



**CITY COUNCIL AGENDA
REGULAR MEETING
CITY OF HALF MOON BAY**

TUESDAY, NOVEMBER 7, 2023

**HYBRID MEETING (SEE NEXT PAGE)
ADCOCK COMMUNITY CENTER
535 KELLY AVENUE
HALF MOON BAY, CA 94019**

**Deborah Penrose, Mayor
Joaquin Jimenez, Vice Mayor
Robert Brownstone, Councilmember
Harvey Rarback, Councilmember
Debbie Ruddock, Councilmember**

7:00 PM

This agenda contains a brief description of each item to be considered. Those wishing to address the City Council on any matter not listed on the agenda, but within the jurisdiction of the City Council to resolve, may come forward to the podium during the Public Forum portion of the agenda and will have a maximum of three minutes to discuss their item. Comments on Consent Calendar items should be made during the Public Forum section of the agenda. Those wishing to speak on a Business or Public Hearing matter will be called forward at the appropriate time during that item's consideration.

Please Note: Anyone wishing to present materials to the City Council, please submit seven copies to the City Clerk.

Copies of written documentation relating to each item of business on the agenda are on file in the Office of the City Clerk at City Hall where they are available for public inspection. If requested, the agenda shall be available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132.) Information may be obtained by calling 650-726-8271.

In compliance with the Americans with Disabilities Act, special assistance for participation in this meeting can be obtained by contacting the City Clerk's Office at 650-726-8271. A 48-hour notification will enable the City to make reasonable accommodations to ensure accessibility to this meeting (28 CFR 35.102-35.104 ADA Title II).

<http://hmbcity.com/>

**Wi-Fi: HMB Public
Password: Recreation1**

HYBRID MEETING PARTICIPATION PROTOCOLS

*This meeting will be held in-person and via Zoom for public participation. Remote participation is provided as a supplemental way to provide public comment, but this method does not always work. The public is encouraged to attend in person to ensure full participation. Public comments may be made in-person or remotely via Zoom, and interpretation will be available. All Councilmembers and staff will participate in person. During any public comment portions, attendees may use the “raise your hand” feature and will be called upon and unmuted when it is their turn to speak. The meeting will also be streamed on Channel 27, on pacificcoast.tv, and on Facebook at www.facebook.com/cityofhalfmoonbay. Please click to join the webinar: <https://us06web.zoom.us/j/87674804231> or join by phone at 669-900-9128, using Webinar ID 876-7480-4231. If joining by phone, use *9 to raise your hand, *6 to mute and unmute.*

ROLL CALL / PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

PROCLAMATIONS AND PRESENTATIONS

FUTURE LEADERS CIVICS ACADEMY GRADUATION
COASTSIDE VICTIMS FUND UPDATE
UNITED AGAINST HATE WEEK PROCLAMATION

MAYOR'S ANNOUNCEMENTS OF COMMUNITY ACTIVITIES AND COMMUNITY SERVICE

REPORT OUT FROM RECENT CLOSED SESSION MEETINGS

CITY MANAGER UPDATES TO COUNCIL

DOWNTOWN STREETSCAPES UPDATE
880 STONE PINE PROJECT UPDATE

PUBLIC FORUM

1. CONSENT CALENDAR

1.A WAIVE READING OF RESOLUTIONS AND ORDINANCES

1.B ORDINANCE AMENDING TITLE 13 “WATER AND SEWAGE” BY ADDING CHAPTER 13.22 “FATS, OIL, GREASE AND SAND” TO THE HALF MOON BAY MUNICIPAL CODE - SECOND READING

Staff Recommendation: Waive second reading and adopt an ordinance amending Municipal Code Title 13 (Water and Sewage) by adding Chapter 13.22 “Fats, Oil, Grease and Sand.”

[STAFF REPORT](#)

[ATTACHMENT 1](#)

[ATTACHMENT 2](#)

1.C FINAL ACCEPTANCE OF THE MAIN STREET SAFETY IMPROVEMENTS PROJECT (CIP NO. 1009)

Staff Recommendation: Adopt a resolution authorizing the City Manager or their designee to file a Notice of Completion for the Main Street Safety Improvement Project (CIP No. 1009), release the Performance, Labor, and Materials Bonds, start the one-year warranty bond period, and release the retention funds thirty days after recordation of the Notice of Completion.

[STAFF REPORT](#)

[RESOLUTION](#)

1.D FINAL ACCEPTANCE OF THE CORPORATION YARD IMPROVEMENTS PROJECT (CIP NO. 9023)

Staff Recommendation: Adopt a resolution authorizing the City Manager or their designee to file a Notice of Completion for the Corporation Yard Improvements Project (CIP No. 9023), release the Performance and Labor and Materials Bonds, start the one-year warranty bond period, and release the retention funds thirty (30) days after recordation of the Notice of Completion.

[STAFF REPORT](#)

[RESOLUTION](#)

2. ORDINANCES AND PUBLIC HEARINGS

3. RESOLUTIONS AND STAFF REPORTS

3.A PROFESSIONAL SERVICES AGREEMENT WITH JOBTAIN TO PROVIDE JOBSEEKER SERVICES AND WORKFORCE DEVELOPMENT PROGRAMMING AND RFQ TO IDENTIFY AN OPERATOR FOR A BUSINESS INCUBATOR FOR THE OPPORTUNITY CENTER OF THE COASTSIDE

Staff Recommendation: Adopt a resolution authorizing the City Manager to:

- 1) Execute a professional services agreement with JobTrain, in an amount not to exceed \$337,000 for a term beginning November 1, 2023, and ending September 30, 2024, and
- 2) Develop and release a RFQ to identify and retain a qualified entity to launch and operate an incubator to be located at the Opportunity Center of the Coastsides for an amount not to exceed \$200,000.

[STAFF REPORT](#)

[ATTACHMENT 1](#)

[ATTACHMENT 2](#)

3.B TENANT PROTECTIONS ACTION PLAN - WORK SESSION

Staff Recommendation: Receive the presentation and provide direction regarding the following measures for inclusion in a Tenant Protections Action Plan:

1. Rent Control Ordinance
2. Tenant Protection Ordinance and/or Policies Update
3. Mobile Home Space Rental Control Ordinance
4. Code Enforcement Related Relocation Assistance Ordinance

[STAFF REPORT](#)

[ATTACHMENT 1](#)

3.C FINANCIAL AND TREASURER’S REPORT FOR THE QUARTER ENDED ON SEPTEMBER 30, 2023

Staff Recommendation: Accept the Financial Report and the Treasurer’s Report for the quarter ended on September 30, 2023

[STAFF REPORT](#)

[ATTACHMENT 1](#)

[ATTACHMENT 2](#)

COMMISSION / COMMITTEE UPDATES

FOR FUTURE DISCUSSION / POSSIBLE AGENDA ITEMS

CITY COUNCIL REPORTS

ADJOURNMENT

BUSINESS OF THE COUNCIL OF THE CITY OF HALF MOON BAY

AGENDA REPORT

For meeting of: **November 7, 2023**

TO: Honorable Mayor and City Council

VIA: Matthew Chidester, City Manager

FROM: Maz Bozorginia, Public Works Director/City Engineer
Denice Hutten, Associate Engineer

TITLE: **ORDINANCE AMENDING TITLE 13 “WATER AND SEWAGE” BY ADDING CHAPTER 13.22 “FATS, OIL, GREASE AND SAND” TO THE HALF MOON BAY MUNICIPAL CODE – SECOND READING**

RECOMMENDATION:

Waive second reading and adopt an ordinance amending Municipal Code Title 13 (Water and Sewage) by adding Chapter 13.22 “Fats, Oil, Grease and Sand.”

FISCAL IMPACT:

There is no fiscal impact associated with adopting this Ordinance. Once the ordinance is in effect, Fat Oil and Grease (FOG) inspection fees are to be paid by the discharger as set by the Master Fee Schedule. The existing FY 2023-24 Master Fee Schedule specifies an annual fifty-five-dollar (\$55) FOG Certification fee. Once the Ordinance is effective, FOG dischargers would pay that fee to certify their operation annually. The Master Fee Schedule is reviewed and updated annually. An analysis for cost recovery of this program will be considered prior to the next update to cover the cost of this program per the Master Fee Schedule.

STRATEGIC ELEMENT:

This action supports the *Healthy Communities and Public Safety* Elements of the adopted Strategic Plan.

BACKGROUND:

In 2006, the State Water Resources Control Board approved Board Order 2006-0003-DWQ requiring owners of public wastewater systems experiencing FOG build-ups to prepare and implement a FOG “source control” program to reduce the amount of FOG discharged into the Sanitary Sewer System.

The City’s sewer collection system has experienced FOG-related blockages and sanitary sewer overflows; City staff have documented excessive FOG build-up in the City’s sewer pipes and structures.

To address FOG-related issues in the sewer collection system, the City proposes to adopt a new ordinance amending Municipal Code Title 13, entitled “Water and Sewage,” by adding Chapter 13.22, entitled “Fats Oil, Grease and Sand.”

On September 12, 2023, City staff held a publicly noticed outreach meeting to present information and answer questions about the new ordinance; there was minimal attendance at the meeting with only one restaurant represented.

On October 3, 2023, City Council held a publicly noticed workshop regarding the FOG Ordinance.

On October 17, 2023, Council waived a first reading of the FOG Ordinance at a duly noticed public hearing. Council did not request changes to the ordinance as presented at first reading.

DISCUSSION:

As required by law, the ordinance appears for second reading and adoption at a regular meeting more than five days past introduction.

ATTACHMENT:

1. Ordinance
2. Attachment to Ordinance

ORDINANCE NO. C-2023-_____
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HALF MOON BAY, CALIFORNIA
AMENDING HALF MOON BAY MUNICIPAL CODE TITLE 13, "WATER AND SEWAGE," BY ADDING
CHAPTER 13.22, ENTITLED "FATS, OIL, GREASE AND SAND"

THE CITY COUNCIL OF THE CITY OF HALF MOON BAY DOES ORDAIN AS FOLLOWS:

Section 1. Findings: The City Council of the City of Half Moon Bay hereby adds a new Chapter 13.22 ("Fats, Oil, Grease and Sand") to Title 13 of the Half Moon Bay Municipal Code. The City Council finds and declares as follows:

- (a) The Municipal Code of the City of Half Moon Bay requires periodic updates to reflect current information, changes in law, provide clarification to the community, and provide for improved customer service and administration of City business.
- (b) In 2006, the State Water Resources Control Board (SWRCB) approved Board Order 2006-0003-DWQ requiring public wastewater systems experiencing FOG build-ups to prepare and implement a Fats, Oil and Grease (FOG) "source control" program to reduce the amount of FOG discharged into the Sanitary Sewer System.
- (c) The City has experienced and documented FOG buildup in the sanitary sewer system that has resulted in sanitary sewer blockages and overflows.
- (d) The proposed amendment to the Municipal Code is reasonably necessary to ensure public safety, to protect public and private property and the environment, and to formalize the city's legal authority to oversee a FOG Control Program in compliance with SWRCB regulations.

Section 2. Addition of Chapter 13.22 to Title 13 of the HALF MOON BAY Municipal Code. The Half Moon Bay Municipal Code is hereby amended with the addition of Chapter 13.22, "Fats, Oil, Grease and Sand," which is adopted as set forth in Attachment A. Attachment A of this Ordinance is incorporated herein in its entirety.

Section 3. Severability. If any section, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance and adopted this Ordinance and each section, sentence, clause, or phrase thereof, irrespective of the fact that any one or more section, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

Section 4. California Environmental Quality Act. The Ordinance is exempt from CEQA under CEQA Guidelines Section 15308, because it is a regulatory action for the protection of the environment.

Section 5. Publication. The City Clerk of the City of Half Moon Bay is hereby directed to publish this Ordinance, or the title hereof as a summary, pursuant to Government Code Section 36933, once within fifteen (15) days after its passage in the Half Moon Bay Review, a newspaper of general circulation published in the City of Half Moon Bay.

Section 6. Effective date. This Ordinance shall take effect and be in force on the thirtieth (30th) day from and after its final passage.

INTRODUCED at a regular meeting of the City Council of the City of Half Moon Bay, California, held on the 7th day of November 2023, by the following vote:

Ayes, Councilmembers:	_____
Noes, Councilmembers:	_____
Absent, Councilmembers:	_____
Abstain, Councilmembers:	_____

Attest:

Jessica Blair, City Clerk

Deborah Penrose, Mayor

Attachment A

Chapter 13.22 is hereby added to Title 13 of the Half moon bay municipal code to read as follows:

Chapter 13.22

FATS, OILS, GREASE AND SAND

Sections:

ARTICLE I. GENERAL PROVISIONS

13.22.100 Purpose

13.22.110 Applicability

13.22.120 Definitions

ARTICLE 2. PROHIBITIONS AND REGULATIONS

13.22.200 Prohibitions

13.22.210 Best Management Practices (BMPs) Required

13.22.220 FOG Wastewater Discharge Permit (FOG WDP) Required

13.22.230 Pre-Treatment Required

ARTICLE 3. GREASE AND SAND/GRIT CONTROL DEVICES

13.22.300 Installation of Grease, Oil and Sand Control Devices (Common Areas and Shared Facilities)

13.22.310 Grease, Sand and Grit Control Device Type, Sizing and Location

13.22.320 Maintenance and Operation of Grease and Sand Control Devices

13.22.380 Exception from Grease Interceptor/Trap Requirements

13.22.390 Waiver from Pretreatment Requirements

ARTICLE 4. INSPECTIONS AND COMPLIANCE

13.22.400 Inspections and Right-to-Enter

13.22.410 Compliance and Enforcement

ARTICLE 5. REMEDIAL REPAIR AND ABATEMENT

13.22.500 Charge for Remedial Repair of City Collection System

13.22.510 Notice of Abatement

ARTICLE 6. ADMINISTRATION

13.22.600 General Provisions

13.22.605 Fees

13.22.610 FOG Waste Discharge Permit

13.22.620 FOG Waste Discharge Permit Application and Renewal

13.22.640 FOG WDP Conditions

13.22.650 FOG WDP Modification of Terms and Conditions

13.22.680 FOG Waste Discharge Permit Exceptions

- 13.22.690 Non-transferability of a FOG WDP
- 13.22.691 Facilities and drawing submittal requirements
- 13.22.692 Record Keeping Requirements
- 13.22.693 Monitoring and Reporting Conditions
- 13.22.694 Notification of Spill
- 13.22.695 Falsifying Information or Tampering with Process

ARTICLE I. GENERAL PROVISIONS

13.22.100 Purpose

The purpose of this chapter is to facilitate maximum beneficial use of the City's sewer services and facilities while preventing blockages and overflows of the sewer lines resulting from discharges of fats, oils, grease (FOG), sand and other insoluble waste into the public sewer. This chapter specifies FOG and insoluble waste discharge requirements and prohibitions for food service establishments (FSEs), commercial and industrial businesses, and other entities with potential to introduce FOG and insoluble waste into the City's public sewer collection system.

The chapter provides for City inspections and enforcement and requires FOG and insoluble waste dischargers to participate in the City's FOG Control Program and obtain a FOG Waste Discharge Permit as a condition of waste discharge into the City's public sewer collection system.

The provisions set forth in this chapter allow the City to meet applicable standards designed to ensure compliance with federal, state, and local laws and regulations.

The objective is to eliminate FOG and insoluble waste-related sanitary sewer obstructions, blockages and overflows; improve sanitary sewer manhole, pipe and lift station conditions; decrease sewer maintenance and treatment costs; prevent residential and commercial property damage and protect the environment.

13.22.110 Applicability

This section applies to all "food service establishments" (FSE), "food manufacturer/processors" (FM/P), commercial and industrial businesses and other entities with potential to discharge wastewater containing fats, oils, grease, sand or other insoluble waste to the city sanitary sewer system including, but not limited to, restaurants, grocery stores, meat markets, hotels, factory and office building cafeterias, public and private schools, hospitals, commercial day care centers, and churches, located within the City's public sewer collection system.

Commercial and Industrial businesses covered by this section include, but are not limited to, oil, sand, grit and insoluble waste dischargers such as automotive repair businesses, car washes, and commercial trash enclosures within the City's public sewer collection system.

This Chapter shall become effective on the effective date of this Chapter and is intended to complement, rather than supersede, the provisions of City building codes and regulations applicable to installation and operation of grease capturing equipment.

13.22.120 Definitions

The following definitions shall apply to this chapter. Where terms are not defined, the definitions in Chapter 13.12 shall apply.

- A. **Best Management Practices (BMPs)** means operational activities, prohibitions, maintenance procedures, and other management practices to prevent or reduce the direct or indirect introduction of FOG and insoluble waste into the public sewer. BMPs shall implement the regulations and prohibitions of this Chapter, state and federal law, and any authorizations and permits issued by the City of Half Moon Bay to control discharge and disposal of FOG and insoluble waste.
- B. **Change in Operations** means any change in the ownership, food types or operational procedures that have the potential to change the amount of FOG discharged.

- C.
- D. **Collection System** means portions of the public sewer consisting of all pipes, sewers and conveyance systems conveying wastewater to the publicly owned treatment works (POTW), excluding privately owned sewer service lateral line connections.
- E. **Commercial and Industrial Businesses** means entities engaged in business for profit and entities engaged in manufacture, service and repair. For purposes of this section, Commercial and Industrial businesses that have potential to introduce FOG and insoluble waste into the City's collection system would include, but not be limited to, car washes. Dental offices and facilities with trash enclosures not associated with a FOG producer will be handled under the NDWSCP facilitated by Sewer Authority Mid-Coast.
- F. **Director** means the Public Works Director, or such director's designee.
- G. **Fats, Oils and Grease (FOG)** means grease, oil, fat or other ether soluble matter derived from animal and/or plant sources that contain multiple carbon chain triglyceride molecules, and shall include each of the following two types:
- i. Dispersed grease, which means grease which is not floatable grease;
 - ii. Floatable grease, which means grease which floats on the surface of quiescent sewage water or other liquid or which floats upon dilution of the liquid with water and includes any waste containing quantities or concentrations of dispersed biodegradable fats, oils, and greases.
- H. **FOG Control Program (FOGCP)** means the City's program to administer the requirements of this Section and the General Waste Discharge Requirements of the State Water Resources Control Board Order No. 2022-0103-DWQ.
- I. **FOG Wastewater Discharge Permit (FOG WDP)** means a permit issued by the City to a person or entity subject to the requirements of this Chapter authorizing the wastewater discharger or permittee to discharge wastewater into the City's public sewer collection system subject to and in compliance with the terms, conditions, and criteria of the FOG Control Program as set forth in this Chapter.
- J. **Food Manufacturer/Food Processor (FM/P)** means any entity utilizing the City's public sewer collection system for operation in a permanently constructed structure, maintained, and used or operated for the purpose of storing, preparing, serving, or manufacturing, packaging, or otherwise handling food for consumption by the public or for sale to other entities, its members, or employees.
- K. **Food Service Establishment (FSE)** means a non-residential wastewater discharger that engages in activities of preparing, serving, or otherwise making available food for consumption by the public or on the premises, including, but not limited to, restaurants, commercial kitchens, caterers, hotels and motels, schools, hospitals, prisons, correctional facilities, nursing homes, care institutions, and any other facility preparing and serving food for public consumption.
- A limited food preparation establishment is not considered an FSE when engaged only in reheating, hot holding, or assembly of ready to eat food products, provided that there is no wastewater discharge containing FOG.
- L. **Food Grinder** or garbage grinder or garbage disposal means any device installed in the plumbing or sanitary sewage system for the purpose of grinding food waste or food preparation byproducts for the purpose of disposing into the City's public sewer collection system.
- M. **Grease Control Device (GCD)** means any Grease Interceptor, Grease Trap, or other mechanism, device, or process, which is attached to, or is applied to, wastewater plumbing fixtures and lines, the purpose of which is to trap or collect or treat FOG-laden wastewater prior to its discharge

into the City sewer system. “Grease Control Device” also includes any other City approved method to reduce FOG. Grease Control Devices must be sized in accordance with the California Plumbing Code and this Chapter.

- N. **Grease/Sand Interceptor** means a City approved multi-compartment device that is required to be located, as according to the California Plumbing Code, between a wastewater discharger and the discharger’s connection to the City sewer system. These devices primarily use gravity to separate FOG and sands from the wastewater as it moves from one compartment to the next. Grease and sand Interceptors must be cleaned, maintained, and have the FOG and solids removed and disposed of in accordance with the terms and conditions of this section and the City’s FOG Waste Discharge Permit.
- O. **Grease Trap** means a City-approved Grease Control Device that is used to serve individual fixtures. Grease Traps must be cleaned, maintained, and have the FOG and solids removed and disposed.
- P. **Limited Food Preparation Establishment** A FSE that engages only in reheating, hot holding, or assembly of ready to eat food products.
- Q. **Property Owner** means a person or entity owning property where a Grease Interceptor is present that is or has potential to serve one or more FSEs.
- R. **Remodeling** means a physical change or operational change that potentially increases the amount of FOG, sand or solid waste discharged to the City’s sewer system by the wastewater discharger.
- S. **Public sewer collection** means the network City owned and operated pipes, pumping stations, and appurtenances that convey sewage from private connections to the wastewater treatment plant.
- T. **Waste Discharger, or Discharger** means any owner, tenant, entity, or person receiving public sewer collection service from the City.
- U. **Waste Hauler** means any person or entity that collects the contents of a Grease Control Device for the purpose of transporting it to a recycling or disposal facility. A Waste Hauler may also provide Grease Control Device maintenance services.
- V. **Yellow Grease** means used cooking oil, used vegetable oil, recycled vegetable oil, or waste vegetable oil. In restaurants, it is often used oil from deep fryers and griddles.

ARTICLE 2. PROHIBITIONS AND REGULATIONS

13.22.200 Prohibitions

Every owner, tenant, entity, or person receiving public sewer collection service from the City shall have a duty to not cause, permit or allow the accumulation of FOG in the City sewer system. Such persons and entities shall use industry best management practices and City-approved methods to reduce FOG accumulation in the City public sewer collection System and shall adhere to the following prohibitions:

- A. Disposal of Fats, Oils and Grease, or any food waste containing Fats, Oils and Grease, directly into drains leading to the sewer system is prohibited.
- B. Discharge of Yellow Grease, or any waste or mixed material mixed with Yellow Grease, into the sanitary sewer system from a food service establishment is prohibited. No Yellow Grease from a food service establishment shall be mixed with grease trap or grease interceptor waste.

- C. Introduction of any additives into the wastewater collection system for the purpose of emulsifying FOG or biologically or chemically treating any substance introduced into any wastewater system for purpose of treatment or pretreatment of wastewater, unless a specific written authorization by the Public Works Director is obtained, is prohibited.
- D. Disposal of insoluble waste from trash or materials enclosure into the sanitary sewer system without an approved oil and sand separator is prohibited.
- E. Installation of food grinders (or garbage grinders) in any new construction or renovation of a structure designed to house a FSE or FM/P is prohibited. All FSEs that undergo a change in operations or remodeling shall remove any existing food grinders concurrent with such change or remodeling, except as otherwise expressly allowed by the Public Works Director.
- F. Discharge of wastewater from commercially operated dishwashers or food grinders (or garbage grinders) to sewer pipes conveying wastewater to an interceptor or any other grease capturing equipment is prohibited unless such connections or modifications to existing units are approved and issued a building permit by the City.
- G. Discharge of wastewater at temperatures in excess of 140 degrees Fahrenheit to or through any grease capturing equipment is prohibited.
- H. Operation of sand and grease interceptors/traps if the unit has accumulated waste and/or solids, including FOG, food solids, sand or other insoluble materials, accounting for 25 percent or more of its wetted depth measured from the static water level to the interior tank bottom, with FOG and solids accumulation, exceeding 25 percent of the total operating depth of the grease interceptor/trap is prohibited.
- I. Discharge of any FOG or any other solid materials removed from the grease control device to the public sewer collection system is prohibited. Grease removed from grease interceptors shall be waste hauled to an approved disposal site as part of the operation and maintenance requirements for grease interceptors.
- J. Connection of non-grease-laden sources of wastewater to a sewer line intended for grease interceptor service is prohibited.

13.22.210 Best Management Practices (BMPs) Required

All FSEs, commercial and industrial businesses and other entities with the potential to introduce FOG or insoluble waste into the City's public sewer collection system shall implement Best Management Practices (BMP) in their operations, in accordance with the requirements and guidelines established by the City's FOG Control Program, to minimize the discharge of FOG, sand and other insoluble waste to the grease control device and/or the public sewer. This may include facility and kitchen practices and employee training that are essential to minimizing FOG and insoluble waste discharge.

13.22.220 FOG Wastewater Discharge Permit (FOG WDP) Required

- A. All FSEs, commercial and industrial businesses and other entities with the potential to introduce fats, oils, grease, sand or other insoluble waste into the City's public sewer collection system shall participate in the City's **FOG Control Program** as described in Article 6 of this Section.
- B. No person shall discharge, or cause to be discharged, any wastewater from FSEs, commercial or industrial businesses, or other entities, directly or indirectly into the public sewer without first obtaining a **FOG Wastewater Discharge Permit (FOG WDP)** pursuant to this chapter and the City's FOG Control Program.

13.22.230 Pre-Treatment Required

- A. FSEs and commercial and industrial businesses discharging FOG into City's sewer system shall install, operate, properly maintain and service approved types and adequately sized Grease Control Devices (GCD) in accordance with this Section, and any permits, authorizations, rules and regulations issued by the Public Works Director, the FOG WDP outlined in Article 6 of this Section, and applicable building codes and regulations. All fixtures, equipment and drain lines located in food preparation and clean up areas that are potential sources of FOG discharge shall be connected to a Grease Control Device.
- B. All FSEs and business establishments shall properly store and recycle or dispose of Fats, Oils and Grease diverted from their liquid waste streams in accordance with all laws and regulations applicable to such storage, recycling and disposal.
- C. Commercial and industrial businesses discharging sand and grit into City's sewer system shall install, operate, properly maintain and service approved types and adequately sized Sand and Grit Control or Grease Control Devices (GCD) in accordance with this Section, and any permits, authorizations, rules and regulations issued by the Public Works Director, the FOG WDP outlined in Article 6 of this Section, and applicable building codes and regulations.
- D. All wastewater dischargers must at all times comply with the provisions of this Section, all other applicable local, state and federal laws, including but not limited to applicable provisions of the San Mateo County Health and Building and Plumbing Codes, and applicable rules, regulations, permits and authorizations issued by the City of Half Moon Bay.

ARTICLE 3. GREASE AND SAND/GRIT CONTROL DEVICES

13.22.300 Installation of Grease, Oil and Sand Control Devices (Common Areas and Shared Facilities)

- A. Except as provided for in subsection 13.22.380 and 13.22.390 below, any structure designed for or intended to be used for an FSE or FM/P must have an approved grease interceptor/trap installed prior to discharging any wastewater into the City's public sewer collection system.
- B. Property owners of new construction of a commercial structure designed to house multiple tenants on a single parcel shall be responsible to install and maintain a single grease interceptor to serve each individual tenant unless a property owner demonstrates to the Public Works Director that it is not practically possible to install and maintain a single grease interceptor to serve each individual unit located in the structure in which case the Public Works Director has the discretion to approve a plan for such structure providing for more than one grease interceptor or a combination of grease interceptors to service such property, which approval shall be in writing. Said approved plan shall include the minimum number of grease interceptors that can reasonably serve the structure and shall specifically include service for all approved grease interceptors.
- C. The owner of any structure occupied by one or more FSE or FM/P shall be jointly and severally liable with the owner of each FSE or FM/P served by any grease interceptor for the servicing and maintenance of that grease interceptor and for any servicing and maintenance required of any wastewater facility located downstream from said structure to remove any accumulations of FOG therefrom if the owner or FSE is found to be non-compliant with the provisions this Chapter and/or to have contributed to the partial or complete obstruction of a wastewater facility located downstream.
- D. The Public Works Director may require existing FSE or FM/Ps and owners of structures in which such FSE or FM/Ps are located which have been identified as introducing FOG into any portion of the City's public sewer collection system, and which introduction of FOG, in whole or in combination with other FOG contributors, has been responsible for causing the need for the City

to clean such portion of the wastewater system more than once in a single calendar year to install grease interceptors or other FOG equipment as deemed necessary to comply with this section. Such installation shall be completed and operational within 180 days of notice by the Public Works Director.

13.22.310 Grease, Sand and Grit Control Device Type, Sizing and Location

- A. Any food service establishment, or other type of business or establishment where grease or other viscous, obstructing, or objectionable materials may be discharged into a public shall have a grease control device and related plumbing of a size and design approved by the Public Works Director or designee.
- B. Waste discharge from fixtures and equipment in establishments which may contain grease or other objectionable materials including, but not limited to, scullery sinks, pot and pan sinks, food waste disposals, soup kettles, and floor drains located in areas where such objectionable materials may exist, shall be drained into the public sewer collection system through the grease control device unless otherwise approved by Public Works provided, however, that toilets, urinals, wash basins, and other fixtures containing fecal material shall not flow through the grease control device.
- C. Automatic dishwashers may only be connected to grease control devices on a case-by-case basis as approved by the Public Works Director.
- D. Trash enclosures, car washes, automotive repair businesses and other facilities where grit, oil or other objectionable materials may be discharged into a public or private sewage main or disposal system shall have a sand control device and related plumbing of a size and design approved by the Public Works Director or designee.
- E. The City reserves the right to make determinations of grease and sand control device size, adequacy, location and need, based on Building Code requirements and review of relevant information, including, but not limited to grease trap and/or interceptor performance, waste stream characteristics, facility location, maintenance needs, and or inspection needs.
- F. Grease and sand interceptors shall meet the following minimum requirements:
 - i. All FSEs and commercial and industrial entities with the potential to discharge FOG, sand or grit into the City's Public sewer collection Service Area are required to have a minimum 1,000-gallon grease/sand interceptor. Larger interceptors shall be sized according to the latest building/plumbing codes and shall provide at least 30 minutes of retention time.
- G. Grease traps are allowed on a case-by-case basis only. Upon approval of the Public Works Director, grease traps shall meet the following minimum requirements:
 - i. The maximum allowable size of grease trap shall be flow rate of 25 gpm (or 50 lbs grease retention). City will provide the size requirements;
 - ii. Type of grease trap shall be hydromechanical grease device, conforming to ASME A12.14.3 or PDI-G 101 and type/brand shall be approved by the Public Works Department and the City Building Department Official and installed per manufacturer's specifications; and
 - iii. Traps must meet applicable requirements of the State plumbing and building codes.
- H. Each Grease/Sand Interceptor shall be so installed and connected that it shall be at all times easily accessible for inspection, sampling, cleaning and removal of grease, and other matter from all surfaces. The Public Works Director or their agent will approve locations of all Grease/Sand Interceptor by acknowledging and signing the design plans.
- I. Discharger shall not install any device without the approval of the Public Works Director and the issuance of a building permit.

- J. A Grease Control Device should be situated on the wastewater discharger's premises except when such a location would be impractical or cause undue hardship on the wastewater discharger. The City may, subject to the issuance of an encroachment permit by the City, allow the device to be installed in the Public Street or sidewalk area and located so that it will not be obstructed by landscaping or parked vehicles.

13.22.320 Maintenance and Operation of Grease and Sand Control Devices

- A. Maintenance and cleaning of grease and sand interceptors. The 25-percent rule requires that the depth of oil and grease (floating and settled) in a sand or grease interceptor shall be less than 25 percent of the total operating depth of the interceptor. The operating depth of the interceptor is determined by measuring the internal depth from the outlet water elevation to the bottom of the interceptor.
- B. Disposal. In the maintaining and routine cleaning of grease interceptors and any other grease control device, the owner of the FSE or FM/P and the owner of the structure in which it is located, if different from the owner of the FSE or FM/P, shall be jointly responsible for the proper removal and disposal by appropriate means of the captured material. If not performed by personnel under the direct control and direction of any such owner/manager, such removal and haul shall be performed by currently licensed waste disposal haulers.
- C. Outdoor grease and sand interceptors. Maintenance of outdoor grease and sand interceptors shall be performed as frequently as necessary to protect the public sewer collection system against the accumulation of FOG and insoluble wastes. Maintenance shall be performed as determined by inspection and application of the 25-percent rule. Inspection and maintenance shall be performed at least every 90 days.
- D. Indoor grease traps. Maintenance of indoor grease traps shall be performed as frequently as necessary to protect the public sewer collection system against the accumulation of FOG and insoluble wastes. Maintenance shall be performed as required by inspection and/or sampling. Maintenance shall be performed at least every 14 days.
- E. Maintenance process. Maintenance process shall include the following minimum services:
- i. Complete removal of all grease interceptor or trap contents rather than skimming the top grease layer;
 - ii. Thorough cleaning of the grease interceptor or trap to remove grease and scum from inner walls and baffles;
 - iii. Filling cleaned interceptor or trap with cold potable water;
 - iv. Completing waste hauler's section of the grease disposal manifest form and delivery to waste disposal site along with the grease interceptor or trap waste;
 - v. Top skimming, decanting or back flushing of the grease interceptor or trap or its contents for the purpose of reducing the volume of waste to be hauled is prohibited. Vehicles capable of separating water from grease shall not discharge separated water into the grease trap or into the public sewer collection system.
- F. Maintenance modifications. Food service facilities which operate infrequently or only for special events may request a modification to the maintenance schedule specified above. The Public Works Director may authorize a maintenance frequency related to the operation of the food service facility. The food service facility shall submit a request for a modified maintenance schedule which includes all details of operation for the Public Works Director to review.
- G. Disposal. The wastewater discharger shall be responsible for the proper removal and disposal of the grease interceptor or trap waste. All waste removed from each grease interceptor or trap must be disposed of properly at an appropriate facility designed to receive grease interceptor or

trap waste. No grease interceptor or trap waste shall be discharged into any city sanitary or storm sewer system.

- H. Maintenance log. The user shall be responsible for retaining a maintenance log with records of the maintenance of grease interceptors and traps including manifests, permits, permit applications, correspondence, sampling data and any other documentation that may be requested by the City. This log shall include the dates of service, volume of waste removed, waste hauler, and disposal site of waste. These records shall be kept on-site at the location of the grease interceptor or trap for a period of three years and are subject to review without prior notification. Wastewater dischargers shall maintain records on site for a period of at least three (3) years as follows:
- i. Wastewater dischargers with an installed grease control device shall maintain records showing that the control device has been properly maintained and cleaned as required by this section; and
 - ii. Food service establishments shall maintain records showing the following related to all grease hauled off site: date and time material removed off site; volume removed; hauler name; truck license number; type of grease removed; and final destination of material collected.

13.22.380 Exception from Grease Interceptor/Trap Requirements

- A. If the owner of any FSE or FM/P or of any structure in which an FSE or FM/P is located or is to be located demonstrates to the reasonable satisfaction of the Public Works Director that installation of a grease interceptor/trap is not feasible, the Public Works Director may grant an exception allowing such owner to install grease traps or other alternative treatment technology which will in the discretion of the Public Works Director adequately control the release of FOG from the FSE or FM/P or the structure into the public sewer collection system. The FSE or FM/P bears the burden of demonstrating that the installation of a grease interceptor/trap is not feasible. The request for an exemption shall include the following information if relevant:
- i. Evidence of a lack of available exterior space necessary to place an interceptor/trap relative to the location of sewer main and easement;
 - ii. Evidence of a lack of adequate slope for gravity flow between kitchen plumbing fixtures in the FSE or FM/P and the wastewater facilities;
 - iii. Description and specifications of the alternative grease control equipment that will be installed and evidence that the alternative pretreatment technology is equivalent to or better than a Grease Control Device in controlling its FOG discharge;
 - iv. Evidence that the size, available seating or type of food preparation does not generate any significant volume of FOG; and
 - v. The FSE must be able to demonstrate, after installation of the proposed alternative pretreatment, its effectiveness to control FOG discharge through downstream visual monitoring of the public sewer collection system at its own expense.

13.22.390 Waiver from Pretreatment Requirements

- A. A waiver from installation of a Grease or Sand Control Device may be granted to a FSE that has been determined to have negligible FOG discharge and insignificant impact to the City's public sewer collection system. The City's determination to grant or revoke a waiver shall be based upon, but not limited to, evaluation of the following conditions:
- i. City determination of quantity of FOG discharge as measured or as indicated by the size of the FSE based on seating capacity, number of meals served, menu, water usage, amount of

on-site consumption of prepared food and other conditions that show contribution to FOG discharges;

- ii. City determination that adequacy of implementation of BMP and compliance history are sufficient;
- iii. City determination that sewer size, slope, condition based on visual information, FOG deposition in the sewer by the FSE, and history of maintenance and sewage spills in the receiving sewer system;
- iv. City determination that the changes in operations that significantly reduce FOG discharge; and
- v. Any other condition deemed the City deems reasonably related to the generation of FOG discharges.

ARTICLE 4. INSPECTIONS AND COMPLIANCE

13.22.400 Inspections, Sampling and Right-to-Enter

- A. The City shall have the right to enter and inspect each FSE, commercial or industrial premises, or property owner's common use grease interceptor for announced or unannounced inspections. The City shall have access to all facilities and records necessary for determining compliance with this Chapter. An inspection may include a review of all logs and documentation, inspection of all kitchen facilities, and inspection of any and all Grease and Sand Control Devices and appurtenant plumbing on the premises.
- B. Each person or business subject to this Chapter shall allow the director reasonable access to all parts of the wastewater generating and disposal facilities for the purposes of inspection and sampling during all times the FSE is open, operating, or any other reasonable time. No persons or occupants of premises shall interfere with, delay, resist or refuse entrance to the director attempting to inspect any facility involved directly or indirectly with a discharge of wastewater to the public sewer. In the event of an emergency involving an actual or imminent SSO, the director may access adjoining businesses or properties that share a public sewer with an FSE in order to prevent or remediate the actual or imminent SSO.
- C. In addition to the authority set forth herein, the director may order the sampling of the wastewater discharges of any FSE to ascertain whether the intent of these regulations is being met and the permittee is complying with all requirements. The permittee shall allow access to the FSE premises, during normal business hours, for purposes of sampling the FSE's grease control devices or interceptor, and reviewing all records required to be kept pursuant to Section 13.22.692 of this chapter.
- D. The Director shall have the right to place or order the placement on the FSE's property, or other locations as determined by the director, such devices as are necessary to conduct sampling or metering operations. Where an FSE has security measures in force, the permittee shall make necessary arrangements so that the Director and/or an inspector shall be permitted to enter without delay for the purpose of performing their specific responsibilities.
- E. Additionally, in order for the director to determine the wastewater characteristics of the wastewater discharger for purposes of determining compliance with FOG WDP requirements, the permittee shall make available for inspection and copying by the director all records required to be kept pursuant to Section 13.22.692 of this chapter.
- F. The City or its agent will perform periodic inspections of these facilities and shall notify the user of any additional required maintenance or repairs. Upon written notification by the City

or its agent, the wastewater discharger shall be required to perform the maintenance and produce records of said maintenance to the City within fifteen (15) calendar days.

- G. Upon inspection by the City or its agent, the wastewater discharger may be required to install, at their expense, additional controls to provide a complete system which prevents discharges of FOG and other undesirable materials into the public sewer collection system.

13.22.410 Compliance and Enforcement

- A. Compliance with the FOG Control Program shall be evaluated based on the following criteria:
 - i. All food service establishments that are implementing and documenting BMPs, including employee training and kitchen procedures, and performing and documenting grease and sand retention unit cleaning at the required frequency will be considered to be in compliance with this Chapter.
- B. In the event that a wastewater discharger's grease interceptor or other grease removal device fails a visual inspection, effluent sample analysis or the discharger cannot provide adequate maintenance records, the discharger shall be given written notice of non-compliant condition. Discharger shall take immediate steps to bring the facility into compliance. The discharger will have a maximum of fifteen (15) calendar days from the date of the first notice to respond and correct the violation. If the discharger does not correct the violation within this time, a second violation will be issued. The discharger will have a maximum of ten (10) calendar days from the date of the second notice to respond and correct the violation. When three (or more) violations of the FOG program have been committed and remain uncorrected within the specified time limit, the City may commence enforcement actions pursuant to the provisions of Title 4 (Code Enforcement) of this Code.
- C. An owner of a building, a tenant and/or an agent representing the owner subject to this Chapter who fails to comply with any of requirements of this Chapter shall be subject to enforcement pursuant to the provisions of Title 4 of this Code and any other enforcement provisions authorized by the California Building Code or related Codes.
- D. For failure to pass the FOG inspection due to lack of or ineffective FOG equipment the Public Works Director may require the subject FSE or FM/P to install additional FOG equipment as necessary to resolve the problem.

ARTICLE 5. REMEDIAL REPAIR AND ABATEMENT

13.22.500 Charge for Remedial Repair of City Collection System

- A. When an obstruction and/or sanitary sewer overflow (SSO) occurs, the records of all FSE or FM/P that discharge to the affected sanitary sewer line may be reviewed in order to determine the responsible party. Any FSE or FM/P found to be in noncompliance with the required grease retention unit cleaning frequency shall be deemed a responsible party for cost recovery pursuant to the provisions of Title 4 of this Code, and also subject to Chapter 13.40, herein, as applicable. Cost recovery can include, but not be limited to, the costs of cleaning and abatement. Payment of cost recovery does not preclude further enforcement actions for noncompliance.
- B. In the event that the owner of an FSE or FM/P or the owner of any structure in which an FSE or FM/P is located is found to have contributed to the partial or complete obstruction of a wastewater facility resulting from the discharge of wastewater or waste containing FOG and that the City is required to act immediately to control a public health hazard because of such blockage, such owner shall be required to reimburse the city for all costs of abating such condition pursuant to the provisions of Title 4 of this Code. In situations where there are

multiple owners identified as contributing to FOG causing such obstruction, the Public Works Director will apportion the cost of the cleanup, maintenance or repair costs on a prorated basis, based on each owner's percentage share of the average total sanitary sewer charges for all such owners. Further, should inspection, testing or other sampling activity by the City confirm that any user is contributing excessive FOG (including other harmful ingredients) and is causing the repair or extraordinary maintenance activity to maintain the integrity of the system, the Public Works Director may require retrofitting of the structure with grease interceptors or grease traps, including testing facilities and access thereto sufficient to resolve the problem.

- C. The costs for curing any private sewer lateral failures and sewer system overflows, including cleaning and other maintenance, caused in whole or in part by FOG introduced into the public sewer collection system by any FSE or FM/P, alone or in conjunction with any other party, are the responsibility of the owner of the FSE or FM/P and the owner of any structure in which the FSE or FM/P contributing the FOG to wastewater system is located.
- D. In the event it is determined that a specified entity or entities have been the cause of a sanitary sewer overflow (SSO) and the City has been fined by the State Water Quality Control Board, the property Owner shall be responsible for payment of State Water Quality Control Board fees and fines.

13.22.510 Notice of Abatement

- A. The City has the right to abate any violation of this Chapter and to charge the violating wastewater discharger or responsible person or entity for damages caused by a prohibited discharge of FOG to the City's Public sewer collection system. Provided that the City can demonstrate upon reasonable proof that a FSE or responsible person or entity caused FOG build-up or another violation of this Chapter such that the City's public sewer collection system or appurtenance is damaged or such that a sewer overflow occurs, or that a sewer overflow is imminent, City shall have the right to serve a Notice of Abatement and to charge the discharger or responsible person or entity for all damages and abatement costs resulting from the violation. In cases of a violation of this Chapter that requires abatement, the City shall have the right to immediately enter a FSE premises and abate the violation to prevent further damages or violations.
- B. If the City abates a violation and incurs costs for that abatement, it shall issue a bill for all damages and abatement costs incurred to the discharger or responsible person or entity as soon as practical. With the issuance of a bill for any damages and abatement costs incurred, the City also shall provide the permittee or responsible person or entity with a copy of all evidence that supports the City's determination and a copy of this Chapter. The responsible person or entity shall have the right to appeal the Notice of Abatement and the damages and abatement costs charged by the City in accordance with the provisions of Title 4 of this Code.

ARTICLE 6. ADMINISTRATION

13.22.600 General Provisions

- A. The City's FOG Control Program (FOGCP) shall administer the requirements of this Chapter, the City's FOG policy, and the General Waste Discharge Requirements of the State Water Resources Control Board.
- B. As of the effective date of the ordinance codified in this section, all FSEs, FM/Ps and other entities with potential to introduce FOG, sand or other insoluble waste into the City's

Collection System are required to participate in the City's FOGCP as outlined in this Section.

- C. The City, from time to time, may establish additional standards for the content of the FOGCP by approval of the Public Works Director.
- D. FSE or FM/Ps and other entities with potential to discharge FOG and other insoluble waste into the City's collection system shall require a **FOG Waste Discharge Permit** (FOG WDP) to discharge wastewater into the collection system.
- E. No FSE or FM/P shall discharge any substance of any kind into any portion of the public sewer collection system which is not in conformance with the City's FOGCP and the requirements of the Fog Waste Discharge Permit for that FSE or FM/P.

13.22.605 Fees

The purpose of this section is to provide for the recovery of FOG WDP inspection costs.

- A. Wastewater dischargers shall pay an initial FOG application fee and an annual renewal fee to cover inspection costs of the wastewater discharger facility. At least 30 days prior to the expiration of the FOG WDP, the permittee shall annually re-apply and pay applicable fees for the renewal of the FOG WDP. A permittee shall also pay any delinquent invoices in full prior to any FOG WDP renewal.
- B. Costs incurred by the City as a result of the annual inspections--e.g. follow-up inspections due to non-compliance, any required on-site sampling and analysis--shall be reimbursed to the City by the owner, discharger or FOG DWP permittee.
- C. The City may adopt other fees as the City may deem necessary to carry out the requirements of this chapter.
- D. Fees shall be as established by Resolution adopted by the City Council, as amended from time to time.

13.22.610 FOG Waste Discharge Permit

- A. The FOG Waste Discharge Permit (FOG WDP) is a legally binding agreement issued to a FSE, FM/P or commercial and industrial businesses or other entities subject to the provisions of this Chapter to utilize the City public sewer collection system under the terms, conditions, and criteria of the City's FOGCP. The FOG WDP is prepared and maintained by the City, and its provisions may be modified periodically as required to ensure each wastewater discharger's compliance with the terms and conditions of this Chapter, as they may be amended from time to time. Failure to comply with the FOG WDP terms and conditions will constitute a violation of this section. The FOG WDP must be renewed annually.
- B. In addition to the FOG WDP, the City may also issue specific permit conditions to any FSE, FM/P or commercial and industrial businesses or other entities subject to the provisions of this Chapter. In the event that the City issues specific permit conditions, the basis for those specific permit conditions shall be disclosed in writing and appended to the FOG WDP. Failure to comply with the individual permit conditions will constitute a violation of this Chapter.

13.22.620 FOG Waste Discharge Permit Application and Renewal

- A. Each existing FSE, FM/P or commercial and industrial businesses or other entities subject to the provisions of this Chapter shall submit a FOG Waste Discharge Permit application to the City within sixty (60) days following the effective date of this Chapter.
- B. All newly operational or newly constructed FSEs and FSEs with a change in operations shall submit a FOG WDP Application at least thirty (30) days prior to such change. Any FSE which

fails to submit the required FOG WDP application in a timely manner will be subject to enforcement defined in this Chapter.

- C. Property owners or their designee(s) of commercial properties identified on the FOG WDP shall be responsible for the installation and maintenance of a Grease Interceptor serving multiple FSE that are located on a single parcel. The owner of the parcel containing a common use Grease Interceptor shall submit an application for and be the Permittee under a FOG WDP.
- D. At least 30 days prior to the expiration of the FOG WDP, the permittee shall annually re-apply for the renewal of the FOG WDP.

13.22.640 FOG WDP Conditions

Issuance of a FOG WDP may include, but is not limited to, any of the following conditions or limits:

- A. Limits on discharge of FOG, sand, grit, other solids and other pollutants
- B. Requirements for proper operation and maintenance of grease interceptors and other grease control devices
- C. Sand and Oil interceptor maintenance frequency and schedule
- D. Requirements for implementation of BMPs
- E. Requirements for maintaining and reporting status of BMPs
- F. Requirements for maintaining and submitting logs and records, including waste hauling records and waste manifests including the ultimate disposition of the wastes that contain FOG
- G. Requirements to self-monitor
- H. Requirements for the FSE to construct, operate and maintain, at its own expense, grease control device and sampling facilities
- I. Additional requirements as otherwise determined to be reasonably appropriate by the Public Works Director to protect the City Collection System or as specified by other regulatory agencies
- J. Other terms and conditions which may be reasonably applicable to ensure compliance with this Chapter

13.22.650 FOG WDP Modification of Terms and Conditions

- A. The terms and conditions of an issued FOG WDP may be subject to modification at the sole discretion of the Public Works Director during the life of the FOG WDP based on:
 - i. The permittee's current or anticipated operating data;
 - ii. Changes in the requirements of state or federal regulatory agencies that oversee and monitor the City; or
 - iii. A determination by the Public Works Director that such modification is appropriate to further the objectives of this chapter and all applicable regulations.
- B. A permittee may request modification of the terms and conditions of an issued FOG WDP. Any request shall be in writing stating the requested change and the reasons for the change. The Public Works Director shall review the request, make a determination on the request, and respond in writing.
- C. A permittee shall be informed of any change in the FOG WDP limits, conditions and/or requirements at least 45 days prior to the effective date of the change. Any changes or new conditions in the FOG WDP shall include a reasonable time schedule for compliance.

13.22.680 FOG Waste Discharge Permit Exceptions

- A. A limited food preparation establishment may not be considered an FSE and may be exempt from obtaining a FOG WDP. Exempt establishments shall be engaged only in reheating, hot holding or assembly of ready to eat food products and as a result, there may not be wastewater discharge containing significant amount of FOG.
- B. A limited food preparation establishment is required to follow the BMPs defined for all FSEs. A limited food preparation establishment that discharges FOG in excess of the defined limits may be reclassified as an FSE and required to obtain a FOG WDP at the Public Works Director's discretion.
- C. An exemption from obtaining a FOG WDP may be requested in writing. If the Public Works Director determines that the reasons for the request are valid, an exemption may be granted.

13.22.690 Non-transferability of a FOG WDP

A FOG WDP issued pursuant to this chapter is for a specific FSE, for a specific operation and creates no vested rights. No holder of a FOG WDP shall assign, transfer and/or sell the FOG WDP and/or use the FOG WDP on any premises or for any facilities, operations and/or discharges not expressly encompassed within the FOG WDP. Any FOG WDP that is transferred to a new owner and/or operator and/or to a new facility is in violation of this Chapter is void.

13.22.691 Facilities and drawing submittal requirements

Upon request by the City:

- A. Any FSE may be required to submit two copies of facility site plans, mechanical and plumbing plans and details to show all sewer locations and connections. The submittal shall be in a form and content acceptable to the Public Works Director for review of the existing or proposed grease control device, grease interceptor, monitoring facilities, metering facilities and operating procedures. The review of the plans and procedures shall in no way relieve the FSE of the responsibility of modifying the facilities or procedures in the future as necessary to produce an acceptable discharge, and to meet the requirements of this chapter or the requirements of any other regulatory agency.
- B. The City may require the drawings be prepared by a California Registered Civil, Chemical, Mechanical or Electrical Engineer.
- C. All drawings shall be submitted to Department of Public Works.

13.22.692 Record Keeping Requirements

The permittee shall be required to keep all manifests, receipts and invoices of all cleaning, maintenance, grease removal of/from the grease control device, disposal carrier and disposal site location for no less than three (3) years. The permittee shall, upon request, make the manifests, receipts and invoices available to the director, any inspector and/or any enforcement officer. These records may include:

- A. An on-site maintenance logbook of grease interceptor, grease trap or grease control device cleaning and maintenance practices as described in Section 13.22.320.H.
- B. A record of BMPs being implemented, including employee training.
- C. Copies of records and manifests of waste hauling interceptor contents.
- D. Records of sampling data and sludge height monitoring for FOG and solids accumulation in the grease interceptors.
- E. Records of any spills and/or cleaning of the sewer lateral or public sewer.

- F. Any other information deemed appropriate by the director to ensure compliance with this chapter.

13.22.693 Monitoring and Reporting Conditions

- A. The director may require periodic reporting of the status of implementation of BMPs, in accordance with the FOG control program.
- B. The director may require visual monitoring at the sole expense of the permittee to observe the actual conditions of the FSE's sewer lateral and sewer lines downstream.
- C. The director may require reports for self-monitoring of wastewater constituents and FOG characteristics of the permittee needed for determining compliance with any conditions or requirements as specified in the FOG WDP or this chapter. Monitoring reports of the analyses of wastewater constituents and FOG characteristics shall be in a manner and form approved by the Director and shall be submitted upon request of the director. Failure by the permittee to perform any required monitoring, or to submit monitoring reports required by the director constitutes a violation of this chapter and shall be cause for the city to initiate all necessary tasks and analyses to determine the wastewater constituents and FOG characteristics for compliance with any conditions and requirements specified in the FOG WDP or in this chapter. The permittee shall be responsible for any and all costs and expenses of the city in undertaking such monitoring analyses and preparation of reports.
- D. Other reports may be required, such as compliance schedule progress reports, FOG control monitoring reports, and any other reports deemed reasonably appropriate by the director to ensure compliance with this chapter.

13.22.694 Notification of Spill

- A. In the event a permittee is unable to comply with any FOG WDP condition due to a breakdown of equipment, accidents or human error or the permittee has reasonable opportunity to know that their discharge will exceed the discharge provisions of the FOG WDP or this chapter, the discharger/permittee shall immediately notify the City by telephone at the number specified in the FOG WDP. If the material discharged to the public sewer collection system has the potential to cause or result in sewer blockages or SSOs, the discharger/permittee shall immediately notify the City.
- B. Confirmation of this notification shall be made in writing to the Director at the address specified in the FOG WDP postmarked or emailed no later than two calendar days from the date of the incident. The written notification shall state the date of the incident, the reasons for the discharge or spill, what steps were taken to immediately correct the problem, and what steps are being taken to prevent the problem from recurring.
- C. Such notification shall not relieve the discharger/permittee of any expense, loss, damage or other liability which may be incurred as a result of damage or loss to the City or any other damage or loss to persons or property; nor shall such notification relieve the permittee of any fees or other liability which may be imposed by these regulations or other applicable law.

13.22.695 Falsifying Information or Tampering with Process

It is unlawful to make any false statement, representation, record, report, plan or other document that is filed with the City and/or the Director, or to tamper with or knowingly render inoperable any grease control device, monitoring device or method or access point required under this chapter.

BUSINESS OF THE COUNCIL OF THE CITY OF HALF MOON BAY

AGENDA REPORT

For meeting of: **November 7, 2023**

TO: Honorable Mayor and City Council

VIA: Matthew Chidester, City Manager

FROM: Maz Bozorginia, Public Works Director/City Engineer
Jonathan Woo, Assistant Engineer

**TITLE: FINAL ACCEPTANCE OF THE MAIN STREET SAFETY IMPROVEMENTS PROJECT
(CIP NO. 1009)**

RECOMMENDATION:

Adopt a resolution authorizing the City Manager or their designee to file a Notice of Completion for the Main Street Safety Improvement Project (CIP No. 1009), release the Performance, Labor, and Materials Bonds, start the one-year warranty bond period, and release the retention funds thirty days after recordation of the Notice of Completion.

FISCAL IMPACT:

The approved contract award was \$490,348.20 with an additional \$73,552.23 (15%) in contingency funding, totaling an authorized amount of \$563,900.43 for the project. The total cost of the construction of the project was \$540,153.65.

STRATEGIC ELEMENT:

This action supports the *Infrastructure and Environment* and *Healthy Communities and Public Safety* Elements of the adopted Strategic Plan.

BACKGROUND:

On March 7, 2023, by Resolution C-2023-14, the City Council awarded a construction contract to Dryco Construction, Inc. of Fremont, California, in the amount of \$490,348.20, including \$73,552.23 for contingencies, totaling a construction budget amount of \$563,900.43, for the Main Street Safety Improvements Project.

The project limits included the follow street segments:

- Correas Street between Main Street to Johnston Street
- Johnston Street between Correas Street to Mill Street
- Mill Street between Johnston Street to Main Street, and
- Main Street between Mill Street to Highway 1

The improvements included green striped Class II bike lanes (Main Street from Hwy 1 to Hwy 92) , and Class III bike lanes on the remaining streets. The original scope of work called for back-in angled parking along Johnston Street; however, after additional public feedback it was modified to pull-in angled parking stalls.

New high visibility crosswalks were painted in thermoplastic at the following intersections:

- Main Street and Correas Street
- Main Street and Miramontes Street
- Main Street and Kelly Street
- Main Street and Mill Street
- Johnston Street and Miramontes Street
- Johnston Street and Mill Street

Pavement maintenance and preservation was also completed including asphalt dig-out repairs, crack seal, and slurry seal. The project also included installation of parking directional signs in the downtown corridor as well as additional regulatory signage additions.

At the request of Cabrillo Unified School District (CUSD) staff, additional safety improvements were made at the intersection of Main Street and Lewis Foster Drive, which included installation of vertical flexible delineators in the center of the street around the crosswalk to provide a visible refuge area for users and motorists.

DISCUSSION:

This project is now complete, and the total cost of construction is \$540,153.65. The one-year warranty bond is adequate to ensure the work products perform as expected.

Staff recommends for the City Council to authorize the City Manager or his designee to file a Notice of Completion, release the Performance and Labor and Materials Bonds, start the one-year warranty bond, and release the retention funds thirty (30) days after recordation of the Notice of Completion for the Main Street Safety Improvements Project.

ATTACHMENT:

Resolution

Resolution No. C-2023-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HALF MOON BAY AUTHORIZING THE CITY MANAGER OR THEIR DESIGNEE TO FILE A NOTICE OF COMPLETION, RELEASE THE PROJECT PERFORMANCE AND LABOR AND MATERIALS BONDS, START THE ONE-YEAR WARRANTY BOND, AND RELEASE THE RETENTION FUNDS THIRTY (30) DAYS AFTER RECORDATION OF THE NOTICE OF COMPLETION FOR THE MAIN STREET SAFETY IMPROVEMENTS PROJECT

WHEREAS, on March 7, 2023, the City Council adopted Resolution C-2023-14 to award a construction contract for the Main Street Safety Improvements Project to Dryco Construction, Inc., in the amount of \$490,348.20, including \$73,552.23 (15%) for contingencies, totaling a construction budget amount of \$563,900.43; and

WHEREAS, the total project was completed under budget and on time; and

WHEREAS, the Contractor has completed all improvements in compliance with the contract documents for a total cost of \$540,153.65; and

WHEREAS, the Contractor has provided a one-year maintenance bond for the work executed under the construction contract.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Half Moon Bay hereby:

- 1) Accepts the Main Street Safety Improvements project as complete; and
- 2) Authorizes the City Manager or their designee to file a Notice of Completion; and
- 3) Authorizes staff to release the Performance, Labor, and Material Bonds; and
- 4) Authorizes staff to start the one-year warranty bond; and
- 5) Authorizes staff to release the retention funds thirty (30) days after recordation of the Notice of Completion.

I, the undersigned, hereby certify that the foregoing Resolution was duly passed and adopted on the 7th day of November 2023, by the City Council of Half Moon Bay by the following vote:

AYES, Councilmembers:

NOES, Councilmembers:

ABSENT, Councilmembers:

ABSTAIN, Councilmembers:

ATTEST:

APPROVED:

Jessica Blair, City Clerk

Deborah Penrose, Mayor

BUSINESS OF THE COUNCIL OF THE CITY OF HALF MOON BAY

AGENDA REPORT

For meeting of: **November 7, 2023**

TO: Honorable Mayor and City Council

VIA: Matthew Chidester, City Manager

FROM: Maz Bozorginia, Public Works Director/City Engineer
Todd Seeley, Public Works Superintendent

**TITLE: FINAL ACCEPTANCE OF THE CORPORATION YARD IMPROVEMENTS PROJECT
(CIP NO. 9023)**

RECOMMENDATION:

Adopt a resolution authorizing the City Manager or their designee to file a Notice of Completion for the Corporation Yard Improvements Project (CIP No. 9023), release the Performance and Labor and Materials Bonds, start the one-year warranty bond period, and release the retention funds thirty (30) days after recordation of the Notice of Completion.

FISCAL IMPACT:

The approved contract award was \$2,745,018 with an additional \$219,601 (8%) in contingency funding, totaling an authorized construction budget of \$2,964,619 for the project. The total cost of the construction of the project was \$2,944,979.

STRATEGIC ELEMENT:

This action supports the *Infrastructure and Environment* and *Healthy Communities and Public Safety* Elements of the adopted Strategic Plan.

BACKGROUND:

On June 7, 2022, by Resolution C-2022-47, the City Council awarded a construction contract to Half Moon Bay Grading and Paving, Inc. of Half Moon Bay, California, in the amount of \$2,745,018, including \$219,601 for contingencies, totaling a construction budget amount of \$2,964,619, for the Corporation Yard Improvements Project.

The Corporation Yard Improvements Project consisted of several major upgrades to the facility, to include site preparation, biological and environmental mitigation of identified endangered species, access road improvements and security upgrades to prevent unauthorized access.

As part of the contingency for this project, staff requested that a bio-retention area be relocated to a new location to allow for potential development of the remainder of the site. This work was completed, and the site is now ready for future uses.

DISCUSSION:

This project is now complete, and the total cost of construction was \$2,944,979. The one-year warranty bond is adequate to ensure the work products perform as expected.

Staff recommends City Council authorize the City Manager or their designee to file a Notice of Completion, release the Performance and Labor and Materials Bonds, start the one-year warranty bond, and release the retention funds thirty (30) days after recordation of the Notice of Completion for the Corporation Yard Improvements Project.

ATTACHMENT:

Resolution

Resolution No. C-2023-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HALF MOON BAY AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO FILE A NOTICE OF COMPLETION, RELEASE THE PROJECT PERFORMANCE AND LABOR AND MATERIALS BONDS, START THE ONE-YEAR WARRANTY BOND, AND RELEASE THE RETENTION FUNDS THIRTY (30) DAYS AFTER RECORDATION OF THE NOTICE OF COMPLETION FOR THE CORPORATION YARD IMPROVEMENTS PROJECT

WHEREAS, on June 7, 2022, the City Council adopted Resolution C-2022-47 to award a construction contract for the Corporation Yard Improvements Project to Half Moon Bay Grading and Paving, Inc., in the amount of \$2,745,018, including \$219,601 (8%) for contingencies, totaling a construction budget amount of \$2,964,619; and

WHEREAS, the total project remained under budget; and

WHEREAS, the Contractor has completed all improvements in compliance with the contract documents for a total amount of \$2,944,979; and

WHEREAS, the Contractor has provided a one-year maintenance bond for the work executed under the construction contract.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Half Moon Bay hereby:

- 1) Accepts the Corporation Yard Improvements Project as complete; and
- 2) Authorizes the City Manager or their designee to file a Notice of Completion; and
- 3) Authorizes staff to release the Performance and Labor and Material Bonds; and
- 4) Authorizes staff to start the one-year warranty bond; and
- 5) Authorizes staff to release the retention funds thirty (30) days after recordation of the Notice of Completion.

I, the undersigned, hereby certify that the foregoing Resolution was duly passed and adopted on the 7th day of November 2023, by the City Council of Half Moon Bay by the following vote:

AYES, Councilmembers:

NOES, Councilmembers:

ABSENT, Councilmembers:

ABSTAIN, Councilmembers:

ATTEST:

APPROVED:

Jessica Blair, City Clerk

Deborah Penrose, Mayor

BUSINESS OF THE COUNCIL OF THE CITY OF HALF MOON BAY

AGENDA REPORT

For meeting of: **November 7, 2023**

TO: Honorable Mayor and City Council

VIA: Matthew Chidester, City Manager

FROM: Karen Decker, Economic and Community Vitality Manager

TITLE: **PROFESSIONAL SERVICES AGREEMENT WITH JOBTAIN TO PROVIDE
JOBSEEKER SERVICES AND WORKFORCE DEVELOPMENT PROGRAMMING AND
RFQ TO IDENTIFY AN OPERATOR FOR A BUSINESS INCUBATOR FOR THE
OPPORTUNITY CENTER OF THE COASTSIDE**

RECOMMENDATION:

Adopt a resolution authorizing the City Manager to:

- 1) Execute a professional services agreement with JobTrain, in an amount not to exceed \$337,000 for a term beginning November 1, 2023, and ending September 30, 2024, and
- 2) Develop and release a RFQ to identify and retain a qualified entity to launch and operate an incubator to be located at the Opportunity Center of the Coastsides for an amount not to exceed \$200,000.

FISCAL IMPACT:

There is no net fiscal impact to the City. The total amounts of the professional services agreements are funded through a \$2,500,000 grant from San Mateo County.

STRATEGIC ELEMENT:

This recommendation supports the *Fiscal Sustainability, Healthy Communities and Public Safety, and Inclusive Governance* Elements of the Strategic Plan.

BACKGROUND:

The Coastsides Recovery Initiative (CRI) is a comprehensive economic recovery effort sponsored by the City of Half Moon Bay in partnership and collaboration with the Half Moon Bay Coastsides Chamber of Commerce and County of San Mateo. It launched in 2021 with the purpose of providing immediate relief to individuals and businesses impacted by COVID and positioning the coastsides economy for long-term resiliency.

Led by a diverse, multi-sector Recovery Task Force, CRI produced a set of strategic recommendations detailed in a public report, *Building a More Equitable, Vibrant and Resilient*

Coastside Economy. Since the release of the report in March 2022, the San Mateo County Board of Supervisors approved a \$5 million funding allocation to support the development of economic advancement centers on the Coastside (\$2.5 million for the Opportunity Center of the Coastside or “OCC”) and the unincorporated area of North Fair Oaks. The centers are intended to provide supportive services for job seekers, small businesses, and entrepreneurs.

A physical location has been identified for the OCC in the heart of downtown at 637 Main Street, with access to public transit and proximity to City Hall, local nonprofits and service providers, and the College of San Mateo’s new facility. A lease agreement has been signed and architectural drawings and tenant improvements are now underway. Professional service agreements have also been executed with the Half Moon Bay Coastside Chamber of Commerce (Chamber) that will provide overall facility management and coordination, and Renaissance Entrepreneurship Center that will provide much needed support to small businesses and entrepreneurs in the area. The remaining professional services agreements needed to staff the services offered at the OCC include job seeker services and the creation of a business incubator, another recommendation from the Coastside Recovery Initiative.

DISCUSSION:

Job Seeker Services

Although the City released a request for proposals on June 26 for both small business support and job seeker services, no entity submitted a proposal for job seeker services. Because JobTrain currently provides job seeker services at the economic advancement centers in South San Francisco and North Fair Oaks and has developed a strong partnership with Renaissance, staff reached out directly to them to determine interest in submitting a proposal.

JobTrain is a San Mateo County based 501c3 nonprofit educational and training institution accredited by the Western Association of Schools and Colleges and approved by the Bureau of Private Postsecondary Education. Its flagship career training programs combine vocational training, academics, essential skills development, wrap-around supports, skills upgrade programming and more, preparing clients to turn their lives around—from unemployment and poverty to success. Strong partnerships with employers ensure that students receive the training they need for employment so businesses can find motivated workers who are well trained for their jobs. Since 1965, more than 190,000 low-income individuals and their families have benefited from JobTrain’s programs.

Staff has engaged with JobTrain to better understand what conditions for success are needed to expand and tailor their services to the coast, and negotiated an agreement in the amount of \$336,488, which will enable staff to make job seeker services available to Coastsiders through September 2024.

The professional services agreement between JobTrain and City of Half Moon Bay will outline the roles and responsibilities of beginning job seeker services and programming. Examples of these services include:

- **Rapid employment services.** This service provides quick relief for clients and provides JobTrain with critical insights into who is seeking services, what challenges they face and a deeper understanding of employment opportunities. This service will involve leveraging JobTrain’s existing rapid employment opportunities out of its Menlo Park office as well as the development of additional rapid employment opportunities on the Coastsides.
- **Career training.** All JobTrain’s career training programs deliver a skillset valuable to new business startups such as home health care, construction, food services and even IT support businesses. This approach improves the short- and long-term outcomes well beyond the capability of rapid employment placements and leads to well-paid, upwardly mobile jobs. This service will also leverage career training programs in JobTrain’s Menlo Park location as well as online and local training options. For example, JobTrain’s Medical Assistant training program is 75 percent virtual and 25 percent in person. JobTrain will explore utilizing local facilities for the in-person aspect of training to eliminate the need for travelling “over the hill” for training.
- **Supporting undocumented workers.** This will be accomplished by creating career training connected to business entrepreneurship skills, building partnerships with local service providers catering to undocumented workers and building on lessons learned from similar programs offered at other economic advancement centers, such as the development of a training program to build skills for creating home-based childcare providers.

The anticipated outcomes of these services would be to help impacted job seekers, including unemployed and employed individuals wishing to improve their prospects for economic advancement, to improve individual and household financial stability and support small business viability and success (reference Attachment 2 for additional details).

If authorized, staff will finalize and execute the agreement with JobTrain, begin initial programming out of the current Chamber location, conduct outreach and promotion of the OCC, and proceed with program implementation beginning January 2024. Similar to the other agreements for services at the OCC, the agreement will provide an opportunity to extend the term, depending on funding availability.

Incubator:

Incubators provide early-stage support for startups and entrepreneurs as they move from an idea to market. They can also help generate new local jobs in industries that can help serve regional goals.

The proposed incubator would be located at the OCC and be designed to harness the Coastsides’ unique industries and assets, build entrepreneurship capacity, and support business and job growth. With assistance and expertise from community partners, staff has identified the conditions necessary for successful incubators and is poised to release a request for qualifications from experienced individuals or organizations to help create and launch a

business incubator that will provide early-stage support to startups focused on environmental industries that harness the coast's natural resources (e.g., marine, agriculture, etc.).

Incubators are not unique, but Half Moon Bay's location and natural resources offer a "living laboratory" to startups with a niche in resiliency technology, such as repurposing eucalyptus, or seaweed or kelp farming. Staff believes this regional attractiveness will result in an innovative cohort that believes diversifying the local economy can simultaneously achieve coastal protection through carbon sequestration, ocean health and biodiversity, and sustainable agriculture.

If authorized, staff will develop and release a RFQ to identify and retain a qualified entity to launch and operate an incubator to be located at the Opportunity Center of the Coastside for an amount not to exceed \$200,000.

ATTACHMENTS:

- 1) Resolution
- 2) JobTrain Proposal and Budget

RESOLUTION NO. C-2023-__

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HALF MOON BAY
AUTHORIZING THE CITY MANAGER TO: 1) EXECUTE A PROFESSIONAL SERVICES AGREEMENT
WITH JOBTRAIN, IN AN AMOUNT NOT TO EXCEED \$337,000 FOR A TERM BEGINNING
NOVEMBER 1, 2023, AND ENDING SEPTEMBER 30, 2024, AND 2) DEVELOP AND RELEASE A
RFQ TO IDENTIFY AND RETAIN A QUALIFIED ENTITY TO LAUNCH AND OPERATE AN
INCUBATOR TO BE LOCATED AT THE OPPORTUNITY CENTER OF THE COASTSIDE FOR AN
AMOUNT NOT TO EXCEED \$200,000.**

WHEREAS, the Coastside Recovery Initiative report, *Building a More Equitable, Vibrant, and Resilient Coastside Economy*, identified fifteen recommendations across four critical areas of need and opportunity with respect to COVID recovery and long-term economic resiliency; and

WHEREAS, the Initiative's recommendations include the development of a small business and workforce assistance center and the creation of a business incubator for new start-up and early-stage companies aligned with the Coastside's unique industries and assets; and

WHEREAS, on October 4, 2022, the County authorized an allocation of ARPA funds in the amount of \$2,500,000 to the City to develop an economic advancement center that will house small business development support, job seeker services, a business incubator, and the Half Moon Bay Coastside Chamber of Commerce; and

WHEREAS, the City has executed a professional services agreement with the Chamber to provide day to day management of the Opportunity Center of the Coastside; and

WHEREAS, the City has executed a professional services agreement with Renaissance Entrepreneurship Center to provide small business development support; and

WHEREAS, JobTrain is a well-established nonprofit currently providing workforce development and job seeker services at the economic advancement centers in South San Francisco and at North Fair Oaks and has developed a strong partnership with Renaissance; and

WHEREAS, JobTrain is well positioned to provide rapid employment services and career training consistent with the goals of the Opportunity Center and the intentions of the County of San Mateo funding for this project; and

WHEREAS, staff has negotiated a professional services agreement with JobTrain to provide these services at the Opportunity Center through September 2024; and

WHEREAS, staff have worked with taskforce and other community members to identify the conditions necessary for a successful incubator tailored to the needs and assets of the Coastside; and

WHEREAS, staff are poised to release a request for qualifications from qualified individuals or organizations to help create and launch a business incubator that will provide early-stage support to startups focused on environmental industries that harness the coast's natural resources and assets.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Half Moon Bay hereby authorizes the City Manager to:

- 1) Execute a professional services agreement with JobTrain, in an amount not to exceed \$337,000 for a term beginning November 1, 2023, and ending September 30, 2024, and
- 2) Develop and release a request for quotes to identify and retain a qualified entity to launch and operate an incubator to be located at the Opportunity Center of the Coastsides for an amount not to exceed \$200,000.

I, the undersigned, hereby certify that the foregoing Resolution was duly passed and adopted on the 7th day of November 2023 by the City Council of Half Moon Bay by the following vote:

AYES, Councilmembers:

NOES, Councilmembers:

ABSENT, Councilmembers:

ABSTAIN, Councilmembers:

ATTEST:

APPROVED:

Jessica Blair, City Clerk

Deborah Penrose, Mayor



Half Moon Bay – Job Seeker Program Outline

Introduction, Background and Context

On JobTrain’s behalf, I am pleased to submit this high-level program proposal for a successful Half Moon Bay Job Seeker workforce development program. This document provides a brief history of JobTrain, a summary of our assessment of the Half Moon Bay workforce development challenges, and a first draft of our recommended approach to address these challenges.

This program brief comes in the wake of initially declining to submit a proposal in response to Half Moon Bay’s RFP for job seeker services. After several discussions with Erica Wood and Karen Decker, JobTrain agreed to document what we believe is necessary for a successful HMB program, and to restate our commitment to supporting HMB where possible.

Finally, the recommendations articulated in the following brief represent early-stage thinking to offer insights into what JobTrain believes is truly necessary for success. These ideas are based on our deep experience, but we know, over time, new options and solutions will be identified. Please consider this an informed but flexible draft. Ultimately, we believe Half Moon Bay will have strong, successful workforce programming, but that it will take time to create a system uniquely designed for the community.

Brief History

Headquartered in East Menlo Park, JobTrain is a 501©3 nonprofit educational and training institution accredited by the Western Association of Schools and Colleges and approved by the Bureau of Private Post Secondary Education. JobTrain’s, flagship career training programs combine vocational training, academics, essential skills development, wrap-around supports, skills upgrade programming and more, preparing clients to turn their lives around—from unemployment and poverty to success. Strong partnerships with employers ensure that students receive the training they need for employment so that businesses can find motivated workers who are well trained for their jobs. Since 1965, more than 190,000 low-income individuals and their families have benefited from JobTrain’s programs.

In 2018, JobTrain launched its first stand-alone career center in East Palo Alto, with the goal of providing rapid employment programs to EPA residents and building a new onramp for the community to access JobTrain’s comprehensive workforce development programming while providing immediate relief to residents who “need a job now.” The rapid employment model proved successful and led to the expansion of the model into San Jose, Menlo Park, South San Francisco (The Economic Advancement Center) and most recently, North Fair Oaks (The Economic and Employment Center). Through this model, last year JobTrain delivered 3,656 services to 919 people and helped 289 go to work earning an average of \$23.08/hour.



Half Moon Bay – Job Seeker Program Outline

The Opportunity Center – Challenges

All JobTrain’s five employment centers have required the development of customized programming to meet the unique needs of each community. The Opportunity Center concept in Half Moon Bay presents, in our experience, a new set of challenges which will require the development of a curated response, new program approaches and, in some cases, a longer learning curve when new programs fall outside of JobTrain’s currently proven capabilities.

In JobTrain’s experience, there are six aspects of the Half Moon Bay Opportunity Center request that represent unique challenges. First are the demographic and geographic challenges:

1. **Limited Labor Market:** The “rapid employment” labor market in Half Moon Bay is more narrow and less robust than cities “over the hill.” This means that the job opportunities for a traditional rapid employment client will be fewer and will likely pay less, potentially producing tepid results and underwhelming outcomes **if** rapid employment is the only available program solution.
2. **Undocumented Workers:** Half Moon Bay is home to a large percent of undocumented workers. While JobTrain’s model includes supporting everyone who comes to the center, helping undocumented workers to find a job will be more difficult to achieve, ultimately undermining traditional success measures related to job placement.
3. **Distance from Menlo Park:** The distance from the large suite of complimentary, relevant services provided by JobTrain from Menlo Park presents a unique challenge compared to the other Career Centers which are within a navigable distance. This is particularly problematic when activating career training programs as a necessary strategy for job seeker success in Half Moon Bay.
4. **Geographic Scope:** The geographic scope of the Half Moon Bay region is far larger and more rural than our other regional centers. In JobTrain’s current Career Center locations, proximity to the physical location is a primary driver of successful enrollments. Additionally, JobTrain’s Career Centers work closely with local employers to innovate and create short-term training workshops which prepare jobseekers for quality, sustainable employment. The rural economy on the coast is new territory for JobTrain. We will need meaningful time to learn about innovative job opportunities, and to partner with local employers who can help us create pilot training programs that meet your community’s needs.

Other challenges stem from the framing of the Opportunity Center RFP:

5. **Funding Window:** The 12-month duration of the initial phase of the RFP is a challenge when starting a new program of this nature. In our estimation, the limited window does not allow enough time to prove the viability of the programming and/or make necessary adjustments when new strategies fall short of the intended outcome.
6. **Funding Amount:** In JobTrain’s estimation, \$500,000, while generous, is insufficient to support **both** a business entrepreneurship and job seeker program scope.



Half Moon Bay – Job Seeker Program Outline

The Opportunity Center - Proposed Solutions

1. **Limited Labor Market:** We agree that rapid employment services should be the initial programmatic offering. This service provides quick relief for clients and provides JobTrain with critical insights into who is seeking services, what challenges they face and, a deeper understanding of employment opportunities. Because we anticipate a limited set of rapid employment opportunities, we believe early work on additional program options is essential for success. For instance:
 - a. We must create access to career training programs, initially from JobTrain’s Menlo Park location. Over time we would consider creating local career training programs in Half Moon Bay. In both cases, these programs will lead to local career placements in construction, health care, IT and culinary arts which offer better pay at the entry level and upward mobility options over time.
 - b. Building a more profound programmatic connection between career training and business entrepreneurship will be essential in Half Moon Bay. All JobTrain’s career training programs deliver a skillset valuable to new business startups such as home health care, construction, food services and even IT support businesses. JobTrain and Renaissance Entrepreneurship Center have a strong partnership and are mutually committed to exploring and amplifying this collaborative model.
2. **Undocumented Workers:** Supporting undocumented workers through the Opportunity Center will be an important strategy for success in Half Moon Bay. JobTrain is actively exploring and testing solutions to this issue in South San Francisco, but we still have much to learn. Half Moon Bay will be the recipient of new strategies developed in South San Francisco, and we will likely test new strategies in Half Moon Bay in parallel. This will require time and patience to mature. Some strategies under development are:
 - a. Career training connected to business entrepreneurship skills (See 1b above) is a strategy that could work particularly well for undocumented workers.
 - b. South San Francisco is exploring developing a training program to build skills for creating home-based childcare providers. This would ultimately involve partnership with Renaissance Entrepreneurship Center and potential others.
 - c. Building partnerships with local service providers catering to undocumented workers will be a focus in Half Moon Bay.
 - d. All funding for Half Moon Bay Career Center must be flexible in nature and available to support undocumented workers. Federal funds with associated reporting requirements are not an appropriate funding source for serving these workers in the career center.
Note: County funding has been evaluated, and do not impose this limitation.
3. **Distance from Menlo Park:** Career Training programs in JobTrain’s Menlo Park location offer career options that would lead to well paying, upwardly mobile jobs in Half Moon Bay. This approach will improve short and long-term outcomes well beyond the capability of rapid employment placements. Early options to explore include:



Half Moon Bay – Job Seeker Program Outline

- a. Fund transportation options from Half Moon Bay to Menlo Park. We propose exploring a free express shuttle between locations, and/or underwriting the cost of transportation. These funds would be incremental to the draft budget below.
 - b. Explore fully virtual career training options, including JobTrain’s IT Desktop Support program. This may involve equipping residents with computers and Wi-Fi, as well as the digital skills to navigate on-line style training.
 - c. JobTrain’s Medical Assistant training program is 75% virtual and 25% in-person. We would explore creating local facilities for the in-person aspect of the training program to eliminate the need for travelling “over the hill” for training.
4. **Geographic Scope:** The sheer scale of the proposed geographic reach of services for Half Moon Bay presents challenges that will require thoughtful solutions. We propose the following approach:
 - a. Focus the first year of services on Half Moon Bay residents but design all services to include remote access options from the start, including enrollment, career coaching, job readiness training and job placement services. This would allow for more focused outreach in year one while building the necessary capacity for remote services over time.
 - b. Design programs to prepare residents of surrounding communities for virtual services. This would include digital literacy training and the necessary technology to fully engage in virtual services. This could be rolled out on a larger scale in year two.

Proposed solutions to challenges stemming from the framing of the Opportunity Center RFP:

5. **Funding Window:** In order for JobTrain to partner with Half Moon Bay on this program, we would seek a minimum two-year commitment to allow sufficient time to develop a unique strategy for Half Moon Bay and to prove the effectiveness of the strategy. With data that proves the effectiveness of new programming, we will have a stronger position to seek additional, ongoing funding.
6. **Funding Amount:** Based on the framework of this brief, we have developed a draft budget that provides a realistic, but not final, estimate of the costs for years one and two. The table below provides estimated costs and services:

Cost Estimates:

Budget Item	Year 1	Year 2	Notes
Staffing	\$274,120	\$404,889	Regional Director + 3 staff (ramping up in Yr 1, full staff in year 2)
Start Up Costs	\$7,500	\$0	Equipment, Technology, etc.
Other Costs	\$54,868	\$55,528	Mar/Com, Outreach, Technology, Travel, Supplies, Client Supports
Total	\$336,488	\$460,416	



Half Moon Bay – Job Seeker Program Outline

Note: These costs do not include estimates for the cost of subsidized transportation to Menlo Park, nor any incremental costs for career training, nor for technology provided to clients to engage in virtual programming.

Attached you will find a detailed budget for the first two years of this program. Some highlights include:

1. JobTrain is pleased to provide a total of \$117K (\$65K in year one and \$52K in year two) to demonstrate our commitment to the Half Moon Bay community.
2. There are a set of assumptions at the bottom of the budget. Please let us know if these assumptions are accurate.
3. The 2nd year budget assumes an increase in direct staffing to increase outcomes.

Service Estimates

Services	Year 1	Year 2	Notes
Enrollments	60 to 80	125 to 190	Estimated range based on case load and client exit assumptions
Services	240 to 360	475 to 740	Estimated range based on case load and client exit assumptions
Job Placements	TBD	TBD	Depends on starting points for clients.
Note: Assumes full staff by Q2, and ramping up outreach and enrollment in Year 1			

Proposed Timeline for Year 1 Start Up: To set clear expectations, following is a simple, high-level year-one timeline. Note the 3-month window after the Regional director is hired prior to soft launch, and the first quarter activities that will be required for a strong start.

Activity	Pre Start	Year 1			
		Q1	Q2	Q3	Q4
PreStart Meetings, Activities and Exploration					
Regional Director On Board					
Meet Key Stakeholders					
Develop short and medium term plans					
Hire Staff					
Build inaugural partnerships					
Connect to JT HQ Infrastructure					
Set up and occupy offices					
Soft Opening					
Staff Onboarding and Training					
Outreach and Enrollment Begins					
Grand Opening					
Fully Operational					



Half Moon Bay – Job Seeker Program Outline

Note: Hiring is very challenging today. Hiring local staff is a critical indicator of program success, and finding the right staff may impact timelines.

Summary

We are encouraged by Half Moon Bay's commitment to support low-income residents, and we are confident that a strong program can be developed and maintained for the long term.

We stand ready to engage in deeper conversations at your convenience.

Sincerely,

Barrie R. Hathaway
CEO, JobTrain

HMB Opportunity Center Pilot Project: 24-Month Budget Details

	YEAR ONE					YEAR TWO				
	Hourly w Benefits	Hours	Total Budget	HMB City	In-Kind	Hourly w Benefits	Hours	Total Budget	HMB City	In-Kind
PERSONNEL										
Onsite Staff										
Employment Specialist	42.90	1733	74,360	74,360	-	44.19	2080	91,909	91,909	-
Employment Specialist	42.90	1733	74,360	74,360	-	44.19	2080	91,909	91,909	-
Employment Specialist			-	-	-	44.19	2080	91,909	91,909	-
Regional Director	60.29	2080	125,400	125,400	-	62.10	2080	129,162	129,162	-
Subject Matter Expert										
Senior Director of Career Center Services	67.86	416	28,228	-	28,228	69.89	208	14,537	-	14,537
Chief Program Officer	62.02	104	6,450	-	6,450	63.88	104	6,644	-	6,644
Supportive Services Lead/Trainier	44.22	312	13,797	-	13,797	45.55	312	14,211	-	14,211
Markerting/Website Development	55.57	104	5,779	-	5,779	57.24	104	5,953	-	5,953
Database & MIS Coordinator	45.99	104	4,783	-	4,783	47.37	104	4,927	-	4,927
Operation Support Team (Finance, IT, HR)	57.75	104	6,006	-	6,006	59.48	104	6,186	-	6,186
					-					
Subtotal			339,164	274,120	65,044			457,346	404,889	52,457
OTHER DIRECT COST										
Start-Up Cost (Staff technology, printer)			7,500	7,500	-			-	-	-
Staff Travel/Training/Conference			10,188	10,188	-			10,188	10,188	-
Communication (cellphone plan + Hotspot)			1,980	1,980	-			2,640	2,640	-
Advertising/Marketing Campaign: Materials/Brochure/Poster			5,000	5,000	-			5,000	5,000	-
Outreach Activities & Events			5,000	5,000	-			5,000	5,000	-
Clients Supportive Services (outside training and misc supports)			20,000	20,000	-			20,000	20,000	-
Career Portal			2,700	2,700	-			2,700	2,700	-
Supplies/Materials			10,000	10,000	-			10,000	10,000	-
			62,368	62,368	-			55,528	55,528	-
					-					-
TOTAL			401,531	336,488	65,044			512,874	460,416	52,457

Assumptions:

1. Start up costs assume copier at site paid for by HMB.
2. Utilities will be paid by HMB
3. Office Reception paid by HMB
4. 2 year commitment
5. No career training in this proposal

BUSINESS OF THE COUNCIL OF THE CITY OF HALF MOON BAY

AGENDA REPORT

For meeting of: **November 7, 2023**

TO: Honorable Mayor and City Council

VIA: Matthew Chidester, City Manager

FROM: John Doughty, Assistant City Manager
Jill Ekas, Community Development Director
Mike Noce, Housing Coordinator

TITLE: **TENANT PROTECTIONS ACTION PLAN – WORK SESSION**

RECOMMENDATION:

Receive the presentation and provide direction regarding the following measures for inclusion in a Tenant Protections Action Plan:

1. Rent Control Ordinance
2. Tenant Protection Ordinance and/or Policies Update
3. Mobile Home Space Rental Control Ordinance
4. Code Enforcement Related Relocation Assistance Ordinance

FISCAL IMPACT:

There is no fiscal impact associated with this report. Fiscal impacts will be driven by the policy actions directed by the Council. The City will incur some staff and City Attorney costs related to research and development of any ordinance or other measures, conducting of community outreach, and ultimate adoption process. Preparing an ordinance(s) and conducting related community outreach falls within the general operating costs of the City, including the City Attorney.

Commitment to a work program involving rent control and/or expanded tenant protection measures will require refocusing staff from other priorities; or alternatively, would necessitate contract assistance and add costs to the City Attorney budget. Any of the proposed legislative actions will require further commitment of funding and staffing to implement and manage, conceivably, in perpetuity. Staff is providing its best conceptual assessment, based on information from other jurisdictions and past experience, of the potential costs of implementing and managing each of the potential programs in the discussion section of this report.

STRATEGIC ELEMENTS:

This action supports all of the Strategic Plan Elements including *Infrastructure and Environment, Healthy Communities and Public Safety, Fiscal Sustainability, and Inclusive Governance*.

OVERVIEW:

The Half Moon Bay City Council has identified affordable housing as a multi-year City priority. The City Council has specifically cited their desire to help facilitate development of new multi-family rental development affordable to extremely low-, very low-, and low-income households. To that end, the City Council adopted, and the Coastal Commission certified, a new Local Coastal Land Use Plan (LCLUP), which reduced the constraints to preserving existing affordable housing and created new affordable housing land use opportunities. This work has been followed by the preparation of the Cycle 6 (2023-2031) Housing Element which identifies various affordable housing opportunity sites and policy initiatives to protect and create new housing throughout the City in alignment with the LCLUP. During Cycle 6, the City is required to demonstrate housing production capacity beyond the regional housing needs allocation (RHNA) assigned to the City of 480 housing units. The production of housing units, especially units for lower-income households, is a vital component of supporting the local community with stable housing options. The [Draft Housing Element](#) is nearing completion and available on the City website for public viewing. The items being discussed in this report reflect many of the implementation programs contained in the Draft Housing Element.

Included in the Housing Element's development pipeline, the City solicited and selected a developer (Mercy Housing/ALAS) for the City-owned 555 Kelly Avenue property, which is planned to bring 40 units of affordable senior farmworker housing. This project has an estimated development cost of approximately \$34 million. Additionally, the City and County of San Mateo are working to bring affordable housing to 880 Stone Pine Road. Development costs of the Stone Pine project are estimated at approximately \$15 Million to produce 47 modular units. The contribution of City-owned land is an important component supporting the development of affordable housing for both sites.

As mentioned previously, the Draft Housing Element outlines numerous other housing projects that are on the horizon. One significant characteristic of the City's housing pipeline is that new units often take multiple years to plan, permit, and construct. Unfortunately, this means there will be a delay in the time that a project is conceived until occupied. Predevelopment such as architectural design, engineering, financing, and entitlements often spans 1-3 years with construction adding an additional 1-2 years, with timelines sometimes increasing for large multi-family developments. Introducing mechanisms that protect existing rental housing stock for current and future lower-income tenants is a strategy often used to supplement and support the creation of additional affordable housing.

While the City has done a great deal to streamline regulatory and environmental processes to assist in production of new affordable units, available land and funding remain challenges. The City's Affordable Housing Fund has a current balance of approximately \$2.1 million, with \$2

million currently earmarked for the 555 Kelly Affordable Housing Project. Currently, there is no local funding mechanism to replenish the affordable housing fund other than via the transfer of General Funds which are currently very limited. City staff is strategizing on possible implementation of an affordable housing impact fee. In the next two years, City staff anticipates working independently or in collaboration with the 21 Elements Group on a required Nexus Study looking at both residential and commercial impact/linkage fees. The City also continues to seek funding from philanthropic, State, and federal sources for development of new affordable housing and implementation of programs to protect existing affordable units and vulnerable tenants.

BACKGROUND:

This item was originally scheduled for consideration by the City Council on October 3, 2023. Council continued the item to a “date uncertain” to allow staff time to identify additional data and information to assist the Council and community in policy formulation. Staff initially and subsequently attempted to find data such as average rents, unit square footage, and room counts for rentals in the City and the Mid-Coastside. Unfortunately, data typically available in more densely developed areas is not readily available for Half Moon Bay and the Mid-Coastside given the market size. Staff has attempted to provide some additional data and context within this staff memorandum. Staff will seek to supplement the data in conjunction with the ordinance development, pending Council direction.

City staff have also spoken to and met with local non-profits and service providers to better understand the rental housing market as they and their clients see it. Much of the information these organizations gather is client-privileged communication and could not be shared in detail. What we can say from our conversations is that the lower-income renters on the Coastside depend on a rental market primarily driven by sharing single-family homes and apartments with much of the activity lacking formal leases and/or rental agreements. Anecdotally, we have heard that a room in Moonridge will rent for as much as \$1,300 per month. We have also heard that many of these tenants are being excluded from whole house access such as kitchen or laundry facilities. Staff has also been told that subleasing and home-sharing are the source of many of the complaints regarding unnoticed rent increases. It is also clear that in many instances, room-sharing is a source of income for owner occupants and primary tenant(s).

Data and Terminology

To facilitate these discussions, a few background data points about Half Moon Bay’s population and housing inventory, as well as terms associated with affordable housing, are presented below. These are intended to provide community members with a greater sense of the overall affordable housing challenges and give context to the policy discussion to follow. In addition, the background includes a brief description of State and City tenant protection measures currently in place.

As of January 1, 2020, Half Moon Bay had a population of approximately 12,431 and approximately 5,098 housing units. Of these, approximately 72% are owner-occupied and 28%

are renter-occupied.¹ As documented in the 2023-2031 Draft Housing Element, Half Moon Bay has approximately 400 rental units with some form of affordability restriction for lower-income households. These units comprise most of the larger multi-family developments and account for over a quarter of the City's rental housing stock. As compared to San Mateo County overall, the City has more mobile homes (about 10% of all City units versus 1% Countywide); however, the City has fewer multi-family (5+ units) buildings (10% of all City units versus 27% Countywide).

Average rental asking prices vary widely by housing type and size. A reasonable approximation for average asking rent is \$3,100 per month, but this number can vary widely in Half Moon Bay due to size, location, and condition. To be affordable, using the federal government standard of 30% of gross household income for rent, a household would need to earn approximately \$120,000 per year. 25% of households in Half Moon Bay have incomes of less than \$50,000 per year (\$24 per hour).² The high cost of living here and throughout the Bay Area places an especially severe strain on low-income families. Housing prices in areas outside of the more urban areas like Half Moon Bay experienced significant price increases, particularly during the pandemic, which has also resulted in added price pressures on the rental market.

The term "affordable housing" is used to refer to housing units that carry restricted rental rates or resale prices often below market rate. As previously noted, the federal government defines affordable housing as housing that costs no more than 30% of household income (before taxes). In general, it is the price that a household can afford to pay for housing and still have enough income to pay for other essentials such as food, healthcare, transportation, and other household needs. As noted above, there are approximately 400 units in the City with long-term affordability restrictions representing approximately 28% of the City's rental housing stock.

The State legislature adopted the Tenant Protection Act of 2019 (AB 1482 or TPA), which imposed a variety of tenant protection measures Statewide. These provisions remain but are currently set to expire in 2030 unless extended by the legislature. The 2019 TPA specifically:

- Imposes Statewide rent control for properties that are at least 15 years old, contain at least 2 units, and are not already subject to a local rent control ordinance. Exemptions include condominiums, single-family homes, and structures with two units (e.g., duplexes) where one unit is owner-occupied;
- Limits annual rent increases to 5% plus local inflation (tied to the Consumer Price Index or CPI) or 10%, whichever is lower, for properties that are at least 15 years old. Within the cap, a landlord may increase rent twice per year. There are no limitations

¹ American Community Survey, 2015-2019

² American Community Survey, 2015-2019

placed on initial base rents upon a change in tenancy, and the landlord may set the new rent to market-rate; and

- Requires landlords to show “Just Cause” (e.g., failure to pay rent or explicit lease violation) prior to evicting a tenant that has resided on the property for at least one year. Tenants must be given the opportunity to cure prior to eviction. A landlord may evict a tenant for limited “No-Fault” reasons including: 1) if the landlord or family intends to occupy the unit; 2) the landlord is withdrawing the unit from the rental market; 3) a government or court requires the property be vacated; or 4) the landlord intends to demolish or substantially remodel the property.

The TPA is not enforced by the State or the City, but through private litigation. Some local agencies have chosen to adopt the provisions of the 2019 TPA so that they can administer and enforce the provisions; this remains an option available to the City as well.

In 2019, the City Council adopted Ordinance C-2019-07 which established a new Municipal Code Chapter titled [Residential Rental Security Measures](#). The Code established a 12-month minimum lease term, a landlord and tenant dispute resolution process, noticing requirements for landlords, tenant remedies, and prohibitions on retaliatory evictions based upon a tenant exercising rights derived under the Chapter. The Chapter was created to supplement the protections authorized under the TPA of 2019. Staff is not aware of any tenant requests for the dispute resolution process.

The State and local tenant protections, as currently adopted, do not address the needs of many of those living in home-share/subtenancy situations. “Home sharing” has traditionally been a somewhat unregulated element of the rental market here and across California.

DISCUSSION:

In the following section, staff will provide the City Council and community a synopsis of the four most common tenant protection policy actions available to the City Council: 1) rent control, 2) tenant protection measures, 3) mobile home space rent control, and 4) code enforcement related relocation assistance. Staff has provided a general outline of the potential actions, but significant policy research and Council direction will be needed to fully formulate any of the legislative actions. Each item is intended to serve as a starting point or catalyst for Council and community consideration. Depending upon direction, follow-on work is likely to involve considerable community outreach including further discussions with non-profit partners to identify and limit unintended consequences.

I. Rent Control

Over the last several years, community members and City Council have expressed interest in adopting rent control. Staff and the City Council have previously discussed the benefits and limitations of rent control. The City Council recently directed staff to conduct updated research

and provide information to support a more in-depth discussion of rent control by the community and Council.

Under current laws, the City may choose to implement rent control in one of two ways. First, the City can adopt, by ordinance, provisions of the TPA establishing the City as the administrative and enforcement authority. The second means is through adoption of an ordinance consistent with the Costa Hawkins Rental Housing Act of 1995 (CHA). Over the years, attempts have been unsuccessful at both the legislature level and ballot box to enact reforms to the CHA. We understand that a ballot initiative is being considered for the November 2024 Statewide election. The analysis below includes an outline of the fundamental differences in approaches and assumes no legislative or voter approved changes to State law.

Under present State law, rent control does not mean that the rent rates for existing tenants will be reduced or rolled-back. Rent control, with regard to rental rates, means that the amount of annual rent increases will be limited annually going forward.

A. Rent Control under the Tenant Protection Act of 2019 (TPA)

Adopting the TPA by ordinance would mean that the City could enforce the following restrictions (as opposed to through private enforcement only):

- Rent control would apply to buildings more than 15 years old on a rolling basis, effective February 1 of each year.
 - This means that in 2024, it would apply to buildings completed by February 1, 2009, and earlier.
 - Note: The number of units added each subsequent year will be minimal as most of the market rate units built in Half Moon Bay were constructed prior to 2009.
- Total annual adjustments to rent would be limited to *5% + the CPI, or 10%, whichever is less*.
- Condominiums and single-family homes are not subject to rent control regulations.
- Duplexes with an owner-occupied unit are not subject to rent control regulations.
- The landlord may set the base rent at the (current) market rent upon change of tenancy.
- At present, the TPA is set to sunset in 2030. It is unclear if the TPA will be further extended or revised. This may ultimately necessitate revision of any City adopted rent control regulations in 2030.

Table 1: Tenant Protection Act (TPA) Rent Control Applicability by Dwelling Unit Type and Age

Dwelling Unit Characteristics	Rent Control	
	Allowed	Not Allowed
Condominiums, single-family homes, and duplexes, one of which is owner-occupied		X
Triplexes, Fourplexes and Multi-family buildings finalized after February 1, 2009*		X
Triplexes, Fourplexes and Multi-family buildings finalized prior to February 1, 2009*	X	
Mobile Home Space Rents**		X

*Assumes start year of 2024 for buildings at least 15 years old.

**Rent control for mobile home space rents is addressed later in this report.

B. Rent Control per the Costa Hawkins Act (CHA)

Establishing rent control/stabilization via the CHA would mean that tenants and owners would be subject to the following:

- For pre-1995 buildings, annual rent adjustments may be set at an amount specified by the City (likely less than that of the TPA).
- Rent Control cannot be applied to rental units (duplexes, triplexes, fourplexes and multi-family) with certificates of occupancy issued after February 1, 1995.
- Condominiums and single-family homes are not subject to rent control regulations.
- Duplexes, regardless of owner-occupancy may, at Council discretion, be subject to rent control regulations.
- The landlord may set the base rent at the (current) market rent upon change of tenancy.

Table 2: Costa Hawkins Act (CHA) Rent Control Applicability by Dwelling Unit Type and Age

Dwelling Unit Characteristics	Rent Control	
	Allowed	Not Allowed
Condominiums and single-family homes		X
Duplexes, Triplexes, Fourplexes and other Multi-family buildings post-1995		X
Duplexes, Triplexes, Fourplexes and Multi-family buildings pre-1995	X	
Mobile Home Space Rents*		X

*Rent control for mobile home space rents is addressed later in this report.

Staff has analyzed the City's rental stock relative to both approaches. It is anticipated that a rent control ordinance would apply to approximately 350 multi-family units Citywide. This number will ultimately be dependent upon Council policy direction with respect to an

ordinance aligned with TPA or CHA provisions. Note that the number indicated above is exclusive of the 400 deed-restricted multi-family units which are not subject to rent control as they are already affordable.

Based upon anecdotal information, we anticipate a significant number of lower-income renters are sharing/subleasing units that would be subject to either a TPA or CHA type of ordinance. Should the City Council direct staff to proceed with an ordinance, under either scenario, staff will further identify the specific structures to which the ordinance would apply, and the number of rental units and properties affected. Staff would ask that the City Council authorize staff to initiate work on licensure/registration of all rental units in the City in conjunction with direction to proceed with rent control (and/or tenant protections).

City staff with assistance from the City Attorney have researched rent control programs in place today as a means to better understand the approaches to implement and enforce an ordinance. Notably, we have found two distinct rent control enforcement models, both of which comply with CHA. The first and most common model establishes a program that is enforced by the local agency. The second and less common approach is to establish a program that is privately enforced.

Recently, the City of Ojai (a small city in Ventura County) adopted a privately enforceable rent control ordinance. The vast majority of the other adopted ordinances create locally managed and enforced rent control programs often covering thousands of units. The City of Alameda's ordinance (adopted in 2019) applies to more than 14,000 units while the City of East Palo Alto (early adopter) program includes some 2,700 units. The smallest city to adopt locally enforced rent control is the Town of Fairfax (2022) with approximately 700 units. The Town of Fairfax has deferred implementation of its ordinance and its Rent Protection webpage currently states, "Although these new ordinances are in effect, their provisions will not be implemented until sufficient agreements for support have been approved by the Town Council. Upon approval, the Council will set an implementation date by resolution." Two other small cities in Marin County (Larkspur and San Anselmo) are also contemplating adoption of rent control ordinances, but indicate they are waiting for the Town of Fairfax to begin implementing its ordinance or a Countywide rent control initiative to advance prior to proceeding with their own ordinances.

Adopting the TPA regulations would establish the City as the administrative and enforcement entity for rent control as the TPA is currently privately enforced. If this option is chosen, we would recommend including licensing or registration as an element of the implementation program. As noted in the next section, we would also recommend including, at minimum, the tenant protection elements of the TPA.

Fiscal Implications. Implementing and managing a City-enforced rent control ordinance will require the allocation of additional resources to cover staff or contractors, City Attorney, and other related costs. The small number of units covered means the City cannot take advantage

of economies of scale available to other agencies. It is also unknown at this time if the City will be able to find a public partner to take on the work, although staff would pursue to do so with Council consent.

It is staff's best estimate that the first year of implementation would likely cost approximately \$300,000 and that the City could expect annual operational costs ranging from \$150,000 to \$200,000 (based upon 50% of a staff position, legal, and other costs). We do not anticipate a significant difference in cost between the City enforced TPA and CHA models. It is commonplace to establish fees to cover all or a portion of the operational costs. These fees would not typically be available to cover initial implementation. At \$200,000, a full annual cost recovery fee of approximately \$500 per unit would be necessary; some jurisdictions provide for the fee to be shared by tenant and owner (i.e., Alameda). These costs are exclusive of costs related to ordinance preparation and outreach.

Adopting a privately enforceable ordinance like the one adopted in Ojai would significantly lessen the upfront and ongoing costs to the City. However, enforcement would be left to the tenants likely through Legal Aid or a similar organization which will represent a new burden to those non-profits assisting lower-income tenants.

Conclusions. For Half Moon Bay, rent control under the TPA or CHA would be limited in scope and number of units affected. Rent control cannot mandate rent reductions or roll-backs which are often cited by tenants and tenant rights advocates as the basis for rent control. The majority of rental units in the City would not be subject to rent control in that they are already deed-restricted affordable or otherwise excluded by the Act. At present it is difficult to ascertain the implications of rent control itself on the subtenancy market, but typically rent control ordinances tend to significantly limit subtenancy either directly or indirectly and would apply equally under TPA or CHA.

Council Question: Should the City include a Rent Control Ordinance in the Tenant Protections Action Plan? If yes, does the City Council have a preference as to a TPA or CHA based model?

II. Tenant Protection Measures

Our research finds that additional eviction protections are typically viewed as a necessary complement to rent control/stabilization given that eviction protections mitigate the incentive to evict for the purpose of increasing a unit's rent to market rate. The TPA codified certain eviction protections as State law. Under the Act, there are two categories of "Just Cause" for eviction, "At-Fault" causes and "No-Fault" causes. Generally, a tenant is At-Fault when they violate the terms of the lease or prevailing law, which is often cited in the lease. A No-Fault eviction takes place when a tenant is evicted for allowable reasons that are beyond the control of the tenant.

Under the TPA, the following are the enumerated At-Fault reasons why a tenant may be evicted:

- Non-payment of rent
- Breach of a material term of the rental agreement that has not been corrected after written notice under Cal. Code Civ Proc. §1161(3) (requiring the landlord to serve an additional 3-day notice to quit after the cure period is passed)
- Maintaining or committing a nuisance as described in CCP §1161(4)
- Maintaining or committing waste as described in CCP §1161(4)
- Termination of the rental agreement without renewal (i.e. the tenant refuses to sign a written extension or renewal after written request or demand from the owner)
- Criminal activity by the tenant
- Unapproved subtenant
- The tenant has refused to give the landlord access to the unit as permitted by law
- Illegal use of the unit
- Failure to vacate after termination of employment or agency as described in CCP §1161(1)
- Failure to deliver possession after the tenant provides written notice of intent to vacate or makes a written offer of surrender that is accepted by the landlord

The TPA lists four No-Fault reasons that a tenant can be evicted:

- The owner, spouse, domestic partner, children, grandchildren, parents or grandparents intend to occupy the unit. For new or renewed leases entered into on or after July 1, 2020, the tenant must agree to this in writing.
- Withdrawal of the unit from the rental market
- Compliance with a government or court order or local ordinance that necessitates vacating the premises
- Demolition or substantial remodel of the unit

The TPA provides for relocation assistance equal to one month of rent either paid directly to the tenant or waived by the landlord in the event of a No-Fault eviction. The TPA eviction protections are distinct from rent regulation in that they apply broadly to most forms of rental housing including units built since 1995, single-family homes, and condominiums.

Staff seeks City Council direction on whether to adopt by ordinance the eviction protections of the TPA and whether to enact additional local regulations. Unless adopted by ordinance, the TPA related eviction protections are only privately enforceable. Typical local add-ons include expanded relocation assistance which may include assistance for not only permanent relocation, but also certain temporary relocations under a No-Fault eviction. Additionally, some agencies have chosen to require that where a tenant is subjected to a No-Fault eviction, the underlying circumstance that justified that eviction must remain in place for a certain amount of time and/or the tenant must be given the right to return.

There are many variants that the City can research and bring to the City Council should it be directed. Some local ordinances specify a dollar amount (e.g., Berkeley and Santa Monica both start at \$15,000, with various provisions driving the figure upward). Others state the greater of

a dollar amount or a certain number of month's rent (e.g., Concord and Oxnard use the greater of \$5,000 or two-months' rent). Menlo Park's relocation assistance is on a sliding scale based upon the income of those being displaced.

Over the last year, the City has made significant strides to build collaboration with local non-profits and San Mateo County. This has resulted in improved rapid response to many housing emergencies. With that being said, staff also recognizes that the City can do better at conveying State and local tenant protections regardless of the ultimate decision by the Council.

As was noted previously, much of the Half Moon Bay rental market involves house/room share situations many of which include no formal lease or rental agreements. Staff has been evaluating what other agencies are doing to address this situation. While we do not have a definitive answer, we do believe that any tenant protection ordinance advanced should include provisions seeking to extend protections to subtenancy households as well.

Fiscal Implications. Implementing and managing an expanded tenant protection program will require the allocation of additional resources to cover staff or contract staff, City Attorney, and other related costs. The financial implications will vary substantially depending on what (if any) local provisions are adopted and whether the program is implemented along with a Rent Control Ordinance. Implementation costs would likely be at least \$75,000 with an unknown annual cost. Costs would likely include a portion of a City staff position, City Attorney, and Legal Aid. Implementation would include community outreach and development of educational materials. It may be possible to recover a portion of the related costs through fines and administrative penalties fees. These costs are exclusive of costs related to ordinance preparation and outreach.

Conclusions. The TPA and Half Moon Bay Municipal Code Chapter 7.70 currently provide protections to many renters in Half Moon Bay. The City Council may wish to consider adopting additional tenant protections, which can be developed with or without rent control.

Council Question: Should the City include additional protections by ordinance in the Tenant Protections Action Plan? Note: City staff is already working on improving information about current tenant protections in collaboration with our non-profit partners.

III. Mobile Home Space Rent Control

The rental rates of spaces located within a mobile home park may be regulated by a City or County. Mobile home park space "rent" control is not subject to the CHA. To date, the City has not chosen to adopt space rent control for the mobile home parks located within the City consisting of the Hilltop Mobile Home Parks two locations and Cañada Cove. Currently, mobile home parks within unincorporated areas of San Mateo County are subject to space rent control, including Pillar Ridge located at 127 Airport Street in Moss Beach. Mobile Home Space

Rent Control is identified in the Draft Housing Element as a potential regulatory measure to protect existing mobile home residents.

Table 3: Current Mobile Home Space Rents

Pillar Ridge (Unincorporated County)	\$1,164.00 per month
Cañada Cove (55 and Older Restricted)	\$980.00 per month
Hilltop Mobile Home Park	\$675.00 per month

The County adopted the “Mobilehome Rent Control Ordinance”, Chapter 1.30 of the San Mateo County Code of Ordinances initially in 2003. The Chapter was revised in 2016 and 2017. A copy of the current Chapter 1.30 and FAQ is included as Attachment 1. Mobile home space rent control typically 1) applies to leases of twelve months or less; 2) ties rent charges/increases to the CPI or a set percentage (often the lesser of) amount; 3) provides a means to petition for additional rent adjustment based on “fair return;” 4) calls for reduction of rents where services are eliminated or reduced by the owner; and 5) allows a tenant to refuse to pay a rent increase if the owner violates the Ordinance. Many examples exist as approximately 100 cities and counties have adopted some form of mobile home space rent control.

Fiscal Implications. Implementing and managing a mobile home space rent control ordinance will require the allocation of additional resources to cover staff (or contract staff), City Attorney costs, and other related costs. The financial implications will vary substantially depending on whether a Rent Control Ordinance is adopted and implemented concurrently or closely together. Much of the cost of implementation could be absorbed within the overall implementation costs of rent control. As a stand-alone program, implementation costs would likely be a minimum of \$50,000 with annual costs of at least \$30,000 (e.g., a portion of a staff position, legal, and other costs). It is commonplace to establish fees to cover all or a portion of the operational costs. These fees would not typically be available to cover initial implementation. These costs are exclusive of costs related to ordinance preparation and outreach.

Conclusions. Mobile home space rent control is a viable, legal means to protect mobile home park residents from unreasonable rent increases while providing for a just and reasonable return on investment by park owners.

Council Question: Should the City include a Mobile Home Space Rent Control Ordinance in the Tenant Protections Action Plan?

IV. Code Enforcement Related Relocation Assistance

The Community Development Department is responsible for the protection of public health and safety through enforcement of the City’s Municipal Code which by reference includes the California Building Code. At times, City staff is asked to inspect properties to ascertain whether

dwelling units are legal and/or safe to occupy. Where possible, staff works with property owners to find a pathway to legalization of a unit to limit displacement of occupants.

At times, the circumstances warrant immediate vacation of units. In some circumstances, these units are not feasibly or legally able to be repaired/allowed to remain to be used for residential occupancy. In these instances, the City has no choice but to post the unit as “Unsafe to Occupy”. While the City does what it can to connect these occupants, who are often low-income, with County Housing and local non-profits, there are no guarantees of immediate permanent housing. Additionally, relocated occupants are often required to come up with funds to move and store furnishings and for basic move-in costs (e.g., security/first and last month deposits) assuming they find replacement housing immediately.

San Mateo County and many other local agencies have enacted ordinances requiring that a property owner be responsible for providing relocation assistance to occupants displaced as a result of code enforcement/compliance efforts. Most jurisdictions see this as meeting two distinct objectives: 1) providing assistance to those families displaced by no fault of their own, and 2) providing incentives to property owners to rent and maintain units that meet City and State occupancy standards.

Fiscal Implications. Implementing and managing the code enforcement related relocation ordinance would become another element of the code compliance program. From a staffing perspective, there are no significant additional costs anticipated, although some legal review for various cases should be assumed. Typically, ordinances include some form of appeal/hearing process. In some jurisdictions, the agency has chosen to front funds to tenants pending the outcome of an appeal. Depending upon the number of occupants and the ordinance provisions, choosing to front costs could be a significant expense. These costs are exclusive of costs related to ordinance preparation and outreach.

Conclusions. Historically, the City has not displaced occupants where it is possible not to do so. On occasion, the City must vacate units, and in these instances, relocation assistance would make that situation for tenants substantively better. Additionally, relocation assistance can serve as an incentive for proper behavior by a small percentage of property owners and managers.

Council Question. Should the City include a Code Enforcement Related Relocation Assistance Ordinance in the Tenant Protections Action Plan?

CONCLUSION:

The question as to what measures to include in a Tenant Protection Action Plan and prioritization are policy decisions of the City Council. Staff is approaching this agenda item as a work session and we anticipate and welcome input from the community. As we are seeking input and direction, staff has not prepared a specific schedule for adoption and implementation. The schedule will be heavily dependent on the suite of actions chosen. If

directed to pursue all four actions, staff anticipates an 8-12 month timeline for adoption of all elements. Input on the prioritization of multiple actions will also be helpful.

NEXT STEPS:

Following City Council direction, City staff will prepare a formal “Tenant Protections Action Plan”, which will detail the anticipated scope of work, schedule, costs, and staffing demands. If clear direction is provided tonight, staff will plan to present a draft Action Plan to City Council on December 5th.

ATTACHMENT:

1. San Mateo County Mobilehome Rent Control Ordinance

Chapter 1.30 MOBILEHOME RENT CONTROL

Sections:

1.30.010 Findings and purpose.

The Board of Supervisors finds and determines that:

- (a) There is presently, within the unincorporated area of the County of San Mateo and the surrounding areas, a shortage of spaces for the location of mobilehomes, resulting in a low vacancy rate and rising space rents.
- (b) Alternative sites for the relocation of mobilehomes are difficult to find, and moving and installation of mobilehomes is expensive, with possibilities of damage to the units.
- (c) Mobilehome owners have invested substantial sums in their mobilehomes and appurtenances. If mobilehome space rents are not regulated, then mobilehome owners may experience severe financial hardships, including the loss of their substantial investments in their mobilehomes and appurtenances, since they do not have the option of moving their mobilehomes to spaces within the area with equivalent or lower rents.
- (d) Beginning in April 2001, some mobilehome parks in the County began adopting rent increases that have been substantially in excess of the rate of the increase in the cost of living (as measured by the Consumer Price Index) and also began adopting substantial additional rent increases upon the change of ownership of mobilehomes.
- (e) If space rents are allowed to be increased without limits upon a change in the ownership of a mobilehome, then the value of the mobilehome owners' investments may be severely reduced and mobilehome ownership may become financially unfeasible due to the precarious nature of the investment.
- (f) This Board does, accordingly, find and declare that it is necessary to protect the residents of mobilehomes from unreasonable space rent increases and/or assessments, while recognizing the need of mobilehome park owners to receive a just and reasonable return on their investment.

(Ord. 4188, 9/23/03)

1.30.020 Definitions.

"Capital improvements" means those improvements that materially add to the value of the property and appreciably prolong its useful life or adapt it to new uses and which may be amortized over the useful life of the improvements in accordance with the Internal Revenue Code.

"Consumer Price Index" or "CPI" means the Consumer Price Index for all Urban Consumers for the San Francisco-Oakland-San Jose area, published by the U.S. Department of Labor, Bureau of Labor Statistics.

"Hearing Officer" means the Director of the Department of Housing or his/her designee.

"Mobilehome" as used in this chapter, means those structures defined in California Civil Code Section 798, et seq., and other forms of vehicles designed or used for human habitation, including camping trailers, recreational vehicles, motorhomes, slide-in campers, or travel trailers, that occupy a site in a Mobilehome Park.

"Mobilehome park" means any mobilehome or manufactured home park, as defined in sections 798.4 and 798.6 of the Civil Code, which rents or leases spaces in the unincorporated area of San Mateo County.

"Mobilehome park owner" means the owner, lessor, operator or manager of a mobilehome park.

"Mobilehome space" means the site within a Mobilehome Park intended, designed, or used for the location or accommodation of a Mobilehome and any accessory structures or appurtenances attached thereto or used therewith.

"Mobilehome tenant" means any person entitled to occupy a mobilehome dwelling unit pursuant to ownership thereof or a lease or rental arrangement with the owner thereof.

"Percent Change in Consumer Price Index" means the annual percent change in the Consumer Price Index, calculated to the nearest tenth, published for the month of July, issued in the month of August. In the event that an index is not published for the month of July, the closest preceding month for which an index is published shall be used.

"Rehabilitation" means that work done by an owner to a mobilehome space, or to the common area of the property containing a mobilehome space, which is performed either to secure compliance with any state or local law or to repair damage resulting from fire, earthquake, or other casualty or natural disaster to the extent such repair is not reimbursed by insurance proceeds.

"Rent" means the consideration, including any bonus, benefits or gratuity demanded or received in connection with the use and occupancy of a mobilehome space in a mobilehome park, but exclusive of any amounts paid for utilities, the use of the mobilehome dwelling unit, subletting or security deposit.

(Ord. 4188, 9/23/03; Ord. 4405, 01/08/08)

(Ord. No. 04753, § 2, 1-5-2016; Ord. No. 04783, §§ 2, 3, 9-26-2017)

1.30.030 Maximum rent increase.

Except as provided herein, a mobilehome park owner shall not demand, accept or retain rent for a mobilehome space which exceeds the rent in effect on July 1, 2003. If a previously rented mobilehome space was not rented on July 1, 2003, the owner shall not, except as provided herein, demand, accept or retain rent which exceeds the rent in effect during the last month the space was rented prior to July 1, 2003.

The rent payable for use or occupancy of any space in a mobilehome park shall not be increased more than once in any twelve (12) month period. Said rent increase shall not exceed seventy-five percent (75%) of the Percent Change in the Consumer Price Index, or five percent, whichever may be less. The initial twelve month period shall begin on July 1, 2003.

The provisions of this section shall apply regardless of whether there is a change in the mobilehome tenant occupying the space, or a change in ownership of the mobilehome.

(Ord. 4188, 9/23/03)

1.30.030.1 Annual reporting form.

- (a) Each Mobilehome Park Owner shall complete and return to the County Department of Housing an annual report in the form and pursuant to the schedule developed by the Director of the Department of Housing, which report includes the following information: (1) current contact information for the Mobilehome Park Owner and manager; (2) the total number of Mobilehome Spaces in the Mobilehome Park occupied by Mobilehome Tenants; (3) monthly rental rates for all Mobilehome Tenants within the Mobilehome Park; (4)

the total number of Mobilehome Spaces occupied, at any time during the reporting period, by any other form of vehicle or shelter; (5) any Mobilehome Spaces within the Mobilehome Park converted to any other use; and (6) any other information which may be required by the Director of the Department of Housing.

- (b) Where the rent for a Mobilehome Space in effect on July 1, 2003 or any other information required in the Mobilehome Park's annual reporting form is missing or unavailable or a Mobilehome Park Owner fails to otherwise comply with the annual reporting requirement, the Department of Housing may review all available records of the Mobilehome Park to complete the annual report, including, without limitation, leases, tenant files, and bank statements, financial reports, and/or other financial data of the Mobilehome Park. The Mobilehome Park Owner shall make its records available for inspection upon a request by the Department of Housing and/or its designee(s).
- (c) The failure to complete and return the annual report to the Department of Housing within 30 days of the date indicated by the Director of the Department of Housing, and/or any other violation of this chapter, shall be subject to an administrative citation issued pursuant to the section 1.40.010, et seq., of this Code. However, notwithstanding section 1.40.070, the amount of the penalty imposed for each violation of this chapter shall be five hundred dollars (\$500.00). Each day a violation exists is a separate offense; therefore, the \$500.00 penalty imposed by this chapter shall be imposed each and every day the violation continues to exist.
- (d) The administrative remedies in this chapter are in addition to and do not supersede or limit any and all other remedies provided by law. The remedies provided in this chapter are cumulative and not exclusive.

(Ord. No. 04753, § 3, 1-5-2016; Ord. No. 04783, § 4, 9-26-2017)

Editor's note(s)—Ord. No. 04753, § 3, adopted January 5, 2016, repealed § 1.30.030.1, which pertained to administrative fee and derived from Ord. No. 4188, adopted September 23, 2003.

1.30.030.2 Service reductions.

In the event the mobilehome park owner eliminates or reduces services or maintenance that had been provided on the base year date, then the rent shall be reduced by an amount that is proportionate to the value of the eliminated or reduced services or maintenance.

Any tenant or tenants who believe that they have been subjected to any such elimination or reduction of services or maintenance shall be entitled to file with the Hearing Officer a service-reduction rent-adjustment petition that requests that their rents be reduced by an appropriate amount. Any such service-reduction petitions shall be considered under the procedural provisions for considering rent-adjustment petitions that are set forth in sections 1.30.050 and 1.30.060.

(Ord. 4188, 9/23/03)

1.30.040 Rent increase in excess of increase allowed under section 1.30.030.

- A. If a mobilehome park owner believes that the maximum rent permitted by section 1.30.030 of this chapter denies the park owner a fair return, an owner may request an adjustment in rents according to the provisions of this section. However, no owner of a mobilehome park may request more than one adjustment to rents during the twelve (12) month period following the first full day the rent increase authorized by section 1.30.030 is put into effect.
- B. An owner may request an adjustment in excess of the rent increase authorized by section 1.30.030 by conforming to the following procedures:

-
1. The owner of a mobilehome park seeking an adjustment in rents must submit a petition for rent adjustment to the Hearing Officer. The petition shall contain relevant and detailed documentation supporting the level of rent increase requested.
 2. The petition shall be filed with the Hearing Officer no later than sixty (60) days before the desired date the requested rent increase is to take effect.
 3. The petition shall contain a copy of a certified letter sent to the affected tenants notifying them of the petition and the amount of increase requested.
 4. The petition shall contain a statement attesting to the availability of any records required by the Hearing Officer to complete his or her review of the request for rent adjustment. Records shall include, but not be limited to, any audits of the mobilehome park's books, financial statements, and records relating to any governmental or utility assessments which have been levied upon the mobilehome park.
 5. The petition shall be accompanied by a check or money order in the amount of two thousand dollars (\$2,000.00) to cover costs incurred by the County in fulfilling the Hearing Officer's responsibilities. The fee is nonrefundable. However, at the conclusion of the hearing, and upon making a finding that the petitioner has both successfully pursued the petition and pursued it in good faith, the Hearing Officer may grant to the petitioner a monthly surcharge to be added to the rents of the tenants to recover this fee paid to the County. Such a surcharge shall be a limited-duration pass-through to be paid monthly by the tenants over a period of five years.
 6. The petition shall be submitted under penalty of perjury.

(Ord. 4188, 9/23/03)

1.30.050 Powers and duties of the Hearing Officer.

The Hearing Officer shall have the following powers and duties:

- A. To receive, investigate, hold hearings on, and pass upon the petitions for rent adjustment;
- B. To make or conduct such independent hearings or investigations as may be appropriate to obtain such information as is necessary to carry out his or her duties;
- C. To adopt, promulgate, amend and rescind administrative rules to effectuate the purposes and policies of this chapter;
- D. To prescribe the form for petitions for rent adjustment, including a formula that is consistent with the standard set forth in section 1.30.070 below, for determining whether a mobilehome park owner is receiving a fair return on his or her investment such that the net operating income achieved by the park during the twelve (12) months preceding July 1, 2003, with an appropriate allowance for inflation and properly amortized new capital improvements, is maintained.
- E. To maintain for five years rent adjustment hearing files and dockets listing the time, date, and place of hearings, the parties involved, the addresses involved, and the final dispositions of the petitions.

(Ord. 4188, 9/23/03)

1.30.060 Conduct of proceedings, hearings.

- A. Within fourteen (14) days of receiving a petition for rent adjustment the Hearing Officer shall determine if the information set forth in the petition is complete. If the Hearing Officer determines that the information

set forth in the petition is complete then the Hearing Officer shall set a date for the hearing and shall notify all affected parties by mail of the date and time of the hearing at least 14 days before the hearing. If the Hearing Officer determines that the information in the petition is not complete then the Hearing Officer shall order the petitioner to produce the information that is needed to complete the petition. No hearing shall be set if the Hearing Officer determines the information contained in the petition is not complete until the Hearing Officer concludes that the deficiency is remedied. The date of filing the petition shall be the date of the receipt of the fully completed petition, with all informational deficiencies remedied and all required fees paid to the County, as determined by the Hearing Officer.

- B. Within fourteen (14) days of receiving the petition, the Hearing Officer shall also determine if the employment of experts will be necessary or appropriate for a proper analysis of the petitioner's presentation. If the Hearing Officer so determines, the Hearing Officer shall also determine the anticipated costs of employing any such experts. The resulting figure shall be communicated to the petitioner. The petition shall not be further processed until the petitioner has paid to the County the estimated cost of expert analysis. Any unused portion for payment so collected shall be refunded to the petitioner. At the conclusion of the hearing, and upon making a finding that the petitioner has both successfully pursued the petition and pursued it in good faith, the Hearing Officer may grant to the petitioner a monthly surcharge to be added to the rents of the tenants to recover the expert costs paid to the County. Such a surcharge shall be a limited-duration pass-through to be paid monthly by the tenants over a period of five years. Any experts hired pursuant to this section shall be instructed to give an unbiased analysis.
- C. The hearing shall be set for a date not less than thirty (30) nor more than one hundred and twenty (120) days after the date of filing the petition for rent adjustment.
- D. The park owner and the tenants shall both have the right to request and receive reasonable continuances of the hearing in order to give them sufficient time to retain legal and professional assistance, to evaluate the petition and the information and documentation submitted in support of the petition, and to adequately prepare their support or opposition to the petition.
- E. No hearing shall be continued to a date later than one hundred and twenty (120) days from the date of filing the petition for rent adjustment unless the conduct of the petitioner or other good cause is responsible for the delay.
- F. During the course of the hearing and pre-hearing process, if the Hearing Officer determines that additional information or documentation is needed from the petitioner to effectively evaluate the petition, then the Hearing Officer shall order the petitioner to produce that information or documentation in a sufficient amount of time to be effectively evaluated prior to the hearing. The tenants or park owner shall be entitled to make reasonable requests to the Hearing Officer that the Hearing Officer order the petitioner to produce additional information or documentation that the opposing side needs to reasonably evaluate the petition and to prepare an effective opposition to the petition.
- G. The hearing need not be conducted according to technical rules relating to evidence and witnesses. Any relevant evidence may be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in civil actions.
- H. In the event that either the owner or the tenants or both should fail to appear at the hearing, the Hearing Officer may hear and review such evidence as may be presented and make such decisions just as if both parties had been present or continue the hearing or dismiss the petition for rent adjustment.
- I. Materials received by the Hearing Officer in conjunction with a petition for rent adjustment shall be maintained in the County Clerk's office and shall be available for review by the public during normal working hours.

(Ord. 4188, 9/23/03)

1.30.070 Standard of review.

It shall be presumed that the application of section 1.30.030 of this chapter to the rents as of the base year date, July 1, 2003, results in a fair rate of return. This presumption can be overcome by a mobilehome park owner demonstrating that a larger increase is needed to achieve a fair return on the park owner's investment, such that the net operating income achieved by the park during the twelve-month period preceding the base year date, with an appropriate allowance for inflation and properly amortized new capital improvements, is maintained. Changes in ownership of the park after the effective date of this chapter shall not entitle any succeeding park owner to higher rents than would have been paid if the original owner had remained the park owner.

Should it be determined that the base year's net operating income yielded other than a fair return on investment, the base year's net operating income may be adjusted accordingly. In order to make such a determination, the Hearing Officer must make at least one of the following findings:

- (1) The mobilehome park's operating and maintenance expenses in the base year were unusually higher or lower in comparison to other years. In such instances, adjustments may be made in calculating such expenses so the base year's operating expenses reflect average expenses for the mobilehome park over a reasonable amount of time.
- (2) The rent on the base year date was disproportionate in comparison to other years. In such instances, adjustments may be made in calculating such rents so the base year's rents reflect average rents for the mobilehome park owner over a reasonable amount of time, adjusted by 75% of the CPI increase to the base year date.

(Ord. 4188, 9/23/03)

1.30.080 Decision of the Hearing Officer.

- A. The Hearing Officer shall adopt findings and a decision no later than thirty (30) days after the conclusion of the hearing on any petition. All parties shall be sent a copy of the findings and decision.
- B. Based on his or her findings, the Hearing Officer shall deny the rent adjustment requested in the petition, grant the request, or set the rent adjustment at an amount less than requested.
- C. The action of the Hearing Officer shall be subject to judicial review pursuant to Code of Civil Procedure section 1094.5.

(Ord. 4188, 9/23/03)

1.30.090 Tenant's right of refusal.

A tenant may refuse to pay any increase in rent which is in violation of this chapter. Such refusal to pay shall be a defense in any action brought to recover possession of a mobilehome space or to collect the rent increase.

(Ord. 4188, 9/23/03)

1.30.100 Prospective buyer protection.

It is unlawful for any mobilehome park owner or manager to directly or indirectly require any homeowner or prospective homeowner to sign a rental agreement with a term in excess of twelve (12) months as a condition of residence in the mobilehome park. The provisions of this chapter (section 1.30.010, et seq.) shall be posted in the rental office of all mobilehome parks and the material terms of the chapter included in all mobilehome park rental

agreements in the language in which the rental agreement is negotiated. The Director of the Department of Housing shall prepare and make available to all mobilehome park owners and tenants a document setting forth the material terms of this chapter, and the posting of the text of such document and inclusion of the text of such document (or appropriate translation of the terms of the document) shall constitute compliance with this section.

(Ord. 4188, 9/23/03)

(Ord. No. 04753, § 4, 1-5-2016)

1.30.110 Exemption.

A one time increase in rent exceeding the maximum rent increase specified in section 1.30.030 shall be allowed without complying with the requirements of this chapter under the following circumstances:

- A. The proposed increase in rents are proposed in connection with the sale of the mobilehome park to a non-profit corporation.
- B. The proposed increase in rents are necessary to secure financing for purchase of the park through the issuance of revenue bonds in accordance with chapter 5 of division 31 of the California Health and Safety Code, relating to the financing of multifamily rental housing, including mobilehome parks.
- C. A written petition or petitions are submitted by a minimum of two-thirds (2/3) of the mobilehome tenants indicating support for the increase in rents.

An exemption under this section shall only be effective upon written acknowledgement of the San Mateo County Environmental Services Agency Director, issued after submission of documentation establishing the conditions for an exemption as specified above. Any rent increase under this section may only be imposed if the proposed sale is concluded.

(Ord. 4209, 4/20/04)

1.30.120 Severability.

If any provision of this chapter or application thereof to any person or circumstances is held invalid, this invalidity shall not affect other provisions or applications of this chapter which can be given effect without the invalid provision or application, and to this end, the provisions of this chapter are declared to be severable. This chapter shall be liberally construed to achieve the purposes of this chapter and to preserve its validity.

(Ord. 4188, 9/23/03; Ord. 4209, 4/20/04)

BUSINESS OF THE COUNCIL OF THE CITY OF HALF MOON BAY

AGENDA REPORT

For meeting of: **November 7, 2023**

TO: Honorable Mayor and City Council

VIA: Matthew Chidester, City Manager

FROM: Lisa Lopez Rossi, Administrative Services Director
Kenneth Stiles, Finance Manager

**TITLE: FINANCIAL AND TREASURER'S REPORT FOR THE QUARTER ENDED ON
SEPTEMBER 30, 2023**

RECOMMENDATION:

Accept the Financial Report and the Treasurer's Report for the quarter ended on September 30, 2023.

FISCAL IMPACT:

There is no fiscal impact with the acceptance of this report.

STRATEGIC ELEMENT:

This recommendation supports the *Fiscal Sustainability* and *Inclusive Governance* Elements of the Strategic Plan.

BACKGROUND:

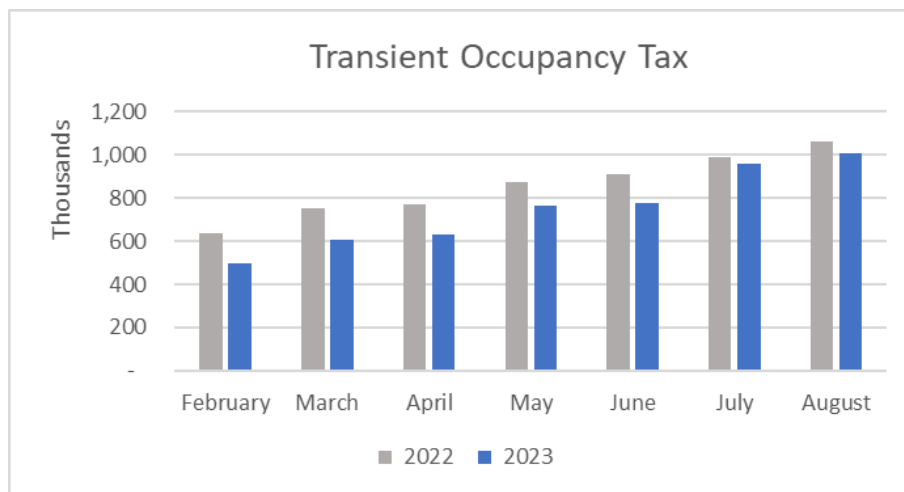
One of the City Council Strategic Elements includes planning for and implementing long-term financial stability. A key component of this goal includes preparing a quarterly financial report that provides readers with a summary of the City's current financial conditions as it relates to the annual operating budget to ensure accountability and transparency in managing public funds.

Additionally, in accordance with Government Code Section 53600 et seq., the City's Treasurer is to provide the City Council with a report on investments on a quarterly basis. As shown in the Treasurer's Report (Attachment 2), the City's investments are in external investment pools listed at cost, as well as its fair value, not amortized cost, in compliance with Governmental Accounting Standard. The City's investment practices strictly follow Government Code Section 53600 et seq., the City's investment policy, and a prudent person's rule.

DISCUSSION:
Financial Report

As of September 30, 2023, General Fund revenues totaled \$1.8 million or 9% of the approved Fiscal Year 2023-24 budget. General Fund expenditures total \$2.7 million or 11% of budget. Although expenditures are tracking as anticipated, major revenue sources continue to stagnate.

Beginning in February 2023, the City has been receiving less Transient Occupancy Tax (TOT) revenues than years prior with an average decrease of 14%. Although it is too early to identify, it is possible the City will not meet its TOT projections for the current fiscal year at which point unassigned funds can be used to cover the shortfall.



With unassigned fund balances estimated at \$1.4 million and reserves of \$11 million, staff hold no great concern for financial stability for the current fiscal year; however, we will continue to monitor any changes. Items that may materially change the financial outlook of the City include ongoing and new legal costs, and less than projected major revenues. Looking ahead the City has a projected structural deficit in the outer fiscal years that staff is currently working to address.

As discussed during the annual budget process and other Council meetings, staff projects an estimated structural deficit of \$3.9 million going into Fiscal Year 2024-25. The deficit is primarily due to increased costs in City services, including but not limited to existing public safety services. In response, staff has initiated a cost allocation and fee study, is exploring revenue enhancement opportunities, and reviewing all operating expenditures, capital projects and programs, and staff vacancies to identify opportunities to realize short- and long-term savings. The Finance Committee will convene in the next month to receive an update and provide support and guidance to staff, and we expect to meet regularly through the remainder of the fiscal year leading up to the Fiscal Year 2024-25 budget.

Treasurer's Report

The City's cash and investment portfolio at fair market value, as of September 30, 2023, is \$45.8 million of which \$34 million is placed with the San Mateo County Treasurer's Investment Pool and \$7.8 million is placed with the State Controller's Local Agency Investment Fund (LAIF), and \$4 million in operating accounts with Wells Fargo Bank. The average weighted yield for the City's cash and investments is 2.97% for the quarter.

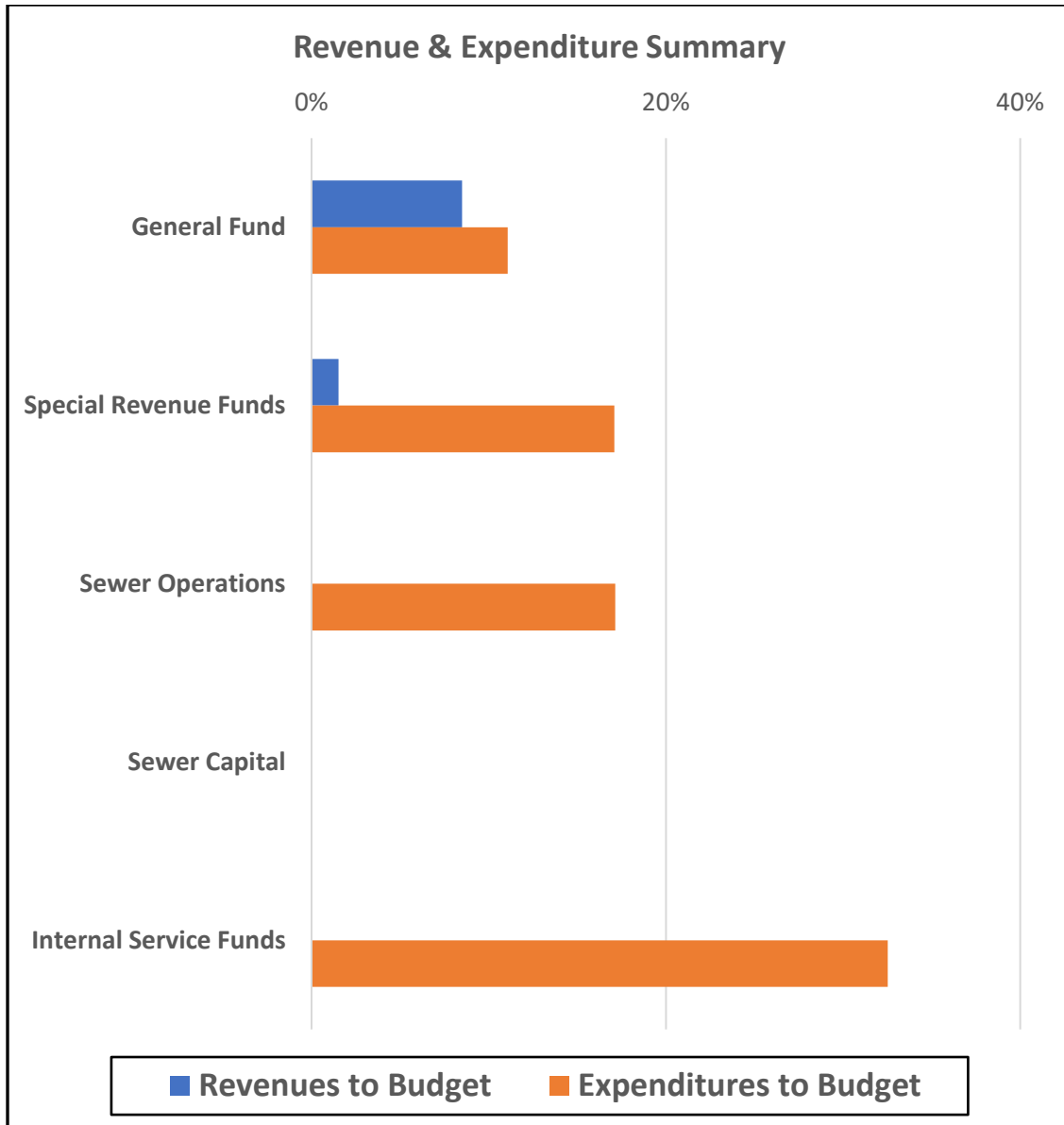
ATTACHMENTS:

1. Financial Report for the quarter ended on September 30, 2023.
2. Treasurer's Report for the quarter ended on September 30, 2023.

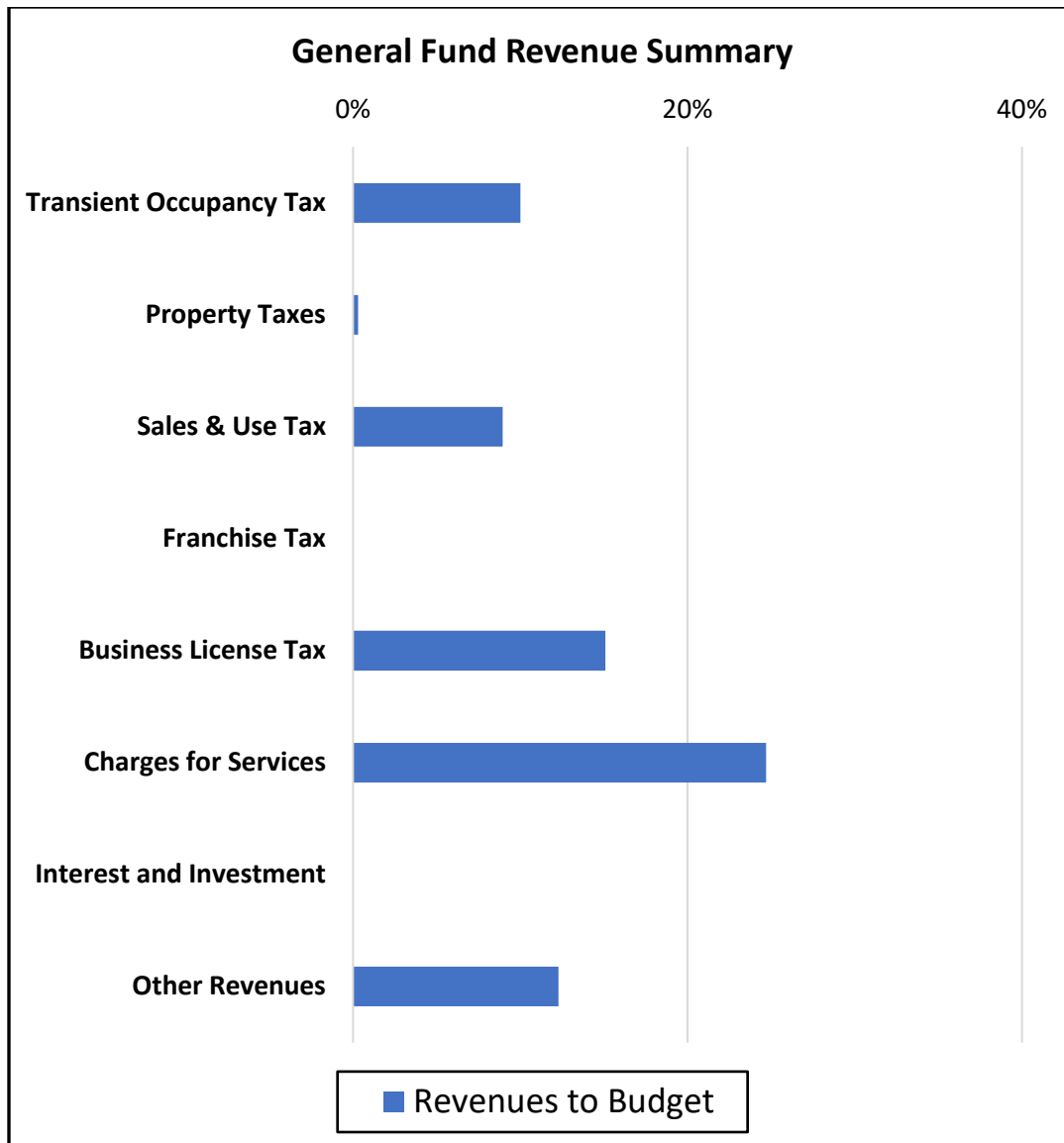
CITY OF HALF MOON BAY
Quarterly Financial Report
September 30, 2023



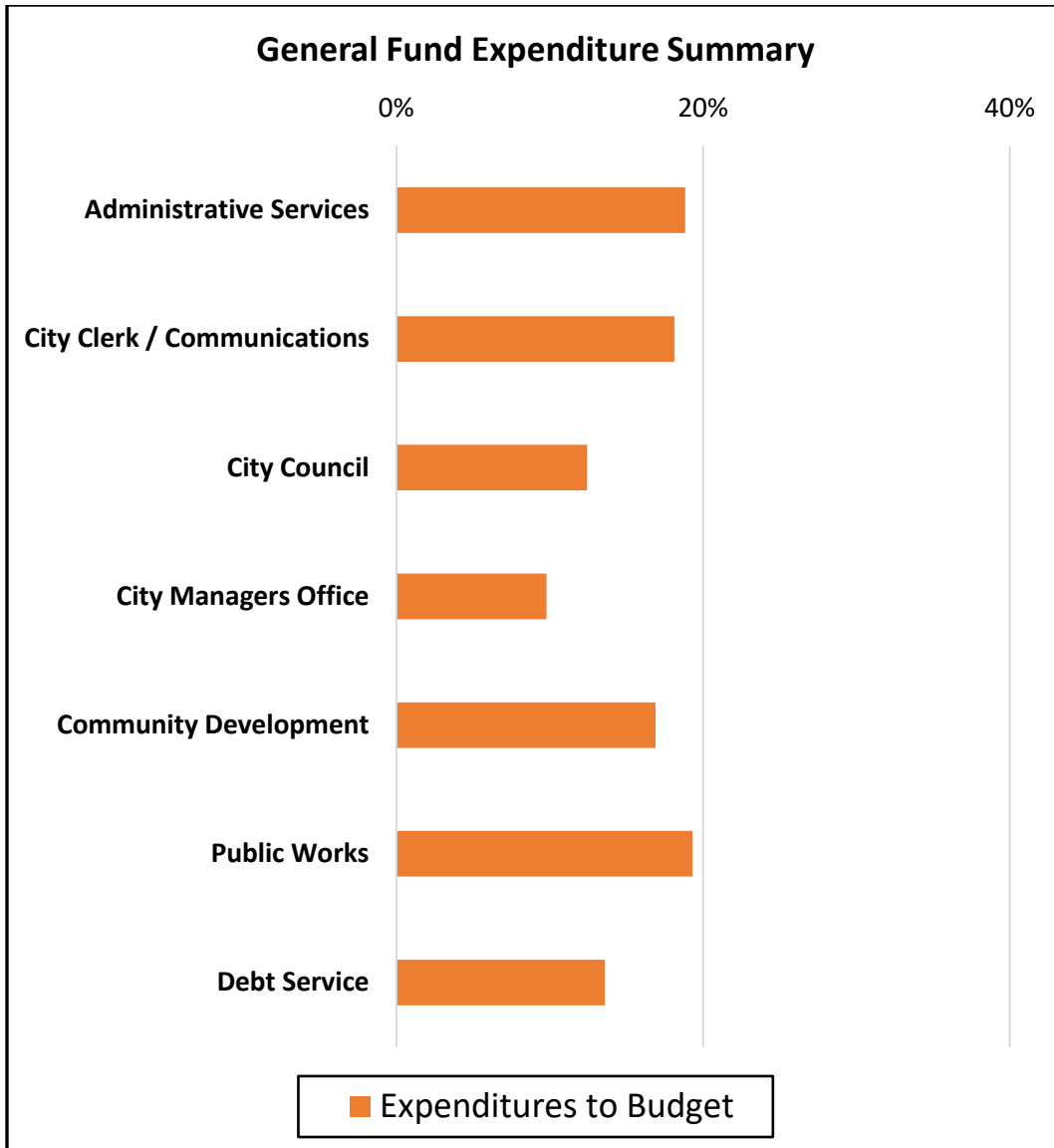
Prepared By:
Administrative Services Department



Funds	Revenues		Expenditures	
	Actual	% of Budget	Actual	% of Budget
General Fund	1,807,625	9%	2,761,974	11%
Special Revenue Funds	299,808	2%	4,453,321	17%
Sewer Operations	-	0%	1,291,201	17%
Sewer Capital	-	0%	-	0%
Internal Service Funds	-	0%	573,834	33%
Pension Stabilization Fund	-	0%	913,474	100%
TOTAL FOR ALL FUNDS	2,107,433	4%	9,993,805	15.8%



Department	Budget	Actual	% of Budget	Prior Year Actual	Prior Year % of Actuals
Transient Occupancy Tax	9,608,500	961,607	10%	\$ 989,267	11%
Property Taxes	3,911,500	12,248	0%	\$ 12,489	0%
Sales & Use Tax	3,268,200	292,594	9%	\$ 261,896	8%
Franchise Tax	1,065,078	-	0%	\$ -	0%
Business License Tax	305,000	46,045	15%	\$ 32,675	10%
Charges for Services	1,692,257	417,841	25%	\$ 383,146	19%
Interest and Investment	242,000	-	0%	\$ -	0%
Other Revenues	629,721	77,290	12%	\$1,736,860	69%
Transfers in	537,285	-	0%	\$ -	0%
TOTAL	21,259,541	1,807,625	9%	3,416,334	15%



Department	Budget	Actual	% of Budget	Prior Year Actual	Prior Year % of Actuals
Administrative Services	1,520,384	286,261	19%	\$ 318,272	28%
City Clerk / Communications	1,091,667	197,888	18%	\$ 198,403	22%
City Council	239,642	29,778	12%	\$ 20,234	10%
City Managers Office	11,075,941	1,083,372	10%	\$ 1,995,287	24%
Community Development	2,007,233	339,104	17%	\$ 368,288	20%
Public Works	3,757,958	725,383	19%	\$ 690,689	21%
Debt Service	736,610	100,187	14%	\$ 52,468	8%
Non-Departmental	-	-		\$ -	0%
Operating Transfers	1,753,738	-	0%	\$ -	0%
Capital Transfers	2,763,000	-	0%	\$ -	0%
TOTAL	24,946,173	2,761,974	11.1%	3,643,642	16%

GENERAL FUND ANALYSIS:

The General Fund is the primary operating fund of the City and is used to account for most operating activities. Table 1 below provides year-to-date through the first quarter comparable data for the current fiscal year and the prior year.

Table 1: First Quarter Budget to Actual Comparison						
	FY 2023-24				FY 2022-23	
	Revised Budget	Actuals as of 09/30/2023	% of Budget	Final Actuals	Actuals as of 09/30/2022	% of Actuals
Revenues						
Transient Occupancy Tax	9,608,500	961,607	10%	8,852,640	989,267	11%
Property Taxes	3,911,500	12,248	0%	4,135,613	12,489	0%
Sales & Use Tax	3,268,200	292,594	9%	3,160,478	261,896	8%
Franchise Tax	1,065,078	-	0%	945,755	-	0%
Business License Tax	305,000	46,045	15%	330,544	32,675	10%
Charges for Services	1,692,257	417,841	25%	2,037,767	383,146	19%
Interest and Investment	242,000	-	0%	353,945	-	0%
Other Revenues	629,721	77,290	12%	2,529,259	1,736,860	69%
Transfers in	537,285	-	0%	524,180	-	0%
Total Revenues	21,259,541	1,807,625	9%	22,870,180	3,416,334	15%
Expenditures						
Administrative Services	1,520,384	286,261	19%	1,149,168	318,272	28%
City Clerk / Communications	1,091,667	197,888	18%	884,782	198,403	22%
City Council	239,642	29,778	12%	197,756	20,234	10%
City Managers Office	11,075,941	1,083,372	10%	8,204,098	1,995,287	24%
Community Development	2,007,233	339,104	17%	1,807,920	368,288	20%
Public Works	3,757,958	725,383	19%	3,242,122	690,689	21%
Debt Service	736,610	100,187	14%	675,302	52,468	8%
Non Departmental	-	-	-	95,926	-	-
Operating Transfers	1,753,738	-	0%	1,954,936	-	0%
Capital Transfers	2,763,000	-	0%	4,015,419	-	0%
Total Expenditures	24,946,173	2,761,974	11%	22,227,428	3,643,642	16%

Through the first quarter, the city received \$1.8 million in revenues for the fiscal year. Revenues have decreased from the prior years. While last year's revenues were 15%, the current fiscal year revenues are 9% of the budget.

Expenditures through the first quarter total \$2.7 million. Expenditures are tracking with 11% of budget.

Revenues

Table 2 below shows a year-to-date summary of actual revenues through the first quarter for fiscal years 2023-24 and 2022-23.

Table 2: First Quarter Revenues					
	FY 2023-24			FY 2022-23	
	Revised Budget	Actuals as of 09/30/2023	% of Budget	Actuals as of 09/30/2022	% of Actuals
Revenues					
Transient Occupancy Tax	9,608,500	961,607	10%	989,267	11%
Property Taxes	3,911,500	12,248	0%	12,489	0%
Sales & Use Tax	3,268,200	292,594	9%	261,896	8%
Franchise Tax	1,065,078	-	0%	-	0%
Business License Tax	305,000	46,045	15%	32,675	10%
Charges for Services	1,692,257	417,841	25%	383,146	19%
Interest and Investment	242,000	-	0%	-	0%
Other Revenues	629,721	77,290	12%	1,736,860	69%
Transfers in	537,285	-	0%	-	0%
Total Revenues	21,259,541	1,807,625	9%	3,416,334	15%

- Transient Occupancy Tax:** The City has received \$961 thousand through the first quarter. This is a decrease of \$27 K from the prior year. This revenue stream is at 10% of the budget compared to the prior year's 11%. This revenue stream continues to underperform since the beginning of the calendar year. Beginning in February 2023, the City has been receiving less TOT than years prior with an average decrease of 14%.
- Property Taxes:** Most property tax funds are received in December and April. \$12 thousand in revenues have been received thus far. Property taxes are at less than 1% of the budget and are tracking as anticipated.
- Sales & Use Taxes:** The City received \$292 thousand in sales & use taxes. This is a minimal increase from the year prior by \$30 thousand. Sales and use taxes are at 9% of the budget. Although tracking slightly better than anticipated, the City remains cautious of this revenue stream for the remainder of the fiscal year due to this stream underperforming in the prior year.

Expenditures

Table 3 below shows a summary of first quarter budget-to-actual revenues for fiscal years 2023-24 and 2022-23.

Table 3: First Quarter Expenditures					
	FY 2023-24			FY 2022-23	
	Revised Budget	Actuals as of 09/30/2023	% of Budget	Actuals as of 09/30/2022	% of Actuals
Expenditures					
Administrative Services	1,520,384	286,261	19%	318,272	28%
City Clerk / Communications	1,091,667	197,888	18%	198,403	22%
City Council	239,642	29,778	12%	20,234	10%
City Managers Office	11,075,941	1,083,372	10%	1,995,287	24%
Community Development	2,007,233	339,104	17%	368,288	20%
Public Works	3,757,958	725,383	19%	690,689	21%
Debt Service	736,610	100,187	14%	52,468	8%
Non-Departmental	-	-	-	-	0%
Operating Transfers	1,753,738	-	0%	-	0%
Capital Transfers	2,763,000	-	0%	-	0%
Total Expenditures	24,946,173	2,761,974	11%	3,643,642	16%

General fund expenditures through the first quarter total \$2.7 million or 11% of budget. In the prior year expenditures were at 16% of the budget. Operating expenditures are tracking as anticipated.

Budget Adjustments

Table 4 below shows a summary of council actions with potential budgetary effects during the first quarter not reflected in the numbers above.

Table 4: Budget Adjustments			
Item	Major Funding Source	Total Fiscal Impact	GF Impact
<i>No Budgetary Adjustments During the First Quarter</i>			
Total \$		-	\$ -

Conclusion

Table 5 below shows an updated summary of general fund balances for the fiscal year including the estimated remaining transactions shown above.

Table 5: General Fund Balance Summary	
	FY 23-24 Budget
Beginning Fund Balance	16,227,906
Revenues	21,259,541
Expenditures	(24,946,173)
Net Change to Fund Balance	(3,686,632)
Ending Fund Balance	12,541,274
General Fund Reserve	(6,654,952)
Economic Uncertainty	(4,436,635)
Unassigned	1,449,687

The unassigned funds on June 30, 2024, are estimated to be \$1.4 million. Staff recommends leaving unassigned funds to be formally assigned during the annual budget process when more information is available. While the City has fully funded reserves and there is no great concern of fiscal instability for the current fiscal year, longer-term fiscal challenges still exist for the City.

**City of Half Moon Bay
Treasurer's Report
September 30, 2023**

1. Cash and investments were comprised of the following instruments as of September 30, 2023, shown with the carrying amount, fair value, and corresponding yields on investment and interest earnings:

	City Treasury	Fiscal Agents	Carrying Amount	Fair Value	Quarterly Yield	Quarterly Interest Earnings	FYTD Interest Earnings
<u>Petty Cash</u>	331	-	331	331		-	-
<u>Wells Fargo Bank:</u>							
Checking	4,028,865	-	4,028,865	4,028,865		-	-
Payroll	7,901	-	7,901	7,901		-	-
<u>California State Treasurer:</u>							
LAIF - General Fund	7,962,087	-	7,962,087	7,853,068	3.42%	-	-
<u>San Mateo County Treasurer</u>							
SMC Pool - General Fund	35,067,074	-	35,067,074	34,006,295	3.23%	-	-
TOTAL CASH AND INVESTMENTS	47,066,258	-	47,066,258	45,896,460		-	-

*Fair Value (GASB 31) includes investment returns which are not yet realized and at amortized costs. Information is obtained from individual institutions' portfolio statements.

2. **Investment maturities:**

The City limits market risk by limiting the types and maturities of its investments and by not borrowing against those investments.

Investment maturities may not exceed five years with the exception of investments as specified in bond debt covenants. Investment yield is ranked after safety and liquidity in making investment decisions.

Investments at September 30, 2023 mature as follows:

	City Treasury	Fiscal Agents	Total
Available immediately	47,066,258	-	47,066,258
Maturities less than one year	-	-	-
Maturities of one to five years	-	-	-
Greater than five years	-	-	-
Total	47,066,258	-	47,066,258

3. **Investments Sectors, as a percentage of total portfolio and also with investment performance comparisons:**

Investment sectors as a % of total portfolio		Investment performance comparisons			
		Date	Total	Yield	Interest
Demand Deposits and Money					
Market	8.58%	9/30/2021	46,415,799	0.75%	-
Local Agency Investment Fund	16.92%	9/30/2022	47,175,760	1.23%	-
San Mateo Co. Investment Pool	74.51%	9/30/2023	45,896,460	2.97%	-
Fiscal Agent	0				
	100.00%				

I certify that this reports all Government Agency pooled investments and is in conformity with the investment policy of the City of Half Moon Bay as stated in resolution number C-2019-107 dated December 17th, 2019. A copy of this Resolution is available at the office of the City Clerk and on the cities website <http://www.hmbcity.com>. The Investment Program provides sufficient cash flow liquidity to meet the estimated expenditures of the next six months, as required by Code Section 53646.

Kenneth Stiles

10/30/2023

Finance Manager

Date

Lisa Lopez

10/30/2023

Administrative Services Director

Date

**CITY OF HALF MOON BAY
CASH AND INVESTMENTS REPORT
FOR QUARTER ENDING 09/30/2023**

GENERAL FUND **15,232,233.25**

RESTRICTED FUNDS

STORM DRAIN OPERATING FUND	360,679.56
TRAFFIC MITIGATION FUND	4,446,114.98
LIBRARY	16,520.25
MAIN STREET BRIDGE	55,318.21
GAS TAX	1,845,735.92
STREET AND ROAD FUND	2,565,722.28
MEASURE A FUND	1,595,601.22
PARK FACILITY DEVELOPMENT	2,178,582.13
AFFORDABLE HOUSING	2,221,299.12
PUBLIC FACILITIES	-
POLICE SPECIAL REVENUE	986,117.09
JOB-BOND PROCEED FD	0.96
MEASURE W FUND	688,903.88
LOT ACQUISITION/DEVELOPMENT	1,407,846.89
CZI GRANTS	284,981.50
OCC GRANT	651,148.17
JOB - DEBT SERVICE FD	6,430.96
GEN FD CAPITAL PROJECTS	2,307,595.01
DRAINAGE FUND	1,134,195.77
LIBRARY CAPITAL	452,566.09
GENERAL LONG TERM DEBT	-
SEWER FUNDS	3,911,318.16
VEHICLE REPLACEMENT	189,886.63
FURN/FIXT & EQUIP FUND	653,655.86
RISK MANAGEMENT	3,301,002.64
RETIREMENT STABILIZATION	572,801.34

TOTAL RESTRICTED FUNDS **31,834,024.62**

GENERAL LEDGER (BOOK) TOTAL	47,066,257.87
------------------------------------	----------------------

BANK BALANCES ON 09/30/2023

WELLS FARGO GENERAL CHECKING	4,933,413
WELLS FARGO PAYROLL CHECKING	8,501
LOCAL AGENCY INVESTMENT FUND (LAIF)	7,962,087
SAN MATEO COUNTY INVESTMENT POOL	35,067,074

Add: PETTY CASH ACCOUNTS	330.82
RECONCILING ITEMS	735.40
Less: OUTSTANDING CHECKS	(915,655.51)
Plus: DEPOSITS IN TRANSIT	9,772.48
Plus: VOID CHECKS	-

BANK RECONCILIATION TOTAL	47,066,257.87
----------------------------------	----------------------