hearing procedure shall comply with Section 54954.6 of the Government Code, except that notice shall be mailed to the owners of the businesses proposed to be assessed. A protest may be made orally or in writing by any interested person. Every written protest shall be filed with the clerk at or before the time fixed for the public hearing. The city council may waive any irregularity in the form or content of any written protest. A written protest may be withdrawn in writing at any time before the conclusion of the public hearing. Each written protest shall contain a description of the business in which the person subscribing the protest is interested sufficient to identify the business and, if a person subscribing is not shown on the official records of the city as the owner of the business, the protest shall contain or be accompanied by written evidence that the person subscribing is the owner of the business or the authorized representative. A written protest that does not comply with this section shall not be counted in determining a majority protest. If written protests are received from the owners or authorized representatives of businesses in the proposed district that will pay 50 percent or more of the assessments proposed to be levied and protests are not withdrawn so as to reduce the protests to less than 50 percent, no further proceedings to levy the proposed assessment against such businesses, as contained in the resolution of intention, shall be taken for a period of one year from the date of the finding of a majority protest by the city council.
- (c) If a city council proposes to conduct a single proceeding to levy both a new or increased property assessment and a new or increased business assessment, the notice and protest and hearing procedure for the property assessment shall comply with subdivision (a), and the notice and protest and hearing procedure for the business assessment shall comply with subdivision (b). If a majority protest is received from either the property or business owners, that respective portion of the assessment shall not be levied. The remaining portion of the assessment may be levied unless the improvement or other special benefit was proposed to be funded by assessing both property and business owners.

36624. Changes to proposed assessments

At the conclusion of the public hearing to establish the district, the city council may adopt, revise, change, reduce, or modify the proposed assessment or the type or types of improvements, maintenance, and activities to be funded with the

revenues from the assessments. Proposed assessments may only be revised by reducing any or all of them. At the public hearing, the city council may only make changes in, to, or from the boundaries of the proposed property and business improvement district that will exclude territory that will not benefit from the proposed improvements, maintenance, and activities. Any modifications, revisions, reductions, or changes to the proposed assessment district shall be reflected in the notice and map recorded pursuant to Section 36627.

36625. Resolution of formation

(a) If the city council, following the public hearing, decides to establish a proposed property and business improvement district, the city council shall adopt a resolution of formation that shall include, but is not limited to, all of the following:

(1) A brief description of the proposed improvements, maintenance, and activities, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property, businesses, or both within the district, a statement on whether bonds will be issued, and a description of the exterior boundaries of the proposed district, which may be made by reference to any plan or map that is on file with the clerk. The descriptions and statements need not be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements, maintenance, and activities and the location and extent of the proposed district.

(2) The number, date of adoption, and title of the resolution of intention.

(3) The time and place where the public hearing was held concerning the establishment of the district.

(4) A determination regarding any protests received. The city shall not establish the district or levy assessments if a majority protest was received.

(5) A statement that the properties, businesses, or properties and businesses in the district established by the resolution shall be subject to any amendments to this part.

(6) A statement that the improvements, maintenance, and activities to be conferred on businesses and properties in the district will be funded by the levy of the assessments. The revenue from the levy of assessments within a district shall not be used to provide improvements, maintenance, or activities outside the district or for any purpose other than the purposes specified in the resolution of intention, as modified by the city council at the hearing concerning establishment of the district. Notwithstanding the foregoing, improvements and activities that must be provided outside the district boundaries to create a special or specific benefit to the assessed parcels or businesses may be provided, but shall be limited to marketing or signage pointing to the district.

(7) A finding that the property or businesses within the area of the property and business improvement district will be benefited by the improvements, maintenance, and activities funded by the proposed assessments, and, for a property-based district, that property within the district will receive a special benefit.

(8) In a property-based district, the total amount of all special benefits to be conferred on the properties within the property-based district.

(b) The adoption of the resolution of formation and, if required, recordation of the notice and map pursuant to Section 36627 shall constitute the levy of an assessment in each of the fiscal years referred to in the management district plan.

36627. Notice and assessment diagram

Following adoption of the resolution establishing district assessments on properties pursuant to Section 36625, the clerk shall record a notice and an assessment diagram pursuant to Section 3114. No other provision of Division 4.5 (commencing with Section 3100) applies to an assessment district created pursuant to this part.

36628. Establishment of separate benefit zones within district; Categories of businesses

The city council may establish one or more separate benefit zones within the district based upon the degree of benefit derived from the improvements or activities to be provided within the benefit zone and may impose a different assessment within each benefit zone. If the assessment is to be levied on businesses, the city council may also define categories of businesses based upon the degree of benefit that each will derive from the improvements or activities to be provided within the district and may impose a different assessment or rate of assessment on each category of business, or on each category of business within each zone.

36628.5. Assessments on businesses or property owners

The city council may levy assessments on businesses or on property owners, or a combination of the two, pursuant to this part. The city council shall structure the assessments in whatever manner it determines corresponds with the distribution of benefits from the proposed improvements, maintenance, and activities, provided that any property-based assessment conforms with the requirements set forth in paragraph (2) of subdivision (k) of Section 36622.

36629. Provisions and procedures applicable to benefit zones and business categories

All provisions of this part applicable to the establishment, modification, or disestablishment of a property and business improvement district apply to the establishment, modification, or disestablishment of benefit zones or categories of business. The city council shall, to establish, modify, or disestablish a benefit zone or category of business, follow the procedure to establish, modify, or disestablish a property and business improvement district.

36630. Expiration of district; Creation of new district

If a property and business improvement district expires due to the time limit set pursuant to subdivision (h) of Section 36622, a new management district plan may be created and the district may be renewed pursuant to this part.

CHAPTER 3. Assessments

36631. Time and manner of collection of assessments; Delinquent payments

The collection of the assessments levied pursuant to this part shall be made at the time and in the manner set forth by the city council in the resolution levying the assessment. Assessments levied on real property may be collected at the same time and in the same manner as for the ad valorem property tax, and may provide for the same lien priority and penalties for delinquent payment. All delinquent payments for assessments levied pursuant to this part may be charged interest and penalties.

36632. Assessments to be based on estimated benefit; Classification of real property and businesses; Exclusion of residential and agricultural property

(a) The assessments levied on real property pursuant to this part shall be levied on the basis of the estimated benefit to the real property within the property and business improvement district. The city council may classify properties for purposes of determining the benefit to property of the improvements and activities provided pursuant to this part.

(b) Assessments levied on businesses pursuant to this part shall be levied on the basis of the estimated benefit to the businesses within the property and business improvement district. The city council may classify businesses for purposes of determining the benefit to the businesses of the improvements and activities provided pursuant to this part.

(c) Properties zoned solely for residential use, or that are zoned for agricultural use, are conclusively presumed not to benefit from the improvements and service funded through these assessments, and shall not be subject to any assessment pursuant to this part.

36633. Time for contesting validity of assessment

The validity of an assessment levied under this part shall not be contested in an action or proceeding unless the action or proceeding is commenced within 30 days after the resolution levying the assessment is adopted pursuant to Section 36625. An appeal from a final judgment in an action or proceeding shall be perfected within 30 days after the entry of judgment.

36634. Service contracts authorized to establish levels of city services

The city council may execute baseline service contracts that would establish levels of city services that would continue after a property and business improvement district has been formed.

36635. Request to modify management district plan

The owners' association may, at any time, request that the city council modify the management district plan. Any modification of the management district plan shall be made pursuant to this chapter.

36636. Modification of plan by resolution after public hearing; Adoption of resolution of intention

(a) Upon the written request of the owners' association, the city council may modify the management district plan after conducting one public hearing on the proposed modifications. The city council may modify the improvements and activities to be funded with the revenue derived from the levy of the assessments by adopting a resolution determining to make the modifications after holding a public hearing on the proposed modifications. If the modification includes the levy of a new or increased assessment, the city council shall comply with Section 36623. Notice of all other public hearings pursuant to this section shall comply with both of the following:

- (1) The resolution of intention shall be published in a newspaper of general circulation in the city once at least seven days before the public hearing.
- (2) A complete copy of the resolution of intention shall be mailed by first class mail, at least 10 days before the public hearing, to each business owner or property owner affected by the proposed modification.

(b) The city council shall adopt a resolution of intention which states the proposed modification prior to the public hearing required by this section. The public hearing shall be held not more than 90 days after the adoption of the resolution of intention.

36637. Reflection of modification in notices recorded and maps

Any subsequent modification of the resolution shall be reflected in subsequent notices and maps recorded pursuant to Division 4.5 (commencing with Section 3100), in a manner consistent with the provisions of Section 36627.

CHAPTER 3.5. Financing

36640. Bonds authorized; Procedure; Restriction on reduction or termination of assessments

(a) The city council may, by resolution, determine and declare that bonds shall be issued to finance the estimated cost of some or all of the proposed improvements described in the resolution of formation adopted pursuant to Section 36625, if the resolution of formation adopted pursuant to that section provides for the issuance of bonds, under the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500)) or in conjunction with Marks-Roos Local Bond Pooling Act of 1985 (Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code). Either act, as the case may be, shall govern the proceedings relating to the issuance of bonds, although proceedings under the Bond Act of 1915 may be modified by the city council as necessary to accommodate assessments levied upon business pursuant to this part.

(b) The resolution adopted pursuant to subdivision (a) shall generally describe the proposed improvements specified in the resolution of formation adopted pursuant to Section 36625, set forth the estimated cost of those improvements, specify the number of annual installments and the fiscal years during which they are to be collected. The amount of debt service to retire the bonds shall not exceed the amount of revenue estimated to be raised from assessments over 30 years.

(c) Notwithstanding any other provision of this part, assessments levied to pay the principal and interest on any bond issued pursuant to this section shall not be reduced or terminated if doing so would interfere with the timely retirement of the debt.

CHAPTER 4. Governance

36650. Report by owners' association; Approval or modification by city council

(a) The owners' association shall cause to be prepared a report for each fiscal year, except the first year, for which assessments are to be levied and collected to pay the costs of the improvements, maintenance, and activities described in the report. The owners' association's first report shall be due after the first year of operation of the district. The report may propose changes, including, but not limited to, the boundaries of the property and business improvement district or any benefit zones within the district, the basis and method of levying the assessments, and any changes in the classification of property, including any categories of business, if a classification is used.

(b) The report shall be filed with the clerk and shall refer to the property and business improvement district by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following information:

- (1) Any proposed changes in the boundaries of the property and business improvement district or in any benefit zones or classification of property or businesses within the district.
- (2) The improvements, maintenance, and activities to be provided for that fiscal year.

- (3) An estimate of the cost of providing the improvements, maintenance, and activities for that fiscal year.
 - (4) The method and basis of levying the assessment in sufficient detail to allow each real property or business owner, as appropriate, to estimate the amount of the assessment to be levied against his or her property or business for that fiscal year.
 - (5) The estimated amount of any surplus or deficit revenues to be carried over from a previous fiscal year.
 - (6) The estimated amount of any contributions to be made from sources other than assessments levied pursuant to this part.
 - (c) The city council may approve the report as filed by the owners' association or may modify any particular contained in the report and approve it as modified. Any modification shall be made pursuant to Sections 36635 and 36636.
- The city council shall not approve a change in the basis and method of levying assessments that would impair an authorized or executed contract to be paid from the revenues derived from the levy of assessments, including any commitment to pay principal and interest on any bonds issued on behalf of the district.

36651. Designation of owners' association to provide improvements, maintenance, and activities

The management district plan may, but is not required to, state that an owners' association will provide the improvements, maintenance, and activities described in the management district plan. If the management district plan designates an owners' association, the city shall contract with the designated nonprofit corporation to provide services.

CHAPTER 5. Renewal

36660. Renewal of district; Transfer or refund of remaining revenues; District term limit

- (a) Any district previously established whose term has expired, or will expire, may be renewed by following the procedures for establishment as provided in this chapter.
- (b) Upon renewal, any remaining revenues derived from the levy of assessments, or any revenues derived from the sale of assets acquired with the revenues, shall be transferred to the renewed district. If the renewed district includes additional parcels or businesses not included in the prior district, the remaining revenues shall be spent to benefit only the parcels or businesses in the prior district. If the renewed district does not include parcels or businesses included in the prior district, the remaining revenues attributable to these parcels shall be refunded to the owners of these parcels or businesses.
- (c) Upon renewal, a district shall have a term not to exceed 10 years, or, if the district is authorized to issue bonds, until the maximum maturity of those bonds. There is no requirement that the boundaries, assessments, improvements, or activities of a renewed district be the same as the original or prior district.

CHAPTER 6. Disestablishment

36670. Circumstances permitting disestablishment of district; Procedure

- (a) Any district established or extended pursuant to the provisions of this part, where there is no indebtedness, outstanding and unpaid, incurred to accomplish any of the purposes of the district, may be disestablished by resolution by the city council in either of the following circumstances:
 - (1) If the city council finds there has been misappropriation of funds, malfeasance, or a violation of law in connection with the management of the district, it shall notice a hearing on disestablishment.
 - (2) During the operation of the district, there shall be a 30-day period each year in which assesses may request disestablishment of the district. The first such period shall begin one year after the date of establishment of the district and shall continue for 30 days. The next such 30-day period shall begin two years after the date of the establishment of the district. Each successive year of operation of the district shall have such a 30-day period. Upon the written petition of the owners or authorized representatives of real property or the owners or authorized representatives of businesses in the district who pay 50 percent or more of the assessments levied, the city council shall pass a resolution of intention to disestablish the district. The city council shall notice a hearing on disestablishment.
- (b) The city council shall adopt a resolution of intention to disestablish the district prior to the public hearing required by this section. The resolution shall state the reason for the disestablishment, shall state the time and place of the public hearing, and shall contain a proposal to dispose of any assets acquired with the revenues of the assessments levied within the property and business improvement district. The notice of the hearing on disestablishment required by this section shall be given by mail to the property owner of each parcel or to the

owner of each business subject to assessment in the district, as appropriate. The city shall conduct the public hearing not less than 30 days after mailing the notice to the property or business owners. The public hearing shall be held not more than 60 days after the adoption of the resolution of intention.

36671. Refund of remaining revenues upon disestablishment or expiration without renewal of district; Calculation of refund; Use of outstanding revenue collected after disestablishment of district

(a) Upon the disestablishment or expiration without renewal of a district, any remaining revenues, after all outstanding debts are paid, derived from the levy of assessments, or derived from the sale of assets acquired with the revenues, or from bond reserve or construction funds, shall be refunded to the owners of the property or businesses then located and operating within the district in which assessments were levied by applying the same method and basis that was used to calculate the assessments levied in the fiscal year in which the district is disestablished or expires. All outstanding assessment revenue collected after disestablishment shall be spent on improvements and activities specified in the management district plan.

(b) If the disestablishment occurs before an assessment is levied for the fiscal year, the method and basis that was used to calculate the assessments levied in the immediate prior fiscal year shall be used to calculate the amount of any refund.

APPENDIX 2 – ASSESSED BUSINESSES

HOTEL NAME	SITE ADDRESS	CITY	ST	ZIP
AC HOTEL SAN FRANCISCO AIRPORT/OYSTER POINT WATERFRONT	1333 Veterans Blvd	So. San Francisco	CA	94080
AIRPORT INN	751 Airport Blvd	So. San Francisco	CA	94080
ALL SEASONS LODGE	800 El Camino Real	So. San Francisco	CA	94080
ALOFT SAN FRANCISCO AIRPORT	401 E. Millbrae Ave	Millbrae	CA	94030
AMERICANA INN MOTEL	760 El Camino Real	So. San Francisco	CA	94080
AMERICAS BEST VALUE INN - PACIFICA	2160 Francisco Blvd	Pacifica	CA	94044
ANCHOR INN PACIFICA	500 San Pedro Ave	Pacifica	CA	94044
ARISTOCRAT HOTEL, BW SIGNATURE COLLECTION	1410 Cabrillo Hwy S	Half Moon Bay	CA	94019
ATHERTON INN	1201 W Selby Lane	Redwood City	CA	94061
ATHERTON PARK INN & SUITES	2834 El Camino Real	Redwood City	CA	94061
BAY LANDING HOTEL	1550 Bayshore Hwy	Burlingame	CA	94010
BAYHILL INN	950 El Camino Real	San Bruno	CA	94066
BEACH HOUSE HOTEL	4100 Cabrillo Hwy N	Half Moon Bay	CA	94019
BELMONT PALMS	700 El Camino Real	Belmont	CA	94002
BEST WESTERN COYOTE POINT	480 N Bayshore Blvd	San Mateo	CA	94401
BEST WESTERN INN	316 El Camino Real	Redwood City	CA	94062
BEST WESTERN PLUS EXECUTIVE SUITES	25 5th Ave	Redwood City	CA	94063
BEST WESTERN PLUS GROSVENOR HOTEL	380 S Airport Blvd	So. San Francisco	CA	94080
BUDGET INN	2526 El Camino Real	Redwood City	CA	94061
CANYON RANCH WELLNESS RETREAT	16350 Skyline Blvd	Woodside	CA	94062
CAPRI MOTEL	2380 El Camino Real	Redwood City	CA	94063
THE CATRINA HOTEL	2110 S El Camino Real	San Mateo	CA	94403
COMFORT INN & SUITES - SAN BRUNO	611 San Bruno Ave E	San Bruno	CA	94066
COMFORT INN & SUITES SFO NORTH	121 E. Grand Ave	So. San Francisco	CA	94080
COSTANOA LODGE+CAMP+RESORT	2001 Rossi Rd	Pescadero	CA	94060
COUNTRY INN & SUITES BY RADISSON	251 El Camino Real	San Carlos	CA	94070
COURTYARD REDWOOD CITY	600 Bair Island Rd	Redwood City	CA	94063
COURTYARD SAN FRANCISCO AIRPORT	1050 Bayhill Dr	San Bruno	CA	94066
COURTYARD SAN MATEO FOSTER CITY	550 Shell Blvd	Foster City	CA	94404
CROWNE PLAZA FOSTER CITY-SAN MATEO	1221 Chess Dr	Foster City	CA	94404
CROWNE PLAZA S.F. AIRPORT	1177 Airport Blvd	Burlingame	CA	94010
CYPRESS INN ON MIRAMAR BEACH	407 Mirada Rd	Half Moon Bay	CA	94019
DAYS INN - REDWOOD CITY	2650 El Camino Real	Redwood City	CA	94061
DAYS INN S.F. AIRPORT-OYSTER POINT - SSF	1113 Airport Blvd	So. San Francisco	CA	94080
DELUXE INN - REDWOOD CITY	1402 Stafford St	Redwood City	CA	94062

DELUXE INN - SSF	920 El Camino Real	So. San Francisco	CA	94080
DOUBLETREE BY HILTON S.F. AIRPORT	835 Airport Blvd	Burlingame	CA	94010
DOUBLETREE BY HILTON S.F. AIRPORT NORTH	5000 Sierra Point Parkway	Brisbane	CA	94005
DOUBLETREE BY HILTON SF / SOUTH AIRPORT BLVD	275 S Airport Blvd	So. San Francisco	CA	94080
THE DYLAN HOTEL AT SFO	110 S El Camino Real	Millbrae	CA	94030
EMBASSY SUITES S.F. AIRPORT SOUTH SAN FRANCISCO	250 Gateway Blvd	So. San Francisco	CA	94080
EMBASSY SUITES S.F. AIRPORT - WATERFRONT	150 Anza Blvd	Burlingame	CA	94010
EXTENDED STAY AMERICA - BELMONT	120 Sem Lane	Belmont	CA	94002
EXTENDED STAY AMERICA - SAN CARLOS	3 Circle Star Way	San Carlos	CA	94070
EXTENDED STAY AMERICA - SAN MATEO	1830 Gateway Dr	San Mateo	CA	94404
FAIRFIELD INN & SUITES SAN FRANCISCO PACIFICA	500 Old County Rd	Pacifica	CA	94044
FAIRFIELD INN & SUITES SAN FRANCISCO SAN CARLOS	555 Skyway Rd	San Carlos	CA	94070
FAIRFIELD INN & SUITES SFO OYSTER POINT AREA	127 W. Harris Avenue	So. San Francisco	CA	94080
FOUR POINTS BY SHERATON HOTEL & SUITES	264 S Airport Blvd	So. San Francisco	CA	94080
FOUR SEASONS HOTEL SILICON VALLEY	2050 University Ave	East Palo Alto	CA	94303
GARDEN MOTEL	1690 Broadway	Redwood City	CA	94063
GATEWAY INN & SUITES	516 El Camino Real	San Bruno	CA	94066
GOOD LIVING INN	1562 El Camino Real	San Carlos	CA	94070
GOOD NITE INN	485 Veterans Blvd	Redwood City	CA	94063
GRAND BAY SAN FRANCISCO	223 Twin Dolphin Dr	Redwood City	CA	94065
GRAND HYATT AT SFO	55 S. McDonnell Road	San Francisco	CA	94128
HALF MOON BAY INN	401 Main St	Half Moon Bay	CA	94019
HALF MOON BAY LODGE	2400 Cabrillo Hwy S	Half Moon Bay	CA	94019
HAMPTON INN & SUITES SFO SOUTH - BURLINGAME	1755 Bayshore Hwy	Burlingame	CA	94010
HAMPTON INN & SUITES - SAN MATEO	2940 S. Norfolk St.	San Mateo	CA	94403
HAMPTON INN SFO NORTH - SSF	300 Gateway Blvd	So. San Francisco	CA	94080
HARBOR VIEW INN	51 Ave Alhambra	El Granada	CA	94018
HILTON GARDEN INN SAN MATEO	2000 Bridgepoint Circle	San Mateo	CA	94404
HILTON GARDEN INN SFO - BURLINGAME	765 Airport Blvd	Burlingame	CA	94010
HILTON GARDEN INN - SFO NORTH - SSF	670 Gateway Blvd	So. San Francisco	CA	94080
HILTON S.F. AIRPORT BAYFRONT	600 Airport Blvd	Burlingame	CA	94010
HOLIDAY INN & SUITES SAN MATEO-SF SFO	330 N Bayshore Blvd	San Mateo	CA	94401
HOLIDAY INN EXPRESS & SUITES BELMONT	1650 El Camino Real	Belmont	CA	94002
HOLIDAY INN EXPRESS REDWOOD CITY CENTRAL	1836 El Camino Real	Redwood City	CA	94063
HOLIDAY INN EXPRESS SFO NORTH - SSF	373 S Airport Blvd	So. San Francisco	CA	94080

HOLIDAY INN EXPRESS SFO SOUTH - BURLINGAME	1250 Bayshore Hwy	Burlingame	CA	94010
HOME2 SUITES BY HILTON SFO NORTH	550 Gateway Blvd	So. San Francisco	CA	94080
HOMEWOOD SUITES BY HILTON BELMONT	1201 Shoreway Road	Belmont	CA	94002
HOMEWOOD SUITES BY HILTON SFO AIRPORT NORTH	2000 Shoreline Court	Brisbane	CA	94005
HOTEL 1550	1550 El Camino Real	San Bruno	CA	94066
HOTEL ALUXOR	500 El Camino Real	San Bruno	CA	94066
HOTEL AURA SFO	190 El Camino Real	San Bruno	CA	94066
HOTEL BELMONT	560 El Camino Real	Belmont	CA	94002
HOTEL FOCUS SFO	111 Mitchell Ave	So. San Francisco	CA	94080
HOTEL NOVA SFO BY FAIRBRIDGE	410 S Airport Blvd	So. San Francisco	CA	94080
HOTEL V	222 S Airport Blvd	So. San Francisco	CA	94080
HYATT HOUSE BELMONT/REDWOOD SHORES	400 Concourse Dr	Belmont	CA	94002
HYATT PLACE SAN CARLOS	26 El Camino Real	San Carlos	CA	94070
HYATT REGENCY SAN FRANCISCO AIRPORT	1333 Bayshore Hwy	Burlingame	CA	94010
INN @ BAYSHORE	140 N Bayshore Blvd	San Mateo	CA	94401
INN AT MAVERICKS	346 Princeton Ave	El Granada	CA	94018
INN AT ROCKAWAY	200 Rockaway Beach Ave	Pacifica	CA	94044
INN BY THE SFO	701 Airport Blvd	So. San Francisco	CA	94080
LA QUINTA INN & SUITES S.F. AIRPORT WEST	1390 El Camino Real	Millbrae	CA	94030
LA QUINTA INN S.F. AIRPORT NORTH	20 Airport Blvd	So. San Francisco	CA	94080
LARKSPUR LANDING HOTEL SSF	690 Gateway Blvd	So. San Francisco	CA	94080
LIA HOTEL	950 El Camino Real	San Carlos	CA	94070
LIGHTHOUSE HOTEL	105 Rockaway Beach Ave	Pacifica	CA	94044
MARRIOTT FAIRFIELD INN & SUITES SFO	250 El Camino Real	Millbrae	CA	94030
MILL ROSE INN	615 Mill St	Half Moon Bay	CA	94019
MILLWOOD INN & SUITES	1375 El Camino Real	Millbrae	CA	94030
THE MIRAMAR INN & SUITES	3020 Cabrillo Hwy N	Half Moon Bay	CA	94019
MOTEL 6 - BELMONT	1101 Shoreway Rd	Belmont	CA	94002
NANTUCKET WHALE INN	779 Main St	Half Moon Bay	CA	94019
NICHE HOTEL	868 Main St	Redwood City	CA	94063
OCEAN VIEW INN	8425 Cabrillo Hwy	Montara	CA	94037
THE OCEANFRONT HOTEL	211 Mirada Rd	Half Moon Bay	CA	94019
OCEANO HOTEL & SPA	280 Capistrano Rd	Half Moon Bay	CA	94019
PACIFICA BEACH HOTEL	525 Crespi Dr	Pacifica	CA	94044
PARK POINTE HOTEL	245 S. Airport Blvd	So. San Francisco	CA	94080
PESCADERO CREEK INN	393 Stage Rd	Pescadero	CA	94060

QUALITY INN HALF MOON BAY	2930 Cabrillo Hwy N	Half Moon Bay	CA	94019
RAMADA LIMITED SUITES	721 Airport Blvd	So. San Francisco	CA	94080
REDWOOD CREEK INN	1090 El Camino Real	Redwood City	CA	94063
REDWOOD MOTOR COURT	3706 Rolison Rd	Redwood City	CA	94063
REGENCY INN SFO	411 San Bruno Ave E	San Bruno	CA	94066
RESIDENCE INN SAN FRANCISCO AIRPORT/MILLBRAE	161 N. Rollins Road	Millbrae	CA	94030
RESIDENCE INN REDWOOD CITY SAN CARLOS	800 E. San Carlos Ave	San Carlos	CA	94070
RESIDENCE INN SAN FRANCISCO AIRPORT/SAN MATEO	2000 Winward Way	San Mateo	CA	94404
THE RITZ-CARLTON, HALF MOON BAY	One Miramontes Point Rd	Half Moon Bay	CA	94019
RITZ INN	151 El Camino Real	San Bruno	CA	94066
ROYAL INN	120 Hickey Blvd	So. San Francisco	CA	94080
SAN BENITO HOUSE	356 Main St	Half Moon Bay	CA	94019
SAN CARLOS INN	1140 Morse Blvd	San Carlos	CA	94070
SAN FRANCISCO AIRPORT MARRIOTT WATERFRONT	1800 Old Bayshore Hwy	Burlingame	CA	94010
SAN MATEO MARRIOTT	1770 So. Amphlett Blvd	San Mateo	CA	94402
SEA BREEZE MOTEL	100 Rockaway Beach Ave	Pacifica	CA	94044
SEAL COVE INN	221 Cypress Ave	Moss Beach	CA	94038
SEQUOIA INN	526 El Camino Real	Redwood City	CA	94063
SFO AIRPORT HOTEL, EL RANCHO INN	1100 El Camino Real	Millbrae	CA	94030
SILICON VALLEY INN	630 El Camino Real	Belmont	CA	94002
SONESTA ES SUITES SFO SAN BRUNO	1350 Huntington	San Bruno	CA	94066
SONESTA ES SUITES SFO OYSTER POINT WATERFRONT	1350 Veterans Blvd	So. San Francisco	CA	94080
SONESTA SELECT SFO OYSTER POINT WATERFRONT	1300 Veterans Blvd	So. San Francisco	CA	94080
SPRINGHILL SUITES BELMONT REDWOOD SHORES	1401 Shoreway Rd	Belmont	CA	94002
SUPER 8 S.F. AIRPORT - SAN BRUNO	421 El Camino Real	San Bruno	CA	94066
TOWNEPLACE SUITES SAN MATEO FOSTER CITY	1299 Chess Drive	Foster City	CA	94404
TRAVELERS INN	100 Hickey Blvd	So. San Francisco	CA	94080
TRAVELODGE SFO NORTH	326 S Airport Blvd	So. San Francisco	CA	94080
VAGABOND INN EXECUTIVE S.F. AIRPORT BAYFRONT	1640 Old Bayshore Hwy	Burlingame	CA	94010
VILLA MONTES HOTEL, ASCEND HOTEL COLLECTION	620 El Camino Real	San Bruno	CA	94066
THE WESTIN S.F. AIRPORT	1 Old Bayshore Hwy	Millbrae	CA	94030
ZABALLA HOUSE BED & BREAKFAST	324 Main St	Half Moon Bay	CA	94019
Hotel Nia	200 Independence Drive	Menlo Park	CA	94025
Park James	1400 El Camino Real	Menlo Park	CA	94025
Rosewood Sand Hill	2825 Sand Hill Road	Menlo Park	CA	94025

Stanford Park Hotel	100 El Camino Real	Menlo Park	CA	94025
Residence Inn	555 Glenwood Avenue	Menlo Park	CA	94025
Best Western Plus Riviera	15 El Camino Real	Menlo Park	CA	94025
Hotel Lucent	727 El Camino Real	Menlo Park	CA	94025
Menlo Park Inn	1315 El Camino Real	Menlo Park	CA	94025
Red Cottage Inn	1704 El Camino Real	Menlo Park	CA	94025

APPENDIX 3 – BENEFITS BY BUSINESS CATEGORY

Program	Service	Tier 1 (1.5%)	Tier 2 (0.75%)
General	Listing on www.thesanfranciscopeninsula.com with link to hotel booking page	X	X
General	Inclusion in Sales, Marketing and Promotional Opportunities	X	X
General	Inclusion in SFP's Consumer Brochures	X	X
General	Access to SFP's research reports and insights	X	X
General	Represented by SFP at industry conferences and events	X	X
General	Access to California Hotel Lodging Association's industry advocacy efforts and training materials	X	X
Consumer	Opportunity to participate in Consumer Marketing Campaigns	X	X
Consumer	Public Relations participation opportunities	X	X
Consumer	Familiarization Tour (Press and Influencer) Opportunities	X	X
Consumer	Inclusion Opportunity in Social Media Efforts	X	X
Consumer	Inclusion Opportunity in Destination Video and Photo Shoots	X	X
Consumer	New project and special event opportunities	X	X
Travel Trade	Trade Show Opportunities	X	X
Travel Trade	Sales Mission Opportunities	X	X
Travel Trade	Lead Opportunities	X	X
Travel Trade	Familiarization Tour Leads (Press and Travel Trade) Opportunities	X	X
Meetings	Lead Distribution	X	
Meetings	Site Inspections	X	
Meetings	Convention Services Support	X	
Meetings	Opportunity to participate in Sales Missions	X	
Meetings	Opportunity to participate in Client Events	X	
Meetings	Industry tradeshow participation	X	
Meetings	Participation in local industry chapter meetings and events	X	
Meetings	Familiarization Tours	X	
Meetings	Marketing Campaigns	X	
Meetings	Inclusion in Meetings Market Brochures	X	
Meetings	Opportunity for Sponsorship of Group Events	X	
Meetings	Custom Event Landing Page for Groups: Things To Do Nearby With Your Selected Venue (Itinerary)	X	

Meetings	Distribution of hot rates and dates to planners	X	
Meetings	Co-op advertising opportunities in key meeting publications	X	
Meetings	Social media mentions/posts promoting groups space	X	
Meetings	Inclusion on Meeting Planner section of website	X	
Meetings	Opportunity to be highlighted in meeting planner newsletter	X	
Meetings	Access to SF Travel group leads via our alliance with SFT	X	

APPENDIX 4 – SMG CONSULTING ANALYSIS

SF Peninsula

Tourism Business Improvement District Pro Forma Review

SMGConsulting

TAKE ANOTHER PATH.

Overview

In 2001, the Organization established a Tourism Business Improvement District (TBID) under the Parking and Business Improvement Area Law of 1989 ('89 Law) and now wishes to convert to a Tourism Marketing District (TMD) under the Property and Business Improvement District Law of 1994 ('94 Law).

The organization is moving forward with a Tourism Business Improvement District (TBID) transition that will increase its funding above \$6 million annually to be available for tourism promotion efforts. The TBID contribution is a significant budget increase for the organization. In developing the proposal for the TBID renewal and the subsequent approval of the lodging industry, the organization staff has prepared a TMD Benefits Proforma to estimate the potential return on investment from the new TBID funds.

This staff assessment includes the proposed allocation and use of new funds for different tourism promotion efforts (sales, advertising, public relations, social media, etc.) and the projected return on investment for those funds.

Proforma Review

The TMD Benefits Proforma review includes a review of the staff proforma to check the assumptions and estimates and make suggestions and recommendations.

Scope of Work

The following is a review of the proforma developed for the TBID renewal. The analysis was done using the information supplied by The San Francisco Peninsula CVB. Project elements include the following:

I. DEVELOP SMITH TRAVEL RESEARCH TRENDLINE AND ANNUAL GROWTH RATE FOR LODGING REVENUE. DEVELOP MULTI-YEAR FORECAST.

➤ DETERMINE THE PROJECTABLE RATE OF GROWTH.

• REVIEW STAFF DRAFT PROFORMA, INCLUDING ASSUMPTIONS AND FINAL ESTIMATES.

I. COMPARE PROFORMA ESTIMATES WITH TRENDLINE AND ASSESS WITH POTENTIALLY DIFFERENT SCENARIOS (HIGH, MEDIUM, AND LOW ESTIMATES).

Limiting Conditions

The following analysis and estimates are based on the best information and time available. The results and opinions provided are a guide for consideration, and we do not claim as to the accuracy of the final results.

Model Development

We developed an SF Peninsula Tourism Economic Model to develop lodging revenue and room night projections with the addition of new properties and the potential of Menlo Park Inclusion. The model was developed utilizing the past ten years of monthly lodging data from Smith Travel Research. The model measures a variety of economic activities, including the following:

II. LODGING REVENUE PROJECTIONS THROUGH 2027

III. ROOM NIGHT PROJECTION THROUGH 2027

IV. TBID REVENUE WITHOUT MENLO PARK

V. TBID REVENUE WITH MENLO PARK

VI. TBIB REVENUE WITH NEW PROPERTIES

VII. TBID REVENUE WITHOUT NEW PROPERTIES.

The SF Peninsula Tourism Economic Model can be adjusted to test or consider different scenarios.

Model Methodology

The future growth of ADR and room nights is using a Bayesian Structural Times Series (BSTS) model, a technique for fitting historical data and forecasting future trends (Scott and Varian, Predicting the Present with Bayesian Structural Time Series 2013). BSTS was chosen for its ability to forecast future trends, including seasonal variation, using robust time series data. In this case, data is available in monthly intervals from July 2012. This model was fit by specifying a semi-local linear trend. Confidence intervals bound a mean forecast to quantify the degree of uncertainty in the future (Scott, Fitting Bayesian structural time series with the bsts R package 2017).

Rather than having the pandemic disruption influence the forecasts, only data from July 2012 through December 2019 was taken as input. Revenue is simply forecast as the product of ADR and room nights.

Given the fact that the STR reports track all cities in San Mateo County, the revenue forecast is reduced in proportion to the number of room nights in the TMD (15,699/17,190) or 91.3 percent. TMD fee revenue is also forecast in proportion to available rooms, with 42 percent A-level property rooms paying 1.5 percent of gross room revenue. The balance is paid by B-level property rooms at 0.75 percent.

Construction of three new B-level properties is underway and will bring 451 rooms online. These rooms are assumed to be available from January 2023. There are 533 A-level property rooms and 338 B-level property rooms in Menlo Park. Potential gross room and TMD fee revenue is forecast on the basis of room count proportionality.

Model Assumptions

The model forecasts mean values of ADR and room nights along with 2.5 percent confidence intervals. This report is based on mean values. By constructing the model in this manner, we are

assuming that the conditions supporting ADR and room night growth prior to the pandemic will continue from 2023 forward.

Sources of variation include the impact of macroeconomic conditions, actual timing of new construction (planned and unplanned), promotions and policies such as airline crew waivers.

Model Limitations

The baseline SF Peninsula Tourism Economic Model provides a static look based on a given set of assumptions. Forecasts of future events are inherently uncertain as the recent pandemic reminded us. As noted above, the model can be adjusted to estimate specific scenarios in detail in which case the relative differences generally provide the most value.

Findings

Table 1 below summarizes Room Nights, Revenue, and Average Daily Rate (ADR) projections.

Table 1: Room Night, Revenue, and Average Daily Rate Projections 2021-2027

	2021	2022	2023	2024	2025	2026	2027
Room nights	3,201,672	3,273,894	3,356,784	3,470,192	3,592,148	3,720,575	3,824,263
RN annual growth		2.3%	2.5%	3.4%	3.5%	3.6%	2.8%
Revenue (thousands)	\$430,563	\$784,357	\$1,053,955	\$1,140,669	\$1,229,371	\$1,335,188	\$1,444,536
Rev annual growth		82.2%	34.4%	8.2%	7.8%	8.6%	8.2%
ADR	\$134	\$240	\$314	\$329	\$342	\$359	\$378
ADR annual growth		78.2%	31.1%	4.7%	4.1%	4.9%	5.3%

- A. THE MODEL INCLUDES GROWTH RATE PROJECTIONS FOR EACH OF THOSE CATEGORIES. NOTE THE SIGNIFICANT REVENUE GROWTH PROJECTION IN 2022 AND 2023, AFTER WHICH THE GROWTH SLOWS DOWN INTO A MORE CONSISTENT PATTERN AFTER 2023. (SEE TABLE 1 ABOVE)
- B. THE TMD BENEFITS PROFORMA DEVELOPED BY STAFF HAS LODGING RATES BETWEEN \$200 AND \$293, WHICH IS WITHIN ESTIMATES OR THE PROJECTED AVERAGE DAILY RATE OF THE SF PENINSULA TOURISM ECONOMIC MODEL. (SEE TABLE 2)
- A. REGARDING TBID REVENUE PROJECTION, THE TMD BENEFITS PROFORMA ANTICIPATES TBID REVENUE OF APPROXIMATELY \$6M. BASED ON THE SF PENINSULA TOURISM ECONOMIC MODEL'S ASSUMPTIONS, TBID COLLECTIONS COULD BE HIGHER STARTING IN 2022 (APPROXIMATELY \$8M). (SEE TABLE 2)
- B. THE MODEL CONSIDERS THE NEW CONSTRUCTION OF HOTELS (451 UNITS) WHICH INCREASES THE POTENTIAL TBID REVENUE GENERATION BY APPROXIMATELY \$207,000. (SEE TABLE 2)
- C. ADDITIONALLY, THE MODEL CONSIDERS THE POTENTIAL ADDITION OF MENLO PARK HOTELS BEING A PART OF THE TBID. THE ADDITION OF MENLO PARK HOTELS WOULD INCREASE TBID CONTRIBUTIONS BY APPROXIMATELY \$638,000 STARTING IN 2023. (SEE TABLE 2)

Table 2: TMD Room Revenue and Fee Projections

		2021	2022	2023	2024	2025	2026	2027
A rooms	6607			Base Year				
Total available	15699			TBID Projection				
B rooms	9092							
	A Revenue	\$101,204,557	\$330,100,605	\$405,089,050	\$438,417,832	\$472,510,240	\$513,181,465	\$555,203,395
	1.50%	\$2,718,068	\$4,951,509	\$6,076,336	\$6,576,267	\$7,087,654	\$7,697,722	\$8,328,141
	B Revenue	\$249,358,533	\$454,256,803	\$557,449,620	\$603,313,899	\$650,229,026	\$706,197,349	\$764,032,666
	0.75%							
	Total TBID/TMD	\$4,588,257	\$8,358,435	\$10,257,208	\$11,101,122	\$11,964,371	\$12,994,202	\$14,058,366
New Construction								
New rooms 2023 (B)	451		Total w/new hotels	\$10,464,596	\$11,325,573	\$12,206,276	\$13,256,929	\$14,342,629
% increase in B	5.0%							
Menlo Park								
New rooms 2023 (A)	533							
% increase in A	8.1%							
New rooms 2023 (B)	338							
% increase in B	3.5%							
			Total w/Menlo	\$10,895,479	\$11,791,907	\$12,708,873	\$13,802,787	\$14,933,191

Inventory Notes:

Changes in Hotel Inventory

318 rooms lost to Project Home Key (housing the un-housed) during 2020/2021

Possibly December 15, 2022 or early 2023

Red Roof Inn, Burlingame

213 Rooms

Possibly in 2023

El Rancho Inn, Millbrae

219 Rooms

2023 (Buyer is getting financing together, no set month for demolishing.)

Holiday Inn Express, Burlingame

148 Rooms

Possibly 2023 (Entitlements approved Sept 2022. No word when developer will start work.)

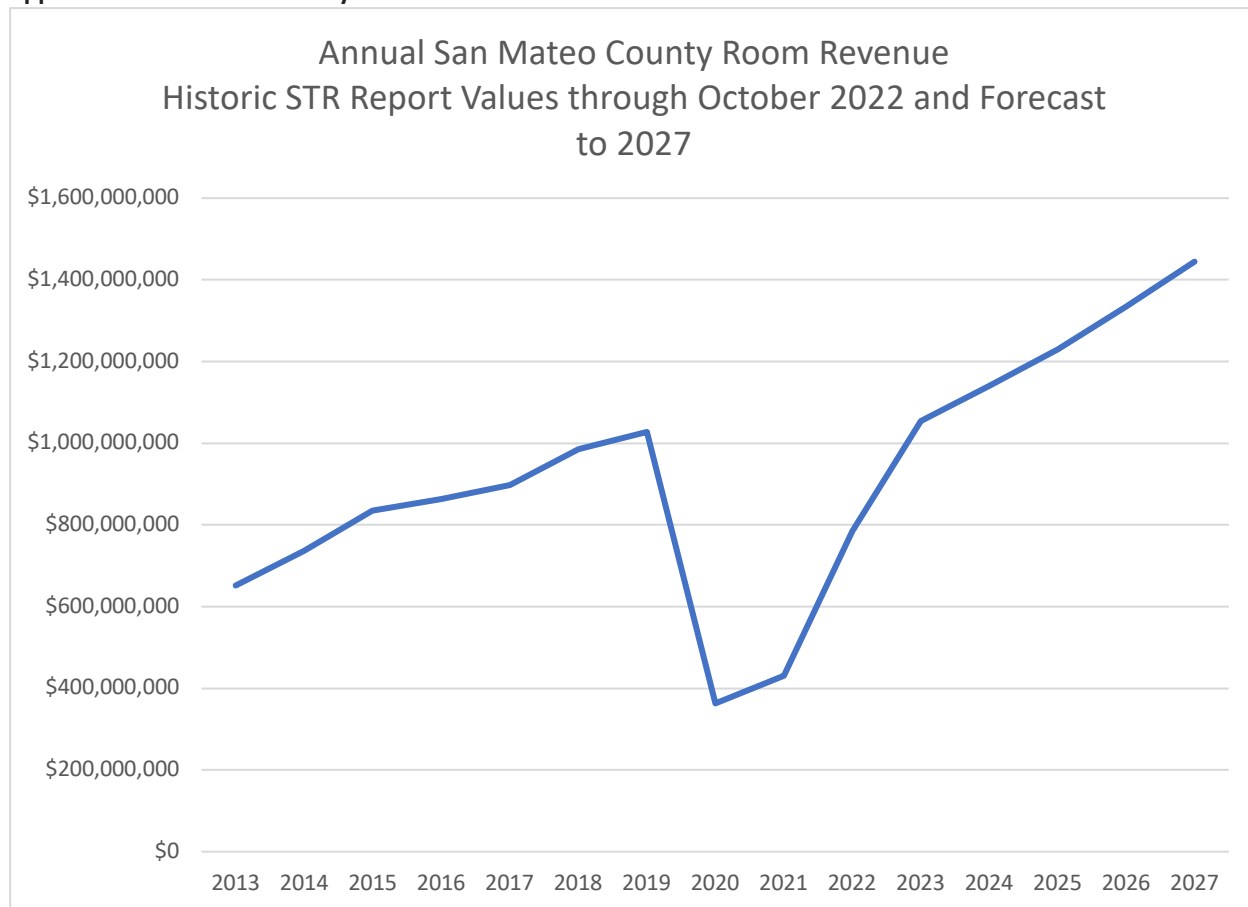
Comfort Inn & Suites, South San Francisco

166 Rooms



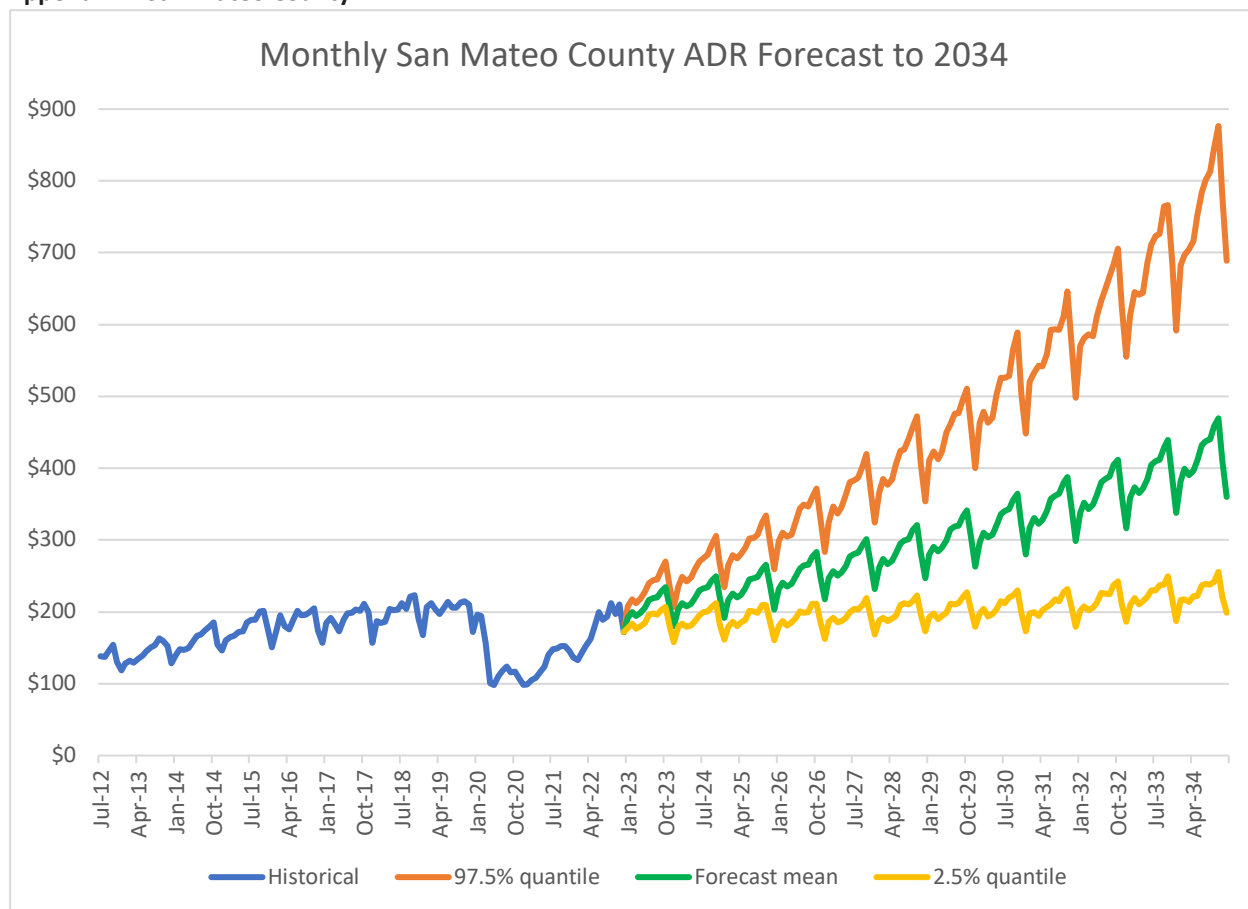
Appendix

Appendix 1: San Mateo County Room Revenue



Source: STR Reports and Consulting Team.

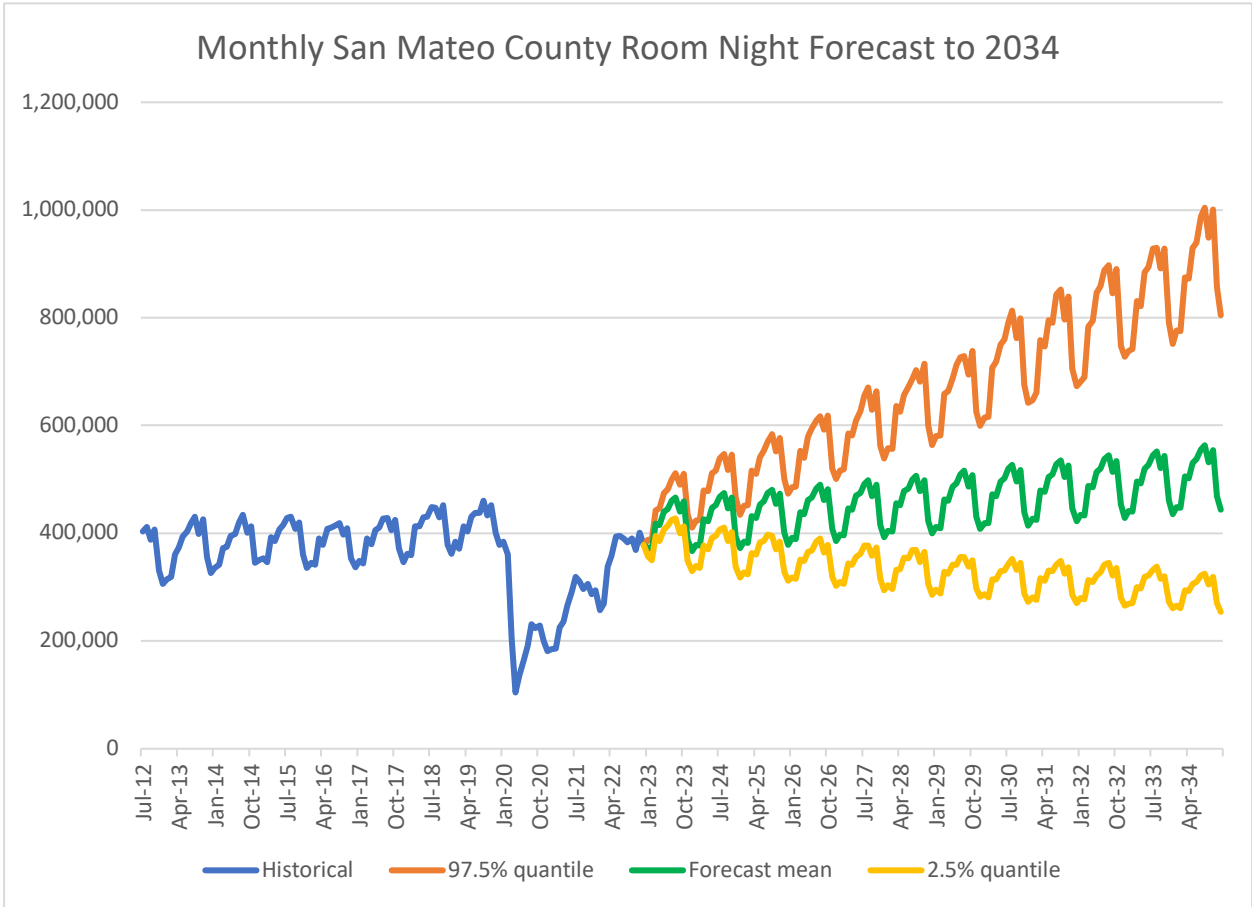
Appendix 2: San Mateo County ADR



Source: STR Reports and Consulting Team.



Appendix 3: San Mateo County Room Nights





STAFF REPORT

Meeting Date: June 27, 2023
Agency: City of Belmont
Staff Contact: Laura Kirby, Human Resources Management Analyst, lkirby@belmont.gov
Agenda Title: Revised Master Employee Pay Schedule
Agenda Action: Resolution

Recommendation

Adopt a resolution approving a revision to the City's Master Employee Pay Schedule in accordance with California Public Employees Retirement System (CalPERS) regulations.

Strategic Focus Area

Not Applicable

Background

CalPERS regulations, stipulated in the California Code of Regulations (CCR) Title 2, Section 570.5, require the City compile and maintain a publicly available pay schedule which has been approved by the City Council. The schedule must encompass all established positions, along with their corresponding compensation rates, effective dates, time base, and revision history. The last Master Employee Pay Schedule was adopted on November 8, 2022, via Resolution 2022-109. The proposed schedule brought forth reflects new classifications established and approved by City Council subsequent to the version approved this past November.

Analysis

Staff recommends the pay schedule be revised to include the following job classifications and monthly pay rates, which have respectively received City Council approval:

Administrative Services Director (Resolution 2023-006)

Minimum	Maximum
\$15,617	\$19,522

Deputy Director of Community Development and Planning (Resolution 2023-045)

Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
\$13,804.00	\$14,494.00	\$15,219.00	\$15,980.00	\$16,778.00	\$17,617.00

Information Technology Manager (Resolution 2023-046)

Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
\$12,320.00	\$12,936.00	\$13,582.80	\$14,261.94	\$14,975.04	\$15,723.79



Information Technology Business System Analyst (Resolution 2023-046)

Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
\$11,080.61	\$11,634.64	\$12,216.37	\$12,827.19	\$13,468.55	\$14,141.98

In addition, an error was found in the title and salary range for Payroll Manager approved in January via Resolution No. 2023-006. Staff recommends the salary schedule be revised to reflect the correct salary range and title below:

Payroll Manager

Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
\$8,659.93	\$9,092.92	\$9,547.59	\$10,024.95	\$10,526.19	\$11,052.52

Alternatives

1. Provide Staff with Alternative Direction to the proposed Master Salary Schedule in whole or in part.
2. Take No Action

Attachments

- A. Resolution
Exhibit A. City Master Pay Schedule – June 2023

Fiscal Impact

☐ No Fiscal Impact

☒ Funding Source Confirmed:

The revised salary schedule itself has no funding implications. These modifications do allow for future compensation adjustments. Changes from this item that impact the budget will be brought forward in future agenda items, if necessary.

Source:

Staff

Purpose:

Statutory/Contractual Requirement

Public Outreach:

Posting of Agenda

RESOLUTION NO. 2023 –

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELMONT ADOPTING
THE CITY’S REVISED MASTER PAY SCHEDULE IN ACCORDANCE WITH
CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM REGULATIONS**

WHEREAS, the last revision to the master pay schedule was approved by City Council on November 8, 2022 via Resolution No. 2022-109; and,

WHEREAS, California Public Employees Retirement System (CalPERS) regulations specified in California Code of Regulations Section 570.5, require pay schedules be approved and adopted by the City Council in a public meeting; and,

WHEREAS, payrates previously approved by City Council by way of resolution necessitate updates to the publicly available pay schedule to meet CalPERS regulations.

NOW, THEREFORE, the City Council of the City of Belmont resolves as follows:

SECTION 1. Revised Master Pay Schedule attached hereto in Exhibit A is approved and adopted.

* * *

ADOPTED June 27, 2023 by the City of Belmont City Council by the following vote:

Ayes:

Noes:

Absent:

Abstain:

ATTEST:

City Clerk

Mayor

APPROVED AS TO FORM:

City Attorney

City of Belmont Master Pay Schedule - Calendar Year 2023

Adopted June 27, 2023



Monthly Pay Rates

Position	Effective Date	Labor Group	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Accountant I	1/8/2023	MMCEA	\$ 6,919.27	\$ 7,265.30	\$ 7,628.53	\$ 8,009.96	\$ 8,410.45	\$ 8,830.99
Accountant II	1/8/2023	MMCEA	\$ 7,633.26	\$ 8,014.92	\$ 8,415.68	\$ 8,836.47	\$ 9,278.29	\$ 9,742.19
Accountant III	1/8/2023	MMCEA	\$ 8,833.13	\$ 9,274.78	\$ 9,738.54	\$ 10,225.45	\$ 10,736.71	\$ 11,273.57
Accounting/Budget Manager	1/8/2023	MMCEA	\$ 10,384.09	\$ 10,903.29	\$ 11,448.45	\$ 12,020.88	\$ 12,621.93	\$ 13,253.02
Accounting Services Supervisor	1/8/2023	MMCEA	\$ 8,151.90	\$ 8,559.51	\$ 8,987.48	\$ 9,436.83	\$ 9,908.67	\$ 10,404.15
Accounting Technician I	7/1/2023	AFSCME	\$ 5,542.11	\$ 5,819.21	\$ 6,110.17	\$ 6,415.68	\$ 6,736.46	
Accounting Technician II	7/1/2023	AFSCME	\$ 6,096.47	\$ 6,401.30	\$ 6,721.36	\$ 7,057.43	\$ 7,410.30	
Accounting Technician III	7/1/2023	AFSCME	\$ 6,846.73	\$ 7,189.06	\$ 7,548.52	\$ 7,925.94	\$ 8,322.24	
Administrative Assistant	1/8/2023	MMCEA	\$ 5,898.26	\$ 6,193.18	\$ 6,502.84	\$ 6,827.98	\$ 7,169.38	\$ 7,527.84
Administrative Services Director	1/24/2023	Unrep	\$ 15,617.00					\$ 19,522.00
Assistant City Manager	1/1/2022	Unrep	\$ 17,402.00					\$ 21,752.00
Assistant Civil Engineer	1/8/2023	MMCEA	\$ 8,155.47	\$ 8,563.21	\$ 8,991.39	\$ 9,440.96	\$ 9,913.00	\$ 10,408.65
Assistant Planner	1/8/2023	MMCEA	\$ 7,252.33	\$ 7,614.94	\$ 7,995.68	\$ 8,395.49	\$ 8,815.23	\$ 9,256.00
Assistant PW Director/City Engineer	1/8/2023	MMCEA	\$ 13,852.46	\$ 14,545.07	\$ 15,272.32	\$ 16,035.94	\$ 16,837.74	\$ 17,679.62
Associate Civil Engineer	1/8/2023	MMCEA	\$ 9,263.33	\$ 9,726.50	\$ 10,212.84	\$ 10,723.47	\$ 11,259.64	\$ 11,822.61
Associate Planner	1/8/2023	MMCEA	\$ 8,171.00	\$ 8,579.58	\$ 9,008.54	\$ 9,458.95	\$ 9,931.91	\$ 10,428.53
Building Inspector I	7/1/2023	AFSCME	\$ 7,869.28	\$ 8,262.74	\$ 8,675.88	\$ 9,109.67	\$ 9,565.16	
Building Inspector II	7/1/2023	AFSCME	\$ 8,347.13	\$ 8,764.49	\$ 9,202.71	\$ 9,662.85	\$ 10,145.99	
City Attorney	10/1/2023	Unrep	\$ 24,288.24					
City Clerk/Communications Coordinator	1/1/2023	Unrep	\$ 9,576.19	\$ 10,055.16	\$ 10,557.75	\$ 11,085.63	\$ 11,639.92	\$ 12,221.92
City Manager	9/1/2023	Unrep	\$ 25,717.98					
Chief Building Official	1/8/2023	MMCEA	\$ 11,324.86	\$ 11,891.11	\$ 12,485.67	\$ 13,109.95	\$ 13,765.44	\$ 14,453.71
Code Enforcement Officer	7/1/2023	AFSCME	\$ 7,394.32	\$ 7,764.03	\$ 8,152.24	\$ 8,559.85	\$ 8,987.84	
Community Development Director	1/1/2022	Unrep	\$ 15,617.00					\$ 19,522.00
Community Engagement Specialist	1/1/2023	Unrep	\$ 8,374.33	\$ 8,793.52	\$ 9,232.67	\$ 9,693.89	\$ 10,179.26	\$ 10,687.75
Community Service Officer	1/1/2023	BPOA	\$ 5,237.67	\$ 5,499.55	\$ 5,774.54	\$ 6,063.26	\$ 6,366.42	\$ 6,684.74
Construction Inspector	7/1/2023	AFSCME	\$ 8,741.22	\$ 9,178.28	\$ 9,637.20	\$ 10,119.06	\$ 10,625.01	
Deputy Community Development Director	7/1/2023	Unrep	\$ 13,804.00	\$ 14,494.00	\$ 15,219.00	\$ 15,980.00	\$ 16,778.00	\$ 17,617.00
Deputy City Clerk	1/8/2023	MMCEA	\$ 6,231.28	\$ 6,542.82	\$ 6,869.96	\$ 7,213.48	\$ 7,574.15	\$ 7,952.87
Deputy Finance Director	1/8/2023	MMCEA	\$ 12,224.87	\$ 12,836.08	\$ 13,477.90	\$ 14,151.81	\$ 14,859.39	\$ 15,602.36
Electrician	7/1/2023	AFSCME	\$ 7,131.57	\$ 7,488.15	\$ 7,862.55	\$ 8,255.68	\$ 8,668.47	
Engineering Technician	7/1/2023	AFSCME	\$ 7,076.74	\$ 7,430.58	\$ 7,802.11	\$ 8,192.21	\$ 8,601.82	

City of Belmont Master Pay Schedule - Calendar Year 2023

Adopted June 27, 2023



Monthly Pay Rates

Position	Effective Date	Labor Group	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Equipment Operator	7/1/2023	AFSCME	\$ 6,269.76	\$ 6,583.25	\$ 6,912.41	\$ 7,258.03	\$ 7,620.93	
Executive Assistant To City Manager	1/8/2023	MMCEA	\$ 6,863.57	\$ 7,206.78	\$ 7,567.11	\$ 7,945.48	\$ 8,342.73	\$ 8,759.88
Finance Director	1/1/2022	Unrep	\$ 15,617.00					\$ 19,522.00
GIS Coordinator I	1/8/2023	MMCEA	\$ 7,476.49	\$ 7,850.31	\$ 8,242.86	\$ 8,654.95	\$ 9,087.71	\$ 9,542.12
GIS Coordinator II	1/8/2023	MMCEA	\$ 8,583.07	\$ 9,012.21	\$ 9,462.82	\$ 9,935.97	\$ 10,432.77	\$ 10,954.38
GIS Coordinator III	1/8/2023	MMCEA	\$ 10,072.44	\$ 10,576.05	\$ 11,104.86	\$ 11,660.13	\$ 12,243.13	\$ 12,855.31
Head Teacher	7/1/2023	AFSCME	\$ 4,626.89	\$ 4,858.23	\$ 5,101.14	\$ 5,356.20	\$ 5,624.01	
Housing and Economic Development Manager	1/8/2023	MMCEA	\$ 10,384.09	\$ 10,903.29	\$ 11,448.45	\$ 12,020.88	\$ 12,621.93	\$ 13,253.02
Housing Specialist	1/8/2023	MMCEA	\$ 8,171.00	\$ 8,579.58	\$ 9,008.54	\$ 9,458.95	\$ 9,931.91	\$ 10,428.51
IT Business System Analyst	6/13/2023	Unrep	\$ 11,080.61	\$ 11,634.64	\$ 12,216.37	\$ 12,827.19	\$ 13,468.55	\$ 14,141.98
Information Technology Manager	6/13/2023	Unrep	\$ 12,320.00	\$ 12,936.00	\$ 13,582.80	\$ 14,261.94	\$ 14,975.04	\$ 15,723.79
Lead Police Dispatcher	1/1/2023	BPOA	\$ 8,092.49	\$ 8,495.20	\$ 8,922.15	\$ 9,368.73	\$ 9,836.06	\$ 10,237.87
Maintenance Worker I	7/1/2023	AFSCME	\$ 5,184.11	\$ 5,443.31	\$ 5,715.48	\$ 6,001.25	\$ 6,301.31	
Maintenance Worker II	7/1/2023	AFSCME	\$ 5,738.48	\$ 6,025.40	\$ 6,326.67	\$ 6,643.00	\$ 6,975.15	
Management Analyst II	1/8/2023	MMCEA	\$ 8,483.28	\$ 8,907.45	\$ 9,352.84	\$ 9,820.48	\$ 10,311.47	\$ 10,827.04
Management Analyst I	1/8/2023	MMCEA	\$ 7,788.75	\$ 8,178.21	\$ 8,587.08	\$ 9,016.44	\$ 9,467.29	\$ 9,940.65
Mechanic	7/1/2023	AFSCME	\$ 6,357.77	\$ 6,675.66	\$ 7,009.44	\$ 7,359.91	\$ 7,727.91	
Office Assistant I	7/1/2023	AFSCME	\$ 4,919.92	\$ 5,165.92	\$ 5,424.21	\$ 5,695.42	\$ 5,980.20	
Office Assistant II	7/1/2023	AFSCME	\$ 5,465.65	\$ 5,738.94	\$ 6,025.88	\$ 6,327.18	\$ 6,643.54	
Parks & Recreation Director	1/1/2022	Unrep	\$ 15,584.00					\$ 19,480.00
Parks Maintenance Worker I	7/1/2023	AFSCME	\$ 5,184.11	\$ 5,443.31	\$ 5,715.48	\$ 6,001.25	\$ 6,301.31	
Parks Maintenance Worker II	7/1/2023	AFSCME	\$ 5,738.48	\$ 6,025.40	\$ 6,326.67	\$ 6,643.00	\$ 6,975.15	
Parks Manager	1/8/2023	MMCEA	\$ 10,167.75	\$ 10,676.16	\$ 11,209.99	\$ 11,770.46	\$ 12,358.99	\$ 12,976.95
Payroll Manager	1/24/2023	Unrep	\$ 8,659.93	\$ 9,092.92	\$ 9,547.59	\$ 10,024.95	\$ 10,526.19	\$ 11,052.52
Permit Technician	7/1/2023	AFSCME	\$ 6,705.71	\$ 7,041.00	\$ 7,393.05	\$ 7,762.70	\$ 8,150.84	
Planning Technician	7/1/2023	AFSCME	\$ 6,705.71	\$ 7,041.00	\$ 7,393.05	\$ 7,762.70	\$ 8,150.84	
Police Captain	1/8/2023	MMCEA	\$ 14,132.78	\$ 14,839.41	\$ 15,581.34	\$ 16,360.41	\$ 17,178.47	\$ 18,037.39
Police Chief	1/1/2022	Unrep	\$ 17,402.00					\$ 21,752.00
Police Corporal Advanced POST	1/1/2023	BPOA	\$ 9,605.28	\$ 10,085.55	\$ 10,589.82	\$ 11,119.32	\$ 11,675.28	\$ 12,259.04
Police Corporal Basic POST	1/1/2023	BPOA	\$ 8,713.30	\$ 9,148.96	\$ 9,606.41	\$ 10,086.73	\$ 10,591.07	\$ 11,120.62

City of Belmont Master Pay Schedule - Calendar Year 2023

Adopted June 27, 2023



Monthly Pay Rates

Position	Effective Date	Labor Group	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Police Corporal Intermediate POST	1/1/2023	BPOA	\$ 9,147.18	\$ 9,604.53	\$ 10,084.76	\$ 10,589.00	\$ 11,118.45	\$11,674.37
Police Dispatcher	1/1/2023	BPOA	\$ 7,161.27	\$ 7,519.33	\$ 7,895.30	\$ 8,290.06	\$ 8,704.57	\$9,139. 80
Police Lieutenant	1/8/2023	MMCEA	\$ 12,746.30	\$ 13,383.64	\$ 14,052.83	\$ 14,755.45	\$ 15,493.20	\$ 16,267.87
Police Officer Advanced POST	1/1/2023	BPOA	\$ 9,147.18	\$ 9,604.53	\$ 10,084.76	\$ 10,589.00	\$ 11,118.45	\$ 11,674.37
Police Officer Basic POST	1/1/2023	BPOA	\$ 8,297.88	\$ 8,712.78	\$ 9,148.42	\$ 9,605.84	\$ 10,086.13	\$ 10,590.43
Police Officer Intermediate POST	1/1/2023	BPOA	\$ 8,713.30	\$ 9,148.96	\$ 9,606.41	\$ 10,086.73	\$ 10,591.07	\$ 11,120.62
Police Officer Recruit	1/1/2023	BPOA	\$ 6,610.84					
Police Records Specialist I	1/1/2023	BPOA	\$ 5,305.75	\$ 5,571.04	\$ 5,849.59	\$ 6,142.07	\$ 6,449.17	\$ 6,771.63
Police Records Specialist II	1/1/2023	BPOA	\$ 5,571.16	\$ 5,849.71	\$ 6,142.20	\$ 6,449.31	\$ 6,771.78	\$ 7,110.37
Police Sergeant Advanced POST	1/1/2023	BPOA	\$ 10,770.75	\$ 11,309.28	\$ 11,874.75	\$ 12,468.49	\$ 13,091.91	\$ 13,746.51
Police Sergeant Intermediate POST	1/1/2023	BPOA	\$ 10,256.10	\$ 10,768.91	\$ 11,307.34	\$ 11,872.72	\$ 12,466.35	\$ 13,089.67
Principal Planner	1/8/2023	MMCEA	\$ 11,546.43	\$ 12,123.78	\$ 12,729.97	\$ 13,366.43	\$ 14,034.78	\$ 14,736.49
Public Works Director	1/1/2022	Unrep	\$ 16,456.00					\$ 20,570.00
Public Works Field Supervisor	1/8/2023	MMCEA	\$ 8,181.36	\$ 8,590.46	\$ 9,019.95	\$ 9,470.99	\$ 9,944.52	\$ 10,441.72
Public Works Services Manager	1/8/2023	MMCEA	\$ 11,293.78	\$ 11,858.46	\$ 12,451.40	\$ 13,073.94	\$ 13,727.66	\$ 14,414.02
PW Lead Maintenance	7/1/2023	AFSCME	\$ 6,583.01	\$ 6,912.16	\$ 7,257.77	\$ 7,620.65	\$ 8,001.69	
Recreation Manager	1/8/2023	MMCEA	\$ 9,338.47	\$ 9,805.38	\$ 10,295.67	\$ 10,810.44	\$ 11,350.98	\$ 11,918.53
Recreation Program Coordinator	1/8/2023	MMCEA	\$ 5,898.28	\$ 6,193.18	\$ 6,502.84	\$ 6,827.98	\$ 7,169.36	\$ 7,527.84
Recreation Specialist II (Hourly)	1/1/2023	AFSCME	\$ 22.29	\$ 23.41	\$ 24.58	\$ 25.81	\$ 27.10	
Recreation Supervisor	1/8/2023	MMCEA	\$ 7,801.69	\$ 8,191.80	\$ 8,601.41	\$ 9,031.46	\$ 9,483.01	\$ 9,957.17
Senior Civil Engineer	1/8/2023	MMCEA	\$ 11,392.29	\$ 11,961.88	\$ 12,559.94	\$ 13,187.95	\$ 13,847.33	\$ 14,539.72
Senior Mechanic	7/1/2023	AFSCME	\$ 6,753.34	\$ 7,091.00	\$ 7,445.55	\$ 7,817.83	\$ 8,208.72	
Senior Planner	1/8/2023	MMCEA	\$ 9,307.37	\$ 9,772.77	\$ 10,261.42	\$ 10,774.43	\$ 11,313.20	\$ 11,878.84
Sr Parks Maintenance	7/1/2023	AFSCME	\$ 6,583.01	\$ 6,912.16	\$ 7,257.77	\$ 7,620.65	\$ 8,001.69	
Street Sweeper Operator	7/1/2023	AFSCME	\$ 5,996.85	\$ 6,296.70	\$ 6,611.53	\$ 6,942.11	\$ 7,289.21	
Teacher	7/1/2023	AFSCME	\$ 4,023.44	\$ 4,224.61	\$ 4,435.84	\$ 4,657.63	\$ 4,890.51	
Teacher's Aide (Hourly)	7/1/2023	AFSCME	\$ 20.32	\$ 21.33	\$ 22.40	\$ 23.52	\$ 24.70	
Technology Specialist I	1/8/2023	MMCEA	\$ 7,365.06	\$ 7,733.30	\$ 8,120.00	\$ 8,525.93	\$ 8,952.25	\$ 9,399.87
Technology Specialist II	1/8/2023	MMCEA	\$ 9,132.91	\$ 9,589.58	\$ 10,069.01	\$ 10,572.48	\$ 11,101.12	\$ 11,656.15
Technology Specialist III	1/8/2023	MMCEA	\$ 10,073.28	\$ 10,576.96	\$ 11,105.81	\$ 11,661.09	\$ 12,244.13	\$ 12,856.34

City of Belmont Master Pay Schedule - Calendar Year 2023

Adopted June 27, 2023



Unrepresented Per Diem Positions

Position	Effective Date	Hourly Pay Rates					
		Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Accounting Technician I ¹	7/1/2023	\$ 31.97	\$ 33.57	\$ 35.25	\$ 37.01	\$ 38.86	
Accounting Technician II ¹	7/1/2023	\$ 35.17	\$ 36.93	\$ 38.78	\$ 40.72	\$ 42.75	
Accounting Technician III ¹	7/1/2023	\$ 39.50	\$ 41.48	\$ 43.55	\$ 45.73	\$ 48.01	
Administrative Assistant ¹	1/8/2023	\$ 34.03	\$ 35.73	\$ 37.52	\$ 39.39	\$ 41.36	\$ 43.43
Associate Civil Engineer ¹	1/8/2023	\$ 53.44	\$ 56.11	\$ 58.92	\$ 61.87	\$ 64.96	\$ 68.21
Building Attendant I*	1/1/2023	\$ 17.59	\$ 18.47	\$ 19.39	\$ 20.36	\$ 21.38	
Building Attendant II*	1/1/2023	\$ 19.35	\$ 20.31	\$ 21.33	\$ 22.40	\$ 23.52	
Dispatcher, Per Diem ³	1/1/2023	\$ 46.69	\$ 49.01	\$ 51.47	\$ 54.05	\$ 56.75	\$ 59.58
Electrician ¹	7/1/2023	\$ 41.14	\$ 43.20	\$ 45.36	\$ 47.63	\$ 50.01	
Head Teacher ¹	7/1/2023	\$ 26.69	\$ 28.03	\$ 29.43	\$ 30.90	\$ 32.45	
Intern	1/1/2023	\$ 16.75	\$ 17.59	\$ 18.47	\$ 19.39	\$ 20.36	
Lifeguard I	1/1/2023	\$ 18.30	\$ 19.22	\$ 20.18	\$ 21.19	\$ 22.24	
Lifeguard II	1/1/2023	\$ 19.26	\$ 20.23	\$ 21.24	\$ 22.30	\$ 23.41	
Maintenance Worker I ¹	7/1/2023	\$ 29.91	\$ 31.40	\$ 32.97	\$ 34.62	\$ 36.35	
Nutrition Site Coordinator	1/1/2023	\$ 22.29	\$ 23.41	\$ 24.58	\$ 25.81	\$ 27.10	
Office Assistant I ¹	7/1/2023	\$ 28.38	\$ 29.80	\$ 31.29	\$ 32.86	\$ 34.50	
Office Assistant II ¹	7/1/2023	\$ 31.53	\$ 33.11	\$ 34.76	\$ 36.50	\$ 38.33	
Planning Technician ¹	7/1/2023	\$ 38.69	\$ 40.62	\$ 42.65	\$ 44.78	\$ 47.02	
Police Officer (Advanced POST), Per Diem ²	1/1/2023	\$ 50.26	\$ 52.77	\$ 55.41	\$ 58.18	\$ 61.09	\$ 64.14
Police Officer (Basic POST), Per Diem ²	1/1/2023	\$ 45.59	\$ 47.87	\$ 50.27	\$ 52.78	\$ 55.42	\$ 58.19
Police Officer (Inter POST), Per Diem ²	1/1/2023	\$ 47.88	\$ 50.27	\$ 52.78	\$ 55.42	\$ 58.19	\$ 61.10
Police Records Specialist I, Per Diem ¹	1/1/2023	\$ 30.61	\$ 32.14	\$ 33.75	\$ 35.44	\$ 37.21	\$ 39.07
Police Records Specialist II, Per Diem ¹	1/1/2023	\$ 32.14	\$ 33.75	\$ 35.44	\$ 37.21	\$ 39.07	\$ 41.02
Recreation Leader ⁴	1/1/2023	\$ 16.75	\$ 17.59	\$ 18.47	\$ 19.39	\$ 20.36	
Recreation Program Coordinator ¹	1/8/2023	\$ 34.03	\$ 35.73	\$ 37.52	\$ 39.39	\$ 41.36	\$ 43.43
Recreation Specialist I ⁴	1/1/2023	\$ 20.27	\$ 21.28	\$ 22.34	\$ 23.46	\$ 24.64	
Recreation Specialist II ⁴	1/1/2023	\$ 22.29	\$ 23.41	\$ 24.58	\$ 25.81	\$ 27.10	

City of Belmont Master Pay Schedule - Calendar Year 2023

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Unrepresented Per Diem Positions

Position	Effective Date	Hourly Pay Rates					
		Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Senior Lifeguard	1/1/2023	\$ 21.19	\$ 22.25	\$ 23.36	\$ 24.53	\$ 25.76	
Senior Rec Leader	1/1/2023	\$ 18.43	\$ 19.35	\$ 20.31	\$ 21.33	\$ 22.40	
Street Sweeper Operator ¹	7/1/2023	\$ 34.60	\$ 36.33	\$ 38.14	\$ 40.05	\$ 42.05	
Teacher ¹	7/1/2023	\$ 23.21	\$ 24.37	\$ 25.59	\$ 26.87	\$ 28.21	
Teacher's Aide ¹	7/1/2023	\$ 20.32	\$ 21.33	\$ 22.40	\$ 23.52	\$ 24.70	
Technology Specialist I ¹	1/8/2023	\$ 42.49	\$ 44.62	\$ 46.85	\$ 49.19	\$ 51.65	\$ 54.23
Technology Specialist II ¹	1/8/2023	\$ 52.69	\$ 55.32	\$ 58.09	\$ 61.00	\$ 64.04	\$ 67.25
Technology Specialist III ¹	1/8/2023	\$ 58.12	\$ 61.02	\$ 64.07	\$ 67.28	\$ 70.64	\$ 74.17
Van Driver	1/1/2023	\$ 20.27	\$ 21.28	\$ 22.34	\$ 23.46	\$ 24.64	

Notes

Unrepresented per diem : A position having a workweek of fewer hours than the workweek established for full-time positions in the class.

* Building Attendants I and II are eligible to receive a weekend differential of \$1.00 per hour for work performed on Saturdays and Sundays.

¹ Hourly pay rates derived by multiplying full-time equivalent monthly rate by 12 (months in year) and dividing by 2080 (hours in work year)

² Hourly pay rates derived by multiplying full-time equivalent monthly rate by 12 (months in year) and dividing by 2184 (hours in work year)

³ Hourly pay rates derived by multiplying full-time Lead Police Dispatcher by 12 (months in year) and dividing by 2080 (hours in work year)

⁴ Tied to Belmont minimum wage as follows:

- Recreation Leader - Adjusted to Minimum Wage
- Building Attendant I* - 5% Above Recreation Ldr
- Building Attendant II* - 10% Above Building Attendant I
- Lifeguard I - 5% Below Lifeguard II
- Lifeguard II - 15% Above Rec Leader
- Nutrition Site Coordinator - Tied to Recreation Specialist II
- Recreation Specialist I - 10% Above Sr. Rec Leader
- Recreation Specialist II - 10% Above Rec Spec I
- Sr Rec Leader - 10% Above Rec Leader
- Sr. Lifeguard - 10% Above Lifeguard II
- Van Driver - Tie to Recreation Specialist I

City of Belmont Master Pay Schedule - Calendar Year 2023

Adopted June 27, 2023



Revision History

Resolution 2018-04 - Initial Adoption	March 13,2018
Resolution 2019-019 - Revised Adoption	February 23,2021
Resolution 2022-093 Revised Adoption	September 27,2022
Resolution 2022-109 Revised Adoption	November 8, 2022



Meeting Date: June 27, 2023

STAFF REPORT

Agency: City of Belmont/City Council

Staff Contact: Carlos de Melo, Community Development Director, (650) 595-7440
cdemelo@belmont.gov
Dara Sanders, Good City Company (GCC) Consultants, dsanders@goodcityco.com

Agenda Title: Regional Commercial (RC) & Planned Development (PD) General Plan Land Use and Zoning District Designation Amendments

Agenda Action: Discussion and Direction

Recommendation

1) Provide direction on amendments to the Regional Commercial (RC) & Planned Development (PD) General Plan Land Use and Zoning District Designations, and direct staff to proceed with the amendments.

Strategic Focus Area

Economic Development and Housing

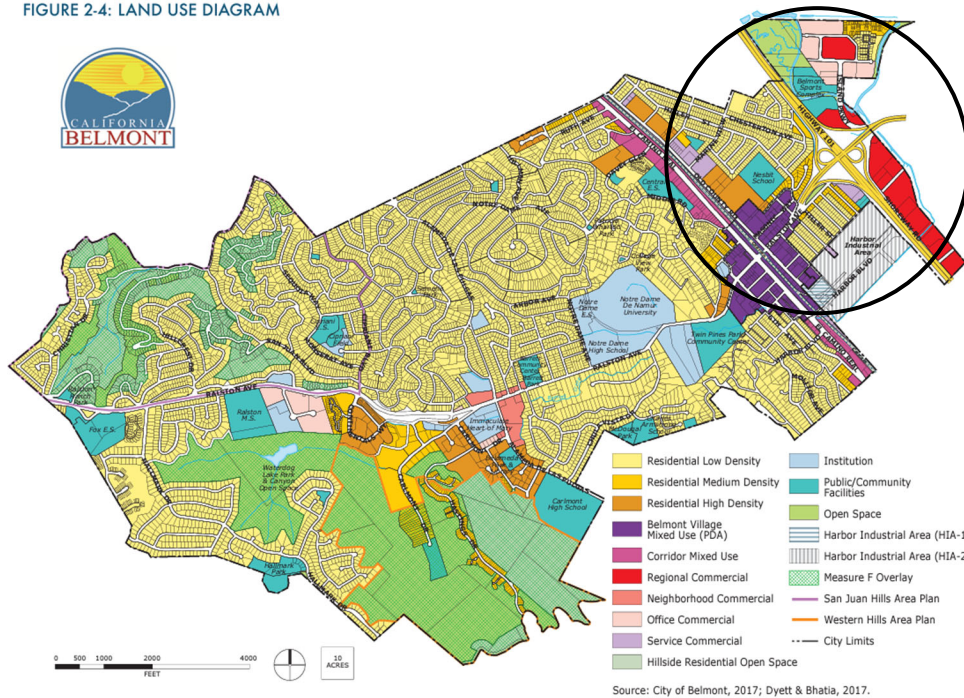
Background

The Belmont General Plan was updated comprehensively in 2017 after an extensive public process spanning more than three (3) years to inform and guide decisions related to future growth and protecting and enhancing open space and community character. Among the most substantive updates to the General Plan was the introduction and adoption of the Regional Commercial (RC) Land Use Designation and Zoning District to reshape future development east of Highway 101.

The Regional Commercial Land Use Designation is meant to encourage community-serving retail and services; visitor- and retail-service auto-oriented commercial office uses, such as lodging, service stations, car dealerships, and commercial office uses. Some light industrial and research and development (R&D) uses may also be permitted, and the maximum Floor Area Ratio (FAR) for Regional Commercial is 1.8. FAR is a tool that regulates and measures a building's floor area relative to the size of the lot on which the building is located, and it is calculated by dividing the total area of the building by the total area of the lot. For example, with a maximum FAR of 1.8, a 100,000 square-foot lot may have a building of up to 180,000 square feet.

Several Belmont zoning districts are consistent with the RC Land Use Designation, including the RC Zoning District, Planned Unit Development District, or other commercial districts. The RC Zoning District provides greater land use regulation detail than a General Plan designation. For example, Zoning District regulations ensure that auto-oriented uses are appropriately situated among the community-serving retail and services in the area.

FIGURE 2-4: LAND USE DIAGRAM



As noted earlier, the purpose of the RC Zoning District, similar to the General Plan designation, is to allow for “community-serving retail and services; visitor- and retail-service auto-oriented commercial services, such as lodging, service stations, car dealerships, and commercial office uses at appropriate locations, as designated in the General Plan. Some light industrial and research and development (R&D) uses may also be permitted, subject to development standards and design review to ensure land use compatibility.” The permitted and conditional uses are listed in the following chart:

Permitted Uses	Conditional Uses
Animal sales and services	Automobile rental agency
Banks (no drive-through)	Auto/vehicle sales, repair services, service stations, EV charging stations, vehicle washing
Business and professional offices	Drive-through banks
Business services	Commercial amusement, entertainment and health club enterprises
Government buildings	Communication facilities (towers/antennas)
Instructional services	Day care centers
Maintenance and repair services	Health Clinics
Nursery and garden center	Hotels/Motels
Restaurants with indoor/outdoor seating	Check-cashing, payday lenders, pawn brokers
Retail stores	Recycling collection
General personal services (subject to size restrictions)	Drive-through restaurants or take-out only
Temporary outdoor dining establishments	Limited personal services (subject to size restrictions)
	Utilities



While the purpose statement for both the Land Use Designation and Zoning District reference R&D uses as a possibility subject to development standards and design review for compatibility, these uses are not specifically called out in the list of permitted or conditional uses.

Discussion

Since adopting the RC land use designation and zoning district, the City has seen a shift in development interest from retail and visitor-serving uses to research and development uses for property east of Old County Road and further east of Highway 101. These areas have direct or easy access to Highway 101, access to major public transit stops, and greater development and redevelopment opportunities due to aging building stock, underdeveloped property, and vacant property. This trend is consistent in nearby Peninsula cities.

Recent projects submitted for review exceed what is permitted by the RC Land Use Designation and Zoning District. A project in the Planned Development District with the RC land use designation exceeds the maximum FAR of 1.8, and a second project in the RC district exceeds the maximum height allowed. Although these projects stray from the current limits of the RC Land Use Designation and Zoning District, they could potentially work to achieve or promote other General Plan goals related to economic development, employment growth, physical development, community benefits and programs, and environmental sustainability, as well as the City Council's strategic goals.

Additionally, diversifying, and balancing City's employment and housing goals creates opportunities to provide housing and jobs near commercial centers and corridors to reduce dependency on the automobile, promote access to transit and multi-modal transportation systems, and to provide for a walkable, pedestrian-oriented setting, including infill of existing development.

Staff viewed this as an opportune time to evaluate the appropriateness of an update to the RC land use designation to align with development trends and interests that promote the City's General Plan goals. Staff's approach would be to expand the RC Land Use Designation and Zoning District to create opportunities for flexibility balanced with standards that provide predictability and ensure compatibility in application and process.

Framework of Proposed Ordinance Amendments

To address the issues noted above, while still maintaining the City's land use discretion over future applications, it is anticipated that the General Plan and Zoning Ordinance amendments would address the following components :

RC Land Use Designation. Amend the General Plan Land Use Element to create a path for a tiered RC Zoning district with land use allowances and development intensities that increase with each tier and provide the opportunity for the development of research and development facilities in appropriate locations.

RC Zoning District. Amend the Zoning Ordinance to establish tiers or subdistricts to create opportunities for greater intensity in land use, building height, and floor area ratio. The current framework of the RC district would remain in place as the "base" district with the current permitted and conditional use structure, height limitations, and other standards.



It is anticipated that all properties currently zoned RC would remain at the current zoning district structure (land use, height, FAR, etc.) as the “base.” The new, more intense tiers of the RC district would be available to property owners or project applicants to request through a rezoning application. Standards and approval findings will be prepared to provide predictability in the application of higher tiers of the RC district and to serve as guidance for staff and decision-makers when considering rezoning requests.

Planned Development District. Establish a process to request building height above a certain threshold (to be determined) for properties within a specific geographic area of the City (to be determined).

Research and Development Facilities. Add the Research and Development Facilities use classification to each new tier of the RC district, and establish biosafety level use and performance standards for life sciences research and development activities. These standards could be written to apply to all life sciences activities in all applicable zoning districts (Harbor Industrial Area (HIA) Specific Plan Land Use Areas, Planned Development Districts, etc.). Examples of life sciences performance standards could include noise decibel levels specific to this use, storage and disposal requirements for liquid and solid wastes, restrictions related to fissionable or radioactive material, operational report filing, and separation requirements from sensitive uses (residential neighborhoods, schools, etc.).

Requirements for Increased Intensities. Establish a process requiring community benefits for requests to rezone to a higher tier of the RC district, and create design and performance standards for buildings in tiers above the “base” to ensure proper treatment of bulk, massing, and visual impact. Examples of design and performance standards could include setback and building material requirements for upper floor levels to reduce massing or building height thresholds tied to street classifications (such as collectors and arterials).

Community Benefits. Establish criteria and a process for community benefits associated with rezoning requests for higher RC tiers, including a pro forma economic land use analysis to determine the benefits gained resulting from the additional square footage. Community benefits would be commensurate with value capture of the scale, benefits, and impact of the development proposal.

Discussion and Direction

Staff is seeking direction from the City Council on the following policy questions:

Approach to RC & Specific PD Zone Amendments

- Does the Council support expanding the current limits of FAR and building height for the RC and specific PD land use designation and zoning districts?
- Does the Council support the approach of requiring community benefits with rezoning requests for greater land use and development intensities?
- Does the Council have a preference for the way in which community benefits are determined? Should they be linked to Council goals, General Plan goals, and/or Capital Improvement Plan projects?

Approach to Research and Development Facilities

Review language related to Biosafety Level (BSL) Classes 1-4 and ensure it is clear and consistent with requirements in neighboring jurisdictions and other cities that support a broad range of R&D. Biosafety



Levels prescribe the work practices, engineering controls, personal protective equipment, and facility requirements required for working with biological agents. Recommend that staff conduct further research into nearby jurisdictions, including Oakland, San Francisco, South San Francisco, Emeryville, Alameda, San Leandro, and Fremont, as well as other cities that support a broad range of R&D. This research should provide insight into best practices for BSL zoning regulations that keep surrounding land uses safe while allowing life science and R&D facilities where they make sense, with federally required protocols and locally required performance standards or other conditions in place.

- Does the Council have concerns with the operational components of research and development, particularly life sciences, that should be addressed in use and performance standards?

Next Steps

Staff will prepare draft amendments to the Regional Commercial (RC) & specific Planned Development (PD) land use and zoning district designations pursuant to the City Council’s feedback, and perform the appropriate level of environmental review. These draft amendments will be presented to the Planning Commission for consideration and a recommendation prior to being presented to the City Council for consideration and final action. Staff’s goal is to bring a final draft to public hearings within the next six (6) months.

Alternatives

1. Provide alternative feedback as appropriate on the anticipated amendments to staff.

Attachments

- A. City of Fremont Regulations and Performance Standards for Research and Development Uses
- B. Biosafety Level Graphic

Fiscal Impact

- ☒ No Impact/Not Applicable:
- ☐ Funding Source Confirmed:

Source:

- ☒ Council
- ☒ Staff
- ☐ Citizen Initiated
- ☐ Other

Purpose:

- ☐ Statutory/Contractual Requirement
- ☒ Council Vision/Priority
- ☒ Discretionary Action
- ☐ Plan Implementation

Public Outreach:

- ☒ Posting of Agenda
- ☒ Other

** E-Notification of agendas; public notice as required for the June 27, 2023 City Council Public Meeting for this item.

18.50.040 Performance standards.

(a) Performance standards are established to ensure that adjoining properties, persons and the community as well as the region are provided protection against adverse conditions which may be created by the various uses operating within the industrial zoning districts. All uses within the I-S, I-T, and I-G districts, whether accessory, permitted, or whether requiring zoning administrator or conditional use permit approval, shall comply with the following performance standards:

(1) Noise. At all property lines, as measured consistent with subsection (c) of this section, the maximum noise level generated by any user shall not exceed an Ldn level of 70 dB(A) when adjacent users are industrial, commercial, business, professional or office. When adjacent to hotels, motels and other lodging, or outdoor sports and recreation, neighborhood parks and playgrounds, the noise level at all property lines shall be limited to an Ldn level of 65 dB(A). When users are adjacent or contiguous to residential, institutional uses, or similar sensitive uses, the maximum noise level shall not exceed an hourly Leq level of 50 dB(A) during daytime hours (7:00 a.m. – 10:00 p.m.), an hourly Leq level of 45 dB(A) during nighttime hours (10:00 p.m. – 7:00 a.m.), an hourly Lmax level of 70 dB(A) during daytime hours, and an hourly Lmax level of 65 dB(A) during nighttime hours. Excluded from these standards are occasional sounds generated by the movement of railroad equipment, temporary construction activities or warning devices. Each of the noise level standards specified in this section shall be reduced by five db(A) for single-tone noises, noises consisting primarily of speech or music, or for recurring impulsive noises when the site is adjacent to residential areas.

(2) Vibration. No vibration shall be permitted which is discernible without instruments at any property line, as measured consistent with subsection (c) of this section.

(3) Glare or Heat. No heat or direct or sky-reflected glare, whether from floodlights or high-temperature processes such as combustion or welding or otherwise, shall emanate from any use so as to be visible or discernible at the point of measurement as specified under subsection (c) of this section. Legal signs are exempted from this provision.

(4) Fire Hazards. The storage, use or production of products which, either in the raw or finished state, constitutes an inflammable or explosive material shall be subject to the fire codes and approval of the city of Fremont's fire department. The personnel of the department shall be given the opportunity to visit and observe operations on the site and any directives issued by said personnel shall be

¹ <https://www.codepublishing.com/CA/Fremont/#/html/Fremont18/Fremont1850.html>

satisfied. Failure to comply with fire department directives shall constitute a violation of this chapter in addition to any violation of other statutes. Burning of waste materials in open fires or unapproved incinerators is prohibited.

(5) Liquid or Solid Wastes. It is prohibited to discharge at any point into a private sewage disposal system or stream or into or on the ground any material of such nature or temperature as to contaminate any water supply, or otherwise cause the emission of dangerous or offensive elements, except in accordance with regulations, licenses or approvals of the various local and state agencies having jurisdiction over such activities.

(6) Fissionable or Radioactive Material. No activity shall be permitted which utilizes, produces, removes or reprocesses fissionable or radioactive material unless a license, permit or other authority is secured from the state or federal agency exercising control. In all matters relative to such activities, it shall be the responsibility of the user to ascertain and identify the responsible agencies and notify the community development department as to the agencies involved and the status of the required permits.

(7) Aesthetics. No operation or activity shall be permitted which will cause to be easily visible to public view or from adjoining properties waste materials, parts or material storage or an assembly process. Machinery or equipment which is necessary for the operation and which, because of size and function, cannot be installed for practical purposes within an enclosed building is exempt from this section.

(b) Enforcement of this chapter may only pertain to requirements not regulated by other agencies and shall be the responsibility of the building official. The building official is empowered to take whatever steps are listed below to abate any condition which is in conflict with the performance standards as specified under this section. Such steps may include citations, abatement action, or injunctions. Arrests, or securing of warrants for arrest, of individuals responsible for suspected violations may only be used when other available steps will not allow the building official to stop a violation which poses a serious threat to the health and safety of one or more persons.

(c) All measurements to determine the existence of any violation of the performance standards shall be made by the enforcing agency at the property line nearest the source of the suspected violation, except measurements of fire hazards, solid industrial wastes, or liquid wastes. (Ord. 17-2016 § 18, 9-13-16.)

18.25.330 Biosafety level (BSL).

In accordance with the most current version of the Biosafety in Microbiological and Biomedical Laboratories published by the U.S. Department of Health and Human Services Centers for Disease Control and Prevention and National Institutes of Health (CDC/NIH), “biosafety level” or “BSL” shall mean the safe handling of biological materials, particularly infectious agents which are classified on the basis of degree of risk to humans working with them and includes definition of biosafety levels for handling such agents. A specific combination of work practices, safety equipment, and facilities are designed to minimize the exposure of workers and the environment to infectious agents. There are four biosafety levels (BSLs). BSL 1 applies to laboratories in which work is done with defined and characterized strains of viable microorganisms not known to consistently cause disease in healthy adult humans. BSL 2 applies to laboratories in which work is done with the broad spectrum of indigenous moderate-risk agents that are present in the community and associated with human disease of varying severity. BSL 3 applies to clinical, diagnostic, teaching, research, or production facilities in which work is done with indigenous or exotic agents with the potential for respiratory transmission, and which may cause serious and potentially lethal infection. BSL 4 is used for the diagnosis of exotic agents that pose a high risk of life-threatening disease, which may be transmitted by the aerosol route and for which there is no vaccine or therapy. (Ord. 8-2008 § 3, 4-22-08. 1990 Code § 8-2112.5.)

18.50.010 Purpose and establishment of industrial districts.

The industrial districts are intended to accommodate a variety of high technology, life science, manufacturing, and logistics businesses. They house businesses that provide products and services to other businesses and local residents. The industrial districts are intended to provide locations for uses that generate employment, and may involve hazardous materials, noisy operations, heavy traffic, and odors that may present dangers or nuisances to nonindustrial uses, such as schools and residences. Industrial operations are vital to the local, regional, state and global economy, providing a wide range of employment for the region and revenues that support services for the community. Three industrial districts are established to provide for the diversity of industrial uses within the city including service industrial (I-S), tech industrial (I-T), and general industrial (I-G). The character of each of the three industrial districts is distinguished by the uses and development allowed, providing optimum locations with respect to access and service areas, achieving compatibility of

² <https://www.codepublishing.com/CA/Fremont/#/html/Fremont18/Fremont1850.html>

uses within each district, and minimizing adverse impacts to uses in adjacent districts. The specific purpose of each industrial district is described as follows:

(a) I-S Service Industrial. The purpose of the I-S district is to provide locations for industrial uses which are generally oriented toward serving local businesses and residents and can operate in proximity to commercial and residential uses with a minimum of adverse effects. The purpose also includes prohibiting certain Group A, B, and C hazardous materials uses, and manufacturing and/or the storage of larger sizes/quantities of hazardous materials which may have off-site impacts. The I-S district may also include those commercial and service uses which are considered to be more appropriate in an industrial area.

(b) I-T Tech Industrial. The purpose of the I-T district is to provide areas devoted to research and development activities, “clean and green” tech, and semi-conductor, computer hardware, software and related technological, administrative, sales, and engineering facilities. Within this district certain Group A, B, and C hazardous materials uses, and manufacturing and/or the storage of particularly large sizes/quantities of hazardous materials (Section 18.190.220, High intensity hazardous materials users), are regulated to minimize potential for off-site impacts. Within this area, only certain nonsensitive assembly, business service, and nonsensitive recreational uses may be permitted due to uses that handle hazardous materials. The I-T district is characterized by superior architectural and landscaping treatment and site planning.

(c) I-G General Industrial. The purpose of the I-G district is to provide areas for general industrial, manufacturing, wholesale and other related service uses needed by the city and the region. Impacts associated with noise, odor, heavy traffic, and other hazards associated with certain hazardous materials may occur within the I-G district. Sensitive land uses are not permitted in the I-G district. (Ord. 17-2016 § 18, 9-13-16.)

18.50.090 Uses in industrial districts.

(a) Use Table. Table 18.50.090 sets forth those uses which are permitted, permitted with approval of a zoning administrator permit, permitted with approval of a conditional use permit, and not allowed in each of the three industrial districts, and the type of approval each use requires. The following terms are used in Table 18.50.090:

(1) Permitted (“P”) uses are allowed subject to conformance to standards or conditions of this title.

(2) Conditional (“C”) uses may be permitted with a conditional use permit, provided all other requirements of this title are met.

(3) Zoning administrator (“Z”) uses may be permitted with a zoning administrator permit, provided all other requirements of this title are met.

(4) Accessory (“A”) uses are allowed when subordinate to or part of a principal use on the same lot and serve as a use incidental to such principal use.

(5) The symbol “--” indicates a use is prohibited within the zoning district.

(6) “KSF” means 1,000 square feet.

Use	NAICS (2012)	I-S	I-T	I-G	Specific Use Regulations/ Notes
INDUSTRIAL – RESEARCH AND DEVELOPMENT					
Testing laboratories ² , including physical, chemical, and analytical	541380	--	p ⁵	p ⁵	
Medical and diagnostic laboratories ²	62151	z ⁵	p ⁵	p ⁵	
Scientific research and development services ² , including physical, engineering, and life sciences and systems (e.g., electronics, biotechnology, nanotechnology, chemistry, physics) with biosafety level ¹ 1 or 2 (BSL 1 or 2)	541711 , 541712 and 541720	p ⁵	p ⁵	p ⁵	
Scientific research and development services ² , including physical, engineering, and life sciences and systems (e.g., electronics, biotechnology, nanotechnology, chemistry, physics) with biosafety level ¹ 3 (BSL 3)	541711 , 541712 and 541720	--	z ⁵	z ⁵	
Scientific research and development services ² , including physical, engineering, and life sciences and systems with biosafety level ¹ 4 (BSL 4)	541711 , 541712 and 541720	--	--	--	
Use	NAICS (2012)	I-S	I-T	I-G	Specific Use Regulations/ Notes
Biological products with biosafety level ¹ 1 or 2 (BSL 1 or BSL 2)		--	p ⁵	p ⁵	
Biological products with biosafety level ¹ 3 (BSL 3)		--	z ⁵	z ⁵	
Biological products with biosafety level ¹ 4 (BSL 4)		--	--	--	

18.49.010 Purpose and findings for incorporation of Warm Springs/South Fremont community plan.

(a) The Warm Springs Innovation (WSI) district is established to implement the Warm Springs/South Fremont Community Plan (WS/SF CP), which is incorporated herein by reference. The WS/SF CP is a comprehensive, long-term planning document for the WSI district, intended to facilitate the creation of a vibrant, urban, mixed-use district in the vicinity of the Warm Springs/South Fremont BART station. The goal of the plan is to provide a thriving employment center focused on innovation and advanced manufacturing while incorporating urban housing, urban greens and plazas, and complementary uses such as schools, business and conference centers, entertainment and cultural art venues and an art program.

(b) The WS/SF CP includes a land use chapter that creates 10 planning areas. Each planning area allows for a distinct mix of land uses and establishes targets for future development. The WS/SF CP also contains development and public realm standards, street sections and streetscape design standards and establishes a framework for public open spaces and other facilities. Finally the WS/SF CP contains site and building design standards to be used in the review of new projects. These provisions will be implemented through zoning and subdivision regulations, public and private improvements, and an economic development strategy.

(c) The city council finds that implementation of the WS/SF CP will: (1) create employment and housing opportunities in an urban setting; (2) provide a center for innovation and social interaction for residents of the city; (3) contribute positively to the city's community character and regional prominence; and (4) is in accordance with the city's general plan goal to promote strategically urban growth and sustainable development.

(d) It is the purpose of the provisions of this chapter to: (1) protect and promote the public health, safety, peace, comfort and general welfare; and (2) define development procedures and administrative requirements to obtain the objectives of the WS/SF CP. (Ord. 28-2014 § 1, 9-9-14.)

WSI <u>District</u> Planning Area >	2012 NAICS ²	WSI-1	WSI-2	WSI-3	WSI-4	WSI-4A	WSI-5	WSI-6	WSI-7	WSI-8	WSI-9	WSI-10	Specific Use Regulations/Notes
Use v													
Biological products with <u>biosafety level</u> ¹ 1 or 2 (BSL 1 or BSL 2)		Z ^{4,5}	--	--	Z-SQD _{4,5}	--	--	p ^{4,5}	Z ⁵	--	--	Z ^{4,5}	
Biological products with <u>biosafety level</u> ¹ 3 (BSL 3)		--	--	--	--	--	--	Z ^{4,5}	--	--	--	--	
Biological products with <u>biosafety level</u> ¹ 4 (BSL 4)		--	--	--	--	--	--	--	--	--	--	--	

WSI <u>District</u> Planning Area >	2012 NAICS ²	WSI- 1	WSI- 2	WSI-3	WSI-4	WSI- 4A	WSI-5	WSI-6	WSI- 7	WSI-8	WSI-9	WSI- 10	Specific Use Regulations/Notes
Use v													
Research, development, and testing services including physical, engineering, and life sciences and systems including: electronics, sociology, biotechnology, nanotechnology, chemistry, physics with biosafety level ¹ 1 or 2 (BSL 1 or 2)	541711 , 541712 , 541720	p ^{4,5}	--	--	P-SQD 4,5	--	p ^{4,5}	p ^{4,5}	p ^{4,5}	p ^{4,5}	--	p ^{4,5}	
Research, development, and testing services, including physical, engineering, and life sciences and systems including: electronics, sociology, biotechnology, nanotechnology, chemistry, physics with biosafety level ¹ 3 (BSL 3)	541711 , 541712 , 541720	--	--	--	--	--	--	Z ^{4,5}	--	--	--	--	
Research, development, and testing services, including physical, engineering, and life sciences and systems including electronics, sociology, biotechnology, nanotechnology, chemistry, physics with biosafety level ¹ 4 (BSL 4)	(541711), (541712), (541720)	--	--	--	--	--	--	--	--	--	--	--	

ATTACHMENT B

4 RISK CLASSIFICATIONS OF INFECTIOUS MATERIAL			
Risk Group	Individual	Community	Examples
1 (lowest) Basic Laboratory, clean open bench, no BSC needed (unlikely to cause disease in healthy workers/animals/plants)	Low	Low	-non-infectious bacteria -E. coli -Lactobacillus spp.
2 Biological safety cabinet needed Pathogens spread via ingestion, inoculation and mucous membrane routes	Moderate	Low	-Influenza virus -Herpes simplex -Hepatitis (A, B, C, D, E) -Tetanus
3 Pathogen transmitted by aerosols HEPA filtration required, respiratory protection	High	Low	-Hepatitis (some C's) -West Nile -Anthrax -TB
4 (highest) serious human disease that may not be treatable, easily transmitted self-contained lab	High	High	-Ebola virus -Herpes B