



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

TUESDAY, FEBRUARY 6, 2024

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

**Joaquin Jimenez, Mayor
Harvey Rarback, Vice Mayor
Robert Brownstone, Councilmember
Deborah Penrose, 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 City Manager Updates and 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

MAYOR'S ANNOUNCEMENTS OF COMMUNITY ACTIVITIES AND COMMUNITY SERVICE

REPORT OUT FROM RECENT CLOSED SESSION MEETINGS

CITY MANAGER UPDATES TO COUNCIL

PUBLIC FORUM

1. CONSENT CALENDAR

1.A WAIVE READING OF RESOLUTIONS AND ORDINANCES

1.B WARRANTS FOR THE MONTH OF NOVEMBER 2023

Staff Recommendation: Accept the warrants list for the month of November 2023.

[STAFF REPORT](#)

[ATTACHMENT](#)

1.C WARRANTS FOR THE MONTH OF DECEMBER 2023

Staff Recommendation: Accept the warrants list for the month of December 2023.

[STAFF REPORT](#)

[ATTACHMENT](#)

**1.D TENANT PROTECTIONS - RESIDENTIAL RENTAL REGISTRATION AND RELATED MATTERS
- SECOND READING**

Staff Recommendation: Waive second reading and adopt an ordinance: 1) creating a new Title 6 of the Half Moon Bay Municipal Code titled "Housing;" 2) creating a new Chapter 6.02 titled "Housing Definitions;" 3) creating a new Chapter 6.04 titled "Residential Rental Registration;" 4) creating a new Chapter 6.10 titled "Residential Lease Terms;" and 5) rescinding Chapter 7.70 "Residential Rental Security Measures" in its entirety.

[STAFF REPORT](#)

[ORDINANCE](#)

1.E ANIMAL CONTROL ORDINANCE - SECOND READING

Staff Recommendation: Waive second reading and adopt an ordinance amending portions of Chapter 8.04 (Animal Control) of the Half Moon Bay Municipal Code to update provisions for animal control.

[STAFF REPORT](#)

[ORDINANCE](#)

**1.F MAYOR'S AMENDED LIST OF CITY COUNCIL REPRESENTATIVES AND DESIGNATED
ASSIGNMENTS FOR 2024**

Staff Recommendation: Accept Mayor Jimenez's Amended List of City Council Representatives and Designated Assignments for 2024.

[STAFF REPORT](#)

[ATTACHMENT](#)

**1.G RECLASSIFICATION OF THE SENIOR MANAGEMENT ANALYST TO ASSISTANT TO THE CITY
MANAGER CLASSIFICATION**

Staff Recommendation: Adopt a resolution authorizing the reclassification of the Senior Management Analyst to Assistant to the City Manager in the City Manager's office.

[STAFF REPORT](#)

[RESOLUTION](#)

1.H TREASURER’S REPORT FOR THE QUARTER ENDING DECEMBER 31, 2023

Staff Recommendation: By motion, accept the Treasurer’s Report for the quarter ending December 31, 2023.

[STAFF REPORT](#)

[ATTACHMENT](#)

1.I DENY CLAIM OF JOHN ROSSI

Staff Recommendation: Deny the attached liability claim presented to the City of Half Moon Bay, as recommended by the Pooled Liability Assurance Network Joint Powers Authority (PLAN JPA) and Sedgwick representatives.

[STAFF REPORT](#)

[ATTACHMENT](#)

1.J DENY CLAIM OF PAUL NAGENGAST

Staff Recommendation: Deny the attached liability claim presented to the City of Half Moon Bay, as recommended by the Pooled Liability Assurance Network Joint Powers Authority (PLAN JPA) and Sedgwick representatives.

[STAFF REPORT](#)

[ATTACHMENT](#)

2. ORDINANCES AND PUBLIC HEARINGS

2.A RESIDENTIAL RENTAL REGISTRATION FEE AND RELATED MATTERS

Staff Recommendation: Conduct a public hearing and adopt a resolution: 1) establishing a new fee titled, “Residential Rental Registration Fee” in the amount of \$75 and adding the fee to the City user fee schedule as presented in Exhibit A to the resolution; 2) authorizing staff to offer no fee registration between June 1 and June 30, 2024, as an incentive to early registration; 3) applying the automatic Consumer Price Index (CPI) adjustment beginning July 1, 2025; 4) allocating up to \$150,000 in City Affordable Housing Funds to cover initial start-up and implementation costs of the program; and 5) directing Staff to direct user fees, late fees, and citations related to FY 2024-25 residential rental registration be directed to the City Affordable Housing Fund. *Note: This fee will be in effect sixty (60) days from approval, April 6, 2024.*

[STAFF REPORT](#)

[RESOLUTION](#)

2.B APPEAL OF THE PLANNING COMMISSION DECISION TO CONDITIONALLY APPROVE COASTAL DEVELOPMENT PERMIT FILE NO. PDP-16-032 FOR THE CONSTRUCTION OF GRAVEL TRAILS AND BEACH STAIRS AT NORTH WAVECREST ROAD

Staff Recommendation: Continue the public hearing to a date certain of March 5, 2024.

3. RESOLUTIONS AND STAFF REPORTS

3.A MUNICIPAL ENERGY PROJECTS

Staff Recommendation: 1) move forward with the comprehensive solar photovoltaic (PV) system purchase to meet the City Half Moon Bay's sustainability goals of carbon-free electricity for all municipal facilities by 2025 and increase the energy efficiency of all municipal facilities and operations; or 2) adopt a resolution authorizing the City Manager to deploy Solar Photovoltaic Systems at Agency facilities in partnership with the Agency's public power provider, Peninsula Clean Energy through a standard Power Purchase Agreement with Peninsula Clean Energy, should the project result in financial and/or community benefits.

[STAFF REPORT](#)

[ATTACHMENT 1](#)

[ATTACHMENT 2](#)

[ATTACHMENT 3](#)

[ATTACHMENT 4](#)

[ATTACHMENT 5](#)

3.B SEWER AUTHORITY MID-COASTSIDE (SAM) OPERATIONS BUDGET AMENDMENT REQUEST - PRINCETON PUMP STATION AND MONTARA FORCE MAIN CAPITAL REPLACEMENT PROJECTS

Staff Recommendation: Adopt a resolution deferring the requested budget augmentation increasing the prior approved IPS capital replacement projects (Princeton Pump Station & Montara Force Main) pending a renewed stipulation to pay under protest or final resolution in the court action.

[STAFF REPORT](#)

[RESOLUTION](#)

[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: **February 06, 2024**

TO: Honorable Mayor and City Council

VIA: Matthew Chidester, City Manager

From: Lisa Lopez Rossi, Administrative Services Director

TITLE: **WARRANTS FOR THE MONTH OF NOVEMBER 2023**

RECOMMENDATION:

Accept the warrants list for the month of November 2023.

STRATEGIC ELEMENT:

This recommendation supports the Fiscal Sustainability and Inclusive Governance Element.

DISCUSSION:

During this month, the City processed 7 check runs. The table below outlines each check run and their individual totals:

Check Run Date	Amount
Nov-02	2,911,750
Nov-04	36,173
Nov-09	183,617
Nov-14	540,220
Nov-16	41,273
Nov-22	1,020,928
Nov-30	91,838
TOTAL	4,825,800

The City processed payments related to 19 capital improvement projects, in a total amount of \$419,444. Highway 1 Safety - North, Neighborhood Traffic Safety Program, Carter Park, Eastside Parallel Trail, Emergency Response Program, Pilarcitos Creek Restoration, Corporate Yard Improvements, LCP Implementation Project, Climate Action And Adaptation, Downtown Streetscape, Fleet Replacement Program, Equipment Replacement Program, Smith Field Site Assessment, Urban Forest Management Program, Green Infrastructure And Storm, Seymour Ditch Erosion, Kehoe/Pilarcitos Outfall Repair, Storm Water Master Plan Update, and Pump Station And Force Main Project.

Staff is also including a list of all payments above \$30,000 processed during this reporting period, as listed in the table below.

OVER \$30,000					
Check #	Payee	Check Date	Amount	Description	
53682	SAN MATEO COUNTY SHERIFF'S OFFICE	11/2/2023	\$ 2,348,325	FY 23-24 PATROL SERVICE QTR 1 AND QTR 2	
53802	SEWER AUTHORITY MID-COASTSIDE	11/22/2023	\$ 397,632	FY 23-24 OPERATIONS AND MAINTENANCE	
53811	WICKMAN DEVELOPMENT AND CONSTRUCTION	11/22/2023	\$ 239,516	CARTER PARK IMPROVEMENTS	
53684	SMCO PUBLIC SAFETY COMMUNICATIONS	11/2/2023	\$ 193,448	FY 23-24 DISPATCH SERVICES QTR1	
53803	SMCO PUBLIC SAFETY COMMUNICATIONS	11/22/2023	\$ 193,448	FY 23-24 DISPATCH SERVICES QTR2	
53683	SEWER AUTHORITY MID-COASTSIDE	11/2/2023	\$ 163,806	SAM RESERVE FUND REQUEST	
53733	HALF MOON BAY GRADING & PAVING INC.	11/14/2023	\$ 145,983	CORPORATION YARD PROJECT	
53756	SHUTE MIHALY & WEINBERGER LLP	11/14/2023	\$ 109,176	CITY WIDE LEGAL SERVICES	
53669	HALF MOON BAY GRADING & PAVING INC.	11/2/2023	\$ 98,759	CORPORATION YARD PROJECT	
53734	HMB MUSICH LLC	11/14/2023	\$ 72,051	SEWER REFUND	
53747	NICHOLS CONSULTING ENGINEERS CHTD	11/14/2023	\$ 60,062	SEYMOUR DITCH EROSION STABILIZATION	
53686	TOWNE FORD SALES	11/2/2023	\$ 53,928	FORD F-150 LIGHTNING PURCHASE	
53793	Humboldt Fence Company	11/22/2023	\$ 48,550	GATE INSTALLATION	
53696	EL CENTRO DE LIBERTAD	11/9/2023	\$ 41,054	CARES PROGRAM	
53687	WEST COAST ARBORISTS INC	11/2/2023	\$ 39,610	FY 23-24 ARBORIST CONTRACT	
53829	NICHOLS CONSULTING ENGINEERS CHTD	11/30/2023	\$ 38,345	SEYMOUR DITCH EROSION STABILIZATION	
54054	WELLS FARGO	11/4/2023	\$ 36,173	CITY-WIDE CREDIT CARD FOR SMALL PURCHASES	
53774	PLAN JPA	11/16/2023	\$ 31,248	GENERAL LIABILITY CLAIM PAYMENTS	
53746	MSS LLC	11/14/2023	\$ 30,000	TCE FOR CARTER PARK	

ATTACHMENTS:

Check Disbursement List by Check Date

Report Criteria:

Report type: Summary

Check Number	Payee	Check Issue Date	Amount	Description
52564	MARIK ENTERPRISES, LLC	11/30/2023	240.00-	PRE-EMPLOYMENT REPORT
52867	FIONA PAULI	11/30/2023	100.00-	2023 LEADERSHIP AWARDS
53665	AMERICAN PORTABLES	11/02/2023	2,634.94	FY 23-24 PORTABLE TOLIETS
53666	BIG CREEK LUMBER	11/02/2023	180.51	EARLY PAY DISCOUNT
53667	CITY OF SOUTH SAN FRANCISCO	11/02/2023	180.00	COUNCIL OF CITIES DINNER AND MEETING - RARBACK
53668	HALF MOON BAY BUILDING & GARDEN	11/02/2023	816.99	MAINT SUPPLIES
53669	HALF MOON BAY GRADING & PAVING INC.	11/02/2023	98,759.13	CORP YARD RETENTION
53670	JAMES FORD INC.	11/02/2023	2,084.14	VEHICLE SERVICE
53671	JAMES J HENDERSON	11/02/2023	80.00	ADVERTISING SERVICE
53672	KONICA MINOLTA BUSINESS SOLUTIONS	11/02/2023	2,275.21	FY22/23 KONICA MINOLTA LEASE
53673	LAURA CAMODECA	11/02/2023	126.00	INSTRUCTOR PAYMENT
53674	MARCY ROCKIE	11/02/2023	100.00	DEPOSIT REFUND
53675	NEIGHBORHOOD RADIO	11/02/2023	55.00	ADVERTISING SERVICE
53676	NICHOLAS TRANSLATIONS & INTERPRETATIONS	11/02/2023	570.00	TANSLATION OF CITY COUNCIL MEETING
53677	PARKEON INC	11/02/2023	101.15	MAINT SERVICE
53678	PETERSON POWER SYSTEMS INC.	11/02/2023	2,700.00	CONTINUED BACK-UP GENERATOR SERVICES
53679	PHIL'S TIRE & AUTO CARE	11/02/2023	108.57	VEHICLE Maint - OIL CHANGE
53680	QUADIENT FINANCE USA, INC	11/02/2023	520.00	POSTAGE
53681	RICE TRUCKING-SOIL FARM INC.	11/02/2023	587.34	MAINT SUPPLIES
53682	SAN MATEO COUNTY SHERIFF'S OFFICE	11/02/2023	2,348,325.00	FY 23-24 SHERIFF PATROL SERVIES QTR 1
53683	SEWER AUTHORITY MID-COASTSIDE	11/02/2023	163,805.66	SAM RESERVE FUND REQUEST
53684	SMCO PUBLIC SAFETY COMMUNICATIONS	11/02/2023	193,448.25	FY 23-24 DISPATCH SERVICES
53685	TOOLE DESIGN	11/02/2023	755.00	PROFESSIONAL SERVICES MAY 2023
53686	TOWNE FORD SALES	11/02/2023	53,927.72	FORD F-150 LIGHTNING PURCHASE
53687	WEST COAST ARBORISTS INC	11/02/2023	39,609.85	WEST COAST ARBORISTS FY 23-24 CONTRACT
53688	ABUNDANT GRACE COASTSIDE WORKER	11/09/2023	132.25	HOMELESS ENCAMPMENT CLEAN UP
53689	ACC BUSINESS	11/09/2023	780.91	INTERNET SERVICE
53690	ARAMARK	11/09/2023	320.12	MAINT SUPPLIES

Check Number	Payee	Check Issue Date	Amount	Description
53691	AT&T MOBILITY	11/09/2023	1,701.86	PHONE SERVICE - FIRST NET
53692	BIG WAVE GROUP	11/16/2023	.00	RENTAL DEPOSIT REFUND
53693	BLEYLE ELEVATOR, INC	11/09/2023	190.00	MAINT SERVICE
53694	CAPITAL ONE TRADE CREDIT	11/09/2023	4,530.24	MAINT SUPPLIES
53695	COASTSIDE COUNTY WATER DISTRICT	11/09/2023	6,968.13	501 Main St
53696	EL CENTRO DE LIBERTAD	11/09/2023	41,054.00	CARES PROGRAM
53697	FREYER & LAURETA INC.	11/09/2023	11,546.25	CHANGE ORDER 2. SMITH FIELD PARK
53698	HALF MOON BAY BUILDING & GARDEN	11/09/2023	423.77	MAINTENANCE SUPPLIES
53699	HALF MOON BAY GRADING & PAVING INC.	11/09/2023	1,765.81	T & M work completed for the Portable Steam Cleaner
53700	IMPEC GROUP INC.	11/09/2023	18,085.00	FY 23-24 JANITORIAL CONTRACT
53701	INFINITY TECHNOLOGIES	11/09/2023	17,646.50	I.T. NETWORKING AND SUPPORT SERVICES
53702	LILYPAD EV LLC	11/09/2023	9,127.97	Order # 1391695
53703	MALCOLM C SMITH	11/09/2023	1,155.00	COMMUNICATIONS CONSULTANT SERVICE
53704	MITEL	11/09/2023	2,966.21	SHERIFF SUBSTATION PHONE SERVICE
53705	PARKEON INC	11/09/2023	112.00	MAINT SERVICE
53706	PG&E	11/09/2023	11,153.02	CITY OF HMB 501 Main St A
53707	PHIL'S TIRE & AUTO CARE	11/09/2023	98.32	FORD F-350 VEH SERVICE
53708	PRESIDIO SYSTEMS INC.	11/09/2023	14,400.00	Labor - Hydro-Vac 10/16/23-10/20/23, 10/23/23
53709	REPUBLIC SERVICE BFI NORTH AMERICA LLC	11/09/2023	2,290.31	YARD WASTE
53710	RINCON CONSULTANTS INC.	11/09/2023	6,688.00	Period from 9/1/2023 through 9/30/2023
53711	SANDIE ARNOTT	11/09/2023	773.62	9.75 Ac Mol Ptn of Lots 1 & 32 Johnston Ranch
53712	STRAIGHT WHEEL CYCLING LLC	11/09/2023	80.88	pedal for a purpose grant - Repair
53713	SWCA INCORPORATED	11/09/2023	4,157.59	CULTURAL RESOURCES TESTING STONE PINE
53714	THE CONSULTING TEAM LLC	11/09/2023	3,555.47	2 trainings - Better Business and Staff Report Writing
53715	TOOLE DESIGN	11/09/2023	14,795.00	PROFESSIONAL SERVICES
53716	TOWNSEND PUBLIC AFFAIRS INC.	11/09/2023	5,000.00	TOWNSEND PUBLIC AFFAIRS
53717	TURBO DATA SYSTEMS INC	11/09/2023	527.37	CITATION PROCESSING
53718	UNITED RENTALS NORTHWEST INC.	11/09/2023	1,591.79	ANNUAL MAINTENANCE
53719	ABAG POWER PURCHASING POOL	11/14/2023	818.51	GAS CHARGES
53720	Alexander Company	11/14/2023	391.26	Refund Processing Fee
53721	ARAMARK	11/14/2023	195.10	MAINT SERVICE

Check Number	Payee	Check Issue Date	Amount	Description
53722	Ascencion Vazquez	11/14/2023	500.00	Train Depot deposit refund 11/4/23
53723	BECKER GRAPHICS	11/14/2023	848.40	INSTRUCTOR PAYMENT- ZUMBA Oct'23
53724	BIG BELLY SOLAR INC	11/14/2023	197.30	SMART TRASH RECEPTACLES
53725	CASELLE INC.	11/14/2023	3,695.00	ERP CONTRACT SUPPORT & MAINTENANCE
53726	CHRISTINA JEWELS KRZASZCZAK	11/14/2023	350.00	Graphic Design
53727	COLANTUONO HIGHSMITH WHATLEY PC	11/14/2023	23,917.16	LEGAL SERVICES -SAM
53728	COLLEEN GRANAHAAN	11/14/2023	400.00	OCT & NOV Gift Cards MIMS
53729	CORODATA RECORDS MANAGEMENT INC	11/14/2023	333.42	RECORDS MANAGEMENT
53730	DRAGOMANOVICH, CINDY	11/14/2023	300.00	DEPOSIT REFUND 12/11/23 event (cancelled)
53731	FLYERS ENERGY, LLC	11/14/2023	2,940.85	MAINTENANCE SUPPLIES
53732	HALF MOON BAY BUILDING & GARDEN	11/14/2023	65.52	MAINT SUPPLIES
53733	HALF MOON BAY GRADING & PAVING INC.	11/14/2023	145,983.40	5% Retention withheld, CORP YARD IMPROVEMENTS PROJE
53734	HMB MUSICH LLC	11/14/2023	72,051.00	FY 23 SEWER REFUND
53735	HUE & CRY SECURITY SYSTEMS INC.	11/14/2023	641.62	SECURITY SERVICE
53736	INTEGRAL CONSULTING INC.	11/14/2023	10,287.75	PREPARATION OF THE CLIMATE ADAPTION PLAN(CIP 1002)
53737	Jessica Perez	11/14/2023	500.00	Train depot reservation deposit 11/5/23
53738	JULISSA ACOSTA	11/14/2023	324.88	MILEAGE REIMBURSEMENT
53739	KRUPKA CONSULTING	11/14/2023	4,370.26	CONDUCT A STOP WARRANT ANALYSIS AT MILL AND PURISS
53740	LAURA CAMODECA	11/14/2023	511.00	DOG TRAINING
53741	LIVE OAK ASSOCIATES, INC.	11/14/2023	3,550.00	PDP 23-040: PROFESSIONAL SERVICES
53742	LORAL LANDSCAPING INC.	11/14/2023	4,160.00	FY 23-24 MEDIAN MAINTENANCE WORK
53743	MARIAN POTT	11/14/2023	2,263.33	DOG TRAINING
53744	MARIK ENTERPRISES, LLC	11/14/2023	130.00	PRE-EMPLOYMENT REPORT - Miguel Santana
53745	MATTHEW CHIDESTER	11/30/2023	.00	DELTA CONFERENCE AIRFARE - travel exp reimb.
53746	MSS LLC	11/14/2023	30,000.00	Carter Park - TCE - Jersey Joes
53747	NICHOLS CONSULTING ENGINEERS CHTD	11/14/2023	60,061.80	SEYMOUR DITCH EROSION STABILIZATION
53748	ODP BUSINESS SOLUTIONS, LLC	11/14/2023	104.98	ADMIN OFFICE SUPPLIES
53749	PACIFICA COMMUNITY TELEVISION	11/14/2023	11,000.00	Q1, FY23/24 RECORDING SERVICE
53750	PARKEON INC	11/14/2023	112.00	MAINT SERVICE
53751	PENINSULA MUNICIPAL ENGINEERING INC.	11/14/2023	19,125.00	HIGHWAY 1 SAFETY NORTH
53752	PENINSULA SPORTS OFFICIALS ASSOC. INC	11/14/2023	390.00	HALF MOON BAY ONE MAN GAMES

Check Number	Payee	Check Issue Date	Amount	Description
53753	PUBLIC PARKING ASSOCIATES INC	11/14/2023	395.00	MAINTENANCE SERVICE
53754	ROBERT HALF	11/14/2023	2,662.00	PERRY, SCOTT 10/27/2023
53755	SAN MATEO RESOURCE CONSERVATION DISTRICT	11/14/2023	721.75	CLIMATE ACTION AND ADAPTATION
53756	SHUTE MIHALY & WEINBERGER LLP	11/14/2023	109,175.78	HMB.GEN SEPT SERVICES
53757	SOL ECOLOGY INC	11/14/2023	6,037.50	PDP 22-020: PLANNING SERVICES
53758	SWCA INCORPORATED	11/14/2023	20.00	Pilarcitos Aerial and Bio Monitoring
53759	THE GRAPHIC WORKS	11/14/2023	71.05	BANNER DESIGN
53760	V. W. HOUSEN & ASSOCIATES INC.	11/14/2023	15,422.50	FY 23-24 WASTERWATER COLLECTION
53761	VICTOR HERNANDEZ	11/14/2023	2,278.92	TRANSLATION SERVICES
53762	WATERWAYS CONSULTING INC	11/14/2023	1,690.00	ON-CALL GEMORPHOLOGY SERVICES
53763	WESTERN EXTERMINATOR COMPANY	11/14/2023	1,226.05	EXTERMINATOR SERVICES
53764	ANA DORIA-QUESADA	11/16/2023	280.00	WOODLES Payment to Instructor
53765	BIG WAVE COMMUNITY COOP	11/16/2023	675.00	RENTAL DEPOSIT REFUND
53766	COUNTY OF SAN MATEO	11/16/2023	82.25	Microwave Mux DSO
53767	JEANINE GORE	11/16/2023	120.00	Class registration refund
53768	LAURA CAMODECA	11/16/2023	532.00	Introcuuction to K9 Nose Work Part_2 - Instructor Payment
53769	MARIAN POTT	11/16/2023	980.00	DOG TRAINING - Puppy Kindergarden
53770	MUNICIPAL FINANCIAL SERVICES	11/16/2023	625.00	STARS CA - Q2, 2023
53771	NBS GOVERNMENT FINANCE GROUP	11/16/2023	1,852.50	COST ALLOCATION PLAN AND CITYWIDE FEE STUDY
53772	OCEAN SHORE PRINTING	11/16/2023	49.94	BUSINESS CARDS - Service Press, Inc.
53773	OCEAN SHORE PRINTING CO	11/16/2023	70.39	BUSINESS CARDS - Service Press, Inc.
53774	PLAN JPA	11/16/2023	31,247.84	General - LIABILITY CLAIM PAYMENTS
53775	ROBERT HALF	11/16/2023	4,758.33	PERRY, SCOTT 11/14/2023
53776	ALISON HAAZER	11/22/2023	1,000.00	COOKING CAMP
53777	AMBER STARIHA	11/22/2023	100.00	DEPOSIT REFUND CR A&B 11/17/23
53778	AMS SYSTEMS, INC	11/22/2023	6,888.05	PRINTING SERVICE
53779	ARAMARK	11/22/2023	320.12	MAINT SERVICE
53780	BAY AREA GEOTECHNICAL GROUP INC	11/22/2023	630.00	CARTER PARK IMPROVEMENTS PROJECT
53781	BIG BELLY SOLAR INC	11/22/2023	283.92	SMART TRASH RECEPTACLES
53782	BLACK & VEATCH CORPORATION	11/22/2023	8,963.75	NPDES STORMWATER SERVICES
53783	C.C.O.I. GATE & FENCE	11/22/2023	344.62	FENCE REPAIRS

Check Number	Payee	Check Issue Date	Amount	Description
53784	CALIFORNIA BUILDING STANDARDS COMMISSIO	11/22/2023	177.30	BSASRF RETAINER FY23-QTR4
53785	DENNIS BOLTON ENTERPRISES INC.	11/22/2023	3,218.63	CERTIFICATES AND FOLDERS
53786	DIVISION ADMIN SERVICES/ACCOUNTING	11/22/2023	571.86	SMIP FEES WITHHELD FY24 QTR1
53787	DONNA J. VAILLANCOURT	11/22/2023	1,000.00	COACHING SERVICES
53788	EMILIE AVERA	11/22/2023	300.00	DEPOSIT REFUND
53789	GRIFFIN STRUCTURES INC.	11/22/2023	25,923.24	CARTER PARK RENOVATION PROJECT
53790	HALF MOON BAY BUILDING & GARDEN	11/22/2023	144.23	MAINT SUPPLIES
53791	HDL SOFTWARE LLC	11/22/2023	3,579.13	BUSINESS LICENSE SOFTWARE
53792	HMB COASTSIDE CHAMBER OF COMMERCE	11/22/2023	21,750.00	Provide daily operation and facility oversight via Opportunit
53793	Humboldt Fence Company	11/22/2023	48,550.00	Install access/gate controls at the Corporation Yard
53794	JOYA CUNHA	11/22/2023	2,000.00	CARTER PARK IMPROVEMENTS
53795	Julie Ron	11/22/2023	200.00	DEPOSIT REFUND
53796	MARION ADENEY	11/22/2023	40.00	CLASS REFUND
53797	MARK THOMAS & CO. INC.	11/22/2023	2,991.50	CHANGE ORDER 2,HWY 1 N SAFETY & OP IMPROVEMENTS
53798	PENINSULA MUNICIPAL ENGINEERING INC.	11/22/2023	5,400.00	EASTSIDE PARALLEL TRAIL
53799	QUADIENT FINANCE USA, INC	11/22/2023	14.60	POSTAGE
53800	RICE TRUCKING-SOIL FARM INC.	11/22/2023	337.97	MAINTENANCE SUPPLIES
53801	SCHAAF & WHEELER	11/22/2023	2,826.25	PILARCITOS AVENUE/KEHOE WATERCOURSE OUTFALL
53802	SEWER AUTHORITY MID-COASTSIDE	11/22/2023	397,631.91	FY 23-24 COLLECTIONS
53803	SMCO PUBLIC SAFETY COMMUNICATIONS	11/22/2023	193,448.25	FY 23-24 DISPATCH SERVICES
53804	SOL ECOLOGY INC	11/22/2023	1,457.50	PDP 22-069: PLANNING SERVICES
53805	STERICYCLE SPECIALTY WASTE SOLUTIONS INC	11/22/2023	216.20	OCT SERVICES
53806	SWCA INCORPORATED	11/22/2023	13,636.47	PDP 23-055: PLANNING/PERMIT SERVICES
53807	TULLY CONSULTING GROUP	11/22/2023	1,450.00	STORM WATER POLLUTION PREVENTION PLAN ASSISTANCE
53808	TURF STAR INC	11/22/2023	4,184.54	MAINT SUPPLIES
53809	TYLER LADINSKY	11/22/2023	500.00	DEPOSIT REFUND
53810	V. W. HOUSEN & ASSOCIATES INC.	11/22/2023	3,167.00	FY 23-24 WASTERWATER COLLECTION
53811	WICKMAN DEVELOPMENT AND CONSTRUCTIO	11/22/2023	239,516.00	RETENTION, CARTER PARK IMPROVEMENTS PROJECT
53812	William Duff Architects Inc	11/22/2023	20,668.49	PROVIDE ARCHITECTURAL SERVICES FOR OOC
53813	WOOD CONSULTING SERVICES	11/22/2023	3,272.50	PHASE 1 OF DOWNTOWN STREETScape CONSULTANT
53814	YUPANA INC	11/22/2023	4,223.50	PELICAN POINT PUMP STATION GENERATOR REPLACEMENT

Check Number	Payee	Check Issue Date	Amount	Description
53815	AMERICAN PORTABLES	11/30/2023	2,634.94	FY 23-24 PORTABLE TOLIETS
53816	ARAMARK	11/30/2023	320.12	MAINT SERVICE
53817	BAY AREA GEOTECHNICAL GROUP INC	11/30/2023	13,920.00	CARTER PARK IMPROVEMENTS PROJECT
53818	CINTHIA RANGEL	11/30/2023	481.25	Deposit refund inv #10071 / 9746
53819	COASTSIDE NEWS GROUP	11/30/2023	320.00	SANTA HMB
53820	CORA	11/30/2023	2,441.00	CORA CONTRIBUTION
53821	FIONA PAULI	11/30/2023	100.00	2023 LEADERSHIP AWARDS
53822	GRANICUS LLC	11/30/2023	1,564.85	GRANICUS SERVICE
53823	IMPEC GROUP INC.	11/30/2023	880.00	JANITORIAL SERVICES
53824	JASMIN AMEZCUA	11/30/2023	500.00	DEPOSIT REFUND
53825	JULISSA ACOSTA	11/30/2023	413.10	TRAINING REIMBURSEMENT
53826	MARIK ENTERPRISES, LLC	11/30/2023	240.00	PRE-EMPLOYMENT REPORT
53827	MATTHEW CHIDESTER	11/30/2023	796.78	ICMA Annual Conference'23 reimb
53828	MTA PARTS INC.	11/30/2023	14.21	VEHICLE PARTS
53829	NICHOLS CONSULTING ENGINEERS CHTD	11/30/2023	38,344.99	SEYMOUR DITCH EROSION STABILIZATION
53830	PARKEON INC	11/30/2023	46.90	OCT'23 MAINT SERVICE
53831	PG&E	11/30/2023	16,227.37	MOON SCULPTURE SPOTLIGHTS
53832	Renaissance Entrepreneurship Center	11/30/2023	2,529.59	Consultant to provide small business development and entr
53833	STRAIGHT WHEEL CYCLING LLC	11/30/2023	3,878.55	pedal for a purpose grant Quote #162
53834	SWCA INCORPORATED	11/30/2023	880.00	AUG-NOVEMBER SERVICE
53835	WOOD CONSULTING SERVICES	11/30/2023	4,547.50	ECONOMIC CONSULTANT AT OPPORUNITY COASTSIDE CENT
53836	ZONES, LLC	11/30/2023	1,096.94	FY 23-24 MICROSOFT LICENSING
54054	WELLS FARGO	11/04/2023	36,172.81	RECONCILING ITEMS FROM PRIOR PERIOD
Grand Totals:				
175			4,825,799.62	

Check Number	Payee	Check Issue Date	Amount	Description
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Report Criteria:
Report type: Summary

BUSINESS OF THE COUNCIL OF THE CITY OF HALF MOON BAY

AGENDA REPORT

For meeting of: **February 06, 2024**

TO: Honorable Mayor and City Council

VIA: Matthew Chidester, City Manager

From: Lisa Lopez Rossi, Administrative Services Director

TITLE: **WARRANTS FOR THE MONTH OF DECEMBER 2023**

RECOMMENDATION:

Accept the warrants list for the month of December 2023.

STRATEGIC ELEMENT:

This recommendation supports the Fiscal Sustainability and Inclusive Governance Element.

DISCUSSION:

During this month, the City processed 5 check runs. The table below outlines each check run and their individual totals:

Check Run Date	Amount
Dec-01	5,587
Dec-04	37,462
Dec-07	669,683
Dec-14	798,262
Dec-21	200,686
TOTAL	1,711,679

The City processed payments related to 19 capital improvement projects, in a total amount of \$692,714. Highway 1 Safety - North, Neighborhood Traffic Safety Program, Carter Park, Eastside Parallel Trail, Corporate Yard Improvements, LCP Implementation Project, Climate Action and Adaptation, Smith Field Site Assessment, Seymour Ditch Erosion, Kehoe/Pilarcitos Outfall Repair, Pump Station And Force Main, Mac Dutra, Coastal Bluff, and the Manhole Rehab Program.

Staff is also including a list of all payments above \$30,000 processed during this reporting period, as listed in the table below.

OVER \$30,000				
Check #	Payee	Check Date	Amount	Description
53917	SEWER AUTHORITY MID-COASTSIDE	12/14/2023	\$ 397,932	FY 23-24 OPERATIONS AND MAINTENANCE BUDGET
53926	WICKMAN DEVELOPMENT AND CONSTRUCTION	12/14/2023	\$ 271,355	CARTER PARK IMPROVEMENTS PROJECT
53850	CAZADORO CONSTRUCTION INC.	12/7/2023	\$ 211,522	SEYMOUR WATERCOURSE
53871	Mercy Housing California 110, LP	12/7/2023	\$ 165,543	555 KELLY PROJECT (ARPA PASS-THRU)
53880	SHUTE MIHALY & WEINBERGER LLP	12/7/2023	\$ 92,394	CITY-WIDE LEGAL SERVICES
53937	CAZADORO CONSTRUCTION INC.	12/21/2023	\$ 54,385	EMERGENCY PROTECTION OF WATERCOURSE OUTFALL
53841	ABUNDANT GRACE COASTSIDE WORKER	12/7/2023	\$ 46,588	COASTAL CLEAN-UP
54086	WELLS FARGO	12/4/2023	\$ 37,462	CITY-WIDE CREDIT CARDS FOR SMALL PURCHASES
53856	HDL SOFTWARE LLC	12/7/2023	\$ 37,028	FY 23-24 TOT AND BUSINESS LICENSE MANAGEMENT
53853	EL CENTRO DE LIBERTAD	12/7/2023	\$ 35,801	CARES PROGRAM

ATTACHMENTS:

Check Disbursement List by Check Date

Report Criteria:

Report type: Summary

Check Number	Payee	Check Issue Date	Amount	Description
52134	HDL SOFTWARE LLC	12/07/2023	633.63-	BUSINESS LICENSE SOFTWARE
53653	MTA PARTS INC.	12/21/2023	14.21-	VEHICLE PARTS
53672	KONICA MINOLTA BUSINESS SOLUTIONS	12/14/2023	2,275.21-	FY22/23 KONICA MINOLTA LEASE
53775	ROBERT HALF	12/07/2023	4,758.33-	PERRY, SCOTT 11/14/2023
53828	MTA PARTS INC.	12/21/2023	14.21-	VEHICLE PARTS
53837	KATHY OLER	12/01/2023	2,226.67	NOV' 23, TEMPORARY CITY PARKING LOT RENTAL
53838	SCOTT MCVICKER	12/01/2023	3,360.00	FY 23/24 ANNEX RENT
53839	WELLS FARGO	12/04/2023	.00	FOOD/MEETING
53841	ABUNDANT GRACE COASTSIDE WORKER	12/07/2023	46,588.00	Provide coastal clean-up support services
53842	Amy Roeder	12/07/2023	200.00	CLASS REFUND 11-20-23
53843	ARAMARK	12/07/2023	125.02	MAINT SUPPLIES
53844	AT&T	12/07/2023	959.82	NOV'23 PHONE SERVICE
53845	AT&T MOBILITY	12/07/2023	973.69	SEPT'23 PHONE SERVICE
53846	Barbara O'Conner	12/07/2023	200.00	CLASS REFUND 12-1-23
53847	BECKER GRAPHICS	12/07/2023	504.00	INSTRUCTOR PAYMENT- ZUMBA NOV'23
53848	Caeli Collins	12/07/2023	200.00	CLASS REFUND 11-21-23
53849	Catherine Fraley	12/07/2023	200.00	CLASS REFUND 11-21-23
53850	CAZADORO CONSTRUCTION INC.	12/07/2023	211,521.75	RETENTION 12-5-23
53851	Cynthia Cosbey	12/07/2023	200.00	CLASS REFUND 11-23-23
53852	DKS ASSOCIATES	12/07/2023	390.00	Transportation Impact Analysis OCT
53853	EL CENTRO DE LIBERTAD	12/07/2023	35,801.00	CARES PROGRAM
53854	ELIZABETH CORONA	12/07/2023	500.00	DEPOSIT REFUND 12/1/23
53855	Ernest Azevedo	12/07/2023	128.80	FOOD/MEETING
53856	HDL SOFTWARE LLC	12/07/2023	37,027.88	AUG'23, FY22/23 HDL TOT & BUSINESS LICENSE MANAGEM
53857	INTEGRAL CONSULTING INC.	12/07/2023	4,973.70	PREPARATION OF THE CLIMATE ADAPTION PLAN(CIP 1002)
53858	Janice McIntosh	12/07/2023	200.00	CLASS REFUND 11-20-23
53859	Judy Garvey	12/07/2023	200.00	CLASS REFUND 11-20-23
53860	Karahadian Investments LLC	12/07/2023	25,739.00	FY23, FY24 SEWER REFUND

Check Number	Payee	Check Issue Date	Amount	Description
53861	KONICA MINOLTA BUSINESS SOLUTIONS	12/07/2023	2,275.21	NOV'23, FY23-24 MAINTENANCE
53862	LIVE OAK ASSOCIATES, INC.	12/07/2023	225.00	PDP-23-040 PROFESSIONAL SERVICES
53863	Lloyda French	12/07/2023	200.00	CLASS REFUND 11-21-23
53864	Maggie Kritzer	12/07/2023	200.00	CLASS REFUND 11-22-23
53865	MALCOLM C SMITH	12/07/2023	770.00	COMMUNICATIONS CONSULTANT SERVICE
53866	Margaret Geiger	12/07/2023	155.00	CSMFO TRAINING
53867	MARIK ENTERPRISES, LLC	12/07/2023	142.00	PRE-EMPLOYMENT REPORT HELEN WOLTER
53868	MARION ADENEY	12/07/2023	200.00	CLASS REFUND 11-21-23
53869	MAZIAR BOZORGINIA	12/07/2023	90.00	12/1/23 Meeting Expenses
53870	Melanie Lord	12/07/2023	200.00	CLASS REFUND 11-24-23
53871	Mercy Housing California 110, LP	12/07/2023	165,543.19	555 Kelly ARPA Draw #1
53872	M-GROUP	12/07/2023	2,025.00	OCT'23 NEW PO REQUEST FOR M-GROUP
53873	MITEL	12/07/2023	2,812.82	SHERIFF SUBSTATION PHONE SERVICE
53874	OFFICE DEPOT INC.	12/07/2023	65.60	SUPPLIES
53875	PENINSULA MUNICIPAL ENGINEERING INC.	12/07/2023	5,850.00	EASTSIDE PARALLEL TRAIL
53876	RINCON CONSULTANTS INC.	12/07/2023	7,038.00	HOUSING ELEMENT CEQA
53877	ROBERT HALF	12/07/2023	8,950.99	PERRY, SCOTT 11/24/2023
53878	ROCHELLE JIMENEZ	12/07/2023	500.00	DEPOSIT REFUND GRAND OAK 12-2-23
53879	Sherry Kritzer	12/07/2023	200.00	CLASS REFUND 11-21-23
53880	SHUTE MIHALY & WEINBERGER LLP	12/07/2023	92,394.18	HMB.HUYNH OCT
53881	SOL ECOLOGY INC	12/07/2023	1,473.50	PDP-22-070 BIOLOGICAL RESOURCES ASSESSMENT
53882	Soleil Productions LLC	12/07/2023	3,150.00	VIDEO FILIMING & EDITING 11/8/23
53883	Susan Hollis	12/07/2023	200.00	CLASS REFUND 11-26-23
53884	SWCA INCORPORATED	12/07/2023	10,598.25	SEYMOUR REPAIR AUG-NOV
53885	TURBO DATA SYSTEMS INC	12/07/2023	506.77	NOV'23 CITATION PROCESSING
53886	VICTOR HERNANDEZ	12/07/2023	1,579.99	NOV'23 TRANSLATION SERVICES
53887	ZONES, LLC	12/07/2023	1,096.94	9/19/23 to 10/18/23 MICROSOFT LICENSING
53888	ANDREW GOMEZ	12/14/2023	4,465.50	INSTRUCTOR PAYMENT-MUSIC TOGETHER
53889	ARAMARK	12/14/2023	320.12	NOV'23 MAINT SUPPLIES CORREAS
53890	ASSOCIATION OF BAY AREA GOVERNMENTS	12/14/2023	818.51	SEPT-NOV'23 GAS CHARGES
53891	BLEYLE ELEVATOR, INC	12/14/2023	190.00	MAINT SERVICE #179638

Check Number	Payee	Check Issue Date	Amount	Description
53892	CASELLE INC.	12/14/2023	7,390.00	NOV'23 SUPPORT & MAINTENANCE
53893	CHARGEPOINT INC.	12/14/2023	11,780.00	Maintenance and Management Renewal for years 2023-202
53894	DKS ASSOCIATES	12/14/2023	585.00	Transportation Impact Analysis
53895	Elan City Inc	12/14/2023	6,514.00	RADAR SPEED SIGN/SOLAR PANEL
53896	FLYERS ENERGY, LLC	12/14/2023	2,250.81	NOV'23 FUEL
53897	Foster & Foster Consulting Actuaries	12/14/2023	2,700.00	GASBS 74 & 75 ACCOUNTING INFORMATION
53898	HALF MOON BAY BUILDING & GARDEN	12/14/2023	64.53	MAINTENANCE SUPPLIES
53899	HDL SOFTWARE LLC	12/14/2023	5,213.83	OCT'23 TOT MANAGEMENT
53900	IMPEC GROUP INC.	12/14/2023	18,085.00	NOV'23, FY 23-24 JANITORIAL SERVICES
53901	INFINITY TECHNOLOGIES	12/14/2023	21,025.25	I.T. NETWORKING AND SUPPORT SERVICES
53902	JOYA CUNHA	12/14/2023	2,000.00	CARTER PARK IMPROVEMENTS
53903	KONICA MINOLTA BUSINESS SOLUTIONS	12/14/2023	352.31	JUL'23 AUG'23 SEPT'23 MAINTENANCE
53904	KONICA MINOLTA BUSINESS SOLUTIONS	12/14/2023	2,275.21	NOV'23 COPIER AND LEASE
53905	KRUPKA CONSULTING	12/14/2023	1,997.50	CONDUCT A STOP WARRANT ANALYSIS AT MILL AND PURISS
53906	LORAL LANDSCAPING INC.	12/14/2023	4,160.00	DEC'23 LANDSCAPE MAINTENANCE
53907	MARIAN POTT	12/14/2023	518.00	INSTRUCTOR PAYMENT-K9 GOOD CITIZEN & TREAT FOR TRIC
53908	Marie la Flores	12/14/2023	365.00	DEPOSIT REFUND LESS CLEANING FEE & EXTRA HOUR
53909	MARK THOMAS & CO. INC.	12/14/2023	2,959.23	CHANGE ORDER 2,HWY 1 N SAFETY & OP IMPROVEMENTS
53910	NBS GOVERNMENT FINANCE GROUP	12/14/2023	1,470.00	COST ALLOCATION PLAN AND CITYWIDE FEE STUDY
53911	NICHOLAS TRANSLATIONS & INTERPRETATIONS	12/14/2023	523.00	NOV'23 TRANSLATION SERVICES
53912	OFFICE DEPOT INC.	12/14/2023	98.00	OFFICE SUPPLIES
53913	PUBLIC PARKING ASSOCIATES INC	12/14/2023	405.00	MAINTENANCE SERVICE
53914	QUADIENT FINANCE USA, INC	12/14/2023	500.00	POSTAGE
53915	REPUBLIC SERVICES #925	12/14/2023	1,014.02	NOV'23 WASTE REMOVAL
53916	ROBERT HALF	12/14/2023	2,662.00	PERRY, SCOTT 12/01/23
53917	SEWER AUTHORITY MID-COASTSIDE	12/14/2023	397,931.91	FY 23-24 COLLECTIONS
53918	SIMMS PLUMBING & WATER EQUIPMENT INC.	12/14/2023	577.17	INSTALLATION OF URINAL 9-02-23
53919	STATE WATER RESOURCES CONTROL BOARD	12/14/2023	3,746.00	7//01/23-6/30/24 ANNUAL PERMIT
53920	STATE WATER RESOURCES CONTROL BOARD	12/14/2023	2,985.00	KEHOE APPLICATION FEE
53921	STERICYCLE SPECIALTY WASTE SOLUTIONS INC	12/14/2023	216.20	PAPER SHREDDING
53922	SUBURBAN PROPANE LP	12/14/2023	867.52	PROPANE

Check Number	Payee	Check Issue Date	Amount	Description
53923	SWCA INCORPORATED	12/14/2023	13,504.15	PSA for Environmental Services for the Myrtle Outfall Emerg
53924	TOWNSEND PUBLIC AFFAIRS	12/14/2023	5,000.00	NOV'23 CONSULTING SERVICES
53925	WESTERN EXTERMINATOR COMPANY	12/14/2023	1,352.65	NOV'23 EXTERMINATOR SERVICES
53926	WICKMAN DEVELOPMENT AND CONSTRUCTIO	12/14/2023	271,354.72	RETENTION, CARTER PARK IMPROVEMENTS PROJECT
53927	YESENIA RAMIREZ	12/14/2023	300.00	DEPOSIT REFUND 12/8/23 GRAND OAK
53928	ACC BUSINESS	12/21/2023	780.91	DEC'23 PHONE SERVICE
53929	ADVANTAGE GRAFIX	12/21/2023	184.42	PRINT SERVICE
53930	ARAMARK	12/21/2023	640.24	DEC'23 MAINT SUPPLIES PUBLIC LIBRARY
53931	ASUNCION GIJON	12/21/2023	3,390.00	NOV'23 GARDENING & MAINT SERVICE
53932	AT&T MOBILITY	12/21/2023	1,389.82	NOV'23, DEC'23 PHONE SERVICE
53933	BAY AREA GEOTECHNICAL GROUP INC	12/21/2023	6,760.00	CARTER PARK IMPROVEMENTS PROJECT
53934	BLACK & VEATCH CORPORATION	12/21/2023	12,362.50	NPDES STORMWATER SERVICES
53935	BOYS & GIRLS CLUB OF THE COASTSIDE	12/21/2023	480.00	CUSTODIAL FOR EVENT CENTER OCT 2023
53936	CA DEPT OF TRANSPORTATION	12/21/2023	2,647.98	JULY'23 THRU SEPT'23 SIGNALS & LIGHTING
53937	CAZADORO CONSTRUCTION INC.	12/21/2023	54,385.41	CHANGE ORDER 1 FOR EMERGENCY PROTECTION OF WATE
53938	COASTSIDE COUNTY WATER DISTRICT	12/21/2023	7,242.89	501 MAIN ST
53939	COASTSIDE NEWS GROUP	12/21/2023	551.00	CHAT WITH US
53940	CORODATA RECORDS MANAGEMENT INC	12/21/2023	399.54	NOV'23 RECORDS MANAGEMENT
53941	CRUZIO INTERNET	12/21/2023	179.40	INTERNET SERVICE
53942	ELS ARCHITECTURE & URBAN DESIGN	12/21/2023	3,193.35	CHANGE ORDER 2 AMANDMENT 6 TO PSA FOR DESIGN SER
53943	Ernest Azevedo	12/21/2023	38.25	HOLIDAY PARTY
53944	FREYER & LAURETA INC.	12/21/2023	670.00	CHANGE ORDER 2. SMITH FIELD PARK
53945	GRANICUS	12/21/2023	1,564.85	NOV'23, GRANICUS SERVICE
53946	GRIFFIN STRUCTURES INC.	12/21/2023	18,045.00	CARTER PARK RENOVATION PROJECT
53947	H & R PLUMBING AND DRAIN CLEANING INC.	12/21/2023	21,150.00	2023 SEWER MANHOLE REHABILITATION
53948	HALF MOON BAY BUILDING & GARDEN	12/21/2023	45.94	DEC'23 MAINTENANCE SUPPLIES
53949	HALF MOON BAY GRADING & PAVING INC.	12/21/2023	2,289.85	2 LOADS BASE ROCK
53950	HDL SOFTWARE LLC	12/21/2023	669.11	BUSINESS LICENSE SOFTWARE ANNUAL FEE 2024
53951	HUE & CRY SECURITY SYSTEMS INC.	12/21/2023	613.48	JAN'24 SECURITY SERVICE
53952	MALCOLM C SMITH	12/21/2023	770.00	COMMUNICATIONS CONSULTANT SERVICE
53953	MAZE & ASSOCIATES	12/21/2023	4,685.00	DEC'23 AUDIT SERVICES

Check Number	Payee	Check Issue Date	Amount	Description
53954	MITEL	12/21/2023	2,873.89	SHERIFF SUBSTATION PHONE SERVICE
53955	MTA PARTS INC.	12/21/2023	28.42	VEHICLE PARTS
53956	NEIGHBORHOOD RADIO	12/21/2023	110.00	SANTA AT HMB LIBRARY
53957	PRINCETON WELDING	12/21/2023	225.96	1 LIGHT POST REPAIR
53958	QUADIENT FINANCE USA, INC	12/21/2023	14.10	POSTAGE
53959	RICE TRUCKING-SOIL FARM INC.	12/21/2023	1,319.61	DEC'23 MAINT SUPPLIES
53960	ROBERT HALF	12/21/2023	2,662.00	PERRY, SCOTT 12/08/2023
53961	SCHAAF & WHEELER	12/21/2023	487.50	NOV'23 OCEAN COLONY GRAVITY SEWER DESIGN
53962	Service Press Inc.	12/21/2023	206.36	BUSINESS CARDS
53963	STATE WATER RESOURCES CONTROL BOARD	12/21/2023	10,602.00	07/01/23-06/30/24 ANNUAL PERMIT FEE
53964	Summer Burlison	12/21/2023	150.00	REFUND NOV & DEC'23 BLDG ATTENDANT FEES
53965	SWCA INCORPORATED	12/21/2023	11,811.48	CHANGE ORDER 1, CORP YARD IMPROVEMENTS
53966	TESCO CONTROLS, LLC	12/21/2023	8,580.47	MAINT SUPPLIES
53967	William Duff Architects Inc	12/21/2023	16,013.24	PROVIDE ARCHITECTURAL SERVICES FOR OOC
53968	YULISA JUAREZ HERNANDEZ	12/21/2023	500.00	DEPOSIT REFUND - TRAIN DEPOT 11-28-23
54086	WELLS FARGO	12/04/2023	37,461.91	RECONCILING ITEMS FROM PRIOR PERIOD
Grand Totals:				
137			1,711,679.20	

Report Criteria:

Report type: Summary

BUSINESS OF THE COUNCIL OF THE CITY OF HALF MOON BAY

AGENDA REPORT

For meeting of: **February 6, 2024**

TO: Honorable Mayor and City Council

VIA: Matthew Chidester, City Manager

FROM: John Doughty, Assistant City Manager

TITLE: TENANT PROTECTIONS—RESIDENTIAL RENTAL REGISTRATION AND RELATED MATTERS – SECOND READING

RECOMMENDATION:

Waive second reading and introduce an ordinance: 1) creating a new Title 6 of the Half Moon Bay Municipal Code titled “Housing;” 2) creating a new Chapter 6.02 titled “Housing Definitions;” 3) creating a new Chapter 6.04 titled “Residential Rental Registration;” 4) creating a new Chapter 6.10 titled “Residential Lease Terms;” and 5) rescinding Chapter 7.70 “Residential Rental Security Measures” in its entirety.

FISCAL IMPACT:

The fiscal impacts associated with this action are not fully known and are subject to policy direction from the City Council. First-year implementation costs for the Rental Registration Program, based upon similar programs in the state, are estimated to be approximately \$200,000.

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*.

DISCUSSION:

On January 16, 2024, the City Council introduced the ordinance following the conduct of a duly noticed public hearing. As required by law, the ordinance appears for second reading and adoption at a regular meeting more than five days past introduction.

ATTACHMENT:

Ordinance

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF HALF MOON BAY CREATING TITLE 6 “HOUSING” IN THE HALF MOON BAY MUNICIPAL CODE, ADDING CHAPTER 6.02 “HOUSING DEFINITIONS”, ADDING CHAPTER 6.04 “RESIDENTIAL RENTAL REGISTRATION” REQUIRING REGISTRATION OF ALL RESIDENTIAL RENTAL PROPERTIES WITHIN THE CITY OF HALF MOON BAY, AND AMENDING AND RECODIFYING CHAPTER 7.70 “RESIDENTIAL RENTAL SECURITY MEASURES” AS NEW CHAPTER 6.10 “RESIDENTIAL LEASE TERMS”

WHEREAS, pursuant to Article XI, Section 7 of the California Constitution, the City of Half Moon Bay ("City") has broad authority to maintain the public peace, health and safety of its community and preserve the quality of life for its residents and may make and enforce all regulations and ordinances using its police powers to do so; and

WHEREAS, the City, with direction from the City Council, has developed goals, objectives, policies, and action programs that directly address the City's housing needs; and

WHEREAS, the City Council has identified an acute rental housing shortage within the City limits and on the greater Coastsides; and

WHEREAS; the community has testified that the cost of rental housing is increasing faster than wages and that this affects all renters in the City limits and the greater Coastsides; and

WHEREAS, the City is contemplating adoption of rent control and expanded tenant protections; and

WHEREAS, the City is contemplating adoption of the Cycle 6 Housing Element including goals, policies, and programs to support renters including the establishment of a rental registry, education, and other supportive services; and

WHEREAS, rental registration will assist in identifying units subject to any subsequently adopted Costa Hawkins based rent control program; and

WHEREAS, the City does not currently require registration or licensing of rental units which makes it difficult to identify tenants, landlords, and property managers regarding regulations and available assistance; and

WHEREAS, the City has no way to track residential rents, unit types, bedroom counts, or similar data all of which are critical to setting housing policy in the City; and

WHEREAS, there is no current source for obtaining that information specific to the City, making it difficult to ascertain the effect of rents and housing conditions on the potential displacement of residents; and

WHEREAS, the City Council conducted a study session on November 7, 2023, to consider currently available information on rent control and tenant protections and to identify additional data needs; and

WHEREAS, following the November 7 meeting, the City Council directed staff to prepare ordinances to implement rental registration, rent control, expanded tenant protections, and relocation assistance for certain code-related compliance efforts.

WHEREAS, with the creation of a new Title 6, it is necessary to ensure consistency in the application of housing specific terms and phrases throughout the Title; and

WHEREAS, with creation of a new Title 6, it is further necessary to incorporate other housing related regulations into the Title; and

WHEREAS, the City Council directed staff to begin with the preparation of an ordinance requiring owners of residential rental properties to annually provide the City with basic information regarding Residential Rental Units and rental rates as a starting point for the development of rent control and tenant protections policies/ordinances; and

WHEREAS, the City Council finds and determines that a new Title 6 be created and that the housing regulations and policies including the Residential Rental Registration proposed as Chapter 6.04 of the Half Moon Bay Municipal Code is necessary to protect the public health, safety, and welfare of the residents of Half Moon Bay.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HALF MOON BAY AS FOLLOWS:

SECTION 1. Incorporation of Recitals. The City Council finds that the above Recitals are true and correct and are incorporated herein by reference.

SECTION 2. Amendment of the Half Moon Bay Municipal Code. A new Title 6, Housing is hereby added to the Half Moon Bay Municipal Code.

SECTION 3. New Chapter 6.02 of the Municipal Code. Adding a new Chapter 6.02 "Definitions" to Title 6 of the Half Moon Bay Municipal Code as found in Attachment A is adopted pursuant to the City's police power authority to protect the public health, safety, and welfare.

SECTION 4. New Chapter 6.04 of the Municipal Code. Adding a new Chapter 6.04 "Residential Rental Registration" to Title 6 of the Half Moon Bay Municipal Code as found in Attachment B is adopted pursuant to the City's police power authority to protect the public health, safety, and welfare.

SECTION 5. New Chapter 6.10 of the Municipal Code. Adding and recodifying a new Chapter 6.10 "Residential Lease Terms" to Title 6 of the Half Moon Bay Municipal Code as found in Attachment C is adopted pursuant to the City's police power authority to protect the public health, safety, and welfare.

SECTION 6, Chapter 7.70 of the Municipal Code. Rescinding Chapter 7.70 “Residential Rental Security Measures” in its entirety.

SECTION 7. Compliance with the California Environmental Quality Act. Approval of this ordinance is exempt from environmental review under the general rule in California Environmental Quality Act ("CEQA") Guidelines Section 15061(b)(3). The activity is covered by the general rule which exempts activities that can be seen with certainty to have no possibility for causing a significant effect on the environment.

SECTION 8. Severability. If any section, subsection, 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.

SECTION 9. Publication. Prior to the expiration of fifteen (15) calendar days from the passage thereof, the ordinance or a summary thereof shall be posted or published as may be required by law, and thereafter the same shall be in full force and effect.

SECTION 10. Effective Date. Except as otherwise provided, this Ordinance shall take effect and be enforced thirty (30) calendar days after the date of its adoption.

INTRODUCED at a regular meeting of the City Council of the City of Half Moon Bay, California, held on the 16th day of January 2024,

ADOPTED at a regular meeting of the City Council of the City of Half Moon Bay, California, held on the 6th day of February 2024, by the following vote:

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

Attest:

Jessica Blair, City Clerk

Joaquin Jimenez, Mayor

ATTACHMENT A

TITLE 6 – HOUSING

CHAPTER 6.02 – Housing Definitions

Section 6.02.010 – Purpose and applicability

The purpose of this Chapter is to ensure precision in the interpretation and implementation of housing related regulations through clear and concise definitions of terms. The meaning and construction of words and phrases defined in this chapter shall apply throughout Title 6, except as may be otherwise and more specifically defined in this Title or where the context clearly indicates a different meaning or construction.

Section 6.02.020 – Definitions

- a) **Accessory Dwelling Unit (ADU)** shall have the same meaning as set forth in Title 18 of the Half Moon Bay Municipal Code.
- b) **Administrator** refers to the City Manager or their designee.
- c) **City** means the City of Half Moon Bay.
- d) **Designated Representative** may include City staff and/or a Party or organization contracted by the City to provide the necessary services to implement the procedures contained in this Chapter.
- e) **Landlord** means an owner, lessor, or sublessor who receives or is entitled to receive Rent for the use and occupancy of any Residential Rental Unit or portion thereof, and includes any legal entity or other individuals, employees, agents, contractors, and subcontractors that comprise or represent the Landlord.
- f) **Lease** means a written contract or oral agreement used to make a legal agreement governing the occupancy of the rental unit between landlord and tenant.
- g) **Owner** means any owner of record, corporation, limited liability company, or other corporate or business entity, or separate entities in which any shareholder, partner, member, or family member of an investor in the entity owns ten percent (10%) or more of the interest in the rental unit.
- h) **Rent** means compensation paid by a Tenant at fixed intervals to a Landlord for the possession and use of a Residential Rental Unit or portion thereof as defined by the rental agreement between the Landlord and the Tenant. Rent excludes pass-through costs and ancillary costs paid separately to the Landlord for parking, storage, utilities, water, garbage, or any other fee or charge associated with the Residential Rental Unit.

- i) **Residential Rental Registry Fee** means the fee set by resolution of the City Council and paid by a Landlord to register each Residential Rental Unit.
- j) **Residential Rental Registry Information** means the information required to be submitted to the City pursuant to this Chapter.
- k) **Residential Rental Unit** means a habitable structure or portion thereof (as defined in Title 18), offered for Rent and used as a place of permanent or customary and usual abode of a Tenant. Residential Rental Units include a single-family residence, an accessory dwelling unit, a mobile or manufactured home, a building, a group of buildings, or a portion of a building including a specific room used and/or designed as dwellings. A Residential Rental Unit shall not include:
 - 1. A building, structure or unit not intended for human habitation or lacking appropriate permits and improvements required for human habitation. This includes unpermitted conversions of garages, sheds, or other accessory structures for human habitation.
 - 2. Transient housing accommodations including hotels, motels, bed and breakfast inns, recreational vehicles within or outside a park, and short-term vacation rentals as found in Title 18 of the Half Moon Bay Municipal Code.
 - 3. Group residential, supportive housing, transitional housing, and similar congregate uses as may be defined in Title 18 of the Half Moon Bay Municipal Code.
 - 4. Dormitories owned and operated by an institution of higher education or a kindergarten and grades 1 to 12, inclusive, school.
- m) **Tenant** means any renter, tenant, subtenant, lessee or sublessee of a Residential Rental Unit, or any group of renters, tenants, subtenants, lessees, or sublessees of a Residential Rental Unit, or any other person entitled to the use of occupancy of all or a portion of such Residential Rental Unit, or any successor of any of the foregoing.

ATTACHMENT B

TITLE 6 – HOUSING

CHAPTER 6.04 – Residential Rental Registration

Section 6.04.010 – Findings and Purpose

1) Findings.

The City Council finds and declares as follows:

1. The City has a substantial government interest in regulating the relationship between Landlords and Tenants in order to increase, certainty, stability, and fairness within the rental market.
2. The City finds that this Ordinance requires only the registration of Residential Rental Units and the collection of fees associated with the registry.
3. The Ordinance codified in this Title is being adopted pursuant to the City's police power authority to protect the public health, safety, and welfare.

2) Purpose.

The purpose of this Chapter is to adopt regulations for Landlords to register their residential rental units and provide related information to the City on an annual basis. The registration process will allow the City to collect, monitor, and analyze the characteristics of the residential rental units and actual rents in Half Moon Bay. Collected data will be presented in an annual report to the City Council. Registration fees collected by separate resolution pursuant to this Chapter will be used to manage the registry program which will include data collection and archiving, referrals to mediation and legal services, and education and resource materials for Landlords, Owners, and Tenants in the City. This Chapter supports the City's housing goals and protects public health, safety, and welfare for the residents of Half Moon Bay. This Chapter and its implementation are intended to protect the privacy of individual Tenants and the proprietary information of Landlords and Owners, the public release of which could result in a competitive disadvantage.

Section 6.04.020 – Registration of Residential Rental Units

- a) Initial Registration. A Landlord must register each Residential Rental Unit that is subject to the provisions of this Chapter within sixty (60) calendar days of the effective date of the resolution establishing rental registration fees or July 1, 2024 whichever is earliest. Registration must be completed using forms provided by the City. The forms provided by the City may include a secure internet website with an interface for submitting the information required by this Chapter. Registration is complete only when all required information has been provided to the City and all outstanding fees and penalties, if applicable, have been paid. Upon completion of the initial registration of a Residential

Rental Unit, the City shall issue a registration statement which shall include the renewal date for the registration of the applicable Units. The City may issue a citation and impose a late penalty should a Landlord fail to register their Residential Rental Units by the City established deadline.

- b) Renewal. Registration of Residential Rental Units shall expire on June 30 of each year. There will be no proration of fees. Registration of Residential Rental Units shall be completed no later than July 31 of each subsequent year. The City may issue a citation and impose a late penalty should an Owner/Landlord fail to register their Residential Rental Units by July 31.
- c) Residential Rental Registry Information. At minimum, the following information shall be provided as part of the initial and renewal registration of a Residential Rental Unit. Failure to provide the required information or providing false information is a violation of the Half Moon Bay Municipal Code Chapter 4.14, chargeable as a criminal offense.
 - 1. The name, mailing address, phone number, and email of the Owner, Landlord, and Property Manager as applicable; and
 - 2. The street address (and unit number where applicable) of each Residential Rental Unit or portion thereof for rent or lease; and
 - 3. The Assessor's Parcel Number (APN) that each Residential Rental Unit for rent or lease is located; and
 - 4. The number of bedrooms and bathrooms in each Residential Rental Unit, including square footage, for rent or lease; and
 - 5. The occupancy status of each Residential Rental Unit (e.g., vacant or occupied); and
 - 6. Reason for vacancy (e.g., lease expiration, voluntary move-out or eviction); and
 - 7. The number of individuals currently residing in the unit, if occupied; and
 - 8. Where applicable, the number of rooms individually rented; and
 - 9. The current amount of the monthly rent charged for each Residential Rental Unit, identifying whether the monthly rent includes specified utilities (e.g., water, sewer, solid waste disposal, natural gas, electricity, etc.); and
 - 10. Whether or not the unit's monthly rent is subsidized (e.g., such as through a housing voucher or another subsidy).

- d) Termination of Exemption. When a Residential Rental Unit, previously deemed to be exempt from this Chapter becomes governed by this Chapter, the Landlord must register the Residential Rental Unit with the City within forty-five (45) calendar days of the change in status. It shall be the responsibility of the Landlord to inform the City. Failure to provide notice will be subject to enforcement by the City including issuance of citation(s).
- e) Registration Amendment. A Landlord shall notify the City if there is a change to the registration information for any Residential Rental Unit. A Landlord shall contact the City within thirty (30) calendar days of a change in a Residential Rental Unit's ownership or management, or a change in the Owner's, Landlord's or Property Manager's contact information. Failure to update information is subject to enforcement by the City including issuance of citation(s).
- f) Administrative Regulations. The City may promulgate administrative regulations and operational procedures to implement the provisions of this Chapter.
- g) Collecting and Keeping Confidential Residential Rental Registry Information.

1. The City Council recognizes that the Residential Rental Registry Information, if publicly disclosed, could reveal the rent that a Tenant pays for a Residential Rental Unit or other proprietary information of an Owner or Landlord that could create a competitive disadvantage for every Landlord or owner required to comply with this Chapter.

The City Council also recognizes that the Public Records Act (Government Code §§ 6250, et seq.) generally requires the City to make available to the public information in its possession that relates to the conduct of the public's business. The Public Records Act contains exceptions intended to protect the privacy of individuals and the proprietary information of businesses that is in the City's possession only because of a legal requirement to provide it to the City in connection with a regulatory program.

The City Council declares that the Residential Rental Registry Information shall be received in confidence, and that the public interest in nondisclosure of the Residential Rental Registry Information clearly outweighs the public interest in disclosure.

2. The City Council anticipates that Residential Rental Registry Information will be kept in a secure database. The database containing Residential Rental Registry Information may be utilized by City staff to assist in administration of any subsequent adopted rent control ordinance and/or tenant protections ordinance. It is also anticipated that the database will be used to generate reports necessary to inform and manage housing programs as well as supplement other data sources utilized in preparation of the City's Housing Element or required annual Housing

Element Progress Reports made to the State Department of Housing and Community Development. The City anticipates generating reports which may include, but are not limited to:

- a) the number of Residential Rental Units per building and/or assessor's parcel;
- b) the number and type of rooms in a Residential Rental Unit on each assessor's parcel;
- c) the size of Residential Rental Units, expressed in square feet;
- d) the Rent for Residential Rental Units, classified only by range of size (square feet and bedrooms) and type of Residential Rental Units (apartment, single-family detached, single-family attached, accessory dwelling unit);
- e) average and/or median Rent for Residential Rental Units by range of size (square feet and bedrooms) and type of Residential Rental Units (apartment, single-family detached, single-family attached, accessory dwelling unit);
- f) the average length of occupancy or vacancy of Residential Rental Units classified by range of size (square footage), number of bedrooms, and type of Residential Rental Unit.

The Residential Rental Registry Information listed in this subsection shall be the only Residential Rental Registry Information released in response to a request made under the Public Records Act. The City will not disclose Residential Rental Registry Information for Residential Rental Units in a manner that identifies the Rent for any individual Rental Unit. Residential Rental Registry Information shall not include identifying information regarding an individual Tenant or property manager. These limitations do not apply to the extent the requested records are already public or if required by a court of law.

3. The Administrator may generate additional reports from the Residential Rental Registry Information database for the purposes of this Chapter. Such reports shall be released to the public only if kept in the normal course of City business and only after redacting any Residential Rental Registry Information that would improperly intrude into the personal privacy of Tenants or reveal Landlord/Owner proprietary information that could result in a competitive disadvantage.
4. The Administrator, in consultation with the City Attorney, may authorize the release of other Residential Rental Registry Information that would be otherwise confidential if it is determined that the release is legally required or the public interest in disclosure would clearly outweigh the public interest in nondisclosure.

Section 6-04.030 – Rental Registry Fees

- a) Rental Registry Fees. Each Landlord shall pay the required Residential Rental Registry Fee as set forth by resolution of the City Council. The Rental Registry Fee shall be

imposed annually for each rental unit with no proration. The fees shall be used to defray the reasonable costs associated with the implementation and administration of this Chapter, including costs of creating the portal for intake of registrations, maintenance of a database for Residential Rental Registry, reporting, financial administration, enforcement of the registration required by this Chapter, outreach, education, conflict resolution, and other related services as deemed appropriate by the City and included in the user fee calculation.

b) Late Fees; Penalties. A Landlord's failure to pay the annual Residential Rental Registration Fees required by this Chapter shall result in the City taking the following actions:

1. Issue a delinquency notice to the Landlord/Owner that provides up to fifteen (15) calendar days to pay the amount due.
2. If not paid within fifteen (15) calendar days following the issuance of the delinquency notice, the City shall assess a penalty of ten (10) percent of the Residential Rental Registry Fee, due and payable with the compliance fee on the first day of the month following the due date provided in the delinquency notice.
3. For every thirty (30) calendar days thereafter that the Residential Rental Registry Fees remain unpaid, the City shall assess a penalty of ten (10) percent of the Rental Registry Fee. If the Rental Registry Fees remain unpaid within ninety (90) calendar days following the issuance of the delinquency notice, the Landlord shall be subject to a citation described in Title 4, Chapter 4.16 (Administrative Enforcement) of the Half Moon Bay Municipal Code.

The City may collect any past due Residential Rental Registry Fees and late payment penalties by use of all available legal means, including, but not limited to, means available for the collection of judgments, liens, and actions for recovery of money. The City also may recover its collection costs.

c) Residential Rental Registry Fees Pass-Through. A Landlord/Owner may not explicitly recover any portion of the Residential Rental Registry Fee, or any associated late penalties or enforcement costs, from Tenant(s).

d) Exemptions. Fees shall not apply to the following Residential Rental Units:

1. *Subsidized Residential Rental Units.* Registration fee is required for any unit which is one hundred percent restricted by deed, regulatory restriction contained in an agreement with a government agency, or other recorded document as affordable to persons and families or very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code, or subject to an agreement that provides housing subsidies for affordable housing for persons and families of very low, low,

or moderate income as defined in Section 50093 of the Health and Safety Code or comparable federal statutes.

2. *Accessory Dwelling Units.* Accessory dwelling units are exempt from payment of fees if the primary dwelling is owner-occupied and the accessory dwelling unit is occupied by the Landlord's immediate relative, and the occupant is not paying Rent or receiving discounts on Rent payments in exchange for other services provided, including but not limited to property maintenance or caretaking services. An "immediate relative" of the landlord may be the landlord's spouse, domestic partner, children, grandchildren, parents, or grandparents.
3. *Accessory Dwelling Units as Short-Term Vacation Rental (STR).* An accessory dwelling unit utilized and registered as a Short-Term Rental under continuation provisions contained in the Municipal Code shall be exempt from registration and fees until such time the unit is converted to a Residential Rental Unit.
4. *Mobile or Manufactured Home.* Registration of a mobile or manufactured home that is owner-occupied shall not be subject to registration even if the unit is subject to lot or space rental. Registration is required for a mobile or manufactured home unit which is rented or leased regardless of whether or not the unit is subject to lot or space rental.

Section 6-04.040 – Provision of Services

- a) The Residential Rental Registration Fee approved by resolution of the City Council may, in addition to covering costs of operation and administration of the Residential Rental Registry, include costs of providing services to Landlords and Tenants in the City. These services may include, without limitation, the following:
 1. Website content regarding Landlord/Tenant services and resources; and
 2. Referrals to Landlord/Tenant resources which may include dispute resolution services through website content and a dedicated phone line and email; and
 3. Education and outreach to Landlords and Tenants, such as handouts, mailings, and webinars about rights and obligations; and
 4. Any other services for Landlords and Tenants as deemed appropriate by the City.

Section 6-04.050 – Miscellaneous

- a) Annual Review. The Administrator shall annually prepare a report to the City Council assessing the effectiveness of the program established under this Chapter and may recommend changes.

- b) Business License. Nothing precludes the City Council from pursuing an amendment of the Municipal Code to apply Business Licensing provisions to all or some Residential Rental Units within the City limits.

Section 6-04.060 – Enforcement

- a) Any person violating a provision or failing to comply with any of the requirements of this Chapter shall be deemed guilty of a misdemeanor or an infraction and may be subject to the penalties prescribed in Title 4 of the Half Moon Bay Municipal Code.
- b) In addition to an administrative remedy or penalties available to the City, in law or equity, the City may enforce the terms of this Article through the administrative citation procedures provided in Chapter 4.16 (Administrative Enforcement) of the Half Moon Bay Municipal Code.
- c) The City Attorney may bring a civil action to seek redress for any violation(s) under this Chapter on behalf of the City. In any such relief, the City shall recover all civil penalties prescribed in provided Title 4 of the Half Moon Bay Municipal Code and any other relief the court deems proper.

Attachment C

TITLE 6 - HOUSING

CHAPTER 6.10 – Residential Lease Terms

Section 6.10.010 - Minimum Lease Terms

A. Offer. If a Tenant or prospective Tenant wishes to rent a rental unit from a Landlord and the Landlord wishes to rent the rental unit to the Tenant or prospective Tenant, the Landlord must offer to the Tenant or prospective Tenant a written lease that has a minimum term of one (1) year. Offers must be made in writing.

B. Acceptance. If the Tenant or prospective Tenant accepts the offer of a written lease which has a minimum term of one (1) year, this acceptance must be in writing.

C. Rejection. If the Tenant or prospective Tenant rejects the offer for a written lease which has a minimum term of one (1) year, the Landlord and Tenant or prospective Tenant may then enter into an agreement, oral or written, that provides for a rental term of less than one (1) year.

D. Rent. If the Landlord and Tenant enter into a written lease which has a minimum term of one (1) year, such lease must set the rent for the rental unit at a rate or rates certain and these rates shall not otherwise be modified during the term of such lease.

E. Renewal of Lease. Upon the expiration of any lease or lease renewal that has a minimum term of at least one (1) year, a lease shall be offered again in accordance with the procedures of subsections (A) – (D), so long as both the landlord and tenant wish to continue the rental relationship. If, however, either the Landlord or Tenant does not wish to continue the rental relationship, then there shall be no obligation for the Landlord to offer, or for the Tenant to accept, any renewal of the lease, unless required by state law. This subsection shall not apply to a rental unit that is rented subject to a written lease of less than one (1) year.

F. Applicability. This section shall apply to each residential rental unit located within the city.

Section 6.10.020 - Landlord and Tenant Dispute Resolution.

A. Mandatory discussion of rental housing disputes. All landlords and tenants shall participate in the conciliation and mediation of rental unit disputes as provided in this section. A rental unit dispute means a fact-based grievance raised by any tenant or landlord regarding the occupancy or use of a rental unit limited to rental rate increases, deposits, repairs and maintenance, utilities, occupants, parking and storage facilities, privacy, quiet enjoyment, or use of common areas.

B. Procedure.

1. Any tenant or landlord may request mandatory discussion of a rental unit dispute by filing a written request for dispute resolution within twenty-one days of learning the facts

that give rise to the dispute. The request must be filed with the Administrator and must provide sufficient factual information to outline the basic issue or issues being raised.

2. Within seven days of receiving a written request for dispute resolution, the Administrator will notify both tenant and landlord if a case has been opened and will provide a copy of the request to the responding party. The Administrator will also initiate a conciliation process before mediation is scheduled, by engaging in a confidential telephone call or other contact to attempt to resolve the dispute.

3. The Administrator will not open dispute resolution, or will order dispute resolution closed, when it is clear from the written request that there is no substantial factual basis for the dispute, or when the dispute involves the actions or behavior of persons, or conditions, that are not within the control or responsibility of the parties; or when the dispute is frivolous, malicious or vexatious; or when further proceedings are not, in the sole judgment of the Administrator, likely to be productive.

4. The Administrator will promptly assign the request to a mediator who will contact all relevant parties to mediate the dispute. The Administrator shall have the authority to combine different disputes or different parties in the interest of efficiently addressing the disputes, provided that any party may, for reasons of confidentiality or otherwise, opt out of a combined mediation involving more than one tenant or landlord by notifying the Administrator. All communications between the Administrator and the parties as well as between the mediator and the parties shall be confidential and subject to the confidentiality guarantees set forth in California Evidence Code Sections 703.5 and 1115 – 1128, as may be amended.

5. No mediation will be scheduled until at least fourteen days after the parties are notified in order to allow time for conciliation efforts before mediation. Unless all parties agree in writing to waive the time limit, the initial mediation session will be conducted within twenty-eight days of the date the written request for dispute resolution is filed.

6. If a mediation session is held, the mediator shall provide the parties with an opening statement explaining the nature of the process and the ground rules. Thereafter the mediator will determine the manner and course of the session.

7. The landlords and/or tenants involved in the dispute shall be obligated to personally appear at a mediation session scheduled by a mediator. All parties must participate in the mediation session until completion of the mediator's opening statement. All parties appearing must have the legal authority to resolve disputes arising under this chapter. Participation in mediation shall be voluntary in all respects after the opening statement. The mediator may, with the consent of all parties, schedule additional sessions as needed.

8. No party shall be obligated to reach any specific agreement, or to reach any agreement at all, as a result of participating in conciliation or mediation communications. If an agreement is reached, it will be stated in writing by the mediator or by the parties. The

City shall not be a party to or be obligated in any way under any agreement between a landlord and tenant.

Section 6.10.030 - Notice Requirements.

A. Form. Landlords shall provide all tenants with notice summarizing the rights afforded by this section.

1. The notice regarding minimum lease terms shall be provided prior to entering any lease, written or oral, and shall contain substantially the following language:

The Half Moon Bay Municipal Code may provide you with the right to minimum lease terms. In certain situations, landlords must offer tenants the option to enter into a one (1) year written lease. It is the tenant's choice whether to enter into such a written lease with a landlord. Further information is available on the City's website or from the Administrator.

2. The notice regarding the mediation program shall be provided prior to entering any lease, written or oral, and shall contain substantially the following language:

The Half Moon Bay Municipal Code may provide you the right to mediation of disputes between landlord and tenant. You must request mediation within 21 days of learning about the facts that created the dispute. Further information is available on the City's website or from the Administrator.

B. Language. Landlords shall provide these notifications in English, Spanish, any other languages determined necessary by the Administrator.

C. Manner. All notices shall be in writing, shall provide the name, address and phone number of the Landlord and shall be personally delivered to the Tenant, mailed to the Tenant at the address of the tenant's residential property, or transmitted by email. Service by mail shall be presumed complete within five (5) days of mailing. This presumption may be rebutted by the Tenant. All notifications shall be in bold text and at least twelve (12) point font.

Section 6.10.040 - Tenant Remedies

A. Defense to Action to Recover Possession. Failure of a Landlord to comply with any of the provisions of this chapter shall provide the Tenant with a defense in any legal action brought by the landlord to recover possession of the rental unit.

B. Defense to Action to Collect Rent. Failure of a Landlord to comply with any of the provisions of this chapter shall provide the Tenant with a defense in any legal action brought by the Landlord to collect rent.

C. Injunctive Relief and Damages. A tenant may seek injunctive relief and/or damages on his or her own behalf and on behalf of other affected tenants to enjoin the landlord's violation of this chapter.

D. Remedies are Nonexclusive. The remedies provided for in this section shall be cumulative and not exclusive and shall not preclude a tenant from any other remedy or relief to which it otherwise would be entitled under law or equity.

E. Nonwaiver. Any waiver or purported waiver by a Tenant of his or her rights under this chapter prior to the time when such rights may be exercised, except a rejection of a one-year lease offered in accordance with section 6.10.010, shall be void as contrary to public policy.

Section 6.10.050 - City Enforcement

A. Landlord's Obligation. Compliance with this chapter is the obligation of the Landlord of a rental unit.

B. City Action. The City Attorney shall be authorized to enforce the provisions of this chapter by civil action and any other proceeding or method permitted by law.

C. Remedies are Nonexclusive. The remedies provided for in this section shall be cumulative and not exclusive and shall not preclude the City from any other remedy or relief to which it otherwise would be entitled under law or equity.

Section 6.10.060 - Retaliation Prohibited

Commencement of eviction proceedings against a tenant for exercising their rights under this Chapter shall be considered a retaliatory eviction. Under Civil Code Section 1942.5, as may be amended, it is illegal for a landlord to retaliate against a tenant for lawfully and peaceably exercising his or her legal rights.

BUSINESS OF THE COUNCIL OF THE CITY OF HALF MOON BAY

AGENDA REPORT

For meeting of: **February 6, 2024**

TO: Honorable Mayor and City Council

VIA: Matthew Chidester, City Manager

FROM: Catherine Engberg, City Attorney

TITLE: **ANIMAL CONTROL ORDINANCE – SECOND READING**

RECOMMENDATION:

Waive second reading and adopt an ordinance amending portions of Chapter 8.04 (Animal Control) of the Half Moon Bay Municipal Code to update provisions for animal control.

FISCAL IMPACT:

There is no fiscal impact associated with this item.

STRATEGIC ELEMENT:

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

DISCUSSION:

On January 16, 2024, the City Council introduced the ordinance following the conduct of a duly-noticed public hearing. As required by law, the ordinance appears for second reading and adoption at a regular meeting more than five days past introduction.

ATTACHMENT:

Animal Control Ordinance

ORDINANCE NO. C-2024-_____
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HALF MOON BAY AMENDING CHAPTER 8.04 (“ANIMAL CONTROL”) OF THE HALF MOON BAY MUNICIPAL CODE

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 amends Chapter 8.04 (“Animal Control”) of Title 8 (“Animals”) of the Half Moon Bay Municipal Code (“Animal Control Ordinance Amendment”). The City Council finds and declares as follows:

- (a) Under a July 1, 2021 Facilitation and Coordination of Animal Control Services Agreement (“Agreement”) with a term of 5 years, the County of San Mateo (“County”) facilitates provision of, and the City, along with all other cities in San Mateo County, reimburses the County for the costs of specified animal care and control, shelter services, and animal licensing, as they have done for over 70 years.
- (b) That Agreement is based on an expectation that Half Moon Bay and other cities in San Mateo County will adopt and maintain animal control ordinances that are substantially the same as the provisions of Chapters 6.04, 6.12, and 6.16 of Title 6 (“Animals”) of the San Mateo County Ordinance Code.
- (c) The County has recently updated Chapter 6.04 of its Ordinance Code to clarify existing definitions, enact additional requirements for animal control, and revise animal control service fees.
- (d) The City’s Animal Control Ordinance Amendment will ensure that the Animal Control provisions of the Half Moon Bay Municipal Code remain substantially similar to those in Chapters 6.04, 6.12, and 6.16 of Title 6 of the San Mateo County Ordinance Code, which will facilitate the County’s continued provision of specified animal care and control, shelter services, and animal licensing for the City.

Section 2. Amendments. The following sections of the Municipal Code are amended as specified below and in Attachment A. Attachment A generally shows additions with underlined text and deletions with ~~strike-out text~~.

Municipal Code Provision	Action
Section 8.04.010	Amends section as shown in Attachment A
Section 8.04.020	Amends and renumbers section as shown in Attachment A
Section 8.04.030	Adopts new section as shown in Attachment A
Section 8.04.040	Adopts new section as shown in Attachment A
Section 8.04.050	Adopts new section as shown in Attachment A
Section 8.04.060	Adopts new section as shown in Attachment A
Section 8.04.070	Renumbers section as shown in Attachment A
Section 8.04.080	Amends and renumbers section as shown in Attachment A

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. CEQA. The City Council finds that adoption of this Ordinance is not subject to the California Environmental Quality Act ("CEQA") under the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, Section 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and Section 15060(c)(3) (the activity is not a project as defined in Section 15378), because it has no potential to result in physical change to the environment. Moreover, the City Council finds that even if adoption of this Ordinance were otherwise subject to CEQA, it would be exempt pursuant to CEQA Guidelines Section 15061(b)(3) (common sense exemption).

Section 5. Publication. The City Clerk of the City of Half Moon Bay is hereby directed to publish this Ordinance pursuant to Government Code section 36933.

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 16th of January, 2024.

ADOPTED at a regular meeting of the City Council of the City of Half Moon Bay, California, held on the 6th of February, 2024, by the following vote:

AYES,
NOES,
ABSENT,
ABSTAIN,

ATTEST:

APPROVED:

Jessica Blair, City Clerk

Joaquin Jimenez, Mayor

ATTACHMENT A

Chapter 8.04 ANIMAL CONTROL

Sections:

- 8.04.010 Adopted by reference
- 8.04.020 Prohibited conduct
- 8.04.030 Administrative Citations
- 6.04.040 Appeal of Administrative Citation
- 6.04.050 Payment of Administrative Fines
- 6.04.060 Amount of Administrative Fines
- 8.04.070 Bullfrogs
- 8.04.080 Penalty for violation

8.04.010 Adopted by reference.

Title 6 of the San Mateo County Ordinance Code, consisting of Chapter 6.04 (Animal Control), Chapter 6.08 (Exotic Animals), Chapter 6.12 (Spaying, Neutering and Breeding), Chapter 6.16 (Animal Fanciers Permit), and Chapter 6.20 (Kennels and Catteries), is hereby adopted by reference as Title 8 of the Half Moon Bay Municipal Code, Animal Control except as expressly excepted or amended by the provisions of this Chapter 8.04. Wherever the words “participating cities” or “participating jurisdictions” are used in Chapter 6.04 of the San Mateo County Ordinance Code, they shall be held to mean the City of Half Moon Bay. The definitions in Chapter 6.04 of the San Mateo County Ordinance Code shall apply to Sections 8.04.030, 8.04.040, 8.04.050, and 8.04.060 of this Chapter. Animal Control and Licensing fees and charges shall be those fees and charges as adopted in Section 6.04.350 of the San Mateo County Ordinance Code, and as from time to time amended by the county. In accordance with California Government Code Section 50022.4, no penalty clauses are adopted by reference. In the event an amendment to Title 6 of the San Mateo County Ordinance Code results in differences between this ~~title~~ Chapter and the County Ordinance Code, the ~~text~~ provisions of this ~~title~~ Chapter shall govern. ~~In accordance with California Government Code Section 50022.6, at least one true copy of Title 6 of the San Mateo County Ordinance Code has been on file with the Half Moon Bay city clerk since fifteen days prior to enactment of the ordinance codified in this title. While this title is in force, a true copy of Title 6 of the San Mateo County Ordinance Code shall be kept for public inspection in the office of the Half Moon Bay city clerk. A reasonable number of copies of Title 6 of the San Mateo County Ordinance Code shall be available in the office of the Half Moon Bay city clerk for public purchase. In accordance with California Government Code Section 50022.3, a public hearing on the adoption of the ordinance codified in this title was held on November 1, 20 (Ord. C-2018-06 §2(part), 2018: Ord. 4-05 §1, 2005: Ord. 9-99 §2, 1999).~~

8.04.0240 Prohibited conduct.

No owner or guardian of any animal shall cause or permit it to do any of the following:

- A. To be in any public street, sidewalk, park, school ground, or any public property, or upon unenclosed premises in the city unless the animal is properly licensed, if such licensing is required by the city, and under the control of the owner by being saddled, harnessed, haltered or leashed by a substantial chain, lead rope or leash, six-foot maximum, which shall be held by some competent person capable of controlling such animal. An electric or invisible fence does not constitute an enclosure for the purposes of this requirement.
- B. To trespass upon any private property without the consent of the owner thereof, and to knowingly permit the animal to remain upon the property or to habitually continue to trespass thereon.
- C. To suffer or permit such animal to habitually bark or meow or act in such a manner as to continuously disturb the peace of any citizen or to be a public nuisance.
- D. To be without proper and adequate food, water, shelter, care, and attention as described in Section 597(f) of the Penal Code.
- E. Subsection A of this section shall not be applicable to cats.
- F. Notwithstanding any contrary provision contained in this ~~title~~ Chapter, dogs are not required to be leashed while located in an off-leash dog area that has been designated by the city council. The city shall post appropriate signs and notices designating off-leash dog areas and indicating the rules and regulations applicable to such designated off-leash dog areas. Failure to comply with the posted rules and regulations shall constitute a violation of this section.
- G. To walk more than three dogs at any one time or walk dogs for a fee in any public place without an annual permit from the city. The city manager or designee shall establish the requirements and conditions for the dog walking permit program. Any dog walker failing to possess a dog walking permit shall be in violation of this section and shall be punishable. (Ord. C-2020-05 §2(Exh. A), 2020: Ord. C-2018-06 §2(part), 2018).

8.04.030 Administrative Citations.

- A. Should an Animal Control Officer, Humane Officer or peace officer determine that a person has violated any provision of Chapter 6.04 of the San Mateo County Ordinance Code or of Section 8.04.020 of this Chapter, as adopted by reference in Section 8.04.010 of this Chapter 8.04, that enforcement officer shall have authority to issue and serve notice of an administrative citation as set forth in Section 6.04.260 of the San Mateo County Ordinance Code, to the person violating Chapter 6.04 or Section 8.04.010.
- B. Each administrative citation shall contain the following information:
 - 1. The name and address of the Owner or other person to be cited.

2. The date(s) of the violation.
3. The address or a specific description of the location where the violation occurred.
4. The section, subsection, and/or provision of Chapter 6.04 of the San Mateo County Ordinance Code violated by the person cited and a description of that violation.
5. A prohibition of the continuation or repetition of the violation described in the administrative citation.
6. If applicable a description of the potential consequence(s) should the violation continue or be repeated.
7. Either:
 - a. The amount of the administrative fine charged and to be paid by the person cited as a result of the violation; or
 - b. A notice to correct a certain violation within a reasonable time, and the amount of an administrative fine that may occur if the violation is not corrected or remedied by the date specified.
8. A description of the procedure to pay the fine, to include the time period for and place of payment, and the process by which the city or county may collect any unpaid amount owed.
9. A description of the administrative citation review process, including the time within which the administrative citation may be appealed and how to appeal the administrative citation, including any form to do so.
10. The name and signature of the citing Animal Control Officer, Humane Officer or peace officer or city or county designee.

C. An administrative citation may be any format, including letter, which conveys the information set forth above.

8.04.040 Appeal of Administrative Citation.

A. A recipient of an administrative citation may contest the citation including, but not limited to, on the basis that the underlying violation did not occur, or that recipient is not the party responsible for the violation and thus was the improper recipient of the administrative citation. The recipient must contest the citation on the form provided by the Animal Program Manager or Animal Control Officer and file the appeal with the Animal Control Program Manager within twelve calendar days from the date of service of the administrative citation. Any appeal not timely filed will be rejected.

B. The appeal shall contain the following provided by the person appealing the citation:

1. The name, mailing address, and telephone number of the party requesting the appeal;
2. A copy of the administrative citation or a reference number thereto;
3. A statement of the grounds for the contest, including a description of the evidence to be presented in support of the contest and copies of any statements or documents to be submitted at the hearing in support of the appeal.
4. The signature of the appealing party;
5. A deposit of the fine assessed as set forth in the citation(s), to be refunded if the appeal is successful.

C. Should an appeal be properly and timely requested, the requesting party shall be provided a hearing before a hearing officer to be held pursuant to the procedures set forth in Section 6.04.150 of the San Mateo County Ordinance Code as applicable. The Animal Control Program shall notify the person requesting the appeal hearing of the time and place set for the hearing pursuant to Section 6.04.260 of the San Mateo County Ordinance Code.

8.04.050 Payment of Administrative Fines.

A. In the absence of an appeal by the recipient of the administrative citation, the person cited shall pay the administrative fine in full within thirty calendar days from the date of service of the notice of citation. In the event of an appeal, after which the violation is upheld, if not already paid, the fine shall be paid in full within ten calendar days after the date that the decision of the hearing officer was served on the recipient.

B. Payment of any fine shall not excuse the failure to correct the violation, nor shall it bar further enforcement of the same or any similar violation or any other violation by any applicable means.

C. Failure to pay any fines assessed within the guidelines set forth in this Chapter will result in a late charge pursuant to Section 6.04.230 of the San Mateo County Ordinance Code, which will be collected by the Animal Control Program Manager.

8.04.060 Amount of Administrative Fines.

A. Any person issued an administrative citation pursuant to this Chapter 8.04, for a violation of Chapter 6.04 of the San Mateo County Ordinance Code or of Section 8.04.020 of this Chapter, shall be assessed and pay a fine as follows:

1. One hundred dollars (\$100) for a first citation.
2. Two hundred dollars (\$200) for a second citation for the same violation within a one-year period.

3. Five hundred (\$500) for each additional citation for the same violation within a one-year period.

8.04.07~~20~~ Bullfrogs.

No person shall buy, sell, transport, harbor, release or otherwise possess live American bullfrogs (*Rana catesbeiana*) within the city of Half Moon Bay. (Ord. C-2018-06 §2(part), 2018: Ord. C-2-12 §6(part), 2012).

8.04.08~~30~~ Penalty for violation.

Any violation of this ~~title~~ Chapter, including provisions of the San Mateo County Ordinance Code adopted by reference in Section 8.04.010, and including those provisions relating to required fees, shall be punishable as an infraction in accordance with the provisions of Section 4.14.010(C). This section shall not limit any other available criminal, civil or administrative remedies. Any or all applicable remedies shall remain available for violation of the provisions of this Chapter. (Ord. C-2018-06 §2(part), 2018: Ord. C-2-12 §6(part), 2012: Ord. 9-99 §3, 1999. Formerly 8.04.020).

1725997.3

BUSINESS OF THE COUNCIL OF THE CITY OF HALF MOON BAY

AGENDA REPORT

For meeting of: **February 6, 2024**

TO: Honorable Mayor and City Council

VIA: Matthew Chidester, City Manager

FROM: Jessica Blair, Communications Director / City Clerk

TITLE: **MAYOR’S AMENDED LIST OF CITY COUNCIL REPRESENTATIVES AND
DESIGNATED ASSIGNMENTS FOR 2024**

RECOMMENDATION:

Accept Mayor Jimenez’s Amended List of City Council Representatives and Designated Assignments for 2024.

FISCAL IMPACT:

There is no fiscal impact associated with this action.

STRATEGIC ELEMENT:

This recommendation supports the Inclusive Governance Element of the Strategic Plan.

ATTACHMENTS:

Mayor’s Amended List of City Council Representatives and Designated Assignments for 2024

**CITY COUNCIL ASSIGNMENTS
2024**

A. Council Subcommittees

Subcommittee	Designated Representative	Meeting Schedule
CSFA Grant Selection	Brownstone/Penrose	As designated
Education	Jimenez/Ruddock	As designated
Emergency Preparedness	Penrose /Rarback	As designated
Finance	Jimenez/Brownstone	As designated
Human Resources	Jimenez/Brownstone	As designated
Legislative Affairs	Jimenez/Ruddock	As designated
Mobility	Brownstone/Penrose	As designated
Public Safety	Jimenez/Penrose	As designated

B. City and Interagency

Organization	Designated Representative	Meeting Schedule
ABAG (Association of Bay Area Governments)	Jimenez/Brownstone	Annual, 1 day
C/CAG (County/City Assoc. of Governments)	Ruddock/Brownstone	2 nd Thursday evenings
Chamber Government Affairs Committee	Rarback/Jimenez	3 rd Thursdays 4:00 p.m.
Council of Cities Selection Committee	Jimenez/Rarback	4 th Friday evenings
League of CA Cities – Coastal Cities Issue Group	Rarback/Brownstone	Quarterly, as designated
League of CA Cities – Coastal Cities Group – Leadership Committee	Jimenez/Rarback	As designated
League of CA Cities – Peninsula Division	Brownstone/Penrose	Quarterly, as designated
Peninsula Clean Energy Authority	Rarback/Jimenez	4 th Thursday
Peninsula Congestion Relief Alliance	Jimenez/Rarback	Quarterly, as designated

SAM (Sewer Authority Mid-Coastside)	Penrose / Ruddock Alt: Rarback	4 th Monday 7pm
SMCo Airport Community Roundtable	Jimenez/Brownstone	1 st alt Wednesday 7 p.m.
SMCo Airport Land Use Committee	Jimenez/Brownstone	Quarterly, 4 th Wednesday 4:00 pm
SMCo Council of Cities	All	4 th Friday evenings
SMCo Library JPA	Penrose/Rarback	Quarterly, Monday evening
SMCo Office of Emergency Services	Jimenez/Rarback	Quarterly, 4 th Thursday evening

C. Council Liaisons

Organization / Ad Hoc Committee	Designated Representative	Meeting Schedule
Arts, Culture, and Events	Penrose/Jimenez	As designated
Beaches, Trails, and Parks	Jimenez/Penrose	As designated
Board of Supervisors	Rarback/Jimenez	2 nd /4 th Tuesdays, 9:00 am
Cannabis	Rarback/Brownstone	As designated
Chamber of Commerce / BID	Penrose/Ruddock	As designated
Homeless	Jimenez/Penrose	As designated
Housing and Human Services	Penrose/Rarback	As designated
Mid-Coast Community Council	Rarback/Brownstone	2 nd /4 th Wednesdays
Permit Streamline Process	Penrose/Rarback	As designated
Schools, Boys & Girls Club	Jimenez/Brownstone	As designated
Technology and Economic Develop.	Rarback/Brownstone	As designated

BUSINESS OF THE COUNCIL OF THE CITY OF HALF MOON BAY

AGENDA REPORT

For meeting of: **February 6, 2024**

TO: Honorable Mayor and City Council

VIA: Matthew Chidester, City Manager

FROM: Lisa Rossi, Administrative Services Director

TITLE: **RECLASSIFICATION OF THE SENIOR MANAGEMENT ANALYST TO ASSISTANT TO THE CITY MANAGER CLASSIFICATION**

RECOMMENDATION:

Adopt a resolution authorizing the reclassification of the Senior Management Analyst position to Assistant to the City Manager in the City Manager's office.

FISCAL IMPACT:

The difference between the two classifications totals approximately \$10,000 per year. Initially, the plan is to fill the position at a 0.8 FTE level (32 hours per week), which would result in salary savings of more than \$18,000 per year. In future fiscal years, depending on the needs of the City and budget capacity, the FTE level could be increased.

STRATEGIC ELEMENT:

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

BACKGROUND/DISCUSSION:

Within the City Manager's Office, the Senior Management Analyst provides significant support to department and City operations. Under general supervision, the Senior Management Analyst provides advanced administrative, program, project, and budgetary support to the department. In mid-2023, the position was vacated due to a staff resignation, and temporarily held open to allow for reallocation of certain duties, evaluate the City structure and needs for the future, and realize salary savings in the current Fiscal Year. Ultimately, it has been determined that for the present circumstances and foreseeable future, it would be advantageous to change the classification to Assistant to the City Manager, which would provide the City with the flexibility to assign more complex projects typically handled by a department head or senior manager. By reclassifying to a position with a higher skill level, the City Manager

can be assured that important tasks will be handled efficiently and effectively with minimal oversight.

Additionally, having a higher-level classification allows for the completion of projects that have been put on hold due to a lack of staff capacity, including important policy and program development and oversight. With the Assistant to the City Manager working on these projects, they can move forward without delay and with limited supervision. This will not only improve productivity, but also ensure that important initiatives are given the appropriate level of focus and attention.

Specifically, the Assistant to the City Manager could lead policy development and implementation projects, complete the development and oversight of the City's grants management program, assist in strategic planning and monitoring, conduct high-level research, and provide valuable insights into various projects and initiatives. By taking on these responsibilities, the position can better assist the City Manager in making informed decisions and ensuring successful project outcomes.

ATTACHMENTS:

Resolution authorizing the reclassification of the Senior Management Analyst to Assistant to the City Manager in the City Manager's Office.

Resolution No. C-2024-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HALF MOON BAY RECLASSIFYING THE SENIOR MANAGEMENT ANALYST TO ASSISTANT TO THE CITY MANAGER CLASSIFICATION

WHEREAS, Chapter 2.50 of the Half Moon Bay Municipal Code establishes a personnel system and procedures for the administration of personnel matters; and

WHEREAS, said Chapter requires that the City Manager, as personnel officer, prepare and recommend to the City Council a position classification plan, class specifications, and revisions thereto; and

WHEREAS, said Chapter requires that the personnel rules and policies be adopted by resolution of the City Council; and

NOW, THEREFORE, BE IT RESOLVED, that one Senior Management Analyst classification be reclassified to the Assistant to the City Manager Classification within the City Manager’s Office, effective February 7, 2024.

I, the undersigned, hereby certify that the foregoing Resolution was duly passed and adopted on the 6th day of February 2024, 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

Joaquin Jimenez, Mayor

BUSINESS OF THE COUNCIL OF THE CITY OF HALF MOON BAY

AGENDA REPORT

For meeting of: **February 6, 2024**

TO: Honorable Mayor and City Council

VIA: Matthew Chidester, City Manager

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

TITLE: **TREASURER'S REPORT FOR THE QUARTER ENDING DECEMBER 31, 2023**

RECOMMENDATION:

By motion, accept the Treasurer's Report for the quarter ending December 31, 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:

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 1), 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:

The City's cash and investment portfolio, at fair market value, as of December 31, 2023, is \$53 million of which \$39.4 million is placed with the San Mateo County Treasurer's Investment Pool and \$7.9 million is placed with the State Controller's Local Agency Investment Fund (LAIF), and \$6.2 million in operating accounts with Wells Fargo Bank. The average weighted yields for the City's cash and investments are 3.09 % for the quarter.

ATTACHMENT:

Treasurer's Report for the quarter ending December 31, 2023

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

1. Cash and investments were comprised of the following instruments as of December 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
Petty Cash	331	-	331	331		-	-
<u>Wells Fargo Bank:</u>							
Checking	6,240,046	-	6,240,046	6,240,046		-	-
Payroll	5,481	-	5,481	5,481		-	-
<u>California State Treasurer:</u>							
LAIF - General Fund	8,033,886	-	8,033,886	7,982,012	3.81%	71,799	71,799
<u>San Mateo County Treasurer</u>							
SMC Pool - General Fund	39,977,280	-	39,977,280	39,472,367	3.44%	316,213	316,213
TOTAL CASH AND INVESTMENTS	54,257,025	-	54,257,025	53,700,238		388,012	388,012

*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 December 30, 2023 mature as follows:

	City Treasury	Fiscal Agents	Total
Available immediately	54,257,025	-	54,257,025
Maturities less than one year	-	-	-
Maturities of one to five years	-	-	-
Greater than five years	-	-	-
Total	54,257,025	-	54,257,025

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	11.51%	12/30/2021	48,027,676	0.71%	87,470
Local Agency Investment Fund	14.81%	12/30/2022	50,511,383	1.66%	155,244
San Mateo Co. Investment Pool	73.68%	12/30/2023	53,700,238	3.09%	388,012
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 Spiles

Finance Manager

1/27/2024

Date

4ron

Administrative Services Director

1/27/2024

Date

**CITY OF HALF MOON BAY
CASH AND INVESTMENTS REPORT
FOR QUARTER ENDING 12/30/2023**

GENERAL FUND **17,412,835.64**

RESTRICTED FUNDS

STORM DRAIN OPERATING FUND	363,469.96
TRAFFIC MITIGATION FUND	4,480,540.58
LIBRARY	16,648.06
MAIN STREET BRIDGE	55,746.19
GAS TAX	2,014,481.99
STREET AND ROAD FUND	2,631,552.28
MEASURE A FUND	1,692,689.28
PARK FACILITY DEVELOPMENT	968,607.44
AFFORDABLE HOUSING	5,488,484.19
PUBLIC FACILITIES	1,392,501.94
POLICE SPECIAL REVENUE	1,034,831.75
JOB-BOND PROCEED FD	0.96
MEASURE W FUND	739,528.94
LOT ACQUISITION/DEVELOPMENT	1,419,069.54
CZI GRANTS	287,185.74
OCC GRANT	460,638.57
AFFORDABLE HOUSING GRANT	834,456.81
JOB - DEBT SERVICE FD	6,480.71
GEN FD CAPITAL PROJECTS	1,906,353.00
DRAINAGE FUND	712,318.21
LIBRARY CAPITAL	456,067.37
GENERAL LONG TERM DEBT	-
SEWER FUNDS	5,335,613.61
VEHICLE REPLACEMENT	162,314.26
FURN/FIXT & EQUIP FUND	552,004.85
RISK MANAGEMENT	3,253,612.82
RETIREMENT STABILIZATION	578,990.27

TOTAL RESTRICTED FUNDS **36,844,189.32**

GENERAL LEDGER (BOOK) TOTAL

54,257,024.96

BANK BALANCES ON 12/30/2023

WELLS FARGO GENERAL CHECKING	6,830,655
WELLS FARGO PAYROLL CHECKING	6,071
LOCAL AGENCY INVESTMENT FUND (LAIF)	8,033,886
SAN MATEO COUNTY INVESTMENT POOL	39,977,280

Add: PETTY CASH ACCOUNTS 330.82

RECONCILING ITEMS -

Less: OUTSTANDING CHECKS (599,548.90)

Plus: DEPOSITS IN TRANSIT 8,351.11

Plus: VOID CHECKS -

BANK RECONCILIATION TOTAL

54,257,024.96

BUSINESS OF THE COUNCIL OF THE CITY OF HALF MOON BAY

AGENDA REPORT

FOR MEETING OF: FEBRUARY 6, 2024

TO: Honorable Mayor and City Council

VIA: Matthew Chidester, City Manager

FROM: Lisa Rossi, Administrative Service Director/ Risk Manager
Catherine Engberg, City Attorney

TITLE: DENY CLAIM OF JOHN ROSSI

RECOMMENDATION:

Deny the attached liability claim presented to the City of Half Moon Bay, as recommended by the Pooled Liability Assurance Network Joint Powers Authority (PLAN JPA) and Sedgwick representatives.

FISCAL IMPACT:

There is no fiscal impact associated with this report.

STRATEGIC ELEMENT:

This action supports the *Fiscal Sustainability* Element of the Strategic Plan.

BACKGROUND:

The City of Half Moon Bay is a member of Pooled Liability Network Joint Powers Authority (PLAN JPA) originally created by ABAG PLAN Corporation. The PLAN is responsible for processing the City's claims under its risk management and insurance services program. PLAN JPA is currently administered by Sedgwick staff under the direction of a Board of Directors that consists of one staff representative and one alternate from each of the 28-member local government Bay Area agencies.

John Rossi filed a claim alleging negligence by City staff for allowing property to be built where known flooding occurred, causing damage to his home, which is within the City limits. The claim was received by the City on September 19, 2023, and submitted to Sedgwick for review and investigation. Sedgwick issued a status report on December 8, 2023, recommending formal rejection of the claim. The basis for the rejection is that the City is not liable for the damage to Mr. Rossi's home.

The Council's rejection of this claim does not prohibit City staff or the staff of Sedgwick from continuing to work with the claimant to resolve the dispute.

ATTACHMENTS:

1. Claim Form



CITY OF HALF MOON BAY

501 Main Street
Half Moon Bay, CA 94019
(650) 750-2034

Liability Claim Form

COMPLETE THE FOLLOWING, ADDING ADDITIONAL SHEETS AS NECESSARY.

1. CLAIMANT'S NAME (Print): John Rossi
2. CLAIMANT'S ADDRESS: 2804 Champs Elysee, Half Moon Bay, CA 94019
(Street or P.O. Box Number - City - State - Zip Code)
HOME PHONE: 209-800-8832 WORK PHONE: 209-800-8832
3. AMOUNT OF CLAIM \$ 850,000. (Attach Copies of bills/estimates)

IF AMOUNT CLAIMED IS MORE THAT \$10,000, INDICATE WHERE JURISDICTION RESTS:

Limited Civil Case ☐
Unlimited Civil Case ☒

4. ADDRESS TO WHICH NOTICES ARE TO BE SENT, IF DIFFERENT FROM LINES 1 AND 2 (PRINT):

David Wolff, Esq.
david.wolff@dracupandpatterson.com
Dracup & Patterson ALC
Mailing Address: 11024 Montgomery Blvd. NE #279
Albuquerque, NM 87111
Tel. (760) 496-9098

5. DATE OF INCIDENT: March 31, 2023 TIME OF INCIDENT: all day

LOCATION OF INCIDENT: 2804 Champs Elysee, Half Moon Bay, California 94019

6. DESCRIBE THE INCIDENT OR ACCIDENT INCLUDING YOUR REASON FOR BELIEVING THAT THE CITY IS LIABLE FOR YOUR DAMAGES:

See Attached Item 6.

7. DESCRIBE ALL DAMAGES WHICH YOU BELIEVE YOU HAVE INCURRED AS RESULT OF THE INCIDENT:

See Attached Item 7.

8. NAMES(S) OF PUBLIC EMPLOYEE(S) CAUSING THE DAMAGES YOU ARE CLAIMING:
Jill Ekas Scott Phillips Others to be determined.

J. M. Rossi
Signature of Claimant

23 AUG 2023
Date

Any person who, with intent to defraud, presents any false or fraudulent claim may be punished by imprisonment or fine or both.

Note: You must file a claim in compliance with Government Code Section 911.2.

Return form address Finance Department 507B Purissima St. Half Moon Bay CA 94019

HMB LIABILITY CLAIM FORM ITEM 6.

City is liable for claimant's damages through negligent issuance of permits to construct the Rossi property in an area prone to flooding.

For more than 20 years, the area in which the Rossi property is located has suffered from inadequate drainage, resulting in flooding and property damage. The problems are well documented in the Half Moon Bay Review and with the City of Half Moon Bay. The City has allowed homes to be built but largely ignored the flooding issues. In recent years, the City has refused to maintain the Pullman Ditch since "the property owners own it" yet they have also precluded or made it economically unfeasible for homeowners to undertake protective measures such as regular maintenance, retaining walls, and flood prevention measures. This ditch has almost tripled in depth and width in the last three years.

An example of the disregard by the city for the flooding problem as it relates to the Rossi property is in the communication included here. Refer to Farrell Email of 1.16.2020 attached. This document cites evidence of flooding in the year 2020, communicated to Jill Ekas and Scott Phillips, after which apparently no action was taken and entitlements were issued for the Rossi property despite this evidence. There are believed to be other similar instances.

HMB LIABILITY CLAIM FORM ITEM 7.

Damages incurred as a result of the negligence are as follows:

1. Price paid for the property by Rossi exceeded its value by \$520,000.00. See attached appraisal by Accurate Appraisal and Review, San Jose, CA.
2. Additional costs of approximately \$30,000 for flood protection incurred by Rossi.
3. Future costs in an unknown sum.
4. Loss due to mental and physical exertion and lost work time of approximately \$300,000.

| |

----- Forwarded message -----

From: **Joe Farrell** <jfarrellhmb@gmail.com>

Date: Fri, Jul 21, 2023 at 2:54 PM

Subject: Fwd: Flooding in Miramar

To: John Rossi <jrossi.91320@gmail.com>, Vic Froelicher <vicmdatg@gmail.com>, Brad Steinwede <bsteinwede@icloud.com>, Sandy Paoli <sandunes1@aol.com>, Mary & Mike Rudy <miramar288@gmail.com>, Chris Devcich <christopher.devcich@gmail.com>, Suzan Suer <suersuzan@yahoo.com>

Cc: Carol Farrell <cfarrellhmb@gmail.com>

----- Forwarded message -----

From: **Joe Farrell** <jfarrellhmb@gmail.com>

Date: Thu, Jan 16, 2020 at 11:14 AM

Subject: Flooding in Miramar

To: Scott Phillips <SPhillips@hmbcity.com>

Hi Ditch People,

Before John's house was built (but may have been approved), we had a bad storm and there was flooding across our neighborhood. These pictures were of John's property and you can clearly see the large amounts of water. I went down to the planning department that day and showed Jill and Scott the pictures and warned them that the current house plans would subject the home to flooding and to have the house plans amended to raise the house up higher (like ours). They asked me to send pictures and these were emailed to Scott Phillips in the planning department on Jan 16th 2020.

I'm looking to build a story that the City was negligent in their duties when approving housing along the ditch. They knew that flooding occurred due to water draining off the impermeable surfaces at Nursreymans exchange/ Rocket Farms and took no action either to halt that action or halt approvals of housing along the ditch. There are 4-5 examples where the City had the institutional knowledge (in the planning department) of Pullman ditch flooding that would impact proposed homes and only once acted to amend the building plans (Jeff's House). Once there is a cohesive story put together I think we can go forward as a group to get some action.

Best,

Joe

Joe Farrell

jfarrellhmb@gmail.com

650.954.7862

INVOLVED PERSONS

John Rossi <jrossi.91320@gmail.com>, Vic Froelicher <vicmdatg@gmail.com>, Brad Steinwede <bsteinwede@icloud.com>, Sandy Paoli <sandunes1@aol.com>, Mary & Mike Rudy <miramar288@gmail.com>, Chris Devcich <christopher.devcich@gmail.com>, Suzan Suer <suersuzan@yahoo.com>
Cc: Carol Farrell <cfarrellhmb@gmail.com>









APPRAISAL OF



REAL PROPERTY

LOCATED AT:

2804 Champs Elysee Blvd
Half Moon Bay, CA 94019

CLIENT:

John Rossi
2804 Champs Elysee Blvd
Half Moon Bay, CA 94019

AS OF:

May 11, 2021

BY:

David D. Dietrich, SRA
Certified Residential Appraiser

Property Address **2804 Champs Elysee Blvd** City **Half Moon Bay** State **CA** Zip **94019**
 Owner of Public Record **Rossi, John** County **San Mateo**
 Legal Description **Lots 13 & 14 Block 18 City Of Naples Rsm 5/30**
 Assessor's Parcel # **048-112-240** Tax Year **2022** R.E. Taxes \$ **22,512.18**
 Neighborhood Name **Miramar** Map Reference **34/D2** Census Tract **6135.02**
 Property Rights Appraised ☒ Fee Simple ☐ Leasehold ☐ Other (describe)

My research ☒ did ☐ did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.
 Prior Sale/Transfer: Date **04/06/2021** Price **1,935,000** Source(s) **ParcelQuest**
 Analysis of prior sale or transfer history of the subject property (and comparable sales, if applicable) **The subject property sold on 04/06/2021 for \$1,935,000 per MLS listing #ML81836351.**

Offerings, options and contracts as of the effective date of the appraisal **The subject property sold on 04/06/2021 for \$1,935,000 per MLS listing #ML81836351.**

Neighborhood Characteristics			One-Unit Housing Trends			One-Unit Housing		Present Land Use %	
Location	☐ Urban	☒ Suburban ☐ Rural	Property Values	☐ Increasing	☒ Stable ☐ Declining	PRICE	AGE	One-Unit	75 %
Built-Up	☒ Over 75% ☐ 25-75% ☐ Under 25%	Demand/Supply	☐ Shortage	☒ In Balance	☐ Over Supply	\$(000)	(yrs)	2-4 Unit	3 %
Growth	☐ Rapid ☒ Stable ☐ Slow	Marketing Time	☒ Under 3 mths	☐ 3-6 mths	☐ Over 6 mths	845 Low	0	Multi-Family	2 %
Neighborhood Boundaries The neighborhood reach Purisima Way to the north, The Ocean to the south, Magellan Ave to the west, and Young Ave to the east.						5,900 High	150	Commercial	5 %
						1,900 Pred.	3	Other Vacant	15 %

Neighborhood Description **The subject is located in a neighborhood of average to good quality single family homes. Access to Hwy 1 is good. Roosevelt beach, Miramar Beach, and San Mateo Coasts Clinic are nearby. Local shopping is nearby on Highway 1 and San Mateo Rd. Public schools are in close proximity. Employment centers are 30-60 minutes to downtown San Mateo, Redwood City, Palo Alto, and other Silicon Valley locations.**

Market Conditions (including support for the above conclusions) **Some concessions have been noted in the area, although they have no effect on market values. Interest rates are historically high. Listings and sales are in balance. The market has been stable the past 10 months.**

Dimensions **Regular (Plat Map)** Area **5000 sf** Shape **Rectangular** View **Greenbelt**
 Specific Zoning Classification **R10006** Zoning Description **Single Family Residential**
 Zoning Compliance ☒ Legal ☐ Legal Nonconforming (Grandfathered Use) ☐ No Zoning ☐ Illegal (describe)
 Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? ☒ Yes ☐ No If No, describe. **The subject is legally permissible, optimally profitable, physically possible, and financially feasible.**

Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements—Type	Public	Private
Electricity	☒		Water	☒	Street Asphalt	☒	☐
Gas	☒		Sanitary Sewer	☒	Alley None	☐	☐

Site Comments **There are no other apparent adverse easements, encroachments, or other adverse conditions. The subject is not located in a F.E.M.A. Special Flood Hazard Zone. The subject has been affected by recent fires, mudslides, or flood per FEMA alerts started on 01/03/2018. No external obsolescence is noted. The subject has a drainage issue with the channel adjacent to the property.**

GENERAL DESCRIPTION		FOUNDATION		EXTERIOR DESCRIPTION materials		INTERIOR materials	
Units ☒ One ☐ One w/Acc. unit ☐	☒ Concrete Slab ☐ Crawl Space	Foundation Walls	Concrete/Good	Floors	Hardwood/Gd		
# of Stories 2	☐ Full Basement ☐ Partial Basement	Exterior Walls	Wood/Good	Walls	Drywall/Good		
Type ☒ Det. ☐ Att. ☐ S-Det./End Unit	Basement Area 0 sq. ft.	Roof Surface	CompShing/Good	Trim/Finish	Wood/Good		
☒ Existing ☐ Proposed ☐ Under Const.	Basement Finish %	Gutters & Downspouts	Aluminum/Good	Bath Floor	Tile/Good		
Design (Style) Farmhouse	☐ Outside Entry/Exit ☐ Sump Pump	Window Type	Vinyl 2-pane/Good	Bath Wainscot	Tile/Good		
Year Built 2020		Storm Sash/Insulated	None/Insulated/Gd	Car Storage	☐ None		
Effective Age (Yrs) 1		Screens	Screens/Good	☒ Driveway	# of Cars 2		
Attic ☐ None	Heating ☒ FWA ☐ HW ☐ Radiant	Amenities	☐ WoodStove(s) #	Driveway Surface	Pavestone		
☐ Drop Stair ☐ Stairs	☐ Other Fuel Gas	☐ Fireplace(s) #	☒ Fence Wood	☒ Garage	# of Cars 1		
☐ Floor ☒ Scuttle	Cooling ☐ Central Air Conditioning	☒ Patio/Deck Conc	☒ Porch Concrete	☐ Carport	# of Cars		
☐ Finished ☐ Heated	☐ Individual ☐ Other	☐ Pool	☐ Other	☐ Att. ☐ Det. ☒ Built-in			
Appliances ☒ Refrigerator ☒ Range/Oven ☒ Dishwasher ☒ Disposal ☒ Microwave ☐ Washer/Dryer ☒ Other (describe) Hood							
Finished area above grade contains: 6 Rooms	2 Bedrooms	2.0 Bath(s)	1,505 Square Feet of Gross Living Area Above Grade				
Additional Features See text addendum for subject features and any upgrades or remodeling to the subject.							

Comments on the Improvements **The physical depreciation is based upon the effective age and/or condition of improvements. No functional obsolescence is noted. The appraiser is utilizing an extraordinary assumption that the lot did flood and a drainage situation persists as communicated to the appraiser. The use of extraordinary assumption, if found to be false, may affect the results and conclusions in this**

Data Source(s)	MLS#ML81795523			MLS#ML81819750			MLS#ML81798970		
Verification Source(s)	DOC# 75865/ParcelQuest			DOC# 142880/ParcelQuest			DOC# 68649/ParcelQuest		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment
Sale or Financing		CD 06/24/2020		CD 11/12/2020		CD 07/06/2020			
Concessions		DOM 39		DOM 2		DOM 6			
Date of Sale/Time		COE 08/03/2020		COE 12/10/2020		COE 07/17/2020			
Location	Suburban	Suburban		Suburban		Suburban			
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple			
Site	5000 sf	5000 sf		5000 sf		5000 sf			
View	Greenbelt	Greenbelt		Greenbelt		Greenbelt			
Design (Style)	Farmhouse	Farmhouse		Hi Ranch		Craftsman			
Quality of Construction	Good	Good		Very Good	-100,000	Very Good+	-200,000		
Actual Age	3	3		7		8			
Condition	Good	Good		Good		Good			
Above Grade	Total Bdrms Baths	Total Bdrms Baths	-20,000	Total Bdrms Baths	-40,000	Total Bdrms Baths	-40,000		
Room Count	6 2 2.0	6 3 3.0	-20,000	8 4 3.0	-20,000	8 4 2.1	-10,000		
Gross Living Area 200.00	1,505 sq. ft.	1,616 sq. ft.	-22,000	2,266 sq. ft.	-152,000	2,086 sq. ft.	-116,000		
Basement & Finished	0sf	0sf		0sf		0sf			
Rooms Below Grade									
Functional Utility	Drainage Issue	Drainage Issue		None	-500,000	None	-500,000		
Heating/Cooling	FAU/None	Mini Split		FAU/None		Radiant/None			
Energy Efficient Items	Average	Average		Average		Average			
Garage/Carport	1 Car Garage	1 Car Garage		2 Car Garage	-20,000	2 Car Garage	-20,000		
Porch/Patio/Deck	Porch/Patio	Porch/Patio		Porch/Patio		Porch/Patio			
Fireplaces	No Fireplace	No Fireplace		1 Fireplace	-5,000	1 Fireplace	-5,000		
Fence/Pool, etc.	Fence/None	Fence/None		Fence/None		Fence/None			
Net Adjustment (Total)		☐ + ☒ - \$ 62,000		☐ + ☒ - \$ 837,000		☐ + ☒ - \$ 891,000			
Adjusted Sale Price of Comparables		Net Adj. -4.2% Gross Adj. 4.2% \$ 1,415,000		Net Adj. -37.2% Gross Adj. 37.2% \$ 1,413,000		Net Adj. -33.3% Gross Adj. 33.3% \$ 1,784,000			

Summary of Sales Comparison Approach See Text Addendum

COST APPROACH TO VALUE

Site Value Comments The Cost Approach was not developed as older homes are difficult to cost with high depreciation.

ESTIMATED ☐ REPRODUCTION OR ☐ REPLACEMENT COST NEW	OPINION OF SITE VALUE..... = \$			
Source of cost data	Dwelling	Sq. Ft. @ \$		= \$
Quality rating from cost service	Effective date of cost data	Sq. Ft. @ \$		= \$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)				
	Garage/Carport	Sq. Ft. @ \$		= \$
	Total Estimate of Cost-New			= \$
	Less Physical	Functional	External	
	Depreciation			= \$ ()
	Depreciated Cost of Improvements			= \$
	"As-is" Value of Site Improvements			= \$
	INDICATED VALUE BY COST APPROACH..... = \$			

INCOME APPROACH TO VALUE

Estimated Monthly Market Rent \$ X Gross Rent Multiplier = \$ Indicated Value by Income Approach

Summary of Income Approach (including support for market rent and GRM) The Income Approach was not developed due to lack of rental homes and a market GRM.

Indicated Value by: Sales Comparison Approach \$1,415,000 Cost Approach (if developed) \$ Income Approach (if developed) \$

The Sales Comparison Approach measures actual buyer-seller activity in the market and is the most reliable indicator of residential market value. The Cost Approach was not developed as older homes are difficult to cost with high depreciation. The Income Approach was not developed due to lack of rental homes since single family residences are typically owner occupied.

This appraisal is made ☒ "as is," ☐ subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, ☐ subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, ☐ subject to the following:

Data Source(s)		MLS#ML81797246			MLS#ML81837485			MLS#ML81821865		
Verification Source(s)		DOC# 76376/ParcelQuest			DOC# 65241/ParcelQuest			DOC# 49474/ParcelQuest		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment		DESCRIPTION	+(-) \$ Adjustment		DESCRIPTION	+(-) \$ Adjustment	
Sale or Financing Concessions		CD 06/28/2020 DOM 10			CD 04/15/2021 DOM 10			CD 01/15/2021 DOM 45		
Date of Sale/Time		COE 08/04/2020			COE 04/26/2021			COE 03/26/2021		
Location	Suburban	Suburban			Suburban			Inferior location	200,000	
Leasehold/Fee Simple	Fee Simple	Fee Simple			Fee Simple			Fee Simple		
Site	5000 sf	10400 sf	-81,000		7100 sf	-32,000		4800 sf		
View	Greenbelt	Obstructed Ocean	-50,000		Neighborhood	100,000		Mountains		
Design (Style)	Farmhouse	Ranch			Ranch			Farmhouse		
Quality of Construction	Good	Average	150,000		Average	150,000		Good		
Actual Age	3	66			61			14		
Condition	Good	Average	200,000		Average	200,000		Good-	100,000	
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths	-20,000		Total Bdrms. Baths	-20,000		Total Bdrms. Baths	-20,000	
Room Count	6 2 2.0	7 3 2.0			7 3 1.1	10,000		7 3 2.1	-10,000	
Gross Living Area 200.00	1,505 sq. ft.	1,640 sq. ft.	-27,000		1,120 sq. ft.	77,000		1,703 sq. ft.	-40,000	
Basement & Finished Rooms Below Grade	0sf	0sf			0sf			0sf		
Functional Utility	Drainage Issue	None	-500,000		None	-500,000		None	-500,000	
Heating/Cooling	FAU/None	FAU/None			FAU/None			FAU/None		
Energy Efficient Items	Average	Average			Average			Average		
Garage/Carport	1 Car Garage	1 Car Garage			2 Car Garage	-20,000		2 Car Garage	-20,000	
Porch/Patio/Deck	Porch/Patio	Porch/Patio			Porch/Patio			Porch/Patio		
Fireplaces	No Fireplace	1 Fireplace	-5,000		1 Fireplace	-5,000		2 Fireplaces	-10,000	
Fence/Pool, etc.	Fence/None	Fence/None			Fence/None			Fence/None		
Net Adjustment (Total)		☐ + ☒ -	\$ -333,000		☐ + ☒ -	\$ 40,000		☐ + ☒ -	\$ 300,000	
Adjusted Sale Price of Comparables		Net Adj. -18.2% Gross Adj. 56.4%	\$ 1,497,000		Net Adj. -2.8% Gross Adj. 77.6%	\$ 1,395,000		Net Adj. -20.0% Gross Adj. 60.0%	\$ 1,200,000	

Summary of Sales Comparison Approach See supplemental addendum for additional comments.

The scope of this appraisal and ensuing discussion in this report are specific to the needs of the client, other identified intended users and to the intended use of the report. This report was prepared for the sole and exclusive use of the client and other identified intended users for the identified intended use and its use by any other parties is prohibited. The appraiser is not responsible for unauthorized use of the report.

The appraiser's certification appearing in this appraisal report is subject to the following conditions and to such other specific conditions as are set forth by the appraiser in the report. All extraordinary assumptions and hypothetical conditions are stated in the report and might have affected the assignment results.

1. The appraiser assumes no responsibility for matters of a legal nature affecting the property appraised or title thereto, nor does the appraiser render any opinion as to the title, which is assumed to be good and marketable. The property is appraised as though under responsible ownership.
2. Any sketch in this report may show approximate dimensions and is included only to assist the reader in visualizing the property. The appraiser has made no survey of the property.
3. The appraiser is not required to give testimony or appear in court because of having made the appraisal with reference to the property in question, unless arrangements have been previously made thereto.
4. Neither all, nor any part of the content of this report, copy or other media thereof (including conclusions as to the property value, the identity of the appraiser, professional designations, or the firm with which the appraiser is connected), shall be used for any purposes by anyone but the client and other intended users as identified in this report, nor shall it be conveyed by anyone to the public through advertising, public relations, news, sales, or other media, without the written consent of the appraiser.
5. The appraiser will not disclose the contents of this appraisal report unless required by applicable law or as specified in the Uniform Standards of Professional Appraisal Practice.
6. Information, estimates, and opinions furnished to the appraiser, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished to the appraiser is assumed by the appraiser.
7. The appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The appraiser assumes no responsibility for such conditions, or for engineering or testing, which might be required to discover such factors. This appraisal is not an environmental assessment of the property and should not be considered as such.
8. The appraiser specializes in the valuation of real property and is not a home inspector, building contractor, structural engineer, or similar expert, unless otherwise noted. The appraiser did not conduct the intensive type of field observations of the kind intended to seek and discover property defects. The viewing of the property and any improvements is for purposes of developing an opinion of the defined value of the property, given the intended use of this assignment. Statements regarding condition are based on surface observations only. The appraiser claims no special expertise regarding issues including, but not limited to: foundation settlement, basement moisture problems, wood destroying (or other) insects, pest infestation, radon gas, lead based paint, mold or environmental issues. Unless otherwise indicated, mechanical systems were not activated or tested.

This appraisal report should not be used to disclose the condition of the property as it relates to the presence/absence of defects. The client is invited and encouraged to employ qualified experts to inspect and address areas of concern. If negative conditions are discovered, the opinion of value may be affected.

Unless otherwise noted, the appraiser assumes the components that constitute the subject property improvement(s) are fundamentally sound and in working order.

Any viewing of the property by the appraiser was limited to readily observable areas. Unless otherwise noted, attics and crawl space areas were not accessed. The appraiser did not move furniture, floor coverings or other items that may restrict the viewing of the property.

9. Appraisals involving hypothetical conditions related to completion of new construction, repairs or alteration are based on the assumption that such completion, alteration or repairs will be competently performed.
10. Unless the intended use of this appraisal specifically includes issues of property insurance coverage, this appraisal should not be used for such purposes. Reproduction or Replacement cost figures used in the cost approach are for valuation purposes only, given the intended use of the assignment. The Definition of Value used in this assignment is unlikely to be consistent with the definition of Insurable Value for property insurance coverage/use.
11. **The ACI General Purpose Appraisal Report (GPARTM) is not intended for use in transactions that require a Fannie Mae 1004/Freddie Mac 70 form, also known as the Uniform Residential Appraisal Report (URAR).**

Additional Comments Related To Scope Of Work, Assumptions and Limiting Conditions

3. Unless otherwise stated, the appraiser has no present or prospective interest in the property that is the subject of this report and has no personal interest with respect to the parties involved.
4. The appraiser has no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. The appraiser's engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. The appraiser's compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. The appraiser's analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
8. Unless otherwise noted, the appraiser has made a personal inspection of the property that is the subject of this report.
9. Unless noted below, no one provided significant real property appraisal assistance to the appraiser signing this certification. Significant real property appraisal assistance provided by:

Additional Certifications:

Definition of Value: ☒ Market Value ☐ Other Value: _____

Source of Definition: B4-1.1-01, Definition of Market Value (04/15/2014)

Market value is the most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- buyer and seller are typically motivated;
- both parties are well informed or well advised, and each acting in what he or she considers his/her own best interest;
- a reasonable time is allowed for exposure in the open market;
- payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

ADDRESS OF THE PROPERTY APPRAISED:

2804 Champs Elysee Blvd

Half Moon Bay, CA 94019

EFFECTIVE DATE OF THE APPRAISAL: 05/11/2021

APPRAISED VALUE OF THE SUBJECT PROPERTY \$ 1,415,000

APPRAISER

Signature: _____

Name: David D. Dietrich

State Certification # AR004138

or License # _____

or Other (describe): _____ State #: _____

State: CA

SUPERVISORY APPRAISER

Signature: _____

Name: _____

State Certification # _____

or License # _____

State: _____

Expiration Date of Certification or License: _____

forced air unit, 1 car electric garage, and built on a concrete slab foundation. The living room and dining room have hardwood floors. The kitchen features hardwood floors, quartz countertops, backsplash, gas stove, hood, dishwasher, disposal, microwave, island, and built in fridge. The laundry room has hardwood floors. One bedroom has hardwood floors and vaulted ceilings. The primary bedroom hardwood floors and crown molding. The hall bathroom has tile floors, quartz countertops, and tile shower. The primary bathroom has tile floors, quartz countertops, and tile shower.

The appraiser is utilizing an extraordinary assumption that the lot did flood and a drainage situation persists as communicated to the appraiser. The use of extraordinary assumption, if found to be false, may affect the results and conclusions in this appraisal assignment.

ADJUSTMENT METHOD: All adjustment amounts are based on paired sales analysis and linear regression analysis using ACI Analytics and data from past appraisals in the area.

SUMMARY OF SALES COMPARISON APPROACH:

Living area is adjusted for \$200 per square foot.

The adjustment per car garage is \$20,000 and \$10,000 per car carport.

Lot size are adjusted at \$15 per sf if over 1,000 sf.

Central ac are adjusted at \$10,000.

Fireplace is adjusted at \$5,000.

A full bath is adjusted at \$20,000 and \$10,000 per half bath

Bedrooms are adjusted at \$20,000 per bedroom.

Although Comp 1 is presently situated outside of a designated flood zone, it shares proximity with the subject as they both lie adjacent to the same drainage channel. Consequently, there is a foreseeable possibility that Comp 1 may encounter flooding within the next 5 to 10 years, similar to the subject.

Due to the scarcity of sales of property comparable to the subject, it was necessary to use comps which are greater than 10 years in age from the subject.

No cooling is typical for the area and has no adverse effect on the marketability of the subject property.

SALES FINAL RECONCILIATION: Comps 1-3 are located in the subject's direct neighborhood, least adjusted, most similar in lot size and age, and are given the most weight. Comps 4-6 are given some weight. All the comps are considered the best available and most similar to the subject. All the comps support final reconciled value well.

DRAINAGE ISSUES:

Per owner, there was flooding from the channel adjacent to the subject property. It was communicated to the appraiser that there were 9 instances of flooding. In 2021 it happened in January twice, February twice, March once, and December twice. In 2022 it happened in December twice. This factor of flooding would affect a larger and higher value home at the same rate as a smaller home. The location with external obsolescence effects the value of the land, but the amount invested into improvements is a large factor. The value of the external obsolescence is 26% of the average price of the comps in the neighborhood (\$1,900,000), which rounded is \$500,000. ($0.26 \times \$1,900,000 = \$494,000$, rounded to \$500,000.)

The estimated exposure time is 1-3 months under current market conditions for the appraised value as of 05/11/2021.

This conclusion is supported with comparable 1, which has a similar drainage issue although may be lesser than the subject.

INTENDED USER / USE: The Intended User of this appraisal report is John Rossi. The Intended Use is to evaluate the property that is the subject of this appraisal for Litigation Purposes, subject to the stated Scope of Work, purpose of the appraisal, reporting requirements of this appraisal report form, and Definition of Market Value. No additional Intended Users are identified by the appraiser.

ADDITIONAL CERTIFICATION PREVIOUS INSPECTIONS: I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

FLOOD HAZARD ZONES: Due to the substantial changes in Flood Hazard Zones made recently by the Federal Emergency Management Agency, the appraiser cannot warrant the Flood Zone information for the Subject property. The appraiser is not an expert in this field and recommends a Flood Hazard Zone certification be obtained from a professional service, if this is a concern of the lender.

CERTIFICATION STANDARD RULES: The reported analyses, opinions and conclusions were developed and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional appraisal Practice of the Appraisal Institute. The use of this report is subject to the requirements of the Appraisal Institute relation to review by its duly authorized representatives. As of the date of this report, I David Dietrich has completed the Standards and Ethics Education Requirements for SRA Designation of the Appraisal Institute.

COMPARISON #1

COMP 1: 216 Uhden St, Santa Cruz CA 95060 - Sale Price \$672,500 on 10/06/2018. **IN FLOOD ZONE**
(This property is located within a 100-Year Floodplain, however it is very close in proximity to the San Lorenzo River. Consequently, there is a foreseeable possibility that it may encounter flooding within the next 5 to 10 years.)

This comp is a 2 bedroom 1 bathroom single family home with 810sf of GLA and on a 2,614sf lot.

COMP 2: 407 Mott Ave, Santa Cruz CA 95062 - Sale Price \$899,000 on 01/15/2018. **NOT IN FLOOD ZONE**

This comp is a 2 bedrooms 1 bathroom single family home with 810sf of GLA and on a 2,570sf lot.

These comps are similar in GLA.

These comps are similar in lot size.

These comps are similar in quality and condition, however comp 2 is older in actual age and effective age than comp 1; therefore comp 2 would have an adjustment of +\$50,000, giving it a final value of \$949,000.

These comps are within a similar distance to the beach.

From January 2018-October 2018 there was no change in price per sf, per a market conditions analysis concluded by the appraiser via MLS listings chart software.

The difference in being in a flood zone vs not in a flood zone is \$276,500 for this property. This is concluded using the final adjusted value of comp 2 (\$949,000) minus comp 1 (\$672,500) giving us a final difference of **\$276,500**.

COMPARISON #2

COMP 1: 140 Campbell St, Santa Cruz CA 95060 - Sale Price \$1,015,000 on 12/04/2022. **IN FLOOD ZONE**

This comp is a 3 bedroom 1 bathroom single family home with 1,012sf of GLA and on a 12,110sf lot.

COMP 2: 511 Logan St, Santa Cruz CA 95062- Sale Price \$1,300,000 on 11/23/2022. **NOT IN FLOOD ZONE**

This comp is a 3 bedrooms 1 bathroom single family home with 1,136sf of GLA and on a 11,282sf lot.

These comps are both similar in GLA, however comp 1 is slightly smaller than comp 2. This adjustment is at \$200/sf; therefore comp 1 would have an adjustment of +\$25,000, giving it a final value of \$1,040,000.

These comps are similar in lot size (within 1,000sf) therefore no adjustment is warranted.

These comps differ in quality and condition;

Comp 1 has an effective age of 25 years.

Comp 2 in fixer upper condition and has an effective age of 40 years. This home was outside the flood zone, and in rougher shape than comp 1. Comp 2 would have an adjustment of +\$100,000 for condition of the property, giving it a final value of \$1,400,000.

Comp 2 is located a closer to the beach than comp 1, the adjustment for this difference is -\$100,000, giving comp 2 a final value of \$1,300,000.

From November-December 2018 there was no change in price per sf, per a market conditions analysis concluded by the appraiser via MLS listings chart software.

The difference in being in a flood zone vs not in a flood zone is \$260,000 for this property. This is concluded using the final adjusted value of comp 2 (\$1,300,000) minus comp 1 (\$1,040,000) giving us a final difference of **\$260,000**.

COMPARISON #3

COMP 1: 119 Cedar St, Santa Cruz CA 95060 - Sale Price \$830,000 on 10/22/2020. **IN FLOOD ZONE**

This comp is a 3 bedroom 1 bathroom single family home with 1,084sf of GLA on a 4,966sf lot.

COMP 2: 508 2nd St, Santa Cruz CA 95060 - Sale Price \$1,096,500 on 02/07/2020. **NOT IN FLOOD ZONE**

This comp is a 2 bedroom 1 bathroom single family home with 1,023sf of GLA on a 6,490sf lot.

These comps are similar in GLA.

These comps are similar in lot size, however comp 1 lot size is inferior to comp 2. This adjustment is at \$200/sf; therefore comp 1 would have an adjustment of +\$15,000, giving it a final value of \$845,000.

These comps are similar in quality and condition.

Comp 2 is located a closer to the beach than comp 1, the adjustment for this difference is -\$100,000, giving comp 2 a final value of \$996,500.

From February-October 2018 there was no change in price per sf, per a market conditions analysis concluded by the appraiser via MLS listings chart software.

The difference in being in a flood zone vs not in a flood zone is \$151,500 for this property. This is concluded using the final adjusted value of comp 2 (\$996,500) minus comp 1 (\$845,000) giving us a final difference of **\$151,500**.

PAIRED SALES ANALYSIS RECONCILIATION :

The impact of being situated in a flood zone can be observed through the respective values of \$276,500, \$260,000, and \$151,500. In terms of comparison, #3 falls towards the lower end of the spectrum due to its location further away from the river compared to #1 and #2. However, the appraiser's final value leans towards the higher range of the comparisons. This is attributed to the fact that the property has encountered 9 instances of flooding in the past 2 years, while comparisons #1 and #2 are more susceptible to flooding throughout their lifespan.

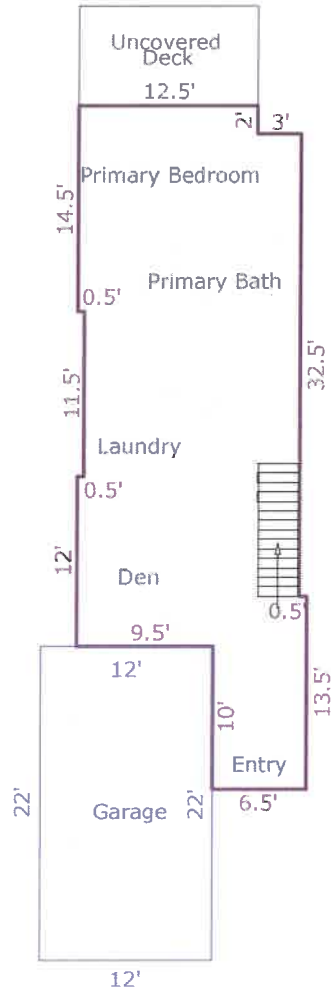
Upon completion of this comparative sales analysis, the appraiser presents a conclusive value of \$260,000, or 26% of the average price of the sales in the neighborhood (\$1,000,000), which is \$260,000, to account for the influence of a flood zone on a single-family home located in Santa Cruz. The selection of Santa Cruz as the target city for this evaluation stems from its recent experience with flooding incidents near the San Lorenzo River, which adversely affects properties situated in flood-prone areas. Although the chosen comparable properties were assessed prior to the most recent flooding event, they

DRAINAGE ISSUE IMPACT ON MARKETABILITY:

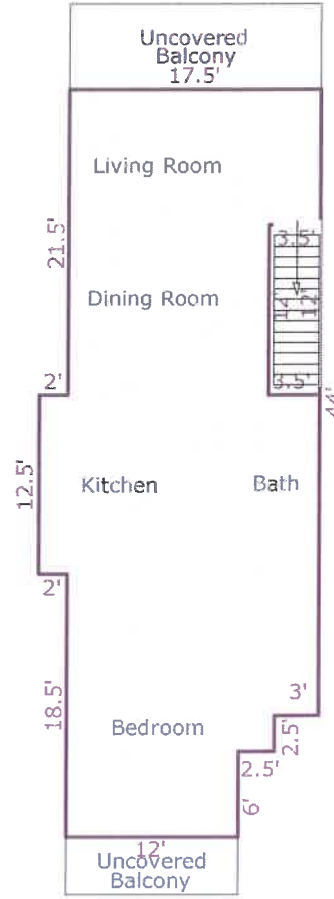
Based on the provided information, the appraiser has determined that the drainage issue affecting the subject property has a substantial impact of 26% within a neighborhood noted by paired sales. The subject's neighborhood value on average are much higher than available paired sales. The 26% is multiplied by the average home sale in the neighborhood of \$1,900,000. (26% X \$1,900,000 = \$494,000, rounded to \$500,000.) The diminimus value is noted to be \$500,000 for the flood channel situation that persists on the subject property as of 05/11/2021.

This conclusion is based on the fact that the home has encountered 9 overflows within a span of 2 years, resulting in a negative effect on its overall value, similar to a residence situated in a flood-prone area that endures the consequences of substantial rainfall during the winter season and the recurring expense of annual flood insurance payments.

First Floor



Second Floor



Sketch by Apex Sketch v5 Standard™

Comments:

AREA CALCULATIONS SUMMARY

Code	Description	Net Size	Net Totals
GLA1	First Floor	644.00	
	Second Floor	903.25	
	Stairs	-42.00	1505.25
GAR	Garage	264.00	264.00

LIVING AREA BREAKDOWN

Breakdown			Subtotals
First Floor			
3.5	x	16.0	56.00
11.5	x	15.0	172.50
8.5	x	15.5	131.75
10.0	x	6.5	65.00
15.5	x	12.5	193.75
2.0	x	12.5	25.00
Second Floor			
19.5	x	12.5	243.75
10.0	x	17.5	175.00
2.5	x	14.5	36.25
12.0	x	6.0	72.00
21.5	x	17.5	376.25
Stairs			
3.5	x	12.0	-42.00

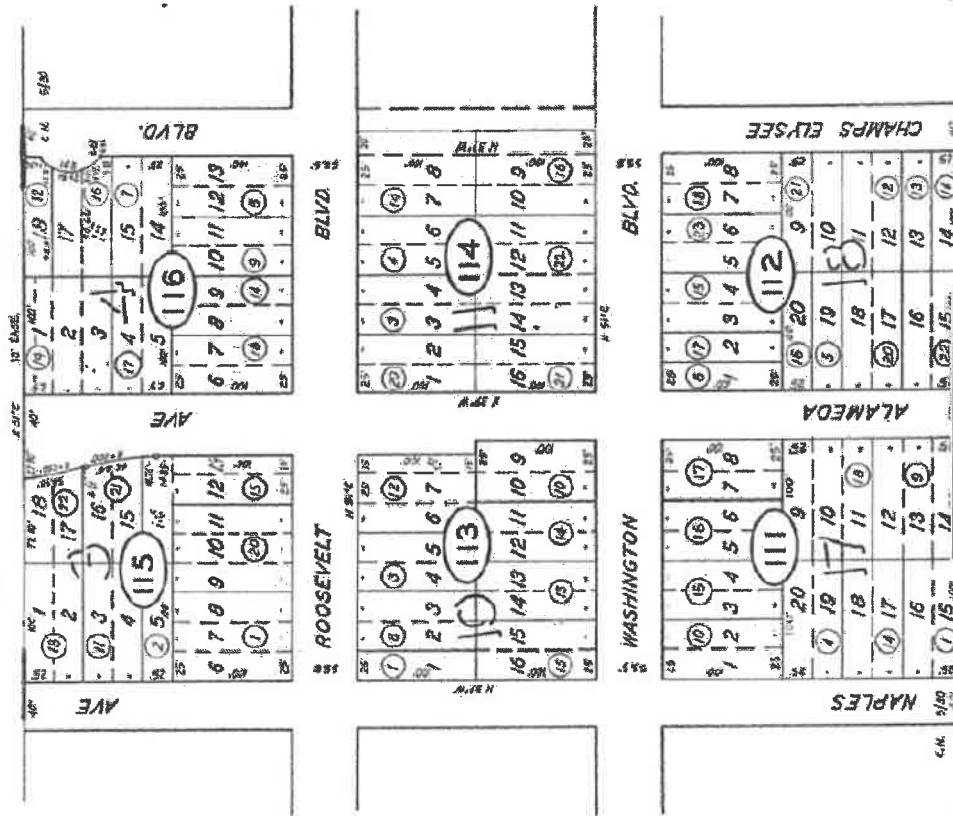
TAX CODE AREA - - - - -

48-11

MIRAMAR BEACH

(8)

(9)



COMP 1

SUBJECT

TACT

BEACH

SURF

CITY OF NAPLES RSM 5/30

ASSESSOR'S MAP COUNTY OF SAN MATEO CALIF



2804 Champs Elysee Boulevard, Half Moon Bay, California 94019

[View Comparable Properties](#)

[Listing](#) [Tax](#) [Photos](#) [History](#) [Parcel Map](#) [Flood Map](#) [Foreclosure](#)

Flood Zone Code: X

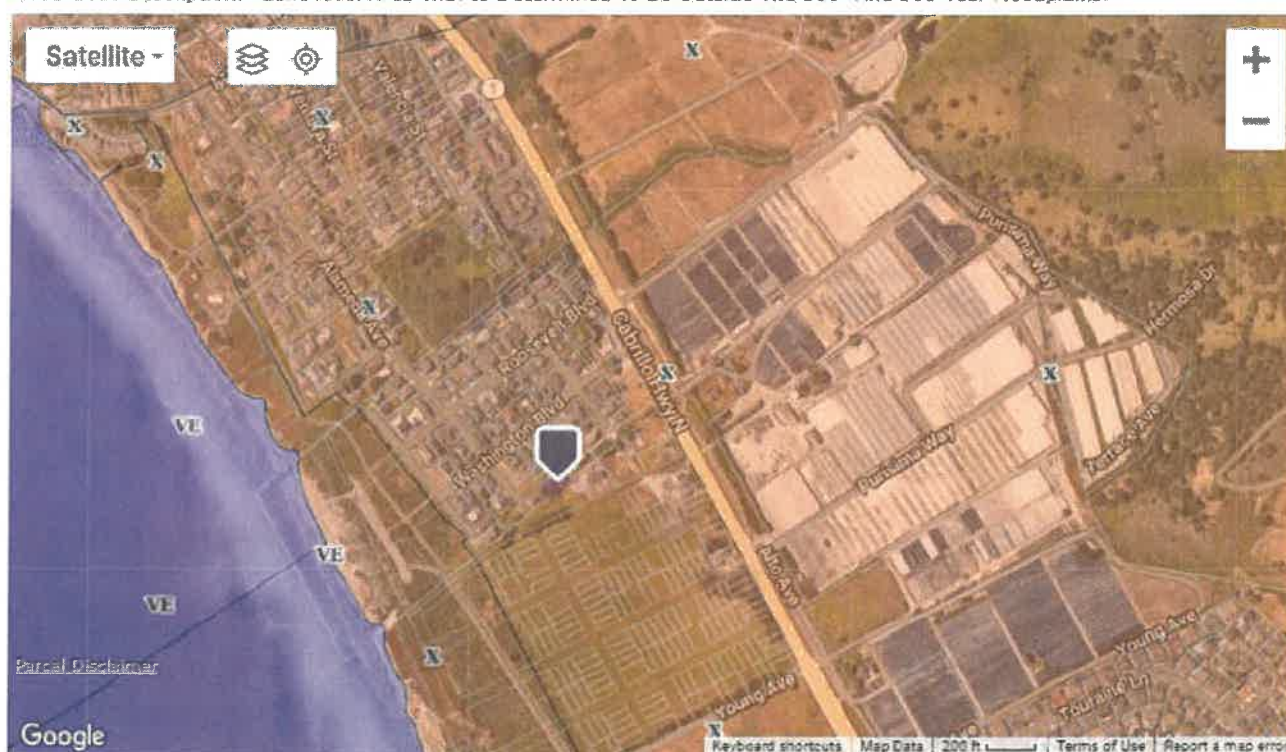
Flood Zone Panel:

06081C0252F

Flood Zone Date: 08/02/2017

Special Flood Hazard Area (SFHA): Out

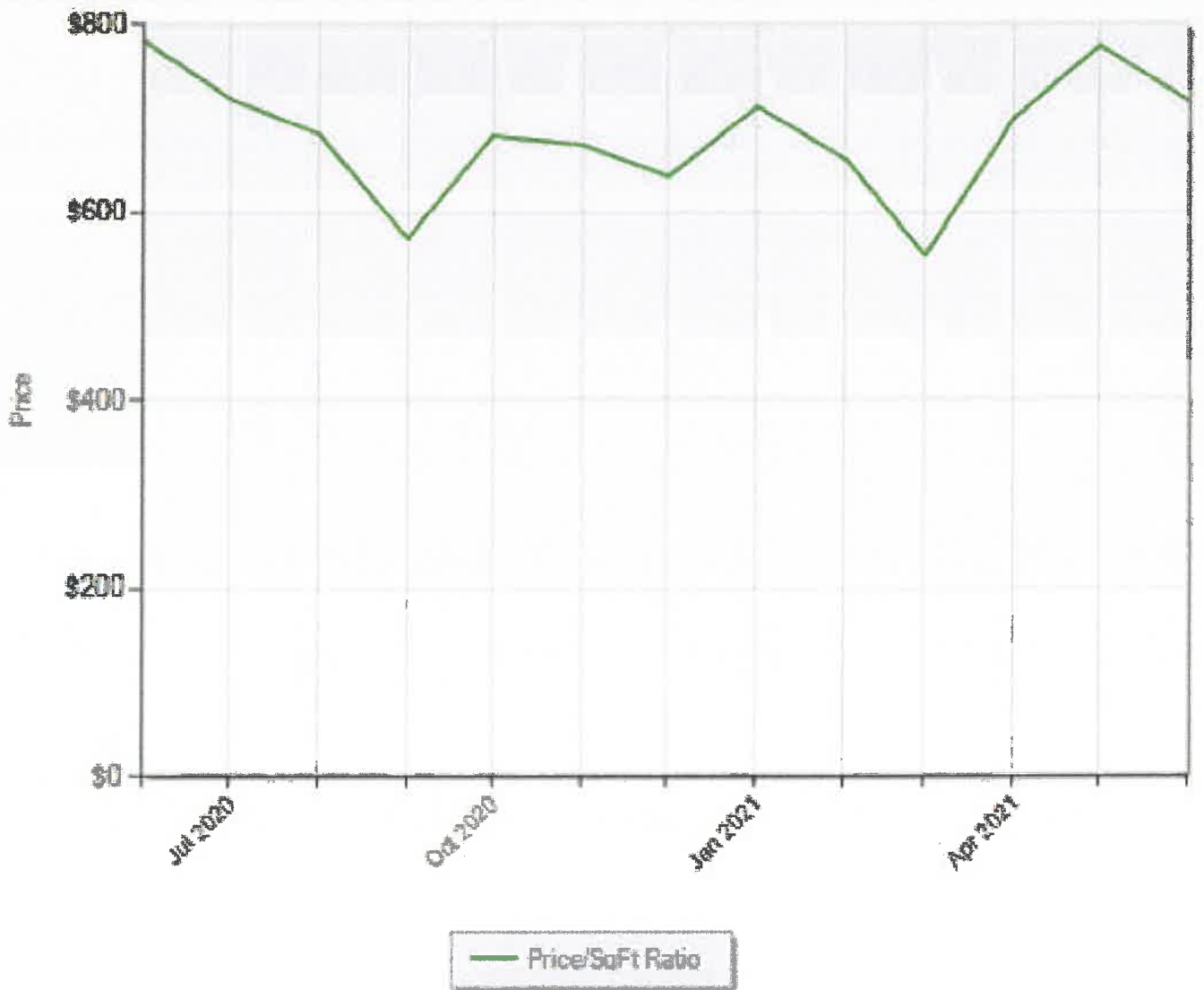
Flood Code Description: Zone X-An Area That Is Determined To Be Outside The 100- And 500-Year Floodplains.



This map/report was produced using multiple sources. It is provided for informational purposes only. This map/report should not be relied upon by any third parties. It is not intended to satisfy any regulatory guidelines and should not be used for this or any other purpose.

Property Location		County Last Updated: 05/19/2023	
Address:	2804 CHAMPS ELYSEE BLVD	City:	HALF MOON BAY Zip: 94019-1485
APN#:	048-112-240	Use Code:	Single Family Residence County: San Mateo
 Google Directions	 Google Satellite	Tract:	NAPLES Census Tract: 6135.02 Zone: R10006
Map Page/Grid:	34/D2	Legal Desc:	LOTS 13 & 14 BLOCK 18 CITY OF NAPLES RSM 5/30
Total Assessed Value:	1,973,700	Tax Amount:	22,512.18
Percent Improvement:	0.40	Tax Year / Assessor Year:	2022 / 2022
Current Owner Information			
Current Owner:	ROSSI,JOHN	Owner Address:	2804 CHAMPS ELYSEE BLVD
City, State, Zip:	HALF MOON BAY, CA, 94019-1485	Owner Occupied:	Yes
Last Transaction:	05/11/2021	Deed Type:	
Amount:	1,935,000	Document	0000074830
Last Sale Information		View Foreclosure Data	View Deeds Print Profile w/Deeds
Transferred From:	CHAMPS ELYSEE LP	Seller Address:	
Recording / Sale Date:	05/11/2021 / 04/27/2021	Prior Recording / Sale Date:	04/20/2018 / 04/16/2018
Most Recent Sale Price:	1,935,000	Prior Sale Price:	55,000
Document Number:	0000074830	Prior Document No.:	0000030521
Document Type:	grant deed/deed of trust	Prior Document Type:	grant deed/deed of trust
Lender Information			
Lender:	VENTURA COUNTY CU	Full/Partial:	C
Loan Amount / 2nd Trust Deed:	1,435,000 / 0	Loan Type:	conventional
Physical Information			
Building Area:	1,436	# of Bedrooms:	2 Lot Size: sqft / acreage 5,000 / 0.11
Additional:	0	# of Bathrooms:	2.00 Year Built / Effective: 2020 / 0
Garage:	253	# of Stories:	2 Heating: Central
First Floor:	0	Total Rooms:	6 Cooling:
Second Floor:	0	# of Units:	0 Roof Type:
Third Floor:	0	Garage/Carport:	Garage Construction/Quality: Primary Material Unlisted / 0
Basement Finished:	0	Fireplaces:	0 Building Shape:
Basement Unfinished:	0	Pool/Spa:	View:





Time frame is from Jun 2020 to Jun 2021
Zip Code is '94019'
Results calculated from 306 listings



**FRONT VIEW OF
SUBJECT PROPERTY**

Appraised Date: May 11, 2021
Appraised Value: \$ 1,415,000



**REAR VIEW OF
SUBJECT PROPERTY**



STREET SCENE



STREET SCENE
ADDITIONAL PHOTO



LIVING ROOM



KITCHEN



KITCHEN
ADDITIONAL PHOTO



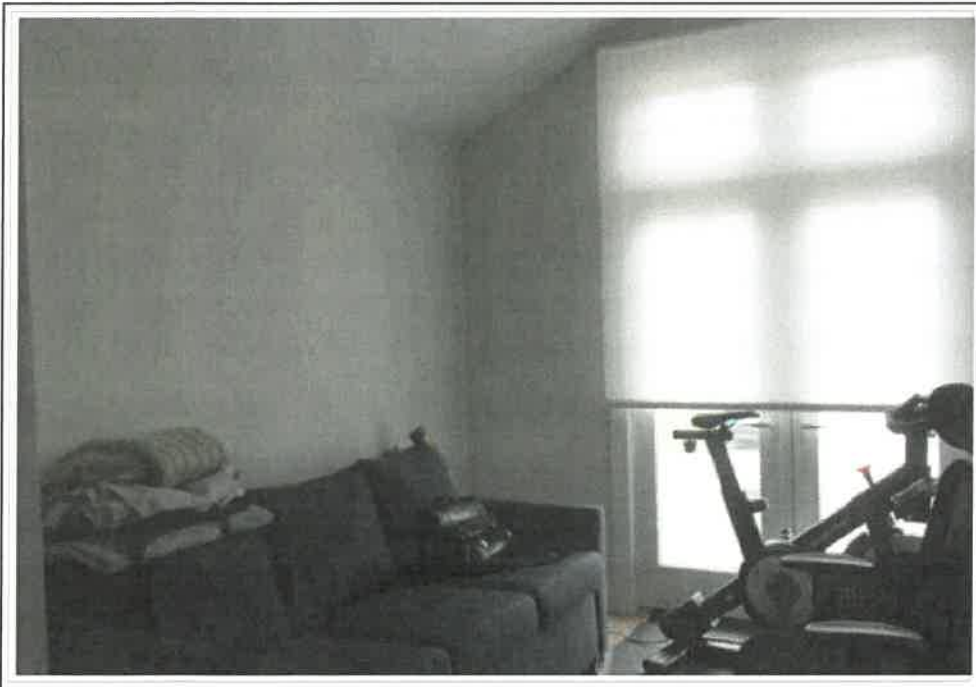
DINING ROOM



DEN



BEDROOM



BEDROOM



BATHROOM



BATHROOM
ADDITIONAL PHOTO



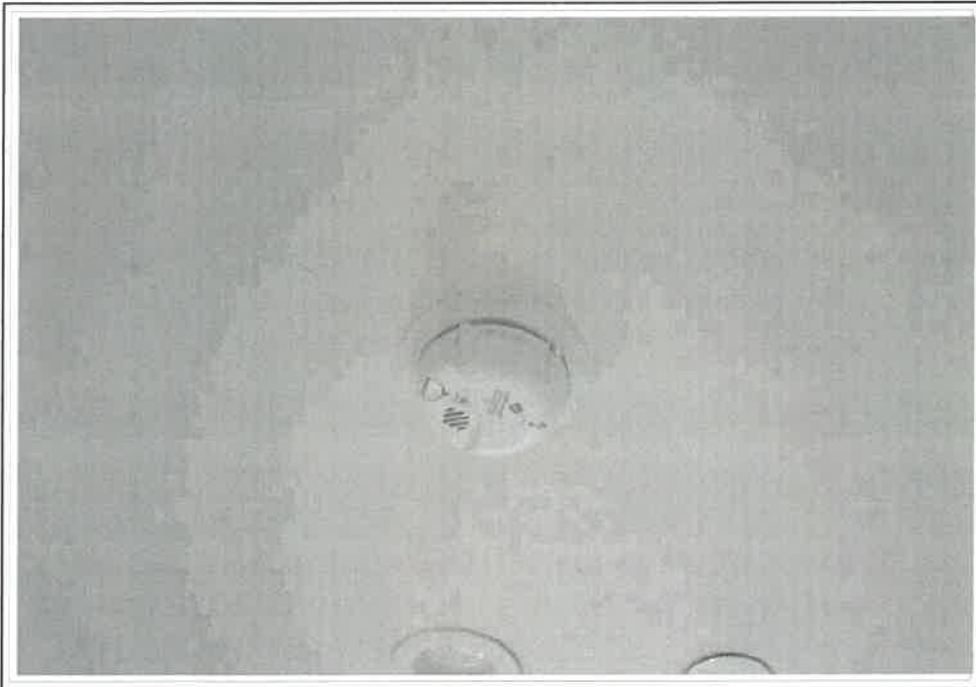
BATHROOM



BATHROOM
ADDITIONAL PHOTO



LAUNDRY ROOM



SMOKE/CO DETECTOR



GARAGE INTERIOR



UNCOVERED BALCONY



UNCOVERED BALCONY



GREENBELT VIEW



FOUNDATION AT INSPECTION
ON EAST SIDE OF HOME



DRAINAGE CLOSURE
AT PROPERTY LINE



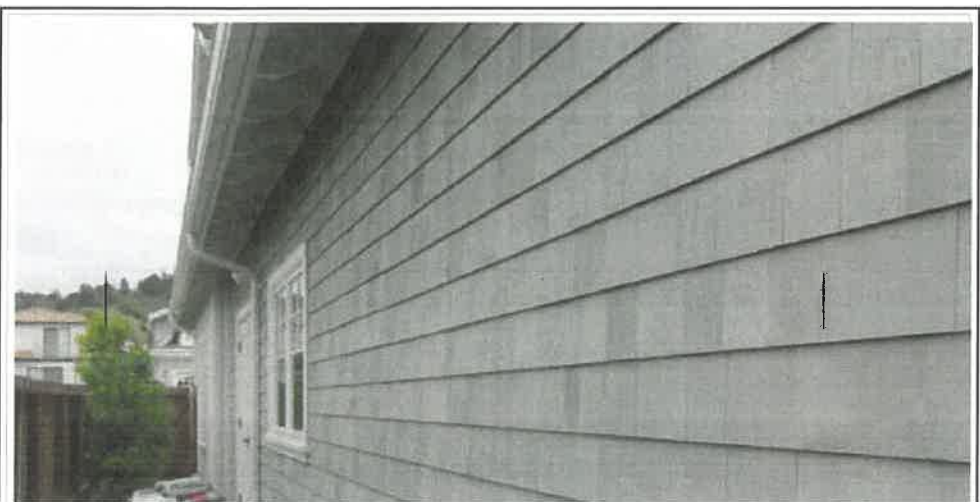
DRAINAGE CHANNEL FROM STREET



DRAINAGE CHANNEL



FRONT VIEW



SIDE VIEW



SIDE VIEW



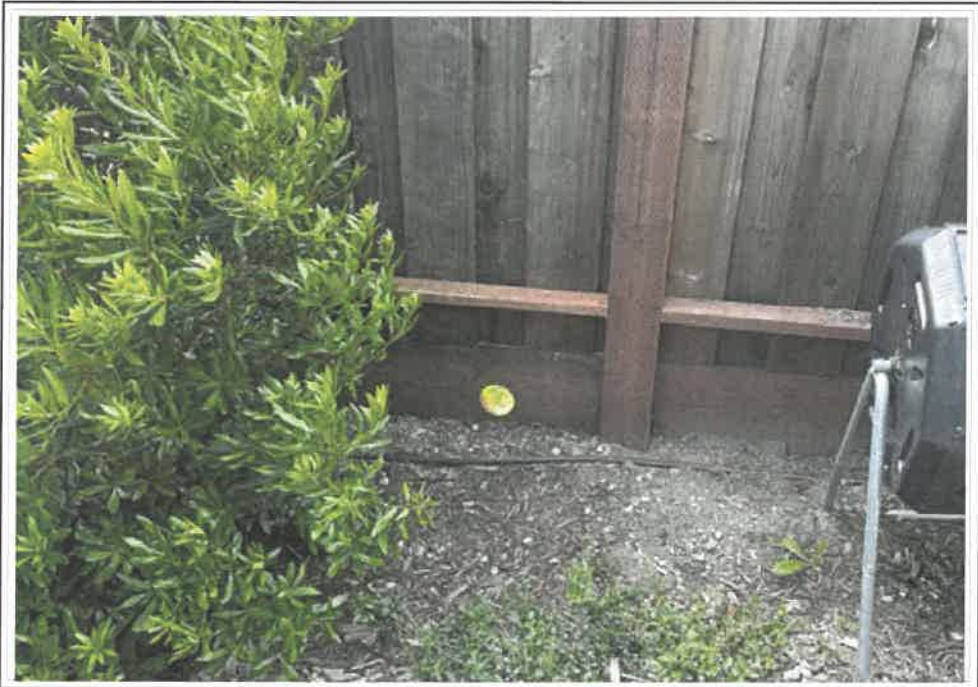
SIDE VIEW



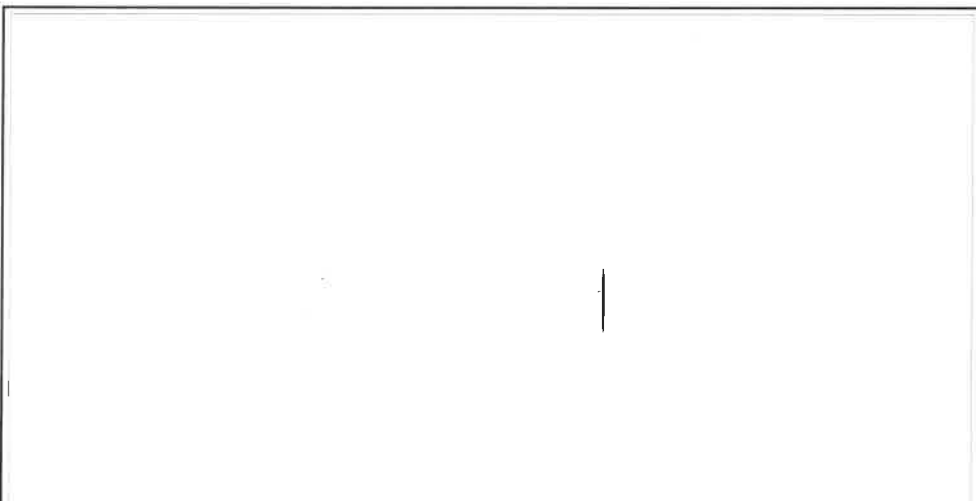
REAR SAND BAGS AT PATIO



REAR SAND BAGS AT PATIO



HOLE IN FENCE FOR EXTRA DRAINAGE





COMPARABLE SALE #1

2782 Pullman Ave
Half Moon Bay, CA 94019
Sale Date: COE 08/03/2020
Sale Price: \$ 1,477,000



COMPARABLE SALE #2

2786 Pullman Ave
Half Moon Bay, CA 94019
Sale Date: COE 12/10/2020
Sale Price: \$ 2,250,000



COMPARABLE SALE #3

400 Washington Blvd
Half Moon Bay, CA 94019
Sale Date: COE 07/17/2020
Sale Price: \$ 2,675,000



COMPARABLE SALE #4

180 Medio Ave
Half Moon Bay, CA 94019
Sale Date: COE 08/04/2020
Sale Price: \$ 1,830,000



COMPARABLE SALE #5

42 Valencia St
Half Moon Bay, CA 94019
Sale Date: COE 04/26/2021
Sale Price: \$ 1,435,000



COMPARABLE SALE #6

519 Alto Ave
Half Moon Bay, CA 94019
Sale Date: COE 03/26/2021
Sale Price: \$ 1,500,000



301 E. Fourth Street, Cincinnati, OH 45202

DECLARATIONS
for
REAL ESTATE APPRAISERS
ERRORS & OMISSIONS INSURANCE POLICY

THIS IS BOTH A CLAIMS MADE AND REPORTED INSURANCE POLICY.

THIS POLICY APPLIES TO THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED AND REPORTED IN WRITING TO THE COMPANY DURING THE POLICY PERIOD.

Insurance is afforded by the company indicated below: (A capital stock corporation)

☒ Great American Assurance Company

Note: The Insurance Company selected above shall herein be referred to as the Company.

Policy Number: RAP4114618-23

Renewal of: RAP4114618-22

Program Administrator: Herbert H. Landy Insurance Agency Inc.
100 River Ridge Drive, Suite 301 Norwood, MA 02062

Item 1. Named Insured: David D. Dietrich

Item 2. Address: 1975 Hamilton Avenue, #34

City, State, Zip Code: San Jose, CA 95125

Item 3. Policy Period: From 01/12/2023 To 01/12/2024
(Month, Day, Year) (Month, Day, Year)

(Both dates at 12:01 a.m. Standard Time at the address of the Named Insured as stated in Item 2.)

Item 4. Limits of Liability:

A. \$ 1,000,000 Damages Limit of Liability - Each Claim

B. \$ 1,000,000 Claim Expenses Limit of Liability - Each Claim

C. \$ 1,000,000 Damages Limit of Liability - Policy Aggregate

D. \$ 1,000,000 Claim Expenses Limit of Liability - Policy Aggregate

Item 5. Deductible (Inclusive of Claim Expenses):

A. \$ 500 Each Claim

B. \$ 1,000 Aggregate

Item 6. Premium: \$ 895.00

Item 7. Retroactive Date (if applicable): 01/12/2009

Item 8. Forms, Notices and Endorsements attached:

D42100 (03/15) D42300 CA (10/13) IL7324 (08/12)

D42402 (05/13) D42408 (03/13) D42412 (03/17) D42413 (06/17)

D42414 (08/19)

Barbara A. Thompson
Authorized Representative

David D. Dietrich
1975 Hamilton Ave, #34
San Jose, CA 95125
Office: (408) 379-6300 / Fax (408) 379-6800
davidd@accurateappraisal.net

Experience:

- **Chief Appraiser**
Accurate Appraisal & Review, San Jose, CA. September 1993 – Present
Duties: Appraised SFR, Condo, 2-20 Unit, and Small Commercial Properties. Reviewed Appraisals, Trained, Managed employee appraisers and administration.
- **Sales Agent - Realtor**
Anthony F. Gargiulo, Realtors, San Jose, CA October 1994 – Present
Duties: Create Sales, Establish contracts of purchase and leases, complete file for sales and leases.
- **Instructor**
Affordable Investment Academy, San Jose, CA. May 2005 – May 2006
Duties: Train beginning appraisers for 90 hours BREX qualified course.
- **Senior Associate Appraiser**
C.N Federspiel & Associates, Cupertino, CA, May 1990 – September 1993
Duties: Appraisal and Review of SFR's, 2-4 unit properties, and Condo's in the San Francisco Bay Area.
Trained low level appraisers. Managed branch office in Dublin, CA

Appraisal Courses and Education:

- **West Valley College – Saratoga, CA 1990 – 1993 A.A. – Business,**
Real Estate Economics Real Estate Appraisal I
Appraisal of Income Properties II Legal Aspects of Real Estate
Business Calculus/Statistics Real Estate Practice
- **Society of Real Estate Appraisers – San Jose, CA 1990 – 1991**
Introduction to Appraising Real Property
SPPA Standards of Professional Practice
- **The Real Estate Education Center – Santa Clara, CA 1990**
Appraisal of Single Family Residences
- **Orange Coast College – Costa Mesa, CA 1987**
Real Estate Principals
- **Master Appraisal School – Van Nuys, CA 1987**
Appraisal of Single Family Residences
- **University of Alaska, Anchorage – Anchorage, AK 1986**
Real Estate Taxation and Real Estate Finance

Individual Courses –

1999 February: Requires Agency Class, Pay the IRS Less Money, Required Ethics Class, Making Money in CA.
Foreclosures, Fair Housing, Trust Fund Handling
1999 October: FHA/HUD Preparation Examination
1999 November: The New FHA
2000 February: USPAP, Federal and State Laws and Regulations
2000 March: Fair Housing, Limited Appraisal Reports
2000 April: Professional Witness, Loss Prevention, Small Residential Income Property, and Appraisal Report Review
2004 January: Appraising Manufactured Homes, USPAP
2004 February: Testing Highest and Best Use, Valuating Undivided Fractional Interest, Marshall and Swift Residential
Cost Manual, Is The Comparable Comparable? Residential Construction, Appraising for the Secondary Market:
Getting Along with Fannie & Freddie, Federal and State Laws and Regulations, Limited Appraisals and the Scope of
Work Decisions
2005 July: 2005 Fannie Mae Forms Revision Seminar
2006 February: National USPAP Update Equivalent-Virtual Classroom

2007 February: Real Estate Continuing Education: Course Completion Certificate: Fair Housing, Trust Funds, Ethics, Agency, Real Estate Investments (Consumer Pro), Back to Basics (Consumer Service)
 2008 May: Appraising FHA Today, Fair Housing, California Laws & Regs., Income Capitalization
 2008 May: 2008-2009 National Update
 2010 February: National Uniform Standards of Professional Appraisal Practice-Update thru Appraisal Institute
 2010 April: Appraising Alternative Uses (Appraisal Institute)
 2010 June: IRS Valuation Summit (Appraisal Institute)
 2010 October: Business Practice and Ethics (Appraisal Institute)
 2011 March: Appraising Post HVCC
 2011 Apr – Appraising for Alternate Uses: Life Beyond Lending (Appraisal Institute)
 2011 July – Live Webinar! The 411 on UAD (McKissock)
 2012 April: Appraising FHA Today, Intro to Regression Analysis for Appraisers, Intro to Residential Green 2012 May:
 2012-2013 7 Hour National USPAP Update Course
 2012 May: Appraising and Analyzing Office Buildings for Mortgage Underwriting
 2012 June: Introduction to UAD
 2013 October: Real Estate Litigation Issues, Appraising Partial Interest, Fee Simple, Office Management
 2013 Aug – Residential Tapas: All Day
 2013 Oct – 2013 Annual Fall Conference Real Estate and Appraisal Symposium
 January: 2014-2015 National USPAP 7 Hour Update, Scope of Work and Best Practices
 2014 May – 2014 Spring Litigation Conference (Appraisal Institute)
 2014 May – Cost to Build: Numbers from the Front Line (Appraisal Institute)
 2014 July – Residential Site Valuation and Cost Approach (Appraisal Institute)
 2014 Sept – Residential Report Writing and Case Studies (Appraisal Institute)
 2015 Jan – Residential Sales Comparison and Income Approaches (Appraisal Institute)
 2015 April – Real Estate Finance Statistics and Valuation Modeling (Appraisal Institute)
 2015 June – Residential Market Analysis and Highest & Best Use (Appraisal Institute)
 2015 July – The NEW FHA handbook 4000.1
 2015 Aug – Residential Report Writing and Case Studies (Appraisal Institute)
 2015 Aug – Advanced Residential Applications & Case Studies/Part 1 (Appraisal Institute)
 2015 Aug – Advanced Residential Applications & Report Writing/Part 2 (Appraisal Institute)
 2016 Apr – Laws and Regulations for California Appraisers
 2016 Apr – 2016-2017 - 7-Hour Equivalent USPAP Update Course
 2016 May – Supervisor-Trainee Course for California
 2017 Dec – 2018-2019 -7 Hour National USPAP Update Course
 2018 May – Uniform Appraisal Standards for Federal Land Acquisitions: Practical Applications

State Licenses:

- David D. Dietrich is recognized in the State of California by the Bureau of Real Estate Appraisers as a Certified Residential Appraiser. Appraiser Certification # AR004138. Exp: 05/25/2022.

Association Memberships:

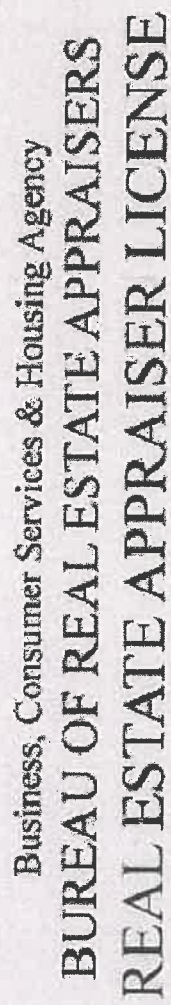
- SRA Member of the Appraisal Institute. Since 2016
- Member of Santa Clara County Association of Realtors. Since 2004.

Superior Court Recognized Expert Witness Testimony:

- Santa Cruz County Superior Court
- San Mateo County Superior Court
- Alameda County Superior Court

County Independent Tax Panel Appearances:

- Santa Clara County Property Tax Panel
- San Mateo County Property Tax Panel



David D. Dietrich

has successfully met the requirements for a license as a residential real estate appraiser in the State of California and is, therefore, entitled to use the title:

"Certified Residential Real Estate Appraiser"

This license has been issued in accordance with the provisions of the Real Estate Appraisers' Licensing and Certification Law.

BREA APPRAISER IDENTIFICATION NUMBER: AR 004138

Effective Date:	May 26, 2022
Date Expires:	May 25, 2024

Louisa Dillon

Loretta Dillon, Deputy Bureau Chief, BRE

3063564

THIS DOCUMENT CONTAINS A TRUE WATERMARK - HOLD UP TO LIGHT TO SEE "CHINN LINK"

BUSINESS OF THE COUNCIL OF THE CITY OF HALF MOON BAY

AGENDA REPORT

FOR MEETING OF: FEBRUARY 6, 2024

TO: Honorable Mayor and City Council

VIA: Matthew Chidester, City Manager

FROM: Lisa Rossi, Administrative Service Director/ Risk Manager
Catherine Engberg, City Attorney

TITLE: **DENY CLAIM OF PAUL NAGENGAST**

RECOMMENDATION:

Deny the attached liability claim presented to the City of Half Moon Bay, as recommended by the Pooled Liability Assurance Network Joint Powers Authority (PLAN JPA) and Sedgwick representatives.

FISCAL IMPACT:

There is no fiscal impact associated with this report.

STRATEGIC ELEMENT:

This action supports the *Fiscal Sustainability* Element of the Strategic Plan.

BACKGROUND:

The City of Half Moon Bay is a member of Pooled Liability Network Join Powers Authority (PLAN JPA) originally created by ABAG PLAN Corporation. The PLAN is responsible for processing the City's claims under its risk management and insurance services program. PLAN JPA is currently administered by Sedgwick staff under the direction of a Board of Directors that consists of one staff representative and one alternate from each of the 28-member local government Bay Area agencies.

Paul Nagengast filed a claim alleging damages were incurred from City staff's negligence and inconsistencies for Planning Development Permit, Coastal development Permit and Building Permit for 225 Valdez Avenue.

The claim was received by the City on July 25, 2023, and submitted to Sedgwick for review and investigation. Due to a lengthy review of materials submitted and interviews with staff, Sedgwick did not issue a status report until January 11, 2023, recommending formal rejection of the claim. The basis for the rejection is Government Code Immunities. **821.2:** *A public employee is not liable for an injury caused by his issuance, denial, suspension, or revocation of, or by his failure or refusal to issue, deny, suspend, or revoke, any permit, license, certificate, approval, order, or similar authorization where he is authorized by enactment to determine whether or not such authorization should be issued, denied, suspended or revoked.*

The Council's rejection of this claim does not prohibit City staff or the staff of Sedgwick from continuing to work with the claimant to resolve the dispute.

ATTACHMENTS:

1. Claim Form

Paul T Nagengast
229 Valdez Avenue
Half Moon Bay, CA 94019
pnagengast@gmail.com

July 21, 2023

Honorable Mayor Penrose
Half Moon Bay City Hall
501 Main Street
Half Moon Bay, CA 94019

Subject: Liability Claim Form for Damages Incurred from City Staff's Negligence and Inconsistencies for Planning Development Permit, Coastal Development Permit and Building Permit for 225 Valdez Avenue

Dear Mayor Penrose:

It is with mixed emotions that I find myself sending you this letter regarding a Liability Claim Form I submitted to the City of Half Moon Bay Finance Department due to the inconsistent enforcement of requirements and conditions and messaging to me from City staff over the course of construction for 225 Valdez Avenue beginning in 2021 and in its current state with City code compliance/enforcement action unresolved.

As the former Deputy City Manager for the City of Half Moon Bay together with many years in executive management positions at various City organizations throughout my career, I am very familiar with processes that must be followed in order to maintain the health, safety and welfare of the community during the legal development of private and public properties. The consistent implementation of an approved process by City staff ensures a level of trust by the community that projects will be constructed as permitted during the development process. Once the trust has been broken, the community cannot be assured the processes for development will be legally implemented.

As of the date of this letter, I have not heard what current status is of the current code compliance/enforcement actions to be taken by 225 Valdez Avenue due to an illegal structure that I believe the City enabled and supported for the past year. If the code compliance letter dated January 24, 2023, sent to 225 Valdez Avenue had been sent when the illegal structure was identified by City staff in June 2022, there certainly would have been a different outcome, a completed project and certainly would not have pitted neighbor versus neighbor over a home construction project.

I want to be clear, despite what City staff consistently tries to portray, I have agreed 225 Valdez Ave has the right and ability to develop their property. But that development should be implemented by staff in accordance with the rules and regulations established and approved by City Council as expected by the community.

PDP-21-010, consisting of an application for a Coastal Development Permit was approved in April 2021, blocked our existing views to the west and the ocean, which we have not challenged that approval, even though the location of the upper story covered terrace is inconsistent with Residential Design Guidelines. However, we did and still currently do have concerns with the approval process for major and minor amendments to the building plans for the planning approved project. Especially, when an applicant is seeking forgiveness subsequent to building an unpermitted structure in lieu of seeking permission prior to constructing the structure.

City staff created the hostile neighbor vs neighbor scenario when upon receiving any concerns from me, would deliver the news to 225 Valdez Avenue that the City cannot approve something due to my objection. City staff even determined since they could not receive my approval to a change to the building plans without the proper approval process, staff recommended that I attend Peninsula Conflict Resolution Center. I have and continue to inform staff, my concerns are with the City's implementation of the planning and building processes and following established rules. I have never directed any ill will against our neighbors.

As a result of the City staff using me as the reason project as-built plans would not be approved, I have had to remove 225 Valdez Avenue misdirected animosity towards me off social media platforms as well as mentally disregarding the many emails 225 Valdez Ave has sent to City and others misinforming of our intent about their project to City staff. Somehow our questioning and requiring the City to follow approved processes we have become the villain and the violator (225 Valdez Avenue who built structures illegally) becomes the victim.

When 225 Valdez Ave had gone to the Planning Commission (PC) in November 2022, for a major amendment to the plans, there was an additional Commission agenda item about possible betterments to the planning and building process to minimize the potential of a similar occurrence being experienced by others. We hope that the Planning staff will constantly improve their processes and that this item from November 2022 returns to the PC to continue discussions about improving the planning and building processes.

I have attached some pertinent letters and emails to the Liability Claim Form (attached to this letter) from me and our attorney to the City representing our concerns about the proposed action by 225 Valdez Ave and the City staff over the past year. I know the City Attorney and City staff will provide you the merits or their perceived lack of merits regarding my liability claim and recommend to you a course of action to approve a settlement, negotiate a settlement or deny in totality the amount of the claim. I am hopeful you have read my letter as well as the claim with the many attachments and engage with City staff as to how did we get to this point.

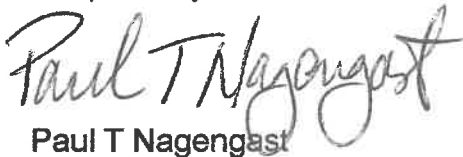
Paul T Nagengast

I have been employed by the City of Half Moon Bay and I have lived in the community for 20 years. I know the challenges to providing consistent levels of service when there are staffing changes as well as the development pressures from the cyclical property value increases.

I know there is no requirement to have neighbors be neighborly and discuss potential project impacts. But there is an expectation that City staff will follow established rules, code, policies to ensure processes are met so there are no surprises occurring on projects to pit neighbor vs neighbor.

The past year has been an emotionally challenging year for me and an expensive endeavor to hire an attorney. I thank you in advance for reading this letter and trying to understand the merits of the Liability Claim Form. I look forward to a response from the City.

Respectfully submitted,


Paul T Nagengast

Attachment: City of Half Moon Bay Liability Claim Form with Attachments

CC: Matthew Chidester



CITY OF HALF MOON
BAY

501 Main Street
Half Moon Bay, CA
94019 (650) 750-2034

Liability Claim Form

COMPLETE THE FOLLOWING, ADDING ADDITIONAL SHEETS AS NECESSARY.

1. CLAIMANT'S NAME (Print): Paul Nagengast
2. CLAIMANT'S ADDRESS: 229 Valdez Ave, Half Moon Bay, CA 94019
(Street or P.O. Box Number - City - State - Zip Code)

HOME PHONE: 650-454-4213 WORK PHONE: 650-454-4213
3. AMOUNT OF CLAIM \$ 109,250 (Advise of which bills the City requests) (Attach Copies of bills/estimates)
IF AMOUNT CLAIMED IS MORE THAT \$10,000, INDICATE WHERE JURISDICTION RESTS:
Limited Civil Case ☐
Unlimited Civil Case ☒
4. ADDRESS TO WHICH NOTICES ARE TO BE SENT, IF DIFFERENT FROM LINES 1 AND 2 (PRINT):

Paul Nagengast
(Name)

229 Valdez Ave
(Street or P.O. Box Number)

Half Moon Bay, CA 94019
(City - State - Zip Code)
5. DATE OF INCIDENT: 01/27/ 2023
date of
being
notified
appeal to
Planning
Commission
decision was
moot.

TIME OF INCIDENT: 3:02 pm Pacific Time



CITY OF HALF MOON BAY

501 Main Street
Half Moon Bay, CA
94019 (650) 750-2034

Liability Claim Form

LOCATION OF INCIDENT: 501 Main St., City of Half Moon Bay, CA 94019

6. DESCRIBE THE INCIDENT OR ACCIDENT INCLUDING YOUR REASON FOR BELIEVING THAT THE CITY IS LIABLE FOR YOUR DAMAGES:

See Continuation Sheet

7. DESCRIBE ALL DAMAGES WHICH YOU BELIEVE YOU HAVE INCURRED AS RESULT OF THE INCIDENT:

See Continuation Sheet

8. NAMES(S) OF PUBLIC EMPLOYEE(S) CAUSING THE DAMAGES YOU ARE CLAIMING:

Community Development Director, Jill Ekas, Community Preservation Specialist Joe Butcher, Chief Building Official Mike Leontiades, Senior Planner Scott Phillips, and any other unmentioned City staff associated with any City of Half Moon Bay building and planning process for 225 Valdez Avenue.

Raul T. Magallon *July 21, 2023*
Signature of Claimant Date

Any person who, with intent to defraud, presents any false or fraudulent claim may be punished by imprisonment or fine or both.

Note: You must file a claim in compliance with Government Code Section 911.2.

Return form address Finance Department 507B Purissima St. Half Moon Bay CA 94019



CITY OF HALF MOON BAY

501 Main Street
Half Moon Bay, CA
94019 (650) 750-2034

Liability Claim Form

Continuation Sheet (Page 1 of 5)

6. DESCRIBE THE INCIDENT OR ACCIDENT INCLUDING YOUR REASON FOR BELIEVING THAT THE CITY IS LIABLE FOR YOUR DAMAGES:

The incidents pertinent to this claim have occurred during 2022 and 2023. I had been advised by the City by letter dated January 27, 2023 that a timely submitted appeal filed on December 8, 2022, scheduled to be heard by the City Council on February 7, 2023, would not occur, since it became moot due to 225 Valdez Ave withdrawing their Planning Commission November 22, 2022 approval. January 27, 2023 became the incident date for me to submit a claim within 180 days of the incident.

- a) Failure of the City to monitor compliance with EXHIBIT B Conditions of Approval Community Development Director Resolution CDR-21-10 PDP-21-010 A1, A2, B10, C3, C8, C9, C10.
- b) The City shifted its legal obligation and responsibility to resolve a violation caused by the residents of 225 Valdez Avenue of a Coastal Development Permit (CDP) onto me, thus, forcing me to enter negotiations to essentially circumvent the City's, laws, regulations, policies, and rules to nullify the construction of an illegal conditioned space which is in violation of the Local Coastal Plan and Zoning provisions, Coastal Act, the Municipal Code and conformance with approved plans.
- c) In meetings involving, other members of City Staff, contractors, the Planning Commission including the public, and myself, the City shamed, and attacked my character because I did not agree to the City's request to circumvent its laws. The City reported to the permittee that I was the cause for their violation to be noticed by the City.

7. DESCRIBE ALL DAMAGES WHICH YOU BELIEVE YOU HAVE INCURRED AS RESULT OF THE INCIDENT:

- a) Failure of the City to monitor compliance with EXHIBIT B Conditions of Approval Community Development Director Resolution CDR-21-10 PDP-21-010.
 - On March 18th and 25th and on April 22nd 2022, the siding of the house at 225 Valdez Ave the permittee's contractor improperly removed siding containing expanded polystyrene (EPS). The contractor haphazardly tore the siding from



CITY OF HALF MOON BAY

501 Main Street
Half Moon Bay, CA
94019 (650) 750-2034

Liability Claim Form

Continuation Sheet (Page 2 of 5)

the existing house. The EPS particles became airborne and floated eastwardly and accumulated on my property. The EPS particles are currently in the soil in my raised vegetable garden and in my landscaping soils and mulch. (Estimated cost to properly dispose of contaminated soil and mulch, and replacement soil and mulch is \$23,250)

- On Martin Luther King Day in January 2022 the contractor scheduled the pouring of concrete for footings. The City was not aware of this action, and I was not provided written notification of the disruption, ingress, and egress from my property blockaded. The concrete truck blocked my driveway for over 4 hours. This caused my family angst as our emergency access was impeded and caused me to interrupt my business schedule. (Loss of income revenue \$2,000)
- In April and May 2022, the permittee's contractor saw cut concrete in the public rights-of-way for electrical and other utility connections. The contractor dug a pit across property lines onto my property and left the pit uncovered. The City allowed the work being performed by the contractor in the City's public rights-of-way without issuing an encroachment permit. This open pit created dangerous conditions for my family and damaged the landscaping on the public rights-of-way portions on my property which I am responsible to maintain. (Estimated cost to repair damaged landscape \$500)
- The construction at 225 Valdez Ave was allowed to progress unchecked by the City, as such, the City enabled the permittee to proceed without obtaining the proper encroachment permits, or implementing best management practices for the Bay Area Air Quality Management District (BAAQMD) dust control, and Storm Water Management for erosion and sediment control. The City's lack of building permit oversight allowed the permittee's contractor to conduct uncontrolled dry cutting of the concrete driveway pavement causing the discharge of excess concrete waste to the public rights-of-way and drainage system. Dry saw cutting concreted caused dust, containing concentrated amounts of silica to become airborne and float eastwardly causing family members to suffer from a persistent cough, shortness of breath, and difficulty breathing. Additionally, an uncontrolled amount of dust from uncovered piles of dirt drifted easterly causing soil particulates to imbed into the crevices of my westward-facing siding, windows, roof tiles, and solar panels causing my house to become excessively covered with dirt. (Estimated cost to clean western-facing windows, siding, and solar panels \$3,500).



CITY OF HALF MOON BAY

501 Main Street
Half Moon Bay, CA
94019 (650) 750-2034

Liability Claim Form

Continuation Sheet (Page 3 of 5)

- b) The City shifted its legal obligation and responsibility to resolve a violation caused by the residents of 225 Valdez Avenue of a Coastal Development Permit (CDP) onto me, thus, forcing me to enter negotiations to essentially circumvent the City's, laws, regulations, policies, and rules to nullify the construction of an illegal conditioned space which is in violation of the Local Coastal Plan and Zoning provisions, Coastal Act, the Municipal Code and conformance with approved plans.
- c) In meetings involving, other members of City Staff, contractors, the Planning Commission including the public, and myself, the City shamed, and attacked my character because I did not agree to the City's request to circumvent its laws. The City reported to the permittee that I was the cause for their violation to be noticed by the City.
- The City's lack of oversight and comprehensive building inspection allowed the permittee (225 Valdez Avenue) to exceed their approved building footprint enabling the illegal construction of the unpermitted second-story conditioned space. When my family noticed that the second-story conditioned space had been built, I inquired with the City about what the City had approved. In multiple emails, the Community Development Director acknowledged that the violation had occurred but stated that the City was doing its best to continue to support the permittee and that it was necessary to keep the project moving even though the City recognized that the illegally built structures constituted a major amendment revision.

Instead of preventing further construction activity and compelling the permittee to remove the unpermitted illegal structure, the City required me to accept a revised design developed by the Community Development Director in lieu of citing a violation. The City could not provide me with the legal grounds on which the City delegated its responsibility and authority for me to resolve CDP violation and legalize an illegally built structure through the acceptance of a revised plan. Therefore, I refused the City's forceful persistence to accept the revised design. In response to my refusal, the City then advised me that I should enter a conflict resolution process with the permittee to resolve their CDP violation or that the City would proceed with actions that would ultimately approve the illegal structure.



CITY OF HALF MOON BAY

501 Main Street
Half Moon Bay, CA
94019 (650) 750-2034

Liability Claim Form

Continuation Sheet (Page 4 of 5)

I believed that the City threatened my rights afforded through the City's laws and the City protected the rights of the violator but not mine. As such I advised the City that I sought legal advice to help me understand the City's process to legalize an illegal structure.

The City presented the Planning Commission with inaccurate and erroneous information misrepresenting the project violations and caused the Planning Commission to approve a revised plan that the Permittee did not request. Misrepresentations in the City's Planning Commission agenda report shamed me and defamed my professional character.

However, after over 12 months of my initial inquiry about the violations, and incurring \$44,220.50 to date in attorney fees for countless hours my attorney spent advising the City of the nonconformance with its own LUP, laws, regulations, policies, and rules, the City finally concurred with my attorney and notified the permittee that the upper terrace currently includes unpermitted structural elements (including but not limited to the solid roof which needs to be modified to include either the required roof ridge skylights or opening and covered walls, which need to include all required wall openings). That those unpermitted elements represent a violation of both the coastal development permit and building permit and must be removed within 6 months from City approval of the Building Permit revision.

(Estimated cost for attorney fees from May 2022 to December 2023 are estimated to be \$80,000)

- It should be duly noted as of July 20, 2023, that we have continued to inquire as to the status of the conditions set forth in the January 24, 2023, code violation/compliance letter from City to 225 Valdez Avenue and have not received any information nor have we noticed any construction activity at 225 Valdez Avenue regarding the City required code compliance requirements.

Attachments:

1. Attachment 1: Letter from City dated January 27, 2023, regarding appeal is moot and code compliance/enforcement action on 225 Valdez Avenue.
2. Attachment 2: Appeal letter dated December 8, 2022, regarding Planning Commission decision on November 21, 2022.



CITY OF HALF MOON BAY

501 Main Street
Half Moon Bay, CA
94019 (650) 750-2034

Liability Claim Form

Continuation Sheet (Page 5 of 5)

3. Attachment 3: Comment letter to Planning Commission dated November 21, 2023, regarding item to Planning Commission on November 22, 2023.
4. Attachment 4: Letter from City to 225 Valdez Ave dated September 13, 2023, regarding minor plan revision amendment.
5. Attachment 5: Emails from City to 225 Valdez Ave dated July 25, 2022, regarding Steps for Permit Review of Project Modifications.
6. Attachment 6: Email from City Attorney dated July 3, 2023, regarding non-status of code compliance/enforcement letter dated January 24, 2023, to 225 Valdez Ave.

CC: Matthew Chidester, City Manager
Mayor Penrose
Vice Mayor Jimenez
Councilmember Ruddock
Councilmember Brownstone
Councilmember Rarback

SHUTE MIHALY
WEINBERGER LLP

396 HAYES STREET, SAN FRANCISCO, CA 94102
T: (415) 552-7272 F: (415) 552-5816
www.smwlaw.com

WINTER KING
Attorney
King@smwlaw.com

January 27, 2023

Camas Steinmetz
Jorgenson, Siegel, McClure & Flegel, LLP
1100 Alma Street, Suite 210
Menlo Park, CA 94025-3392
Email: cjs@jsmf.com

Re: 225 Valdez Avenue – Status of Appeal of Planning Commission
Approved Amendments to Coastal Development Permit PDP-21-010

Dear Ms. Steinmetz:

The City received the appeal filed by your clients regarding Planning Commission approved amendments to a Coastal Development Permit for additions and remodeling of an existing residence located at 225 Valdez Avenue. The Commission approved the amendments at its meeting on November 22, 2022. The appeal was filed on December 8, 2022, within ten working days of the Planning Commission's decision. The appeal seeks City Council reconsideration of this matter. Within 30 days of receipts of the appeal, the City Manager confirmed with your clients that the soonest available hearing before the City Council would be February 7, 2023 and City staff were prepared to notice the item for public hearing on that date.

After your clients' appeal was filed, the 225 Valdez Avenue property owners/applicant informed the City that they are withdrawing their proposal to convert a portion of the covered terrace to conditioned, interior floor area. Instead, they will complete their project according to the September 13, 2022 approval. The City has informed the owners that their decision to revert to the earlier approval will render the November 22, 2022 modification approval without effect, mooted the appeal. The City is processing a check to refund your clients' appeal filing fee. It will be mailed to your clients within the next couple of weeks.

Attached to this letter is the City's letter to the applicant regarding project milestones and email informing the applicant that the CDP amendments approved on November 22, 2022 are withdrawn and without further effect. In the letter, staff notes that

Attachment 1 Pg 1 of 5

January 27, 2023

Page 2

the weatherproofing that was installed prior to the rains in December (and that you emailed me about shortly after it was installed) will have to be removed/modified to provide the openings shown on the September 13, 2022 approval documents.

Please feel free to contact me if you have further questions.

Very truly yours,

SHUTE, MIHALY & WEINBERGER LLP

A handwritten signature in blue ink, appearing to read "Winter King", is written over the typed name.

Winter King

Attachments:

January 24, 2023 letter to Applicant

January 27, 2023 email to Applicant

1609792.3



THE CITY OF
HALF MOON BAY
CALIFORNIA

January 24, 2023

Russell and Lori Ellingson
225 Valdez Avenue
Half Moon Bay, CA 94019
By email

RE: 225 Valdez Avenue – Status of Coastal Development Permit PDP-21-010 and Building Permit B2021-00413

Dear Mr. and Mrs. Ellingson:

We are in receipt of your written request to withdraw your proposal to convert a portion of the covered terrace to conditioned, interior floor area. Our understanding is that you intend to proceed according to the approved Coastal Development Permit, as modified, on September 13, 2022.

We previously reviewed with you the following milestones and requirements for completing this project with timing relevant to the date of this letter, unless otherwise stated.

1. Building Permit Revision: **Within 1 month**, submit updated plans conforming to the September 13, 2022 Coastal Development Permit, as modified, for building plan check.
2. Project Schedule: **Within 2 months**, submit a schedule outlining the remaining work tasks, sequence, and timing to accomplish project completion.
3. Project Completion: **Within 9 months** from City approval of Building Permit revision (per item #1), all portions of the project involving the site or exterior of the home shall be complete. This includes, but is not limited to, landscaping, drainage improvements, architectural items (e.g., siding, roofing, windows, skylights, doors, railings, staircases, etc.), and all components of the second story deck (west side) and upper terrace (north side).

The upper terrace currently includes unpermitted structural elements (including but not limited to the solid roof which needs to be modified to include either the required skylights or opening, and covered walls, which need to include all required wall openings). These unpermitted elements represent a violation of both the coastal development permit and building permit and must be removed **within 6 months** from City approval of the Building Permit revision. Note that we are providing significant time for this removal because we understand that some of these unpermitted materials were installed for weather protection during a period when you were not able to weatherize the structure because of the stop work issued by the City. Completion of the upper terrace requires all architectural features depicted in the approved modification to the Coastal Development Permit including, but not limited to, the architectural columns, wall openings, and skylights/roof opening.

We have been waiting to understand your decisions about this project before making a final accounting of building permit and inspection costs. We will update you after the plan check is completed. Thank you for continuing to work with staff on your permitting requirements. Contact Joe Butcher, Community Preservation Specialist, at 650-726-8285 or jbutcher@hmbcity.com.

Sincerely,



Jill Ekas
Community Development Director

Copy:

Mike Leotiades, Building Official

Benjamin Corrales, Permit Technician

Joe Butcher, Community Preservation Specialist

Jennifer Miao

From: Jill Ekas <JEkas@hmbcity.com>
Sent: Friday, January 27, 2023 2:10 PM
To: Lori Ellingson; russell ellingson
Cc: Mike Leontiades; Joe Butcher; Benjamin Corrales
Subject: 225 Valdez - Planning Commission November 22, 2022 Action on CDP Modification deemed Withdrawn

Dear Mr. and Mrs. Ellingson:

Pursuant to your email dated January 11, 2023 indicating that you no longer wish to develop according to the amended Coastal Development Permit (CDP) approved by the Planning Commission on November 22, 2022, nor do you wish to defend the appeal of that amended CDP, and my January 23, 2023 letter to you outlining the steps you need to take to bring your construction into compliance with your prior approvals, the amended CDP approved on November 22, 2022 will be treated as withdrawn and without any further effect. I have added a note to your file to reflect this action.

Sincerely,
Jill Ekas

*Jill Ekas (she, her), HMB Community Development Dept.
(650) 726-8264 www.hmbcity.com*

JORGENSEN, SIEGEL, McCLURE & FLEGEL, LLP

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DECEASED
MARVIN S. SIEGEL
(1936 - 2012)
JOHN R. COSGROVE
(1932 - 2017)

December 8, 2022

Jill Ekas
Community Development Director
City of Half Moon Bay
JEkas@hmbcity.com

Via: Hand Delivery and Email

RE: STATEMENT OF APPEAL of Planning Commission Action on November 22, 2022 agenda item 1a Approving Proposed Revisions to Permit File No. PDP-21-010, 225 Valdez Ave. as "Minor"

Dear Ms. Ekas:

On behalf of my clients Paul Nagengast and Hazel Joanes and in accordance with Half Moon Bay Municipal Code Section 18.20.075, this letter together with the referenced attachments constitutes the Statement of the Appeal of the Planning Commission action on November 22, 2022 agenda item 1a to approve the proposed revisions to Permit File No. PDP-21-010, 225 Valdez Ave., Half Moon Bay (collectively, the "Project").

We are appealing the Planning Commission's approval to the City Council on the following grounds that were initially raised and are further explained in my letter to the Planning Commission dated November 21, 2022, which letter is enclosed and incorporated as Attachment 1 hereto:

1. Nonconformance with Half Moon Bay Zoning Code Section 18.20.085. The Project was not processed and considered by the Planning Commission as required by PDP-21-010 pursuant to Section 18.20.085 of the Half Moon Bay Zoning Code (which is a component of

the Local Coastal Implementation Plan incorporated into and a component of the City's Local Coastal Program):

18.20.085 Permit amendment and extensions.

Upon application by the permittee, a coastal development permit may be amended or extended by the approving authority. Application for and action of an amendment shall be accomplished in the same manner specified by this chapter for the initial approval of the coastal development permit.

All sections of this chapter dealing with the specific type of coastal development permit shall apply to permit amendments. (1996 zoning code (part)).

Despite that the proposed revisions were not minor deviations to the originally approved PDP-21-010 as explained in Attachment 1, and despite evidence in the record (included as Attachment 2 hereto and incorporated herein) that staff itself considered the proposed revisions to be "major" requiring processing in accordance with Section 18.20.085 of the Half Moon Bay Zoning Code, the Project was approved by the Planning Commission as a "minor" deviation to PDP-21-010 in accordance with Condition no. 1 of the original PDP-21-010 approval in violation of Section 18.20.085 of the Half Moon Bay Zoning Code:

1. CONFORMANCE WITH APPROVED PLANS. Development of the site shall conform to the approved plans entitled "Addition and Remodel for Ellingson, Russell & Lori" with a City date stamp of April 1, 2021, except for any revisions required by this permit. The Community Development Director shall review and may approve any deviation from the approved plans that is determined minor in nature. Any other change shall require approval of a major modification per Title 18. (Planning)

2. Nonconformance with Half Moon Bay Zoning Code Section 18.20.070.F.12.

Evidence in the record does not support the findings of approval required by Section 18.20.070.F.12 of the Half Moon Bay Zoning Code (which is a component of the Local Coastal Implementation Plan incorporated into and a component of the City's Local Coastal Program). Finding 18.20.070.F.12 requires that "Design review has been conducted pursuant to Title 14 and associated affirmative findings have been made." In turn, Section 14.37.040 of Title 14 requires the following findings of approval:

- A. That such buildings, structures, planting, paving and other improvements are so designed and constructed that they will advance and not hinder the orderly and harmonious development of the city; and
- B. That such buildings, structures, planting, paving and other improvements will not impair the desirability or opportunity to attain the optimum use and the value of the land and the improvements, or otherwise impair the desirability of living or working conditions in the same or adjacent areas; and
- C. The project has been designed in conformance and consistency with the single-family residential design guidelines (where applicable).

These required findings were not made or even reviewed by the Planning Commission, and as explained in Attachment 1, they could not have been made based on the evidence in the record.

Additionally, we request that the oral public comment on agenda item 1a of the Planning Commission November 22, 2022 be included and considered in this appeal, together with the following written public comment:

Email from Sandy Vela: [https://legistarweb-production.s3.amazonaws.com/uploads/attachment/pdf/1669823/Public Comment 3 -Vella.pdf](https://legistarweb-production.s3.amazonaws.com/uploads/attachment/pdf/1669823/Public%20Comment%203-Vella.pdf)

Email from Lee Ann Tarling: [https://legistarweb-production.s3.amazonaws.com/uploads/attachment/pdf/1670026/Item 1A 1B Public Comment Letter 5 - Tarling.pdf](https://legistarweb-production.s3.amazonaws.com/uploads/attachment/pdf/1670026/Item%201A%201B%20Public%20Comment%20Letter%205%20-%20Tarling.pdf)

Email from Dana and Mike Kimsey: [https://legistarweb-production.s3.amazonaws.com/uploads/attachment/pdf/1670151/Item 1A Public Comment Letter 6 - Kimsey.pdf](https://legistarweb-production.s3.amazonaws.com/uploads/attachment/pdf/1670151/Item%201A%20Public%20Comment%20Letter%206%20-%20Kimsey.pdf)

Email from Patrick Bo Jonnson: [https://legistarweb-production.s3.amazonaws.com/uploads/attachment/pdf/1670152/Item 1A Public Comment Letter 7 - Jonsson.pdf](https://legistarweb-production.s3.amazonaws.com/uploads/attachment/pdf/1670152/Item%201A%20Public%20Comment%20Letter%207%20-%20Jonsson.pdf)

Email from Guliz des Tombe: [https://legistarweb-production.s3.amazonaws.com/uploads/attachment/pdf/1670153/Item 1A Public Comment Letter 8 - detombe.pdf](https://legistarweb-production.s3.amazonaws.com/uploads/attachment/pdf/1670153/Item%201A%20Public%20Comment%20Letter%208%20-%20detombe.pdf)

Furthermore, we request that my letter to the Planning Commission dated September 26, 2022 together with Exhibits A-D (included as Attachment 2 to Planning Commission November 22, 2022 agenda item 1b [https://legistarweb-production.s3.amazonaws.com/uploads/attachment/pdf/1659770/ATTACHMENT 2 WITH EXHIBITS A-D.pdf](https://legistarweb-production.s3.amazonaws.com/uploads/attachment/pdf/1659770/ATTACHMENT%20WITH%20EXHIBITS%20A-D.pdf)) also be included and considered in this appeal.

As a matter of procedure, given the upcoming holidays we consent to extending the date of the appeal hearing beyond the thirty (30) days of this appeal filing as otherwise required pursuant to Half Moon Bay Municipal Code Section 18.20.075.E.3(a). Please note that we reserve the right to modify, supplement or withdraw this Statement of Appeal at any point prior to the scheduled hearing date.

Sincerely,



Camas J. Steinmetz

Enclosures:

Attachment 1 – Letter dated November 22, 2022 to the Planning Commission

Attachment 2 – Email correspondence between the Community Development Director and the Project applicant; September 26, 2022 approval letter of earlier requested deviations to PDP-21-010

cc: Planning Commissioners
City Manager

JORGENSEN, SIEGEL, McCLURE & FLEGEL, LLP

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(1936 - 2012)
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(1932 - 2017)

November 21, 2022

Via: email

Chair and Members of the Planning Commission

City of Half Moon Bay

jbenjamin@hmbcity.com

Mgossett@hmbcity.com

dgorn@hmbcity.com

Rhernandez@hmbcity.com

sruddock@hmbcity.com

Re: Agenda Item 1a November 22, 2022, Planning Commission Meeting - Amendments
to Coastal Development Permit File No. PDP-21-010 for 225 Valdez Avenue

Dear Chair and Members of the Planning Commission:

My clients Hazel Jones and Paul Nagengast, the owners and residents of 229 Valdez Avenue, live next door to 225 Valdez Avenue and are the most impacted by the proposed Coastal Development Permit Amendment File No. PDP-21-010 which is up for your consideration as Agenda Item 1a at your November 22, 2022, meeting. For the reasons set forth in this letter we respectfully urge you to exercise your discretion to deny the current request. Alternatively, if you choose to proceed with approval, we request that the approval be (a) processed as a major amendment to PDP-21-010 pursuant to Section 18.20.085 of the Half Moon Bay Zoning Code (not as a minor revision as recommended by staff); and (b) that the approval be conditioned upon design modifications and a deed restriction in order to make the required findings of approval.

Attachment 3
Pg 1 of 12

A. Background

PDP-21-010 consisted of an application for a Coastal Development Permit (CDP) and Architectural Review to allow the construction, in relevant part, of a new 285 square foot upper story terrace 21.5 feet in length¹ with wall openings created by columns and a covered roof, 40% of which consisted of a 19.5 ft long ridge skylight extending 3 ft on either side of the roof.² It was originally approved by Community Development Director Resolution CDR 21-10. The request before you proposes to amend PDP-21-010 for the third time since it was originally approved. Our letter commenting on the second round of requested amendments to PDP-21-010 is included in your Board packet on page 16 of Attachment 2 and we request that this letter be considered in making this determination.

B. Requested Revisions are Major not Minor

As a preliminary matter, we disagree with staff's position that the current "request involves only a minor modification, not a major modification, to the Coastal Development Permit as currently approved, and subject to conditions of approval". It is our position that, as explained further below, because the applicant's request seeks to legalize existing illegal improvements and does not conform with the Residential Design Guidelines, the applicant's request constitutes a major revision to PDP-21-010 pursuant to Section 18.20.085 of the Half Moon Bay Zoning Code which provides as follows:

18.20.085 Permit amendment and extensions.

Upon application by the permittee, a coastal development permit may be amended or extended by the approving authority. Application for and action of an amendment shall be accomplished in the same manner specified by this chapter for the initial approval of the coastal development permit.

All sections of this chapter dealing with the specific type of coastal development permit shall apply to permit amendments. (1996 zoning code (part)).

¹ The original PDP-21-010 approval was 21.5 feet. A 1.5 linear feet "minor" revision approved by the Planning Director in March increased the wall length to 23ft resulting in a total wall plane length of 42 feet without any change or articulation. This is almost twice the acceptable length permitted by the Residential Design Guidelines and therefore in our opinion, this revision should not have been approved as minor by the Director without notice or opportunity to comment.

² We acknowledge my clients did not participate in the original CDP proceedings and they are not challenging this approval. However, they would like to point out that (1) the location of the upper story covered terrace is inconsistent with Residential Design Guidelines Sections 3-45, 3-46 and 3-47 which discourage placement of decks and high activity areas in locations that allow for direct views into neighbors' yards and; (2) the first floor addition also does not comply with Residential Design Guidelines Sections 3-17-3-20 excerpted below because it consists of a flat plane wall greater than 25'.

We therefore request that before acting on this agenda item 1a, that the Planning Commission first hear agenda item 1b, and then make a determination that the applicant's current requested modifications to PDP-21-010 constitute a major revision that must be considered pursuant to the procedures set forth in Municipal Code Section 18.20.

C. Request Seeks Forgiveness for Intentional Permit Violations

In determining whether or not approve, approve with conditions, or deny the current requested modifications to PDP-21-010, it is important to consider the fact that most if not all of the applicant's past and current submitted revisions seek to condone illegal improvements already constructed in violation of the issued PDP-21-010 approval and the associated building permit. Attached as Exhibit A are photos of the upper story as it exists today. As you can see, there is no trace of a "terrace" that was originally approved. There are no columns. And there is no ridge skylight or roof opening. The approved "terrace" space is completely enclosed, weatherproofed, sided, roofed and even guttered. The walls and roof are completely closed in resulting in a flat wall plane 42 feet in length on the first and second floor with no articulation whatsoever looming over my client's property in place of the ocean and sky views that they previously enjoyed, a portion of which would have been preserved by the original PDP-21-010 approval requiring wall openings and the ridge skylight.

D. Neither Request nor Staff Recommended Conditions Conform to Residential Design Guidelines

As depicted in Attachment 1 to the Staff Report on Item 1a, the requested CDP Amendment proposes to enclose 68.5% or 15.75 feet in length of the 23-foot long approved terrace as "conditioned" space and install four skylights on the roof each 4 ft by 3ft.³ This results in a flat wall length of 34.75 feet without any openings or articulation and reduces the original open skylighted area from 117 sq ft. or 40% to just 47 sq.ft. or 16% of the total roof area. Staff recommends approval of the request with certain conditions including that no more than 50% or 11.5 feet in length of the terrace be conditioned space and that the four skylights be shifted to the south. A comparison of the applicant's request vs. planning staff's recommendations vs. what is required by the Residential Design Guidelines are shown in the mark up of the plans attached as Exhibit B and in the markup of the photo attached as Exhibit C which shows the impact of the various versions as seen from their back deck looking west.

Neither the requested revisions nor staff's recommended conditions conform to the below Residential Design Guidelines governing façade articulation:

³ What the staff report fails to point out is that the Planning Director approved "minor" revisions in March - which my clients had no notice of, or opportunity comment on - which removed the ridge skylight and replaced it with two 8 ft. x 3ft openings, reducing the total open area to 48 sq ft, less than half of what the skylighted area would have been and to just 16% of the total roof area. Furthermore, at the time the March revisions were approved, this aspect of the permit was in violation as the roof was (and still is) entirely closed in without skylights or the two 8 ft. x 3ft openings.

Façade Articulation

Building façades, particularly front façades, should demonstrate varied wall planes and architectural features that create visual interest and enforce the architectural style of the home.

- 3-17. Provide architectural features such as porches, shutters, cornices and railings to create visual interest along expanses of otherwise blank wall faces.
- 3-18. Ensure side façades of buildings are articulated with the same level of detail as front façades in order to maintain a complete aesthetic from all angles.
- 3-19. Articulate mass and elements on the home's exterior in a manner that is compatible with the overall architectural style of the home.
- 3-20. Provide an inset/offset or plane change on long walls of greater than 25 feet in length.

Despite contentions made in the applicant's letter to the Planning Commission, the submitted plans shows the wall plane is 42 feet long from the "arch out" to the north end of the first and second-floor addition without any change or articulation in plane. Windows do not qualify as articulation or plane change.

E. Revisions Negatively Impact my Clients' Use and Enjoyment and Desirability of their Property

As depicted in Exhibit C, the requested revisions significantly increase the impact of the original PDP-21-010 approval on my clients use and enjoyment and desirability of their property by casting shadows onto my clients' backyard and planned outdoor eating area and into the living areas of their home, and by reducing the views from their backyard and indoor living areas to a solid flat plane wall with no articulation, openness or relief.

In 2017, my clients' then-neighbor removed the east-side section of his upper deck to allow daylight into his first-floor bedroom. My clients noticed that the removal of his upper deck, which was about 15 feet from their house, reduced the shadows giving more light and warmth in my clients' backyard during the summer. At that time, they realized that they had the unique opportunity to design their backyard space to incorporate an inviting outdoor eating area on the ground floor. In 2018, they removed a portion of their west-facing upper deck to allow for even more light to their planned eating area. They planned to implement their plan for the outdoor eating area in January 2020. However, because of COVID-19 health orders that restricted construction, they decided to postpone these plans.

The 225 Valdez requested revisions before you negatively impact this planned construction and the enjoyment of my clients' backyard by:

- casting the area they planned for an outdoor eating area in a constant shadow
- reducing the view from their backyard to a 5 ft x 30 ft flat plane wall with gutters and a roof.

Additionally, these revisions impact their existing living areas by:

- Substantially reducing the amount of sunlight entering their west-facing family room on the second floor
- Eliminating any sunlight from entering their master bedroom and bathroom and casts it in a perpetual shadow and constant darkness
- Reducing the view from their west-facing family is a 42 ft x 30 ft flat plane wall, a roof, gutters, drains a solid pitched roof
- Reducing the view from their upper rooftop deck to a 30ft x30 ft flat plane wall

The applicant asserts that increasing the size of the conditioned space has no impact on my clients' view and that their proposal actually increases my client's views. As shown in the photos attached hereto as Exhibit C this is simply not true. The first photo is a photo of the existing unpermitted second story addition marked up to show the difference in views between what the applicant is requesting, what staff is recommending and what my clients are willing to accept. The second photo is a photo taken from my clients' upper story deck before they removed the portion of the deck shown in the photo and before 225 Valdez second story addition was constructed.

F. Requested Revisions Should be Denied

We respectfully urge you to deny the applicant's requested amendments, even as conditioned by the staff recommendation, on two additional grounds. First, approving these revisions will send the clear message that the City will forgive illegally constructed improvements by permitting them after the fact, so why bother seeking permission first.

Second, neither the requested amendments nor staff's recommended conditions conform to the Residential Design Guidelines and therefore the finding of approval set forth in Municipal

Code Section 14.37.040 C (excerpted below) cannot be made. The Residential Design Guidelines specify that there should be a plane change in long walls every 25 feet. This was accomplished in the original CDP with columns and significant openings for the second story terrace. The proposed amendments to enclose 68.5% or 15.75 feet of the length of the terrace would result in a wall length of 34.75 feet without a plane change. Staff's recommended condition to reduce the length of the conditioned space to 50% or 11.5 feet would result in a wall length of 30.5 feet without plane changes.

G. If Approved, Modifications and a Deed Restriction Should be Imposed to Make the Required Findings of Approval.

If you choose to deny our plea and proceed with approval, we request that the approval be conditioned upon modifications we believe are necessary to meet the required findings of approval and bring it into strict conformance with the Residential Design Guidelines. Below are the revisions to the staff recommended conditions that we request be made and adopted and which my clients expressed support for at the outset, as communicated to the Planning Director and the City Attorney's office:

- Conditioned Space: No more than ~~50~~25% of the length of the modification area (~~11.56~~ feet) shall be attributed to conditioned space. (Applicant is requesting 15.75 feet be attributed to conditioned space.) The thickness of the exterior wall on the north side of the conditioned space is included in the ~~11.56~~ feet. This recommendation requires a plan revision.
- Unconditioned Space: At least ~~50~~75% of the length of the modification area (~~11.51~~ feet) shall be attributed to unconditioned space. (Applicant is requesting 7.25 feet be attributed to unconditioned space.) This recommendation requires a plan revision.
- Roof/Skylights: ~~Four~~5 skylights shall be provided on ~~this the~~ portion of the roof over the added conditioned space, modification area; based on the recommended floor plan modification above, the location of these skylights would need to be shifted to the south.
- Roof: ~~In that the~~Remove the roof over the unconditioned space ~~was a part of the overall building envelope approved with the original permits for this addition, it may remain; however, from a design perspective, removal of this portion of the roof is preferred, at the discretion of the applicant.~~
- Side (East and West) Elevations: For these elevations, the unconditioned space shall be visually open (e.g. no solid walls; any railings shall be open or transparent, such as clear glass panels, cable railings, or picket railings).
- Rear (North) Elevation: Remove facades. Structural elements included in the rear elevation related to the roof were a part of the overall building envelope and approved with the original permits for this addition and may remain; however, it is preferred that they be reduced in area to make the north elevation more open and transparent at the discretion of the applicant.
- Deed Restriction. Require a deed restriction be imposed on 225 Valdez that would prohibit any further enclosure or conversion of the conditioned space

Our requested modifications to both the Roof and the Rear (North) Elevation staff recommended conditions incorporate staff's stated preferences and ensure that they will be implemented. Staff states that these changes are "preferred" but unless they are imposed as required conditions of approval, why would the applicant ever exercise their "discretion" remove the roof and rear structural elements which they already constructed illegally? We therefore request that the Planning Commission exercise its discretion and incorporate these stated preferences into required conditions of approval.

These conditions are required in order to make the findings of approval required by Municipal Code Sections 18.20.070 F 12 and 14.37.040 below:

14.37.040 Required findings for approval.

The director of community development, planning commission, or city council on appeal shall determine from the data submitted whether the proposed project will be in conformance with the provisions of this chapter and the single-family residential design guidelines (where applicable), may consider the recommendations of the appropriate advisory committee or commission, and shall approve the architectural, landscape and/or site plans as part of the associated discretionary permit upon making a positive finding. As part of the associated discretionary permit, the architectural, landscape and/or site plans may be disapproved, may be approved as submitted, or may be approved subject to conditions, specified changes and additions. In approving the architectural, landscape and/or site plan of any project, the director of community development, planning commission, or city council on appeal shall find in the affirmative the following and incorporate these findings into those made for the associated discretionary permit pursuant to Title 18:

- A. That such buildings, structures, planting, paving and other improvements are so designed and constructed that they will advance and not hinder the orderly and harmonious development of the city; and
- B. That such buildings, structures, planting, paving and other improvements will not impair the desirability or opportunity to attain the optimum use and the value of the land and the improvements, or otherwise impair the desirability of living or working conditions in the same or adjacent areas; and
- C. The project has been designed in conformance and consistency with the single-family residential design guidelines (where applicable).

Specifically, our requested modified revisions which are depicted in Exhibit D bring the project into conformance with the Residential Guidelines which "set the precedent for the quality of design that is expected by the City for new and remodeled single-family residential development" and "[r]educe uncertainty by providing guidance for basic design principles and concepts." This not only allows for the above finding C to be made but also supports findings A and B in that they greatly reduce the negative impact of the project on the desirability of my

clients' living conditions and their use and enjoyment of their property, especially their backyard, by allowing for a more open looking and less oppressive appearance that will preserve some view of the sky and provide some aesthetic relief from the illegally constructed long flat solid wall and solid high pitched roof that currently looms over them in place of the ocean and sky views that they previously enjoyed.

H. Please Exercise Your Discretion to Deny the Request or Impose Conditions to Require Strict Conformance to the Residential Design Guidelines

In closing, we thank you for your consideration and point out that your action tonight is entirely discretionary and we urge you to exercise it. Unlike a building permit or revisions to a building permit which are approved ministerially and require approval if objective building code standards and requirements are met, a CDP and any amendments to a CDP are discretionary based on subjective findings of approval that must be made. This means that the applicant is not entitled to approval. Instead, approval is entirely within the discretion of the Planning Commission.

For the reasons set forth above, we urge you to exercise your discretion in denying the requested revisions, or failing that, to condition your approval as requested to meet the required findings of approval. Any action short of this would send a clear message to the residents of Half Moon Bay that there will be no repercussions for failing to seek permission first because ultimately any illegal construction will be forgiven.

Respectfully submitted,



Camas J. Steinmetz.

Cc: Winter King, Deputy City Attorney
Jill Ekas, City Community Development Director
Jessica Blair, City Clerk

Exhibit A

Existing View of Illegal Addition From Clients' Backyard



Existing View of Illegal Addition From Clients' Window



Exhibit B

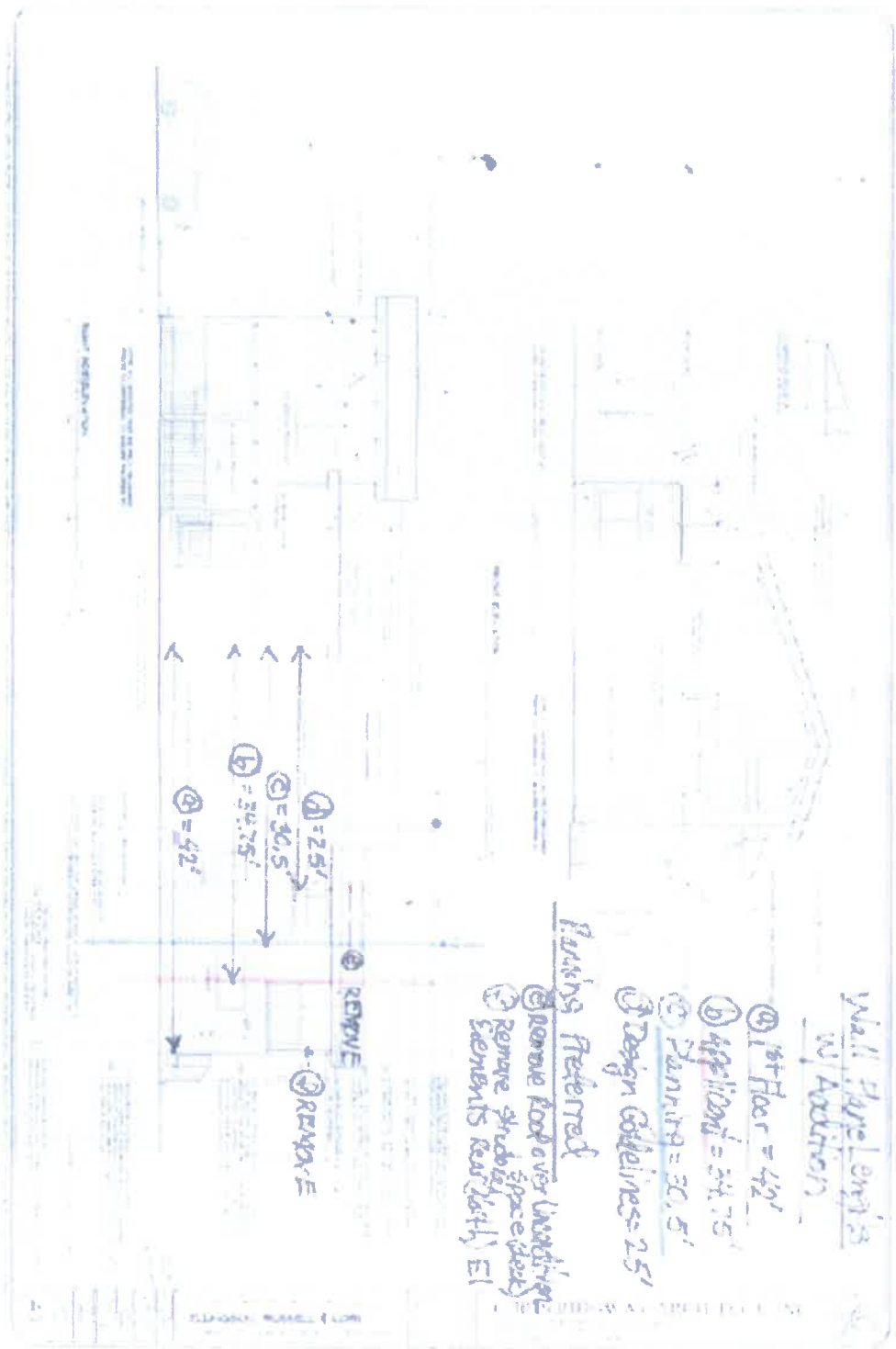
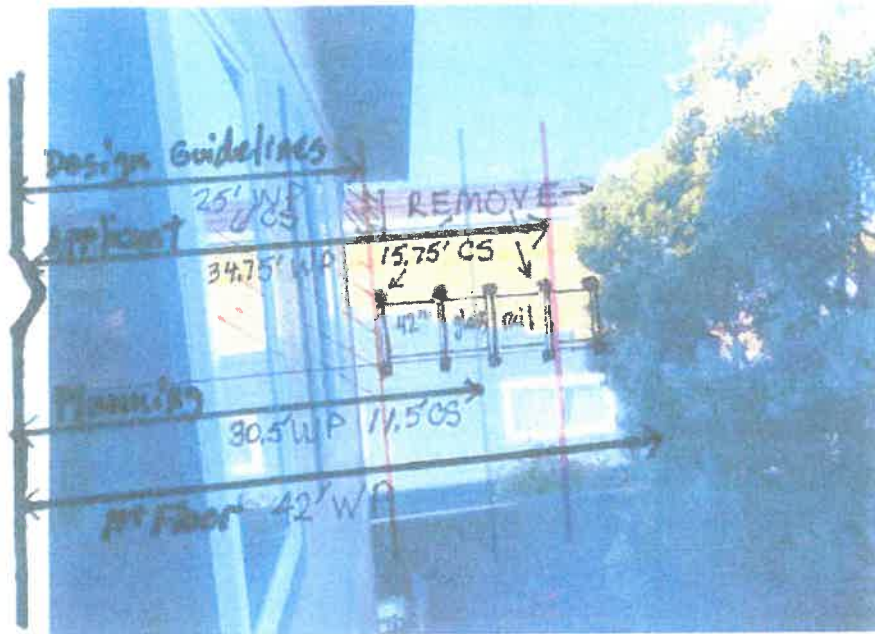


Exhibit C



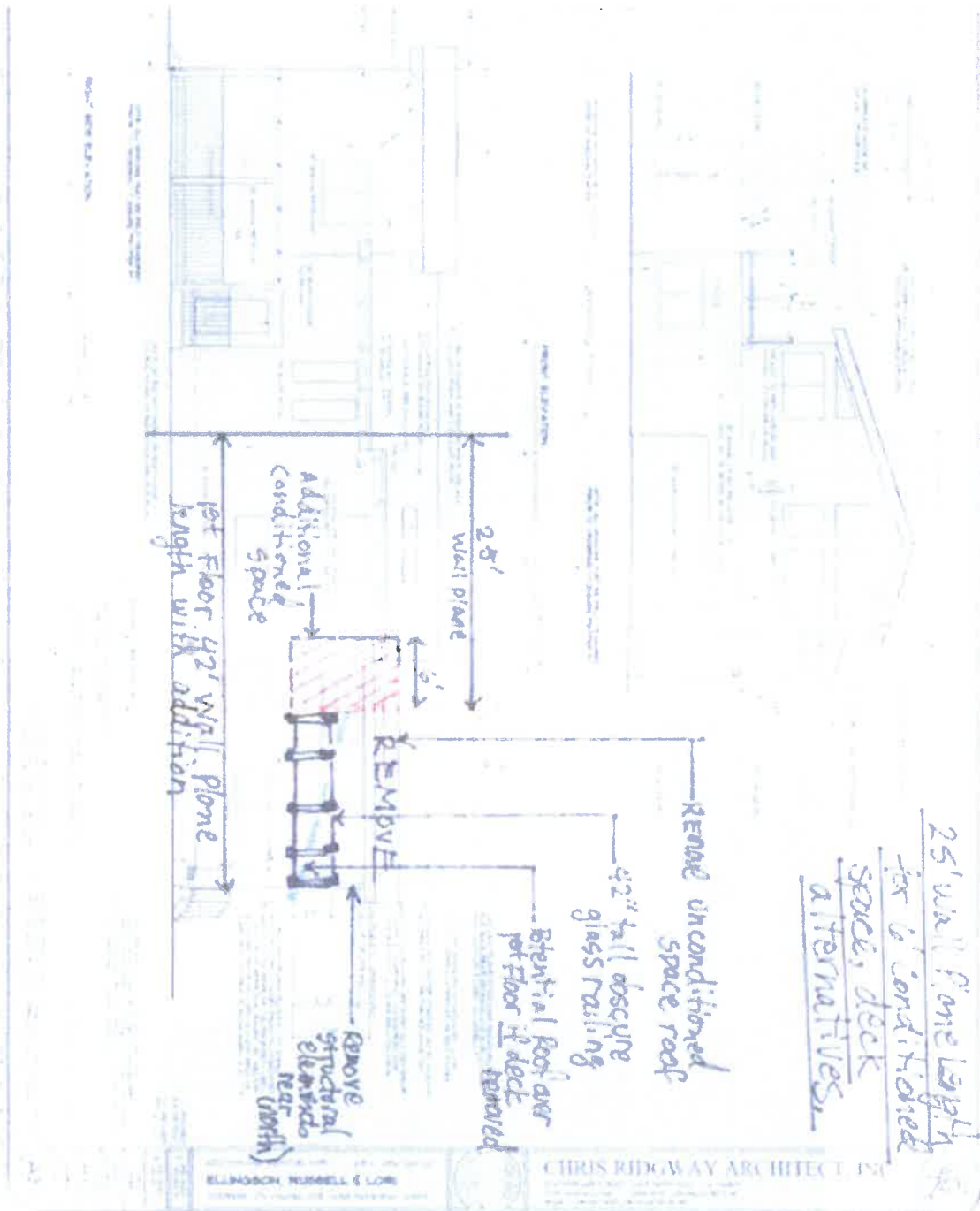
WP= Wall Plane Length
CS= Conditioned Space Length

View from back deck looking west

View of Ocean and Coastal Trail



Exhibit D





MINOR PLAN REVISION AMENDMENT

REVISED (text deletions in ~~striketrough~~, text additions in underline)

Amendment to Coastal Development Permit/Architectural Review

File No. PDP-021-010/Resolution CDR-21-10

(225 Valdez Avenue/APN 056-103-110)

September 13, 2022

Dear Mr. and Mrs. Ellingson:

By this letter, the Community Development Director **conditionally approves** your request for minor modifications to PDP-021-010 (implemented through building permit B2021-00413-225), as reflected in this letter and the plans submitted on August 17, 2022. In particular, the approval includes the following changes to your approved coastal development permit and associated building plans:

Approved Modifications:

1. Adding an exterior spiral staircase at the north end on the west side of the terrace
2. Adding two skylights above the existing dining/living room
3. Adding two skylights above the kitchen
4. Changing the kitchen door type from a slider to a folding door, and making it wider at 93"x 84"
5. Adding obscure film coating to a 6/0 x 2/0 window on the east side of the dining/living room
6. Changing most of the half wall/railing on the west deck to be a solid half wall with only corners to be glass railing
7. Adding sun tunnels in the 1/2 bathroom on the second floor
8. Painting the exterior of the existing gutters white
9. Changing the terrace door from 92" wide to 93" wide
10. Adding a "belly band" trim piece matching the white trim color on the front façade
11. Removing the window on the east side of the garage and filling in the wall to match the surrounding area with siding

Grounds for Approval:

1. On April 21, 2021, the Community Development Director adopted Resolution CDR-21-10 approving a Coastal Development Permit and Architectural Review to allow the construction of a 583 square foot first floor addition, a new 285 square foot covered terrace on the second floor, and an expanded western balcony at an existing single-family located in the R-1 Single-Family Residential Zoning District.

2. Condition No. A.1. of Exhibit B *"CONFORMANCE WITH APPROVED PLANS"*, states that development of the site shall conform to the approved plans dated April 1, 2021, and specifies that the Community Development Director shall review and may approve any deviation from the approved plans that is determined minor in nature.
3. In March 2022, the Community Development Director approved minor modifications pursuant to Condition No. A.1. to the approved plans including a 1.5 foot extension of the rear addition, replacement of a ridge skylight on the rear addition with a roof opening, removal of a chimney and replacement of a fossil fuel fireplace with an electric fireplace on the west elevation, and several minor changes to windows and doors among other minor revisions.
4. In August 2022, while the project continued to be under construction, additional modifications were requested and shown in plans submitted on August 17, 2022, or provided as part of a list subsequent to the plan submittal.
5. The proposed modifications consist of adding skylights and solar tunnels; modifications/additions of architectural elements including an exterior spiral staircase to the rear terrace, belly band on the front elevation, and the paint color of the gutters; elimination of a window (garage, east elevation) and modifications to the size and type of other windows and doors and their glazing treatments; and modifications to the railing materials on the west deck where glass panels were previously approved and the proposal is for use of a combination of glass panels and solid half wall finished to match the exterior siding of the house.
6. These changes are minor modifications. While the City does not have a written definition of "minor modifications," in general, if the modification involves increasing developed area, staff will consider the modification minor if the increase is less than 10% of the square footage to be developed by the original CDP (here, the rear addition). This is analogous to, but is more conservative than, PRC § 13250(b)(4), which provides that a CDP is necessary for an addition if it would increase internal floor area of an existing structure by 10% or more. For these, as well as other types of modifications, staff also considers whether the change would impact any of the findings made in support the original CDP, or if the modification would have triggered a CDP in the first place.
7. Several of the proposed modifications are exempt from CDP consideration. Municipal Code Section 18.20.030.C.2.c provides that: "Additions to existing single-family residences and improvements normally associated with single-family residences such as garages, swimming pools, fences, storage sheds, and landscaping, except as otherwise specified in Subchapter 7, Title 14, Section 13250 of the California Code of Regulations." This section also specifies that fixtures and other structures directly attached to a residence, like skylights, are to be considered part of the residential structure.

- a. Skylights and sun tunnels: The skylights and sun tunnels proposed to be added to the original, existing structure would not have triggered a CDP in the first place, and thus are considered minor. Given this exemption, a CDP is not required to add or remove skylights from an existing structure, and therefore no modification to the CDP is required for the addition of skylights and sun tunnels to the existing structure.
 - b. Windows and doors: This exemption is also applicable to the modifications in window/door types and sizes which are substantially similar to the original windows and doors on the existing home and/or to new windows and doors that were included in plans considered for the CDP. Such modifications to windows and doors would not have triggered a CDP in the first place and are thus also considered minor.
8. The remaining approved modifications would not impact any of the findings in support of the original CDP, and thus are minor. These include the architectural elements and railing materials noted in #5, above.

Denied Modifications:

1. Unlisted Modifications: To the extent there are changes shown on the August 17, 2022 plans that were not already approved through the building permit revision No. 1 (second submittal) in March 2021, but are not included in the above list, such changes are not approved.
2. Terrace Skylights: Replacing the roof opening in the terrace with four skylights is not approved. As originally approved with the CDP, this area included a ridge skylight. The ridge skylight provided articulation and a sense of openness which was important for compliance with the Residential Design Guidelines. Residential Design Guidelines 2-6 (second floor massing), 3-1 (building height and bulk), 3-2 (scale of architectural elements), 3-4 (building mass and opening for light and ventilation to minimize shadow impacts), 3-4 (roof forms to reduce perceived massing impacts), and 3-20 (building articulation on long walls of greater than 25 feet). The approved building permit plans (revision 1, March 2022) replaced the ridge skylights with a roof opening. Like the ridge skylights, the opening provided articulation. The opening also reduced the ridgeline height for a portion of the addition and provided actual openness. Because replacing the roof opening with skylights would impact the City's findings of consistency with the Residential Design Guidelines, that proposed change is not minor and is not approved. The terrace roof shall be finished with either a ridge skylight system as approved in the CDP and original version of the approved building permit plans; or with a roof opening as approved with the March 2022 building permit plan revision.

Conditions of Approval:

1. Terrace Railing at New Staircase: The ~~eastern~~ western side of the northern portion of the terrace railing, in the entire span between the architectural columns, is to be substantially visually open. Options for accomplishing this condition include, but are not limited to, glass panels, cable railings, and picket railings open to the extent possible to meet Building Code.

2. **Drainage:** CDP condition of approval B.9. requires at least one low impact development (LID) approach to stormwater management for the new areas adding impervious surface, including the western and rear additions. These areas shall be drained into vegetated areas or through other equivalent means. The approach shall be shown on plans and is subject to review by the City Engineer to ensure the LID provision has adequate capacity for the drainage associated with the two additions.
3. **Plan Revisions:** All revisions, including those required by conditions of approval, shall be shown on plans to be submitted for building permit plan check.
4. **Other Permit Conditions:** All other provisions, conditions and requirements of the approved CDP (PDP 021-010) remain in effect and enforceable, including your signed commitment to abide by the terms of the CDP.
5. **Compliance with Building Permit:** All continued work on this project shall conform to building permit plans once updated plans are approved. Construction deviations may result in stop work notices, citations, and/or fines.
6. Construction work on the rear addition performed during the appeal period is at the owners' risk and is limited to the first floor generally, and temporary weather proofing of the second floor. Construction on all other portions of the project as previously approved through building permit may continue.

We will provide notice of this decision to your immediate neighbors and any interested party who has either requested notice of our decision or submitted comments on your request for minor modifications. Any aggrieved party will then have ten (10) working days to file an appeal. You may also appeal this decision within ten (10) working days. The deadline is Tuesday, September 27, 2022 at 5:00 PM.

Please contact me if you have any questions or concerns.

Sincerely,



Jill Ekas,
Community Development Director

From: Jill Ekas

Sent: Monday, July 25, 2022 12:44 PM

To: Lori Ellingson <loriellingson2@gmail.com>; russell ellingson <russellingson2@gmail.com>

Cc: PW Inspector <PWInspector@hmbcity.com>; Joe Butcher <JButcher@hmbcity.com>

Subject: RE: 225 Valdez - Next Steps for Permit Review of Project Modifications

Dear Lori and Russell:

Thank you for informing us about your decision to revert to your approved plans. The approved plans on file with the City are for Building Permit B2021-00413 Revision 1. At this time, the City's continued direction is to stop work on the addition until this matter is resolved. The remaining items that need to be addressed before the stop work order is lifted include the following:

1. Second story "Powder Room" window, east elevation: This window was not approved through design review conducted for the Coastal Development Permit or subsequent Building Permit submittals because it was never shown on elevation plans for the approved permits. Per the Coastal Development Permit conditions of approval, which you signed April 21, 2021, conditions # D2 Accuracy of Application Materials states, "The permittee shall be responsible for the completeness and accuracy of all forms and material submitted for this application. Any errors or discrepancies found therein may be grounds for revocation or modification of this permit and/or any other City approvals." This window must be removed.
2. Demolition and Reconstruction: My email to you about the process for reverting to the approved plans stated the following: "We recognize that reverting to the original plans will require rework in areas with unpermitted construction. The City needs to fully understand your contractor's approach to remedy the permit violations before that commences." We have not received information, consisting of plans and/or a narrative, explaining the intended process for removing illegally constructed portions of the addition and reconstructing them according to the approved plans. The City's building official must approve your plans/narrative for demolition and reconstruction. The second story portion of the addition has a substantial amount of construction that does not conform to the approved plans, making this requirement important. The building official's review will consider the structural components and architectural elements that have been modified through the construction of unpermitted work.

Due to the sensitivity of the interface with the neighboring property to the east, City staff cannot consider any proposed changes to the approved plans affecting the east elevation as minor in nature. As such, we will not be approving the relocation of the window for the ensuite second story bathroom as a minor modification. For other modifications not affecting the east elevation, such as skylights, you will need to submit updated plans. If you anticipate any other revisions, they must be presented in plans for plan check. At this point in the process, and in consideration of how concerned you are about schedule, we strongly recommend that revisions be limited and that they be included in one final set of plans for plan check. Furthermore, field changes affecting any elevation, opening, etc., will not be allowed. All proposed changes will require a plan submittal and an approval before they can proceed.

In addition to the significance of the unpermitted work, this job has required an unusually high amount of City staff oversight. The City has had to provide an excessive number of inspections and we have also made ourselves available for

multiple lengthy meetings to provide high level plan checking as a courtesy to help you overcome significant permit violations. Going forward, all inspections and plans checks will be charged per the City Council approved Master Fee Schedule for fiscal year 2022-2023.

We look forward to seeing progress on the two matters noted above.
Sincerely,

- Jill Ekas



Jill Ekas (she/her), AICP
Community Development Director
501 Main Street, Half Moon Bay, CA 94019
(650) 726-8264
www.hmbcity.com

From: Lori Ellingson <loriellingson2@gmail.com>
Sent: Friday, July 22, 2022 9:34 AM
To: Joe Butcher <JButcher@hmbcity.com>
Cc: Jill Ekas <JEkas@hmbcity.com>; russell ellingson <russellingson2@gmail.com>; PW Inspector <PWInspector@hmbcity.com>
Subject: Re: 225 Valdez - Next Steps for Permit Review of Project Modifications

[CAUTION]: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi Joe,

At this time, we will be working from the permit in place. In the very near future, we will be adding minor modifications to our permit as previously discussed (skylights, and 1 window and door repositioning). Do you think this will be a problem?

Can we continue work on our addition, more specifically the downstairs addition and roofing?

Lori

On Jul 22, 2022, at 8:42 AM, Joe Butcher <JButcher@hmbcity.com> wrote:

Hi Lori,

At your earliest convenience please email me your questions or call me so that I can do any necessary research and better answer them.

Thank you,

Joe

From: Lori Ellingson <loriellingson2@gmail.com>

Sent: Wednesday, July 20, 2022 11:54 AM

To: Jill Ekas <JEkas@hmbcity.com>

Cc: russell ellingson <russellingson2@gmail.com>; Joe Butcher <JButcher@hmbcity.com>; PW Inspector <PWInspector@hmbcity.com>

Subject: Re: 225 Valdez - Next Steps for Permit Review of Project Modifications

[CAUTION]: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Thank you for email. Russell and I have some questions and would like time to review our options. Are you available to meet this Monday?

Best,
Lori

On Jul 20, 2022, at 10:19 AM, Jill Ekas <JEkas@hmbcity.com> wrote:

Dear Lori and Russell –

We have completed our evaluation of proposed plan revisions for your remodel and addition project at 225 Valdez, received via email June 17, 2022. We have also reviewed your summary of the project review process received via email July 13, 2022. Our conclusion is that the revisions result in a major modification to the originally approved Coastal Development Permit and subsequent Building Permit approvals. The primary change includes conversion of over half of the second-story covered terrace into fully conditioned interior space. The change is associated with an increase in solid surfaces on the side elevations and requires new review relative to the Zoning Ordinance and Single Family Design Guidelines. Other changes are also relevant and will need to be clearly presented throughout the review process. We discussed that a determination of “major modification” may well be the outcome and that there is a permit process for moving forward should you wish to proceed.

The permit application form is available on the City’s website via this [link](#). Your revised plan set should cover most of the submittal requirements. The project review requires that you deposit \$4,595 in a project account with the City. The deposit will be used to cover staff time to process the application, including city attorney review, and all related expenses, such as the public hearing notice. We also discussed that the public hearing body would most likely be the Planning Commission. We considered various options understanding your need to keep the project moving, and determined that it will be most efficient for the Commission to be the hearing body. The Half Moon Bay Planning Commission meets the second and fourth Tuesday of each month at 7:00 PM. Their next available agenda is August 23, 2022. We will need your application soon in order to set up the public hearing notice. We discussed how the notice will be circulated as was

done last year for the original review: site posting, mailing to neighboring property owners, and a legal notice in the Half Moon Bay Review.

With respect to the deposit, unused funds will be returned to you at the conclusion of any appeal periods. Speaking of appeals, we want to make sure you are aware of how that process works. Appeals of Planning Commission decisions are heard by City Council who would be the final review authority for this case. Appeals must be filed in a timely fashion within 10 working days of the decision. An application for an appeal is \$257 for any party appealing a decision. In addition to that fee, you, as the developer, will also be required to submit additional funds to your deposit account in the amount of \$3777 to process an appeal, if one is filed. Appeals require additional review and analysis, drafting of another staff report and resolution, and public notice.

Please let us know how you intend to proceed. If you decide to move forward with the application, let us know when you are ready to apply so that we can review your submittal with you and make sure the application is complete as soon as possible. If you choose to revert to the approved plans, please let us know about that as well. We recognize that reverting to the original plans will require rework in areas with unpermitted construction. The City needs to fully understand your contractor's approach to remedy the permit violations before that commences. Finally, you have been asking about various windows and other matters. The City is not in a position to approve any revisions to the approved Building Permit plans without first coming to a conclusion about the rear addition.

Thank you for working with us.

- Jill Ekas

<image001.jpg>

Jill Ekas (*she/her*), AICP
Community Development Director
501 Main Street, Half Moon Bay, CA 94019
(650) 726-8264
www.hmbcity.com

pnagengast@gmail.com

From: Camas J. Steinmetz <cjs@jsmf.com>
Sent: Monday, July 3, 2023 8:20 PM
To: Paul Nagengast; hjoanes@gmail.com
Subject: FW: Letter re 225 Valdez (Half Moon Bay)

Below back and forth with Winter... will keep you posted.

Happy 4th

Camas

From: Winter King <king@smwlaw.com>
Sent: Monday, July 3, 2023 3:08 PM
To: Camas J. Steinmetz <cjs@jsmf.com>
Subject: RE: Letter re 225 Valdez (Half Moon Bay)

Hi Camas,
Checking on this and will get back to you soon.
Winter



Winter King
Partner
Shute, Mihaly & Weinberger LLP
396 Hayes Street
San Francisco, CA 94102-4421
p: 415/552-7272 x237 | she/her/hers
www.smwlaw.com | A San Francisco Green Business

From: Camas J. Steinmetz <cjs@jsmf.com>
Sent: Tuesday, June 27, 2023 4:06 PM
To: Winter King <king@smwlaw.com>
Subject: FW: Letter re 225 Valdez (Half Moon Bay)

Winter,

I just learned from my clients that there has been no activity or work proceeding to finish 225 Valdez project as instructed by City. According to a review of the records, it has been about 6 months (180 days) since the last building inspection on the existing permit.

Can you please advise on status of current 225 Valdez building permit (is it still active?) and status of code compliance, including compliance with the below listed obligations set forth in the attached letter dated January 24, 2023 from Jill Ekas that was issued more than five (5) months ago (enclosed with your attached January 27, 2023 letter to me):

1. Building Permit Revision: **Within 1 month**, submit updated plans conforming to the September 13, 2022 Coastal Development Permit, as modified, for building plan check.
2. Project Schedule: **Within 2 months**, submit a schedule outlining the remaining work tasks, sequence, and timing to accomplish project completion.
3. Project Completion: **Within 9 months** from City approval of Building Permit revision (per item #1), all portions of the project involving the site or exterior of the home shall be complete. This includes, but is not limited to, landscaping, drainage improvements, architectural items (e.g., siding, roofing, windows, skylights, doors, railings, staircases, etc.), and all components of the second story deck (west side) and upper terrace (north side).

The upper terrace currently includes unpermitted structural elements (including but not limited to the solid roof which needs to be modified to include either the required skylights or opening, and covered walls, which need to include all required wall openings). These unpermitted elements represent a violation of both the coastal development permit and building permit and must be removed **within 6 months** from City approval of the Building Permit revision. Note that we are providing significant time for this removal because we understand that some of these unpermitted materials were installed for weather protection during a period when you were not able to weatherize the structure because of the stop work issued by the City. Completion of the upper terrace requires all architectural features depicted in the approved modification to the Coastal Development Permit including, but not limited to, the architectural columns, wall openings, and skylights/roof opening.

Thanks,
Camas

From: Camas J. Steinmetz
Sent: Thursday, April 6, 2023 1:33 PM
To: Winter King <king@smwlaw.com>
Cc: Jill Ekas <JEkas@hmbcity.com>
Subject: RE: Letter re 225 Valdez (Half Moon Bay)

Winter,

Please find my reply to your letter transmitted by email below.

Thanks,
Camas

From: Winter King <king@smwlaw.com>
Sent: Wednesday, March 22, 2023 11:48 AM
To: Camas J. Steinmetz <cjs@jsmf.com>
Subject: Letter re 225 Valdez (Half Moon Bay)

Hi Camas,
Attached please find a letter responding to your inquiry re 225 Valdez.
Best,
Winter

BUSINESS OF THE COUNCIL OF THE CITY OF HALF MOON BAY

AGENDA REPORT

For meeting of: **February 6, 2024**

TO: Honorable Mayor and City Council

VIA: Matthew Chidester, City Manager

FROM: John Doughty, Assistant City Manager
Mike Noce, Housing Programs Manager

TITLE: **RESIDENTIAL RENTAL REGISTRATION FEE AND RELATED MATTERS**

RECOMMENDATION:

It is recommended that the City Council, upon receiving public input, adopt a resolution:

1. Establishing a new fee titled, "Residential Rental Registration Fee" in the amount of \$75 and adding the fee to the City user fee schedule as presented in Exhibit A to the resolution; and
2. Authorizing Staff to offer no fee registration between June 1 and June 30, 2024, as an incentive to early registration; and
3. Applying the automatic Consumer Price Index (CPI) adjustment beginning July 1, 2025; and
4. Allocating up to \$150,000 in City Affordable Housing Funds to cover initial start-up and implementation costs of the program; and
5. Directing Staff to direct user fees, late fees and citations related to FY 2024-25 residential rental registration be directed to the City Affordable Housing Fund.

Note: This fee will be in effect sixty (60) days from approval, April 6, 2024.

FISCAL IMPACT:

First year implementation and operating costs for the Rental Registration Program are estimated at \$150,000, which Staff proposes to cover through an initial allocation from the City's Affordable Housing Fund. This figure includes the known cost of developing an online registration portal and secure database as well as estimates of related staff and compliance efforts. Stabilization of costs is expected in subsequent years with the addition of rent control and related tenant protections due to improved economies of scale. The recommended fee for FY 2024-25 does not represent full cost recovery. Additional details are included in the Discussion section of the report.

STRATEGIC ELEMENTS:

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

OVERVIEW/BACKGROUND:

The Half Moon Bay City Council has identified affordable housing as a multi-year City priority. The 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 \$34 million. Additionally, the City and County of San Mateo filed a joint application for affordable housing at 880 Stone Pine Road. In December the City issued an Emergency Coastal Development Permit for Stone Pine Cove, an estimated \$15 Million project to produce 47 modular units on approximately 5 acres of City-owned land. The County is preparing to take bids on the site development work and is in the process of awarding a contract for the purchase of forty-seven (47) modular units.

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 renters (particularly lower-income renters) is a strategy the City Council has directed Staff to initiate.

As part of the City's initial assessment of the rental market, Staff spoke to and met with local non-profits and service providers. These conversations provided a better understanding of 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 Coastsides 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 and other similar sites 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).

On November 7, 2023, the City Council held a work session on tenant protections. This meeting provided an opportunity for Staff to present potential ways to assist existing renters within the City ([Staff Report](#)). The work session was an opportunity for landlords and tenants to provide their observations and recommendations. Following community input and City Council discussion, Staff was directed to immediately initiate work on: 1) a rental registration ordinance; 2) a rent control ordinance; 3) an enhanced tenant protections and relocation assistance ordinance; and 4) a code enforcement related relocation assistance ordinance.

On January 16, 2024, the City Council introduced an ordinance establishing a new Residential Rental Registration program. Second Reading (adoption) of the ordinance is scheduled for consideration on February 6, 2024. The registration program will serve as critical foundational support to the development and success of the forthcoming tenant protections program.

DISCUSSION:

New Chapter 6.04 (Residential Rental Registration) requires landlords to register each of their rental units with the City on an annual basis, starting July 1, 2024. As has been previously noted, the rental housing market in Half Moon Bay is complex and comprised of numerous components, many of which are not presently well understood or able to be documented by the City under the current regulatory structure. The registration process will allow the City to collect, monitor and analyze the characteristics of residential rental units, renters, and rental rates in Half Moon Bay. The data will be available for the community, Planning Commission, and City Council to inform housing policies and programs now and in the future. The registration of units and collection of this data is critical to the City Council's stated intent to establish a Costa Hawkins Act based rent control program. Registration and data collection will also assist the City in directing resources to tenant/landlord relations, education, and mediation.

Registration will include the completion of an application form which includes questions regarding each rental unit. The City will create an online application portal and payment option for the convenience of landlords. In-person filing and payment will also be available. Per the ordinance, a landlord may not directly pass on the cost of registration to a tenant.

Under the Chapter, registration is required for the following types of rental units: single-family detached homes, single-family attached (condominiums and townhouses), mobile and manufactured homes (not space rental), duplexes, triplexes, fourplexes, apartments, rented accessory dwelling units (ADUs), and any room rented in a homeshare situation. Registration will expire annually on June 30th and must be renewed no later than July 31st. The registration window will be open annually on July 1st and extend throughout the month of July. Staff anticipates opening the registration portal by June 1, 2024, and early registration is welcome.

As previously discussed, implementation of the ordinance will require the creation of a registration/payment portal and a secure database to house information collected in the registration process. The database ultimately will provide a clearinghouse of data regarding rental housing units, age of units (necessary for rent control), rents charged and other related information. The City has entered into an agreement with a consultant (Tolemi) to provide the portal, database, and assistance in identifying rental units/addresses in the City. Tolemi provides similar services to 150 other cities. The City of Monterey initiated rental registration on January 1, 2024, with the support of Tolemi. The portal and database will require annual funding through the program, with annual costs of approximately \$30,000.

The rental registration program will require day-to-day Staff support. This work includes direct assistance to landlords and tenants, management of the Tolemi agreement, data analysis, and regular progress and annual reporting. Initially, this work will be handled by reallocation of existing Staff resources. Over time, Staff will evaluate the possibility and cost-effectiveness of contracting some of the day-to-day operational duties. Program support will also involve the expertise of the City Attorney (legal), investigation, and compliance support of the City's Neighborhood Preservation Specialist, and eventually an outside hearing officer and/or mediation services for tenant/landlord disputes that may arise through any or all the related tenant protection efforts.

Total FY 2023-24 and FY 2024-25 implementation and operating cost is estimated to be \$150,000. The City Council initiated the registration program as a means of gathering critical data on the City's rental housing market which that data in turn can be used to inform housing policy. Given the stated purpose, Staff is recommending the City Council not seek 100% cost recovery in the first year of registration, but rather focus on getting registration compliance and desired rental data.

It is recommended that the first-year registration fee be set as a two-tiered program. Tier 1 would be a "no fee" early registration to run from June 1 to June 30, 2024. The "no-fee" early registration would hopefully encourage registration by all owners, expedite data gathering and reduce compliance related efforts and costs. Tier 2 would require a \$75 registration fee for each unit and under the ordinance registration would be completed between July 1 and July 31, 2024. Non-registered units, beginning August 1, 2024, would be subject to late fees, penalties, and administrative citations. As noted earlier, Staff is recommending that all related fees be returned to the City Affordable Housing Fund in FY 2024-25.

Table 1: Residential Rental Registration Fee Structure Beginning June 1, 2024

Tier	Fee
Tier 1: 6/1/24 to 6/30/24	No Fee “Early Registration”
Tier 2: 7/1/24 to 7/31/24	\$75 per unit
Tier 3: After 7/31/24	\$75 per unit & subject to late fees, penalties, and administrative citations

The American Community Survey 2015-2019 estimates that 28% of the 5,098 housing units are renter occupied. This equals approximately 1,427 rental units, of which approximately 400 are subject to long-term affordability restrictions limiting rental rates and eligibility of renters. Staff recommends a fee of \$75 per unit in FY 2024-25. The proposed fee represents a cost recovery of approximately 70% if all units register and pay the applicable fee. We anticipate early “no fee” registration will reduce FY 2024-25 cost recovery to some extent; however, early registration will eliminate many back-end costs including compliance, legal assistance, etc.

The Residential Rental Registration fee will be evaluated annually and adjusted based upon costs, revenues, and City Council recovery policy direction. Registration is part of the broader rent control and tenant protections initiative. We anticipate having far better information at the end of FY 2024-25 as all tenant protection initiatives are established and implemented. As noted earlier, we anticipate improved economies of scale with the full program implementation.

CONCLUSION:

The proposed Residential Rental Registration program supports City housing goals as reflected in the soon-to-be certified Housing Element. Further, the provisions are necessary to protect public health, safety, and welfare of Half Moon Bay residents who own/manage rental properties and those who rent/lease properties. Residential Rental Registration implementation is critical and foundational to establishing units that would be subject to Costa Hawkins Act rent control.

The registration process provides a means to convey information to both landlords and tenants. Further, registration provides the City with critical data necessary to manage and implement housing programs now and into the future. The user fee being recommended is adequate to cover reasonably anticipated costs of implementing and operating the Residential Rental Registration program in FY 2023-24 and FY 2024-25 per State law. The recommended actions align with the guiding principles and use of the Affordable Housing Fund to cover initial costs of implementing and operating the Residential Rental Registration program. Furthermore, the data collected from this program can be used to support the local lower-income workforce high-risk populations through future policy implementation.

NEXT STEPS:

Upon adoption of the Ordinance and Resolution, Staff will be working with Tolemi to create the registration portal. Staff will be preparing informational materials and mailers regarding the registration program to both landlords and tenants. Our goal is to have the portal operational by June 1st.

Staff continues to work on other aspects of Tenant Protections including rent control and enhanced tenant protections for consideration by the City Council this spring.

ATTACHMENT:

1. Resolution

RESOLUTION NO. C-2024-

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HALF MOON BAY CREATING
A FEE FOR THE REGISTRATION OF RESIDENTIAL RENTAL PROPERTIES WITHIN THE CITY OF
HALF MOON BAY AND ALLOCATING UP TO \$150,000 FROM THE CITY AFFORDABLE HOUSING
FUND TO COVER INITIAL START-UP AND IMPLEMENTATION COSTS**

WHEREAS, pursuant to Article XI, Section 7 of the California Constitution, the City of Half Moon Bay ("City") has broad authority to maintain the public peace, health and safety of its community and preserve the quality of life for its residents and may make and enforce all regulations and ordinances using its police powers to do so; and

WHEREAS, the City, with direction from the City Council, has developed goals, objectives, policies, and action programs that directly address the City's housing needs; and

WHEREAS, the City Council has identified an acute rental housing shortage within the City limits and on the greater Coastsides; and

WHEREAS, the community has testified that the cost of rental housing is increasing faster than wages and that this affects all renters in the City limits and the greater Coastsides; and

WHEREAS, the City is contemplating adoption of rent control and expanded tenant protections; and

WHEREAS, the City is contemplating adoption of the Cycle 6 Housing Element including goals, policies, and programs to support renters including the establishment of a rental registry, education, and other supportive services; and

WHEREAS, rental registration will assist in identifying units subject to any subsequently adopted Costa Hawkins based rent control program; and

WHEREAS, the City does not currently require registration or licensing of rental units which makes it difficult to identify tenants, landlords, and property managers regarding regulations and available assistance; and

WHEREAS, the City has no way to track residential rents, unit types, bedroom counts, or similar data all of which are critical to setting housing policy in the City; and

WHEREAS, there is no current source for obtaining that information specific to the City, making it difficult to ascertain the effect of rents and housing conditions on the potential displacement of residents; and

WHEREAS, with the creation of a new Title 6, it is necessary to ensure consistency in the application of housing specific terms and phrases throughout the Title; and

WHEREAS, the City Council directed staff to begin with the preparation of an ordinance requiring

owners of residential rental properties to annually provide the City with basic information regarding Residential Rental Units and rental rates as a starting point for the development of rent control and tenant protections policies/ordinances; and

WHEREAS, on January 16, 2024, the City Council conducted a Public Hearing and introduced an ordinance creating a Residential Rental Registration program as a new Chapter 6.04 to the Half Moon Bay Municipal Code; and

WHEREAS, on February 6, 2024, the City Council adopted an ordinance creating a Residential Rental Registration program as a new Chapter 6.04 to the Half Moon Bay Municipal Code; and

WHEREAS, on February 6, 2024, the City Council conducted a Public Hearing regarding the proposed resolution establishing the Residential Rental Registration fee pursuant to new Chapter 6.04 to the Half Moon Bay Municipal Code; and

WHEREAS, the City completed a fee study and determined that the per unit fee of \$75 will cover approximately 70-percent of the costs of implementation and administration of the program in the first year and that it is in the fee and cost recovery level is necessary and in the public interest to encourage registration and gathering of critical rental data in FY 2023-24 and FY 2024-25; and

WHEREAS, the City will evaluate costs of the program over the course of FY 2023-24 and FY 2024-25 and propose modifications to the fee effective July 1, 2025 in conjunction with implementation of other tenant protection efforts.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF HALF MOON BAY :

1. Approves the establishment of a new fee titled, "Residential Rental Registration Fee" in the amount of \$75 and adding the fee to the City user fee schedule as presented in Exhibit A to the resolution; and
2. Authorizes Staff to offer no fee registration between June 1 and June 30, 2024 as an incentive to early registration; and
3. Directs staff to apply the automatic Consumer Price Index (CPI) adjustment beginning July 1, 2025; and
4. Allocates up to \$150,000 in City Affordable Housing Funds to cover initial start-up and implementation costs of the program; and
5. Directs Staff to direct user fees, late fees and citations related to FY 2024-25 residential rental registration be directed to the City Affordable Housing Fund.
6. Acknowledges that this fee will be in effect on April 6, 2024 (sixty days from approval) in accordance with State law.

I, the undersigned, hereby certify that the foregoing Resolution was duly passed and adopted on the 6th day of February 2024 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

Joaquin Jimenez, Mayor

EXHBIT A

**City of Half Moon Bay
Master Fee Schedule
Other Fees, Charges and Services**

14 Residential Rental Registration Program	Coding	Prev. FY 21-22 Amount	Prev. FY 22-23 Amount	FY 23-24 Amount	FY 24-25 Amount	Unit/Type
Annual Registration Fee	101-110-4443	None	None	No fee	\$75.00	Per residential unit

**BUSINESS OF THE COUNCIL OF THE CITY OF HALF MOON BAY
AGENDA REPORT**

For meeting of: **February 6, 2024**

TO: Honorable Mayor and City Council
VIA: Matthew Chidester, City Manager
FROM: Maz Bozorginia, Public Works Director/City Engineer
Helen Wolter, Public Works and Sustainability Programs Manager
TITLE: MUNICIPAL ENERGY PROJECTS

RECOMMENDATION:

Provide direction to staff to:

(1) Adopt a resolution authorizing the City Manager to deploy Solar Photovoltaic Systems at Agency facilities in partnership with the Agency's public power provider, Peninsula Clean Energy, through a standard Power Purchase Agreement, should the project result in financial and/or community benefits.

OR

(2) Move forward with the comprehensive solar photovoltaic (PV) system purchase to meet the City Half Moon Bay's sustainability goals of carbon-free electricity for all municipal facilities by 2025 and increase the energy efficiency of all municipal facilities and operations.

FISCAL IMPACT:

Staff are providing the Council with two options to consider. Each option has certain financial implications, which are detailed in the Staff Report. The exact level of financial impact and cost to the City will be determined by more detailed studies in the future with either option. Fiscal impacts are available in Attachment 2.

STRATEGIC ELEMENT:

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

EXECUTIVE SUMMARY:

Staff requests Council direction on which pathway to pursue for solar photovoltaic (PV) systems on City Facilities:

- (1) Enter into a Power Purchasing Agreement (PPA) as part of the Solar & Storage for Public Buildings Program through Peninsula Clean Energy (PCE), or
- (2) To purchase the solar photovoltaic (PV) system purchase system outright and complete a more comprehensive electrification project, which includes City Facility electrification and EV charging, achieving complementary goals identified by the City Council and in the City's CAAP.

BACKGROUND:

The City Council expressed interest in installing solar photovoltaic (PV) systems on City Facilities to promote the use of renewable energy and reduce electricity costs. Additionally, the City Council aims to electrify all municipal facilities in order to set an example for the community to reduce greenhouse gas emissions stemming from our City operations. Both goals were formally adopted in the City's Climate Action and Adaptation Plan (CAAP) Phase 1, in December 2023. Specifically, the goals are as follows:

- **ME-1:** Employ carbon-free electricity for all municipal operations and increase supply of local, renewable energy supply at municipal facilities.
- **ME-2:** Electrify all municipal facilities by 2025.
- **ME-3:** Increase the energy efficiency of all municipal facilities and operations.

Peninsula Clean Energy

Peninsula Clean Energy (PCE) is a not-for-profit, joint powers agency formed as a Community Choice Aggregation (CCA) program by San Mateo County and the 20 cities and towns in 2016. As of January 2021, PCE provides clean energy to all customers through wind, solar, and hydropower sources. PCE's ability to provide clean energy to all customers has led many jurisdictions within their service area to adopt measures to increase energy efficiency and reduce reliance on natural gas and other fossil fuels. With this cleaner electricity generation, the replacement of natural gas and propane appliances with electric alternatives has the potential to significantly reduce building-energy related greenhouse gas emissions.

Willdan

Willdan is a publicly traded engineering and consulting company founded in 1964 (WLDN (NASDAQ)) by two engineers named Will and Dan. The company is based in Anaheim and regularly contracts with public municipalities and agencies in California. Willdan has served 442 of the 482 California cities, including a longstanding relationship with the City of Half Moon Bay. Willdan has provided services to the City since 1996 with initial contracts that provided staff augmentation services to City Engineering and Public Works (1996-1998). They have also been providing financial services, including federal compliance reporting and special district administration since 2000. Most recently, the City worked with Willdan as the authorized implementer of PG&E's Government K-12 (GK12) Energy Efficiency Program, which provided a free heat pump water heater and associated electrical work at the City's Corporation Yard building in 2022. Willdan's Energy Team has completed work with other municipalities in San Mateo County including City of Brisbane, City of Burlingame, City of Menlo Park, City of Pacifica, City of Redwood City, City of San Carlos, and the County of San Mateo.

DISCUSSION:

Throughout 2023, staff explored two different potential paths to add additional solar PV to City Facilities. On January 16, 2024, staff conducted a study session with the City Council to present two potential pathways for the Council to consider:

- (1) Enter into a Power Purchasing Agreement (PPA) as part of the Solar & Storage for Public Buildings Program through Peninsula Clean Energy (PCE), or
- (2) To own the system outright and complete a more comprehensive project, which includes City Facility electrification and EV charging, complementary goals identified by the City Council and in the City's CAAP.

Either option would result in more generation of renewable energy on City Facilities, but they differ in capital cost contribution and financial benefits. Council directed staff to provide additional information and financial projections for review at the February 6, 2024, meeting before providing direction. A summary of the two options is outlined below.

Option 1: Lease PV Solar System through PPA with Peninsula Clean Energy plus City Electrification Upon Replacement

A PPA is a financial arrangement in which a third-party developer owns, operates, and maintains the PV system, and a host customer agrees to site the system on its property and purchases the system's electric output from the solar services provider for a predetermined period. This financial arrangement allows the host customer to receive stable and often low-cost electricity, while the solar services provider or another party acquires valuable financial benefits, such as tax credits and income generated from the sale of electricity. With this business model, the host customer buys the services produced by the PV system rather than the PV system itself.

Under this model, PCE would own the system for up to 20 years with an option for the City to extend the PPA for an additional 5 years. Final terms are still to be determined, but the City will have the option to pay more per kilowatt hour (kWh) up front and keep the same rate over the term of the PPA, or pay less per kWh initially, with costs increasing by 2% per year for the term of the PPA. With either option, the electricity rates in the PPA are expected to be less than those available at retail rates through PG&E/PCE.

For reference, the California Public Utilities Commission estimates that energy rates will escalate at an average of 3.7% per year through 2030. However, in 2023 PG&E announced an 18% rate increase and 5% annual increases through 2026. Future rates may also be impacted by power capacity constraints, investment in grid infrastructure to support vehicle and building electrification, as well as grid hardening and undergrounding for wildfire mitigation.

For the initial consideration of installation areas for the City, PCE explored multiple potential sites for solar PV and decided to move forward with interconnection applications and preliminary designs for systems at City Hall and the Sheriff's Substation. PCE completed the interconnection applications for both identified PV sites on behalf of the City so it can benefit

from Net Energy Metering (NEM) 2.0 pricing to realize better financial benefits for solar projects at these sites. This remains true whether the City decides to continue with PCE or any other vendor, as long as the system size remains the same and construction is completed by Summer 2026.

Staff has identified that to move forward, PCE's current design at City Hall would require roof replacement prior to installation, which has not been budgeted for FY 2023-24, nor has it been included in the scope of the PPA. Additionally, the current City Hall design may cause conflict with the historic view corridor from Main Street to the historic jail and may interfere with some of the presented options for a proposed park in the west portion of the City Hall parking lot. City staff alerted PCE staff of these potential issues, and they will be further explored once a vendor is selected for engineering, procurement, and construction.

Should Council decide to move forward with the PPA Agreement with PCE, staff will continue to work on facility electrification when equipment needs to be replaced or when funding is made available. Staff will also budget for future EV charging (for City fleet and public use) and roof repair in the future.

Option 2: Comprehensive Municipal Energy Project: Ownership of PV System Combined with Facility Electrification, EV Charging, and Roof Repair

Staff worked with Willdan to scope another option for the City to own the PV systems and complete a more comprehensive project that included related goals to be constructed at the same time. Willdan has worked with staff to conduct a no-cost evaluation of potential projects and to provide preliminary cost estimates for this holistic project option. With some upfront funding and utilizing various incentives and grants, the City would save money on energy costs.

The scope for the fully comprehensive project includes PV installation at the City Hall and Sheriff Substation parking lots, City Hall roof repair, Public/City EV charging at City Hall, electrification of City Hall, Ted Adcock Community Center, Train Depot, Corporation Yard, and the Sheriff's Substation/Emergency Operations Center. This comprehensive approach enables the City to leverage energy savings for related projects by combining various components into a single project. As a result, the City can leverage the greatest number of incentives and accomplish these related goals at once, and more quickly than if the City were to undertake the projects individually.

With this project approach, the City would retain ownership of the PV systems and realize their full financial benefits, including the lowest energy costs and ownership of Renewable Energy Credits (RECs). Due to size and shading constraints, the PV system would offset about 88% of energy costs at both City Hall and the Sheriff Substation.

Willdan has presented various financing options that utilize PCE's 1% and Tax-Exempt Lease Purchase (TELP) 4.97% loans for the full scope. If this option is chosen, Staff recommends utilizing existing \$335,000 Capital Improvement Funds for City Hall HVAC Replacement

budgeted for FY 2023-24 and a City Energy Grant from PCE to avoid the need to budget additional funding from the General Fund and/or Reserves in FY 2024-25.

To date, Willdan has completed its preliminary assessment at its own expense. However, to proceed with a more detailed audit and scoping, Willdan requests that the City agrees to help recover the costs, up to \$30,000, in case the City decides not to move forward with a final project. On the other hand, if the City decides to proceed with the project with Willdan after the more detailed scoping, the costs incurred will be included in the overall project scope.

CONCLUSION:

Option 1:

Enter into a Power Purchasing Agreement (PPA) as part of the Solar & Storage for Public Buildings Program through Peninsula Clean Energy (PCE). Including costs incurred for separate facility updates necessary to support the solar & storage infrastructure, the culminative energy savings are offset by those additional facility costs creating an expected \$51,800 net deficiency over 20 years.

Option 2:

To purchase the solar photovoltaic (PV) system outright and complete a more comprehensive electrification project, which includes City Facility electrification and EV charging, achieving complementary goals identified by the City Council and in the City's CAAP. The expected savings due to the leveraged solar PV, PG&E, and EV charger incentives plus federal tax credits is expected to be \$415,000 over 20 years. The project is eligible for additional grant monies that if awarded could save the City further money.

Timeline and Next Steps

Due to the California Public Utilities' (CPUC) net metering changes, California recently changed how solar projects are billed. Both project options are on track to take advantage of NEM 2.0 pricing but significant changes to the final design or delays in executing an agreement with the chosen partner will jeopardize the City's ability to qualify for NEM 2.0. Based on the Council's direction, staff will continue to work to meet the necessary deadlines and will provide Council updates at critical milestones for their information and ultimate approval.

ATTACHMENTS:

1. Project Summaries
2. PCE- HMB SMC Sheriffs Sub PPA Escalation
3. PCE- HMB City Hall PPA Escalation
4. Willdan - Energy project preliminary analysis_1.30.24
5. PCE Resolution

Project Summaries

Both options leverage all eligible federal Investment Tax Credits (ITC) and local incentives from PCE and PG&E.

	Upfront costs	Projected 20-year energy savings (cumulative)	Facility Upgrades	Building electrification and EV Charging	Projected 20-year Costs/Savings
Individual Projects: - PV Lease PPA - Facility Electrification - EV Charging - Roof Repair	\$0*	\$472,400	PPA Scope does not include facility upgrades	- PPA Scope does not include building electrification costs and EV charging costs. \$450,000 estimated cost to electrify TACC, EOC/Sheriff Substation, City Hall, Corp Yard, and Train Depot - HMB would need to budget for costs associated with EV charging for fleet and public needs at City Hall. - Estimate does not include .5 FTE of staff time to manage project upgrades	-\$51,800 after additional costs incurred
Comprehensive Project: PV Ownership & Comprehensive Facility Electrification	\$355,000*	\$1,010,000	Willdan scope includes City Hall roof membrane replacement	Willdan scope includes all building electrification costs for City Hall, TACC, Corp Yard, TACC, Train Depot, EOC/Sheriff's Substation	\$415,000 savings with Fed ITC, PGE & PCE Incentives \$735,000 savings with Fed ITC, PGE & PCE Incentives plus 1% loan

*From FY23-24 Facility Budget and projected 2024 PCE City Energy Grant. No additional funding from the General Fund or reserves will need to be budgeted in FY24-25 for this upfront cost

Project Summaries

Both options leverage all eligible federal Investment Tax Credits (ITC) and local incentives from PCE and PG&E.

	Upfront costs	Projected 20-year energy savings (cumulative)	Facility Upgrades	Building electrification and EV Charging	Projected 20-year Costs/Savings
Individual Projects: - PV Lease PPA - Facility Electrification - EV Charging - Roof Repair	\$0*	\$472,400	PPA Scope does not include facility upgrades	- PPA Scope does not include building electrification costs and EV charging costs. \$450,000 estimated cost to electrify TACC, EOC/Sheriff Substation, City Hall, Corp Yard, and Train Depot - HMB would need to budget for costs associated with EV charging for fleet and public needs at City Hall. - Estimate does not include .5 FTE of staff time to manage project upgrades	-\$51,800 after additional costs incurred
Comprehensive Project: PV Ownership & Comprehensive Facility Electrification	\$355,000*	\$1,010,000	Willdan scope includes City Hall roof membrane replacement	Willdan scope includes all building electrification costs for City Hall, TACC, Corp Yard, TACC, Train Depot, EOC/Sherriff's Substation	\$415,000 savings with Fed ITC, PGE & PCE Incentives \$735,000 savings with Fed ITC, PGE & PCE Incentives plus 1% loan

*From FY23-24 Facility Budget and projected 2024 PCE City Energy Grant. No additional funding from the General Fund or reserves will need to be budgeted in FY24-25 for this upfront cost

Peninsula Clean Energy Solar for Public Buildings Pilot Portfolio
Power Purchase Agreement (PPA) Pricing and Savings Estimate

SUMMARY		
Facility	HMB SMC sheriffs sub station	
Total Solar System Size	73	kW DC
SOLAR PPA RATE	\$0.260	\$/kWh

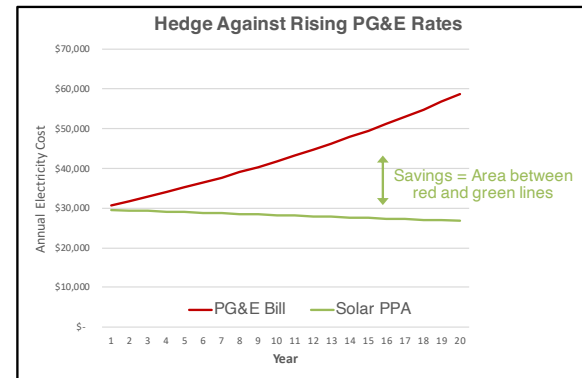
Current Electric Tariff	B10	Rate
Current Effective Facility Energy Rate	\$0.27	\$/kWh
PPA Escalation	0%	%/yr
Solar Production Year 1	113,460	kWh/yr 1
Estimated 20-Year Energy Savings (simple)	\$302,400	\$/20-yr
Estimated 20-Year NPV (at discount rate below)	\$201,700	\$/20-yr

ADDITIONAL POTENTIAL VALUE POST INITIAL TERM	
Years 21 - 25 Savings	\$ 193,500
Would require either purchase of system at Fair Market Value at end of initial term or mutual agreement to extend PPA	

Assumptions:	
Regular utility bill escalation (\$/kWh component)	4% per year
PPA escalation	0% per year
Discount rate	3% per year
Solar Module Degradation	0.50% per year

Demand Charges	
Include Demand Charge Reduction Estimate?	No
Assumed Additional Demand Charge Savings	2% %/year

We are not assuming utility demand charge savings, though for customers on B10 rates we would expect an additional 2% savings based on historical data



Year-->	1	2	3	4	5	6	7	8	9	10
Solar Generation (kWh/year)	113,460	112,893	112,328	111,767	111,208	110,652	110,098	109,548	109,000	108,455
Cost if solar generation purchased from grid	\$ 30,639	\$ 31,705	\$ 32,809	\$ 33,950	\$ 35,132	\$ 36,354	\$ 37,620	\$ 38,929	\$ 40,283	\$ 41,685
Cost of mitigated demand charges	Not including	Not including	Not including	Not including	Not including	Not including	Not including	Not including	Not including	Not including
Total cost if purchased from grid	\$ 30,639	\$ 31,705	\$ 32,809	\$ 33,950	\$ 35,132	\$ 36,354	\$ 37,620	\$ 38,929	\$ 40,283	\$ 41,685
PPA Cost	\$ 29,474	\$ 29,327	\$ 29,180	\$ 29,034	\$ 28,889	\$ 28,745	\$ 28,601	\$ 28,458	\$ 28,316	\$ 28,174
Net Savings	\$1,165	\$2,379	\$3,629	\$4,916	\$6,243	\$7,610	\$9,019	\$10,471	\$11,968	\$13,511

Year-->	11	12	13	14	15	16	17	18	19	20
Solar Generation (kWh/year)	107,913	107,373	106,837	106,302	105,771	105,242	104,716	104,192	103,671	103,153
Cost if solar generation purchased from grid	\$ 43,136	\$ 44,637	\$ 46,190	\$ 47,798	\$ 49,461	\$ 51,183	\$ 52,964	\$ 54,807	\$ 56,714	\$ 58,688
Cost of mitigated demand charges	Not including	Not including	Not including	Not including	Not including	Not including	Not including	Not including	Not including	Not including
Total cost if purchased from grid	\$ 43,136	\$ 44,637	\$ 46,190	\$ 47,798	\$ 49,461	\$ 51,183	\$ 52,964	\$ 54,807	\$ 56,714	\$ 58,688
PPA Cost	\$ 28,033	\$ 27,893	\$ 27,754	\$ 27,615	\$ 27,477	\$ 27,339	\$ 27,203	\$ 27,067	\$ 26,931	\$ 26,797
Net Savings	\$15,103	\$16,744	\$18,437	\$20,183	\$21,985	\$23,843	\$25,761	\$27,740	\$29,783	\$31,891

Year-->	21	22	23	24	25
Solar Generation (kWh/year)	102,637	102,124	101,613	101,105	100,600
Cost if solar generation purchased from grid	\$ 60,730	\$ 62,844	\$ 65,030	\$ 67,294	\$ 69,635
Cost of mitigated demand charges	Not including	Not including	Not including	Not including	Not including
Total cost if purchased from grid	\$ 60,730	\$ 62,844	\$ 65,030	\$ 67,294	\$ 69,635
PPA Cost	\$ 26,663	\$ 26,529	\$ 26,397	\$ 26,265	\$ 26,133
Net Savings	\$34,068	\$36,314	\$38,634	\$41,029	\$43,502

Peninsula Clean Energy Solar for Public Buildings Pilot Portfolio
Power Purchase Agreement (PPA) Pricing and Savings Estimate

SUMMARY		
Facility	HMB City Hall	
Total Solar System Size	37	kW DC
SOLAR PPA RATE	\$0.245	\$/kWh

Current Electric Tariff	B10	Rate
Current Effective Facility Energy Rate	\$0.27	\$/kWh
PPA Escalation	0%	%/yr
Solar Production Year 1	57,505	kWh/yr 1
Estimated 20-Year Energy Savings (simple)	\$170,000	\$/20-yrs
Estimated 20-Year NPV (at discount rate below)	\$114,700	\$/20-yrs

ADDITIONAL POTENTIAL VALUE POST INITIAL TERM

Years 21 - 25 Savings **\$ 102,000**

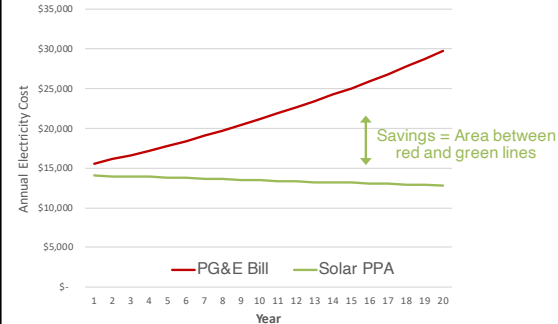
Would require either purchase of system at Fair Market Value at end of initial term or mutual agreement to extend PPA

Assumptions:		
Regular utility bill escalation (\$/kWh component)	4%	per year
PPA escalation	0%	per year
Discount rate	3%	per year
Solar Module Degradation	0.50%	per year

Demand Charges		
Include Demand Charge Reduction Estimate?	No	
Assumed Additional Demand Charge Savings	2%	%/year

We are not assuming utility demand charge savings, though for customers on B10 rates we would expect an additional 2% savings based on historical data

Hedge Against Rising PG&E Rates



Year-->	1	2	3	4	5	6	7	8	9	10
Solar Generation (kWh/year)	57,505	57,217	56,931	56,647	56,363	56,082	55,801	55,522	55,245	54,968
Cost if solar generation purchased from grid	\$ 15,529	\$ 16,069	\$ 16,628	\$ 17,207	\$ 17,806	\$ 18,426	\$ 19,067	\$ 19,730	\$ 20,417	\$ 21,127
Cost of mitigated demand charges	Not including	Not including	Not including	Not including	Not including	Not including	Not including	Not including	Not including	Not including
Total cost if purchased from grid	\$ 15,529	\$ 16,069	\$ 16,628	\$ 17,207	\$ 17,806	\$ 18,426	\$ 19,067	\$ 19,730	\$ 20,417	\$ 21,127
PPA Cost	\$ 14,061	\$ 13,991	\$ 13,921	\$ 13,851	\$ 13,782	\$ 13,713	\$ 13,644	\$ 13,576	\$ 13,508	\$ 13,441
Net Savings	\$1,468	\$2,079	\$2,708	\$3,356	\$4,024	\$4,713	\$5,423	\$6,154	\$6,909	\$7,687

Year-->	11	12	13	14	15	16	17	18	19	20
Solar Generation (kWh/year)	54,694	54,420	54,148	53,877	53,608	53,340	53,073	52,808	52,544	52,281
Cost if solar generation purchased from grid	\$ 21,863	\$ 22,623	\$ 23,411	\$ 24,225	\$ 25,068	\$ 25,941	\$ 26,844	\$ 27,778	\$ 28,744	\$ 29,745
Cost of mitigated demand charges	Not including	Not including	Not including	Not including	Not including	Not including	Not including	Not including	Not including	Not including
Total cost if purchased from grid	\$ 21,863	\$ 22,623	\$ 23,411	\$ 24,225	\$ 25,068	\$ 25,941	\$ 26,844	\$ 27,778	\$ 28,744	\$ 29,745
PPA Cost	\$ 13,373	\$ 13,307	\$ 13,240	\$ 13,174	\$ 13,108	\$ 13,042	\$ 12,977	\$ 12,912	\$ 12,848	\$ 12,783
Net Savings	\$8,489	\$9,317	\$10,171	\$11,052	\$11,961	\$12,899	\$13,866	\$14,866	\$15,897	\$16,961

Year-->	21	22	23	24	25
Solar Generation (kWh/year)	52,020	51,760	51,501	51,243	50,987
Cost if solar generation purchased from grid	\$ 30,780	\$ 31,851	\$ 32,959	\$ 34,106	\$ 35,293
Cost of mitigated demand charges	Not including	Not including	Not including	Not including	Not including
Total cost if purchased from grid	\$ 30,780	\$ 31,851	\$ 32,959	\$ 34,106	\$ 35,293
PPA Cost	\$ 12,720	\$ 12,656	\$ 12,593	\$ 12,530	\$ 12,467
Net Savings	\$18,060	\$19,195	\$20,367	\$21,577	\$22,826

The City of Half Moon Bay

Electrification and Efficiency Project

Preliminary Analysis



THE CITY OF
HALF MOON BAY
CALIFORNIA

November 13, 2023

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Agenda



- Willdan introduction
- City of Half Moon Bay energy program goals
- Program process and progress to date
- Potential project scope, cost, and savings
- Discussion and next steps

Introduction: Willdan

STRENGTH

Leading Provider of Energy, Engineering, and Financial Services

- Corporate headquarters in Anaheim, est. 1964
- Served **442 of the 482 California Cities**
- Stable, publicly-traded energy, engineering, and municipal firm (NASDAQ: WLDN)
- Utility Program Administrator

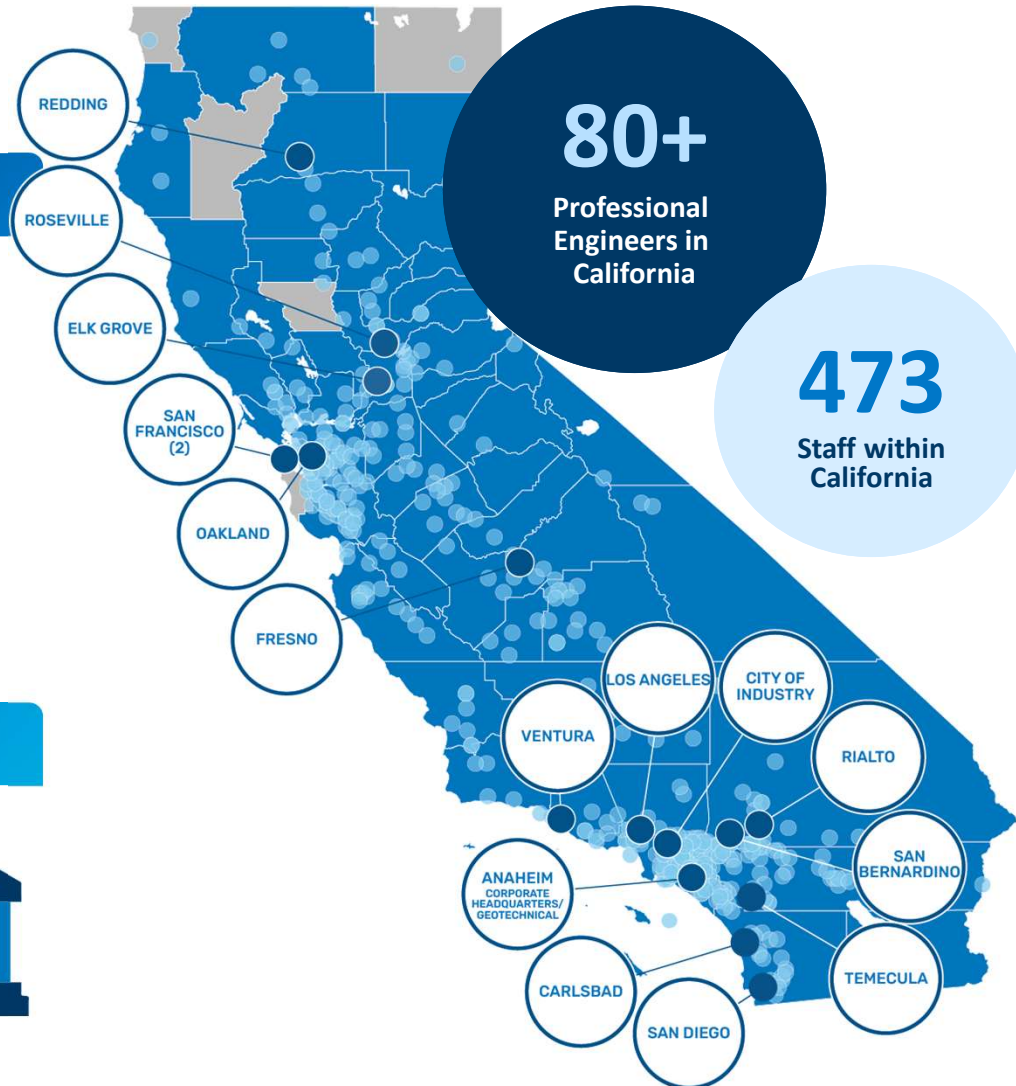


DIFFERENTIATOR

25+ Years

Serving

Half Moon Bay



TAKEAWAY

Willdan has worked with over 91% of the cities in CA, bringing valuable experience to serve Half Moon bay

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Experience – Extensive Energy Experience



\$500 Million
In CA Projects

2.5 Billion
kWh Savings in CA

1.6 Billion ft²
Of Facilities
Benchmarked



\$5 Billion
In Utility Incentives
Delivered



100+ MW
Of Constructed
PV Generation



34
BES
Systems



18
Microgrids
Developed



1,500+
EV Chargers
Installed



TAKEAWAY

Half Moon Bay will benefit from the best practices Willdan has developed through our national and statewide energy experience

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City of Half Moon Bay Energy Program Goals

- Electrification of City facilities to achieve 2025 Electrification goals
- Increase Solar PV at City sites
- Provide EV Chargers for City and public use
- Address other deferred maintenance needs at facilities

Willdan's Full-Service Energy Program Process



Single Point of Accountability • Collaborative Solution Development • Streamlined Project Delivery



PRELIMINARY ANALYSIS

No-Cost Initial Investigation

Started July 10th, 2023

- Determine Client Goals
- Identify Potential Scopes of Work
- Site Walks & Staff Interviews
- Utility Analysis
- Estimate Energy & Operational Savings
- Review Grants, Utility Incentives, and Financing
- Subcontractor Engagement & Scope Cost Estimation



PROJECT DEVELOPMENT & FUNDING SOLUTIONS

ASHRAE Level 3 Audit & Funding Solutions

Targeting Spring 2024

- Select Scopes of Work and Design Solutions
- Determine Energy and Operational Savings
- Identify Funding Solutions
- Develop Local Hiring Plan & Community Outreach Plan
- Competitively Bid Equipment & Labor
- Complete M&V Plan



PROJECT IMPLEMENTATION

Procurement & Construction

Targeting Summer 2024

- Turnkey Implementation of Selected Scopes
- Detailed Schedules and Site-Specific Safety Plans
- On-Site Willdan Project Management
- Extensive Commissioning of Systems
- Detailed Staff Training



PERFORMANCE MAXIMIZATION

M&V and Ongoing Support

Timing Dependent on Client Requirements

- Measurement & Verification of Energy Performance
- Finalize Incentives & Rebates
- Community Engagement
- Ongoing Maintenance or Staff Training (If Desired)

Solar PV System- City Hall & EOC Carports

- 100 kW total system size
 - 40 kW carport canopy at City Hall
 - 60 kW carport canopy at the EOC
- Approximately 88% offset of electrical loads
- Co-location of EV Charging Stations
- Carport clearance height of 10 FT
- Project calculations account for reduced useful life and higher than average maintenance costs related coastal location and saline environment.



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EV Charging Stations

- 1 Dual Port Electric Vehicle Charging Station
- Public charger to be co-located underneath solar canopy at City Hall
 - Fee structure to be determined
- Updated 11/7/23: EVCS at Corp Yard evaluated but not selected
- City charging station to be located in pre-determined location at the corporation yard
 - EV ready infrastructure already installed to selected location
 - Only podium and charger required

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HVAC Electrification

- Electrification of all remaining city owned gas heating appliances
- City Hall
 - Replace 2 gas packaged rooftop units with packaged heat pumps
- TACC
 - Replace and relocate central gas heating system with rooftop packaged heat pump
 - Replace gas split system with heat pump split system
- Corp Yard
 - Replace gas split system with heat pump split system
- Train Depot
 - Replace ceiling mounted propane heater with split heat pump
- EOC
 - Existing electric packaged heat pump is damaged, provide like for like replacement with high efficiency heat pump unit

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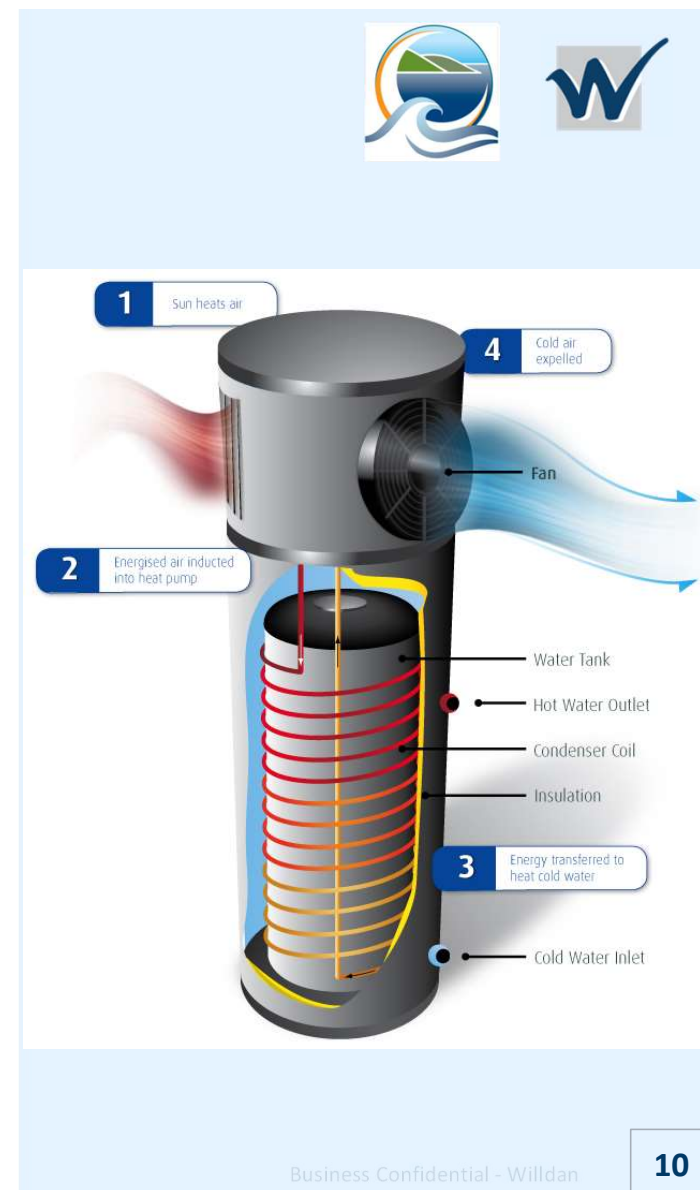
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Water Heaters

- Electrification of all remaining city owned gas water heating appliances
- TACC
 - Replace 100 gallon tank type DHW w/120 gallon HPHW
 - Replacement to be funded by GK12 program
- Train Depot
 - Replace 40 gallon tank type propane DHW with 40 tank type HPHW
- HPHW 3-5x as efficient as gas water heaters, however will realize limited operational savings due to low hot water consumption

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Electrified Commercial Kitchen

- Electrification of gas range and oven located in the TACC Kitchen
- Proposed matches the existing form factor
- Will require running new electrical circuit
- Cooktop surface remains cool to the touch, reducing ambient space heating and improving user safety
- Can function as a demonstration site for residents interested in induction appliances
- City should budget for compatible cookware that can be provided to kitchen renters

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City Hall Roofing

- The existing roofing membrane has failed and the assembly is allowing water entry
- Tear off and replace existing roofing assembly, repair any damage to decking, and re-roof with new TPO membrane.
- Assess roof insulation quantity and condition, add additional to bring to code and/or replace existing if condition is degraded

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Dual Pane Windows

- Updated 11/7/23: measure not selected
- The City Hall is a historically designated building with single pane windows and wooden frames.
- Some of the windows are exhibiting evidence of dry rot and degradation which must be addressed
- Replace all windows on the west and north side of the building with dual pane Title 24 compliant windows
- Replacement windows are to be architecturally equivalent to the existing windows
- All dry rot around windows to be repaired

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Bell Moon Battery Energy Storage

- Load on this meter is very limited
 - 24 hour max of 35.46 kWh
 - Max demand of 6 kW
 - Small size results in large cost per unit
 - High implementation cost for limited value
- Can be included in project if desired, but generally not recommended at this time for cost/benefit reasons



Mac Dutra Heating Electrification

- Not recommended at this time
 - Will result in significant increase in operational costs
 - Will incur very high implementation costs because of needed electrical infrastructure to support electrified heating
 - Existing heating equipment and infrastructure are new and would constitute a replacement well in advance of the expected useful life of equipment

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Solutions Summary



Project Measure	Measure Highlights
Solar Photovoltaics	100kW total: 40 kW at City Hall, 60 kW at EOC - Offsets 88% of electricity usage
Electric Vehicle Charging	- Feet and/or Public use charger at City Hall - Fleet use charger at Corp Yard evaluated but not selected
HVAC Electrification & Deferred Maintenance	- City Hall, TACC, Corp Yard, Train Depot – Electrification - EOC – upgrade end-of-life unit
HPWH Electrification	TACC, Train Depot
TACC Kitchen Equipment Electrification	Serves as equipment demonstration for educating the community
City Hall Roofing Repairs	Addresses end-of-life issues including water intrusion
City Hall Windows Replacement	Evaluated but not selected
Bell Moon Battery Energy Storage	Evaluated but not recommended
Mac Dutra Heating Electrification	Evaluated but not recommended

Recommended project would achieve 99% of HMB 2025 Facilities Electrification Goal

Preliminary Project Financials

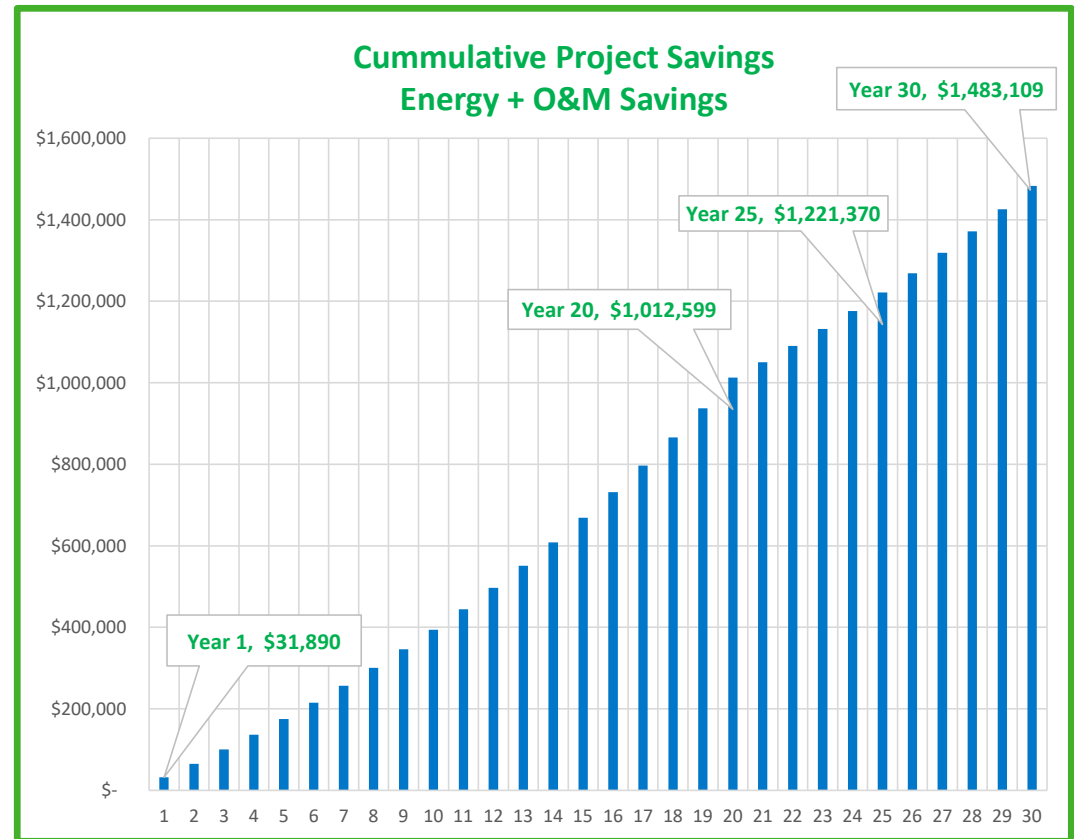


- **Project Cost: \$1.34M**
- **Project Lifetime Savings: \$1M - \$1.4M**
- **Project Incentives: \$630k**
 - Federal ITC: \$214k
 - PG&E: \$46k
 - PCE: \$370k
 - Incentives: \$50k
 - 1% loan: \$320k

**Carbon Emissions Avoided:
13.6 Metric Tons CO2 per year**

Equivalent to

- *34,864 passenger vehicle miles driven per year*
 - *15,234 pounds of coal burned*
 - *225 trees grown for 10 years*



*Note: Willdan is not acting as a Financial Advisor. Project Financing options are provided as example only. Preliminary amounts may change as project is further developed.

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Preliminary Project Financials



Project Measure	Cost	Utility Savings (Year 1)	Maintenance Savings (Year 1)	Incentives
Solar Photovoltaics	\$690,000	\$27,000	-\$2,200	\$214,000
Electric Vehicle Charging	\$40,000	\$0	-\$1,200	\$10,000
HVAC Electrification & Deferred Maintenance	\$420,000	\$4,800	\$2,000	\$54,500
HPWH Electrification	\$60,000	\$200	\$100	\$30,000
TACC Kitchen Equipment Electrification	\$50,000	\$0	\$0	\$1,500
City Hall Roofing Repairs	\$80,000	\$0	\$1,500	\$0
Project Totals	\$1,340,000	\$32,000	\$200	\$310,000

*Note: Willdan is not acting as a Financial Advisor. Project Financing options are provided as example only. Preliminary amounts may change as project is further developed.

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Preliminary Project Financials – \$355k City Capital Contribution



Financing Assumptions:

Project Cost: \$1.34M

City Contribution: \$355k

PCE 1% Loan: \$321k

TELP Financed : \$664k

TELP Interest Rate: 4.97%

Energy Escalation: 5%

Year	Energy Savings	O&M Savings	Incentives	Total Savings	TELP loan	PCE 1% Loan	O&M Cost (Solar, EV, etc.)	Total Program Costs	Net Savings	Cumulative Savings
Year 1	\$ 31,999	\$ 3,600	\$ -	\$ 35,599	\$ (53,177)	\$ (47,821)	\$ (3,400)	\$ (104,398)	\$ (68,799)	\$ (68,799)
Year 2	\$ 33,457	\$ 3,708	\$ 310,316	\$ 347,481	\$ (53,177)	\$ (47,821)	\$ (3,502)	\$ (104,500)	\$ 242,981	\$ 174,182
Year 3	\$ 34,981	\$ 3,819	\$ -	\$ 38,800	\$ (53,177)	\$ (47,821)	\$ (3,607)	\$ (104,605)	\$ (65,805)	\$ 108,377
Year 4	\$ 36,575	\$ 3,934	\$ -	\$ 40,509	\$ (53,177)	\$ (47,821)	\$ (3,715)	\$ (104,713)	\$ (64,204)	\$ 44,173
Year 5	\$ 38,242	\$ 4,052	\$ -	\$ 42,294	\$ (53,177)	\$ (47,821)	\$ (3,827)	\$ (104,824)	\$ (62,531)	\$ (18,358)
Year 6	\$ 39,985	\$ 4,173	\$ -	\$ 44,158	\$ (53,177)	\$ (47,821)	\$ (3,942)	\$ (104,939)	\$ (60,781)	\$ (79,139)
Year 7	\$ 41,807	\$ 4,299	\$ -	\$ 46,106	\$ (53,177)	\$ (47,821)	\$ (4,060)	\$ (105,058)	\$ (58,952)	\$ (138,091)
Year 8	\$ 43,713	\$ 4,428	\$ -	\$ 48,140	\$ (53,177)	\$ -	\$ (4,182)	\$ (57,358)	\$ (9,218)	\$ (147,309)
Year 9	\$ 45,705	\$ 4,560	\$ -	\$ 50,266	\$ (53,177)	\$ -	\$ (4,307)	\$ (57,484)	\$ (7,218)	\$ (154,527)
Year 10	\$ 47,789	\$ 4,697	\$ -	\$ 52,486	\$ (53,177)	\$ -	\$ (4,436)	\$ (57,613)	\$ (5,127)	\$ (159,653)
Year 11	\$ 49,968	\$ 4,838	\$ -	\$ 54,806	\$ (53,177)	\$ -	\$ (4,569)	\$ (57,746)	\$ (2,940)	\$ (162,593)
Year 12	\$ 52,246	\$ 4,983	\$ -	\$ 57,229	\$ (53,177)	\$ -	\$ (4,706)	\$ (57,883)	\$ (654)	\$ (163,247)
Year 13	\$ 54,628	\$ 5,133	\$ -	\$ 59,761	\$ (53,177)	\$ -	\$ (4,848)	\$ (58,024)	\$ 1,737	\$ (161,510)
Year 14	\$ 57,120	\$ 5,287	\$ -	\$ 62,406	\$ (53,177)	\$ -	\$ (4,993)	\$ (58,170)	\$ 4,237	\$ (157,273)
Year 15	\$ 59,725	\$ 5,445	\$ -	\$ 65,170	\$ (53,177)	\$ -	\$ (5,143)	\$ (58,319)	\$ 6,851	\$ (150,422)
Year 16	\$ 62,449	\$ 5,609	\$ -	\$ 68,057	\$ (53,177)	\$ -	\$ (5,297)	\$ (58,474)	\$ 9,584	\$ (140,839)
Year 17	\$ 65,297	\$ 5,777	\$ -	\$ 71,074	\$ (53,177)	\$ -	\$ (5,456)	\$ (58,633)	\$ 12,442	\$ (128,397)
Year 18	\$ 68,276	\$ 5,950	\$ -	\$ 74,226	\$ (53,177)	\$ -	\$ (5,620)	\$ (58,796)	\$ 15,430	\$ (112,967)
Year 19	\$ 71,391	\$ 6,129	\$ -	\$ 77,519	\$ (53,177)	\$ -	\$ (5,788)	\$ (58,965)	\$ 18,555	\$ (94,413)
Year 20	\$ 74,648	\$ 6,313	\$ -	\$ 80,961	\$ (53,177)	\$ -	\$ (5,962)	\$ (59,139)	\$ 21,822	\$ (72,591)
Year 21	\$ 42,214	\$ -	\$ -	\$ 42,214	\$ -	\$ -	\$ (3,070)	\$ (3,070)	\$ 39,144	\$ (33,447)
Year 22	\$ 44,103	\$ -	\$ -	\$ 44,103	\$ -	\$ -	\$ (3,163)	\$ (3,163)	\$ 40,941	\$ 7,494
Year 23	\$ 46,077	\$ -	\$ -	\$ 46,077	\$ -	\$ -	\$ (3,257)	\$ (3,257)	\$ 42,819	\$ 50,313
Year 24	\$ 48,139	\$ -	\$ -	\$ 48,139	\$ -	\$ -	\$ (3,355)	\$ (3,355)	\$ 44,784	\$ 95,096
Year 25	\$ 50,293	\$ -	\$ -	\$ 50,293	\$ -	\$ -	\$ (3,456)	\$ (3,456)	\$ 46,837	\$ 141,934
Year 26	\$ 52,543	\$ -	\$ -	\$ 52,543	\$ -	\$ -	\$ (3,559)	\$ (3,559)	\$ 48,984	\$ 190,918
Year 27	\$ 54,895	\$ -	\$ -	\$ 54,895	\$ -	\$ -	\$ (3,666)	\$ (3,666)	\$ 51,229	\$ 242,146
Year 28	\$ 57,351	\$ -	\$ -	\$ 57,351	\$ -	\$ -	\$ (3,776)	\$ (3,776)	\$ 53,575	\$ 295,721
Year 29	\$ 59,918	\$ -	\$ -	\$ 59,918	\$ -	\$ -	\$ (3,889)	\$ (3,889)	\$ 56,028	\$ 351,750
Year 30	\$ 62,599	\$ -	\$ -	\$ 62,599	\$ -	\$ -	\$ (4,006)	\$ (4,006)	\$ 58,593	\$ 410,342
Total	\$1,528,131	\$ 96,733	\$ 310,316	\$ 1,935,180	\$ (1,063,532)	\$ (334,748)	\$ (126,558)	\$ (1,524,838)	\$ 410,342	\$ 410,342

*Note: Willdan is not acting as a Financial Advisor. Project Financing options are provided as example only. Preliminary amounts may change as project is further developed.

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Discussion & Next Steps



Next Steps for City of Half Moon Bay Energy Project



PRELIMINARY ANALYSIS

No-Cost Initial Investigation

- Determine Client Goals
- Identify Potential Scopes of Work
- Site Walks & Staff Interviews
- Utility Analysis
- Estimate Energy & Operational Savings
- Review Grants, Utility Incentives, and Financing
- Subcontractor Engagement & Scope Cost Estimation



PROJECT DEVELOPMENT & FUNDING SOLUTIONS



PROJECT IMPLEMENTATION



PERFORMANCE MAXIMIZATION

NEXT STEPS

- Review project development contract
- Determine path for Council approval

PROJECT BENEFITS

- Achieves 99% of 2025 facilities electrification goals & 13.6 MT annual CO2 savings
 - Provides EV charging for City fleet and public
- Onsite generation of clean renewable energy – 144,000 annual kwh
- Deferred maintenance and efficiency upgrades to HVAC and roofing
 - Project lifetime savings \$1.01M - \$1.48M
 - Captures \$630k in project incentives
- Full-service delivery with cost and performance guarantees

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Thank you!

Contact Info:

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916-226-5135
jboyd@willdan.com

Stephen Gribble
510-375-7898
sgribble@willdan.com

Resolution No. C-2024-____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HALF MOON BAY
AUTHORIZING THE CITY MANAGER TO EXECUTE A STANDARD POWER PURCHASE
AGREEMENT WITH PENINSULA CLEAN ENERGY**

WHEREAS, the Half Moon Bay City Council has demonstrated its commitment to a sustainable and resilient future through its policy goals and actions, including energy reduction, clean energy programs, and the expansion of local renewable power supply; and

WHEREAS, on December 5, 2023 the Half Moon Bay City Council adopted Half Moon Bay's Climate Action and Adaptation Plan Phase One to reduce greenhouse gas emissions by 40% compared to 1990 levels by 2030 and reach carbon neutrality no later than 2045; and

WHEREAS, Half Moon Bay's Climate Action and Adaptation Plan Phase One sets a goal to employ carbon-free electricity for all municipal operations and increase supply of local, renewable energy supply at municipal facilities (ME-1); and

WHEREAS, deploying solar power on agency facilities will lower energy costs and insulate the agency from rising utility rates; and

WHEREAS, on January 19, 2016, the City Council adopted a Resolution authorizing Agency's participation in the Peninsula Clean Energy Authority, development of the Peninsula Clean Energy Community Choice Aggregation program, and authorized implementation of Peninsula Clean Energy as Agency's Load Serving Entity; and

WHEREAS, on September 5, 2017, the City Council adopted a Resolution selecting the Peninsula Clean Energy ECO100 Plan (100% renewable) electric service plan from Peninsula Clean Energy for all municipal accounts; and

NOW, THEREFORE, BE IT RESOLVED THAT, the Half Moon Bay City Council authorizes the City Manager to deploy Solar Photovoltaic Systems at Agency facilities in partnership with the Agency's public power provider, Peninsula Clean Energy through a standard Power Purchase Agreement with Peninsula Clean Energy, should the project result in financial and/or community benefits.

The following Agency facilities have been evaluated for solar photovoltaic potential and a design developed as follows:

Facility #1:

SMC Sheriffs Substation
537 Kelly Ave, Half Moon Bay, CA 94019

Equipment #1:

Solar PV: 73 kW-DC [carport]

Facility #2:

City Hall
501 Main St, Half Moon Bay, CA 94019

Equipment #2:

Solar PV: 37 kW-DC [rooftop and carport]

DRAFT

I, the undersigned, hereby certify that the foregoing Resolution was duly passed and adopted on the 6th day of February 2024, 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

Joaquin Jimenez, Mayor

BUSINESS OF THE COUNCIL OF THE CITY OF HALF MOON BAY

AGENDA REPORT

For meeting of: **February 6, 2024**

TO: Honorable Mayor and City Council

VIA: Matthew Chidester, City Manager

FROM: Maz Bozorginia, Public Works Director/City Engineer

TITLE: **SEWER AUTHORITY MID-COASTSIDE (SAM) OPERATIONS BUDGET
AMENDMENT REQUEST – PRINCETON PUMP STATION AND MONTARA FORCE
MAIN CAPITAL REPLACEMENT PROJECTS**

RECOMMENDATION:

Adopt a resolution deferring the requested budget augmentation to increase the previously approved IPS capital replacement projects (Princeton Pump Station & Montara Force Main), pending a renewed stipulation authorizing the City to pay under protest while reserving its rights for final resolution in the court action.

FISCAL IMPACT:

The potential fiscal impact to the City's sewer enterprise fund associated with this action is \$1,305,456. Per the prior Stipulation and Order signed by all parties, the City had agreed to fund IPS projects, under protest, pending the outcome of the City's request for declaratory relief.

STRATEGIC PLAN:

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

BACKGROUND:

SAM is preparing to replace the Princeton Pump Station and the Montara Force Main, which are parts of the Intertie Pipeline System (IPS), a series of force mains, pump stations and wet weather storage facilities that convey effluent from sewer customers within the Montara Water and Sanitary District (MWSD) and Granada Community Services District (GCSD), to the SAM-operated treatment plant.

In FY 2017-18, the City entered into a lawsuit with the other SAM member agencies to protect City sewer rate payers from covering expenses related to the IPS, as it does not directly benefit them. Under a subsequent Stipulation and Order entered by the court on September 13, 2017, the City agreed to fund IPS projects in the FY 2017-18 budget, under protest, pending the

outcome of the City's request for declaratory relief. MWSD/GCSD have not been willing to agree to a renewed Stipulation and Order, which has caused a pause in SAM's ability to move forward on critical repairs that impact Granada and Montara Districts.

The California Appellate Court recently considered the City's appeal of the Santa Clara Superior Court decision in *City of Half Moon Bay v. Granada Community Services District et al.* Unfortunately, the decision of the Appellate Court will require further Superior Court hearings, which will delay an outcome. In the event the City ultimately prevails, MWSD/GCSD would refund IPS capital costs previously paid under protest.

DISCUSSION:

At the regular SAM Board meeting of January 22, 2024, a number of capital project related items were presented by staff, including deferral of low-priority capital improvements and approvals to move forward with significant replacements of infrastructure at the wastewater treatment plant. The final item approved authorized the SAM General Manager to submit a budget amendment for Fiscal Year 2023-24 to member agencies for approval (Attachment 2).

Granada and Montara have chosen not to participate in establishing a new Stipulation and Order. This issue became a source of contention with the adoption of the FY 2023-24 SAM operating budget. With Granada and Montara choosing to not negotiate a new Stipulation and Order, it had in turn forced the City to request modification of the capital infrastructure portion of the SAM budget.

For the Princeton Pump Station Capital Replacement Project, construction has commenced per SAM staff under a construction contract. This project was approved as part of the FY 2022-23 with a budget of \$1.2M. The current estimate to complete the work is now projected to be \$2.6M, which requires an additional \$1.4M as part of this budget amendment request.

The second, Montara Force Main Replacement Project, started preliminary design in June 2023. In order to complete design and allocate funding for the required permitting, geotechnical and surveying work, another approximately \$785,000 is being requested as part of this amendment. The total request from SAM is \$2,122,692 to fund these two IPS related projects. Of this total, Half Moon Bay's share under the current rate structure (based on flows into the wastewater treatment plant) is \$1,305,456.

The Appellate Court heard the arguments in October 2023. On December 15, 2023, the Court issued its opinion reversing the grant of summary judgment to the Districts and remanding the action back to the trial court. This was positive news for City rate payers but means further delay as there is no date set for the next court hearing. Therefore, in the interest of protecting the Half Moon Bay Collection Rate Payers, staff is recommending the City Council defer the requested budget augmentation increasing the prior approved IPS projects (Princeton Pump Station & Montara Force Main) pending either approval of a renewed stipulation authorizing the City to pay under protest while reserving its rights for final resolution in the court action.

CONCLUSION:

SAM staff was prepared to proceed with these projects absent a budget amendment and augmentation. The Granada and Montara Districts could also consider entering into a Stipulation and Order as the City has requested, or they can choose to fund the project in the interest of their collection systems until a settlement can be reached. The City's deferral should not impact the delivery of these projects.

ATTACHMENTS:

- 1) Resolution
- 2) SAM Staff Report – Budget Amendment for FY 2023/24 to Member Agencies January 22, 2024

Resolution No. C-2024-

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HALF MOON BAY
DEFERRING THE REQUESTED BUDGET AUGMENTATION TO INCREASE THE PREVIOUSLY
APPROVED IPS CAPITAL REPLACEMENT PROJECTS PENDING A RENEWED STIPULATION
AUTHORIZING THE CITY TO PAY UNDER PROTEST WHILE RESERVING ITS RIGHTS FOR FINAL
RESOLUTION IN THE COURT ACTION**

WHEREAS, City of Half Moon Bay representatives reviewed and provided input on the General Budget of the Sewer Authority Mid-Coast (SAM) Budget for Fiscal Year (FY) 2023-24; and

WHEREAS, on May 3, 2022, the City Council of the City of Half Moon Bay approved the General (O&M) Budget of SAM for FY 2022-23 of \$8,195,626 which included the Princeton Pump Station Replacement Capital Project with an estimated cost of \$1,263,181; and

WHEREAS, the City previously approved the Princeton Pump Station Replacement Project under protest per the then approved per the Superior Court of the County of San Mateo Stipulation and Order Regarding Expenses and Assessments for the Sewer Authority Mid-Coastside in the matter of *City of Half Moon Bay v. Granada Community Services District et al.* (Case No. 17 CV 03092) approved on September 13, 2017. Among other things, the Stipulation and Order provided that the City shall be deemed to have approved under protest that part of SAM's 2022-23 General Budget characterized as the "Infrastructure Division"; and

WHEREAS, the City requested and Granada CSD and Montara WSD denied the City's request for extension or restatement of the Stipulation and Order as part of the FY 2023-24 General Operating Budget approval; and

WHEREAS, on June 20, 2023, the City Council of the City of Half Moon Bay approved the General (O&M) Budget of SAM for FY 2023-24 of \$9,109,686 which included the carryover Princeton Pump Station Replacement Capital Project with an estimated budget of \$1,263,181; and

WHEREAS, on January 22, 2024, the SAM General Manager presented a number of capital project related items to the SAM Board, including deferral of low-priority capital improvements and approvals to move forward with significant replacements of infrastructure at the wastewater treatment plant and IPS related work (Princeton Pump Station and Montara Force Main); and

WHEREAS, the SAM General Manager has submitted a revised budget request which includes capital improvements and contract project delivery costs relating to IPS totaling \$2,122,692 and raising the total capital budget to \$3,842,692; and

WHEREAS, the City Council has reviewed the request for and determined that absent a Stipulation and Order acknowledging the additional requested funds are being approved under

protest, it is not in the best interests of the ratepayers to approve the budget request at this time; and

WHEREAS, the SAM General Manager was prepared to proceed with these projects absent a budget adjustment and augmentation; and

WHEREAS, Granada CSD and Montara WSD could consider entering into a Stipulation and Order as the City has request or choose to fund the IPS-related projects in the interest of their collection systems until a settlement can be reached.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Half Moon Bay defers the requested budget augmentation to increase the previously approved Intertie Pipeline System (IPS) Princeton Pump Station and Montara Force Main Capital Replacement Projects pending a renewed stipulation authorizing the City to pay under protest while reserving its rights for final resolution in the court action.

I, the undersigned, hereby certify that the foregoing Resolution was duly passed and adopted on the 6th day of February 2024, 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

Joaquin Jimenez, Mayor



SEWER AUTHORITY MID-COASTSIDE

Staff Report

TO: Honorable Board of Directors

FROM: Kishen Prathivadi, General Manager

SUBJECT: Authorize the General Manager to Submit a Budget Amendment for Fiscal Year 2023/24 to Member Agencies for Approval

Executive Summary

The purpose of this report is for the Board of Directors to discuss the proposed budget amendment for Fiscal Year 2023/24.

Fiscal Impact

The fiscal impact of the budget amendment for FY 2023/24 is \$2,122,692. The impact to the member agency assessments is (rounded to nearest \$):

JPA Assessments for Each Member Agency

	<u>FY 2023/24</u>	<u>Amended</u>	<u>\$ Change</u>	<u>% Change</u>
Half Moon Bay	\$1,057,800	\$2,363,256	\$1,305,456	123.41%
GCSD	\$327,660	\$732,032	\$404,372	123.41%
MWSD	\$334,540	\$747,404	\$412,864	121.41%
Total	\$1,720,000	\$3,842,692	\$2,122,692	

BOARD MEMBERS:	M. Clark	B. Dye	P. Dekker
	D. Penrose	D. Ruddock	K. Slater-Carter
ALTERNATE MEMBERS:	S. Boyd	B. Softky	J. Randle
	J. Grant	H. Rarback	

Strategic Plan Compliance

The recommendation complies with the SAM Strategic Plan's Goal 3: *"Consider long-term costs and ensure that finances are stable and understandable by the board, member agencies, and the public."*

Background and Discussion/Report

The JPA General Budget for FY 2023/24 was presented based on the issues known as of June 2023. Since that time, several events have occurred that required the SAM Board to proceed with certain projects which require funding.

A. Princeton Pump Station:

At the September 25, 2023 Board meeting, the SAM Board authorized to contract with JMB Construction for the Princeton Pump Station Rehabilitation Project in the amount of \$1,637,650.

The project has commenced, and the Contractor has many submittals approved. Construction is scheduled to start in February. Electrical items have been ordered and there is good progress on the project.

It is expected the project will be completed, as per the required ERF Consent Decree Latest Date, by June 30, 2024.

A budget of \$1,263,181 was approved as a part of the General Budget in Fiscal Year 2022/23.

The total cost estimated for completing the project is \$2,602,773. Details of which have been provided as attachment A.

Balance required for Mid-Year Budget Adjustment for this project: \$1,339,592.

B. Design of Montara Force Main:

This is required to be completed by December 31, 2024, as per ERF Consent Decree Amendment dated August 2023.

This is a new CIP Project and predesign work was in progress at the time the budget preparation was done in June 2023. The predesign was completed and a final design proposal submitted by SRT Consultants is being taken to the Board as Item 4E for approval.

The following are the estimated costs for completing the final design of the entire Montara Force Main:

- a) Design Services and Permitting Assistance: \$448,100 (Item 4E of agenda)
- b) Estimated Surveying Costs: \$65,000
- c) Estimated CEQA Costs: \$170,000
- d) Estimated Geo-Tech Costs: \$100,000

Total Costs: \$783,100

BOARD MEMBERS:	M. Clark	B. Dye	P. Dekker
	D. Penrose	D. Ruddock	K. Slater-Carter
ALTERNATE MEMBERS:	S. Boyd	B. Softky	J. Randle
	J. Grant	H. Rarback	

Balance required for Mid-Year Budget Adjustment for this project: \$ 783,100.

Staff believes that any additional expenses can be funded by reprioritizing and deferring other tasks to reduce the burden on member agencies.

Therefore, total Mid-Year Budget Adjustment Required is \$2,122,692.

Staff Recommendation:

Staff recommends that the Board of Directors authorize the General Manager to submit the Mid-Year Budget Amendment for FY 2023/24 to the member agencies and to request that this item be placed at the next regular meeting for each agency to consider and approve.

Supporting Documents

Attachment A: FY 2023-24 Mid-Year Budget Adjustment Calculation

BOARD MEMBERS:	M. Clark	B. Dye	P. Dekker
	D. Penrose	D. Ruddock	K. Slater-Carter
ALTERNATE MEMBERS:	S. Boyd	B. Softky	J. Randle
	J. Grant	H. Rarback	

FY2023-2024 Mid-Year Budget Adjustment Calculation

A. Princeton Pump Station

Expenditures To Date:

Soft Costs	177,719
Released Purchase Orders	2,105,054

Estimated Future Costs:

Engineering Support	60,000
Construction Management	100,000
Electrical Costs	160,000

Princeton Pump Station Project Total:	2,602,773
--	------------------

Budget Approved	1,263,181
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Balance for Mid-Year Adjustment	1,339,592
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B. Montara Force Main Design
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Estimated Future Costs:

Design Services and Permitting Assistance	448,100
Surveying	65,000
CEQA	170,000
Geo Tech	100,000

Montara Force Main Design Project Total:	783,100
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Total Mid-Year Budget Adjustment Required	2,122,692
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	FY 2023/24	Amended	\$ Change	% Change
HMB	1,057,800	2,363,256	1,305,456	123.41%
GCSD	327,660	732,033	404,373	123.41%
MWSD	334,540	747,404	412,864	123.41%
Total	1,720,000	3,842,692	2,122,692	

	Member	Change	Amended	% Change
	Agency %	Calculation	Calculation	Calculation
HMB	61.50%	1,305,455.58	2,363,255.58	123.41%
GCSD	19.05%	404,372.83	732,032.83	123.41%
MWSD	19.45%	412,863.59	747,403.59	123.41%
Total	100.00%	2,122,692.00	3,842,692.00	123.41%