HYBRID-MEETING
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AGENDA

MEASURE P OVERSIGHT COMMITTEE (MPOC)

SPECIAL MEETING

6:00 PM

Council Chambers
555 Santa Clara Street
Vallejo, CA 94590

JANUARY 9, 2025

REVISED AGENDA
Agenda revised to reformat attachments to Information Items 9.A.1 and 9.A.2.

COMMITTEE MEMBER BRISENO WILL BE PARTICIPATING VIRTUALLY
Ane Bar & Restaurant
326 W 37th Street
New York, New York 10018

IMPORTANT NOTICE

This AGENDA contains a brief general description of each item to be considered. The posting of the recommended actions does not indicate what action may be taken. If comments come to the Measure P Oversight Committee without prior notice about an item not listed on the AGENDA, no specific answers or responses should be expected at this meeting per state law.

Pursuant to Government Code Section 54954.3 of the Brown Act, members of the public shall be afforded the opportunity to speak on any agenda item of interest to them after being recognized by the presiding officer. Members of the public wishing to be so recognized are requested to submit a completed speaker card to the Secretary of the Measure P Oversight Committee prior to the consideration of the item or to raise their hand if participating via ZOOM.

Hybrid Options are available for members of the public to participate.

Option to join via the Zoom App	Option to join via phone
https://ZoomRegular.CityofVallejo.net Enter Meeting ID: 914 0075 0676# You may be asked to enter a password: 131313	Dial (669) 900-6833 Enter Meeting ID: 914-0075 0676# Password: 131313

Hybrid Options are available for members of the public to participate.

	Press *9 to digitally raise your hand from the phone Press *6 to Unmute/Mute
For additional instructions on how to speak remotely during public comment, please visit www.cityofvallejo.net/publiccomment	
In person, speakers will be recognized first.	

Notice of Availability of Public Records: All public records relating to an open session item, which are not exempt from disclosure pursuant to the Public Records Act, that are distributed to a majority of the Measure P Oversight Committee will be available on the City of Vallejo website at www.cityofvallejo.net subject to staff's ability to post the documents prior to the meeting.

NOTICE: City Hall and the Council Chambers will be open to members of the public 30 minutes prior to the start of the meeting.

VIEW THE MEETING:
There are four different ways you can view this public meeting:

- In Person
- Watch Comcast local channel 28 & AT&T Channel 99
- Stream from the City website: www.cityofvallejo.net/Streaming
- Join the Zoom webinar: https://ZoomRegular.Cityofvallejo.net

If you have any questions regarding any of the following agenda items, please call the Measure P Oversight Committee Secretary at (707) 648-4433.

The Council Chambers in City Hall is ADA compliant. Devices for the hearing impaired are available from the City Clerk. Requests for disability related modifications or accommodations, aids or services may be made by a person with a disability to the City Clerk's office no less than 72 hours prior to the meeting as required by Section 202 of the Americans with Disabilities Act of 1990 and the federal rules and regulations adopted in implementation thereof.

AGENDA

1 **CALL TO ORDER**

2 **PLEDGE OF ALLEGIANCE**

3 **ROLL CALL**

4 **COMMUNITY FORUM**

5 **CONSENT CALENDAR AND APPROVAL OF AGENDA**

A **APPROVAL OF MINUTES APRIL 22, 2024**

B **APPROVAL OF MINUTES MAY 8, 2024**

C **APPROVAL OF MINUTES MAY 9, 2024**

D **APPROVAL OF MINUTES MAY 10, 2024**

E **APPROVAL OF MINUTES JULY 16, 2024 (6:00 P.M.)**

F **APPROVAL OF MINUTES JULY 16, 2024 (7:00 P.M.)**

6 REPORT OF THE COMMITTEE SECRETARY

7 REPORT OF THE CITY COUNCIL LIAISON

8 REPORT OF THE CHAIRPERSON AND MEMBERS OF THE COMMITTEE

9 INFORMATION CALENDAR

A **MEASURE P FINANCIALS UPDATE**
1. BUDGET TO ACTUALS NCLUDING ENCUMBRANCE AS OF 12.31.24
2. MEASURE P REVENUE ACTUALS AS OF 12.31.24

B **BROADWAY PROJECT UPDATE**

C **PAVEMENT IMPROVEMENT PROJECTS UPDATE**

10 FUTURE AGENDA ITEMS

A **CONTINUED DISCUSSION AND DEVELOPMENT OF COMMITTEE WORK PLAN (EXPECTED TIMELINES & DELIVERABLES)**

11 ADJOURNMENT

I, Monica Gomez, Executive Secretary, on behalf of Rekha Nayar do hereby certify that I have caused a true copy of the above notice and agenda to be delivered to each of the members of the Measure P Oversight Committee, at the time and in the manner prescribed by law and that this agenda was posted at City Hall, 555 Santa Clara Street, CA at 3:00 P.M., January 7, 2025

Dated: January 7, 2025

Monica Gomez

Monica Gomez for Rekha Nayar, Measure P Oversight Committee

City of VALLEJO California

CONSENT CALENDAR 5.A.

DATE: January 9, 2025
TO: Measure P Oversight Committee Chair and members of the Committee
FROM:

SUBJECT: **APPROVAL OF MINUTES APRIL 22, 2024**

RECOMMENDATION

BACKGROUND AND DISCUSSION

FISCAL IMPACT

ATTACHMENTS

1.	DRAFT - MPOC Meeting Minutes 4.22.24

CONTACT

DRAFT

MEASURE P OVERSIGHT COMMITTEE
SPECIAL MEETING MINUTES

6:00 P.M.
(Vallejo Room)

April 22, 2024

1. **CALL TO ORDER**
   The meeting was called to order at 6:02 PM.

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL**
   Present: Committee Members Gaddies, Farrell, Hybels, Jones, Salmeron, Tibet
   Absent: Committee Member Bergman
   Staff present: Secretary Tigbao; Chief Assistant City Attorney Risner

4. **COMMUNITY FORUM**
   Speaker(s): J. Carrizales

5. **APPROVAL OF THE AGENDA**
   ***Action**: Moved by Committee Member Hybels, seconded by Vice Chair Farrell, and carried unanimously to approve the Aprill 22, 2024, agenda.*

6. **APPROVAL OF MINUTES:**

   A. February 29, 2024

   ***Action**: Moved by Committee Member Hybels, seconded by Chair Salmeron, and carried unanimously to approve the minutes for the meeting held on* February 29, 2024

   B. March 7, 2024

   ***Action**: Moved by Committee Member Jones, seconded by Committee Member Tibet, and carried unanimously to approve the minutes for the meeting held on* March 7, 2024.

   C. March 21, 2024

   ***Action**: Moved by Committee Member Jones, seconded by Vice Chair Farrell, and carried unanimously to approve the minutes for the meeting held on* March 21, 2024.

D. March 27, 2024

***Action**: Moved by Committee Member Jones, seconded by Committee Member Hybels, and carried unanimously to approve the minutes for the meeting held on* March 27, 2024*.*

7. REPORT OF THE COMMITTEE SECRETARY
None

8. REPORT OF THE CITY ATTORNEY
None

9. REPORT OF THE CITY COUNCIL LIAISONS
None

10. REPORT OF THE CHAIRPERSON AND MEMBERS OF THE COMMITTEE
Chair Salmeron thanked everyone for their participation in the meetings.

11. ACTION ITEMS

A. Review and consider approval of final draft of the Measure P Oversight Committee's recommendation to City Council for FY 2024-25 Measure P fund appropriations.
Action: Carried to next meeting. Committee members will review the draft report on their own and vote on approval at a future meeting.

B. Receive information from staff on proposed FY23-24 allocation of Measure P funding for the Broadway Project, conduct Q&A session with staff, determine Committee recommendation, and provide direction for Committee's recommendation report to City Council. (See agenda Attachment 5)

Assistant City Manager Haen presented information on the Broadway Project.

Public Comment: William Baker; Alex Matias; J. Carrizales; Tanta L.

Action: Carried to next meeting. Committee members will submit their questions regarding this item to the Committee Secretary for staff to review and a follow up meeting will be scheduled.

12. FUTURE AGENDA ITEMS

A. Discuss lessons learned from project review and recommendation process.

B. Continued discussion and development of Committee Work Plan, including:
1. Expected timelines
2. Deliverables

C. Discuss the use of special ad hoc committees.

D. Discuss “Add-On” recommendations for Measure P fund appropriations in addition to and/or outside of the projects the Committee voted to recommend at the March 27, 2024, meeting.

Action: Moved by Chair Salmeron, seconded by Vice Chair Farrell and unanimously carried to include items 12.A.-D. as Action Items on the next agenda with the addition of item 11.a.

13. ADJOURNMENT

The meeting was adjourned at 8:02 PM.

Jasmine Salmeron, Chair

Melissa Tigbao, Secretary

CONSENT CALENDAR 5.B.

DATE: January 9, 2025
TO: Measure P Oversight Committee Chair and members of the Committee
FROM:
SUBJECT: **APPROVAL OF MINUTES MAY 8, 2024**

RECOMMENDATION

BACKGROUND AND DISCUSSION

FISCAL IMPACT

ATTACHMENTS

1.	Draft - MPOC Special Meeting Minutes 5.8.24

CONTACT

DRAFT

MEASURE P OVERSIGHT COMMITTEE
SPECIAL MEETING MINUTES

6:00 P.M.
(Council Chambers)

May 8, 2024

1. **CALL TO ORDER**
   The meeting was called to order at 6:05 PM.

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL**
   Present: Committee Members Bergman, Farrell, Hybels, Jones, Salmeron, Tibet
   Absent: Committee Member Gaddies
   Staff present: Secretary Tigbao; Chief Assistant City Attorney Risner

4. **COMMUNITY FORUM**
   Speaker(s): J. Carrizales

5. **APPROVAL OF THE AGENDA**
   ***Action**: Carried unanimously to approve the May 8, 2024, agenda.*

6. **REPORT OF THE COMMITTEE SECRETARY**
   None

7. **REPORT OF THE CITY ATTORNEY**
   None

8. **REPORT OF THE CITY COUNCIL LIAISONS**
   None

9. **REPORT OF THE CHAIRPERSON AND MEMBERS OF THE COMMITTEE**
   Chair Salmeron expressed appreciation of the Committee and the community for their involvement and participation in the process.

   Vice Chair Farrell expressed interest in reconsidering how to prioritize recommending funding for unhoused initiatives and requested clarification from Chief Assistant City Attorney Risner on the process to reconsider prior recommendations.

   The Committee provided direction to staff to agendize the question on whether or not to agendize at a future meeting the question of whether or not to suspend Rosenberg's Rules of Order to reconsider recommendations previously voted on by the Committee.

10. ACTION ITEMS

A. Continue Q&A session with staff on proposed FY23-24 allocation of Measure P funding for the Broadway Project, determine Committee recommendation, and provide direction for Committee's recommendation report to City Council.

Received information from Taryn Sandulyak and Heather Chicoine of Firm Foundation. Received additional information from Assistant City Manager Haen.

Public Comment: William Baker; Russell C.

Action: Moved by Chair Salmeron, seconded by Vice Chair Farrell, and carried to recommend to Council that up to $1M of Measure P funds be allocated for the Broadway Project to pay mechanic's lien with the condition that monthly budget updates be provided from Firm Foundation. (Noes – Hybels; Abstained - Jones)

11. FUTURE AGENDA ITEMS

A. Review and consider approval of final draft of the Measure P Oversight Committee's recommendation to City Council for FY 2024-25 Measure P fund appropriations.
Recommendation: By motion, approve the Measure P Oversight Committee's recommendation to City Council for FY 2024-25 Measure P fund appropriations.

B. Discuss lessons learned from project review and recommendation process.

C. Continued discussion and development of Committee Work Plan, including:
1. Expected timelines
2. Deliverables

D. Discuss the use of special ad hoc committees.

E. Discuss "Add-On" recommendations for Measure P fund appropriations in addition to and/or outside of the projects the Committee voted to recommend at the March 27, 2024, meeting.

12. ADJOURNMENT

The meeting was adjourned at 9:07 PM.

Jasmine Salmeron, Chair

Melissa Tigbao, Secretary

CONSENT CALENDAR 5.C.

DATE: January 9, 2025
TO: Measure P Oversight Committee Chair and members of the Committee
FROM:
SUBJECT: **APPROVAL OF MINUTES MAY 9, 2024**

RECOMMENDATION

BACKGROUND AND DISCUSSION

FISCAL IMPACT

ATTACHMENTS

1.	DRAFT - MPOC Regular Meeting Minutes 5.9.24

CONTACT

DRAFT

MEASURE P OVERSIGHT COMMITTEE
REGULAR MEETING MINUTES

6:00 P.M.
(Vallejo Room)

May 9, 2024

1. **CALL TO ORDER**
   The meeting was called to order at 6:10 PM.

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL**
   Present: Committee Members Bergman, Farrell, Hybels, Jones, Salmeron, Tibet
   Absent: Committee Member Gaddies
   Staff present: Secretary Tigbao; Chief Assistant City Attorney Risner

4. **COMMUNITY FORUM**
   Speaker(s): J. Carrizales

5. **APPROVAL OF THE AGENDA**
   ***Action**: Moved by Committee Member Bergman, seconded by Chair Salmeron, and carried unanimously to approve the May 9, 2024, agenda.*

6. **REPORT OF THE COMMITTEE SECRETARY**
   Secretary Tigbao invited the Committee to attend a tour of the Vallejo Municipal Marina that will be scheduled in the near future.

7. **REPORT OF THE CITY ATTORNEY**
   None

8. **REPORT OF THE CITY COUNCIL LIAISONS**
   None

9. **REPORT OF THE CHAIRPERSON AND MEMBERS OF THE COMMITTEE**
   Chair Salmeron extended her gratitude to everyone who participates in Measure P.

10. **ACTION ITEMS**

    A. Review and consider approval of final draft of the Measure P Oversight Committee's recommendation to City Council for FY 2024-25 Measure P fund appropriations.
    Action: Moved by Committee Member Jones, seconded by Committee Member Bergman, and carried unanimously to approve the amended version of the Measure P Oversight Committee's recommendation to City Council for FY 2024-25 Measure P fund appropriations.

B. Discuss lessons learned from project review and recommendation process.

Chair Salmeron expressed the desire to have a standard template to be used by staff when requesting allocations of Measure P funds. Committee Members discussed the questions they had during the previous meetings, what data they need to make informed decisions regarding their recommendations, and how much time is sufficient to review and obtain feedback from the public on said data. Chair Salmeron will create a draft template for proposals and timeline for Committee actions and will share the draft template with the Committee at a future date for feedback.

C. Continued discussion and development of Committee Work Plan, including:
1. Expected timelines
2. Deliverables

Item carried to future meeting.

D. Discuss the use of special ad hoc committees.

Chief Assistant City Attorney Risner answered questions regarding the use of special ad hoc committees.

E. Discuss "Add-On" recommendations for Measure P fund appropriations in addition to and/or outside of the projects the Committee voted to recommend at the March 27, 2024, meeting.

The Committee asked staff to check the possibility of making Measure P funding the Committee recommended for GVRD scholarships available before summer programs commence. Committee members shared other initiatives that are important to the public that Measure P funding could be recommended for in the future.

11. FUTURE AGENDA ITEMS

12. ADJOURNMENT

The meeting was adjourned at 7:47 PM.

Jasmine Salmeron, Chair

Melissa Tigbao, Secretary

CONSENT CALENDAR 5.D.

DATE: January 9, 2025
TO: Measure P Oversight Committee Chair and members of the Committee
FROM:
SUBJECT: **APPROVAL OF MINUTES MAY 10, 2024**

RECOMMENDATION

BACKGROUND AND DISCUSSION

FISCAL IMPACT

ATTACHMENTS

1.	DRAFT 05.10.24 MPOC Special Meeting Minutes

CONTACT

DRAFT

MEASURE P OVERSIGHT COMMITTEE
SPECIAL MEETING MINUTES

12:30 P.M.
(Council Chambers)

May 10, 2024

1. **CALL TO ORDER**
   The meeting was called to order at 12:48 PM.

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL**
   Present: Committee Members Bergman, Farrell, Hybels, Jones, Salmeron, Tibet
   Absent: Committee Member Gaddies
   Staff present: Secretary Tigbao; Chief Assistant City Attorney Risner

4. **APPROVAL OF THE AGENDA**
   ***Action**: Moved by Committee Member Jones, seconded by Committee Member Bergman, carried unanimously to approve the May 10, 2024, agenda.*

5. **REPORT OF THE COMMITTEE SECRETARY**
   None

6. **REPORT OF THE CITY ATTORNEY**
   None

7. **REPORT OF THE CITY COUNCIL LIAISONS**
   None

8. **REPORT OF THE CHAIRPERSON AND MEMBERS OF THE COMMITTEE**
   Chair Salmeron thanked the Committee for allowing the students from Elite High School an opportunity to address the Committee.

9. **ACTION ITEMS**

   A. Consideration of a request by Vice Chair Ferrell to agendize at future meeting the consideration of a motion to suspend the rules to allow the reconsideration of a past vote on a Measure P Funding allocation for homelessness
   Action: Moved by Vice Chair Farrell, seconded by Committee Member Hybels, and carried unanimously that this item be carried to a future meeting and amended to suspend the rules to allow the reconsideration of recommendations the Committee previously voted on regarding Measure P Funding allocations for all proposed projects.

B. Consideration of adoption of a Resolution to recommend allocation of $1M of Measure P Funding to pay up to $1,000,000 in mechanics liens currently filed against the Broadway Project
Action: Carried unanimously to amend the Resolution and supporting documentation to recommend allocation of $1.3M of Measure P funding to pay mechanics liens currently filed against the Broadway Project, and to include the opinion and recommendation of the Committee regarding loaning Measure P funds for the Broadway Project, with authority given to Chief Assistant City Attorney Risner, staff, Chair Salmeron and Vice Chair Farrell to make necessary modifications.

C. Presentation by staff on potential ways the City can loan Measure P funds to the Broadway Project and have those funds repaid at a future date with other city finances.
Presentation made by Assistant City Manager Haen.

10. FUTURE AGENDA ITEMS

11. ADJOURNMENT

The meeting was adjourned at 2:27 PM.

____
Jasmine Salmeron, Chair

____
Melissa Tigbao, Secretary

CONSENT CALENDAR 5.E.

DATE: January 9, 2025
TO: Measure P Oversight Committee Chair and members of the Committee
FROM:
SUBJECT: **APPROVAL OF MINUTES JULY 16, 2024 (6:00 P.M.)**

RECOMMENDATION

BACKGROUND AND DISCUSSION

FISCAL IMPACT

ATTACHMENTS

1.	DRAFT - MPOC Special Meeting Minutes (6pm) 7.16.2024

CONTACT

DRAFT

MEASURE P OVERSIGHT COMMITTEE
SPECIAL MEETING MINUTES

6:00 P.M.
(Council Chambers)

July 16, 2024

1. **CALL TO ORDER**
The meeting was called to order at 6:15 PM.

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL**
Present: Committee Members Bergman, Farrell, Gaddies, Hybels, Jones, Salmeron
Absent: Committee Member Tibet; Secretary Tigbao
Staff present: Chief Assistant City Attorney Risner

4. **APPROVAL OF THE AGENDA**
Action: *Moved by Committee Member Hybels, seconded by Committee Member Bergman, and carried unanimously to approve the February 29, 2024, agenda.*

5. **REPORT OF THE COMMITTEE SECRETARY**
None

6. **REPORT OF THE CITY ATTORNEY**
None

7. **REPORT OF THE CITY COUNCIL LIAISONS**
None

8. **REPORT OF THE CHAIRPERSON AND MEMBERS OF THE COMMITTEE**
Chair Salmeron reported she had the opportunity to visit cooling centers in the City recently and shared her experience.

9. **INFORMATION:**
   A. Update on GVRD scholarships for summer programs and accessibility
   Update provided by Victoria Grace-Barksdale

   B. Update on Pavement Improvement Project, Striping and Potholes
   Update provided by Debbie Martir

   C. Update on Broadway Project
   Update provided by Debbie Martir

10. ACTION ITEMS

A. Consider motion to suspend Rosenberg's Rules and allow the untimely motion to reconsider vote on Fiscal Year 2024-25 Measure P funded project: Illegal Dumping/Litter Abatement in the amount of $500,000

Action: Moved by Committee Member Jones, seconded by Committee Member Hybels, and carried unanimously to suspend Rosenberg's Rules and allow the untimely motion to reconsider vote on Fiscal Year 2024-25 Measure P funded project: Illegal Dumping/Litter Abatement in the amount of $500,000 (Absent: Tibet)

B. Consider motion to suspend Rosenberg's Rules and allow the untimely motion to reconsider vote on Fiscal Year 2024-25 Measure P funded project: Graffiti Removal Equipment in the amount of $150,000

Action: Moved by Committee Member Hybels, seconded by Committee Member Jones, and carried unanimously to suspend Rosenberg's Rules and allow the untimely motion to reconsider vote on Fiscal Year 2024-25 Measure P funded project: Graffiti Removal Equipment in the amount of $150,000 (Absent: Tibet)

C. Consider motion to suspend Rosenberg's Rules and allow the untimely motion to reconsider vote on Fiscal Year 2024-25 Measure P funded project: Streetlight Repair/Expansion in the amount of $500,000

Action: Moved by Committee Member Hybels, seconded by Committee Member Jones, and failed to carry to suspend Rosenberg's Rules and allow the untimely motion to reconsider vote on Fiscal Year 2024-25 Measure P funded project: Streetlight Repair/Expansion in the amount of $500,000. (Ayes: Jones, Hybels, Salmeron; Noes: Farrell, Bergman, Gaddies) (Absent: Tibet)

D. Consider motion to suspend Rosenberg's Rules and allow the untimely motion to reconsider vote on Fiscal Year 2024-25 Measure P funded project: Cardiac Monitors in the amount of $500,000

Action: None

E. Consider motion to suspend Rosenberg's Rules and allow the untimely motion to reconsider vote on Fiscal Year 2024-25 Measure P funded project: DOJ Policy and Practices Reform Efforts in the amount of $500,000

Action: Moved by Committee Member Jones, seconded by Committee Member Gaddies, and failed to carry to suspend Rosenberg's Rules and allow the untimely motion to reconsider vote on Fiscal Year 2024-25 Measure P funded project: DOJ Policy and Practices Reform Efforts in the amount of $500,000. (Ayes: Jones, Bergman; Noes: Farrell, Hybels, Gaddies, Salmeron) (Absent: Tibet)

F. Consider motion to suspend Rosenberg's Rules and allow the untimely motion to reconsider vote on Fiscal Year 2024-25 Measure P funded project: Increased Security Services in the amount of $500,000

   Action: Moved by Committee Member Hybels, seconded by Committee Member Jones, and failed to carry to suspend Rosenberg's Rules and allow the untimely motion to reconsider vote on Fiscal Year 2024-25 Measure P funded project: Increased Security Services in the amount of $500,000 (Ayes: Jones, Hybels, Gaddies; Noes: Farrell, Bergman, Salmeron) (Absent: Tibet)

G. Consider motion to suspend Rosenberg's Rules and allow the untimely motion to reconsider vote on Fiscal Year 2024-25 Measure P funded project: Extreme Weather Center in the amount of $500,000

   Action: Moved by Committee Member Jones, seconded by Vice Chair Farrell, and carried to suspend Rosenberg's Rules and allow the untimely motion to reconsider vote on Fiscal Year 2024-25 Measure P funded project: Extreme Weather Center in the amount of $500,000 (Ayes: Jones, Hybels, Gaddies, Farrell, Salmeron; Noes: Bergman) (Absent: Tibet)

H. Consider motion to suspend Rosenberg's Rules and allow the untimely motion to reconsider vote on Fiscal Year 2024-25 Measure P funded project: Navigation Center in the amount of $1.1M

   Action: Moved by Committee Member Hybels, seconded by Committee Member Gaddies, and carried to suspend Rosenberg's Rules and allow the untimely motion to reconsider vote on Fiscal Year 2024-25 Measure P funded project: Navigation Center in the amount of $1.1M (Ayes: Jones, Hybels, Gaddies, Farrell, Salmeron; Noes: Bergman) (Absent: Tibet)

I. Consider motion to suspend Rosenberg's Rules and allow the untimely motion to reconsider vote on Fiscal Year 2024-25 Measure P funded project: Youth Programs in the amount of $400,000:

   1. $125,000 GVRD Scholarships
   2. $80,000 City of Vallejo Youth Council Support and Outreach
   3. $125,000 Youth Community Grants

4. $70,000 Robbin Mackbee Firefighter Youth Academy

Action: Moved by Committee Member Hybels, seconded by Committee Member Bergman, and failed to carry to suspend Rosenberg's Rules and allow the untimely motion to reconsider vote on Fiscal Year 2024-25 Measure P funded project: Youth Programs in the amount of $400,000 (Ayes: Hybels, Bergman; Noes: Jones, Farrell, Gaddies, Salmeron) (Absent: Tibet)

11. FUTURE AGENDA ITEMS

12. ADJOURNMENT

The meeting was adjourned at 7:00 PM.

Jasmine Salmeron, Chair

Debbie Martir for Melissa Tigbao, Secretary

City of VALLEJO California

CONSENT CALENDAR 5.F.

DATE: January 9, 2025
TO: Measure P Oversight Committee Chair and members of the Committee
FROM:
SUBJECT: **APPROVAL OF MINUTES JULY 16, 2024 (7:00 P.M.)**

RECOMMENDATION

BACKGROUND AND DISCUSSION

FISCAL IMPACT

ATTACHMENTS

1.	DRAFT - MPOC Special Meeting Minutes (7pm) 7.16.2024

CONTACT

DRAFT

MEASURE P OVERSIGHT COMMITTEE
SPECIAL MEETING MINUTES

7:00 P.M.
(Council Chambers)

July 16, 2024

1. **CALL TO ORDER**
   The meeting was called to order at 7:09 PM.

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL**
   Present: Committee Members Bergman, Farrell, Gaddies, Hybels, Jones, Salmeron
   Absent: Committee Member Tibet; Secretary Tigbao
   Staff present: Chief Assistant City Attorney Risner

4. **APPROVAL OF THE AGENDA**
   ***Action**: Moved by Committee Member Gaddies, seconded by Committee Member Hybels, and carried unanimously to approve the July 16, 2024, 7:00 PM agenda.*

5. **REPORT OF THE COMMITTEE SECRETARY**
   None

6. **REPORT OF THE CITY ATTORNEY**
   None

7. **REPORT OF THE CITY COUNCIL LIAISONS**
   None

8. **REPORT OF THE CHAIRPERSON AND MEMBERS OF THE COMMITTEE**
   None

   Public Comment Speakers: J. Carrizales

9. **ACTION ITEMS**
   A. Consideration of a motion to reconsider Measure P Oversight Committee previous recommendation to support Measure P budget allocation for Illegal Dumping/Litter Abatement in the amount of $500,000

   Action: Moved by Committee Member Jones, seconded by Vice Chair Farrell, and carried unanimously to reconsider Measure P Oversight Committee previous recommendation to support Measure P budget allocation for Illegal Dumping/Litter Abatement in the amount of $500,000 and revise the recommendation to $250,000 with the understanding requests for additional funding can be made in the future if needed.

B. Consideration of a motion to reconsider Measure P Oversight Committee previous recommendation to support Measure P budget allocation for Graffiti Removal Equipment in the amount of $150,000

Action: None

~~C. Consideration of a motion to reconsider Measure P Oversight Committee previous recommendation to support Measure P budget allocation for Streetlight Repair/Expansion in the amount of $500,000~~

~~D. Consideration of a motion to reconsider Measure P Oversight Committee previous recommendation to support Measure P budget allocation for Cardiac Monitors in the amount of $500,000~~

~~E. Consideration of a motion to reconsider Measure P Oversight Committee previous recommendation to not support Measure P budget allocation for DOJ Policy and Practices Reform Efforts in the amount of $500,000~~

~~F. Consideration of a motion to reconsider Measure P Oversight Committee previous recommendation to support Measure P budget allocation for Increased Security Services in the amount of $500,000~~

G. Consideration of a motion to reconsider Measure P Oversight Committee previous recommendation to support Measure P budget allocation for Extreme Weather Center in the amount of $500,000

Action: Moved by Committee Member Jones, seconded by Vice Chair Farrell, and carried unanimously to reconsider Measure P Oversight Committee previous recommendation to support Measure P budget allocation for Extreme Weather Center in the amount of $500,000 and revise the recommendation to $75,000 for the next three years with opportunities for staff to return in the future to request additional funding for grants for non-profits specified at the time of the request to complete the work, and increased City engagement with stakeholders.

H. Consideration of a motion to reconsider Measure P Oversight Committee previous recommendation to support Measure P budget allocation for Navigation Center in the amount of $1.1M

Action: Moved by Chair Salmeron, seconded by Committee Member Gaddies, and carried unanimously to reconsider Measure P Oversight Committee previous recommendation to support Measure P budget allocation for Navigation Center in the amount of $1.1M and revise the recommendation to zero allocation of Measure P Funding and have staff make specific requests for funding allocations as needs arise.

I. ~~Consideration of a motion to reconsider Measure P Oversight Committee previous recommendation to support Measure P budget allocation for Youth Programs in the amount of $400,000:~~

~~1. $125,000 GVRD Scholarships~~
~~2. $80,000 City of Vallejo Youth Council Support and Outreach~~
~~3. $125,000 Youth Community Grants~~
~~4. $70,000 Robbin Mackbee Firefighter Youth Academy~~

10. FUTURE AGENDA ITEMS

11. ADJOURNMENT

The meeting was adjourned at 8:03 PM.

Jasmine Salmeron, Chair

Debbie Martir for Melissa Tigbao, Secretary

INFORMATIONAL ITEM 9.A.

DATE: January 9, 2025
TO: Measure P Oversight Committee Chair and members of the Committee
FROM: Rekha Nayar, Finance Director
SUBJECT: **MEASURE P FINANCIALS UPDATE**
1. BUDGET TO ACTUALS NCLUDING ENCUMBRANCE AS OF 12.31.24
2. MEASURE P REVENUE ACTUALS AS OF 12.31.24

RECOMMENDATION

BACKGROUND AND DISCUSSION

The Measure P Oversight Committee has requested an update on Budget and Actuals for Measure P Funds. Attached is the update as of December 31, 2024, for Fiscal Year 2022-23, 2023-2024 and 2024-25.

FISCAL IMPACT

There is no fiscal impact with this item.

ATTACHMENTS

1.	Exhibit 1 - Measure P Budget, Actuals & Encumbrance as of 12.31.24
2.	Exhibit 2 - Measure P Revenue as of 12.31.24

CONTACT

Rekha Nayar, CPA, Finance Director
Rekha.Nayar@Cityofvallejo.net

EXHIBIT 1

General Fund

Measure P - Transaction and Use Tax

Budget to Actuals and Encumbrance FY 22-23 through FY 24-25 (as of 12.31.24)

	Budget	Actuals and Encumbrance			Variance
	Budget	Actuals	Encumbrance	Total	Variance
	A	B	C	D = B+C	A-D
Revenues					
FY 22-23	$ -	$ 4,251,505	$ -	$ 4,251,505	$ 4,251,505
FY 23-24	18,164,000	17,771,948		17,771,948	(392,052)
FY 24-25	18,097,000	5,871,505		5,871,505	(12,225,495)
Total Revenues	**36,261,000**	**27,894,958**	**-**	**27,894,958**	**(8,366,042)**
Expenditures					
No. Council Measure P Category					
1 Maintain emergency medical response					
Defibrillator Replacements for Fire Department	500,000			-	500,000
2 Maintain crime prevention					
Security Services	500,000			-	500,000
Police Department Headquarters Project - Phase B (PW9818)	1,998,200	1,211,891	786,309	1,998,200	-
3 Address homelessness					
Extreme Weather Centers	500,000			-	500,000
Navigation Center (Project PW9433)	1,100,000	807,011	292,989	1,100,000	-
Loan Agreement for Broadway Project (HKEY22)	2,879,665			-	2,879,665
4 Address blight					
Graffiti Removal Equipment	150,000	49,364	45,108	94,472	55,528
Streetlight repair/expansion (PWC114)	500,000			-	500,000
5 Address dumping					
Dumping Prevention	500,000			-	500,000
6 Repair deteriorating neighborhood streets, roads and sidewalks					
Residential Street Resurfacity (Slurry seal) Project (PW9745)	2,000,000	779,548	1,216,771	1,996,319	3,682
American with Disabilities Act (ADA) curb ramp compliance construction (PW9705)	500,000			-	500,000
Comprehensive pavement construction design & project management services (PWC109)	1,000,000	8,951	583,426	592,377	407,623
Potholes and traffic stripping (PWC109)	1,500,000		536,185	536,185	963,815
7 Youth priorities					
Council Support and Outreach	80,000			-	80,000
Community Grants (for 2 year period)	125,000			-	125,000
Firefighter Academy	70,000	70,000		70,000	-
Total Expenditures	**13,902,865**	**2,926,765**	**3,460,787**	**6,387,552**	**7,515,313**
	-				
Net Operating Results (Fund balance)	**$ 22,358,135**			**$ 21,507,406**	**$ (850,729)**

EXHIBIT 2

General Fund

Measure P - Transaction and Use Tax

Actual Revenue FY 22-23 through FY 24-25 (as of 12.31.24)

	FY 22-23	FY 23-24	FY 24-25	Totals	% of Total
July	$ -	$ 1,219,737.14	$ 1,407,163.00	$ 2,626,900.14	9%
August	-	1,103,677.44	1,236,619.93	2,340,297.37	8%
September	-	2,168,713.87	1,733,399.71	3,902,113.58	14%
October	-	1,198,655.52	1,494,322.19	2,692,977.71	10%
November	-	1,144,206.43		1,144,206.43	4%
December	-	2,256,192.12		2,256,192.12	8%
January	-	1,408,348.13		1,408,348.13	5%
February	-	1,228,638.80		1,228,638.80	4%
March	-	1,622,521.52		1,622,521.52	6%
April	1,117,681.70	1,307,130.57		2,424,812.27	9%
May	1,008,019.12	1,455,147.74		2,463,166.86	9%
June	2,125,803.97	1,658,979.01		3,784,782.98	14%
Totals	**$ 4,251,504.79**	**$ 17,771,948.29**	**$ 5,871,504.83**	**$ 27,894,957.91**	100%

INFORMATIONAL ITEM 9.B.

DATE: January 9, 2025
TO: Measure P Oversight Committee Chair and members of the Committee
FROM: Gillian Haen, Assistant City Manager
Natalie Peterson, Assistant to the City Manager

SUBJECT: BROADWAY PROJECT UPDATE

RECOMMENDATION
Receive an update on the Broadway Project

BACKGROUND AND DISCUSSION
The Project
The Broadway Project ("Project") is a permanent supportive modular housing project designed to house the chronically homeless. The estimated total cost of the Project is $27M. Construction began on September 19, 2022 and is anticipated to be completed in March 2025. Firm Foundation currently owns the site and manages the Project and its construction in compliance with Homekey deliverables and timeline regulations. The Project will include 47 permanent supportive housing units (studios), affordable to extremely low to very low income households, an on-site case manager unit, a community room and courtyard. On-site wrap-around services will be provided to facilitate connections to services, benefits, and community resources. The project is currently 75% built and needs the requested loan funding to finish the project.

Project Funding
On May 10, 2022, the City of Vallejo, Firm Foundation Community Housing and Shelter Inc. were awarded a California Department of Housing and Community Development (HCD) Homekey Program ("Homekey") Round 2 Grant of $11,621,866 to develop and build a permanent supportive housing project to house chronically homeless individuals.

On June 10, 2022, the Council accepted the grant and amended the City's Budget to receive the grant. On June 14, 2022, the Council approved a resolution to appropriate Homekey Round 2 grant funding for the Broadway Project.

The existing State, City and Housing Authority funding amounts for the Broadway Project are summarized below:

Funding Source	Amount
State of CA Homekey	$11,621,866
City of Vallejo American Rescue Plan Act (ARPA)	$192,740
Solano County American Rescue Plan Act (ARPA)	$3,000,000
City of Vallejo American Rescue Plan ACT (ARPA)	$200,000
Infill Infrastructure Grant Program	$2,559,656
Wells Fargo Grant*	$90,000
LMIHAF Loan	$3,300,000
City of Vallejo American Rescue Plan Act (ARPA)	$3,270,335
Measure P Loan Funding	$2,879,665

Total project funding	$27,114,262

*Awarded directly to Firm Foundation

Measure P Funding
On May 28, 2024, City Council adopted a resolution allocating $2,879,665 of Measure P Funding to complete the construction of the Broadway Project and on September 24, 2024 adopted a resolution approving the Measure P Loan Agreement in the amount of $2,879,665 and Affordability Agreement (attached).

The funds from Measure P have been allocated to the project, but none to date have been expended. Staff are expending the other funding sources allocated to the project prior to expending the Measure P loan.

Project Schedule
The project is over 80 % completion and is currently anticipated to receive its Temporary Certificate of Occupancy in March 2025. The property is anticipated to be fully "leased-up" and residents moved in within 90 days of construction completion.

The anticipated schedule is assuming that items outside of the control of the City, Developer and Construction Team, such as weather delays or missed timelines commitment from outside organizations, do not occur.

Project schedule as of December 11, 2024 is attached.

Project Budget
The budget is attached and Measure P funding is anticipated to be used in January through project completion.

FISCAL IMPACT

There is no fiscal impact associated with this item.

ATTACHMENTS

1.	Measure P Loan Agreement - Broadway Project
2.	Broadway Project Budgeting Spreadsheet 9.5.24
3.	Broadway Project Completion Schedule 2024-12-03

CONTACT

Gillian Haen, Assistant City Manager
gillian.haen@cityofvallejo.net

Approved as to form:

By: ______________________ *for*
Veronica A.F. Nebb
City Attorney

LOAN AGREEMENT

by and between the

CITY OF VALLEJO

AND

FIRM FOUNDATION COMMUNITY HOUSING

for the

Development and
Construction of Permanent Supportive Housing

at

2441 Broadway Street

ATTACHMENTS

LOAN AGREEMENT

THIS LOAN AGREEMENT (the "Agreement") is entered into as of the 25th day of September 2024, by and between the CITY OF VALLEJO (the "City") and FIRM FOUNDATION COMMUNITY HOUSING, a California nonprofit public benefit corporation (the "Borrower"). The City and the Borrower hereby agree as follows:

[§100] SUBJECT OF AGREEMENT

[§101] <u>Background and Purpose of This Agreement</u>.

The purpose of this Agreement is to effectuate the Permanent Supportive Housing ("PSH") project for 2441 Broadway Street (the "Project") by providing financial assistance to the Borrower to pay certain costs associated with the development and construction of the Project, consisting of approximately forty-seven (47) affordable and/or PSH units plus one unrestricted manager's unit that will be contained in the Project and are referred to herein as the "Housing Units."

Pursuant to this Agreement, the Borrower shall limit the rental of the Housing Units to Extremely Low Income Households defined as at or below 30 percent of the Area Median Income ("AMI"). One unit shall be an unrestricted manager's unit. The gross monthly rent for the restricted Housing Units (excluding any supplemental rental assistance from the State of California, the federal government or any other public agency to those tenants or on behalf of those units) shall not exceed the "affordable rent" as determined for extremely-low income households pursuant to federal low-income housing tax credit program requirements, the income eligibility levels, definition of AMI, rent limits, and all provisions under such program regarding income assumed household size and continued occupancy and rent requirements for households whose incomes exceed the eligible income limitations. The affordability restrictions as required by this Agreement shall remain in effect for 55 years, commencing upon recordation of the Affordability Agreement attached hereto as Attachment No. 5. In addition to the affordability restrictions as set forth herein, the Borrower shall work with the City to develop a program that will, to the extent permitted by applicable federal, state and local law, provide a preference to lease to tenants that demonstrate residency, either permanent or itinerant, within the City of Vallejo limits and that identify as homeless, either sheltered or unsheltered, as defined by the U.S. Department of Housing & Urban Development ("HUD") for purposes of the Point-in-Time Census. The Borrower shall work collaboratively with the City to develop such a preference program, and the final program shall be subject to review and written approval by the City and Borrower. The use of the Site, defined in Section 103, below, pursuant to this Agreement and the fulfillment generally of this Agreement are in the vital and best interests of the City and the health, safety, and welfare of its residents and in accordance with the public purposes and provisions of applicable federal, state and local laws and requirements.

The Project may receive Project Based Section 8 vouchers or other rental subsidies (the "Rental Subsidies") throughout the term of the Affordability Agreement. If, during the term of the Affordability Agreement, any change in federal law occurs or any action (or inaction) by Congress or any federal or State agency occurs, which results in a reduction, termination or nonrenewal of the Rental Subsidies, such that the rental subsidy projected on the budget for the Project is reduced or no longer available, Borrower may increase the rents on one or more of the

Extremely Low Income Units during the remainder of the Term up to 60 percent AMI, provided Borrower demonstrates to the satisfaction of the City that such rental increase is necessary to maintain the financial stability of the Project and no alternative rental subsidies are available, and such increase is permitted by all other funding and regulatory agreements recorded against the Project.

[§102] The Project Area.

The Project Area is located in the City of Vallejo, California, and the exact boundaries of the Project Area are specifically described as the lot located at: 2441 Broadway Street (the "Project Area"), and as described in Attachment 2.

[§103] The Site.

The Site is located within the City and shown on the "Map of the Site," attached hereto as Attachment 1 and incorporated by reference herein, and as more particularly described in the "Legal Description of the Site," attached hereto as Attachment 2 and incorporated herein by reference. The Site is located within the boundaries of the Project Area.

[§104] The Term.

The City and Borrower desire by the execution of this Agreement to assure the Site remains affordable for fifty-five (55) years, following the date of the recordation of the Affordability Agreement (the "Term").

[§200] METHOD OF FINANCING THE PROJECT

[§201] City's Loan.

The City hereby agrees to make a loan to Borrower in the amount of TWO MILLION EIGHT HUNDRED SEVENTY-NINE THOUSAND SIX HUNDRED SIXTY-FIVE DOLLARS ($2,879,665) (the "City Loan") from Measure P funds, subject to the terms and conditions set forth in this Agreement, and subject further to the terms and conditions set forth within the documents and instruments executed by the Borrower in connection with this transaction.

[§202] Repayment of the City Loan.

The City Loan shall be due and payable in full at the earlier of (i) sale or transfer of the Project by Borrower; or (ii) fifty-five (55) years after the date the Project obtains its final certificate of occupancy (the "Maturity Date") or, at such earlier time as set forth herein, and shall bear simple interest at the rate of three percent (3.0 %) per annum.

[§203] Individual Disbursements for the Project.

Prior to each disbursement for costs of the Project, Borrower must satisfy the following conditions:

a. Borrower must have delivered to the City an "Expenditure Request" in form and substance satisfactory to the City, together with: (i) copies of invoices, contracts or other documents covering all amounts requested; (ii) a line-item breakdown of costs to be covered by the Expenditure Request; and (iii) copies of checks issued to pay expenses covered in the previous Expenditure Request. The City may grant or withhold its approval of any line item contained in the Expenditure Request that, if funded, would cause it to exceed the budgeted line item as previously approved by the City.

b. Acknowledgment that the Project is being constructed in a good and workman-like manner by appropriate means substantially in accordance with the plans and specifications for the Project and all required inspections and approvals have been obtained as and when necessary or desirable.

c. Acknowledgments of payment and lien waivers from all Persons who have furnished labor, materials and/or services in the development of the Site or the construction of the improvements, covering work performed, materials supplied, and services rendered through the date of the last preceding disbursement. As used in this Section 203, "Person" means an individual, a corporation, a partnership, a joint venture, a limited liability company, a trust, an unincorporated association, any Governmental Authority or any other entity. "Lien Waiver" means a lien waiver in the form set forth in California Civil Code §§ 8132-8134.

d. With respect to any disbursement request that covers construction costs, Borrower must have certified to the City that the Project complies with the applicable labor standards required by the U.S. Department of Housing and Urban Development Office of Labor Relations and the Vallejo Municipal Code and all other agreements applicable to the Project and Site.

[§204] <u>Limitations on Approved Expenditures</u>.

The City may refuse to disburse funds for any expenditure: (a) during any period in which an event that, with notice or the passage of time or both, would constitute an Event of Default remains uncured, or during the pendency of an uncured Event of Default; or (b) for disapproved, unauthorized or improperly documented expenses. The City is not obligated to approve expenditure of the full amount of the City Loan "Funding Amount" unless approved Expenditure Requests support disbursement of the full Funding Amount, and in no event may the aggregate amount of all funds disbursed to Borrower under this Agreement exceed the Funding Amount.

[§300] IMPROVEMENT OF THE SITE

[§301] <u>Improvement of the Site by the Borrower</u>.

The Borrower agrees to use the Funding Amount towards construction of the Project (the "Development Work").

[§301.1] <u>Cost of Development</u>. The cost of Development Work shall be borne by the Borrower subject to the terms of this Agreement.

[§301.2] Bodily Injury and Property Damage and other Insurance; Indemnification. Prior to the commencement of Development Work (or any work related thereto) upon the Site, the Borrower shall furnish, or cause to be furnished, to the City duplicate originals or appropriate certificates of bodily injury and property damage insurance policies in the amount of at least TWO MILLION DOLLARS ($2,000,000.00) for any person, THREE MILLION DOLLARS ($3,000,000.00) for any occurrence, FIVE MILLION DOLLARS ($5,000,000) annual aggregate and FIVE HUNDRED THOUSAND DOLLARS ($500,000.00) property damage, naming the City as an additional insured and all such other insurance required by any other financing document applicable to the Project, including but not limited to the Note and Deed of Trust. Borrower shall indemnify City as set forth in Section 304 of this Agreement, the Note and Deed of Trust and any and all other financing documents or any Agreement recorded against the Property. Such indemnification obligations shall be covered by Insurance. Such insurance policies shall be maintained and kept in force, and such obligation to indemnify shall continue, during periods of construction upon the Site and until the City has issued a Certificate of Completion for the entire Site or until any later period of time required by any other Agreement recorded against the Property.

[§301.3] Rights of Access During Development Work. Representatives of the City shall have the reasonable right of access to the Site, without charges or fees, at normal work hours upon reasonable written notice to Borrower during the period of Development Work for the purposes of this Agreement, including, but not limited to, the inspection of the work being performed in constructing improvements on the Site.

[§301.4] Local, State, and Federal Laws. The Borrower shall carry out the development of the improvements on the Site in conformity with all applicable laws, rules, regulations and agreements, including all applicable federal and state labor standards.

[§301.5] Antidiscrimination. The Borrower, for itself and its successors and assigns, agrees that on the Site provided for in this Agreement, the Borrower will not discriminate against any employee or applicant for employment on any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Section 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955 and 12955.2 of the Government Code.

[§302] Prohibition Against Transfer and Assignment of Agreement.

[§302.1] Prohibition. The identity and qualifications of Borrower as an experienced and successful developer of affordable rental housing developments are of particular concern to the City. It is because of this identity and these qualifications that the City has entered into this Agreement with the Borrower. No voluntary or involuntary successor in interest of the Borrower shall acquire any rights or powers under this Agreement by assignment or otherwise, nor shall Borrower make any total or partial sale, transfer, conveyance, encumbrance to secure financing, assignment or lease of the whole or any part of the Project without the prior written approval of the City pursuant to Section 302.3 hereof, except as expressly set forth herein, which approval may be withheld in the sole discretion of the City.

[§302.2] **Permitted Transfers**. Notwithstanding any other provision of this Agreement to the contrary, City approval of an assignment or transfer of this Agreement, the City Loan, the Affordability Agreement, or conveyance of the Project or any part thereof pursuant to Section 302.4 shall not be required in connection with any of the following (the "Permitted Transfers"):

a. The lease of Housing Units to qualified tenants.

[§302.3] **Transfers Requiring City Consent.** Notwithstanding any other provision of this Agreement to the contrary, any other assignment or transfer of this Agreement, the City Loan, the Affordability Agreement, or conveyance of the Project or any part thereof pursuant to Section 302 shall require City approval. In the event of an assignment by Borrower requiring the City's prior approval, Borrower shall give written notice to City of such assignment or transfer request. City shall respond within 60 days on approval of such transfer. Any other transfer, assignment, encumbrance or lease without the City's prior written consent will be voidable and, at the City's election, constitute an Event of Default under this Agreement.

[§302.4] **City Consideration of Requested Transfer**. The City agrees that it will consider approval of a transfer request made pursuant to this Section 302, provided (a) the Borrower delivers written notice to the City requesting such approval, and (b) the proposed assignee or transferee possesses comparable operational experience and capability, and comparable net worth and resources, as the proposed transferor or assignor, and (c) the assignee or transferee assumes the obligations of the Borrower under this Agreement in a form which is acceptable to the City. Such notice shall be accompanied by evidence regarding the proposed assignee's or purchaser's qualifications and experience and its financial commitments and resources sufficient to enable the City to evaluate the proposed assignee or purchaser pursuant to the criteria set forth in this Section 302 and other criteria as reasonably determined by the City.

[§302.5] **Successors and Assigns**. This Agreement shall run with the land, and all of the terms, covenants, and conditions of this Agreement shall be binding upon the Borrower and the permitted successors and assigns of the Borrower.

[§303] **Rights of Holders.**

[§303.1] **Holder Not Obligated to Construct**. The holder of any mortgage, deed of trust or other security interest pertaining to the Site shall in no way be obligated by the provisions of this Agreement to construct, or complete such Development Work, or to guarantee such construction or completion. Nothing in this Agreement shall be deemed to construe, permit or authorize any such holder to devote the Site to any uses, or to construct any improvements thereon, other than those uses or improvements provided for or authorized by this Agreement.

[§303.2] **Notice of Default to Mortgage, Deed of Trust or Other Security Interest Holders; Right to Cure**. Whenever the City shall deliver any notice or demand to the Borrower with respect to any breach or default by the Borrower in the completion of the Development Work, the City shall at the same time deliver to each holder of record of any mortgage, deed of trust or other security interest authorized by this Agreement (who has previously made a request therefor) a copy of such notice or demand. Each such holder shall (insofar as the rights of the City are concerned) have the right, at its option, within 30 days, or if the default cannot be cured within a 30-day period, Borrower will have 60 days after the receipt of the notice, to cure or remedy or commence to cure or remedy any such default and to add the cost thereof to the security interest debt and the lien on its security interest. Nothing contained in this Agreement shall be deemed to permit or authorize such holder to undertake or continue the Development Work, or the completion thereof (beyond the extent necessary to conserve or protect the improvements or construction already made) without first having expressly assumed the Borrower's obligations to the City by written agreement satisfactory to the City. The holder in that event must agree to complete, in the manner provided in this Agreement, the Development Work to which the lien or title of such holder relates and submit evidence satisfactory to the City that it has the qualifications and financial responsibility necessary to perform such obligations.

[§304] Indemnity; Compliance with Laws.

Borrower agrees to defend, indemnify, protect, and hold harmless the City and all City officers, elected and appointed officials, employees, and agents from, regarding and against any all liabilities, obligations, orders, claims, damages, fines, penalties, and expenses of any kind whatsoever, together with fees (including, without limitation, reasonable attorneys' fees), whenever arising or resulting from or in connection with the obligation to comply with all laws with respect to the construction of the Project, including, without limitation, all applicable federal and state labor laws and standards and all relocation requirements or that may incur as a direct or indirect consequence of: (i) the making of the City Note, or (ii) any failure at any time of any of Borrower's covenants, representations or warranties to be true and correct in any material respect, (iii) any act, error or omission by Borrower, any employee, agent, officer, official, vendor, contractor, subcontractor of Borrower, any tenant, guest, invitee, trespasser, or any other person or entity present on the Site, any contractor, subcontractor or material supplier, engineer, architect or other person or entity with respect to its work at the Site or on the Project, (iv) failure to maintain, repair or replace any and all improvements on the Site which may become damaged or destroyed.

Borrower shall pay immediately upon City's demand any amounts owing under this indemnity together with interest from the date of demand until paid at the rate of interest, which shall be the highest rate then allowed by law. Borrower's duty to indemnify City shall survive repayment of the Note. The indemnity set forth herein shall not extend to losses, damages, liabilities, claims, actions, judgments, court costs, and legal or other expenses which City, its officers, employees, and agents, or any of them, incur to the extent that such are caused by any City's negligence or willful misconduct.

Notwithstanding anything to the contrary contained in this Agreement, no deficiency judgment may be obtained against the Borrower in connection with this Agreement or the City Loan, except for actual or constructive fraud, material intentional misrepresentation, intentional bad faith waste of or on the Site, and such other matters as are referred to below. Consequently, no deficiency amount may be recovered from Borrower under the provisions hereof, except as may be provided herein. Notwithstanding the generality of the foregoing, however, Borrower shall indemnify, defend, protect, and hold the City harmless from and against any and all loss, damage, liability, action, cause of action, cost or expense, including, without limitation, reasonable attorneys' fees and expenses incurred by the holder hereof, arising as a result of any (i) fraud or material intentional misrepresentation by the Borrower under or in connection with this Agreement; (ii) intentional bad faith waste of the real property encumbered by the City Deed of Trust; and (iii) losses resulting from the Borrower's failure to maintain insurance as required under the provisions of the City Deed of Trust. The Borrower's obligation to indemnify the City hereof as aforesaid shall be recourse obligations of the Borrower, and in the event of any breach of such obligations, the City shall have the right to proceed directly against the Borrower to recover any and all losses, damages, liability, costs, and expenses (including without limitation, reasonable attorney's fees and expenses) and may bring any action and institute any proceeding to obtain a deficiency judgment in or following foreclosure for any and all such losses, damages, liabilities, costs, and expenses resulting from such breach.

The foregoing indemnity shall survive any termination of this Agreement.

[§305] Prevailing Wages.

To the extent applicable, Borrower shall comply and cause its contractors and subcontractors to comply with Labor Code section 1720, *et seq.* and implementing regulations regarding the payment of prevailing wages ("Prevailing Wage Law") with regard to the Development Work. Borrower shall be solely responsible for effectuating compliance with the Prevailing Wage Law, and in the event that the Department of Industrial Relations or an appropriate court or other governmental body initiates an enforcement action due to a failure by Borrower to pay prevailing wages in compliance with state law, or undertakes proceedings to consider whether the Development Work constitutes a public work subject to prevailing wages and/or determines that the Development Work does constitute a public work subject to prevailing wages, Borrower shall indemnify, hold harmless and defend (with counsel reasonably acceptable to the City) the City against any claim for damages, compensation, fines, penalties or other amounts arising out of the failure or alleged failure of any person or entity (including Borrower, its contractors, and subcontractors) to pay prevailing wages as required by the Prevailing Wage Law in connection with Development Work. The foregoing indemnity shall survive any termination of this Agreement.

[§306] Environmental Indemnity.

Borrower agrees, from and after the date of acquisition of the Site, to defend, indemnify, protect, and hold harmless the City and their officers, elected and appointed officials, employees, agents, attorneys, representatives, legal successors, and assigns ("Indemnitees") from, regarding and against any and all liabilities, obligations, orders, decrees, judgments, liens, demands, actions, Environmental Response Actions (as defined herein), claims, losses, damages, fines, expenses, Environmental Response Costs (as defined herein), or costs of any kind or nature whatsoever, together with fees (including, without limitation, reasonable attorneys' fees and experts' consultants' fees, all of which collectively are referred to as "Environmental Claims"), whenever arising, and whether or not caused in whole or in part by the City, resulting from or in connection with the actual or claimed generation, storage, handling, transportation, use, presence, placement, migration, and/or release (collectively, the "Management") of Hazardous Materials at, on, in, or beneath the Site, except for claims arising as a result of the gross negligence or willful misconduct of the City and except for any such Hazardous Materials that are customarily used in residential developments. The Borrower's defense, indemnification, protection, and hold harmless obligations herein shall include, without limitation, the duty to respond to any Environmental Claims at the Borrower's sole cost. At the request of Borrower, the City shall cooperate with the Borrower in its defense of any such claim, action, suit proceeding, loss, cost, damage, liability, deficiency, fine, penalty, punitive damage, or expense, provided that the City shall not be obligated to incur any expense in connection with such cooperation. City's agreement to cooperate shall not be deemed to limit or otherwise modify Borrower's obligations under this indemnity. Borrower's indemnification as set forth herein shall survive Borrower's satisfaction of its obligations set forth in this Agreement or the earlier termination of this Agreement. Notwithstanding any contrary provision hereof, the indemnity provided in this Section 306 shall not apply to Environmental Claims arising in connection with or resulting from Hazardous Materials present on the Site prior to the date the Site is conveyed to the Borrower, except Environmental Claims resulting from or arising in connection with the negligent act or omission of Borrower.

Hazardous Materials means any material that, because of its quantity, concentration, or physical or chemical characteristics, is deemed by any Governmental Agency to pose a present or potential hazard to human health or safety or to the environment. Hazardous Materials includes any material or substance listed, defined or otherwise identified as a "hazardous substance," "hazardous waste," "hazardous material," "pollutant," "contaminant," "pesticide" or is listed as a chemical known to cause cancer or reproductive toxicity or is otherwise identified as "hazardous" or "toxic" under any Environmental Law, as well as any asbestos, radioactive materials, polychlorinated biphenyls, and any materials containing any of them, and petroleum, including crude oil or any fraction, and natural gas or natural gas liquids. Materials of a type and quantity normally used in the rehabilitation, operation or maintenance of developments similar to the Project will not be deemed Hazardous Materials for the purposes of this Agreement if used in compliance with applicable Environmental Laws.

The foregoing indemnity shall survive any termination of this Agreement.

[§306.1] **<u>Definitions</u>**.

a. As used in this Agreement, the term "Environmental Response Actions" means any and all activities, data compilations, preparation of studies or reports, interaction with environmental regulatory agencies, obligations and undertakings associated with environmental investigations, removal activities, remediation activities or responses to inquiries and notice letters, as may be sought, engendered, initiated or required in connection with any local, state or federal governmental or private party claims, including any claims by the Borrower.

b. As used in this Agreement, the term "Environmental Response Costs" means any and all costs associated with Environmental Response Actions, including, without limitation, any and all fines, penalties, and damages.

c. As used in this Agreement, the term "Hazardous Materials" means any substance, material or waste that is (1) defined as a "hazardous waste," "hazardous material," "hazardous substance," "extremely hazardous waste," or "restricted hazardous waste" under any provision of California law; (2) petroleum; (3) asbestos; (4) polychlorinated biphenyls; (5) radioactive materials; (6) designated as a "hazardous substance" pursuant to Section 311 of the

Clean Water Act, 33 U.S.C. Section 1251 et seq. (33 U.S.C. Section 1321) or listed pursuant to Section 307 of the Clean Water Act (33 U.S.C. Section 1317); (7) defined as a "hazardous substance" pursuant to the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq. (42 U.S.C. Section 6903) or its implementing regulations; (8) defined as a hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601 et seq. (42 U.S.C. Section 9601); or (9) determined by California, federal or local government authority to be capable of posing a risk of injury to health safety or property.

[§306.2] **Materiality**.

The Borrower acknowledges and agrees that the defense, indemnification, protection, and hold harmless obligations of the Borrower for the benefit of the City set forth in this Agreement are a material element of the consideration to the City for the performance of its obligations under this Agreement and that the City would not have entered this Agreement unless the Borrower's obligations were as provided for herein.

[§400] MANAGEMENT AND MAINTENANCE OF THE PROJECT

[§401] **Use of the Site.**

The Borrower covenants and agrees that the Borrower shall for itself, its successors, its assigns, and every successor in interest devote the Site to an affordable PSH project as identified herein, in accordance with the terms of the Affordability Agreement and this Agreement for the periods of time specified therein. The foregoing covenant shall run with the land.

[§402] **Maintenance of the Site.**

Borrower shall keep the Site in good condition, order, and repair and shall not commit waste or permit impairment, demolition or deterioration of the Site; shall comply with all applicable state and federal regulations addressing the physical condition of the Site and buildings located on the Site and all applicable standards of the City, including, but not limited to, selection of tenants, recertification of income and household size, evictions, collection of rents, routine and extraordinary repairs, and replacement of capital items. Borrower must maintain or cause to be maintained the Project, including the Housing Units, and common areas, in a safe and sanitary manner in accordance with local health, building, and housing codes, California Health and Safety Code 17920.10, and the applicable provisions of 24 CFR Part 35, building standards, planning regulations, and utilities code; shall complete or restore promptly and in good and workman-like manner any building which may be constructed, damaged or destroyed and to pay when due all claims for labor performed and materials furnished; shall maintain the buildings in a habitable condition; and do all other acts which from the character or use of the Site may be reasonably necessary. City shall have the right to inspect the Site during normal business hours at all times prior to the occupancy of the Project, after occupancy, Borrower and the occupant shall be given at least 72 hours written notice prior to any such inspection, except in the case of an emergency.

[§403] <u>Contracting With Management Agent</u>.

Borrower may contract or permit contracting with a management agent for the performance of the services or duties required in Section 402 or Section 405, subject to the City's prior written approval of both the management agent and, at the City's discretion, the management contract between Borrower and the management agent, *provided, however,* that the arrangement will not relieve Borrower of responsibility for performance of those duties. Any management contract must contain a provision allowing Borrower to terminate the contract for cause without penalty upon 30 days' notice.

[§404] <u>Borrower Management</u>.

The City will provide written notice to Borrower of any determination that Borrower has failed to operate and manage the Project in accordance with this Agreement, in which case, the City may require Borrower to contract or cause contracting with a management agent, or replace any management agent, to operate the Project, or to make other arrangements the City deems necessary to ensure performance of the functions required in Section 402 or Section 405.

[§405] <u>Obligation for Tenant Supportive Services</u>.

The Borrower agrees to contract directly with another agency, organization or other qualified entity, approved in writing by the City, for ongoing tenant supportive services, which may include but are not limited to: healthcare access and services, mental health care access and services, employment training and search services, benefit acquisition assistance, substance abuse counseling and treatment, and other social services required by tenants and as required in the HCD Homekey Regulatory Agreement, Affordability Agreement or in any other applicable documents.

[§406] <u>Obligation to Refrain from Discrimination</u>.

The Borrower covenants and agrees for itself, its successors, its assigns, and every successor in interest to the Site, or any part thereof, that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, source of income, age, marital status, physical or mental handicap, medical condition, ancestry, or national origin in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Site, nor shall the Borrower itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the Site. The foregoing covenants shall run with the land and shall remain in effect in perpetuity.

[§407] <u>Form of Nondiscrimination and Non-Segregation Clause</u>.

The Borrower shall refrain from restricting the rental, sale or lease of the Site on the basis of race, color, creed, religion, sex, sexual orientation, source of income, age, marital status, physical or mental handicap, medical condition, ancestry, or national origin of any person. All such deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or non-segregation clauses. City understands that the wording of certain services agreements is not within the control of Borrower, and to such extent that Borrower does not have control of the wording, then Borrower is excused from complying with this section.

[§407.1] **<u>In deeds</u>**.

"The grantee herein covenants by and for himself, his heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee himself, or any person claiming under or through him, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

[§407.2] **<u>In leases</u>**.

"The lessee herein covenants by and for himself, his heirs, executors, administrators, and assigns, and all persons claiming under or through him, and this lease is made and accepted upon and subject to the following conditions:

"That there shall be no discrimination against or segregation of any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the land herein leased, nor shall the lessee himself, or any person claiming under or through him, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants or vendees in the land herein leased.""

[§407.3] **<u>In contracts</u>**.

"There shall be no discrimination against or segregation of any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee himself, or any person claiming under or through him, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the land."

[§408] **<u>Rights of Access</u>.**

For the purposes of assuring compliance with this Agreement, representatives of the City shall have the reasonable right of access to the Site without charges or fees for the purpose of inspection of the Site as to maintenance of the improvements thereon. Such representatives of the City shall be those who are so identified in writing by the City Manager of the City, or his/her designee.

[§409] <u>Effect and Duration of Covenants</u>.

The covenants contained in Sections 401 and 402 of this Agreement shall remain in effect for 55 years commencing with the date the Affordability Agreement is recorded on the Site. The covenants against discrimination contained in Sections 406 and 407 of this Agreement shall remain in effect in perpetuity. The covenants established in this Agreement shall, without regard to technical classification and designation, be binding on the part of the Borrower and any successors and assigns to the Site or any part thereof, and the tenants, lessees, sublessees, and occupants of the Site, for the benefit of and in favor of the City, and any successor in interest thereto.

[§410] <u>Project Monitoring, Reports, Books, and Records</u>.

Borrower understands and agrees that it will be monitored by the City from time to time to assure compliance with all terms and conditions in this Agreement and all laws that are applicable to the Project. Borrower acknowledges that the City may also conduct periodic on-site inspections of the Project. Borrower must cooperate with the monitoring by the City and ensure full access to the Project and all information related to the Project as reasonably required by the City.

Borrower must keep and maintain books, records, and other documents relating to the receipt and use of all City Loan funds, including all documents evidencing any Project Income and Project Expenses. Borrower must maintain records of all income, expenditures, assets, liabilities, contracts, operations, tenant eligibility, and condition of the Project. All financial reports must be prepared and maintained in accordance with Generally Accepted Accounting Principles (GAAP) as in effect at the time of performance.

For the period up until the completion of construction, Borrower must provide written notice of the replacement of its Project Manager or any equivalent position within 30 days after the effective date of such replacement.

[§411] <u>Bi-Monthly Reporting</u>.

Borrower must submit, every eight weeks, until all of the loan funds have been disbursed to Borrower, bi-monthly reports (the "Bi-Monthly Project Update") describing progress toward developing the Project with respect to obtaining necessary approvals from other City departments, consultants, and contractors, changes in scope, cost or schedule, financial documentation of the loan funds spent to date, and significant milestones achieved in the past month and expected to be achieved in the coming month. The Bi-Monthly Project Update must be submitted by email.

[§412] <u>Annual Reporting</u>.

Borrower must file with the City annual report forms (the "Annual Monitoring Report") that include audited financial statements with an income and expense statement for the Project covering the applicable reporting period, line-item statements of Project Expenses, Project Income, Project Fees (if any), evidence of required insurance, and rent roll, no later than 120 days after the end of City's fiscal year. Notwithstanding anything to the contrary contained herein, to the extent that the definitions in this Section 412 conflict with the definitions in the Note, the definitions in the Note shall control.

[§412.1] Borrower must deliver to City copies of any operating and financial reports provided to other lenders for the Project promptly after submittal to such other lenders.

[§412.2] "Project Expenses" means the following costs, which may be paid from Project Income (as defined in Section 412.4) in the following order of priority to the extent of available Project Income: (a) all charges incurred in the operation of the Project for utilities, real estate taxes and assessments, and premiums for insurance required under this Agreement or by other lenders providing secured financing for the Project; (b) salaries, wages, and any other compensation due and payable to the employees or agents of Borrower employed in connection with the Project, including all related withholding taxes, insurance premiums, Social Security payments, and other payroll taxes or payments; (c) required payments of interest and principal, if any, on any junior or senior financing secured by the Site and used to finance the Project that has been approved by the City; (d) all other expenses actually incurred to cover operating costs of the Project, including maintenance and repairs, the fee of any managing agent, and any supportive services fees paid to the supportive service provider; and (e) any extraordinary expenses approved in advance by the City. Project Fees are not Project Expenses.

[§412.3] "Project Fees" means developer fees and entitlement, building, and other relevant and required permit fees due to the City or other authorized jurisdiction.

[§412.4] "Project Income" means all income and receipts in any form received by Borrower from the operation of the Project, including rents, fees, deposits (other than tenant security deposits), any accrued interest disbursed from any reserve account for a purpose other than that for which the reserve account was established, reimbursements, and other charges paid to Borrower in connection with the Project. Interest accruing on any portion of the Funding Amount is not Project Income.

[§413] <u>Project Completion Report</u>.

Within the specific time periods set forth below after the completion of construction, lease-up, or permanent financing of the Project, as applicable, Borrower must provide to the City the reports listed below certified by Borrower to be complete and accurate. Subsequent to the required submission of the reports listed below, Borrower shall provide to the City information or documents reasonably requested by the City to assist in the City's review and analysis of the submitted reports:

a. Within 120 days after completion of the Development Work, a draft project completion audit: identifying the sources and uses of all funds used for the Project including the City Loan;

b. Within 60 days after 75 percent occupancy, and 100 percent occupancy, respectively, a report on the lease-up of the Housing Units including number of leases by race, ethnicity, and single-headed household by gender, also indicating the Housing Units by income category. If these occupancy milestones occur within 60 days of each other, Borrower may submit one report.

[§414] Response to Inquiries.

At the request of the City, its agents, employees or attorneys, Borrower must respond promptly and specifically to questions relating to the income, expenditures, assets, liabilities, contracts, operations, and condition of the Project, the status of any mortgage encumbering the Project, and any other requested information with respect to Borrower or the Project.

[§500] DEFAULTS AND REMEDIES

[§501] Defaults.

Subject to the extensions of time set forth in Section 604, failure or delay by either party to perform any term or provision of this Agreement constitutes a default under this Agreement. The non-defaulting party shall notify the defaulting party that a default exists and that the defaulting party must cure same within 30 days of receipt of the notice of default, or if a cure cannot be effected within such time, the non-defaulting party must commence the cure within 30 days of receipt of the notice of default and proceed to prosecute diligently said cure within a reasonable time. The party who so fails or delays must immediately commence to cure, correct or remedy such failure or delay, and shall complete such cure, correction or remedy with reasonable diligence and during any period of curing shall not be in default.

[§502] Legal Actions.

In addition to any other rights or remedies, and except as otherwise expressly set forth herein, either party may institute legal action to cure, correct or remedy any default, to recover damages for any default or to obtain any other remedy consistent with the purpose of this Agreement. Such legal actions must be instituted in the Superior Court of the County of Solano, State of California, or in any other appropriate court in that county.

The non-defaulting party may also, at its option, cure the breach and sue in any court of proper jurisdiction to collect the reasonable costs incurred by virtue of curing or correcting the defaulting party's breach. Further, the non-defaulting party may file legal action to require the defaulting party specifically to perform the terms and conditions of this Agreement.

[§503] Applicable Law.

The laws of the State of California shall govern the interpretation and enforcement of this Agreement.

[§504] <u>Acceptance of Service of Process</u>.

In the event that any legal action is commenced by the Borrower against the City, service of process on the City shall be made by personal service upon the City Clerk of the City or in such other manner as may be provided by law.

In the event that any legal action is commenced by the City against the Borrower, service of process on the Borrower shall be made by personal service upon the individual named as Borrower's agent for service of process with the California Secretary of State, or in such other manner as may be provided by law and shall be valid whether made within or without the State of California.

[§505] <u>Rights and Remedies Are Cumulative</u>.

Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by any party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or at different times, of any other rights or remedies for the same default or any other default by the other party.

[§506] <u>Damages</u>.

If the Borrower or the City defaults with regard to any of the provisions of this Agreement, and the default is not cured or commenced to be cured by the defaulting party in accordance with the requirements of Section 501, subject to Section 304 hereof, the defaulting party shall be liable to the other party for any damages caused by such default.

[§507] <u>Specific Performance</u>.

If the Borrower or the City defaults under any of the provisions of this Agreement, and the default is not cured or commenced to be cured by the defaulting party in accordance with the requirements of Section 501, the non-defaulting party, at its option, may institute an action for specific performance of the terms of this Agreement.

[§508] <u>Remedies and Rights of Termination</u>.

[§508.1] <u>Termination by the Borrower</u>. Prior to the disbursement of the City Loan, in the event that the Borrower is unable to obtain financing for the development of the Site pursuant to this Agreement then this Agreement may, at the option of the Borrower, be terminated by written notice thereof to the City. Upon termination pursuant to this Section 508.1, neither the City nor the Borrower shall have any further rights against or liability to the other under this Agreement.

[§508.2] <u>Termination by the City</u>.

a. The City may terminate this Agreement by written notice to the Borrower upon the following events:

i. The Borrower transfers or assigns or attempts to transfer or assign this Agreement or any rights herein or in the Site or the buildings or improvements thereon in violation of this Agreement; or

ii. The Borrower sells or otherwise transfers ownership of the Project and/or the Site to a third party without the prior written consent of the City; or

iii. There is any significant change in the ownership or identity of the Borrower or the parties in control of the Borrower contrary to the provisions of Section 302 hereof; or

iv. Borrower has not received commitments reasonably satisfactory to the City for the full project financing sources or substitute sources reasonably acceptable to the City; or

v. The Borrower fails to obtain any entitlements or conduct CEQA review or required permits that would allow for the lawful construction and development of the Project as identified herein and approved by the City; or

vi. The Borrower is in breach or default with respect to any other obligation of the Borrower under this Agreement or any other funding or regulatory agreement recorded against the Site (subject to any applicable notice and cure period).

b. In the event of any default under this Agreement by Borrower after execution by the Borrower of the City Note, City Deed of Trust, and the disbursement of the City Loan, then the Agreement may, at the option of the City, be terminated by written notice to the Borrower. In the event of such termination, the City's rights and remedies shall be as set forth in the City Note and City Deed of Trust.

[§600] GENERAL PROVISIONS

[§601] <u>Conflicts of Interest</u>.

No member, official or employee of the City shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official or employee participate in any decision relating to this Agreement which affects his personal interests or the interests of any corporation, partnership or association in which he is directly or indirectly interested.

The Borrower warrants that it has not paid or given, and will not pay or give, any third party any money or other consideration for obtaining this Agreement.

[§602] <u>Nonliability of City and Borrower Officials and Employees</u>.

a. To the extent permitted by applicable law, no member, official or employee of the City shall be personally liable to the Borrower in the event of any default or breach by the City or for any amount which may become due to the Borrower or on any obligations under the terms of this Agreement.

b. To the extent permitted by applicable law, no member, board member, official or employee of the Borrower shall be personally liable to the City in the event of any default or breach by the Borrower or for any amount which may become due to the City or on any obligations under the terms of this Agreement.

[§603] Notices, Demands, and Communications Between the Parties.

Any notice required or permitted to be delivered hereunder shall be in writing and shall be deemed received upon personal delivery or upon delivery by facsimile to the party to whom the notice is directed or, if sent by mail, three business days following its deposit in the United States mail, postage prepaid, certified mail, return receipt requested, or, if sent by overnight air courier, on the next business day following dispatch, and in any of such events addressed to City or Borrower, as the case may be, at the addresses set forth below (or such other address as a party may specify by notice given pursuant to this Section 603):

Borrower: Firm Foundation Community Housing
1035 B St. Unit B
Hayward, CA 94541
Attn: Executive Director

City: City of Vallejo
555 Santa Clara Street
Vallejo, CA 94590
Attn.: City Manager

With a copy to:

City Attorney of the City of Vallejo
555 Santa Clara Street, 3rd Floor
Vallejo, CA 94590

[§604] Enforced Delay.

In addition to the specific provisions of this Agreement, performance by any party hereunder shall not be deemed to be in default where delays or defaults are due to war; insurrection; strikes; lockouts; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation; governmental restrictions or priority; litigation; or unusually severe weather.

[§605] Relationship Between City and Borrower.

It is hereby acknowledged that the relationship between the City and the Borrower is not that of a partnership or joint venture and that the City and the Borrower shall not be deemed or construed for any purpose to be the agent of the other. Accordingly, except as expressly provided herein or in the Attachments hereto, the City shall have no rights, powers, duties or obligations with respect to the development, operation, maintenance or management of the Project. The

Borrower agrees to indemnify, hold harmless, and defend the City from any claim made against the City arising from a claimed relationship of partnership or joint venture between the City and the Borrower with respect to the development, operation, maintenance or management of the Site or the Project.

[§606] <u>City Approvals and Actions</u>.

Whenever a reference is made herein to an action or approval to be undertaken by the City, the City Manager or his or her designee is authorized to act on behalf of the City unless specifically provided otherwise or the context should require otherwise.

[§607] <u>Counterparts</u>.

This Agreement may be signed in multiple counterparts which, when signed by all parties, shall constitute a binding agreement. This Agreement is executed in two originals, each of which is deemed to be an original.

[§608] <u>Integration</u>.

This Agreement comprises pages 1 through 21, inclusive, and Attachments 1 through 5, and contains the entire understanding between the parties relating to the transaction contemplated by this Agreement. Any prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged in this Agreement and shall be of no further force or effect. Each party is entering this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material. This Agreement constitutes the entire understanding and agreement of the parties, notwithstanding any previous negotiations or agreements between the parties or their predecessors in interest with respect to all or any part of the subject matter hereof.

[§609] <u>Titles and Captions</u>.

Titles and captions are for convenience of reference only and do not define, describe or limit the scope or the intent of this Agreement or of any of its terms. References to section numbers are to sections in this Agreement, unless expressly stated otherwise.

[§610] <u>Interpretation</u>.

As used in this Agreement, masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others where and when the context so dictates. The word "including" shall be construed as if followed by the words "without limitation." This Agreement shall be interpreted as though prepared jointly by both parties.

[§611] <u>No Waiver</u>.

A waiver by either party of a breach of any of the covenants, conditions or agreements under this Agreement to be performed by the other party must be in writing and signed by the appropriate authorities of the City and Borrower and shall not be construed as a waiver of any succeeding breach of the same or other covenants, agreements, restrictions or conditions of this Agreement.

[§612] Modifications.

Any alteration, change or modification of or to this Agreement, in order to become effective, shall be made in writing and in each instance signed on behalf of each party.

[§613] Severability.

If any term, provision, condition or covenant of this Agreement or its application to any party or circumstances shall be held, to any extent, invalid or unenforceable, the remainder of this Agreement, or the application of the term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected, and shall be valid and enforceable to the fullest extent permitted by law.

[§614] Computation of Time.

The time in which any act is to be done under this Agreement is computed by excluding the first day (such as the day escrow opens), and including the last day, unless the last day is a holiday or Saturday or Sunday, and then that day is also excluded. If any act is to be done by a particular time during a day, that time shall be Pacific Time Zone time.

[§615] Legal Advice.

Each party represents and warrants to the other the following: They have carefully read this Agreement, and in signing this Agreement, they do so with full knowledge of any right which they may have; they have received independent legal advice from their respective legal counsel as to the matters set forth in this Agreement, or have knowingly chosen not to consult legal counsel as to the matters set forth in this Agreement, and they have freely signed this Agreement without any reliance upon any agreement, promise, statement or representation by or on behalf of the other party, or their respective agents, employees, or attorneys, except as specifically set forth in this Agreement, and without duress or coercion, whether economic or otherwise.

[§616] Time of Essence.

Time is expressly made of the essence with respect to the performance by the City and the Borrower of each and every obligation and condition of this Agreement.

[§617] Cooperation.

Each party agrees to cooperate with the other in this transaction and, in that regard, to sign any and all documents which may be reasonably necessary, helpful, or appropriate to carry out the purposes and intent of this Agreement including, but not limited to, releases or additional agreements.

[§618] Governing Law.

This Agreement, and the rights and obligations of the parties, shall be governed and interpreted in accordance with the laws of the State of California. Should litigation occur, venue shall be in Superior Court of Solano County.

[§700] TIME FOR ACCEPTANCE OF AGREEMENT BY CITY

This Agreement, when executed by the Borrower and delivered to the City, must be authorized, executed, and delivered by the City within 30 days after the date of signature by the Borrower or this Agreement shall be void, except to the extent that the Borrower and the City may consent in writing to further extensions of time for the authorization, execution, and delivery of this Agreement. The effective date of this Agreement shall be the date when this Agreement has been signed by the City.

[SIGNATURE BLOCK ON NEXT PAGE]

FIRM FOUNDATION COMMUNITY HOUSING, a California public benefit corporation

By: ________________________
Taryn Sandulyak
Executive Director

DATE: ____________________

(City Seal)

CITY OF VALLEJO,
a municipal corporation

By: ________________________
Andrew Murray
City Manager

DATE: ____________________

ATTEST:

By: ________________________
Dawn Abrahamson
City Clerk

APPROVED AS TO CONTENT:

____
Gillian Hayes
Assistant City Manager

APPROVED AS TO FORM:

____
Veronica A. F. Nebb
City Attorney

ACKNOWLEDGMENT

State of California

County of____________________

On _____________________ before me, ____,
(here insert name and title of the officer)
personally appeared _______________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature________________________________

ACKNOWLEDGMENT

State of California

County of____________________

On _____________________ before me, ____,
(here insert name and title of the officer)
personally appeared _______________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature________________________________

ATTACHMENT NO. 1

MAP OF THE SITE

ATTACHMENT NO. 2

LEGAL DESCRIPTION OF THE SITE

APN: 0067-140-150

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF VALLEJO, COUNTY OF SOLANO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

Parcel "B" as shown on that certain Parcel Map entitled: "Parcel Map, Portion of Sec. 36, T.4.N., R4W. M.D.B.&M., City of Vallejo, Solano County, California", filed for record in the office of the County Recorder of Solano County, on August 24, 1982 in Book 23 of Parcel Maps, at Page 79.

EXCEPTING THEREFROM a life estate as to an undivided one fifth (1/5) right, title, and interest in and to all mineral rights and all minerals of every kind and nature beneath the above-described land as granted in the Deed from Henry A. Mini, et al, to Virginia C. Mini, dated November 5, 1954, recorded January 14, 1955, in Book 748 of Official Records, at Page 313, Instrument No. 678.

CITY NOTE
(Broadway Street Project)

Principal Sum Not to Exceed ______________, 2024
$2,879,665.00 Vallejo, California

FOR VALUE RECEIVED, FIRM FOUNDATION COMMUNITY HOUSING, a California public benefit corporation (the "Maker" or "Borrower"), having an address at 1035 B Street, Hayward, CA 94541, promises to pay THE CITY OF VALLEJO ("Payee" or "City"), the principal sum not to exceed TWO MILLION EIGHT HUNDRED SEVENTY-NINE THOUSAND SIX HUNDRED SIXTY-FIVE DOLLARS ($2,879,665), or so much of such principal as may be advanced, with interest at the rate of three percent (3%) per annum. Interest shall be simple interest only.

1. Purpose. This Note is made and delivered pursuant to and in implementation of that certain Loan Agreement entered into between City and Borrower, dated September 25, 2024 (the "Loan Agreement"), which provides for construction by the Maker of the " Project" described in Section 3 below.

2. Security. Payment of this Note shall be secured by a deed of trust and assignment of rents (the "City Deed of Trust"), from Maker to Payee, which City Deed of Trust shall be executed and recorded against the Site.

3. Housing Project. Maker will construct a 47-unit permanent supportive housing community, plus one manager's unit, on the Site (the "Project"). The 48 units that are contained in the Project are referred to herein as the "Housing Units." The Project shall be maintained and operated in accordance with that certain Affordability Agreement by and between City and Borrower, dated September 25, 2024, and recorded concurrently with the City Deed of Trust.

4. Maturity Date. This Note shall be due and payable in full at the earlier of (i) sale or transfer of the Project by Borrower (except as otherwise permitted under the Loan Agreement); or (ii) 55 years after the date the Project obtains its final certificate of occupancy (the "Maturity Date").

5. Payment Location. Payment shall be made in lawful money of the United States to Payee in care of the City of Vallejo Finance Department, 555 Santa Clara Street, Vallejo, CA 94590. The place of payment may be changed from time to time as the Payee may from time to time designate in writing.

6. Default. The occurrence of any of the following shall constitute an event of default under this Note:

a. Maker fails to pay any amount due hereunder within 30 days of its due date; or

b. Any default by Maker under this Note, the City Deed of Trust, the Loan Agreement or the Affordability Agreement recorded against the Site after the expiration of all applicable cure periods; or

c. Any default by Maker under any other obligation of Maker recorded against the Site after the expiration of all applicable cure periods; or

Maker shall not be considered in default under this Note until the expiration of all notice and cure periods provided to Maker.

Upon the occurrence of any uncured event of default, or at any time thereafter, at the option of the Payee hereof, the entire unpaid principal and interest owing on this Note shall become immediately due and payable. This option may be exercised at any time following any such event, and the acceptance of one or more installments thereafter shall not constitute a waiver of Payee's option. Payee's failure to exercise such option shall not constitute a waiver of such option with respect to any subsequent event. Payee's failure in the exercise of any other right or remedy hereunder or under any agreement which secures the indebtedness or is related thereto shall not affect any right or remedy and no single or partial exercise of any such right or remedy shall preclude any further exercise thereof.

7. Default Interest Rate. At all times when Maker is in default hereunder by reason of Maker's failure to pay principal due under this Note within applicable cure periods, the interest rate on the sums as to which Maker is in default (including principal, if Payee has elected to declare it immediately due and payable), shall be the highest rate then allowed by law as of the date of the default, or ten percent, whichever is lower.

8. Waivers. Maker and any endorsers hereof and all others who may become liable for all or any part of this obligation, severally waive presentment for payment, demand and protest, and notice of protest, and of dishonor and nonpayment of this Note, and expressly consent to any extension of the time of payment hereof or of any installment hereof, to the release of any party liable for this obligation, and any such extension or release may be made without notice to any of said parties and without any way affecting or discharging this liability.

9. Costs. Maker agrees to pay immediately upon demand all costs and expenses of Payee including reasonable attorneys' fees:

a. If after default and the expiration of all notice and cure periods this Note is placed in the hands of an attorney or attorneys for collection,

b. If after a default hereunder or under the City Deed of Trust or Loan Agreement and after the expiration of all notice and cure periods Payee finds it necessary or desirable to secure the services or advice of one or more attorneys with regard to collection of this Note against Maker, any guarantor or any other party liable therefor or to the protection of its rights under this Note, the City Deed of Trust, the Loan Agreement or other loan document, financing document, or regulatory agreement executed in connection with this Project, or

c. If Payee seeks to have the Site abandoned by or reclaimed from any estate in bankruptcy or attempts to have any stay or injunction prohibiting the enforcement or collection of this Note or prohibiting the enforcement of the City Deed of Trust or any other agreement evidencing or securing this Note lifted by any bankruptcy or other court.

If Payee shall be made a party to or shall reasonably intervene in any action or proceeding, whether in court or before any governmental entity, affecting the Site or the title thereto or the interest of the Payee under the City Deed of Trust, including, without limitation, any form of condemnation or eminent domain proceeding, Payee shall be reimbursed by Maker immediately upon demand for all costs, charges, and reasonable attorneys' fees incurred by Payee in any such case, and the same shall be secured by the City Deed of Trust as a further charge and lien upon the Site.

10. Notices. Any notices provided for in this City Note shall be given by mailing such notice by certified mail, return receipt requested at the addresses listed below or at such address as either party may designate by written notice.

If to City:

City of Vallejo
555 Santa Clara Street
Vallejo, CA 94590
Attn.: City Manager

With a copy to:

City Attorney of the City of Vallejo
555 Santa Clara Street, 3rd Floor
Vallejo, CA 94590

If to Maker:

Firm Foundation Community Housing
2845 Castro Valley Blvd.
Castro Valley, CA 94546
Attn: Senior Project Manager

11. Successors. This Note shall be binding upon Maker, its successors, and assigns.

12. California Law. This Note shall be construed in accordance with and be governed by the laws of the State of California.

13. Severability. If any provision of this City Note shall be invalid, illegal or unenforceable, the validity, legality, and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

(SIGNATURES ON THE FOLLOWING PAGE)

FIRM FOUNDATION COMMUNITY HOUSING, INC.
a California non-profit public benefit corporation

By:

By: ______________________________________

By: ______________________________________

Escrow No.:

RECORDING REQUESTED BY
City of Vallejo

When Recorded, Mail Document to:
City of Vallejo
555 Santa Clara Street
Vallejo, CA 94590

EXEMPT FROM RECORDING FEES
PURSUANT TO GOV. CODE § 227383

(Space above this line for Recorder's use only)

APN: **0067-140-150**

DEED OF TRUST

THIS DEED OF TRUST ("**Security Instrument**") is made on ___________, 2024. The Trustor is Firm Foundation Community Housing, a California public benefit corporation ("**Borrower**"). The Trustee is **North American Title Company**. The Beneficiary is the **City of Vallejo**, which is organized and existing under the laws of California, and whose address is 555 Santa Clara Street, Vallejo, CA 94590 ("**Lender**").

Borrower owes Lender the principal sum of Two Million Eight Hundred Seventy-Nine Thousand Six Hundred Sixty-Five Dollars and Zero Cents (**$2,879,665.00**). This debt is evidenced by Borrower's Promissory Note dated the same date as this Security Instrument ("**Note**"), which provides for deferred monthly payments, with the full debt, if not paid earlier, due and payable **55** years from the date of this Security Instrument. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions, and modifications; (b) the payment of all other sums, with interest advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale the following described property located in Solano County, California:

See Exhibit "A"

APN #: 0067-140-150

which has the address of **2441 Broadway Street, Vallejo, CA, 94589**

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock, and all fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "**Property**."

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. **Payment of Principal and Interest Prepayment and Late Charges**. Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and prepayment and late charges due under the Note.

2. **Charges; Liens**. Borrower shall pay when due all taxes, assessments, charges, and liens attributable to the Property, which may attain priority over this Security Instrument, excepting that nothing contained herein shall be deemed to prohibit Borrower from contesting the validity of or amounts of any tax, assessment, charge, or lien, nor to limit the remedies available to Borrower in respect thereto; provided, however, that prior to commencing any such contest, Lender, in its reasonable discretion, may require Borrower to post bond in an amount sufficient to cover the tax, assessment, charge, or lien, or such portion thereof, to be contested and shall thereafter proceed in good faith to contest the validity or amount of such tax, assessment, charge, or lien.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the Property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within ten days of the giving of notice.

3. **Hazard Insurance**. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term “extended coverage," and any other hazards for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower and subject to Lender's approval, which shall not be unreasonably withheld.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

4. **Preservation and Maintenance of Property; Leaseholds**. Borrower shall not destroy, damage, or substantially change the Property, or allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

5. **Protection of Lender's Rights in the Property; Mortgage Insurance**. If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation, or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien, which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 5, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 5 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

6. **Inspection.** Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

7. **Condemnation**. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower.

If the Property is abandoned by Borrower, or if after notice by Lender to Borrower that the condemner offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

8. **Borrower Not Released**: **Forbearance by Lender Not a Waiver**. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to

commence proceedings against any successor in interest or extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

9. **Successors and Assigns Bound; Joint and Several Liability; Co-signers**. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of Paragraph 15. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant, and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear, or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

10. **Loan Charges.** If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit, and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

11. **Legislation Affecting Lender's Rights**. If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Security instrument unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by paragraph 19. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 15.

12. **Notices**. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the address in Section 603 of the Loan Document, or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

13. **Governing Law; Severability**. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

14. **Borrower's Copy**. Borrower shall be given one conformed copy of the Note and of this Security Instrument.

15. **Transfer of the Property a Beneficial Interest in Borrower**. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, Lender shall not exercise this option if federal law as of the date of this Security Instrument prohibits exercise.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period. Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

16. **Borrower's Right to Reinstate**. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) five days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument, or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note had no acceleration occurred, (b) cures any default of any other covenants or agreements, (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys· fees, and (d) takes such action as Lender may reasonably require to ensure that the lien of this Security Instrument, Lender's rights in the Property, and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraphs 11 or 15.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

17. **Acceleration; Remedies**. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraphs 11 and 15 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 17 including but not limited to reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender shall execute or cause Trustee to execute a written notice of the occurrence of an event of default and of Lender's election to cause the Property to be sold. Trustee shall cause this notice to be recorded in each county in which any part of the Property is located. Lender or Trustee shall mail copies of the notice as prescribed by applicable law to Borrower and to the other persons prescribed by applicable law. Trustee shall give public notice of sale to the persons and in the manner prescribed by applicable law. After the time required by applicable law, Trustee. without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

18. **Lender in Possession**. Upon acceleration under paragraph 19 or abandonment of the Property, Lender (in person. by agent. or by judicially appointed receiver) shall be entitled to enter upon, take possession of, and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to: receiver's fees, premiums on receiver's bonds, and reasonable attorneys' fees, and then to the sums secured by this Security Instrument.

19. **Reconveyance**. Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty and without charge to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs.

20. **Substitute Trustee**. Lender, at its option, may from time to time appoint a successor trustee to any Trustee appointed hereunder by an instrument executed and acknowledged by Lender and recorded in the office of the Recorder of the county in which the Property is located. The instrument shall contain the name of the original Lender, Trustee, and Borrower, the book and page where this Security Instrument is recorded and the name and address of the successor trustee. Without conveyance of the Property, the successor trustee shall succeed to all the title, powers. and duties conferred upon the Trustee herein and by applicable law. This procedure for substitution of trustee shall govern to the exclusion of all other provisions for substitution.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

FIRM FOUNDATION COMMUNITY HOUSING, BORROWER

____
By: Taryn Sandulyak, Executive Director

(Space Below This Line for Acknowledgment)

EXHIBIT A

Legal Description

APN: 0067-140-150

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF VALLEJO, COUNTY OF SOLANO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

Parcel "B" as shown on that certain Parcel Map entitled: "Parcel Map, Portion of Sec. 36, T.4.N., R4W. M.D.B.&M., City of Vallejo, Solano County, California", filed for record in the office of the County Recorder of Solano County, on August 24, 1982 in Book 23 of Parcel Maps, at Page 79.

EXCEPTING THEREFROM a life estate as to an undivided one fifth (1/5) right, title, and interest in and to all mineral rights and all minerals of every kind and nature beneath the above-described land as granted in the Deed from Henry A. Mini, et al, to Virginia C. Mini, dated November 5, 1954, recorded January 14, 1955, in Book 748 of Official Records, at Page 313, Instrument No. 678.

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

City of Vallejo
555 Santa Clara Street
Vallejo, CA 94590
Attn.: City Clerk

APN: 0067-140-150

AFFORDABILITY AGREEMENT

This Agreement dated ____________, 2024, is between the CITY OF VALLEJO, a municipal corporation (the "City"), and FIRM FOUNDATION COMMUNITY HOUSING, a California nonprofit public benefit corporation ("Borrower").

RECITALS

A. Pursuant to the Loan Agreement between the City and Borrower executed concurrently herewith (the "Loan Agreement"), the City has made a loan to Borrower for the purpose of developing and constructing housing on the certain real property as described in Exhibit A attached hereto and incorporated herein by reference (the "Site") for the purpose of providing 47 units plus one unrestricted manager's unit (the "Housing Units") to be available at an affordable rent to persons and families of extremely low income levels (the "Project"). Under the Loan Agreement, the City has provided Borrower with a loan in the amount of TWO MILLION EIGHT HUNDRED SEVENTY-NINE THOUSAND SIX HUNDRED SIXTY-FIVE DOLLARS ($2,879,665), (the "City Loan"). Borrower has executed a promissory note for the City Loan (the "City Note"), and a deed of trust recorded against the Site (the "City Deed of Trust").

B. Pursuant to the Loan Agreement, in the event of any default under this Affordability Agreement and following the expiration of all applicable notice and cure periods, Borrower agrees to repay City all amounts owing under the City Note and the City Deed of Trust recorded against the Site.

C. The City and Borrower desire by the execution of this Agreement to assure the affordability covenant to last for a minimum of 55 years, following the date of recordation of this Affordability Agreement (the "Term").

NOW THEREFORE, the parties acknowledge and agree as follows:

1. SITE. Owner represents and warrants that it holds the fee title interest in that certain parcel of real property commonly known as 2441 Broadway Street in Vallejo, California (APN: 0067-140-150) as more particularly described in Exhibit A.

2. USE OF THE SITE. Owner hereby covenants and agrees, for itself, its lessees, successors, and assigns, that Owner shall not use the Site other than for the operation of a permanent supportive housing project including 47 affordable supportive rental housing units and one manager's unit, in compliance with all of the following:

a. Development. Owner shall diligently construct a supportive housing project consisting of 47 rental units and one manager's unit for a total of 48 units on the Site (the "Project"). Pursuant to the conditions of the Site Development Permit SD22-0022, approved by the City on August 22, 2022, Owner has agreed to restrict 47 of the Units in the Project for occupancy by Extremely Low Income Households, as defined below, collectively the "Restricted Units." All of the supportive housing units within the Project shall be collectively referred to in this Agreement as the "**Units**."

b. Restrictions on Use. Owner understands that the Project as approved includes, among other things, a density bonus and application of reduced development standards under State Density Bonus Law, permitting the reduction of the minimum rear setback, ground floor heights, and area of solid waste room space otherwise required and the elimination of the private open space, street tree, and long-term bicycle parking requirements, and that said entitlements were based upon the proposed use constituting a Subsidized/Assisted (affordable) Supportive Housing project. Owner understands and agrees that the use of the Site is specifically restricted for use as a Subsidized/Assisted Supportive Housing project and that any new or different use, including housing which does not constitute Subsidized/Assisted Supportive Housing, would require new entitlements. The provisions of this section 2.b. shall run with the land as a use covenant and shall survive termination of this Affordable Housing Agreement.

c. Income and Rent Restrictions. Upon completion of construction, Owner shall operate the Project as a "Permanent Affordable Supportive Housing Project" with the required number of Units, as set forth herein, for rental to Extremely Low Income Households in accordance with the following criteria:

(1) General. The term "Permanent Affordable Supportive Housing Project" as set forth herein, means a residential rental project in which the identified number of units is consistent with the occupancy restrictions set forth below. The Restricted Units will be occupied or held for occupancy as follows:

(i) 47 Restricted Units will be occupied or held for occupancy by Extremely Low Income Households. An "Extremely Low Income Household" is one whose income is at or below 30% of the area median income as adjusted by household size appropriate for the Unit. Said Extremely Low Income Units shall be Rent Restricted for Very Low Income as set forth herein.

(2) As used herein, all references to "area median income" shall mean the median household income (adjusted for household size appropriate for the Unit and for other factors, such as area of high housing cost) of the Metropolitan Statistical Area in which Solano County is located, as annually estimated by the United States Department of Housing and Urban Development ("**HUD**") pursuant to Section 8 of the United States Housing Act of 1937 or as established in accordance with Section 50093 of the California Health and Safety Code.

(3) Rent-Restricted Units.

(i) An Extremely Low Income Unit is Rent Restricted for Extremely Low Income if the rent (as defined in Section 50106 of the California Health and Safety Code) for the Unit does not exceed thirty percent (30%) of area median income, adjusted by household size appropriate for the Unit.

(ii) For purposes of determining rent, the "household size appropriate for the Unit" shall be determined in accordance with Section 42(g)(2)(C) of the Internal Revenue Code.

(iii) For purposes of this Agreement, rent does not include any payment under Section 8 of the United States Housing Act of 1937 or any comparable federal rental assistance program (with respect to such Restricted Unit or occupants thereof) but does include any utility allowance determined by the Secretary of the Department of Housing and Urban Development after taking into account such determinations under Section 8 of the United States Housing Act.

(4) Tenants of the Restricted Units are not required to accept services from Owner for which charges will be made in excess of rent as a condition of tenancy.

d. Reporting Requirements. Owner shall certify under penalty of perjury to the City within sixty (60) days after January 1 of each year that during the preceding calendar year the requirements of section 2 of this Agreement have been met. Such certification shall be submitted in a form acceptable to the City. The income certification required by this section shall be supplied by each tenant in a Restricted Unit.

In order to provide the above certification, the Owner or its agent shall retain the following information:

(1) Total number, size, and affordability type of the Restricted Units.

(2) The number of persons living in each Restricted Unit.

(3) Rent charged for each Restricted Unit, by affordability type, including utility allowance.

(4) Any and all vacancies in the Restricted Units and information that shows when and to whom the next available Restricted Units were rented.

(5) Annual income certification for each tenant of a Restricted Unit; and

(6) Documentation to support income certification for each tenant in a Restricted Unit.

Such information shall be retained by Owner for at least six (6) years from the date of each annual verification. City may from time to time during the term of this Agreement reasonably request additional or different information be retained and Owner shall promptly comply with any such reasonable request. Upon request for examination by City, Owner, at any time during normal business hours, shall make available all of its records with respect to all matters covered by this Agreement. Owner shall permit City to audit, examine, copy and make excerpts or transcripts from these records.

e. Preservation and Maintenance of the Project. During the useful life of the Project, Owner shall maintain the Project at a high-quality level, and shall keep the Project in good condition, order and repair and shall not commit waste or permit impairment, demolition or deterioration of the Project, nor violation of City ordinance. City or its duly authorized representatives shall have the right to inspect the Project at all reasonable times, provided Owner and the occupants of the Units (subject to the express terms of the occupants' lease) to be inspected are given notice prior to any such inspection.

f. Management.

(1) City shall have the right to approve or disapprove of the proposed Owner's Management Agent, including any change of Owner's Management Agent. The Management Agreement with the Owner's Management Agent shall name the City as a third-party beneficiary permitting City the right to enforce such agreement. Owner shall submit a copy of such Management Agreement, and any subsequent amendments thereto, to the City. City shall have the right to approve or disapprove such agreement to the extent to ensure compliance of such agreement with the provisions of this Agreement and all other agreements recorded against the Project or the Site, including the requirement for high quality property management, on-going grounds and property maintenance, implementation, monitoring and compliance and adherence to the Management Plan.

(2) Owner and/or Owner's Management Agent shall prepare a Management Plan for the management of the Project, including each of the following minimum provisions, which shall be subject to the review and approval of the City:

(i) Rules and procedures for qualifying and screening tenants and filling vacancies. Said rules and procedures shall include anti-discrimination policies, waiting list policies, grievance process, eligibility certification process and unit transfer policies.

(ii) Measures to maintain security and crime prevention, including the provision of a licensed security guard ("Safety Ambassador") who shall be required to monitor the Site daily from 6 p.m. to 1 a.m., seven days a week, for a period of three months from the date the Site is occupied at 50% occupancy. From and after the end of the 3-month period, provided the average number of criminal incident reports reported by the Vallejo Police Department (excluding physical and mental wellness checks and EMT service calls), averages fewer than eight calls per month, the requirement to have a Safety Ambassador on the Site shall be terminated.

(iii) Rules of conduct for tenants, including provisions for: drug free property; anti violence against women and other tenants; anti-drug; smoking; storage and open space use; noise; alcohol in common areas, unlawful activities, annual inspections; parking; annual eligibility certification; and grounds for eviction. The rules of conduct related to parking must include that the vehicle be in good repair and operable, be legally registered to the tenant, and have a current registration sticker.

(iv) Process for handling tenant complaints/grievances.

(v) Provisions for maintenance of the Site, Project and the Units, including keeping the Site, Project and Units in good condition, order and repair, free of waste or deterioration and in full compliance with all City ordinances.

(vi) Provisions for ongoing communications between management and tenants, management and Owner, City and management and City and Owner.

(vii) Provisions for property management staffing, including daily on-site management of the Project.

(viii) A copy of the standard lease agreement.

A copy of the Management Plan shall be provided to City at least sixty (60) days prior to occupation of the Project and prior to the City approval of the Owner's Management Agent. Any proposed amendments or revisions to the Management Plan shall be provided to City promptly upon any such request for modification.

(3) Owner and/or Owner's Management Agent shall comply with all terms and conditions of the Project Financing and shall promptly notify City if there is any default or failure to make any payment of principal, interest or any fees owing on any debt affecting the Project, or upon any other default or failure to comply with any material terms of any financing or financing regulatory agreement affecting the Project. Owner and/or Owner's Management Agent shall promptly provide City with a copy of all notices received from any lender under any financing agreements or from any other party relating to the financing regulatory agreement(s).

(4) Notwithstanding City's approval of the Management Agent, Management Agreement and Management Plan, Owner shall at all times remain responsible for compliance with the requirements of the Management Agreement, the City's loans or funding agreements, if any, and this Agreement, with respect to the use, operation and maintenance of the Site.

3. NO DISCRIMINATION. The Project shall, at all times, comply with all Federal, State and local fair housing and civil rights laws and with all equal opportunity requirements. Owner covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, sexual preference, source of income, age, marital status, physical or mental handicap, medical condition, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Site, nor shall Owner itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the Site.

All deeds, leases or contracts made relating to the Site, the improvements thereon or any part thereof, shall contain or be subject to substantially the following nondiscrimination clauses:

a. **In deeds:** The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, source of income, age, marital status, physical or mental handicap, medical condition, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein conveyed. The foregoing covenants shall run with the land.

b. **In leases:** The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, source of income, age, marital status, physical or mental handicap, medical condition, national origin or ancestry in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the land herein leased, nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants or vendees in the land herein leased.

c. **In contracts:** There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, source of income, age, marital status, physical or mental handicap, medical condition, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees subtenants, or vendees in the land.

These covenants against discrimination shall be deemed to run with the land and shall survive termination of this Agreement and shall remain in effect in perpetuity.

4. DURATION. The covenants contained in the provisions of this Agreement shall remain in effect for 55 years after occupancy of the Project, or such longer period as may be permitted by law.

5. SALE OR TRANSFER OF SITE. Owner shall not make any sale, assignment, conveyance, or transfer of the Site, or any interest therein, without City's prior written consent. City shall have the right, in its sole discretion, to impose such terms and conditions as necessary to ensure compliance with this Agreement.

6. NO IMPAIRMENT OF LIEN. No violation or breach of the covenants, conditions, restrictions, provisions or limitations contained in this Agreement shall defeat or render invalid or in any way impair the lien or charge of any mortgage, deed of trust or other financing or security instrument; provided, however, that any successor of Owner to the Site shall be bound by such covenants, conditions, restrictions, limitations and provisions, whether such successor's title was acquired by foreclosure, deed in lieu of foreclosure, trustee's sale or otherwise.

7. SUCCESSORS AND ASSIGNS. The covenants contained in this Agreement shall be binding upon Owner and any successor in interest to the Site or any part thereof, for the benefit of City, and its respective successors and assigns and such covenants shall run in favor of the City and its respective successors and assigns for the entire period during which

such covenants shall be in force and effect, without regard to whether City is an owner of any land or interest therein to which such covenants relate. City and its respective successors and assigns in the event of any breach of any such covenants, shall have the right to exercise all of the rights and remedies under this Agreement, and to maintain any actions at law or suits in equity or other proper proceedings to enforce the curing of such breach. The covenants contained in this Agreement shall be enforceable only by City and its successors and assigns.

8. SUBORDINATION. It is the objective of the City and Owner that this Agreement shall not be subordinated for the benefit of lenders providing financing to the Project and that the City may subordinate the provisions of this Agreement only if the City is satisfied that subordination will not impair the City's ability to enforce the affordability restrictions and all City project approvals, and that all other provisions of such subordinations, including but not limited to notice and cure provisions on behalf of City, are acceptable to City in its sole discretion. Notwithstanding the foregoing, the City will not object to subordination of this Agreement to the California Department of Housing and Community Development Homekey Round 2 regulatory agreement which restricts 47 units at 30% of AMI.

9. INDEMNIFICATION.

a. Owner shall defend, indemnify and hold harmless City and its agents (including consultants), officials, officers, and employees, from any and all damage, liability or loss or any claim of damage, liability or loss, including without limitation attorney's fees or costs, connected with or arising out of: (i) any action or proceeding (collectively "action") against City, or its agents (including consultants), officials, officers, or employees, arising out of or related to any decision, determination, or action made or taken approving, supplementing, or sustaining the Project or any part thereof, or any related approvals; or (ii) any action imposing or seeking to impose personal liability against such agents (including consultants), officers, or employees resulting from their involvement in the Project, including without limitation any claim for punitive damages or private attorney general fees claimed by or awarded to any party if such action arose as a result of Owner's negligence, intentional misconduct or willful failure to comply with the terms of this Agreement or any other agreement recorded against the Site.

b. Nothing in this section 9 shall limit the scope or application of any and all indemnifications provided by Owner to City under any other agreements, approvals or entitlements of which Owner is a party or is otherwise bound affecting the Site, the Project, or any portion thereof.

c. The provisions of this section 9 shall survive termination of this Agreement.

10. INSURANCE REQUIREMENTS. Throughout the Term of this Agreement, Owner shall keep the Site and Project improvements insured against loss or damage by a standard commercial property special form policy in amounts not less than the replacement value of

the Project improvements and shall maintain such additional insurance coverage as follows:

a. Commercial General Liability Insurance providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage, and personal injury, arising out of activities performed by or on behalf of the Owner, its subcontractors, products and operations of Owner, its subcontractors, and premises owned, leased, or used by the Owner, its subcontractors, with limits of not less than two million dollars ($2,000,000) for any person, three million dollars ($3,000,000.00) for any occurrence, five million dollars ($5,000,000) annual aggregate. The policy must provide contractual liability and products and completed operations coverage for the term of the policy. The policy must not include an exclusion for sexual abuse, physical abuse, or molestation.

b. Workers' Compensation insurance as required by the State of California, with Statutory Limits, and Employers' Liability insurance with a limit of no less than $1,000,000 per accident for bodily injury or disease.

c. Builder's Risk (or Course of Construction) insurance utilizing an "All Risk" (Special Perils) coverage form, with limits equal to the completed value of the project and no coinsurance penalty provisions. Such coverage shall name the City of Vallejo as a loss payee as their interest may appear and provide that the insurer shall not have rights of recovery against the City and Owner.

d. The minimum limits of insurance required by this section may be satisfied by a combination of primary and umbrella or excess insurance coverage; provided that any umbrella or excess insurance must contain, or be endorsed to contain, a provision that it applies on a primary basis for the benefit of the City, and any insurance or self-insurance maintained by the City, its officials, employees, or volunteers is in excess of such umbrella or excess coverage and does not contribute with it.

e. The City, its officials, employees, and volunteers must be covered by policy terms or endorsement as additional insureds as respects general liability arising out of: activities performed by or on behalf of Owner and its subcontractors; products and completed operations of Owner and its subcontractors; and premises owned, leased, or used by Owner and its subcontractors.

f. The policies must contain, or be endorsed to contain, the following provisions.

(1) Owner's insurance coverage, including excess insurance, is primary insurance as respects the City, its officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officials, employees, or volunteers is in excess of Owner's insurance and does not contribute with it.

(2) Any failure to comply with reporting provisions of the policies does not affect coverage provided to the City, its officials, employees, or volunteers.

(3) Coverage must state that Owner's insurance applies separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

g. The Owner shall provide the City with 30 days' written notice of cancellation or material change in the policy language or terms.

h. Insurance must be placed with insurers with a Bests' rating of not less than A:VI. Self-insured retentions, policy terms, or other variations that do not comply with the requirements of this section 11 must be declared to and approved by the City in writing prior to execution of this Agreement.

i. The Owner shall furnish the City with certificates evidencing the insurance required. The certificates must be forwarded to the City's Risk Manager. Copies of policies must be delivered to the City on demand. Certificates of insurance must be signed by an authorized representative of the insurance carrier.

j. The City may terminate this Agreement if the certificates of insurance required have not been provided prior to execution of this Agreement or if the insurance is canceled or the Owner otherwise ceases to be insured as required by this section.

k. Any available insurance proceeds in excess of the specified minimum limits and coverages must be made available to the City.

l. The Owner's liability to the City is not in any way limited to or affected by the amount of insurance coverage required or carried by the Owner in connection with this Agreement.

m. In the event of damage or destruction to the Site or improvements thereon, all commercial property insurance (including builder's risk) proceeds shall be applied to the payment of the costs of repairing or rebuilding that part of the Site and improvements damaged or destroyed, provided that the extent of Owner's obligation to restore the Property and improvements shall be limited to the amount of the insurance proceeds.

n. If the Project improvements are damaged or destroyed, then Owner shall, to the extent insured, or required to be insured, and with reasonable diligence, repair, reconstruct or replace such improvements (to the extent the same is commercially feasible) to a condition substantially similar to their condition immediately prior to such damage or destruction. All such repair, reconstruction or replacements shall be at the sole cost and expense of Owner and, upon completion thereof, shall be free and clear of all mechanics' liens.

11. CONFORMING MODIFICATIONS. Owner and City shall reasonably consider, at the request of either party, modifications to this Agreement from time to time for purposes of clarification of terms hereof in implementation of the Project funding, or in order to conform the terms hereof to changes in law or other requirements pertaining to financing.

12. DOCUMENTS REFERENCED HEREIN. Owner acknowledges receipt of all documents referenced herein, including but not limited to the documents referenced in section 2 hereof, and that it is familiar with the terms thereof. City agrees to provide Owner with copies of any amendments or modifications to said documents.

13. COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be deemed to constitute an original, but all of which, when taken together, shall constitute the same instrument, with the same effect as if all of the parties to this Agreement had executed the same counterpart.

[Signatures on the following page.]

IN WITNESS WHEREOF, City and Owner have caused this instrument to be executed on their behalf by their respective officers or representatives thereunto duly authorized, as of ________________________________, 2024.

FIRM FOUNDATION COMMUNITY HOUSING,
a California public benefit corporation

By: ________________________
Taryn Sandulyak
Executive Director

DATE: ___________________

(City Seal)

CITY OF VALLEJO,
a municipal corporation

By: ________________________
Andrew Murray
City Manager

DATE: ____________________

ATTEST:

By: ________________________
Dawn Abrahamson
City Clerk

APPROVED AS TO CONTENT:

____
Gillian Hayes
Assistant City Manager

APPROVED AS TO FORM:

____
Veronica A. F. Nebb
City Attorney

EXHIBIT A

Legal Description of Property

APN: 0067-140-150

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF VALLEJO, COUNTY OF SOLANO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

Parcel "B" as shown on that certain Parcel Map entitled: "Parcel Map, Portion of Sec. 36, T.4.N., R4W. M.D.B.&M., City of Vallejo, Solano County, California", filed for record in the office of the County Recorder of Solano County, on August 24, 1982 in Book 23 of Parcel Maps, at Page 79.

EXCEPTING THEREFROM a life estate as to an undivided one fifth (1/5) right, title, and interest in and to all mineral rights and all minerals of every kind and nature beneath the above-described land as granted in the Deed from Henry A. Mini, et al, to Virginia C. Mini, dated November 5, 1954, recorded January 14, 1955, in Book 748 of Official Records, at Page 313, Instrument No. 678.

ACKNOWLEDGMENT

State of California

County of____________________

On _____________________ before me, ____,
(here insert name and title of the officer)
personally appeared _______________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature________________________________

Broadway Village		*September 1, 2024*		
Funder:	**City of Vallejo (Broadway)**			
Account	**Sub Account**	**Current Total Budget**	**Expenses Actual**	**Remaining Budget**
Construction Development Expense Categories				
	Division 01 - General Requirements	3,007,376.00	3,205,095.55	-197,719.55
	Division 02 - Existing Conditions	52,561.00	52,561.00	0.00
	Division 03 - Concrete	517,245.00	559,127.30	-41,882.30
	Division 04 - Masonry	0.00	0.00	0.00
	Division 05 - Metals	485,457.00	341,910.21	143,546.79
	Division 06 - Wood, Plastics & Composites	427,400.00	486,561.61	-59,161.61
	Division 07 - Thermal & Moisture Protection	950,411.00	534,767.82	415,643.18
	Division 08 - Openings	179,762.00	271,272.60	-91,510.60
	Division 09 - Finishes	715,295.00	581,391.73	133,903.27
	Division 10 - Specialties	39,795.00	16,804.18	22,990.82
	Division 11 - Equipment	10,705.00	3,427.17	7,277.83
	Division 12 - Furnishings	29,333.00	0.00	29,333.00
	Division 13 - Special Construction	5,305,916.00	5,458,979.70	-153,063.70
	Division 14 - Conveying Equipment	255,861.00	114,480.15	141,380.85
	Division 21 - Fire Suppression	259,010.00	201,213.00	57,797.00
	Division 22 - Plumbing	686,635.00	925,624.20	-238,989.20
	Division 23 - HVAC	544,705.00	379,579.28	165,125.72
	Division 26 - Electrical	1,180,879.40	815,789.70	365,089.70
	Division 27 - Communications	0.00	0.00	0.00
	Division 28 - Electronic Safety and Security	0.00	0.00	0.00
	Division 31 - Earthwork	447,151.00	431,789.80	15,361.20
	Division 32 - Exterior Improvements	816,379.00	301,379.00	515,000.00
	Division 33 - Utilities	986,465.00	874,765.10	111,699.90
	Plan Check & Permit Allowance	0.00	1,125.00	-1,125.00
	Contractor Pricing Contingency *	868,725.62	0.00	868,725.62
	Contractor Construction Contingency	38,588.00	0.00	38,588.00
	Cost Escalation	0.00	0.00	0.00
Other Constructions Expenses				
	Contractor Construction Contingency	379,880.15	0.00	379,880.15
	Projected (unexecuted) CORs through COR 41 plus $250k plug - Total value for identified scopes, not yet broken down by divion- in progress with Cannon input	705,500.00	0.00	705,500.00
	Contractor's Fee	820,623.69	570,666.72	249,956.97
	Off Premises Liability and Automotive Insurance	12,585.00	10,726.87	1,858.13
	SDI or Subcontractor Bonding Allowance	242,907.00	120.42	242,786.58
	Cost Escalation	0.00	0.00	0.00
	Gross Receipts Tax	0.00	0.00	0.00
	Plan Check & Permit Allowance by contractors	0.00	1,125.00	-1,125.00
TOTAL Construction Development Expense Categories		**19,967,150.86**	**16,140,283.11**	**3,826,867.75**
FFCH Development Expense Categories				
	Architecture and Engineering	1,944,575.00	1,509,415.27	435,159.73
	Reports and Studies	1,225.00	1,225.00	0.00
	Land Acquisition	613,902.00	603,102.00	10,800.00
	Financing Costs	94,000.00	0.00	94,000.00
	Operating Reserve	0.00	0.00	0.00
	Hard Cost Contingency	250,000.00	0.00	250,000.00
	Soft Cost Contingency	60,155.00	144.43	60,010.57

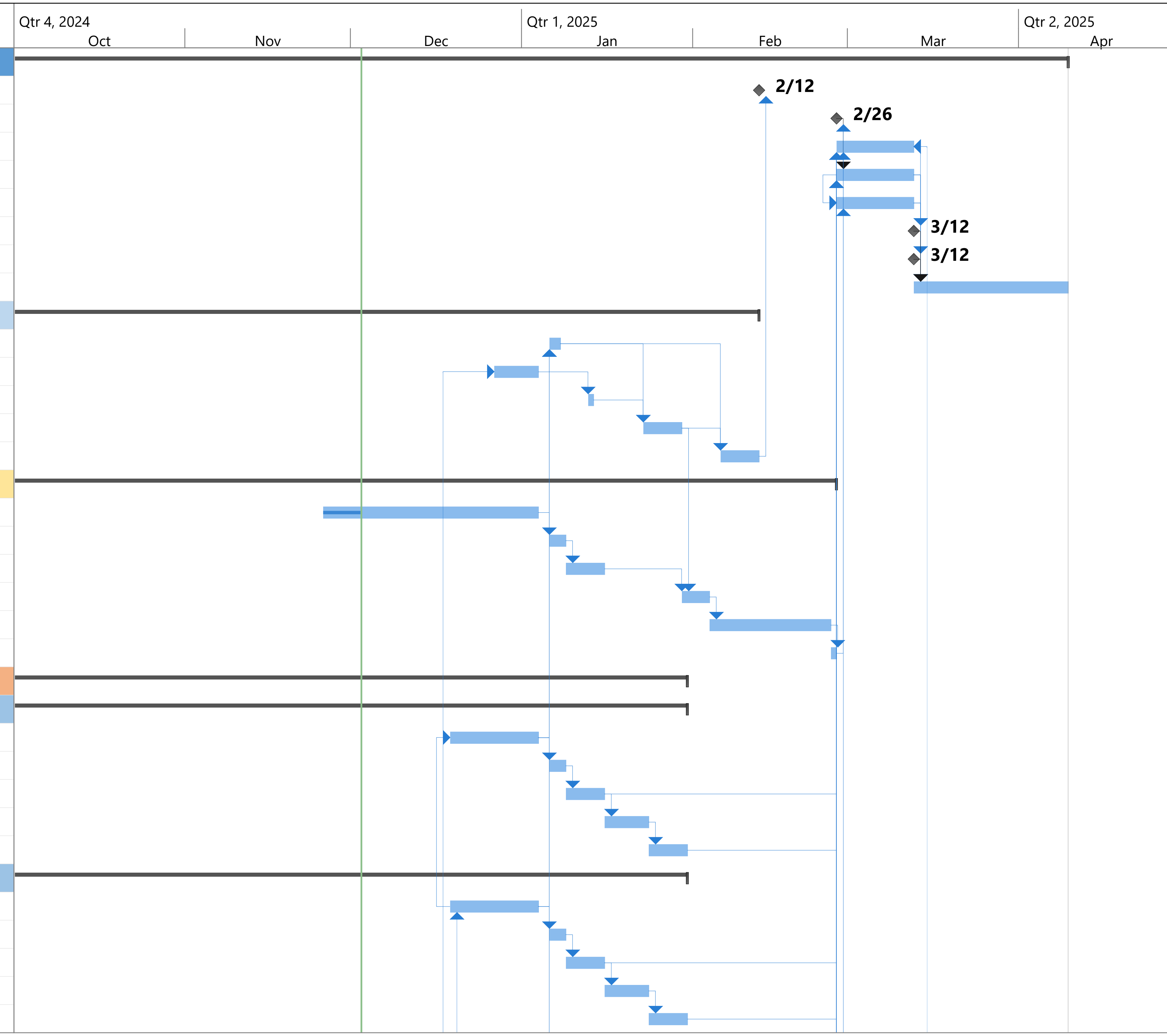
	Builders Risk Insurance	273,290.00	220,896.91	52,393.09
	OCIP Insurance	423,798.00	340,105.00	83,693.00
	Project Marketing	4,804.00	0.00	4,804.00
	Appraisal	5,000.00	0.00	5,000.00
	Accounting	5,000.00	0.00	5,000.00
	Impact Fees and Taxes	1,839,972.17	1,839,586.37	385.80
	Permit Fees	131,691.08	131,686.28	4.80
	Developer Fee	900,000.00	600,000.00	300,000.00
	Security	447,337.00	0.00	447,337.00
TOTAL FFCH Development Expense Categories		**6,994,749.25**	**5,246,161.26**	**1,748,587.99**
TOTAL Expense Categories		**26,961,900.11**	**21,386,444.37**	**5,575,455.74**
Secured Funding				
	Total Sources Secured to date (Excludes Measure P)		24,030,201	
Total previously invoiced				
	Billable Expense Income		20,694,528	
	Development Fee Income		600,000	
Total current invoice		**411**	77,970	
Total invoiced as of		#NAME?	**21,372,498**	
Secured Balance Remaining (with some use restrictions)			*2,657,703*	

Cell: I35
Note: Projected CORs do not have division breakdown- tracked here.

2441 BROADWAY PROJECT

CANNON CONSTRUCTORS NORTH, INC.
Building 680, 1245 Nimitz Ave.
Vallejo, CA 94592

ID	Task Name	Duration	Start	Finish
1	**Milestones**	**648 days**	**Mon 9/19/22**	**Wed 4/9/25**
10	Permanent Power Complete	0 days	Wed 2/12/25	Wed 2/12/25
11	Elevator Complete	0 days	Wed 2/26/25	Wed 2/26/25
12	Punch List	10 days	Thu 2/27/25	Wed 3/12/25
13	TCO Testing & Inspections (Main Building)	10 days	Thu 2/27/25	Wed 3/12/25
14	TCO Testing & Inspections (Duets & Comm Room)	10 days	Thu 2/27/25	Wed 3/12/25
15	TCO & Occupancy (Main Building)	0 days	Wed 3/12/25	Wed 3/12/25
16	TCO & Occupancy (Duets & Comm Room)	0 days	Wed 3/12/25	Wed 3/12/25
17	Final Certificate of Occupancy	20 days	Thu 3/13/25	Wed 4/9/25
34	**Permanet Power**	**477 days**	**Wed 3/22/23**	**Wed 2/12/25**
44	Green Tag	2 days	Mon 1/6/25	Tue 1/7/25
45	Transformer Pad Install	5 days	Fri 12/27/24	Fri 1/3/25
46	PG&E Inspection & Mandrel	1 day	Mon 1/13/25	Mon 1/13/25
47	PG&E Set Transformer, Pull Cables, Terminate	5 days	Thu 1/23/25	Wed 1/29/25
48	PG&E Install Unit Meters	5 days	Thu 2/6/25	Wed 2/12/25
49	**Elevator**	**490 days**	**Thu 3/16/23**	**Wed 2/26/25**
58	Install Elevator	25 days	Tue 11/26/24	Fri 1/3/25
59	frame front walls & rough call boxes	3 days	Mon 1/6/25	Wed 1/8/25
60	finish drywall at elevator fronts & install call buttons	5 days	Thu 1/9/25	Wed 1/15/25
61	Balance & Program	3 days	Thu 1/30/25	Mon 2/3/25
62	State Inspection Scheduling	15 days	Tue 2/4/25	Tue 2/25/25
63	State Elevator Inspection	1 day	Wed 2/26/25	Wed 2/26/25
94	**Corridors**	**408 days**	**Fri 6/16/23**	**Thu 1/30/25**
98	**Level 1**	**395 days**	**Fri 7/7/23**	**Thu 1/30/25**
113	MEPS rough-in ACT ceiling	10 days	Thu 12/19/24	Fri 1/3/25
114	Install ACT tiles	3 days	Mon 1/6/25	Wed 1/8/25
115	MEPS trim	5 days	Thu 1/9/25	Wed 1/15/25
116	flooring	5 days	Thu 1/16/25	Thu 1/23/25
117	paint touch-up & punch list	5 days	Fri 1/24/25	Thu 1/30/25
118	**Level 2**	**394 days**	**Mon 7/10/23**	**Thu 1/30/25**
133	MEPS rough-in ACT ceiling	10 days	Thu 12/19/24	Fri 1/3/25
134	Install ACT tiles	3 days	Mon 1/6/25	Wed 1/8/25
135	MEPS trim	5 days	Thu 1/9/25	Wed 1/15/25
136	flooring	5 days	Thu 1/16/25	Thu 1/23/25
137	paint touch-up & punch list	5 days	Fri 1/24/25	Thu 1/30/25



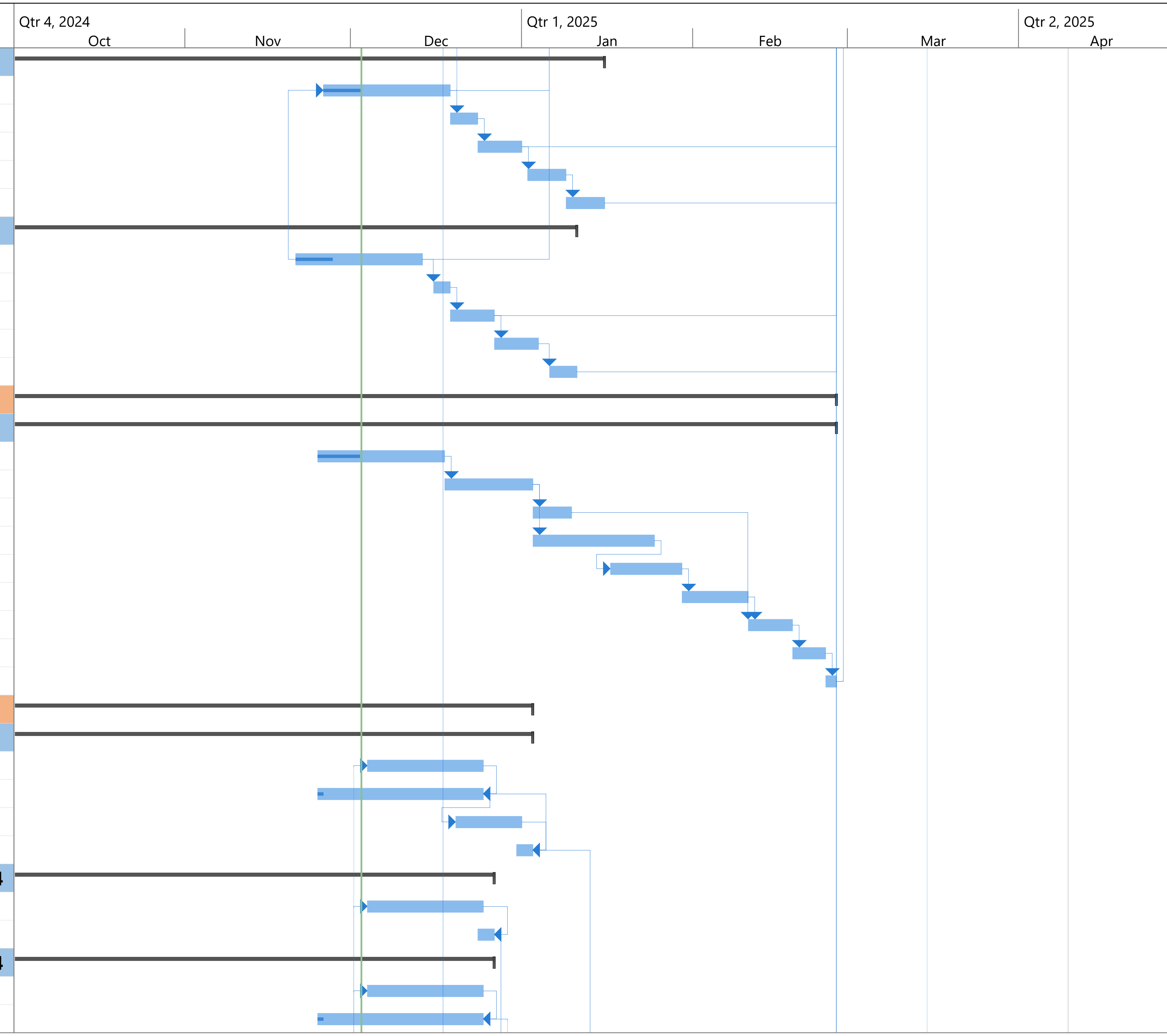
Project: BROADWAY SCHEDULE
Date: Tue 12/3/24

Task
Split
Milestone
Summary
Project Summary
Inactive Task
Inactive Milestone
Inactive Summary
Manual Task
Duration-only
Manual Summary Rollup
Manual Summary
Start-only
Finish-only
External Tasks
External Milestone
Deadline
Progress
Manual Progress

2441 BROADWAY PROJECT

CANNON CONSTRUCTORS NORTH, INC.
Building 680, 1245 Nimitz Ave.
Vallejo, CA 94592

ID	Task Name	Duration	Start	Finish
138	**Level 3**	**383 days**	**Tue 7/11/23**	**Wed 1/15/25**
153	MEPS rough-in ACT ceiling	15 days	Tue 11/26/24	Wed 12/18/24
154	Install ACT tiles	3 days	Thu 12/19/24	Mon 12/23/24
155	MEPS trim	5 days	Tue 12/24/24	Tue 12/31/24
156	flooring	5 days	Thu 1/2/25	Wed 1/8/25
157	paint touch-up & punch list	5 days	Thu 1/9/25	Wed 1/15/25
158	**Level 4**	**379 days**	**Wed 7/12/23**	**Fri 1/10/25**
173	MEPS rough-in ACT ceiling	15 days	Thu 11/21/24	Fri 12/13/24
174	Install ACT tiles	3 days	Mon 12/16/24	Wed 12/18/24
175	MEPS trim	5 days	Thu 12/19/24	Thu 12/26/24
176	flooring	5 days	Fri 12/27/24	Fri 1/3/25
177	paint touch-up & punch list	5 days	Mon 1/6/25	Fri 1/10/25
191	**Site Built Common Areas**	**415 days**	**Wed 7/5/23**	**Wed 2/26/25**
201	**Community Room & Lobby Finishes**	**328 days**	**Mon 11/6/23**	**Wed 2/26/25**
206	Elevator Material Storage in Comm Room	15 days	Mon 11/25/24	Tue 12/17/24
207	Sheetrock & Tape Walls	10 days	Wed 12/18/24	Thu 1/2/25
208	Install Common Area Doors	5 days	Fri 1/3/25	Thu 1/9/25
209	Install Ceiling ACT/Wood Frame	15 days	Fri 1/3/25	Fri 1/24/25
210	MEPS Ceiling Rough-In	8 days	Fri 1/17/25	Wed 1/29/25
211	Install ACT & Wood	8 days	Thu 1/30/25	Mon 2/10/25
212	Install Flooring & Base	5 days	Tue 2/11/25	Tue 2/18/25
213	Paint	4 days	Wed 2/19/25	Mon 2/24/25
214	Trim-Out	2 days	Tue 2/25/25	Wed 2/26/25
221	**Exterior Finishes**	**377 days**	**Thu 7/6/23**	**Thu 1/2/25**
228	**North elevation**	**377 days**	**Thu 7/6/23**	**Thu 1/2/25**
236	install plaster	15 days	Wed 12/4/24	Tue 12/24/24
237	install corrugated metal	20 days	Mon 11/25/24	Tue 12/24/24
238	install deco metal	7 days	Fri 12/20/24	Tue 12/31/24
239	remove scaffold	2 days	Tue 12/31/24	Thu 1/2/25
240	**East elevation**	**373 days**	**Thu 7/6/23**	**Thu 12/26/24**
247	install plaster	15 days	Wed 12/4/24	Tue 12/24/24
248	remove scaffold	2 days	Tue 12/24/24	Thu 12/26/24
249	**South elevation**	**373 days**	**Thu 7/6/23**	**Thu 12/26/24**
256	install plaster	15 days	Wed 12/4/24	Tue 12/24/24
257	install corrugated metal	20 days	Mon 11/25/24	Tue 12/24/24

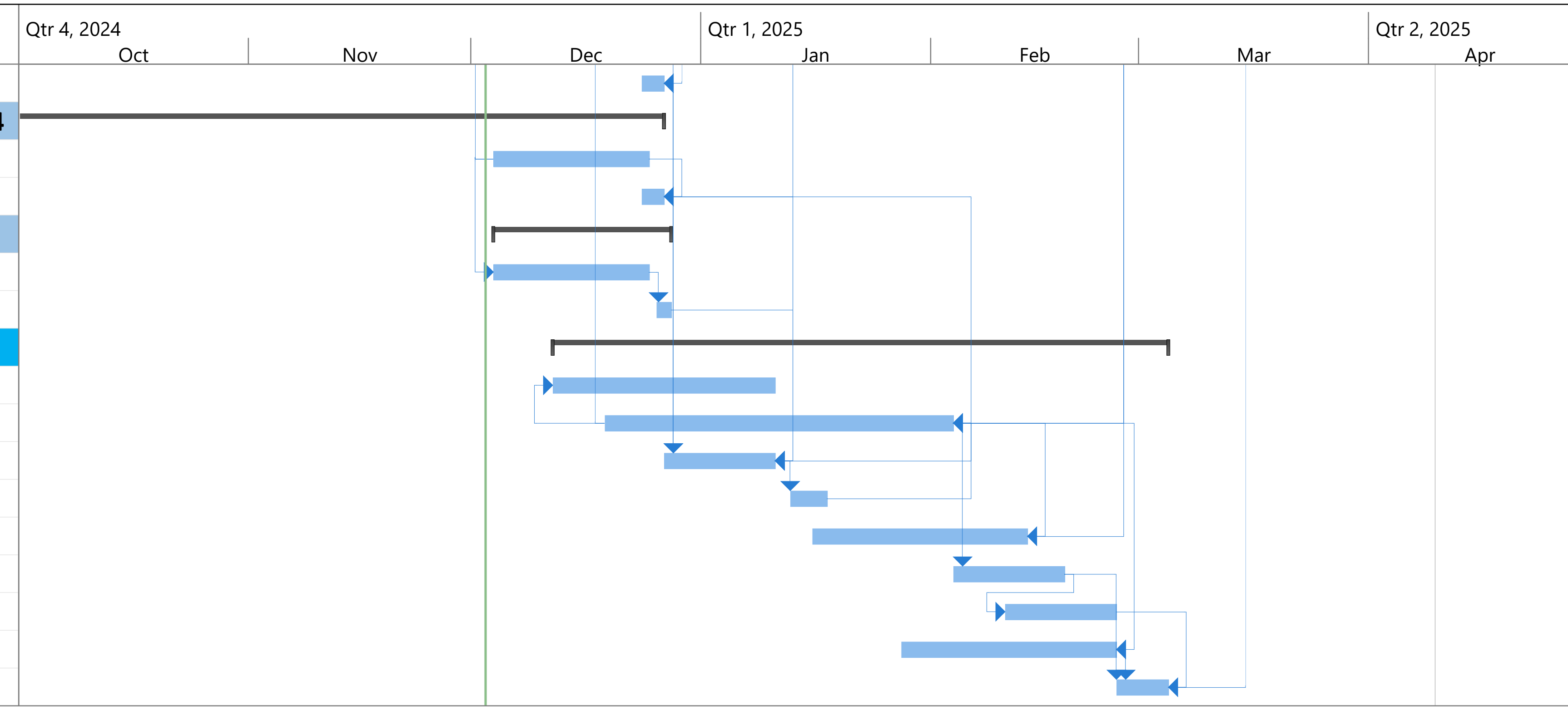


Project: BROADWAY SCHEDULE
Date: Tue 12/3/24

Task		Project Summary		Manual Task		Start-only		Deadline	
Split		Inactive Task		Duration-only		Finish-only		Progress	
Milestone		Inactive Milestone		Manual Summary Rollup		External Tasks		Manual Progress	
Summary		Inactive Summary		Manual Summary		External Milestone			

CANNON CONSTRUCTORS NORTH, INC.
Building 680, 1245 Nimitz Ave.
Vallejo, CA 94592

ID	Task Name	Duration	Start	Finish
258	remove scaffold	2 days	Tue 12/24/24	Thu 12/26/24
259	**West elevation**	**373 days**	**Thu 7/6/23**	**Thu 12/26/24**
266	install plaster	15 days	Wed 12/4/24	Tue 12/24/24
267	remove scaffold	2 days	Tue 12/24/24	Thu 12/26/24
268	**Building B**	**17 days**	**Wed 12/4/24**	**Fri 12/27/24**
269	install plaster	15 days	Wed 12/4/24	Tue 12/24/24
270	remove scaffold	2 days	Thu 12/26/24	Fri 12/27/24
271	**Landscape/Hardscape**	**55 days**	**Thu 12/12/24**	**Tue 3/4/25**
272	Grading & base rock	20 days	Thu 12/12/24	Fri 1/10/25
273	install curbs & sidewalks	30 days	Thu 12/19/24	Mon 2/3/25
274	underground conduits for site lighting	10 days	Fri 12/27/24	Fri 1/10/25
275	irrigation	5 days	Mon 1/13/25	Fri 1/17/25
276	install hardscape & pavers	20 days	Thu 1/16/25	Thu 2/13/25
277	install asphalt	10 days	Tue 2/4/25	Tue 2/18/25
278	install site perimeter fence	10 days	Tue 2/11/25	Tue 2/25/25
279	landscaping & surface irrigation	20 days	Tue 1/28/25	Tue 2/25/25
280	Cleaning & Punch List	5 days	Wed 2/26/25	Tue 3/4/25



Project: BROADWAY SCHEDULE
Date: Tue 12/3/24

Task | Split | Milestone | Summary | Project Summary | Inactive Task | Inactive Milestone | Inactive Summary | Manual Task | Duration-only | Manual Summary Rollup | Manual Summary | Start-only | Finish-only | External Tasks | External Milestone | Deadline | Progress | Manual Progress

INFORMATIONAL ITEM 9.C.

DATE: January 9, 2025
TO: Measure P Oversight Committee Chair and members of the Committee
FROM: Melissa Tigbao, P.E., Public Works Director
SUBJECT: **PAVEMENT IMPROVEMENT PROJECTS UPDATE**

RECOMMENDATION
Item is informational only.

BACKGROUND AND DISCUSSION
Resolution No. 22-222 N.C. by the City Council established the priorities for use of Measure P revenues including Item 8 which states, "Repair deteriorating neighborhood streets, roads, and sidewalks". This reflects the commitments that the advocates for Measure P made to the citizens of Vallejo to improve Vallejo's roadways which have the worst condition in the Bay Area.

In February and March of 2024, Public Works staff brought a request to the Measure P Oversight Committee (MPOC) and City Council to allocate funding to jumpstart the City's efforts to improve the City's roadway network. Public Works had already engaged consultant support and was conducting preliminary planning and engineering using existing Streetsaver database information and field work inspections of roadway conditions to present network level information to MPOC and City Council. At their March 12, 2024, meeting the City Council allocated $5 Million in Measure P funding to Public Works in order to invest in the following pavement management activities:

1. $2 Million to a City-wide Slurry Seal Project
2. $1 Million for a comprehensive pavement construction design and project management services
3. $500,000 for an ADA Curb Ramps Project
4. $500,000 for a Pavement Restriping Program
5. $1 Million for Pavement Maintenance activities.

The Measure P Oversight Committee has requested an update on the status of road repair and maintenance projects funded with Measure P funds and this report will explain the progress/efforts made in each of these areas that the City Council funded.

Slurry Seal Project
Public Works designed, bid, constructed, and is working to finish the City-wide Slurry Seal Project. As detailed in the February 20, 2024 staff report to Council, Public Works had been conducting initial planning and evaluation of the City's street network using the Streetsaver Database and Unico Engineering and Willdan to identify and evaluate candidate street segments for inclusion in the initial year Slurry Seal Project. At Public Works request, Willdan provided a proposal on January 31, 2024, to perform all engineering tasks to develop the full Plans, Specification, and Estimate (PS&E) bid package for the Slurry Seal project. City Council approved increasing the Willdan Engineering contract at the March 12, 2024, meeting.

Public Works approved a list of candidate street segments and tasked the Willdan Engineering Consulting team with planning and engineering the bid package for this $2M slurry seal effort via a contract amendment executed on April 16, 2024. Willdan delivered the bid package in June 2024. Public Works Engineering staff reviewed and finalized the package. The City advertised the City-wide Slurry Seal project on Planet Bids on June 17, 2024, with bids due on July 16, 2024, providing contractors 4-weeks to evaluate the work and submit bids.

On July 17, 2024, one (1) sealed bid was received, opened, and publicly read by the Deputy City Clerk. The base bid was for $1,814,834.25, with an alternate bid of $117,781,90. The total bid was for $1,932,616.15. Public Works Engineering Staff determined that Pavement Coatings Co. (PCC) is the lowest responsive and responsible bidder pursuant to Public Contract Code Section 20162.

On August 5, 2024, Council approved a resolution to award a construction contract in the amount of $1,814,934.25, based only on the base bid.

On August 26, 2024, the construction contract with PCC was executed.

PCC submitted all required documents under the contract and the City's Notice to Proceed was issued to PCC on September 25, 2024, requiring the work to commence within 10 days. PCC had 65 working days to complete the contract, and that all work should be complete by early January 2025.

On October 3, 2024, the City engaged Interwest to provide additional construction management. The Statement of Work (SOW) is in the process of being executed, in the amount of $20,500.

To date, PCC has completed all paving work including crack sealing, base repairs, patch paving, slurry sealing each segment, and lowering and raising all utility covers to flush included in the PS&E package. PCC has cat tracked (advance striping lay-out in temp paint) all segments in preparation for restriping the streets.

During the base repair and slurry seal operations, the contractor was directed to post public information signage that credited Measure P as the funding source for the work. These signs were posted at each active paving location while the work was proceeding and then moved with the contractor from roadway segment to roadway segment so that each working location had the public information posted on both ends of the segment. The rainy season has started, and it's delayed completing the striping. PCC's Striping subcontractor is installing final striping on all segments this week (Jan. 6 – 10, 2025) bringing this contract to a close.

During the construction of this project, two Contract Change Orders (CCO) have been executed. The total cost of the executed CCO's is $114,642.24. The Columbus Parkway bike trail slurry seal was added to PCC's contract but is funded with the Landscape Maintenance District Fund budget. This amounts to $108,642.24.

- CCO No. 1 – Construction signs
- CCO No. 2 – Columbus Parkway bike trail slurry seal

Currently, there are a few Potential Change Orders (PCO's) that are being reviewed by City staff and Interwest project management, and PCC. Under the direction of the City Engineer, scope of work was added to the project. This includes an increase in raising utilities, base repairs, and slurry seal along the street segments of the original project, as well as raising utilities along Redwood Street, between Broadway and Tuolumne Street. The estimated amount of the PCO's is $211,223.97.

Total cost of the City-wide Slurry Seal Project will exceed $2M, with multiple funding sources being used to cover the cost. This includes the costs of Design/Engineering, Bidding, Advertising, Construction, Management, and Inspection. The list of streets that were repaired and slurry sealed are included as attachments in both list and map format. The area of Vallejo roadways slurry sealed under this project is a little over 1.95M square feet which represents a little over 3% of the total surface area of all streets.

Comprehensive Pavement Construction Design and Project Management, including ADA Curb Ramps

The City Council allocated $1M for Public Works to develop a 10-year plan to address all roadways in Vallejo with a Pavement Condition Index (PCI) below 80. Initially, Public Works intended to collaborate with Willdan Engineering, based on their preliminary work evaluating the roadway network and forecasting the effort and cost of the 10-year program. However, due to the immediate need of having Willdan complete the slurry seal package, the City sought other qualified vendors.

Public Works peridocally issues Requests for Qualifications (RFQs) to select on-call contractors for many areas of expertise including traffic and civil engineering. In 2023, Public Works completed an on-call contracting process for a three-year period, and awarded contracts to Nichols Consulting Engineers (NCE) and Coastland Engineering—both highly qualified in pavement management. The City recently collaborated with NCE on the Mare Island infrastructure (including roads) evaluation and on an update to the City's pavement management report under the Metropolitan Transportation Commission's (MTC) Pavement Technical Assistance Program (P-TAP). This program provides data to cities for improving roadway maintenance, including the pavement condition index (PCI) and maintenance history for each street segment, all stored in the City's Streetsaver database.

Based on this experience, Public Works asked NCE to submit a proposal for evaluating the City's street network and creating a 10-year treatment plan. NCE submitted the proposal on November 4, 2024, which was accepted, and a statement of work (SOW) was executed on November 7, 2024, for $64,500 to begin work immediately. The first task was identifying street segments for a 2025 pavement maintenance and renewal program.

Public Works intends that our annual paving program will include both surface maintenance treatments (slurry seal, microsurfacing, cape seal) for streets in better condition and rehabilitation treatments (grind and overlay, cold-in-place recycling, full-depth reclamation) for streets in poor condition. Working with Public Works, NCE identified street segments for a $3M cape seal program and a $7M grind and overlay program. While Public Works intends for NCE to engineer the annual PS&E bid packages, NCE's capacity constraints—due to ongoing P-TAP work and the 10-year paving plan—required the City to seek an additional proposal.

On December 9, 2024, NCE submitted a proposal to engineer the $3M cape seal PS&E package. A second SOW for $150,000 was executed on December 31, 2024, for this work. This SOW does not cover curb ramp engineering, so NCE is subcontracting this work to Harris Associates, a qualified firm. The City expects to receive a proposal for this work in early January 2025, and will execute a third SOW to manage the curb ramp design, ensuring it is included in the cape seal bid package.

Given NCE's capacity limitations, the City approached Coastland Engineering for a proposal to develop the PS&E bid package for the rehabilitation portion of the annual paving program. Coastland submitted a proposal on December 3, 2024, including curb ramp engineering. A SOW for $377,877 was executed on December 10, 2024, with a notice to proceed issued. Coastland is expected to complete the PS&E bid package within 14 weeks, with bidding anticipated in mid-march, assuming funding is available for the 2025 paving program.

Of the $1M allocated by City Council, Public Works has committed $692,377 to Willdan, NCE, and Coastland for planning and engineering the 2024 and 2025 paving packages. An additional cost for curb ramp engineering is expected from NCE for the 2025 cape seal project. Remaining funds will be used for a future SOW with NCE to begin engineering for the 2026 paving projects, based on the results of the 10-year plan. This schedule will enable the City to align with an annual Capital Improvement Project (CIP) cycle, ensuring bid packages are completed by year-end, projects are bid in winter, and contracts awarded in early spring, providing contractors the full summer and fall for construction, which will help achieve competitive pricing.

Pavement Restriping Program

Public Works issued a Request for Proposals (RFP) for an on-call striping contractor in March 2024. However, no responses were received by the original bid submission deadline in mid-April 2024. As a result, the RFP deadline was extended until early May 2024, but again, no bids were submitted, and the City was unable to award the contract for these services.

The objective of the on-call striping contract is to supplement City maintenance efforts by applying fresh striping to streets where existing markings have deteriorated. Given the current condition of many city streets, inadequate striping poses a significant safety concern. In response, Public Works Engineering has contacted other municipalities to review successful on-call striping solicitations in an effort to refine our approach. Additionally, outreach has been made to several striping contractors to better understand why they did not respond to the previous RFPs.

We have identified contractors who are interested in this type of work. Consequently, we will revise the RFP and reissue it within the next two months. It is anticipated that $500,000 will be allocated to this contract, with the goal of refreshing the striping on arterials, major collectors, and minor collectors throughout the City of Vallejo.

Pavement Maintenance Activities

Pavement Maintenance activities are performed by Public Works Maintenance staff. These activities include filling potholes, minor base repairs and patch, paving, crack sealing, curb and gutter repairs, and restriping. The City's crack sealing equipment is broken down and beyond repair. Public Works Maintenance has proceeded to procure replacement equipment from Stepp Manufacturing as approved by City Council via Resolution No. 24-097 on June 12, 2024. This equipment is not being funded by Measure P; budget from the Gas Tax Fund (#133) in the amount of $80,000 has been allocated for this purchase. The equipment will be delivered before the end of Fiscal Year.

Public Works Maintenance has had a contract with Jetpatcher for several years to fill potholes throughout Vallejo. Jet Patcher is a firm that owns and operates pothole repair equipment. Their machine is purpose built to drive to known pothole locations, remove all loose debris, pour in asphalt mix, compact it, and move on. This allows many potholes to get filled compared to mobilizing a maintenance crew. The Jet Patcher contract needed to be renewed, and this activity took many months. The contract has now been approved and executed for $725,000.

FISCAL IMPACT

There is no fiscal impact with this item as it is for informational purposes only.

ATTACHMENTS

1.	MP - $5M Budget Amendment PMP Step 1 - 2.20.24
2.	MP - $5M Budget Amendment PMP Step 2 - 3.12.24
3.	RESO 24-031 Willdan Eng - Second Amendment to Agreement
4.	Attachment A - Location Map
5.	Attachment B - List of Streets
6.	Measure P Construction Sign (002)

CONTACT

Mark Helmbrecht, Transportation Program Superintendent
Mark.Helmbrecht@cityofvallejo.net

City of VALLEJO California

ACTION ITEM 5.C.

DATE: February 20, 2024
TO: Mayor and Members of the City Council
FROM: Melissa Tigbao, PE, Public Works Director
SUBJECT: **PROVIDE NOTICE OF INTENT TO AMEND FISCAL YEAR 2023-24 CAPITAL IMPROVEMENT PROGRAM BUDGET BY APPROPRIATING $3.5 MILLION OF MEASURE P FUNDING TO CONTINUE PAVEMENT MANAGEMENT PLAN EFFORTS; AND AUTHORIZE THE CITY MANAGER TO INITIATE THE BOND APPLICATION PROCESS TO ISSUE $120 MILLION DOLLARS OF REVENUE BONDS IN THE MUNICIPAL BOND MARKET TO FUND A NINE-YEAR CITYWIDE PAVING PROGRAM FOR FISCAL YEARS 2025-2026 THROUGH 2033-2034**

RECOMMENDATION

1. Provide Notice of Intent to amend the FY 2023-24 Capital Improvement Program (CIP) budget to appropriate $3.5 million of existing Measure P revenue to fund the following Pavement Management Program activities:

- $2 million for a residential street resurfacing (slurry seal) project
- $500,000 for American with Disabilities Act (ADA) curb ramp compliance construction
- $1 million for comprehensive pavement construction design and project management services.

2. Authorize the City Manager to initiate the bond application process to issue $120 million of revenue bonds in the Municipal Bond Market to fund a nine-year citywide Paving Program for fiscal years 2025/2026 through 2033/2034.

REASONS FOR RECOMMENDATION

Improving conditions of Vallejo's roadway network is a key outcome expected to be delivered by the Measure P tax measure. This proposal provides the resources to: 1) start implementing pavement preservation improvements on residential streets this year and next, and 2) commence the planning and engineering necessary to create an annual pipeline of major street repair and associated compliance projects to deliver improvement across Vallejo during the following 9 years of this 10-year program.

Approving this recommendation provides staff with clear direction from Council to prioritize street improvements within the efforts funded by the Measure P revenues and dedicates Measure P revenues to this purpose.

BACKGROUND AND DISCUSSION

Voters approved the Vallejo's Safe Streets and Essential Services Measure (Measure P) in the November 2022 Municipal Elections. Measure P is estimated to generate $18 million annually to help maintain critical City services and address community priorities as identified in previous community surveys. Since the adoption of Measure P, more than $11 million of revenue has been collected to date.

On December 20, 2022, the City Council adopted Resolution 22-222, which directed staff to prioritize the following uses of revenue generated by Measure P as follows: 1. Maintain critical city services such as keeping public spaces healthy, safe and clean; 2. Maintain fire protection; 3. Maintain emergency medical response; 4. Maintain crime prevention; 5. Address homelessness; 6. Address blight; 7. Address dumping; 8. Repair deteriorating neighborhood streets, roads and sidewalks; and 9. Youth priorities.

The Metropolitan Transportation Commission (MTC) pavement conditions report for the year 2021 ranked the City of Vallejo with an average Pavement Condition Index (PCI) of 48 (poor), making Vallejo one of the lowest ranking jurisdictions. This observation was based on the condition of the City of Vallejo's 710 lane miles of roadways.

Staff have used a number of planning tools such as MTC's Pavement Technical Assistance Program (PTAP), Street Saver Software, and the City's Geographic Information System (GIS) to plan a pavement management program to systematically improve Vallejo's street system. Based on the 2021 PTAP assessment, the estimated overall deferred road maintenance in Vallejo is over $300 million. The pavement improvements needed range from roadway surface treatments, such as slurry sealing, up to full depth reclamation (FDR) on failing major streets. Analysis and engineering will determine the specific treatments needed for each street. Most street paving treatments trigger bringing intersection curb ramps into compliance with the Americans with Disabilities Act (ADA), so a comprehensive curb ramp program must be included as well.

To ramp up pavement preservation efforts, Public Works has used budgeted gas tax (SB1) revenues this past year to engage Unico Engineering for pavement inspection of residential streets, and Willdan Consulting for engineering and pavement management program expertise. However, additional funding of $3.5 million is needed to continue these efforts (as detailed below) without interruption and to begin construction projects. These projects align with the Council set Measure P funding priorities, and therefore the appropriation of Measure P funding for these efforts is appropriate.

Working with Unico Engineering and Willdan Consulting, and by analyzing the Streetsaver data, Public Works evaluated residential areas to confirm groups of street segments which can be improved quickly with crack seal, minor dig outs and slurry seal. The initial proposed residential segment improvements are now classified as Stage1 improvements, and they can be delivered for $2 million, including contingency.

The team will prepare a bid package to bring 100 or more curb ramps into compliance with ADA requirements. These ramp locations will be planned to support future paving efforts that would trigger compliance. The bid package will be issued in the winter of 2024 to start construction in the spring of 2025, and will be scaled to not exceed $500,000.

Working with Willdan Consulting, staff have evaluated the level of effort and costs of delivering pavement treatments on all Vallejo streets below 80 PCI in stages over a 10-year program timeline. The total cost of this effort was determined to be $120 million. The minor and major pavement section upgrades require further data collection and engineering before bid packages can be prepared and advertised for construction. Funding of $1 million is needed for comprehensive pavement management services to initiate contracts for the engineering services to deliver annual pavement management bid packages.

In concert with our consulting team, staff have evaluated financing measures, including lease revenue bond funds for upfront cash flow, to fund this 10-year program of increased pavement management effort. Bonding allows the City to bring forward revenues to increase investment in our streets now before they deteriorate further. Bonding then spreads out the cost of this effort over additional years in order to preserve the City Council's flexibility to fund additional Measure P priorities during the early years of the Measure P program.

Council's authorization of this item will allow staff to 1) proceed to the second step of the two-part budget amendment process required to appropriate $3.5 million of Measure P revenues to the Capital Improvement Program expenditure budget, and 2) allow staff to initiate a bond application process to issue $120 million of revenue bonds.
City Charter Section 703 permits the transfer of unappropriated funds by the City Council upon one week's written notice of its intention to do so. Staff will return to Council at a future meeting for the second step of the budget amendment process.

The results of the initial bond application process will come back to City Council at a later date for presentation of the final business terms of the initial bond offering and request for Council approval to issue the bonds.

Next Steps:

Once an initial pavement budget is appropriated, staff will prepare a bid package for the Stage 1 Slurry Seal Project, refine the cost estimate, advertise, bid, and contract for construction within Fiscal Year 2023/2024 with the goal of delivering the project during Summer/Fall 2024. This package focuses on residential streets in four (4) neighborhoods of Vallejo. This project will not trigger ADA curb ramp compliance and will be scaled to not exceed $2 million.

The team will begin work on preparing the bid package to bring 100 or more curb ramps into compliance with ADA requirements with the goal of construction commencing in the spring of 2025. The project will be scaled to not exceed $500,000.

Public Works will issue a Request for Qualifications (RFQ) for Pavement Management Planning and Engineering Services. The consultant team hired will be tasked with managing the analysis of Vallejo's street network using all existing data plus direct investigation of our streets to inform development of multiple phased annual bid packages for the resurfacing and reconstruction of Vallejo's failing street network. The initial design and project management consultant contract will be for up to $1 million funded from the Measure P funds appropriated by the City Council.

A long-term maintenance and rehabilitation program is being prepared to include a nine-year delivery program of $120 million in pavement improvements based on the following approach:

1. Applying the right treatment at the right time
2. Selecting cost-effective treatments to provide the best pavement for the lowest long-term costs

Detailed financing plans for the 9-year delivery program will utilize the $120 million lease revenue bond funds. The program is anticipated to include three bond distribution tranches, each funding 3-year cycles of annual bid packages that will be divided based on having the largest betterment for the traveling public. The distribution of paving improvements would consider pavement condition, Functional Classification (FC) of the street, and traffic impacts during construction. Preparation of the bid packages will require additional roadway condition data collection, traffic data, engineering layouts and cost estimates. These bid packages will include associated ADA improvements.

Dependent on the City Council's approval of funding and begin the bond application process, key milestones will be as follows:

Milestones	**Delivery Date**
Stage 1 Slurry Seal Package (The project is currently at **40%** design completion)	Contract award by August 2024, construction complete by November 2024
Financing Plan	March 2024
RFQ for Pavement Management Services	June 2024
Return to Council for Bond Authorization	April 2024
9-Year Maintenance and Rehab Plan	January 2025
$40M Tranche 1: $13.3M Cycle 1 $13.3M Cycle 2 $13.3M Cycle 3	FY 2024/2025 FY 2026/2027 FY 2027/2028
$40M Tranches 2 and 3	TBD

FISCAL IMPACT
This item does not have any fiscal impact. A future recommended action to amend the FY 2023-24 Capital Improvement Project budget will include the anticipated increase of $3.5 million of expenditure budget. More details will be provided when staff returns to Council at a later date.

ENVIRONMENTAL REVIEW
This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

ATTACHMENTS
None

CONTACT
Melissa Tigbao, PE, Public Works Director (707) 648-4433
melissa.tigbao@cityofvallejo.net

DATE: March 12, 2024
TO: Mayor and Members of the City Council
FROM: Melissa Tigbao, P.E., Public Works Director
SUBJECT: **ADOPT A RESOLUTION AMENDING THE FISCAL YEAR 2023-2024 CAPITAL OUTLAY FUND BUDGET FOR PAVEMENT MANAGEMENT PROGRAM EFFORTS (STEP 2)**

RECOMMENDATION

Adopt a Resolution to amend the Fiscal Year 2023-24 budget by allocating $5 million of unappropriated Measure P revenue for Pavement Management Plan efforts.

REASONS FOR RECOMMENDATION

City Charter Section 703 permits the transfer of unappropriated funds by the City Council upon one week's written notice of its intention to do so. The Notice of Intent to amend the budget was presented to Council at the Special Council Meeting held on February 20, 2024. This proposed action is the second step of the City Charter-required two-step budget amendment process.

BACKGROUND AND DISCUSSION

Voters approved the Vallejo's Safe Streets and Essential Services Measure (Measure P) in the November 2022 Municipal Elections. Measure P is estimated to generate $18 million annually to help maintain critical City services and address community priorities as identified in previous community surveys. Since the adoption of Measure P, more than $11 million of revenue has been collected.

On December 20, 2022, the City Council adopted Resolution No. 22-222, which directed staff to prioritize uses of revenue generated by Measure P, which included repairing deteriorating neighborhood streets, roads and sidewalks.

The Metropolitan Transportation Commission (MTC) pavement conditions report for the year 2021 ranked the City of Vallejo with an average Pavement Condition Index (PCI) of 48 (poor), making Vallejo one of the lowest ranking jurisdictions. This observation was based on the condition of the City of Vallejo's approximately 710 miles of roadway.

Staff have used a number of planning tools such as MTC's Pavement Technical Assistance Program (PTAP), Street Saver Software, and the City's Geographic Information System (GIS) to plan a pavement management program to systematically improve Vallejo's street system. Based on the 2021 PTAP assessment, the estimated cost of overall deferred road maintenance in Vallejo is over $300 million. The pavement improvements needed range from roadway surface treatments, such as slurry sealing, up to full depth reclamation (FDR) on failing major streets. Analysis and engineering will determine the specific treatments needed for each street. Most street paving treatments trigger the installation of curb ramps to comply with the Americans with Disabilities Act (ADA), so a comprehensive curb ramp program must be included as well.

To facilitate pavement preservation efforts, Public Works has used budgeted gas tax (SB1) revenues to engage Unico Engineering for pavement inspection of residential streets and Willdan Engineering for engineering and pavement management program expertise. However, additional funding is needed to continue these efforts (as detailed below) without interruption and to begin construction projects. These projects align with the Council's Measure P funding priorities, and therefore the appropriation of Measure P funding for these efforts is appropriate.

Based on the work performed by Unico Engineering and Willdan Engineering, and by analyzing the Streetsaver data, Public Works evaluated residential areas to confirm groups of street segments which can be improved quickly with crack seal, minor dig outs and slurry seal. This work is estimated to cost two million dollars, including contingencies.

Working with Willdan Engineering, staff have evaluated the level of effort and costs of delivering pavement treatments on all Vallejo streets below 80 PCI in stages over a 10-year program timeline. The minor and major pavement section upgrades require further data collection and engineering before bid packages can be prepared and advertised for construction. Funding of one million dollars is needed for comprehensive pavement management services to initiate contracts for the engineering services to deliver annual pavement management bid packages. In addition, a bid package will be prepared to bring 100 or more curb ramps into compliance with the ADA, with construction scheduled to begin in the spring of 2025. This work has been scaled to not exceed $500,000.

Per Section 3.09.150 of the Vallejo Municipal Code, the Measure P Oversight Committee (MPOC) was established to independently review and advise upon the city's expenditure of proceeds generated by the Measure P transactions and use tax. Staff met with the MPOC on February 15, 2024, to review and discuss the request being made to Council for the appropriation of Measure P funding for pavement management activities. It was moved and unanimously carried by the MPOC to support the recommendation of staff to appropriate the requested funding.

At the same meeting, following further discussion, it was carried unanimously by the MPOC to make a recommendation to City Council to consider the appropriation of an additional $1.5 million of Measure P funding for the following: $500,000 for traffic striping and $1 million for pothole repair. This recommendation (copy attached to this staff report) was shared with City Council and discussed during the Special City Council meeting on February 20, 2024.

Council's approval of this item will result in the appropriation of $5 million of Measure P fund revenues to the Capital Outlay Fund for pavement management program efforts.

FISCAL IMPACT

Approximately $11 million of Measure P revenue has been received to date. None of this funding has been appropriated. Approval of this item will authorize the appropriation of $5 million of Measure P funds and increase Fiscal Year 2023-24 Capital Outlay Fund expenditure budget in the same amount. Expenditure budget will be allocated to the following projects:

Description	Revenue	Expenditure Budget
Measure P (Fund #005) - transfer out		$5,000,000

Description	Revenue	Expenditure Budget
PW9705-ADA Curb Ramps Project (Fund #201) - transfer in	$ 500,000	$ 500,000
PW9745-Citywide Slurry Seal Project (Fund #201) - transfer in	$2,000,000	$2,000,000

PWC109-Street Overlay/Preservation (Fund #201) - transfer in	$2,500,000	$2,500,000

ENVIRONMENTAL REVIEW
This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

ATTACHMENTS

1.	RESO Measure P-PMP Budget Amendment - Step 2_CAO Stamp
2.	MPOC Recommendation to City Council - Appropriation of Budget for Pavement Mgmt Plan Efforts 2.20.24

CONTACT
Melissa Tigbao, PE, Public Works Director (707) 648-4433
melissa.tigbao@cityofvallejo.net

Approved as to form:

By: ______________ *for*
Veronica A.F. Nebb
City Attorney

a

RESOLUTION NO. 24- __________ N.C.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VALLEJO AMENDING THE FISCAL YEAR 2023-2024 CAPITAL OUTLAY FUND BUDGET FOR PAVEMENT MANAGEMENT PROGRAM EFFORTS (STEP 2)

WHEREAS, voters approved the Vallejo's Safe Streets and Essential Services Measure (Measure P) in the November 2022 Municipal Elections, and since its adoption more than $11 million of revenue has been collected; and

WHEREAS, on December 20, 2022, the City Council adopted Resolution No. 22-222, which directed staff to prioritize specific uses of revenue generated by Measure P, including the repair of deteriorating neighborhood streets, roads and sidewalks, among others; and

WHEREAS, the Metropolitan Transportation Commission (MTC) pavement conditions report for the year 2021 ranked the City of Vallejo as one of the lowest ranking jurisdictions with an average Pavement Condition Index (PCI) of 48 (poor); and

WHEREAS, to implement pavement preservation efforts, funding is needed to support the following activities:

- $2 million for a residential street resurfacing (slurry seal) project
- $500,000 for American with Disabilities Act (ADA) curb ramp compliance construction
- $1 million for comprehensive pavement construction design and project management services; and

WHEREAS, on February 15, 2024, staff met with the Measure P Oversight Committee and proposed the appropriation of $3.5 million in Measure P funds to pay for those projects; and

WHEREAS, the Measure P Committee adopted a recommendation to City Council to approve the appropriation proposed by staff and further recommended an additional $1.5 million in Measure P funding for traffic striping and pothole/minor road repairs; and

WHEREAS, the above-mentioned proposed expenditures align with the Council set Measure P funding priorities adopted by the Council when Measure P was placed on the ballot; and

WHEREAS, the City Council finds that appropriation of Measure P funding in the amount of $5 million for these efforts is appropriate; and

WHEREAS, City Charter Section 703 requires that available funds not included in the budget may be appropriated by the City Council after giving one week's notice of intention to do so; and

WHEREAS, Notice of Intention to amend the Fiscal Year 2023-24 budget was provided to City Council on February 20, 2024.

NOW, THEREFORE, BE IT RESOLVED that the Vallejo City Council hereby amends the fiscal year 2023-2024 Capital Outlay Fund budget in the amount of $5 million as follows:

Description	Revenue	Expenditure budget
Measure P (Fund #005) – transfer out		$ 5,000,000

Description	Revenue	Expenditure budget
PW9705-ADA Curb Ramps Project (Fund #201) – transfer in	$ 500,000	$ 500,000
PW9745-Citywide Slurry Seal Project (Fund #201) – transfer in	$ 2,000,000	$ 2,000,000
PWC109-Street Overlay/Preservation (Fund #201) – transfer in	$ 2,500,000	$ 2,500,000

Adopted by the City Council of the City of Vallejo at a regular meeting held on March 12, 2024, with the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ROBERT H. MCCONNELL, MAYOR

ATTEST:

DAWN G. ABRAHAMSON, CITY CLERK

City of Vallejo

Measure P Oversight Committee

Recommendations to City Council

Appropriation of Measure P Funding for Pavement Management Plan Efforts

February 20, 2024

Per Section 3.09.150 of the Vallejo Municipal Code, the Measure P Oversight Committee (Committee) was established to independently review and advise upon the city’s expenditure of proceeds generated by the Measure P transactions and use tax.

On Thursday, February 15, 2024, a Special Meeting was held in order for the Committee to receive information and consider supporting the Public Works Department’s recommendation to City Council to appropriate $3.5 million of Measure P funding for Pavement Management Plan efforts and authorize the initiation of the bond application process.

After a Q&A session with Public Works Director Tigbao, the Committee discussed the issue and it was carried unanimously by the Committee to support staff's request to City Council to appropriate Measure P funding for Pavement Management Program efforts and initiate the bond application process.

At the same meeting, following further discussion, it was carried unanimously by the Committee to make a recommendation to City Council to consider the appropriation of an additional $1.5 million of Measure P funding for the following: $500,000 for traffic striping and $1 million for pothole repair.

RESOLUTION NO. 24-031 N.C.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VALLEJO APPROVING THE SECOND AMENDMENT TO THE CONSULTANT AND PROFESSIONAL SERVICES AGREEMENT WITH WILLDAN ENGINEERING TO ADD ADDITIONAL SERVICES AND INCREASE COMPENSATION NOT TO EXCEED $220,000 AND AUTHORIZING THE CITY MANAGER TO EXECUTE SAME

WHEREAS, a Consultant and Professional Services Agreement (Agreement) in the amount of $85,000 was executed with Willdan Engineering (Willdan) in May 2023 for Pavement Management Program planning services, including technical research, analysis of existing data on road conditions, evaluation of transportation infrastructure, field reviews, investigation of possible program funding options, and preparation of program phasing options; and

WHEREAS, in February 2024, the parties executed a First Amendment to the Agreement to increase Willdan’s compensation to an amount not to exceed $100,000; and

WHEREAS, the Public Works Department intends to commence a slurry seal project to perform preventive maintenance on residential roadways throughout the City and requires the assistance of outside engineering services to prepare plans, specifications, and engineering estimates necessary for the construction bid packages that will be advertised for this project; and

WHEREAS, Willdan provided a quote totaling approximately $100,000 for the engineering and bid package preparation services needed to advertise the slurry seal project that will result in the award of a construction contract; and

WHEREAS, Willdan has specialized expertise in pavement management and improvement and has developed in-depth knowledge of Vallejo's roadway system and infrastructure and will be able to prepare the required documents within a short timeframe; and

WHEREAS, funds to pay for these services will come from Measure P funds appropriated for Pavement Management Plan efforts.

NOW, THEREFORE BE IT RESOLVED that the Second Amendment to the Consultant and Professional Services Agreement with Willdan Engineering in an amount not to exceed $220,000 is hereby approved, with any modifications recommended by the City Attorney and the City Manager is authorized to execute same.

ADOPTED BY THE CITY COUNCIL OF THE CITY OF VALLEJO at a regular meeting held on March 12, 2024, with the following vote:

AYES:	Mayor McConnell, Vice Mayor Loera-Diaz, Councilmembers Arriola, Bregenzer, Matulac, Palmares and Verder-Aliga
NOES:	None
ABSENT:	None
ABSTAIN:	None

ROBERT H. MCCONNELL

ROBERT H. MCCONNELL, MAYOR

ATTEST:

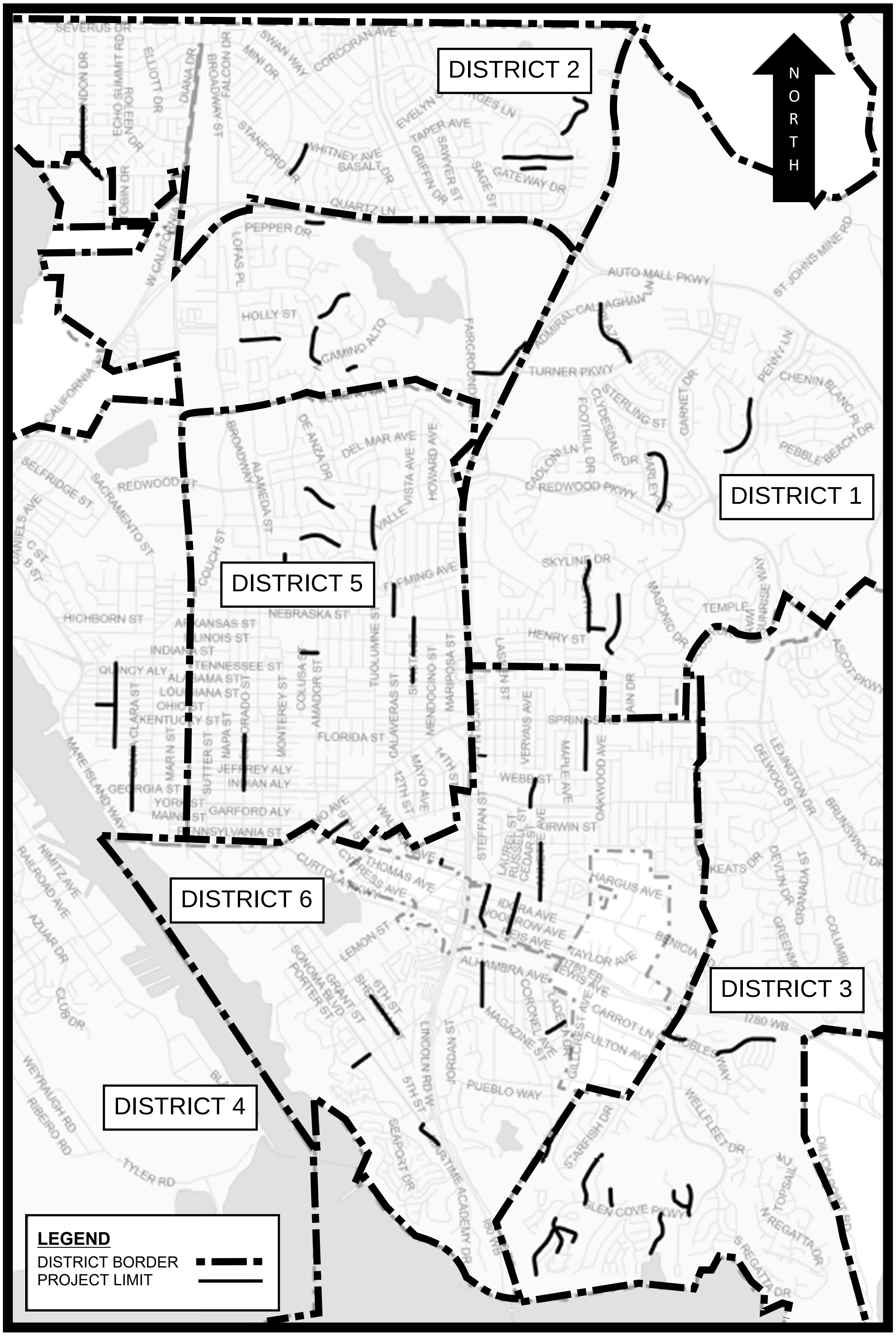
Dawn G. Abrahamson

DAWN G. ABRAHAMSON, CITY CLERK

ATTACHMENT A

LOCATION MAP

ATTACHMENT A



LOCATION MAP

CITYWIDE SLURRY SEAL PROJECT

PROJECT NO. PW9745

ATTACHMENT B

LIST OF STREETS

ATTACHMENT B

STREET NAME	BEGINNING	END	PCI	AREA (SF)
DISTRICT 1				
HALE STREET	HENRY STREET	SKYLINE DRIVE	56	60,327
PLAZA DRIVE	ADMIRAL CALLAGHAN	TURNER PARKWAY	63	108,510
ROLLINGWOOD DRIVE	TENNESSEE STREET	GEORGIA STREET	60	131,361
TERRACE BEACH DRIVE	CLEAR COAST COURT	HEADWATER DRIVE	62	70,422
TROTTER DRIVE	REDWOOD PARKWAY	DARLEY DRIVE	60	64,034
WOODRIDGE DRIVE	OAKWOOD AVENUE	WOODSON WAY	61	57,927
DISTRICT 2				
CAROUSEL DRIVE	CUL DE SAC	SOUZA WAY	59	24,396
CIMARRON DRIVE	BORGES LANE	NICOLE WAY	57	62,119
GONZAGA AVENUE	WHITNEY AVENUE	STANFORD DRIVE	59	25,395
JACK LONDON DRIVE	LAINEY COURT	DONNER PASS ROAD	62	79,420
SONORA PASS ROAD	TOBIN DRIVE	BIDWELL WAY	64	16,463
VANESSA STREET	BORGES LANE	END	63	2,8791
DISTRICT 3				
ANTIGUA WAY	GLEN COVE PARKWAY	END	56	34,572
GLEN COVE MARINA ROAD	GLEN COVE PARKWAY	END	63	20,113
GLEN COVE PARKWAY	134' W/O SEA LION PL	END	64	2,5086
JAMES RIVER ROAD	GLEN COVE PARKWAY	END	57	5,5849
RIVERMOUTH LANE	MISTRAL WAY	END	56	18,290
ROBLES DRIVE	GLEN COVE ROAD	502 'E/O GLEN COVE PKWY	67	25,177
SHADOW RIDGE PLACE	OUTRIGGER DRIVE	CUL DE SAC	67	33,352
SHADY LANE	ROBLES WAY	APPLENUT LANE	65	54,829
WATERVIEW TERRACE	WEST END	EAST END	62	67,980

LIST OF STREETS (DISTRICTS 1-3)

2024 CITYWIDE SLURRY SEAL PROJECT
PROJECT NO. PW9745

ATTACHMENT B

STREET NAME	BEGINNING	END	PCI	AREA SF
DISTRICT 4				
BRANCIFORTE STREET	TENNESSEE STREET	KENTUCKY STREET	61	69,330
COACH LANE	FAIRGROUNDS DRIVE	END	67	18,707
HOBBS AVENUE	ALMOND AVENUE	END	59	25,073
HOSPITAL DRIVE	TUOLUMNE STREET	236' E/O TUOLUMNE ST	62	8,242
LAKESIDE DRIVE	ANTIOCH DRIVE	END	57	23,378
OHIO STREET	BUTTE STREET	BRANCLIFORTE ST	65	16,294
PARKVIEW TERRACE	TUOLUMNE STREET (N)	LUANN COURT	55	34,717
POWER DRIVE	NORTH CAMINO ALTO	RIVERVIEW DRIVE	64	39,319
SANTA CLARA STREET	MAINE STREET	CAROLINA STREET	59	61,936
DISTRICT 5				
CALAVERAS WAY	FLEMING AVENUE	NEBRASKA STREET	57	15,540
EL DORADO STREET	GEORGIA STREET	FLORIDA STREET	56	54,977
INDIANA STREET	AMADOR STREET	COLUSA STREET	56	12,405
MONTEREY STREET	NEVADA STREET	DEAD END SOUTH	61	4,955
RICE STREET	NINTH STREET	BENICIA ROAD	64	20,364
SERRA DRIVE	EL CAMINO REAL	CULDESAC WEST	63	34,125
SHASTA STREET	NEBRASKA STREET	INDIANA STREET	61	33,761
SHASTA STREET	TENNESSEE STREET	ALABAMA STREET	62	1,2547
TUOLUMNE STREET	LOS SANTOS COURT	GREENFIELD AVENUE	60	38,880
WASHINGTON STREET	NORTH CAMINO ALTO	RINCON WAY	59	38,336
DISTRICT 6				
ANNETTE AVENUE	BUSS AVENUE	BENICIA ROAD	56	51,186
CAROLINA STREET	WEST END	MILLER AVENUE	63	5,101
CEDAR STREET	WEBB STREET	GEORGIA STREET	56	24,717
CEDAR STREET	BENICIA ROAD	REIS AVENUE	62	32,192
LAUREL STREET	MAGAZINE STREET	ALHAMBRA AVENUE	57	35,341
LAUREL STREET	REIS AVENUE	BENCIA ROAD	55	40,413
MAGAZINE STREET	SR 29	PORTER STREET	58	17,876
MARITIME ACADEMY DRIVE	SR 29	750' SOUTH OF SR 29	63	20,866
PACHECO DRIVE	CABRILLO DRIVE	LADERA DRIVE	64	17,388
SHERIDAN STREET	CHERRY STREET	MAGAZINE STREET	61	37,839
THELMA AVENUE	SPRINGS ROAD	CONCORD STREET	64	40,129

LIST OF STREETS (DISTRICTS 4-6)

2024 CITYWIDE SLURRY SEAL PROJECT
PROJECT NO. PW9745


MEASURE P FUNDED PROJECT
City of VALLEJO California
Your Tax Dollars at work.
Thank you!
CITYWIDE SLURRY SEAL PROJECT
FY 2023-24
ROAD WORK AND DETOURS AHEAD
PLAN FOR DELAYS