



CITY COUNCIL REGULAR MEETING AGENDA

Tuesday, October 15, 2024
7:00 PM

City Council Chamber
200 Old Bernal Avenue
Pleasanton, CA 94566

The meeting will be held in-person, broadcast live on Channel 29 and at <https://www.tri-valleytv.org> and streamed at <https://www.youtube.com/user/TheCityofPleasanton>.

Public participation: It is requested that members of the public wishing to address the City Council submit a speaker card. When public comment is opened on an agenda item, individuals may speak once per agenda item.

To submit written public comment regarding an open session item on this meeting agenda visit <https://forms.cityofpleasantonca.gov/f/writtenpubliccomment>. Comments will be accepted by the City Clerk's Office until 12:00 p.m. on the day of the Council meeting.

In Person at Council Chamber:

- Submit a physical speaker card to the City Clerk at the meeting. When your name is called, please provide comment at the podium.

CALL TO ORDER

- Pledge of Allegiance
- Remarks by Councilmember Testa
- Roll Call

Resolution No. 2024-062
Ordinance No. 2286

AGENDA AMENDMENTS

CONSENT CALENDAR

Items listed on the consent calendar are considered routine in nature and may be enacted by one motion. If discussion is required, that particular item will be removed from the consent calendar and will be considered separately.

City Manager

1. Approve meeting minutes of September 12, 2024 and September 17, 2024
2. Adopt a resolution accepting and approving the Downtown Pleasanton Business Improvement District 2024 Annual Report and 2025 Budget and declaring the intent to levy the annual assessment for 2025

Community Development

3. Actions of the Zoning Administrator and Planning Commission
4. Approve and authorize the City Manager to execute the funding agreement with the Federal Highway Administration for the Safe Streets and Roads for All - Planning and Demonstration Grant to develop the Pleasanton Travel Action Plan and approve budget amendments in the Miscellaneous CIP Grants Fund and General Fund
5. Adopt resolutions of local support and authorize staff to submit three applications to the Alameda County Transportation Commission for a total of \$5,875,000 in funding from the 2026 Comprehensive Investment Plan for the West Las Positas Boulevard Multimodal Reconstruction Project, CIP No. 11514, the I-580 Overcrossing Bicycle and Pedestrian Improvements Project, CIP No. 22570, and the Santa Rita Road at Valley Avenue Intersection Improvement Project, CIP No. 20569
6. **Public Hearing:** Introduce an ordinance approving amendments to Chapters 17.38, 18.08, and 18.88 of the Pleasanton Municipal Code regarding density bonus and major transit stop as identified in State law [Case P24-0334]

Finance

7. Accept the monthly disbursement and investment report for August 2024
8. Adopt a resolution to 1) Establish a convenience surcharge for credit card payments made to the City and 2) Update the indirect cost rate

Library and Recreation

9. Adopt a resolution accepting \$42,948 in grant funding for Adult Literacy Services from the California State Library for FY 2024/25

Public Works

10. Approve a professional services agreement with Pakpour Consulting Group, Inc. for construction management services for the not-to-exceed amount of \$186,624 for the Near-Term Water Improvements Project, CIP No. 24172
11. Receive an update on Water System Activities

MEETING OPEN TO THE PUBLIC

12. Business Anniversary Recognition
13. Presentation of a proclamation recognizing November 1, 2024 as Diwali
14. Presentation of a proclamation recognizing October 2024 as Domestic Violence Awareness Month

15. Public Comment regarding items not listed on the agenda – Speakers are limited to 3 minutes.

PUBLIC HEARINGS AND OTHER MATTERS

If necessary to ensure completion of the following items, the Mayor may alter time limits.

16. PG&E presentation on service reliability
17. Receive a presentation and provide input on Draft Amendments to Pleasanton Municipal Code (PMC) Chapter 17.44 - Inclusionary Zoning Amendments and Related Amendments to PMC Chapter 17.40 - Affordable Housing Fee, Chapter 18.38 - Housing Opportunity Zone District, and the Objective Design Standards for Housing Element Sites
18. Receive Economic Development Strategic Plan Implementation Update

MATTERS INITIATED BY COUNCIL

COUNCIL REPORTS

Brief reports on conferences, seminars, and meetings attended by the Council

ADJOURNMENT

Notice

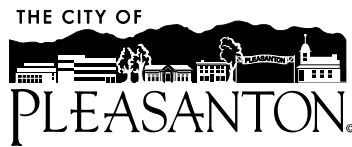
Under Government Code §54957.5, any writings/documents regarding an open session item on this agenda and items received by the City Clerk's Office by 12:00 p.m. on the day of the meeting provided to a majority of the City Council after distribution of the agenda packet will be available for public inspection on the City's website <https://www.cityofpleasantonca.gov/> and also at the Pleasanton Library located at 400 Old Bernal Ave., Pleasanton, CA 94566.

There is a 90-day limit for the filing of a challenge in the Superior Court to certain City administrative decisions and orders, which require a hearing by law, the receipt of evidence, and the exercise of discretion. The 90-day limit begins on the date the decision is final (Code of Civil Procedure § 1094.6). Further, if you challenge an action taken by the City Council in court, you may be limited, by California law, including but not limited to Government Code §65009, to raising only those issues you or someone else raised in the public hearing, or in written correspondence delivered to the City Council prior to or at the public hearing. The City Council may be requested to reconsider a decision if the request is made prior to the next City Council meeting, regardless of whether it is a regular or special meeting.

Accessible Public Meetings

The City of Pleasanton can provide special assistance for persons with disabilities to participate in public meetings. To make a request for a disability-related modification or

accommodation (e.g., an assistive listening device), please contact the City Clerk's Office at 123 Main Street, Pleasanton, CA 94566 or (925) 931-5027 at the earliest possible time. If you need sign language assistance, please provide at least two working days' notice prior to the meeting date.



**CITY OF PLEASANTON
CITY COUNCIL
SPECIAL MEETING MINUTES
September 12, 2024**

CALL TO ORDER

Mayor Brown called the meeting to order at the hour of 1:00 p.m. from the City Manager's Conference Room located at 123 Main Street.

ROLL CALL

Present: Councilmembers Arkin, Testa, Mayor Brown

Absent: Councilmembers Balch, Nibert

1. PUBLIC COMMENT – None.

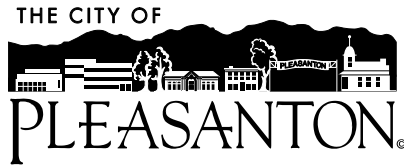
2. APPLICANT INTERVIEWS

- Energy and Environment Commission
- Economic Vitality Committee
- Library Commission
- Altamont Education Advisory Board
- Human Services Commission (youth)
- Youth Commission (youth)

The City Council conducted applicant interviews for the listed commissions and committees.

ADJOURNMENT – The meeting adjourned at 5:00 p.m.

Jocelyn Kwong
City Clerk



**CITY OF PLEASANTON
CITY COUNCIL
MINUTES**

**Tuesday, September 17, 2024
4:45 p.m.**

CALL TO ORDER

The closed session special meeting was called to order at the hour of 4:45 p.m. from the City Council Conference Room located at 200 Old Bernal Ave.

ROLL CALL

Present: Councilmembers Arkin, Balch, Nibert (via teleconference), Testa, Mayor Brown
Absent: None

PUBLIC COMMENT

Mayor Brown opened public comment. There being no speakers, Mayor Brown closed public comment.

ADJOURN TO CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL— EXISTING LITIGATION

pursuant to paragraph (1) of subdivision (d) of Section 54956.9:

Case: Vedula v. City of Pleasanton; Alameda County Superior Court No. 23CV043189

2. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2)(d) of Government Code Section 54956.9: One potential case: See November 27, 2023 letter from Thomas B. Mayhew and Charles J. Higley (attached)

ADJOURNMENT

The meeting was adjourned at 6:55 p.m.

Jocelyn Kwong, City Clerk



**CITY OF PLEASANTON
CITY COUNCIL
MINUTES**

**Tuesday, September 17, 2024
7:00 PM**

CALL TO ORDER

Mayor Brown called the Regular Meeting of the City Council to order at the hour of 7:02 p.m. from the Council Chamber located at 200 Old Bernal Avenue.

Councilmember Balch provided opening remarks.

ROLL CALL

Present: Councilmembers Arkin, Balch, Nibert (via teleconference), Testa, Mayor Brown

Absent: None.

REPORT ON CLOSED SESSION

City Attorney Sodergren stated there was no reportable action.

AGENDA AMENDMENTS

None.

CONSENT CALENDAR

Mayor Brown opened public comment. There being no speakers, Mayor Brown closed the public comment.

MOTION: It was m/s by Arkin/Testa to approve the consent calendar as recommended. Motion passed by the following vote:

Ayes: Councilmembers Arkin, Balch, Nibert, Testa, Mayor Brown

Noes: None

Absent: None

City Manager

1. Approve meeting minutes of August 20, 2024

Recommendation: Approve meeting minutes of August 20, 2024.

Community Development

2. Actions of the Zoning Administrator and Planning Commission

Recommendation: Approve actions of the Zoning Administrator and Planning Commission.

Finance

3. Accept the monthly disbursement and investment report for July 2024

Recommendation: Accept claim disbursements in the amount of \$35,781,443 and the investment report for the month of July 2024.

MEETING OPEN TO THE PUBLIC

4. Presentation of a proclamation recognizing September 17-23, 2024 as Constitution Week

Councilmember Balch presented the proclamation to recipient Jill Z. representing the Daughters of the American Revolution.

5. Public Comment regarding items not listed on the agenda – Speakers are limited to 3 minutes.

Mayor Brown opened public comment. The following individuals provided comment: Marti Sutton, Christine Bourg, Vicki LaBarge, Doug Miller, Linda Garbarino, TJ McGrath and Craig Freeman.

Mayor Brown closed the public comment.

PUBLIC HEARINGS AND OTHER MATTERS

6. Receive an Update on the City Budget

Recommendation: Receive an update on state of the City's finances to prepare for the development of the next two-year (FY 2025/26 and 2026/27) budget.

Presentation by Susan Hsieh, Finance Director and Gerry Beaudin, City Manager.

Mayor Brown opened public comment. The following individuals provided comment: Vicki LaBarge, Doug Miller.

Mayor Brown closed the public comment.

Mayor Brown called a recess at 9:36 p.m. and reconvened at 9:44 p.m.

7. Receive Fiscal Year 2023/24 Library and Recreation Programs and Services Presentation

Recommendation: Receive Fiscal Year 2023/24 Library and Recreation programs and services presentation.

Presentation by Heidi Murphy, Library and Recreation Director.

Mayor Brown opened public comment. There being no speakers, Mayor Brown closed the public comment.

MATTERS INITIATED BY COUNCIL

The City Council requested that the City Manager re-share the information pertaining to political signs with candidates.

COUNCIL REPORTS

Councilmembers reported on local and regional meetings attended.

ADJOURNMENT

Mayor Brown adjourned the meeting at 10:26 p.m.

Jocelyn Kwong, City Clerk

October 15, 2024
City Manager

TITLE: ADOPT A RESOLUTION ACCEPTING AND APPROVING THE DOWNTOWN PLEASANTON BUSINESS IMPROVEMENT DISTRICT 2024 ANNUAL REPORT AND 2025 BUDGET AND DECLARING THE INTENT TO LEVY THE ANNUAL ASSESSMENT FOR 2025

SUMMARY

The Downtown Pleasanton Business Improvement District (BID) assessment is collected annually as part of a three-step process described under State law. The City Council approved the first step on August 20, 2024, by appointing an advisory board to prepare the annual budget and report describing the programs and activities of the BID. The Downtown Pleasanton BID Advisory Board has submitted its year-to-date 2024 report and budget for 2025; the advisory board is recommending no modifications to the district boundaries and no change in the method of levying the assessment for 2025. Staff recommends the City Council approve the second step in the annual BID assessment process by accepting and approving the 2024 report and 2025 budget and setting a public hearing to consider assessment of the levy for November 19, 2024.

RECOMMENDATION

Adopt a resolution accepting and approving the Downtown Pleasanton Business Improvement District 2024 annual report and 2025 budget as prepared by the Advisory Board, and setting the public hearing date for November 19, 2024, to levy the annual assessment.

BACKGROUND

The Pleasanton Downtown Association (PDA) serves as the manager of the Downtown Pleasanton BID. At its November 19, 2019, meeting, the City Council approved renewal of a five-year agreement between the City and the PDA by which the City contributes funds to match the annual BID assessment revenue. These City funds are remitted to the PDA and used to conduct promotions, programs and activities that benefit downtown Pleasanton. The agreement requires the PDA to submit an annual budget to the City Council for review and consideration. The Downtown Pleasanton BID annual assessment revenue in 2025 is provisionally projected by City staff to be approximately \$80,000. The assessment formula is based on the annual business license payment and is calculated as follows:

- businesses located curbside and downstairs on Main Street are assessed at two times (2X) their business license;
- businesses with a Main Street address located upstairs, or not curbside, are assessed at a rate of one and a half times (1½X) their business license;
- all other businesses (those located off Main Street) pay an amount equal to one times

(1X) their business license.

The minimum assessment is \$50 and the maximum is \$350. Non-profit businesses within the district are not assessed.

Per Chapter 3, Section 36530 of the Parking and Business Improvement Area Law of 1989, the City Council must complete the following three steps to levy the annual assessment for the Downtown Pleasanton BID:

1. Appoint an advisory board to prepare the annual budget with a report describing the programs and activities of the downtown business improvement district and the related funding sources. The report will outline any recommended changes to the boundaries of the district and/or the methodology of assessing each business;
2. Accept the report and budget and set a public hearing to levy the assessments;
3. Open and close the public hearing and adopt by resolution the assessments.

The following is the proposed schedule of steps:

8/20/2024 Ratification and Appointment of 2024 Advisory Board

10/15/2024 Acceptance of the 2024 Annual Report and 2025 Budget and Adoption of Resolution of Intent to Levy Assessment for 2025 and Set Public Hearing for 11/19/2024

11/19/2024 Hold Public Hearing and Adoption of Resolution Levying the Pleasanton Downtown Business Improvement District Assessment for 2025

DISCUSSION

On August 20, 2024, the City Council appointed the members of the advisory board, which has since met and is recommending acceptance of the 2024 Annual report and the 2025 budget for the Downtown Pleasanton Business Improvement District assessments and other revenues, provided as Exhibit A. The report and budget contain the following required information:

1. Any proposed changes in the boundaries of the district. **For 2025, there are no proposed boundary changes.**
2. The activities to be funded during the calendar year, and an estimate of the cost of providing those activities.
3. The method of levying the assessment in sufficient detail to allow each business owner to estimate the amount to be levied against the business for the year. **There are no proposed changes in the method of levying the assessment for 2025.**
4. The amount of any surplus or deficit revenues carried over from a previous year.
5. Contributions to be made from sources other than the assessments levied.

2024 Annual Report

The report illustrates the organization's continued commitment to promoting the downtown with distinct marketing objectives, events, and member engagement. The PDA – which employed one interim executive director, one full-time events director, and one three-quarter time office and membership manager in 2024 – focused its time and resources to support the downtown businesses through communication, marketing, and community engagement.

The interim executive director and PDA Board members are committed to rebuilding and strengthening the organization despite economic challenges and prior changes in leadership. The annual report highlights the PDA's commitment to prioritizing the common goals and interests of the downtown businesses and strengthening connections with PDA members, and to marketing and communication efforts focused on promoting the downtown businesses, upcoming events, and issues facing the downtown. The PDA's robust social media efforts are meeting goals to increase awareness of downtown businesses, events, and vitality with a significant following on its social media channels. The PDA worked closely with City staff on the closure of Main Street for First Weekends on Main and other events including Small Business Saturday, Forkful, wine strolls, and holiday events to activate the downtown. The PDA also announced a new partnership with the City in promoting *Gift Pleasanton*, the City's e-gift card program, as downtown's premier gift card to encourage local spending in Pleasanton.

Key priorities for the PDA include supporting downtown businesses through communication, marketing, and engagement, creating a positive downtown experience for all ages in the community, long-term organizational stability, and working with the City to evaluate the current business improvement district structure, which has been in place since 1989, and feasibility of a Property and Business Improvement District (PBID) formation.

2025 Budget

The 2025 PDA budget considers potential budget reductions which depend on future funding decisions by the City, including the possibility of no city match of assessments which would result in a PDA budget reduction of \$80,000. This scenario would necessitate the elimination of one position, a savings of \$61,000, plus additional reductions from seminar/conference attendance, adjusted cleaning services, and promotional items to committee and membership expenses, totaling \$16,850. One positive cost reduction results from the transition of the downtown gift card to the City's e-gift card program, equating to \$4,500.

The PDA budget includes events planned during the year, which are projected to generate approximately 62 percent of the total 2025 revenue, up from 55 percent last year. The scheduled events and special promotions include a modified Concerts in the Park event series due to the Lions Wayside Park renovation, St. Patrick's Day and Halloween Brew Crawls, Summer Wine Stroll, Forkful, Totally Mimosa, and Holiday Spirit Stroll. Additional family-focused events include the Bunny Hop Scavenger Hunt and Pumpkins on Main. Programming for First Weekends on Main will be dependent on the City's funding of the street closures, but the PDA recommends three weekend closure events in June, July, and August.

Remaining income from the BID assessments, farmer's market, corporate sponsors and miscellaneous sources generate the remaining 38 percent of the total 2025 revenue. The PDA expects to spend 99 percent of the budget, leaving about \$3,450 as net income.

City staff will meet with the PDA Executive Director and Executive Committee at the beginning and end of the fiscal year, with additional meetings as necessary, to ensure funding is spent as authorized by the terms of the agreement. A full financial audit will be required in preparation for developing and executing a new agreement.

On October 20, 2020, the City Council approved a temporary deferral of rent payments for one year for the PDA's use of the City-owned building at 333 Division Street in downtown Pleasanton. The temporary deferral was due to the reduced revenue from temporary restrictions due to the COVID-19 pandemic. On October 19, 2021, the City Council approved an extension of the temporary deferral of rent payments for an additional 14 months through December 2022, after which PDA was to begin paying the deferred amount of \$27,580.34, which includes a Consumer Price Index (CPI) adjustment, over 26 months. The 2025 budget reflects a total monthly rent payment of \$1,492.45, which includes the deferred monthly payment of \$383.06 and the regular monthly rent payment of \$1,109.39.

Intent to Levy BID assessment for 2025

Adoption of the resolution included as Attachment 2 will accept the Downtown Pleasanton BID Advisory Board 2024 Annual Report and 2025 PDA Budget and set November 19, 2024, as the date of the public hearing to levy the BID assessment for 2024.

EQUITY AND SUSTAINABILITY

No outreach was conducted, as this item is a routine matter of City business.

OUTREACH

No outreach was conducted, as this item is a routine matter of City business.

STRATEGIC PLAN ALIGNMENT

Approval of this action advances the ONE Pleasanton strategic plan goal of *Building a Community Where Everyone Belongs* by ensuring the vibrancy of Pleasanton's downtown as prioritized in the City's Economic Development Strategic Plan.

FISCAL IMPACT

The current agreement between the Downtown Pleasanton Business Improvement District and the City requires the City to match the annual assessments paid by businesses in the BID. In 2024, the City match from the General Fund is estimated to be approximately \$80,000. While staff anticipates the 2025 annual assessments will similarly be around \$80,000, the full amount of the City's matching funds will be considered based on future financial constraints. The current agreement expires on December 31, 2024; an updated agreement will be presented for the City Council's consideration in early 2025 in alignment with the property and business improvement district (PBID) feasibility study results.

In addition to the direct City contribution, the City provides a significant amount in indirect funding which includes staff time to administer the PDA assessments and contract, assistance and support for events, as well as the cost to facilitate street closures, maintain downtown planters and parking lots, cleaning sidewalks, and additional garbage pickup.

Prepared by:



Lisa Adamos, Economic
Development Manager

Submitted by:



Pamela Ott, Assistant City Manager

Approved by:



Gerry Beaudin, City
Manager

Attachments:

1. Resolution Accepting 2024 Annual Report & 2025 Budget of Downtown Pleasanton BID and Declaring to Levy 2025 Assessment and Setting Public Hearing
2. Exhibit A: 2024 Annual Report and 2025 Budget

RESOLUTION NO.**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLEASANTON, ACCEPTING AND APPROVING THE 2024 ANNUAL REPORT AND 2025 BUDGET OF THE DOWNTOWN PLEASANTON BUSINESS IMPROVEMENT DISTRICT ADVISORY BOARD AND DECLARING THE INTENTION TO LEVY AN ANNUAL ASSESSMENT FOR 2025 AND SETTING THE PUBLIC HEARING**

WHEREAS, the City of Pleasanton has heretofore established a Pleasanton Downtown Business Improvement District, the purposes and boundaries of which are set forth in Chapter 5.28, Pleasanton Municipal Code; and

WHEREAS, the City of Pleasanton has heretofore appointed an Advisory Board for the Downtown Pleasanton Business Improvement District; and

WHEREAS, said Advisory Board has prepared a 2024 annual report and a 2025 budget which satisfies the statutory requirements of Streets and Highways Code §36533.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PLEASANTON, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1: The report and budget of the Advisory Board attached as Exhibit A are accepted and approved.

SECTION 2: The City Council intends to levy and collect assessments within the District in 2024, for the proposed improvements and activities as provided in Chapter 5.28 of the Pleasanton Municipal Code.

SECTION 3: The public hearing on the levy of the proposed assessment for 2024 is set for Tuesday, November 19, 2024, at 7:00 p.m., at which time written or oral protests to the assessment may be made.

SECTION 4: As provided in §36534 of the Streets and Highways Code, the City Clerk shall notice of the public hearing by causing the resolution of intention to be published once in a newspaper of general circulation in the city not less than seven days before the public hearing.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Pleasanton at a meeting held on the 15th day of October 2024.

I, Jocelyn Kwong, City Clerk of the City of Pleasanton, California, certify that the foregoing resolution was adopted by the City Council at a meeting held on the 15th day of October 2024, by the following vote:

Ayes:
Noes:
Absent:
Abstain:

Jocelyn Kwong, City Clerk

APPROVED AS TO FORM:

Daniel G. Sodergren, City Attorney



Report to City Council 2024 Review and 2025 Budget

STRUCTURE

The Downtown Pleasanton Business Improvement District (PDA) is a non-profit service organization comprised of all downtown businesses and dedicated to the ongoing revitalization of Pleasanton's historic business district. The downtown business improvement district was created in 1984 by the Pleasanton City Council under the provisions of California Business Improvement District/Area law.

The current assessment formula is based on the annual business license payment: businesses located curbside, downstairs on Main Street are assessed at a rate of two times their business license; businesses with a Main Street address located upstairs, or not curbside, are assessed at a rate of one and a half times their business license; all other businesses (those located off Main Street) pay an amount equal to their business license. The minimum assessment is \$50 and the maximum is \$350. Non-profit businesses do not pay an assessment to the PDA. No changes in the district's assessment formulas or the boundaries of the district are recommended for 2025 since the City is currently undergoing an update of the BID structure.

The district currently includes approximately 600 members. Those members elect and are represented by a 13-member Board of Directors, where, as dictated by the PDA's By-Laws, no more than three directors may represent any one segment of the membership, but the board must include two property owners and two retailers/restaurateurs.

In accordance with the City and PDA agreement, the PDA has created an organizational structure that is modeled on the guidelines recommended by the National and California Main Street Programs. The PDA has been, once again, designated as a 2024 Accredited Main Street America™ program. Accredited status is Main Street America's top tier of recognition and signifies a demonstrated commitment to comprehensive commercial district revitalization and proven track record of successfully applying the Main Street Approach™.

Areas of focus are:

Organization: The Organization Committee, known at the PDA as the Executive Committee, is made up of the five officers of the Board of Directors – President, President-Elect, Past President, Secretary and Treasurer. While the Board of Directors takes a broad

approach, the Executive Committee focuses more closely on the operations of the PDA: financial oversight, personnel issues, budget, and insurance. Continuing to rebuild the PDA's operating bandwidth and financial reserves post-pandemic are on-going priorities for the Executive Committee.

Promotion/Events & Marketing: The PDA's Marketing Committee currently includes several board members, and is engaged in the execution of PDA marketing/event objectives, plans, and activities to take full advantage of new opportunities post-pandemic. These include continuation of a robust social media plan, refreshment of the PDA website, growing our much-loved events and creating new events to engage our community's changing demographic and to bring new foot traffic to Downtown.

Downtown Vitality & Design Review Committee: The PDA's Downtown Vitality and Design Review Committee currently includes numerous board members along with many PDA members and is engaged in ongoing conversations and programming focusing on Downtown's economic vitality and growth. Responsibilities such as sign and design approval, collaboration with City staff on planning and design issues, and beautification are ongoing. New initiatives include development of a PDA Retail Working Group, working with the Pleasanton chapter of Tri-Valley Restaurant Group, and development of new programs to benefit all PDA members, including our commercial businesses and businesses located on 2nd floor Main and our side streets. This committee also oversees our Downtown Beautification awards and our annual Walk-Along to identify any needed maintenance issues and to work closely with the responsible parties to ensure these issues are addressed in a timely manner.

2024 Review

The PDA has spent the bulk of 2024 strengthening our programming, building strong relationships with local partners and stakeholders, engaging with our incredible members and property owners, and working to bring back pre-pandemic programs and events. We are, as always, extremely grateful for the support of the City of Pleasanton and the ongoing partnerships that strengthen our Downtown as a whole.

2024 required a large amount of organizational restoration. The impacts of the past few years continue to be felt deep in the PDA and have affected every facet of the organization, from our leadership, our finances, and our programming. We are so pleased with our continued progress to not only recover, but to rebuild in a manner that will better suit our membership and Downtown. While looking to restore past events & programming, we are also challenging ourselves to ask, "what's next?" and "what's best?" for Downtown. We want to remain a cutting-edge Downtown focused on innovative marketing, crowd pleasing events and an eye to moving Downtown forward, while always maintaining our historic charm and the warmth that endears Downtown Pleasanton to residents and visitors.

Our PDA mission remains at the forefront of our efforts, to promote the economic vitality and hometown character of downtown Pleasanton.

Despite the ongoing economic challenges and an unfortunate change of leadership, the PDA continues to stand up for the common goals and common interests of a very diverse membership of Downtown businesses. We continue to have a goal to be visible, accessible, and remind our businesses that the PDA is here for them. We want to be a one-stop-shop for Downtown businesses for any questions, concerns, struggles they may have and to serve as a megaphone to amplify their successes! We have actively worked to advocate for our Downtown and for our businesses and this is always at the forefront of our priorities.

We are so happy with the success, thus far, of the continually evolving 1st Weekends on Main. There are many opinions in Downtown and the PDA's goal is to find a healthy balance that acknowledges the unique desires of our businesses in balance with the requests from the community. We are so pleased with the success of the three 1st Weekends on Main in 2024. We had phenomenal attendance, we added a new event, Totally Mimosa, and focused on marketing our businesses throughout these weekends.

We are so happy to now be a partner with the City of Pleasanton in promoting Gift Pleasanton. Due to a significant price increase in the PDA's Gift Card program from our vendor, the Board made the decision to discontinue our gift card program and, instead, join forces with the City. It has proven to be a great decision and we look forward to continued joint efforts to add more Downtown Pleasanton businesses as participants and encourage the entire City (and beyond!) to Gift Pleasanton for every occasion.

The PDA is proud of our Social Media efforts and our ability to amplify the marketing efforts of our Downtown businesses and provide marketing and promotions to support them throughout the year. Our Social Media channels continue to be strong and effective and have grown significantly over the past year, with a combined reach of over 55,000 unique followers. Our Facebook following of 29,710 is nearly triple of the combined following of the City of Pleasanton, InPleasanton.com and Pleasanton Weekly pages (11,700 total). With personal and community-focused content, the PDA's social media continues to be a highly visible and well-engaged space where the community comes to talk about all things Downtown and to learn about the newest businesses, upcoming events and issues affecting our Downtown.

The PDA website continues to receive our attention as we work to make it easy to navigate and full of relevant and current Downtown information. Our continued focus is to constantly improve the user experience for our website visitors, provide better exposure for our businesses and to better reflect the charm and beauty of Downtown. We are extremely pleased with the results and happy to report that our web traffic has increased significantly this year.

2024 has seen the continued growth of events in Downtown! Through the hard work of our Events Director and wonderful support from our businesses and Board of Directors we have hosted March Brew Crawl, Summer Wine Stroll, Totally Mimosa, a full season of Concerts in the Park, a summer of 1st Weekends on Main and Forkful back so far and look forward to hosting Halloween Brew Crawl, Magical Holiday Evening, Small Business Saturday and Holiday Spirit

Stroll later this year. These events are wonderful ways to bring residents, guests & visitors to Downtown and introduce them to all that we have to offer. They also serve as key fundraisers for the PDA. We are also once again hosting two beloved Children's Events, with Bunny Hop successfully welcoming 1200+ children in April and Pumpkins on Main being planned for October.

2025 BUDGET

Determining our 2025 budget has proven challenging as we are aware that significant changes may occur based on whether or not Measure PP passes in November. We have already begun cutting our expenses in anticipation of potential changes and negative impacts to our funding.

In years past our total budgeted assessment revenue and City matching funds have been projected to be \$160,000. This includes the 100% match from the City of Pleasanton. Our 2025 budget reflects NO match, resulting in a projected decrease of \$80,000 in funding from the City of Pleasanton. This will mark the first time in PDA history that the City has not matched the BID revenues. This change will have a dramatic impact on the services the PDA can provide to the Downtown business district.

The 2024 budget included a full-time Executive Director, full-time Events Director, and full-time Operations Director. We will be eliminating the Operations Director position before the end of 2024 and will not have the budget to replace this position in the coming year.

In October 2020, City Council approved the PDA rent to the City of Pleasanton deferral through December 2021. The PDA continues to pay rent to the City, plus the additional deferral amount of \$383.06 each month. Our rent has increased each year based on the CPI-adjusted rate. Any increase to the PDA's rent in 2025 will be extremely hard for our budget to absorb in light of the funding cuts we are already facing.

The PDA is extremely event-dependent for ongoing operational funding, and this will be amplified in 2025. Event income will become even more critical for our organization, and we will need to be very cognitive of what events are income producing for the PDA. Our 2025 Event Calendar also considers the decrease in staffing and how many events we will be able to produce with 33% less staff. We will also have to significantly limit the number of Concerts in the Park in 2025 due to the construction scheduled for Wayside Park. This will have a negative impact on our budget as well since we will lose sponsorships for the concerts in June & July 2025.

Despite the challenges that lie ahead, the PDA is committed to moving forward with the best interests of Downtown Pleasanton and the incredible businesses within the district at the forefront of our decision making.



9-19-24

2025 BUDGET – SUPPLEMENTAL INFORMATION

Due to a variety of factors, the PDA's revenue is currently down \$52,000 YTD from our budgeted projections. In 2025 we are prepared to lose \$80,000 in funding from the City of Pleasanton while also incurring new, direct expenses that we have not faced in previous years. This includes the possibility of having to pay for street closures which are projected at \$17,000 each. As we look into 2025 and understand the reality of the financial climate of the City and our community, we are making dramatic changes to our budget and the structure of the PDA in order to remain operational and supportive of the Downtown businesses & district.

1. **STAFFING** – This is our largest expense and where the greatest potential savings can be seen, with changes. Here is the current pay rate for each position, projected pay rate for 2025 and the potential savings in 2025.

Position	2024	2025
Executive Director	\$102,000	\$114,000
Events Director	\$70,000	\$82,000
Operations Director	\$85,000	\$0
	TOTAL SAVINGS IN 2025:	(-\$61,000)

BUDGET IMPACT: The Operations Director position will be eliminated in 2024 which will save \$85,000 in the 2025 budget. All duties/responsibilities will be shifted to the Executive Director and Events Director. A minor salary increase for each of these positions is recommended in light of the loss of a full-time employee and the increased workload for these two positions. Total savings is \$61,000 for 2025.

2. **EXPENSE CUTS** – Our expenses are minimal, but we must look for cuts wherever possible. We are cutting deep into our expenses for 2025 and getting down to bare

bones while committed to providing a high quality of engagement and services to the businesses & community we serve. *Dollar figure indicates annual savings.*

1. **Seminars/Conferences** – Eliminate expense - \$750
 2. **Office Cleaning Service** – Move to monthly service (from every other week) - \$600
 3. **Promotional Items** – Eliminate expense - \$2500
 4. **Committee Expenses** – Eliminate expenses - \$4000
 5. **Gift Card Program** – Program has ended - \$4500
 6. **Meals** – Decrease from \$2500 to \$500 - \$2000
 7. **Membership Mixers** – Eliminate expense - \$2500
-
3. **Events** – Unfortunately, it is not financially possible for the PDA to continue with 1st Weekends on Main programming in light of our projected funding levels. If funding changes and the PDA & City can work together to find a solution, the PDA recommends three 1st Weekends on Main in 2025 (June, July & August). This will need to be decided by February 2025 in order to meet the deadline for Street Closure approval.

As we move into 2025, staff will continue to discuss ways to reduce expenses while focusing on income-generating sources such as Farmers Market and Corporate Sponsorships.

INCOME

City Contract	\$80,000
Farmers Market	14000
Miscellaneous	7500
Corp. Sponsors	35000
TOTAL INCOME	\$136,500

EVENT INCOME

Concerts in the Park	4000
Halloween Brew Crawl	55000
St. Patricks Day Brew Crawl	55000
Summer Wine Stroll	50000
Forkful	15000
Totally Mimosa	15000
Holiday Spirit Stroll	32000

TOTAL GROSS EVENT REVENUE 226000

GROSS INCOME**362,500**

EXPENSE

Annual Meeting	500
Board Expense	500
Dues & Subscriptions	5000
Licenses & Permits	1000
Marketing	10000
Member Expense	500
Insurance	30000
Meals	250
Misc	1000
Office Cleaning	1800
Office Supplies	7000
Outside Services	3000
Payroll Expenses	
<i>Executive Director</i>	114000
<i>Events Director</i>	85000
<i>Bookkeeping</i>	12000
Payroll Taxes & Expenses	10000
Pest Control	900
Postage & Delivery	500
Event Expenses	
<i>Concerts in the Park</i>	4000
<i>Halloween Brew Crawl</i>	7500
<i>St. Patricks Brew Crawl</i>	7500
<i>Summer Wine Stroll</i>	6500

PDA 2025 BUDGET - DRAFT

<i>Forkful</i>	9000
<i>Totally Mimosa</i>	6500
<i>Holiday Spirit Stroll</i>	5000
Rent & Covid Rent Deferral	19000
Repairs & Maintenance	2000
Telephone/Internet/Alarm	6000
Volunteer Expenses	100
Website/Email	3000

TOTAL EXPENSES

359,050.00

NET INCOME

3,450.00

CITY COUNCIL AGENDA REPORT

October 15, 2024
Community Development

TITLE: ACTIONS OF THE ZONING ADMINISTRATOR AND PLANNING COMMISSION

P24-0498, Vinay Kumar

Application for Administrative Design Review approval to construct an approximately 91-square-foot addition to the rear of the existing residence and modify an existing trellis located at 6122 Allbrook Circle.

Project Information:

Existing floor area: 2,326 square feet

Total floor area with addition: 2,417 square feet

Lot size: 8,441 square feet

Existing floor area ratio: 27.56 percent

Total floor area ratio with addition: 28.63 percent

Approved. (11 days)

P24-0516, Ken Leung/Belinda Leung

Application for Administrative Design Review approval to repaint the exterior, modify second-floor windows and add a tile inset on the front of the existing residence located at 1976 Armando Court.

Approved. (11 days)

P24-0517, Gregory Kirk

Application for Administrative Design Review approval to construct an approximately 319-square-foot single-story addition to an existing residence located at 4614 Second Street.

Project Information:

Existing floor area: 2,241 square feet

Total floor area with addition: 2,560 square feet

Lot size: 9,276 square feet

Existing floor area ratio: 24.16 percent

Total floor area ratio with addition: 27.6 percent

Approved. (11 days)

P24-0422, Dzanela Husic

Application for Design Review approval to replace existing equipment within the carwash and install new concrete ramps, entry gate, POS system, cameras, and vacuums on the exterior building and parking stalls at an existing gas station and carwash located at 1875 Valley Avenue.

Approved. (0 days)

P24-0533, GADI Construction

Application for Administrative Design Review approval to construct an approximately 890-square-foot pavilion with a maximum height of 14 feet 8 inches in the rear yard located at 1012 Shotwell Ct.

Approved. (15 days)

P24-0562, Jeff Harteau/ J. Allen Builders

Application for Administrative Design Review approval to extend an existing pavilion with a maximum height of approximately 12 feet in the side yard of an existing residence located at 303 Neal Street.

Approved. (8 days)

P24-0501, Salil Bidaye

Application for Administrative Design Review approval to construct an approximately 473-square-foot single-story addition on the northwest side of the home at 3721 Rocky Mountain Court.

Project Information:

Existing floor area: 1,574 square feet

Total floor area with addition: 2,047 square feet

Lot size: 6,618 square feet

Existing floor area ratio: 23.78 percent

Total floor area ratio with addition: 30.93 percent

Approved. (18 days)

Prepared by:



Melinda Denis
Zoning Administrator

Submitted by:



Ellen Clark
Director of Community
Development

Approved by:



Gerry Beaudin
City Manager

CITY COUNCIL AGENDA REPORT

October 15, 2024
Community Development

TITLE: APPROVE AND AUTHORIZE THE CITY MANAGER TO EXECUTE THE FUNDING AGREEMENT WITH THE FEDERAL HIGHWAY ADMINISTRATION FOR THE SAFE STREETS AND ROADS FOR ALL - PLANNING AND DEMONSTRATION GRANT TO DEVELOP THE PLEASANTON TRAVEL ACTION PLAN AND APPROVE BUDGET AMENDMENTS IN THE MISCELLANEOUS CIP GRANTS FUND AND GENERAL FUND

SUMMARY

On June 20, 2023, the City Council authorized staff to submit an application to the United States Department of Transportation (US DOT), Federal Highway Administration (FHWA), for the Safe Streets and Roads for All (SS4A) Planning and Demonstration Grant. In December 2023, the US DOT awarded \$240,000 to the City to develop the Pleasanton Travel Action Plan (PTAP). The grant supports agencies in planning, infrastructure implementation, and operational improvements to prevent death and serious injury on roads for all modes of transportation.

The SS4A grant provides 80 percent of the total project cost, while awardees are required to provide the remaining 20 percent as a local fund match. The US DOT will provide \$240,000 and the City's local match is \$60,000, for total project funding of \$300,000.

RECOMMENDATION

- Approve and authorize the City Manager to execute the funding agreement with the Federal Highway Administration for the Safe Streets and Roads for All - Planning and Demonstration Grant to develop the Pleasanton Travel Action Plan
- Approve budget amendments in the Miscellaneous CIP Grants Fund to appropriate \$240,000 in grant revenue and appropriate a corresponding \$240,000 in expenditures to the Pleasanton Travel Action Plan Project
- Approve a budget amendment in the General Fund to reallocate \$60,000 in existing Professional Services budget to the Pleasanton Travel Action Plan Project.

BACKGROUND

The goal of the SS4A Grant is to help agencies prevent roadway deaths and serious injuries for all roadway users, including pedestrians, bicyclists, public transportation users, motorists, and micro-mobility users. The SS4A Grant supports elements of the US DOT's Safe System Approach with objectives that produce safer people, safer roads, safer vehicles, safer speeds, and post-crash care. The SS4A grant requires a 20 percent local fund match of the total cost to complete the project.

Typically, State DOTs or Regional Congestion Management Agencies are the delegated

agencies that administer federal funds to local agencies. The SS4A Grant is unique in that the program is set up for grant recipients to work directly with the US DOT in managing and administering the project and grant funds.

Staff submitted the grant application in July 2023. In December 2023, the US DOT awarded the City \$240,000 to develop the PTAP. Grant agreement work with the West Coast office of US DOT began in earnest in March 2024; a draft of the agreement was sent to the US DOT headquarters in May 2024. In August 2024, US DOT headquarters approved the draft agreement for execution. The grant agreement is between the City and the Federal Highway Administration, a department of US DOT.

DISCUSSION

The PTAP will be a comprehensive transportation safety action plan that will also satisfy eligibility requirements for future federal and state transportation funding opportunities, such as the Highway Safety Improvement Program, One Bay Area Grant, Active Transportation Program, and SS4A Implementation grants. This unifying document will take the spirit, policies, and concepts from Complete Streets, Vision Zero, and All Ages and Abilities design to develop recommended improvements to the transportation system.

Staff recommends the City Council authorize the City Manager to execute the attached funding agreement which outlines the responsibilities, milestones, and requirements of both the US DOT and City to ensure successful delivery of the PTAP. The agreement also outlines the total cost of \$300,000 to complete the PTAP, with \$240,000 in SS4A Grant funding, and a required 20 percent local City match of \$60,000. The \$60,000 in local match is budgeted and available in the Traffic Engineering Professional Services account.

Next Steps

Upon execution of the agreement, staff will advertise a Request for Proposals to solicit specialized professional service support to develop the PTAP. Once a firm has been selected, staff will return to the City Council to seek authorization for the professional services agreement.

EQUITY AND SUSTAINABILITY

Not applicable, as this item is a routine matter of City business.

OUTREACH

No outreach was conducted, as this item is a routine matter of City business.

STRATEGIC PLAN ALIGNMENT

Approval of this action advances the ONE Pleasanton strategic goals of *Funding Our Future*, Strategy 2 - Identify expanded and new revenue sources to address significant infrastructure needs, and *Investing in Our Environment*, Strategy 7 - Continue to invest in parks, bicycle, and pedestrian infrastructure, and public art. The PTAP is now a requirement to qualify for state and federal funding; this action will allow the City to maintain eligibility for future significant grant funding in support of planned capital improvement projects.

FISCAL IMPACT

The total cost to develop the PTAP is projected to be \$300,000. The US DOT will provide

\$240,000 (80 percent of the project cost) and the City will contribute \$60,000 (20 percent required local fund match). Funding for the \$60,000 local match is budgeted and available in the Traffic Engineering Professional Services account.

Prepared by:



Cedric Novenario, Senior
Transportation Engineer

Submitted by:



Ellen Clark, Director of Community
Development

Approved by:



Gerry Beaudin, City
Manager

Attachments:

1. Funding Agreement for the Federal Highway Administration Safe Streets and Roads for All - Planning and Demonstration Grant

- | | | | | | | | | | | | | | |
|---|---|------------------------|--|----------------|-----------|------------------|----------|----------------------|-----|--------------|-----|--------|-----------|
| <p>1. Federal Award No.
693JJ32540127</p> <p>4. Award To
City of Pleasanton
123 Main Street
Pleasanton, CA 94566</p> <p>Unique Entity Id.: ZQLCND5KBU99
TIN No.: 946000397</p> <p>6. Period of Performance
Effective Date of Award – 24 months</p> <p>8. Type of Agreement
Grant</p> <p>10. Procurement Request No.
HSA240342PR</p> <p>12. Submit Payment Requests To
See Article 5.</p> <p>14. Description of the Project
Pleasanton Travel Action Plan</p> | <p>2. Effective Date
See No. 16 Below</p> <p>3. Assistance Listings No.
20.939</p> <p>5. Sponsoring Office
U.S. Department of Transportation
Federal Highway Administration
Office of Safety
1200 New Jersey Avenue, SE
HSSA-1, Mail Drop E71-117
Washington, DC 20590</p> <table border="0"><tr><td>7. Total Amount</td><td></td></tr><tr><td>Federal Share:</td><td>\$240,000</td></tr><tr><td>Recipient Share:</td><td>\$60,000</td></tr><tr><td>Other Federal Funds:</td><td>\$0</td></tr><tr><td>Other Funds:</td><td>\$0</td></tr><tr><td>Total:</td><td>\$300,000</td></tr></table> <p>9. Authority
Section 24112 of the Infrastructure Investment and Jobs Act (Pub. L. 117–58, November 15, 2021; also referred to as the “Bipartisan Infrastructure Law” or “BIL”)</p> <p>11. Federal Funds Obligated
\$240,000.00</p> <p>13. Accounting and Appropriations Data
15X0173E50.0000.055SR10500.5592000000.
41010.61006600</p> | 7. Total Amount | | Federal Share: | \$240,000 | Recipient Share: | \$60,000 | Other Federal Funds: | \$0 | Other Funds: | \$0 | Total: | \$300,000 |
| 7. Total Amount | | | | | | | | | | | | | |
| Federal Share: | \$240,000 | | | | | | | | | | | | |
| Recipient Share: | \$60,000 | | | | | | | | | | | | |
| Other Federal Funds: | \$0 | | | | | | | | | | | | |
| Other Funds: | \$0 | | | | | | | | | | | | |
| Total: | \$300,000 | | | | | | | | | | | | |

RECIPIENT

15. Signature of Person Authorized to Sign

_____ Signature	_____ Date
Name: Gerry Beaudin	
Title: City Manager	

**FEDERAL HIGHWAY
ADMINISTRATION**

16. Signature of Agreement Officer

_____ Signature	_____ Date
Name: Bob Brown	
Title: Agreement Officer	

U.S. DEPARTMENT OF TRANSPORTATION

GRANT AGREEMENT UNDER THE FISCAL YEAR 2023 SAFE STREETS AND ROADS FOR ALL GRANT PROGRAM

This agreement is between the United States Department of Transportation's (the "USDOT") Federal Highway Administration (the "FHWA") and the City of Pleasanton (the "Recipient").

This agreement reflects the selection of the Recipient to receive a Safe Streets and Roads for All ("SS4A") Grant for the Pleasanton Travel Action Plan.

The parties therefore agree to the following:

ARTICLE 1 GENERAL TERMS AND CONDITIONS

1.1 General Terms and Conditions.

- (a) In this agreement, "General Terms and Conditions" means the content of the document titled "General Terms and Conditions Under the Fiscal Year 2023 Safe Streets and Roads for All ("SS4A") Grant Program," which is available at <https://www.transportation.gov/grants/ss4a/grant-agreements> under "Fiscal Year 2023." Articles 7–30 are in the General Terms and Conditions. The General Terms and Conditions are part of this agreement.
- (b) The Recipient acknowledges that it has knowledge of the General Terms and Conditions. Recipient also states that it is required to comply with all applicable Federal laws and regulations including, but not limited to, the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR part 200); National Environmental Policy Act (NEPA) (42 U.S.C. § 4321 et seq.); and Build America, Buy America Act (BIL, div. G §§ 70901-27).
- (c) The Recipient acknowledges that the General Terms and Conditions impose obligations on the Recipient and that the Recipient's non-compliance with the General Terms and Conditions may result in remedial action, termination of the SS4A Grant, disallowing costs incurred for the Project, requiring the Recipient to refund to the FHWA the SS4A Grant, and reporting the non-compliance in the Federal-government-wide integrity and performance system.

ARTICLE 2 APPLICATION, PROJECT, AND AWARD

2.1 Application.

Application Title: Pleasanton Travel Action Plan

Application Date: July 7, 2023

2.2 Award Amount.

SS4A Grant Amount: \$240,000

2.3 Federal Obligation Information.

Federal Obligation Type: Single

2.4 Budget Period.

Budget Period: See Block 6 of Page 1

2.5 Grant Designation.

Designation: Planning and Demonstration

ARTICLE 3 SUMMARY PROJECT INFORMATION

3.1 Summary of Project's Statement of Work.

The Pleasanton Travel Action Plan will review crash data to identify engineering and non-infrastructure recommendations to enhance safety for travelers utilizing the City's transportation network. The PTAP will address multiple needs to evaluate crash history, collaborate among stakeholders, and update the active transportation network. The PTAP will provide a single planning document that addresses eligibility needs for the Highway Safety Improvement Program (HSIP), the California Active Transportation Program (ATP), and implementation projects funded by the SS4A program. The PTAP will meet requirements for a Local Roadway Safety Plan (LRSP) and update the existing City of Pleasanton Bicycle & Pedestrian Master Plan (BPMP), adopted 2018. Preparation of the PTAP will develop capital projects and programs to reduce traffic crash fatalities and serious injuries on all City public roads, while addressing the 5 E's of transportation safety: Engineering, Enforcement, Education, Emergency Services, and Equity. A dedicated Stakeholder Working Group (SWG) will be assembled consisting of multidisciplinary partners with overlapping interest in transportation safety.

3.2 Project's Estimated Schedule.

Action Plan Schedule

Milestone	Schedule Date
Planned NEPA Completion Date:	On or before the award date
Planned Draft Plan Completion Date:	15 months
Planned Final Plan Completion Date:	18 months
Planned Final Plan Adoption Date:	22 months
Planned SS4A Final Report Date:	24 months

3.3 Project's Estimated Costs.

(a) Eligible Project Costs

Eligible Project Costs	
SS4A Grant Amount:	\$240,000
Other Federal Funds:	\$0
State Funds:	\$0
Local Funds:	\$60,000
In-Kind Match:	\$0
Other Funds:	\$0
Total Eligible Project Cost:	\$300,000

ARTICLE 4

RECIPIENT INFORMATION

4.1 Recipient Contact(s).

Cedric Novenario
Senior Transportation Engineer
City of Pleasanton
200 Old Bernal Avenue
925-931-5667
cnovenario@cityofpleasantonca.gov

4.2 Recipient Key Personnel.

Name	Title or Position
Cedric Novenario	Senior Transportation Engineer

4.3 USDOT Project Contact(s).

Safe Streets and Roads for All Program Manager
Federal Highway Administration
Office of Safety
HSSA-1, Mail Stop: E71-117
1200 New Jersey Avenue, S.E.
Washington, DC 20590
202-366-2822
SS4A.FHWA@dot.gov

and

Agreement Officer (AO)
Federal Highway Administration
Office of Acquisition and Grants Management
HCFA-33, Mail Stop E62-310
1200 New Jersey Avenue, S.E.
Washington, DC 20590
202-493-2402
HCFASS4A@dot.gov

and

Division Administrator – California
Agreement Officer's Representative (AOR)
650 Capitol Mall, Ste. 4-100
Sacramento, CA 95814
916-498-5001
Hdaca@dot.gov

and

Maria Bhatti
California – Division Office Lead Point of Contact
Safety Program Manager
650 Capitol Mall, Ste. 4-100
916-498-5002
maria.bhatti@dot.gov

ARTICLE 5 USDOT ADMINISTRATIVE INFORMATION

5.1 Office for Subaward and Contract Authorization.

USDOT Office for Subaward and Contract Authorization: FHWA Office of Acquisition and Grants Management

SUBAWARDS AND CONTRACTS APPROVAL

Note: See 2 CFR § 200.331, Subrecipient and contractor determinations, for definitions of subrecipient (who is awarded a subaward) versus contractor (who is awarded a contract).

Note: Recipients with a procurement system deemed approved and accepted by the Government or by the Agreement Officer (the “**AO**”) are exempt from the requirements of this clause. See 2 CFR 200.317 through 200.327. Note: This clause is only applicable to grants that do not include construction.

In accordance with 2 CFR 200.308(c)(6), unless described in the application and funded in the approved award, the Recipient must obtain prior written approval from the AO for the subaward, transfer, or contracting out of any work under this award above the Simplified Acquisition Threshold. This provision does not apply to the acquisition of supplies, material, equipment, or general support services. Approval will be issued through written notification from the AO or a formal amendment to the Agreement.

The following subawards and contracts are currently approved under the Agreement by the AO. This list does not include supplies, material, equipment, or general support services which are exempt from the pre-approval requirements of this clause.

5.2 Reimbursement Requests

- (a) The Recipient may request reimbursement of costs incurred within the budget period of this agreement if those costs do not exceed the amount of funds obligated and are allowable under the applicable cost provisions of 2 C.F.R. Part 200, Subpart E. The Recipient shall not request reimbursement more frequently than monthly.
- (b) The Recipient shall use the DELPHI iSupplier System to submit requests for reimbursement to the payment office. When requesting reimbursement of costs incurred or credit for cost share incurred, the Recipient shall electronically submit supporting cost detail with the SF-270 (Request for Advance or Reimbursement) or SF-271 (Outlay Report and Request for Reimbursement for Construction Programs) to clearly document all costs incurred.
- (c) The Recipient’s supporting cost detail shall include a detailed breakout of all costs incurred, including direct labor, indirect costs, other direct costs, travel, etc., and the Recipient shall identify the Federal share and the Recipient’s share of costs. If the Recipient does not provide sufficient detail in a request for reimbursement, the Agreement Officer’s Representative (the “**AOR**”) may withhold processing that request until the Recipient provides sufficient detail.
- (d) The USDOT shall not reimburse costs unless the AOR reviews and approves the costs to ensure that progress on this agreement is sufficient to substantiate payment.
- (e) In the rare instance the Recipient is unable to receive electronic funds transfers (EFT), payment by EFT would impose a hardship on the Recipient because of their inability to manage an account at a financial institution, and/or the Recipient is unable to use the DELPHI iSupplier System to submit their requests for disbursement, the FHWA may waive the requirement that the Recipient use the DELPHI iSupplier System. The Recipient

shall contact the Division Office Lead Point of Contact for instructions on and requirements related to pursuing a waiver.

- (f) The requirements set forth in these terms and conditions supersede previous financial invoicing requirements for Recipients.

ARTICLE 6 SPECIAL GRANT TERMS

- 6.1** SS4A funds must be expended within five years after the grant agreement is executed and DOT obligates the funds, which is the budget period end date in section 10.3 of the Terms and Conditions and section 2.4 in this agreement.
- 6.2.** The Recipient demonstrates compliance with civil rights obligations and nondiscrimination laws, including Titles VI of the Civil Rights Act of 1964, the Americans with Disabilities Act (ADA), and Section 504 of the Rehabilitation Act, and accompanying regulations. Recipients of Federal transportation funding will also be required to comply fully with regulations and guidance for the ADA, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, and all other civil rights requirements.
- 6.3** SS4A Funds will be allocated to the Recipient and made available to the Recipient in accordance with FHWA procedures.
- 6.4** The Recipient of a Planning and Demonstration Grant acknowledges that the Action Plan will be made publicly available and agrees that it will publish the final Action Plan on a publicly available website.

ATTACHMENT A
PERFORMANCE MEASUREMENT INFORMATION

Study Area: City of Pleasanton, California – City Wide

Baseline Measurement Date: NA

Baseline Report Date: NA

Table 1: Performance Measure Table

Measure	Category and Description	Measurement Frequency and Reporting Deadline
Equity	Percent of Funds to Underserved Communities: Funding amount (of total project amount) benefitting underserved communities, as defined by USDOT	Within 120 days after the end of the period of performance
Costs	Project Costs: Quantification of the cost of each eligible project carried out using the grant	Within 120 days after the end of the period of performance
Lessons Learned and Recommendations	Lessons Learned and Recommendations: Description of lessons learned and any recommendations relating to future projects or strategies to prevent death and serious injury on roads and streets.	Within 120 days after the end of the period of performance

ATTACHMENT C

RACIAL EQUITY AND BARRIERS TO OPPORTUNITY

1. Efforts to Improve Racial Equity and Reduce Barriers to Opportunity.

The Recipient states that rows marked with “X” in the following table align with the application:

	A racial equity impact analysis has been completed for the Project.
	The Recipient or a project partner has adopted an equity and inclusion program/plan or has otherwise instituted equity-focused policies related to project procurement, material sourcing, construction, inspection, hiring, or other activities designed to ensure racial equity in the overall delivery and implementation of the Project.
	The Project includes physical-barrier-mitigating land bridges, caps, lids, linear parks, and multimodal mobility investments that either redress past barriers to opportunity or that proactively create new connections and opportunities for underserved communities that are underserved by transportation.
	The Project includes new or improved walking, biking, and rolling access for individuals with disabilities, especially access that reverses the disproportional impacts of crashes on people of color and mitigates neighborhood bifurcation.
	The Project includes new or improved freight access to underserved communities to increase access to goods and job opportunities for those underserved communities.
	The Recipient has taken other actions related to the Project to improve racial equity and reduce barriers to opportunity, as described in the supporting narrative below.
X	The Recipient has not yet taken actions related to the Project to improve racial equity and reduce barriers to opportunity but intends to take relevant actions described in the supporting narrative below.
	The Recipient has not taken actions related to the Project to improve racial equity and reduce barriers to opportunity and will not take those actions under this award.

2. Supporting Narrative.

The United States Census Bureau’s OnTheMap online tool identifies low-income workers in Pleasanton demonstrating the benefit to underserved community members. The tool aggregates census data for viewing and reviewing demographics of workers employed within the City and travel within the proposed project area. A work Area Profile Report was generated for All Jobs for All Workers within the City of Pleasanton earning \$1,250 per month or less in 2020. A salary of \$1,250 per month equates to less than the State of California threshold for disadvantaged community members which is 80% of the median household income. The report indicates a share of sixteen percent (16%) of the City’s working population, or 9,780 individuals, are underserved community members. The PTAP will develop Equity-driven programming and infrastructure treatment recommendations to enhance transportation safety benefiting this underserved population within the City. Enhancing safety for modes of transportation not requiring ownership of a personal vehicle, such as bicycling, walking and transit, supports equity through low cost transportation mobility and access to employment, education, healthcare, and recreation.

ATTACHMENT D

CLIMATE CHANGE AND ENVIRONMENTAL JUSTICE IMPACTS

1. Consideration of Climate Change and Environmental Justice Impacts.

The Recipient states that rows marked with “X” in the following table align with the application:

	The Project directly supports a Local/Regional/State Climate Action Plan that results in lower greenhouse gas emissions.
	The Project directly supports a Local/Regional/State Equitable Development Plan that results in lower greenhouse gas emissions.
	The Project directly supports a Local/Regional/State Energy Baseline Study that results in lower greenhouse gas emissions.
	The Recipient or a project partner used environmental justice tools, such as the EJScreen, to minimize adverse impacts of the Project on environmental justice communities.
	The Project supports a modal shift in freight or passenger movement to reduce emissions or reduce induced travel demand.
	The Project utilizes demand management strategies to reduce congestion, induced travel demand, and greenhouse gas emissions.
	The Project incorporates electrification infrastructure, zero-emission vehicle infrastructure, or both.
	The Project supports the installation of electric vehicle charging stations.
	The Project promotes energy efficiency.
	The Project serves the renewable energy supply chain.
	The Project improves disaster preparedness and resiliency
	The Project avoids adverse environmental impacts to air or water quality, wetlands, and endangered species, such as through reduction in Clean Air Act criteria pollutants and greenhouse gases, improved stormwater management, or improved habitat connectivity.
	The Project repairs existing dilapidated or idle infrastructure that is currently causing environmental harm.
	The Project supports or incorporates the construction of energy- and location-efficient buildings.
	The Project includes recycling of materials, use of materials known to reduce or reverse carbon emissions, or both.
	The Recipient has taken other actions to consider climate change and environmental justice impacts of the Project, as described in the supporting narrative below.
X	The Recipient has not yet taken actions to consider climate change and environmental justice impacts of the Project but will take relevant actions described in the supporting narrative below.

	The Recipient has not taken actions to consider climate change and environmental justice impacts of the Project and will not take those actions under this award.
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2. Supporting Narrative.

The USDOT’s Equitable Transportation Community (ETCT) Explorer is an interactive dashboard created to understand how a community or project area is experiencing transportation disadvantage compared to all other Census Tracts nationally. The City of Pleasanton scores disadvantaged among four of the forty indicators used to develop the five components. The four indicators include Annualized Disaster Losses (under Climate & Disaster Risk Burden), PM2.5 and Hazardous Sites Proximity (under Environmental Burden), and Limited English Proficiency (under Social Vulnerability). The PTAP-identified transportation improvements will reduce environmental burdens citywide by enhancing low-emission modes of transportation such as walking, bicycling, and transit. The enhancements will thereby benefit the population living with highest exposure by reducing burden levels and exposures. See the attached map showing the results of the ETCT mapping in the City of Pleasanton.

ATTACHMENT E
LABOR AND WORKFORCE

1. Efforts to Support Good-Paying Jobs and Strong Labor Standards

The Recipient states that rows marked with “X” in the following table align with the application:

	The Recipient demonstrate, to the full extent possible consistent with the law, an effort to create good-paying jobs with the free and fair choice to join a union and incorporation of high labor standards.
	The Recipient or a project partner has adopted the use of local and economic hiring preferences in the overall delivery and implementation of the Project.
	The Recipient or a project partner has adopted the use of registered apprenticeships in the overall delivery and implementation of the Project.
	The Recipient or a project partner will provide training and placement programs for underrepresented workers in the overall delivery and implementation of the Project.
	The Recipient or a project partner will support free and fair choice to join a union in the overall delivery and implementation of the Project by investing in workforce development services offered by labor-management training partnerships or setting expectations for contractors to develop labor-management training programs.
	The Recipient or a project partner will provide supportive services and cash assistance to address systemic barriers to employment to be able to participate and thrive in training and employment, including childcare, emergency cash assistance for items such as tools, work clothing, application fees and other costs of apprenticeship or required pre-employment training, transportation and travel to training and work sites, and services aimed at helping to retain underrepresented groups like mentoring, support groups, and peer networking.
	The Recipient or a project partner has documented agreements or ordinances in place to hire from certain workforce programs that serve underrepresented groups.

	The Recipient or a project partner participates in a State/Regional/Local comprehensive plan to promote equal opportunity, including removing barriers to hire and preventing harassment on work sites, and that plan demonstrates action to create an inclusive environment with a commitment to equal opportunity, including: a. affirmative efforts to remove barriers to equal employment opportunity above and beyond complying with Federal law; b. proactive partnerships with the U.S. Department of Labor's Office of Federal Contract Compliance Programs to promote compliance with EO 11246 Equal Employment Opportunity requirements and meet the requirements as outlined in the Notice of Funding Opportunity to make good faith efforts to meet the goals of 6.9 percent of construction project hours being performed by women and goals that vary based on geography for construction work hours and for work being performed by people of color; c. no discriminatory use of criminal background screens and affirmative steps to recruit and include those with former justice involvement, in accordance with the Fair Chance Act and equal opportunity requirements; d. efforts to prevent harassment based on race, color, religion, sex, sexual orientation, gender identity, and national origin; e. training on anti-harassment and third-party reporting procedures covering employees and contractors; and f. maintaining robust anti-retaliation measures covering employees and contractors.
	The Recipient has taken other actions related to the Project to create good-paying jobs with the free and fair choice to join a union and incorporate strong labor standards.
X	The Recipient has not yet taken actions related to the Project to create good-paying jobs with the free and fair choice to join a union and incorporate strong labor standards but, before beginning construction of the project, will take relevant actions described in the supporting narrative below.
	The Recipient has not taken actions related to the Project to improving good-paying jobs and strong labor standards and will not take those actions under this award.

2. Supporting Narrative.

The City of Pleasanton will hire a consultant to develop and complete the Pleasanton Travel Action Plan. The development of the plan is anticipated to last up to two years, thus creating jobs. Additionally, as part of the Pleasanton Travel Action Plan, there will be preliminary engineering design level plans for some locations. The City will complete those design plans by preparing Plans, Specifications & Estimates package for public construction bid. The construction of safety improvements identified in the Pleasanton Travel Action Plan will create local jobs.

ATTACHMENT F
CRITICAL INFRASTRUCTURE SECURITY AND RESILIENCE

1. Efforts to strengthen the Security and Resilience of Critical Infrastructure against both Physical and Cyber Threats.

The Recipient states that rows marked with “X” in the following table are accurate:

	The Recipient demonstrates, prior to the signing of this agreement, effort to consider and address physical and cyber security risks relevant to the transportation mode and type and scale of the activities.
	The Recipient appropriately considered and addressed physical and cyber security and resilience in the planning, design and oversight of the project, as determined by the Department and the Department of Homeland Security.
	For projects in floodplains: The Recipient appropriately considered whether the project was upgraded consistent with the Federal Flood Risk Management Standard, to the extent consistent with current law, in Executive Order 14030, Climate-Related Financial Risk (86 FR 27967), and Executive Order 13690, Establishing a Federal Flood Risk Management Standard and a Process for Further Solicit and Considering Stakeholder Input (80 FR 6425).

2. Supporting Narrative.

CITY COUNCIL AGENDA REPORT

October 15, 2024
Community Development

TITLE: ADOPT RESOLUTIONS OF LOCAL SUPPORT AND AUTHORIZE STAFF TO SUBMIT THREE APPLICATIONS TO THE ALAMEDA COUNTY TRANSPORTATION COMMISSION FOR A TOTAL OF \$5,875,000 IN FUNDING FROM THE 2026 COMPREHENSIVE INVESTMENT PLAN FOR THE WEST LAS POSITAS BOULEVARD MULTIMODAL RECONSTRUCTION PROJECT, CIP NO. 11514, THE I-580 OVERCROSSING BICYCLE AND PEDESTRIAN IMPROVEMENTS PROJECT, CIP NO. 22570, AND THE SANTA RITA ROAD AT VALLEY AVENUE INTERSECTION IMPROVEMENT PROJECT, CIP NO. 20569

SUMMARY

The Alameda County Transportation Commission (Alameda CTC) issued a Notice of Funding Opportunity (NOFO) to solicit applications for the 2026 Comprehensive Investment Plan (CIP). The 2026 CIP includes a total of \$100 million in combined Alameda CTC-administered discretionary local funding sources, including Measures B and BB, Vehicle Registration Fee (VRF), and Transportation Fund for Clear Air (TFCA). Applications are due at 5:00 PM on October 31, 2024.

Staff recommends submitting three applications to the Alameda CTC for funding: the West Las Positas Boulevard Multimodal Reconstruction Project (phase 2 - between Stoneridge Drive and Santa Rita Road), CIP No. 11514, in the amount of \$2,000,000; the I-580 Overcrossing Bicycle and Pedestrian Improvements Project, CIP No. 22570, in the amount of \$1,875,000; and the Santa Rita Road at Valley Avenue Intersection Improvements Project, CIP No. 20569, in the amount of \$2,000,000.

RECOMMENDATION

Adopt resolutions of local support and authorize staff to submit three applications to the Alameda County Transportation Commission for a total of \$5,875,000 in funding from the 2026 Comprehensive Investment Plan for the West Las Positas Boulevard Multimodal Reconstruction Project, CIP No. 11514, the I-580 Overcrossing Bicycle and Pedestrian Improvements Project, CIP No. 22570, and the Santa Rita Road at Valley Avenue Intersection Improvement Project, CIP No. 20569.

BACKGROUND

Alameda CTC's CIP is a near-term strategic programming document through which funding sources administered by Alameda CTC are consolidated and programmed through a single programming cycle. Alameda CTC's funding sources for the 2026 CIP Cycle are: Measure B, Measure BB, Vehicle Registration Fee (VRF), and Transportation Fund for Clean Air (TFCA).

The CIP's purpose is to strategically program available funds toward transportation investments that support the vision and goals of the Alameda CTC's Countywide Transportation Plan, multi-modal plans, and voter-approved transportation expenditure plans.

More specifically, the 2026 CIP's focus is to provide for safety enhancements, focus on countywide bike and pedestrian high injury network, and support priority development areas, equity priority communities, and transit priority areas.

DISCUSSION

In the 2024 CIP Cycle, \$179 million in funding was available, which included federal funds from One Bay Area Grant in addition to local discretionary funds. In that cycle, the City was awarded \$9,000,000 for the West Las Positas Boulevard Multimodal Reconstruction Project, CIP No. 11514, for the section of West Las Positas Boulevard between Hopyard Road and Stoneridge Drive.

The amount available for the 2026 CIP is \$100 million. The minimum request for Capital Improvement projects is \$500,000 and the maximum request is \$2,000,000. A minimum 25 percent local match is required for each phase (design, construction) of the project requested. The 2026 CIP will program funds between fiscal years 2025/26 and 2029/30.

Agencies are limited to three applications for the 2026 CIP. A resolution of local support is required for each application. Staff recommends submitting three applications for the projects outlined below. There is no limit or minimum on the number of awarded applications for each jurisdiction; it is subject to the quality of applications and how they rank and score against applications submitted by other agencies and jurisdictions. The City may be awarded any, all, or none of the applications submitted; should any award be made to the City, staff would request City Council approval of the necessary funding agreement(s) and appropriation of the necessary local match funding in order to move forward with acceptance of the award of 2026 ACTC CIP funds.

Project 1: West Las Positas Boulevard Multimodal Reconstruction Project, CIP No. 11514

The 2022 West Las Positas Bikeway Feasibility Study outlined three focus areas to help prioritize project implementation:

- Focus Area 1 – Foothill Road to Hopyard Road
- Focus Area 2 – Hopyard Road to Santa Rita Road
- Focus Area 3 – Santa Rita Road to Boardwalk Street.

Focus Area 2 was determined to be the highest priority. In July 2024, the City Council approved a contract amendment with Mark Thomas and Co. to complete 100 percent design for the West Las Positas project from Hopyard Road to Stoneridge Drive, which is part of Focus Area 2. The roadway improvements include protected intersections at Owens Drive and West Las Positas Boulevard, elevated bike lanes, reconstructed medians, and new sidewalks on the south side of the roadway. To complete the bikeway improvements in Focus Area 2, staff recommends applying for funding from the Alameda CTC 2026 CIP.

The projected cost for design and construction for this section of West Las Positas Boulevard between Stoneridge Drive and Santa Rita Road is \$6,000,000. The total request for 2026 CIP funds is the maximum-allowed submittal of \$2,000,000. Should the Alameda CTC award 2026 CIP funds to the City, staff present a funding agreement and seek City Council authorization for any necessary budget actions including appropriation of funds necessary for local match,

and amendments to revenue and expenditure budgets to account for the grant funding. Any required local match is subject to City Council approval.

Project 2: I-580 Overcrossing Bicycle and Pedestrian Improvements Project, CIP No. 22570

This project ranks as Priority #3 in the City's Bicycle and Pedestrian Master Plan. The project aims to create safer bicycle and pedestrian facilities for traveling to and from Pleasanton and Dublin on the I-580 overcrossings at Hopyard Road, Hacienda Drive, and Santa Rita Road. The proposed bicycle and pedestrian improvements include buffered bicycle lanes, rectangular flashing beacons at each unsignalized crosswalk, upgraded accessible curb ramps, high visibility crosswalks, and a pedestrian hybrid beacon at the multilane uncontrolled crossing on Santa Rita Road.

Caltrans approval is required for planned improvements on these overcrossings, which will be achieved through the Permit Engineering Evaluation Report (PEER). This process is intended to streamline the Caltrans review of projects funded by others (in this case, the City) by reducing the number of steps in the project development process. The PEER process is available for projects that are between \$1,000,000 and \$3,000,000.

The projected project cost for design and construction of this project is \$2,500,000. The total request for 2026 ACTC CIP funds is \$1,875,000. Staff recommends using current TDA Article III funds for the local match for the design phase and the existing Highway Safety Improvement Program grant for a portion of the construction phase local match requirement. Remaining local match funding to complete construction of the project would require additional City Council action to approve the allocation.

Project 3: Santa Rita Road at Valley Avenue Intersection Improvement Project, CIP No. 20569

The intersection of Santa Rita Road and Valley Avenue is a vital intersection that connects to nearby schools, shopping, and to regional connections to Stanley Boulevard and I-580. Santa Rita Road is identified as an opportunity corridor for bicycle and pedestrian improvements in the Bicycle and Pedestrian Master Plan. This intersection has also been at the top of the city's collision list (i.e., experienced the highest number of collisions) for the past several years. This project will improve existing bicycle facilities and create new bicycle facilities for all intersection approach and departure legs. This project will also design and construct a third southbound left turn and a second westbound left turn. This work will improve the overall safety and operation of the intersection for pedestrians, bicyclists, and motorists.

The estimated project cost for design and construction of this project is \$5,100,000. The total request for 2026 ACTC CIP funds is \$2,000,000. The City will be required to provide a total of \$3,100,000 in future funds to satisfy the required local match and complete funding for the project. Should the Alameda CTC award 2026 CIP funds to the City for this project, staff will present a funding agreement and seek City Council authorization for any necessary budget actions including appropriation of funds.

Project Eligibility

The proposed projects for the 2026 ACTC CIP must meet key eligibility requirements for project submission:

- Projects must be included in the 2020 Countywide Transportation Plan project listings (10-year priority, 30-year priority, or Programmatic Projects)
- Bike projects must demonstrate a direct benefit to the Countywide Bikeways Network and meet Alameda CTC's All Ages and Abilities Policy
- Projects must demonstrate a public benefit towards enhancing, building, and maintaining the multimodal transportation infrastructure in Alameda County
- Projects may include new or upgraded bicycle/pedestrian facilities, bicycle lane striping, designated pedestrian path markings, signage/signals, bicycle parking, street reconfigurations, street closures, and bicycle/pedestrian safety improvements.

The Alameda CTC anticipates announcing funding awards in May 2025.

EQUITY AND SUSTAINABILITY

Not applicable, as this item is a routine matter of City business.

OUTREACH

No outreach was conducted, as this item is a routine matter of City business.

STRATEGIC PLAN ALIGNMENT

Approval of this action advances the ONE Pleasanton strategic goals of *Funding Our Future*, Strategy 2 - Identity expanded and new revenue sources to address significant infrastructure needs and *Investing in Our Environment*, Strategy 1 - Implement the four-year CIP to complete design and construction of budgeted capital projects. This action will allow the opportunity for the City to receive significant new grant funding in support of planned capital improvement projects.

FISCAL IMPACT

With City Council authorization, staff will submit three 2026 CIP applications from the City to the Alameda CTC requesting:

- \$2,000,000 for West Las Positas Boulevard Multimodal Reconstruction Project (between Stoneridge Drive and Santa Rita Road), CIP 11514
- \$1,875,000 for the I-580 Overcrossing Bicycle and Pedestrian Improvements, CIP 22570
- \$2,000,000 for Santa Rita Road at Valley Avenue Intersection Improvement, CIP 20569

The minimum request amount for a project is \$500,000 and the maximum request is \$2,000,000. A 25 percent local match is required for each project phase (design phase and construction phase). Awarded projects will be allocated funds across fiscal years 2025/2026-2029/2030. Below is a breakdown of proposed project funding and allocation years.

Project 1: West Las Positas Boulevard Multimodal Reconstruction Project, CIP No. 11514

The total project cost for design and construction of the West Las Positas Boulevard Multimodal Reconstruction Project (Stoneridge Drive to Santa Rita Road) is \$6,000,000. This

proposed project is outside the limits of the current phase of design and construction for corridor improvements for the West Las Positas Boulevard Multimodal Reconstruction Project (Hopyard Road to Stoneridge Drive).

Design	FY 25/26	FY 26/27
2026 ACTC CIP Request	\$750,000	-
Local Match - Future Funding (subject to Council approval)	\$250,000	-
Construction	FY 25/26	FY 26/27
2026 ACTC CIP Request	-	\$1,250,000
Local Match - Future Funding (subject to Council approval)	-	\$3,750,000
Total	\$1,000,000 (Design)	\$5,000,000 (Construction)

Project 2: I-580 Overcrossing Bicycle and Pedestrian Improvements Project, CIP No. 22570

The total project cost for design and construction of the I-580 Overcrossing Bicycle and Pedestrian Improvements Project is \$2,500,000.

Design	FY 25/26	FY 26/27
2026 ACTC CIP Request	\$525,000	-
Local Match - Existing TDA Article III	\$175,000	-
Construction	FY 25/26	FY 26/27
2026 ACTC CIP Request	-	\$1,350,000
Local Match - Existing Highway Safety Improvement Program Grant	-	\$250,000
Local Match - Future Funding (subject to Council approval)	-	\$200,000
Total	\$700,000 (Design)	\$1,800,000 (Construction)

Project 3: Santa Rita Road at Valley Avenue Intersection Improvement Project, CIP No. 20569

The total project cost for design and construction of the Santa Rita Road at Valley Avenue Intersection Improvements Project is \$5,100,000.

Design	FY 25/26	FY 26/27
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2026 ACTC CIP Request	\$765,000	-
Local Match - Future Funding (subject to Council approval)	\$255,000	-
Construction	FY 25/26	FY 26/27
2026 ACTC CIP Request	-	\$1,235,000
Local Match - Future Funding (subject to Council approval)	-	\$2,845,000
Total	\$1,020,000 (Design)	\$4,080,000 (Construction)

Should the Alameda CTC award 2026 CIP funds to the City, staff will present a funding agreement and seek City Council authorization for any necessary budget actions including appropriation of funds necessary for local match, and amendments to revenue and expenditure budgets to account for the grant funding. Potential funding sources for local match include Traffic Impact Fee Fund, Measure BB Fund, and TDA Article III Grant Fund. Any required local match is subject to City Council approval.

Prepared by:



Cedric Novenario, Senior
Transportation Engineer

Submitted by:



Ellen Clark, Director of Community
Development

Approved by:



Gerry Beaudin, City
Manager

Attachments:

1. Resolution of Local Support – West Las Positas Multimodal Reconstruction Project (Stoneridge Drive to Santa Rita Road), CIP No. 11514
2. Resolution of Local Support – I-580 Overcrossing Bicycle and Pedestrian Improvements, CIP No. 22570
3. Resolution of Local Support – Santa Rita Road at Valley Avenue Intersection Improvements, CIP No. 20569

RESOLUTION NO.**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLEASANTON TO AUTHORIZE THE FILING OF AN APPLICATION FOR ALAMEDA COUNTY TRANSPORTATION COMMISSION-ADMINISTERED FUNDING FOR THE WEST LAS POSITAS MULTIMODAL RECONSTRUCTION PROJECT (STONERIDGE DRIVE TO SANTA RITA ROAD), CIP NO. 11514 AND COMMITTING ANY NECESSARY MATCHING FUNDS AND STATING ASSURANCES TO COMPLETE THE PROJECT**

WHEREAS, the Alameda County Transportation Commission (“Alameda CTC”) administers funding programs for projects and programs that benefit the Alameda County transportation system, consisting of 2000 Measure B, 2010 Vehicle Registration Fee (“VRF”), 2014 Measure BB, Congestion Management Agency Transportation Improvement Program (CMA-TIP), and Transportation Fund for Clean Air Programs, and such funding is collectively defined as and shall be referenced herein as the “Alameda CTC Administered Funds”; and

WHEREAS, the Alameda CTC adopted 2026 Comprehensive Investment Plan (“CIP”) Guidelines at its Commission meeting on May 23, 2024 which includes procedures governing the 2026 CIP application process, programming guidelines, and eligible uses of Alameda CTC Administered Funds; and

WHEREAS, City of Pleasanton (“Applicant”) is the project sponsor for West Las Positas Multimodal Reconstruction Project (Stoneridge Drive to Santa Rita Road), CIP No. 11514 (“Project”); and

WHEREAS, the Project will implement a protected intersection at Owens Drive and West Las Positas Boulevard, elevated bike lanes, reconstructed medians, and new sidewalk on the south side of the roadway; and

WHEREAS, as the Project Sponsor, Applicant has the legal authority to apply for funding for Project and plans to submit a 2026 CIP application (“Application”) to Alameda CTC for \$2,000,000; and

WHEREAS, there are no legal impediments to Applicant applying for funding and there is no active, pending or threatened litigation that may adversely affect the proposed Project or the ability of Applicant to deliver such Project; and

WHEREAS, Applicant authorizes the City Manager or designee to execute and file an application with Alameda CTC for discretionary Alameda CTC Administered Funds for the Project as referenced in this Resolution; and

WHEREAS, as part of the requirements to apply and receive Alameda CTC Administered Funds, Alameda CTC requires a resolution adopted by the responsible implementing agency stating the following:

1. Applicant will implement the Project as described in the Application; and
2. Applicant will have adequate staffing resources to deliver and complete the Project within the time period identified in the Application; and
3. Applicant understands it will enter into a Project Funding Agreement (“Agreement”) with Alameda CTC, and will comply with the Agreement’s requirements, including adherence to the agreed upon project scope, project delivery milestones, funding deadlines, project reporting and deliverable deadlines; and
4. Applicant is committed to deliver the Project consistently with the Commission approved CIP Programming Guidelines and CIP policies, as they may change, for the funds awarded by the Commission to the Project; and
5. Applicant is committed to secure matching funds as proposed in the Application required for awarded Alameda CTC Administered Funds, by phase; and
6. Applicant is committed to provide any additional funding that may be required beyond the original proposed Application match amount to deliver the phase of the PROJECT that is awarded with Alameda CTC Administered Funds; and
7. Applicant understands that Alameda CTC Administered Funds awarded to the Project is limited to the Commission approved programmed amount by phase, and therefore any cost increases or unexpected funding shortfalls cannot be expected to be funded by shifting funds between phases, or by requesting additional Alameda CTC Administered Funds; and
8. Applicant understands that any cost savings in the Alameda CTC-funded phase(s) will be shared proportionally between Applicant and Alameda CTC; and
9. Applicant is committed to comply with the applicable requirements set forth in Alameda CTC’s Local Business Contract Equity (“LBCE”) Program and related exhibits, as applicable, for professional services and construction contracts funded with Measure B, Measure BB, and/or VRF funds, such as including LBCE Program goal(s) and provisions in applicable solicitations and resulting contracts, providing timely notification to Alameda CTC of applicable solicitations prior to advertisement, and adhering to reporting requirements.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PLEASANTON DOES RESOLVE, DECLARE, DETERMINE AND ORDER THE FOLLOWING:

SECTION 1. Applicant is authorized to file an Application to Alameda CTC for funding for the Project.

SECTION 2. Applicant hereby confirms that there is no pending or threatened litigation that might in any way adversely affect Applicant’s ability to implement and deliver the proposed Project.

SECTION 3. Applicant authorizes the City Manager or designee to execute the funding Agreement with Alameda CTC.

SECTION 4. Applicant shall provide Alameda CTC with a fully executed copy of this Resolution concurrently with submittal of the Application.

SECTION 5. Applicant, by adopting this resolution, hereby confirms that:

1. Applicant will commit to implementing the Project as described in the Application; and
2. Applicant will have adequate staffing resources to deliver and complete the Project within the time period identified in the application; and
3. Applicant understands it will enter into an Agreement with Alameda CTC, and will comply with the Agreement's requirements, including adherence to the completion of the agreed upon project scope, project delivery milestones, funding deadlines, project reporting and deliverable deadlines; and
4. Applicant commits to delivering the Project consistently with the Commission approved CIP Programming Guidelines and CIP policies, as they may change, for the funds awarded by the Commission to the Project; and
5. Applicant will commit matching funds as proposed in the Application against the awarded Alameda CTC Administered Funds by phase in the amount(s) of \$250,000 for the design phase and \$3,750,000 for the construction phase anticipated to be from City Traffic Impact Fees and local source(s); and
6. Applicant will provide any additional funding that may be required beyond the original proposed Application match amount to deliver the phase of the Project that is awarded with Alameda CTC Administered Funds; and
7. Applicant understands that Alameda CTC Administered Funds awarded to the Project are limited to the Commission approved programmed amount by phase, and therefore any cost increases or unexpected funding shortfalls cannot be expected to be funded by shifting funds between phases, or by requesting additional Alameda CTC Administered Funds; and
8. Applicant understands that any cost savings in the Alameda CTC-funded phase(s) will be shared proportionally between Applicant and Alameda CTC; and
9. Applicant will comply with the applicable requirements set forth in Alameda CTC's Local Business Contract Equity ("LBCE") Program and related exhibits, as applicable, for professional services and construction contracts funded with Measure B, Measure BB, and/or VRF funds, such as including LBCE Program goal(s) and provisions in applicable solicitations and resulting contracts, providing timely notification to Alameda CTC of applicable solicitations prior to advertisement, and adhering to reporting requirements.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Pleasanton at a regular meeting held on the 15th day of October, 2024.

I, Jocelyn Kwong, City Clerk of the City of Pleasanton, California, certify that the foregoing resolution was adopted by the City Council at a regular meeting held on the 15th day of October, 2024, by the following vote:

Ayes:

Noes:

Absent:

Abstain:

Jocelyn Kwong, City Clerk

APPROVED AS TO FORM:

Daniel G. Sodergren, City Attorney

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLEASANTON TO AUTHORIZE THE FILING OF AN APPLICATION FOR ALAMEDA COUNTY TRANSPORTATION COMMISSION-ADMINISTERED FUNDING FOR THE I-580 OVERCROSSING BICYCLE AND PEDESTRIAN IMPROVEMENTS PROJECT, CIP NO. 22570 AND COMMITTING ANY NECESSARY MATCHING FUNDS AND STATING ASSURANCES TO COMPLETE THE PROJECT

WHEREAS, the Alameda County Transportation Commission (“Alameda CTC”) administers funding programs for projects and programs that benefit the Alameda County transportation system, consisting of 2000 Measure B, 2010 Vehicle Registration Fee (“VRF”), 2014 Measure BB, Congestion Management Agency Transportation Improvement Program (CMA-TIP), and Transportation Fund for Clean Air Programs, and such funding is collectively defined as and shall be referenced herein as the “Alameda CTC Administered Funds”; and

WHEREAS, the Alameda CTC adopted 2026 Comprehensive Investment Plan (“CIP”) Guidelines at its Commission meeting on May 23, 2024 which includes procedures governing the 2026 CIP application process, programming guidelines, and eligible uses of Alameda CTC Administered Funds; and

WHEREAS, City of Pleasanton (“Applicant”) is the project sponsor for I-580 Overcrossing Bicycle and Pedestrian Improvements Project, CIP No. 22570 (“Project”); and

WHEREAS, the Project will implement buffered bicycle lanes, rectangular flashing beacons at each unsignalized crosswalk, upgraded accessible curb ramps, high visibility crosswalks, and a pedestrian hybrid beacon at the multilane uncontrolled crossing on Santa Rita Road; and

WHEREAS, as the Project Sponsor, Applicant has the legal authority to apply for funding for Project and plans to submit a 2026 CIP application (“Application”) to Alameda CTC for \$1,875,000; and

WHEREAS, there are no legal impediments to Applicant applying for funding and there is no active, pending, or threatened litigation that may adversely affect the proposed Project or the ability of Applicant to deliver such Project; and

WHEREAS, Applicant authorizes the City Manager or designee to execute and file an application with Alameda CTC for discretionary Alameda CTC Administered Funds for the Project as referenced in this Resolution; and

WHEREAS, as part of the requirements to apply and receive Alameda CTC Administered Funds, Alameda CTC requires a resolution adopted by the responsible implementing agency stating the following:

1. Applicant will implement the Project as described in the Application; and
2. Applicant will have adequate staffing resources to deliver and complete the Project within the time period identified in the Application; and
3. Applicant understands it will enter into a Project Funding Agreement (“Agreement”) with Alameda CTC, and will comply with the Agreement’s requirements, including adherence to the agreed upon project scope, project delivery milestones, funding deadlines, project reporting and deliverable deadlines; and
4. Applicant is committed to deliver the Project consistently with the Commission approved CIP Programming Guidelines and CIP policies, as they may change, for the funds awarded by the Commission to the Project; and
5. Applicant is committed to secure matching funds as proposed in the Application required for awarded Alameda CTC Administered Funds, by phase; and
6. Applicant is committed to provide any additional funding that may be required beyond the original proposed Application match amount to deliver the phase of the Project that is awarded with Alameda CTC Administered Funds; and
7. Applicant understands that Alameda CTC Administered Funds awarded to the Project is limited to the Commission approved programmed amount by phase, and therefore any cost increases or unexpected funding shortfalls cannot be expected to be funded by shifting funds between phases, or by requesting additional Alameda CTC Administered Funds; and
8. Applicant understands that any cost savings in the Alameda CTC -funded phase(s) will be shared proportionally between Applicant and Alameda CTC; and
9. Applicant is committed to comply with the applicable requirements set forth in Alameda CTC’s Local Business Contract Equity (“LBCE”) Program and related exhibits, as applicable, for professional services and construction contracts funded with Measure B, Measure BB, and/or VRF funds, such as including LBCE Program goal(s) and provisions in applicable solicitations and resulting contracts, providing timely notification to Alameda CTC of applicable solicitations prior to advertisement, and adhering to reporting requirements.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PLEASANTON DOES RESOLVE, DECLARE, DETERMINE AND ORDER THE FOLLOWING:

SECTION 1. Applicant is authorized to file an Application to Alameda CTC for funding for the Project.

SECTION 2. Applicant hereby confirms that there is no pending or threatened litigation that might in any way adversely affect Applicant’s ability to implement and deliver the proposed Project.

SECTION 3. Applicant authorizes the City Manager or designee to execute the funding Agreement with Alameda CTC.

SECTION 4. Applicant shall provide Alameda CTC with a fully executed copy of this Resolution concurrently with submittal of the Application.

SECTION 5. Applicant, by adopting this resolution, hereby confirms that:

1. Applicant will commit to implementing the Project as described in the Application; and
2. Applicant will have adequate staffing resources to deliver and complete the Project within the time period identified in the application; and
3. Applicant understands it will enter into an Agreement with Alameda CTC, and will comply with the Agreement's requirements, including adherence to the completion of the agreed upon project scope, project delivery milestones, funding deadlines, project reporting and deliverable deadlines; and
4. Applicant commits to delivering the Project consistently with the Commission approved CIP Programming Guidelines and CIP policies, as they may change, for the funds awarded by the Commission to the Project; and
5. Applicant will commit matching funds as proposed in the Application against the awarded Alameda CTC Administered Funds by phase in the amount(s) of \$175,000 for the design phase and \$450,000 for the construction phase anticipated to be from state and local source(s); and
6. Applicant will provide any additional funding that may be required beyond the original proposed Application match amount to deliver the phase of the Project that is awarded with Alameda CTC Administered Funds; and
7. Applicant understands that Alameda CTC Administered Funds awarded to the Project are limited to the Commission approved programmed amount by phase, and therefore any cost increases or unexpected funding shortfalls cannot be expected to be funded by shifting funds between phases, or by requesting additional Alameda CTC Administered Funds; and
8. Applicant understands that any cost savings in the Alameda CTC -funded phase(s) will be shared proportionally between Applicant and Alameda CTC; and
9. Applicant will comply with the applicable requirements set forth in Alameda CTC's Local Business Contract Equity ("LBCE") Program and related exhibits, as applicable, for professional services and construction contracts funded with Measure B, Measure BB, and/or VRF funds, such as including LBCE Program goal(s) and provisions in applicable solicitations and resulting contracts, providing timely notification to Alameda CTC of applicable solicitations prior to advertisement, and adhering to reporting requirements.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Pleasanton at a regular meeting held on the 15th day of October, 2024.

I, Jocelyn Kwong, City Clerk of the City of Pleasanton, California, certify that the foregoing resolution was adopted by the City Council at a regular meeting held on the 15th day of October, 2024, by the following vote:

Ayes:

Noes:

Absent:

Abstain:

Jocelyn Kwong, City Clerk

APPROVED AS TO FORM:

Daniel G. Sodergren, City Attorney

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLEASANTON TO AUTHORIZE THE FILING OF AN APPLICATION FOR ALAMEDA COUNTY TRANSPORTATION COMMISSION-ADMINISTERED FUNDING FOR THE SANTA RITA ROAD AT VALLEY AVENUE INTERSECTION IMPROVEMENT PROJECT, CIP NO. 20569 AND COMMITTING ANY NECESSARY MATCHING FUNDS AND STATING ASSURANCES TO COMPLETE THE PROJECT

WHEREAS, the Alameda County Transportation Commission (“Alameda CTC”) administers funding programs for projects and programs that benefit the Alameda County transportation system, consisting of 2000 Measure B, 2010 Vehicle Registration Fee (“VRF”), 2014 Measure BB, Congestion Management Agency Transportation Improvement Program (CMA-TIP), and Transportation Fund for Clean Air Programs, and such funding is collectively defined as and shall be referenced herein as the “Alameda CTC Administered Funds”; and

WHEREAS, the Alameda CTC adopted 2026 Comprehensive Investment Plan (“CIP”) Guidelines at its Commission meeting on May 23, 2024 which includes procedures governing the 2026 CIP application process, programming guidelines, and eligible uses of Alameda CTC Administered Funds; and

WHEREAS, the City of Pleasanton (“Applicant”) is the project sponsor for the Santa Rita Road at Valley Avenue Intersection Improvement Project, CIP No. 20569 (“Project”); and

WHEREAS, the Project will improve existing bicycle facilities and create new bicycle facilities for all intersection approaches and departure legs. This project will also design and construct a third southbound left turn and a second westbound left turn; and

WHEREAS, as the Project Sponsor, Applicant has the legal authority to apply for funding for Project and plans to submit a 2026 CIP application (“Application”) to Alameda CTC for \$2,000,000; and

WHEREAS, there are no legal impediments to Applicant applying for funding and there is no active, pending, or threatened litigation that may adversely affect the proposed Project or the ability of Applicant to deliver such Project; and

WHEREAS, Applicant authorizes the City Manager or designee to execute and file an application with Alameda CTC for discretionary Alameda CTC Administered Funds for the Project as referenced in this Resolution; and

WHEREAS, as part of the requirements to apply and receive Alameda CTC Administered Funds, Alameda CTC requires a resolution adopted by the responsible implementing agency stating the following:

1. Applicant will implement the Project as described in the Application; and
2. Applicant will have adequate staffing resources to deliver and complete the Project within the time period identified in the Application; and
3. Applicant understands it will enter into a Project Funding Agreement (“Agreement”) with Alameda CTC, and will comply with the Agreement’s requirements, including adherence to the agreed upon project scope, project delivery milestones, funding deadlines, project reporting and deliverable deadlines; and
4. Applicant is committed to deliver the Project consistently with the Commission approved CIP Programming Guidelines and CIP policies, as they may change, for the funds awarded by the Commission to the Project; and
5. Applicant is committed to secure matching funds as proposed in the Application required for awarded Alameda CTC Administered Funds, by phase; and
6. Applicant is committed to provide any additional funding that may be required beyond the original proposed Application match amount to deliver the phase of the Project that is awarded with Alameda CTC Administered Funds; and
7. Applicant understands that Alameda CTC Administered Funds awarded to the Project is limited to the Commission approved programmed amount by phase, and therefore any cost increases or unexpected funding shortfalls cannot be expected to be funded by shifting funds between phases, or by requesting additional Alameda CTC Administered Funds; and
8. Applicant understands that any cost savings in the Alameda CTC -funded phase(s) will be shared proportionally between Applicant and Alameda CTC; and
9. Applicant is committed to comply with the applicable requirements set forth in Alameda CTC’s Local Business Contract Equity (“LBCE”) Program and related exhibits, as applicable, for professional services and construction contracts funded with Measure B, Measure BB, and/or VRF funds, such as including LBCE Program goal(s) and provisions in applicable solicitations and resulting contracts, providing timely notification to Alameda CTC of applicable solicitations prior to advertisement, and adhering to reporting requirements.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PLEASANTON DOES RESOLVE, DECLARE, DETERMINE AND ORDER THE FOLLOWING:

SECTION 1. Applicant is authorized to file an Application to Alameda CTC for funding for the Project.

SECTION 2. Applicant hereby confirms that there is no pending or threatened litigation that might in any way adversely affect Applicant’s ability to implement and deliver the proposed Project.

SECTION 3. Applicant authorizes the City Manager or designee to execute the funding Agreement with Alameda CTC.

SECTION 4. Applicant shall provide Alameda CTC with a fully executed copy of this Resolution concurrently with submittal of the Application.

SECTION 5. Applicant, by adopting this resolution, hereby confirms that:

1. Applicant will commit to implementing the Project as described in the Application; and
2. Applicant will have adequate staffing resources to deliver and complete the Project within the time period identified in the application; and
3. Applicant understands it will enter into an Agreement with Alameda CTC, and will comply with the Agreement's requirements, including adherence to the completion of the agreed upon project scope, project delivery milestones, funding deadlines, project reporting and deliverable deadlines; and
4. Applicant commits to delivering the Project consistently with the Commission approved CIP Programming Guidelines and CIP policies, as they may change, for the funds awarded by the Commission to the Project; and
5. Applicant will commit matching funds as proposed in the Application against the awarded Alameda CTC Administered Funds by phase in the amount(s) of \$255,000 for the design phase and \$2,845,000 for the construction phase anticipated to be from City Traffic Impact Fee source(s); and
6. Applicant will provide any additional funding that may be required beyond the original proposed Application match amount to deliver the phase of the Project that is awarded with Alameda CTC Administered Funds; and
7. Applicant understands that Alameda CTC Administered Funds awarded to the Project are limited to the Commission approved programmed amount by phase, and therefore any cost increases or unexpected funding shortfalls cannot be expected to be funded by shifting funds between phases, or by requesting additional Alameda CTC Administered Funds; and
8. Applicant understands that any cost savings in the Alameda CTC -funded phase(s) will be shared proportionally between Applicant and Alameda CTC; and
9. Applicant will comply with the applicable requirements set forth in Alameda CTC's Local Business Contract Equity ("LBCE") Program and related exhibits, as applicable, for professional services and construction contracts funded with Measure B, Measure BB, and/or VRF funds, such as including LBCE Program goal(s) and provisions in applicable solicitations and resulting contracts, providing timely notification to Alameda CTC of applicable solicitations prior to advertisement, and adhering to reporting requirements.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Pleasanton at a regular meeting held on the 15th day of October, 2024.

I, Jocelyn Kwong, City Clerk of the City of Pleasanton, California, certify that the foregoing resolution was adopted by the City Council at a regular meeting held on the 15th day of October, 2024, by the following vote:

Ayes:

Noes:

Absent:

Abstain:

Jocelyn Kwong, City Clerk

APPROVED AS TO FORM:

Daniel G. Sodergren, City Attorney

CITY COUNCIL AGENDA REPORT

October 15, 2024
Community Development

TITLE: PUBLIC HEARING: INTRODUCE AN ORDINANCE APPROVING AMENDMENTS TO CHAPTERS 17.38, 18.08, AND 18.88 OF THE PLEASANTON MUNICIPAL CODE REGARDING DENSITY BONUS AND MAJOR TRANSIT STOP AS IDENTIFIED IN STATE LAW [CASE P24-0334]

SUMMARY

In September 2023, the City Council reaffirmed its adoption of the City's 6th Cycle (2023-2031) Housing Element. Accordingly, the City is initiating amendments to the municipal code to implement goals, policies, and programs of the Housing Element, to align with State law as it relates to the State housing density bonus, and to provide clarification to the definition of "major transit stop."

RECOMMENDATION

Introduce an ordinance approving amendments to Chapters 17.38, 18.08, and 18.88 of the Pleasanton Municipal Code regarding density bonus and major transit stop as identified in State law [Case P24-0334].

BACKGROUND

State Density Bonus

To align with updates to the State density bonus law (Government Code §65915 et seq.), Program 2.7 of the adopted Housing Element indicates the City will amend the affordable housing density bonus provisions of the Pleasanton Municipal Code (PMC), and Policy 11 of the General Plan Land Use Element. The amendments proposed in Attachment 1 are to the PMC only; staff proposes to modify the General Plan in conjunction with other amendments to the Land Use Element to allow for comprehensive review and discussion.

The City adopted a density bonus ordinance in 2013 as an implementation action of the 4th Cycle Housing Element, which was adopted in 2012. Since that time, State law regarding density bonuses has been modified significantly and the City's density bonus ordinance, codified in PMC Chapter 17.38, is inconsistent with the current provisions of State law. Therefore, the proposed amendments as identified in Attachment 1 delete the majority of the existing text within Chapter 17.38 and replace it with updated text that is consistent with (i.e., no more permissive or restrictive than) State law.

Major Transit Stop

Various sections of State law use the term "major transit stop" to identify a public transit stop which location is the basis for the application of certain standards, most often prohibition of minimum parking requirements. While "major transit stop" is a term specifically defined in the State Public Resources Code, the proposed amendments to the PMC are to provide more clarity on the point(s) from which the radius is measured and to address parcels that may be

partially in the radius (e.g., once a half-mile radius around the major transit stop is drawn, how to treat a parcel that may be only partially located in the radius).

BOARD/COMMITTEE/COMMISSION ACTION

At its September 11, 2024, meeting, the Planning Commission voted 5-0 to recommend PMC amendments related to the density bonus and major transit stop, modified as follows: incorporating the revised language provided by staff in a supplemental memo, and including the existing language related to conflict of interest in the density bonus ordinance in the revised ordinance.

At the September 11 meeting, the Planning Commission meeting discussed an additional item related to the separate conveyance of accessory dwelling units (ADUs). Pursuant to Assembly Bill 1033, the City has the option to adopt an ordinance allowing separate conveyance of ADUs, and a Planning Commissioner had requested staff agendize a discussion of adopting such a provision. While not included in the City Council's requested actions as part of this agenda report, the Planning Commission recommended the City Council consider directing staff to draft an ordinance regarding separate conveyance of ADUs. Staff will present this matter to the City Council at a future date. See Attachment 3 for excerpted minutes of the Planning Commission meeting. More immediately, staff is advancing the municipal code amendments regarding density bonus and major transit stop to the City Council for action at this meeting.

DISCUSSION

The proposed text amendments attached to this report are to update the City's density bonus ordinance and to establish parameters for measurement from a transit stop.

State Density Bonus Law

State density bonus law (SBDL) is intended to incentivize the production of dwelling units that are affordable to moderate- and lower-income households, seniors, students, foster youth, formerly homeless persons, or disabled veterans within new housing developments of at least five units, including mixed-use developments, new subdivisions, or common interest developments. The SBDL is a tool for developers to obtain greater density for projects that provide affordable dwelling units and is intended to reduce project costs and financing sources using economies of scale (i.e., a greater number of units on a parcel reduces the cost to develop each unit, creating greater feasibility to provide affordable units). Incentives and waivers are used to accommodate modifications to a local jurisdiction's development requirements as a means of reducing costs and to physically accommodate a residential project to improve its feasibility.

Developers have the option to invoke or request use of the SBDL. A project that qualifies for a density bonus may receive the following:

- Density Bonus: An increase above the maximum allowed density permitted in the General Plan Land Use Element. The amount of the bonus is set on a sliding scale based on the percentage of affordable units at each income level
- Incentives/Concessions: Modifications to regulatory or development standards that result in "actual and identifiable" cost reductions to provide for affordable housing costs or rents
- Waivers: Modifications to development standards that would physically prevent the

construction of a housing development at the density permitted with a density bonus and any concessions

- Parking Ratios: Defined parking ratios in State law that apply to the residential use within a qualifying project, which are lower than current PMC ratios.

The SDBL requires local governments to adopt an ordinance to specify how it will implement the SDBL. In other words, the statute only requires that the local ordinance describe the local government's procedures to request and process a density bonus request from an applicant. The specific requirements and prescriptive parameters (e.g., number of bonus units) set forth under State law apply to any project within the jurisdiction and would supersede any more restrictive local regulations. Additionally, a jurisdiction that does not adopt a local density bonus ordinance is not relieved from complying with the SDBL requirements.

Due to the most recent updates to State law, and as a result of many cities updating their respective municipal codes, ABAG-MTC provided a model ordinance to Bay Area cities to assist in meeting Density Bonus requirements in local ordinances. The draft modifications in Attachment 1 are based on the model ordinance and would supersede the entirety of the existing language in PMC Chapter 17.38. Since most of the law related to Density Bonus is prescribed by State law - meaning the City does not have latitude or flexibility in how it implements the ordinance - the amendments seek to refer to State law and provide parameters only for elements where jurisdiction-specific latitude is allowed, such as submittal requirements. Further, staff proposes update to sections that would benefit from reference to current State law (e.g., definition of "childcare facility" is proposed to mirror the State Health and Safety Code).

Major Transit Stop

State law in various sections refers to the term "major transit stop" typically to provide alternative (most often reduced) requirements for development standards (e.g., parking, density maximum, maximum permitted height). For example:

- Senate Bill 35: Government Code §65913.4 et seq provides that a jurisdiction is not allowed to impose parking standards for a proposed multifamily development submitted for streamlined review under SB35 if it is located within one-half mile of public transit.
- Assembly Bill 2097: Government Code §65863.2 et seq prohibits a jurisdiction from imposing or enforcing parking requirements on a residential, commercial, or other development project if it is located within one-half mile of public transit.
- Senate Bill 9: Government Code §65852.21 et seq provides that housing developments proposed in accordance with SB9 are not required to provide any parking if located within a half-mile walking distance of a high-quality transit corridor or a major transit stop or within one block of car share (whereas one parking space per dwelling unit could otherwise be required).
- Density Bonus: Government Code §65915 et seq provides that a project applicant may request that the City not require on-site parking that exceeds certain ratios in State law, irrespective of parking minimums in the municipal code. Additionally, if the project contains a certain number of affordable units and is located within one-half mile of a

major transit stop, the City cannot require more than 0.5 parking spaces per unit. If the project is 100 percent affordable and located within one-half mile of a major transit stop, no parking spaces may be required at all. With respect to 100 percent affordable projects located within one-half mile of a major transit stop under the SDBL, there is no maximum density and a height increase of up to three stories or 33 feet must be granted upon request as a regulatory concession.

- Accessory Dwelling Units: Government Code §66321 et seq provides that accessory dwelling units (ADUs) may be as tall as 18 feet if located within one-half mile walking distance of a major transit stop or high-quality transit corridor as defined in the Public Resources Code, whereas other ADUs are limited to 16 feet in height. When an ADU is located within one-half mile walking distance of public transit, no parking requirements may be imposed.
- Historic Properties: Health and Safety Code §18962 et seq provides that a development project designated as a historical resource (i.e., a structure or property officially designated on a local register of historical resources, the California Register of Historical Resources, or the National Register of Historic Places) that is being converted or adapted to a residential use and located within one-half mile of a major transit stop as defined in the Public Resources Code is not required to provide a greater number of parking spaces than that which existed on the project site at the time the project application was submitted.

As seen in the examples from State law above, parking standards are often reduced for projects within a one-half mile of a major transit stop. Regional policy guidance from ABAG-MTC also specifies standards for certain projects within one-half mile from major transit locations that must be met to qualify for certain regional grant funding.

The proposed amendments related to major transit stops are intended to mirror the definition of "major transit stop" in State law (as amended to be in effect on January 1, 2025) and provide clarity on how the measurement should be taken (i.e., from a single point or a radius around the subject parcel). Recent guidance from ABAG-MTC for implementation of a regional policy indicates the measurement for the radius should be taken from a single point at the center of the subject station, and the amendments propose a similar approach. Attachment 2 provides maps of the half-mile radius around the two BART stations and the ACE train station. Aside from this more recent direction from ABAG-MTC, when the City has implemented various sections of State law that refer to a certain distance from a transit stop it has also measured from a single point; therefore, the proposed text amendments codify the City's current practice, which is consistent with guidance from ABAG-MTC for purposes of regional transit-oriented projects. The amendments further propose that if a project site is only partially within the radius measurement, a project is considered to be within the radius if all parcels comprising the project have at least 75 percent of their area within the radius, and if residential units are proposed, at least 90 percent of the residential units or 100 units, whichever is less, comprising the project are within the radius. Therefore, parcels that are partially within the radius may be relieved from parking requirements only if they meet the above criteria.

EQUITY AND SUSTAINABILITY

The amendments to the Pleasanton Municipal Code are within the scope of the 2023-2031

(6th Cycle) Housing Element Update Environmental Impact Report (State Clearinghouse No. 2022040091) certified by the City Council on January 26, 2023 by Resolution No. 23-1357. The proposed amendments do not result in new significant effects beyond those analyzed in the Final EIR. The proposed amendments are also exempt from CEQA review pursuant to CEQA Guidelines Section 15268 in that the amendments are necessary to conform to and implement the ministerial approval processes mandated by State law (e.g., Government Code Section 65915; Public Resources Code Section 21155), and CEQA Guidelines Section 15061(b)(3) in that there is no possibility the activity will have a significant effect on the environment.

OUTREACH

Notice of this item has been published in *The Valley Times* in advance of this City Council meeting. At the time this report was prepared, staff has not received comments regarding the proposed code amendments.

STRATEGIC PLAN ALIGNMENT

Approval of this action advances the ONE Pleasanton strategic plan goal of *Building a Community Where Everyone Belongs* as it directly supports Strategy 6, which aims to Implement the 2023-2031 Housing Element and develop a plan to end homelessness to meet State requirements and provide opportunities for additional housing and shelter in the community.

GENERAL PLAN CONFORMITY

The amendments are also consistent with the City's General Plan, which includes the following goals and policies :

Housing Element Goal 1	Provide sufficient sites for housing development to accommodate Pleasanton's share of the regional housing need.
Housing Element Goal 2	Use a range of tools and methods to facilitate housing production, reflecting a range of housing types, sizes, affordability levels, and tenure, and provide access to housing opportunities that meet the diverse needs of the community
Housing Element Program 2.7	Amend the affordable housing density bonus provisions of the Pleasanton Municipal Code (Chapter 17.38, Density Bonus), as well as General Plan Land Use Element Policy 11 to align with state density bonus law as it has been amended in recent years. The City will continue to apply current State law even before local amendments are adopted.

FISCAL IMPACT

There is no fiscal impact associated with this action.

Prepared by:



Shweta Bonn, Senior Planner

Submitted by:



Ellen Clark, Director of Community Development

Approved by:



Gerry Beaudin, City Manager

Attachments:

1. Ordinance with Housing Element Municipal Code amendments V4
2. Maps showing both BART stations and ACE station, with one-half mile radius
3. Draft Excerpted Action Minutes for the September 11, 2024, Planning Commission meeting

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PLEASANTON APPROVING AMENDMENTS TO CHAPTERS 17.38 AND 18.08, AND 18.88 OF THE PLEASANTON MUNICIPAL CODE REGARDING DENSITY BONUS AND MAJOR TRANSIT STOP AS IDENTIFIED IN STATE LAW, AS FILED UNDER CASE P24-0334

WHEREAS, the City's Housing Element, which was adopted by City Council on January 26, 2023, was found in compliance with housing element law on August 25, 2023, by the California Department of Housing and Community Development and subsequently re-adopted by City Council on September 19, 2023, provides that the City will amend the affordable housing density bonus provisions to align with State Density Bonus Law, as stated in Program 2.7; and

WHEREAS, Sections 65915 et seq. of the California Government Code, known as State Density Bonus Law, require a city to provide a developer that proposes a housing development within the jurisdictional boundaries of that city containing affordable and other types of housing with a density bonus and other incentives; and

WHEREAS, California Government Code Section 65915(a) requires that all jurisdictions within the state adopt an ordinance that specifies how compliance with State Density Bonus Law will be implemented; and

WHEREAS, since adoption of the City's density bonus ordinance, the State Legislature has passed, and the Governor has signed into law, numerous changes to State Density Bonus Law; and

WHEREAS, the City proposes to codify a method to measurement from a major transit stop for purposes of implementing various sections of State law; and

WHEREAS, on September 11, 2024, the Planning Commission following notification to the public in the prescribed manner, conducted a public hearing, considered the written agenda report, public testimony, related project materials, and staff recommendations, and has reviewed the proposed amendments to the Pleasanton Municipal Code, has found that the proposed amendments are consistent with goals and policies of the City's General Plan and recommended that the City Council adopt the municipal code amendments.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PLEASANTON DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Finds that the amendments to the Pleasanton Municipal Code are within the scope of the 2023-2031 (6th Cycle) Housing Element Update Environmental Impact Report (State Clearinghouse No. 2022040091) certified by the City Council on January 26, 2023 by Reso No. 23-1357. The proposed amendments do not result in new significant effects beyond those analyzed in the Final EIR. The City Council further finds that the proposed amendments are exempt from CEQA review pursuant to: CEQA Guidelines Section 15268 in that the amendments are necessary to conform to and implement the ministerial approval processes mandated by State law (e.g., Government Code Section 65915; Public Resources Code Section 21155); CEQA Guidelines Section 15061(b)(3) in that there is no possibility the activity will have a significant effect on the environment.

SECTION 2. Approves amendments to Chapters 17.38 and 18.08, and 18.88 of the Pleasanton Municipal Code regarding density bonus and major transit stop as identified in State law, as filed under Case P24-0334.

SECTION 3. A summary of this ordinance shall be published once within fifteen (15) days after its adoption in "The Valley Times," a newspaper of general circulation published in the City of Pleasanton, and the complete ordinance shall be posted for fifteen (15) days in the City Clerk's office within fifteen (15) days after its adoption.

SECTION 4. This ordinance shall be effective thirty (30) days after its passage and adoption.

The foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Pleasanton on October 15, 2024, by the following vote:

Ayes:

Noes:

Absent:

Abstain:

Karla Brown, Mayor

ATTEST:

Jocelyn Kwong, City Clerk

APPROVED AS TO FORM:

Daniel G. Sodergren, City Attorney

EXHIBIT A

TITLE 17 PLANNING AND RELATED MATTERS

Chapter 17.38 AFFORDABLE HOUSING DENSITY BONUS

Sections

17.38.010 Purpose.

17.38.020 Definitions.

17.38.030 Application requirements.

17.38.040 Review process.

17.38.050 Affordability requirements.

17.38.060 Density bonus calculations.

17.38.070 Development standards.

17.38.080 Density bonus for commercial development.

17.38.090 Conflict of interest.

17.38.100 Interpretation.

17.38.010 Purpose.

In accordance with Government Code Sections 65915, et seq., this chapter specifies how compliance with state density bonus law will be implemented. Specifically, the purpose of this chapter is to provide density bonuses, incentives, concessions, and waivers of development standards for the production of housing for very low-, low-, and moderate-income households, senior households, provision of daycare facilities, student housing, and donations of land, and for other housing types as provided by state law. In enacting this chapter, it is also the intent of the city to implement the goals, objectives, and policies of the city's housing element of the general plan.

17.38.020 Definitions.

The definitions found in state density bonus law shall apply to the terms contained in this chapter. "Incentives" include "concessions" as defined in state density bonus law.

The following terms are defined for purpose of this chapter:

- A. "Affordable units" means the proposed housing units available for rent or sale to households pursuant to the state density bonus law, as set forth in Government Code section 65915 subdivision (b), as may be amended.
- B. "Base units" means the total number of units in a housing development, not including units added through a density bonus pursuant to this chapter.
- C. "Child care facility" means a child day care facility that provides nonmedical care to children under 18 years of age in need of personal services, supervision, or assistance essential for sustaining the activities of

daily living or for the protection of the individual on less than a 24-hour basis. Child day care facility includes day care centers, employer-sponsored child care centers, and family day care homes.

- D. “Concession” shall have the same meaning as the term “concession or incentive” pursuant to the state density bonus law, as defined in Government Code section 65915 subdivision (k), as may be amended.
- E. “Density bonus” means a density increase over the otherwise maximum allowable residential density for a housing development as of the date the application is deemed complete, as prescribed by Government Code section 65915, as may be amended, or, if elected by the applicant, a lesser percentage of density increase, including, but not limited to, no increase in density.
- F. “Housing development” shall have the same meaning as the term “housing development” pursuant to the state density bonus law, as defined in Government Code section 65915 subdivision (i), as may be amended.
- G. “Identifiable and actual cost reduction to provide for affordable housing cost” means a reasonably quantifiable cost reduction that would be achieved for a housing development through a concession.
- H. “Reasonable documentation to establish eligibility for a concession” means a credible written explanation or other documentation demonstrating to the reasonable satisfaction of the Planning Director or designee that a concession will achieve an identifiable and actual cost reduction to provide for affordable housing cost.
- I. “Senior citizen housing development” means a residential development developed, substantially rehabilitated, or substantially renovated for, senior citizens that has at least 35 dwelling units, as defined in the Civil Code Section 51.3, or a mobile home park that limits residency based on age requirements for housing for older persons pursuant to Civil Code Sections 798.76 or 799.5.
- J. “State density bonus law” means Government Code Section 65915, et seq. as the same may be renumbered or amended.

17.38.030 Application Requirements.

- A. An applicant for a “housing development” as defined in state density bonus law shall be eligible for a density bonus and other regulatory benefits that are provided by state density bonus law when the applicant seeks and agrees to provide housing as specified in Government Code Section 65915(b), (c), (f), (g), (h) and (v), or in Government Code Section 65915.5, or successor provisions. The density bonus calculations shall be made in accordance with state density bonus law.
- B. The granting of a density bonus, incentive, or concession, pursuant to this chapter, shall not be interpreted, in and of itself, to require a general plan amendment, development code amendment, zone change, other discretionary approval, or the waiver of a city ordinance or provisions of a city ordinance unrelated to development standards.
- C. All requests for density bonuses, incentives, parking reductions, and waivers for a housing development shall be filed with and on a form provided by the Director of Community Development, or their designee, concurrently with the filing of the planning application for the first discretionary or ministerial permit required for the housing development, whichever permit is earliest. The applicant shall be informed whether the application is complete consistent with Government Code Section 65943.

D. The application shall include the required fee and the following minimum information:

1. For a requested density bonus.
 - a. A project summary table demonstrating the basis under the state density bonus law on which the applicant is requesting a density bonus, including the maximum allowable density permitted by the zoning and general plan designations excluding any density bonus; base units; proposed number of affordable units by income level; proposed bonus percentage; total number of dwelling units; residential gross floor area and total gross floor area proposed; density per acre; proposed number of parking spaces; and unit and bedroom counts and unit types for the purpose of calculating parking requirements;
 - b. A preliminary site plan, drawn to scale, showing the number and location of all proposed units;
 - c. A legal description of the site;
 - d. A boundary survey;
 - e. An identification of the maximum density bonus to which the housing development is entitled on the basis requested;
 - f. An identification of any concession(s) sought and reasonable documentation consisting of a detailed written statement to establish eligibility for the concession(s);
 - g. An identification of any waiver(s) sought and a detailed written explanation of why the development standard from which any waiver is sought would have the effect of physically precluding the construction of the housing development at the density and with any concession(s) or parking ratio reduction sought.
 - h. If the housing development is proposed on any property that includes a parcel or parcels with existing dwelling units or dwelling units that have been vacated or demolished in the five-year period preceding the application, an explanation of how the project meets the state density bonus law's replacement housing requirements, if applicable, set forth in Government Code section 65915 subdivision (c)(3), as may be amended.
 - i. If the density bonus or concession requested is based all or in part on the inclusion of a child-care facility, a written summary addressing the eligibility requirements pursuant to state density bonus law, as set forth in Government Code section 65915 subdivision (h), as may be amended, have been met.
 - j. If the density bonus or concession is based all or in part on the inclusion of affordable units as part of a condominium conversion, written summary addressing the eligibility

requirements pursuant to state density bonus law, set forth in Government Code section 65915.5, as may be amended, have been met.

- k. If the density bonus is requested for a land donation, the location of the land to be dedicated, proof of site control and reasonable documentation that each of the requirements pursuant to state density bonus law, set forth in Government Code section 65915 subdivision (g), as may be amended, can be met.
 - l. A marketing plan for the affordable housing units, as well as an explanation of the methods to be used to verify tenant and/or buyer incomes and to maintain affordability of the affordable housing units. For a housing development with 15 dwelling units or more, the density bonus housing plan shall specify a financing mechanism for ongoing administration and monitoring of the affordable housing units.
2. **Requested incentives.** Incentives are those defined by state density bonus law. The number of incentives that may be requested shall be based upon the number the applicant is entitled to pursuant to state density bonus law. The application shall include the following minimum information for each incentive requested, shown on a site plan (if appropriate):
 - a. The city usual regulation and the requested regulatory incentive or concession.
 - b. Except where mixed-use zoning is proposed as a concession or incentive, reasonable documentation to show that any requested incentive will result in identifiable and actual cost reductions to provide for affordable housing costs or rents.
 - c. If approval of mixed-use zoning is proposed, reasonable documentation that nonresidential land uses will reduce the costs of the housing development, that the nonresidential land uses are compatible with the housing development and the existing or planned development in the area where the proposed housing development will be located, and that mixed-use zoning will provide for affordable housing costs and rents.
3. **Requested waivers.** For each waiver requested, the applicant shall include, shown on a site plan, and shown for each existing or proposed parcel (if applicable), the city required development standard and the requested development standard.
4. **Parking reductions.** If a housing development is eligible for a density bonus pursuant to state density bonus law, the applicant may request an on-site vehicular parking ratio specified in Government Code Section 65915(p). An applicant may request this parking reduction in addition to the incentives and waivers permitted by paragraphs (2) and (3) of this subsection. The application shall include a table showing parking required by the zoning regulations, parking proposed under state density bonus law, paragraph under Government Code Section 65915(p) (or other statute) under which the project qualifies for the parking reduction, and reasonable documentation that the project is eligible for the requested parking reduction.
5. **Density bonus or incentive for a child care facility in a housing development.** The application shall include reasonable documentation that all of the requirements included in Government Code Section 65915(h) can be met.

6. **Density bonus or incentive for a condominium conversion.** The application shall include reasonable documentation that all of the requirements included in Government Code Section 65915.5 can be met.

17.38.040 Application review process.

- A. All requests under state density bonus law shall be part of the planning application and shall be applied for, reviewed, and acted upon concurrently with the planning application by the approval body with authority to approve the development, within the timelines prescribed by Government Code Section 65950 et seq. or other statute. Appeals of the planning application in accordance with the requirements of chapter 18.144 of this code and shall include all requests under state density bonus law if appeals are authorized for the discretionary or ministerial permit applied for.
- B. To ensure that an application for a housing development conforms with the provisions of state density bonus law, the staff report presented to the decision-making body shall state whether the application conforms to the following requirements of state density bonus law, as applicable:
1. The housing development provides the housing required by state density bonus law to be eligible for a density bonus and any incentives, parking reduction, or waivers requested, including housing required to replace units rented or formerly rented to very low- and low-income households as required by Government Code Section 65915(c)(3).
 2. If applicable, the housing development provides the housing required by state density bonus law to be eligible for an additional density bonus under Government Code Section 65915(v)(1).
 3. If an incentive is requested, reasonable documentation has been presented showing that any requested incentive will result in identifiable and actual cost reductions to provide for affordable housing or costs or rents; except that, if a mixed-use development is requested, the application must instead meet all of the requirements of Government Code Section 65915(k)(2).
 4. If a waiver is requested, the development standards for which a waiver is requested would have the effect of physically precluding the construction of the housing development at the densities or with the incentives permitted.
 5. The housing development is eligible for any requested parking reductions under Government Code Section 65915(p) or other statute.
 6. If the density bonus is based all or in part on donation of land, the requirements of Government Code Section 65915(g) have been met.
 7. If the density bonus or incentive is based all or in part on the inclusion of a child care facility or condominium conversion, the requirements included in Government Code Section 65915(h) or 65915.5, as appropriate, have been met.
- C. The decision-making body shall grant an incentive requested by the applicant unless it makes a written finding, based upon substantial evidence, of any of the following:

1. The proposed incentive does not result in identifiable and actual cost reductions to provide for affordable housing costs, as defined in Health and Safety Code Section 50052.5; or for affordable rents, as defined in Health and Safety Code Section 50053; or
 2. The proposed incentive would be contrary to state or federal law; or
 3. The proposed incentive would have a specific, adverse impact upon the public health or safety or on any real property that is listed in the California Register of Historic Resources, and there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact without rendering the housing development unaffordable to low- and moderate-income households. For the purpose of this subsection, "specific, adverse impact" means a significant, quantifiable, direct and unavoidable impact, based on objective, identified, written public health or safety standards, policies, or conditions as they existed on the date that the application for the housing development was deemed complete as defined in Government Code Section 65589.5.
- D. The decision-making body shall grant the waiver of development standards requested by the applicant unless it makes a written finding, based upon substantial evidence, of any of the following:
1. The proposed waiver would be contrary to state or federal law; or
 2. The proposed waiver would have an adverse impact on any real property listed in the California Register of Historic Resources; or
 3. The proposed waiver would have a specific, adverse impact upon the public health or safety, and there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact without rendering the housing development unaffordable to low- and moderate-income households. For the purpose of this subsection, "specific, adverse impact" means a significant, quantifiable, direct and unavoidable impact, based on objective, identified, written public health or safety standards, policies, or conditions as they existed on the date that the application for the housing development was deemed complete as defined in Government Code Section 65589.5.
- E. If a child care center complies with the requirements of Government Code Section 65915(h), the decision-making body may deny a density bonus or incentive that is based on the provision of child care facilities only if it makes a written finding, based on substantial evidence, that the city already has adequate child care facilities.
- F. A request for minor modification of an approved density bonus may be granted by the Director of Community Development, or their designee, if the modification substantially complies with the original density bonus housing plan and conditions of approval. Other modifications to the density bonus housing plan shall be processed in the same manner as the original plan.

17.38.050 Affordability requirements.

- A. Affordable rental units provided by a housing development to meet state density bonus law requirements shall be subject to an affordable housing agreement recorded against the housing development for at least a 55-year term or as required by chapter 17.44, commencing upon the issuance of certificates of occupancy. The form of the affordable housing agreement shall be approved by the city attorney.

- B. For-sale affordable units provided by a housing development to meet state density bonus requirements shall be subject to a recorded affordable housing agreement approved as to form by the city attorney commencing upon the issuance of certificates of occupancy. The affordable housing agreement shall, at a minimum, require that:
1. Each for-sale affordable unit shall be sold to an income qualified household at an affordable housing cost, as defined in the affordable housing agreement; and
 2. Each for-sale affordable unit shall be sold to the initial purchaser subject to a recorded resale restriction agreement approved as to form by the city attorney, which shall:
 - a. Have no less than a 45-year term or as required by chapter 17.44 of this title if required by another public financing source or law;
 - b. Restrict the resale price of the unit to an affordable housing cost, as defined in the resale restriction agreement; and
 - c. Require that if the unit is sold to a subsequent purchaser during the term of the agreement, the purchaser shall purchase the unit subject to a resale restriction agreement approved as to form by the city attorney with a new 45-year term or longer if required by another public financing source or law.

17.38.060 Density bonus calculations.

- A. In determining the total number of units to be granted, each component of any density calculation, including base density and bonus density, resulting in fractional units shall be separately rounded up to the next whole number.
- B. When calculating the number of affordable units needed to qualify for a given density bonus, any fractions of affordable dwelling units shall be rounded up to the next whole number.
- C. Except where a housing development is eligible for an additional bonus pursuant to Government Code Section 65915(v), each housing development is entitled to only one density bonus. If a housing development qualifies for a density bonus under more than one category, the applicant shall identify the category under which the density bonus is requested to be granted.
- D. In determining the number of affordable units required to qualify a housing development for a density bonus pursuant to state density bonus law, units added by a density bonus are not included in the calculations. Any on-site units shall satisfy the city's inclusionary housing requirements in chapter 17.44. Payment of fees in lieu of providing affordable units under chapter 17.44 does not qualify a housing development for a density bonus.
- E. The applicant may elect to accept a lesser percentage of density bonus than the housing development is entitled to, or no density bonus, but no reduction will be permitted in the percentages of affordable units required by state density bonus law. Regardless of the number of affordable units, no housing development shall be entitled to a density bonus greater than what is authorized under state density bonus law.

- F. Nothing in this chapter requires the provision of direct financial incentives from the city for the housing development, including, but not limited to, the provision of financial subsidies, publicly owned land, fee waivers, or waiver of dedication requirements. The city, at its sole discretion, may choose to provide such direct financial incentives.

17.38.070 Development standards.

- A. Building permits and final inspections or certificates of occupancy shall be issued concurrently for the market rate units and for any affordable units that qualified the project for a density bonus, incentive, waiver, or parking reduction, so that the affordable units comprise the required percentage of total units.
- B. All units provided as density bonus units shall comply with the development standards set forth in Section 17.44.050 of this code.

17.38.080 Density bonus for commercial development.

- A. The following definitions shall apply to this Section 17.38.080:
1. “Commercial development” means a development project for nonresidential and nonindustrial uses.
 2. “Commercial development bonus” means modification of development standards mutually agreed upon by the city and a commercial developer and provided to a commercial development eligible for such a bonus under subparagraph 17.38.080(C). Examples of a commercial development bonus include an increase in floor area ratio, increased building height, or reduced parking.
 3. “Partnered housing agreement” means an agreement approved by the city between a commercial developer and a housing developer identifying how the commercial development will provide housing available at an affordable ownership cost or affordable rent consisted with subparagraph (h)(3). A partnered housing agreement may consist of the formation of a partnership, limited liability company, corporation, or other entity recognized by the state in which the commercial develop and the housing developer are each partners, members, shareholders, or other participants, or a contract between the commercial developer and the housing developer for the development of both the commercial developer and the housing development.
- B. When an applicant proposes to construct a commercial development and has entered into a partnered housing agreement approved by the city, the city shall grant a commercial development bonus mutually agreed upon by the developer and the city. The commercial development bonus shall not include a reduction or waiver in fees imposed on the commercial development to provide for affordable housing.
- C. The partnered housing agreement shall include all of the following provisions:
1. The housing development shall be located either: (i) on the site of the commercial development; or (ii) on a site within the city that is within one-half mile of a major transit stop, as defined in Public Resources Code Section 21155, and is in close proximity to public amenities, including schools and employment centers.

2. At least thirty percent (30%) of the total units in the housing development shall be made available at an affordable ownership cost or affordable rent to low-income households, or at least fifteen percent (15%) of the total units in the housing development shall be made available at an affordable ownership cost or affordable rent to very low-income households.
 3. The commercial development must agree either to directly build the affordable housing units, donate a site consistent with the requirements of Government Code Section 65915(g) for the development of the affordable housing units, or make a cash payment to the housing developer for the development of the affordable housing units.
- D. An approved partnered housing agreement shall be described in the city Housing Element annual report as required by Government Code Section 65915.7(k).

17.38.090. Conflict of interest.

The following individuals are ineligible to purchase or rent an affordable unit: (A) city employees and officials who have policy making authority or influence regarding city housing programs, and their immediate family members; (B) the project applicant and its officers and employees and their immediate family members; and (C) the project owner and its officers and employees and their immediate family members.

17.38.100 Interpretation.

If any portion of this chapter conflicts with state density bonus law or other applicable state law, state law shall supersede this chapter. Any ambiguities in this chapter shall be interpreted to be consistent with state density bonus law. Statutory references in this ordinance include successor provisions.

**CHAPTER 17.38
DENSITY BONUS**

§ 17.38.010. Purpose and intent.

The purpose of this chapter is to comply with California Government Code Sections 65915 et seq. (State Density Bonus Law), as amended, as well as implement program 9.6 of the housing element (2012) of the city's general plan (2005-2025).
(Ord. 2082 § 2, 2013)

§ 17.38.020. Definitions.

~~For the purposes of this chapter, certain words and phrases shall be interpreted as set forth in this section.~~

~~"Affordable ownership cost" means monthly housing payments during the first calendar year of household's occupancy, including interest, principal, mortgage insurance, property taxes, homeowners' insurance, property maintenance and repairs, a reasonable allowance for utilities and homeowners' association dues, if any, not exceeding the following:~~

1. Very low income units: 50 percent of the area median income, adjusted for assumed household size based on unit size, multiplied by 30 percent and divided by 12.

2. Low income units: 70 percent of the area median income, adjusted for assumed household size based on unit size, multiplied by 30 percent and divided by 12.

3. Moderate income units: 110 percent of the area median income, adjusted for assumed household size based on unit size, multiplied by 35 percent and divided by 12.

The assumed household size shall be one person in a studio unit, two persons in a one-bedroom unit, three persons in a two-bedroom unit, and one additional person for each additional bedroom.

"Affordable rent" means monthly housing expenses, including all fees for housing services and a reasonable allowance for utilities, not exceeding the following:

1. Very low income units: 50 percent of the area median income, adjusted for assumed household size based on unit size, multiplied by 30 percent and divided by 12.

2. Low income units: 60 percent of the area median income, adjusted for assumed household size based on unit size, multiplied by 30 percent and divided by 12.

The assumed household size shall be one person in a studio unit, two persons in a one-bedroom unit, three persons in a two-bedroom unit, and one additional person for each additional bedroom.

"Area median income" means area median income for Alameda County as published and periodically updated by the State Department of Housing and Community Development.

"Child care facility" means a child day care facility other than a family day care home, including, but not limited to, infant centers, preschools, extended day care facilities, and school age child care centers.

"Common interest development" means a community apartment project, condominium project, planned development or stock cooperative as defined in California Civil Code Section 1351.

"Condominium project" means a housing development consisting of condominium units and common areas as defined in California Civil Code Section 1351.

"Density bonus" means a density increase over the otherwise allowable maximum residential density of a site.

"Density bonus unit" means those residential units, granted pursuant to the provisions of this chapter, which exceed the otherwise maximum allowable residential density for a development site.

"Development standard" means any site or construction condition that applies to a residential development pursuant to any ordinance, general plan element, specific plan, or other local condition, law, policy, resolution, or regulation. "Site and construction conditions" means standards that specify the physical development of a site and buildings on the site in a housing development.

"Housing development" means construction projects consisting of five or more residential units, including single-family and multi-family units, for sale or for rent. For the purposes of this chapter "housing development" also

includes a subdivision, planned unit development, or common interest development consisting of five or more residential units or unimproved residential lots, the substantial rehabilitation of an existing multi-family dwelling or conversion of commercial building into residential involving the creation of a net increase of five or more residential units.

"Incentive or concession" means such regulatory concessions as listed in Section 17.38.050.

"Low income household" means households whose income does not exceed the low income limits applicable to Alameda County, as published and periodically updated by the State Department of Housing and Community Development pursuant to California Health and Safety Code Section 50079.5.

"Maximum allowable residential density" means the maximum number of residential units permitted by the applicable zoning regulations, land use element of the general plan, specific plan, or maximum density established by the City's Housing Site Development Standards and Design Guidelines for multi-family housing sites.

"Moderate income household" means households whose income does not exceed the moderate income limits applicable to Alameda County, as published and periodically updated by the State Department of Housing and Community Development pursuant to California Health and Safety Code Section 50093.

"Non-restricted unit" means all units within a housing development, excluding the target units.

"Planned development" means a development (other than a community apartment project, a condominium project, or a stock cooperative) having either or both of the following features:

1. The common area is owned either by an association or in common by the owners of the separate interests who possess rights to the beneficial use and enjoyment of the common area;
2. A power exists in the association to enforce an obligation of an owner of a separate interest with respect to the beneficial use and enjoyment of the common area by means of an assessment which may become a lien upon the separate interests.

"Senior citizen housing development" means a residential development developed, substantially rehabilitated, or substantially renovated for, senior citizens that has at least 35 dwelling units, as defined in the California Civil Code Section 51.3, or a mobilehome park that limits residency based on age requirements for housing for older persons pursuant to California Civil Code Sections 798.76 or 799.5.

"Target unit" means a dwelling unit within a housing development which will be reserved for sale or rent to, and is made available at an affordable rent or affordable ownership cost to very low, low or moderate income households, or is a unit in a senior citizen housing development.

"Very low income household" means households whose income does not exceed the very low income limits applicable to Alameda County, as published and periodically updated by the State Department of Housing and Community Development pursuant to California Health and Safety Code Section 50105.

(Ord. 2082 § 2, 2013)

§ 17.38.030. Eligibility.

An applicant proposing a housing development of five or more dwelling units may request and be eligible for one density bonus and one or more incentives or concessions provided the applicant agrees to construct one of the following:

- A. — At least 10 percent of the total units of a housing development for low income households; or
- B. — At least five percent of the total units of a housing development for very low income households; or
- C. — A senior citizen housing development; or
- D. — At least 10 percent of the total dwelling units in a newly constructed common interest development for sale to moderate income households.

(Ord. 2082 § 2, 2013)

§ 17.38.040. Calculation of density bonus.

A. — Each housing development is entitled to one density bonus, which may be selected from one of the four eligibility criteria established in Section 17.38.030. Density bonuses from more than one of these categories may not be combined.

B. — The amount of density bonus to be granted for a housing development which meets the eligibility criteria in Section 17.38.030 shall be calculated as follows, and as summarized in Table 17.38.040:

—— 1. — 10 Percent Low Income Units. Housing developments providing at least 10 percent of the dwelling units for low income households pursuant to Section 17.38.030(A) shall be entitled to a bonus equal to 20 percent of the maximum allowable density of the site. For each one percent increase above 10 percent of low income units, the density bonus shall be increased by one and one-half percent up to a maximum of 35 percent.

—— 2. — Five Percent Very Low Income Units. Housing developments providing at least five percent of the dwelling units for very low income households pursuant to Section 17.38.030(B) shall be entitled to a bonus equal to 20 percent of the maximum allowable density of the site. For each one percent increase above five percent of very low income units, the density bonus shall be increased by two and one-half percent up to a maximum of 35 percent.

—— 3. — Senior Citizen Housing. Housing developments providing 100 percent of the units as senior citizen housing pursuant to Section 17.38.030(C) shall be entitled to a bonus equal to 20 percent of the maximum allowable density of the site. The senior citizen housing must include a minimum of 35 dwelling units not including bonus units.

—— 4. — 10 Percent Moderate Income Common Interest Development Units. Housing developments providing at least 10 percent of residential common interest development units for moderate income households pursuant to Section 17.38.030(D), shall be entitled to a bonus equal to five percent of the maximum allowable density of the site. For each one percent increase above 10 percent of moderate income units, the density bonus shall be increased by one percent up to a maximum of 35 percent.

C. — A developer may request a lesser density bonus than the project is entitled but no reduction will be permitted in the number of required target units pursuant to Section 17.38.030.

D. — ~~No housing development may be entitled to a density bonus of more than 35 percent.~~

E. — ~~The maximum allowable density of the site shall be determined by the applicable zoning regulations, the land use element of the general plan, specific plan, or density established by the City's Housing Site Development Standards and Design Guidelines for multi-family housing sites.~~

F. — ~~When calculating the required number of target units and the number of permitted density bonus units, any calculations resulting in fractional units shall be rounded to the next larger whole number.~~

G. — ~~The density bonus units shall not be included when determining the number of target units required to qualify for a density bonus pursuant to Section 17.38.030.~~

Table 17.38.040 Density Bonus Summary				
Target Group	Minimum % Target Units	Bonus Granted	Additional Bonus for Each 1% Increase in Target Units	% Target Units Required for Maximum 35% Bonus
Very Low Income	5%	20%	2.5%	11%
Low Income	10%	20%	1.5%	20%
Moderate Income (Common Interest Development, Condo or PUD-only)	10%	5%	1%	40%
Senior Citizen Housing Development	100%	20%	—	—

Notes:

~~The maximum allowable density bonus is 35%.~~

~~A density bonus may only be selected from one target group, except that an additional bonus for land donation may be combined with a target group pursuant to Section 17.38.080.~~

~~An additional square footage bonus may be granted for a child care facility pursuant to Section 17.38.090.~~

~~(Ord. 2082 § 2, 2013)~~

§ 17.38.050. Incentives and concessions.

A. — ~~Developers eligible for a density bonus as provided in Section 17.38.030(A), (B) or (D), upon specific application, shall be entitled to one or more incentives or concessions as set forth in this section, subject to city review and findings set forth in Section 17.38.120(B).~~

B. — ~~Calculation of Incentives and Concessions. A developer who is eligible for a density bonus under Section 17.38.030(A), (B) or (D) may request and be eligible for one or more incentives or concessions. When requested by the developer, the city shall grant the incentives or concessions in the amount as follows:~~

1. One incentive or concession for projects that include at least 10 percent of the total units for low income households, at least five percent for very low income households, or at least 10 percent for persons and families of moderate income in a common interest development.
2. Two incentives or concessions for projects that include at least 20 percent of the total units for low income households, at least 10 percent for very low income households, or at least 20 percent for persons and families of moderate income in a common interest development.
3. Three incentives or concessions for projects that include at least 30 percent of the total units for low income households, at least 15 percent for very low income households, or at least 30 percent for persons and families of moderate income in a common interest development.

Table 17.38.050
Incentives/Concessions Summary

Target Group	Target Units		
Very Low Income	5%	10%	15%
Low Income	10%	20%	30%
Moderate Income (Common Interest Development, Condo or PUD only)	10%	20%	30%
Maximum Incentive(s)/Concession(s)	1	2	3

Notes:

An incentive or concession may be requested only if an application is also made for a density bonus.

Under this chapter, senior citizen housing is not eligible for an incentive or concession as set forth in this section, except for the reduction of off-street parking.

An additional incentive or concession may be requested for a child care facility pursuant to Section 17.38.090.

See Section 17.38.100 regarding incentives for condominium conversion projects.

C. ~~Types of Incentives or Concessions. An incentive or concession shall mean any reduction in site development standards, any modification of zoning or architectural design requirements, or other regulatory exceptions which will result in identifiable, financially sufficient, and actual cost reductions necessary to facilitate the construction of the housing development. Incentives or concessions shall include, but not be limited to, the following:~~

1. ~~Incentives or Concessions Not Requiring Financial Report from Developer. Upon written request by the developer, the following incentives and concessions shall be available in the amounts specified in subsection B of this section without any requirement that the applicant demonstrates to the city that the requested incentive or concession results in identifiable, financially sufficient, and actual cost reductions to the project.~~
 - a. ~~A 20 percent reduction in one of the setbacks.~~
 - b. ~~A 10 percent reduction in minimum lot sizes and/or dimensions.~~

2. Incentives or Concessions Requiring Financial Report from Developer. The following incentives and concession, when requested by the developer, shall require that the developer provide a financial report (pro forma) that demonstrates how the requested incentive or concession results in identifiable, financially sufficient, and actual cost reductions to the project:

a. An incentive or concession that exceeds the level of reduction specified for the standards identified in subsection (C)(1) of this section.

b. Approval of mixed-use zoning in conjunction with the housing development if nonresidential land uses will reduce the cost of the housing development and if the city finds that the proposed nonresidential uses are compatible with the housing development and with existing or planned development in the area where the proposed housing development will be located.

c. Off Site Construction of Target Units. Target units required pursuant to this chapter may be permitted to be constructed at a location within the city other than the project site. Any off-site target units must meet the following criteria:

i. The off-site target units must be determined to be consistent with the city's goal of creating, preserving, maintaining, and protecting housing for very low, low, and moderate income households.

ii. The off-site target units must not result in a significant concentration of target units in any one particular neighborhood.

iii. The off-site target units shall conform to the requirements of all applicable city ordinances, standards and plans, and the provisions of this chapter.

iv. The occupancy and rents, or for-sale costs, of the off-site target units shall be governed by the terms of a deed restriction, and if applicable, a declaration of covenants, conditions and restrictions similar to that used for the on-site target units.

v. The density bonus housing agreement, as required by Section 17.38.130, shall stipulate the terms of the off-site target units. If the construction does not take place at the same time as the project development, the agreement shall require the units to be produced within a specified time frame, but in no event longer than five years. A cash deposit or bond may be required by the city, refundable upon construction, as assurance that the target units will be built.

d. Fee Waiver or Deferral. The city council, by resolution, may waive or defer payment of city development impact fees and/or building permit fees applicable to the target units or the project of which they are a part. Fee waivers shall meet the criteria included in the city's adopted policy for evaluating waivers of city fees for affordable housing projects. The density bonus housing agreement, as required by Section 17.38.130, shall include the terms of the fee waiver.

e. Other regulatory incentives or concessions proposed by the developer or the city which result in identifiable, financially sufficient, and actual cost reductions.

3. Except as provided in subsection (C)(1) of this section, a developer requesting one or more incentives or concessions must include with the application detailed financial report (pro forma) to demonstrate that

~~such incentive or concession would result in necessary, identifiable, financially sufficient, and actual cost reductions that could not be achieved without the incentive or concession.~~

~~D. — No incentive or concession shall result in structures that do not meet the minimum building standards provided in California Health and Safety Code Division 13, Part 2.5 (commencing with Section 18901).~~

~~(Ord. 2082 § 2, 2013)~~

~~§ 17.38.060. Waiver or modification of development standards.~~

~~Developers eligible for a density bonus as provided in Section 17.38.030 may request a waiver or modification of any development standards that will have the effect of precluding the construction of a housing development at the densities or with the concessions or incentives permitted by this section. The developer shall submit a financial report (pro forma) demonstrating that the waiver or modification is necessary to make the housing units economically feasible.~~

~~(Ord. 2082 § 2, 2013)~~

~~§ 17.38.070. Reduction in off-street parking.~~

~~A. — Upon the request of a developer eligible for a density bonus, the city shall not require that the off-street parking provided for residential use, inclusive of handicapped and guest parking, exceed the following ratios:~~

~~—— 1. — Zero to one bedrooms: one off-street parking space.~~

~~—— 2. — Two to three bedrooms: two off-street parking spaces.~~

~~—— 3. — Four and more bedrooms: two and one-half off-street parking spaces.~~

~~B. — For purposes of this section, if the total number of parking spaces required for a development is other than a whole number, the number shall be rounded up to the next whole number.~~

~~(Ord. 2082 § 2, 2013)~~

~~§ 17.38.080. Land donation.~~

~~A. — In addition to any density bonus awarded pursuant to Section 17.38.030, a developer of a housing development that donates qualified land to the city for the construction of dwelling units affordable to very low income households as provided for in this section, the developer shall be entitled to a 15 percent density bonus. For each one percent increase above the minimum 10 percent land donation, the density bonus shall be increased by one percent. This increase shall be in addition to any increase in density allowed by Section 17.38.040, up to a maximum combined density bonus of 35 percent.~~

~~B. — A housing development shall be eligible for a density bonus for donation of qualified land only if the city can find that all of the criteria set forth in California Government Code Section 65915(g) will be met.~~

~~(Ord. 2082 § 2, 2013)~~

~~§ 17.38.090. Child care facilities.~~

A. — When a developer proposes to construct a housing development that includes target units as specified in Section 17.38.030 and includes a child care facility that will be located on the premises of, as part of, or adjacent to the housing development, the developer may request and the city shall grant either of the following if requested by the developer:

—— 1. — An additional density bonus that is an amount of square feet of residential space that is equal to or greater than the amount of square feet in the child care facility.

—— 2. — An additional incentive or concession that contributes significantly to the economic feasibility of the construction of the child care facility, as demonstrated by the developer.

B. — A housing development shall be eligible for the density bonus or incentive or concession described in this section if the city requires as an enforceable condition of approval, memorialized in an agreement recorded against the qualified housing development, that:

—— 1. — The child care facility will remain in operation for a period of time that is as long as or longer than the period of time during which the target units are required to remain affordable pursuant to Section 17.38.110.

—— 2. — Of the children who attend the child care facility, the percentage of children of very low income households, low income households, or moderate income households shall be equal to or greater than the percentage of dwelling units that are proposed to be affordable to very low income households, low income households, or moderate income households.

C. — Notwithstanding any requirement of this section, the city shall not be required to provide a density bonus or concession for a child care facility if it finds, based upon substantial evidence, that the community already has adequate child care facilities.

(Ord. 2082 § 2, 2013)

§ 17.38.100. Condominium conversion.

A. — The city shall grant either a density bonus or other incentives of equivalent financial value if the developer of a conversion of existing rental apartments to condominiums agrees to provide 33 percent of the total units of the proposed condominium project as target units affordable to low or moderate income households, or to provide 15 percent of the total units in the condominium conversion project as target units affordable to lower income households.

B. — For purposes of this section, a "density bonus" means an increase in units of 25 percent over the number of apartments to be provided within the existing structure or structures proposed for conversion.

C. — For purposes of this section, "other incentives of equivalent financial value" may include the reduction or waiver of requirements which the city would apply as conditions of conversion.

D. — No condominium conversion shall be eligible for a density bonus if the apartments proposed for conversion constitute a housing development for which a density bonus or other incentives were previously provided pursuant to this chapter or California Government Code Section 65915, as amended.

(Ord. 2082 § 2, 2013)

~~§ 17.38.110. Affordability and development standards.~~

~~A. — All target units shall be constructed concurrently with, or prior to, the construction of the project's non-restricted units.~~

~~B. — Target units offered for sale to very low, low, or moderate income households in common interest developments shall be sold at an affordable ownership cost, and subject to an equity sharing agreement as provided in California Government Code Section 65915(e).~~

~~C. — Target units shall remain affordable through recordation of a density bonus housing agreement as required by Section 17.38.130.~~

~~D. — Target units shall be dispersed throughout the project unless otherwise approved by the city.~~

~~E. — Target units shall be built on site, unless off-site construction is approved at the city's discretion pursuant to the criteria in Section 17.38.050(C)(2)(c). The density bonus housing agreement shall stipulate the terms of the off-site target units. If the construction does not take place at the same time as project development, the agreement shall require the units to be produced within a specified time frame, but in no event longer than five years. A cash deposit or bond may be required by the city, refundable upon construction, as assurance that the units will be built.~~

~~F. — Target units may be of smaller size than the non-restricted units in the project. In addition, target units may have fewer interior amenities than the non-restricted units in the project. However, the city may require that the target units meet certain minimum standards. These standards shall be set forth in the density bonus housing agreement for the project.~~

~~G. — Target units shall be constructed with identical exterior materials and an exterior architectural design that is consistent with the non-restricted units in the project.~~

~~H. — The city's adopted preference and priority system shall be used for determining eligibility among prospective beneficiaries for affordable housing units.~~

~~I. — For purposes of calculating the affordable rent or affordable sales price of target unit, the following household size assumptions shall be used for each applicable dwelling unit type:~~

Unit Size	HUD Income Category by Household Size
Studio unit	1 person
1 bedroom unit	2 persons
2 bedroom unit	3 persons
3 bedroom unit	4 persons
4 or more bedroom unit	5 or more persons

~~(Ord. 2082 § 2, 2013)~~

§ 17.38.120. Application requirements, review and findings.

A. ~~Application. An application for a density bonus, incentive or concession, and/or waiver or modification of development standards as provided in this chapter shall be submitted with the first application for approval of a housing development, and processed concurrently with all other applications required for the housing development. The application shall be submitted on a form prescribed by the city and shall include at least the following information:~~

~~1. Site plan showing total number and size of units, number and location of target units, and number and location of proposed density bonus units.~~

~~2. Level of affordability of target units and proposal for ensuring affordability in perpetuity.~~

~~3. Description of any requested incentives or concessions, or waivers or modifications of development standards.~~

~~a. For all incentives or concessions that require a financial report (pro forma) pursuant to subsection C of Section 17.38.050, the pro forma shall state financial evidence demonstrating that such incentive or concession would result in necessary, identifiable, financially sufficient, and actual cost reductions that could not be achieved without the incentive or concession.~~

~~b. For waivers and modification of development standards that require submittal of a financial report (pro forma) as provided in Section 17.38.060, the pro forma shall demonstrate that the waiver or modification is necessary to make the housing units economically feasible and that the development standards will have the effect of precluding the construction of a housing development at the densities or with the concessions or incentives permitted by this chapter.~~

~~c. The cost of reviewing any required pro forma data submitted as a part of the application in support of a request for an incentive or concession, or waiver or modification of development standards, including, but not limited to, the cost to the city of hiring a consultant to review said pro forma, shall be borne by the applicant.~~

~~4. If an additional density bonus is requested for land donation, the application shall show the location of the land to be dedicated and provide evidence that each of the criteria included in Section 17.38.080(B) can be met.~~

~~5. If a density bonus or concession is requested for a child care facility, the application shall show the location and square footage of the child care facilities and provide evidence that each of the criteria referenced in Section 17.38.090(B) can be made.~~

B. Review and Findings.

~~1. An application for a density bonus, incentive or concession, or waiver or modification, pursuant to this chapter shall be considered by and acted upon by the approval body with authority to approve the housing development. Any decision regarding a density bonus, incentive, concession, or waiver or modification, may be appealed to the planning commission and from the planning commission to the city council.~~

~~2. In accordance with state law, neither the granting of a concession, incentive, waiver, or modification, nor the granting of a density bonus shall be interpreted, in and of itself, to require a general plan amendment, zoning change, variance, or other discretionary approval.~~

_____ 3. _____ Before approving an application for a density bonus, incentive or concession, or waiver or modification of a development standard, the approval body shall make the following findings:

_____ a. _____ If an incentive or concession is requested, that the incentive or concession results in necessary, identifiable, financially sufficient, and actual cost reductions that could not be achieved without the incentive or concession.

_____ b. _____ If a waiver or modification of a development standard is requested, that the waiver or modification is necessary to make the housing units economically feasible at the densities permitted and with any eligible concessions or incentives.

_____ c. _____ If the density bonus is based all or in part on donation of land, the project meets the criteria in Section 17.38.080(B).

_____ d. _____ If the density bonus, incentive, or concession is based all or in part on the inclusion of a child care facility, the project meets the findings included in Section 17.38.090(B).

_____ 4. _____ If a request for an incentive or concession is otherwise consistent with this chapter, the approval body may deny an incentive or concession if it makes a written finding, based upon substantial evidence, of any of the following:

_____ a. _____ The concession or incentive is not required to provide for affordable rents or affordable ownership costs.

_____ b. _____ The concession or incentive would have a specific adverse impact upon public health or safety or the physical environment or on any real property that is listed in the California Register of Historical Resources, and there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact without rendering the development unaffordable to low and moderate income households. For the purpose of this subsection, "specific adverse impact" means a significant, quantifiable, direct, and unavoidable impact, based on objective, identified, written public health or safety standards, policies, or conditions as they existed on the date that the application was deemed complete.

_____ c. _____ The concession or incentive would be contrary to state or federal law.

_____ 5. _____ If a request for a waiver or modification of a development standard is otherwise consistent with this chapter, the approval body may deny the waiver or modification only if it makes a written finding, based upon substantial evidence, of any of the following:

_____ a. _____ The waiver or modification would have a specific adverse impact upon health, safety, or the physical environment, and there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact without rendering the development unaffordable to low and moderate income households. For the purpose of this subsection, "specific adverse impact" means a significant, quantifiable, direct, and unavoidable impact, based on objective, identified, written public health or safety standards, policies, or conditions as they existed on the date that the application was deemed complete.

_____ b. _____ The waiver or modification would have an adverse impact on any real property that is listed in the California Register of Historical Resources.

_____ c. _____ The waiver or modification would be contrary to state or federal law.

6. If a density bonus and an incentive or concession is based on the provision of child care facilities, the approval body may deny the bonus or concession if it finds, based on substantial evidence, that the city already has adequate child care facilities.

(Ord. 2082 § 2, 2013)

§ 17.38.130. Density bonus housing agreement.

A. For all housing projects receiving a density bonus under this chapter a density bonus housing agreement shall be entered into by the city and the project owner. The density bonus housing agreement shall be made a condition of the discretionary planning permits for all housing developments pursuant to this chapter and shall be recorded as a deed restriction on any parcel on which the target units will be constructed.

B. The approval and/or recordation of this agreement shall take place prior to final map approval or, where a map is not being processed, prior to the issuance of a building permit for any structure in the housing development. The agreement shall run with the land and be binding on all future owners and successors.

C. The density bonus housing agreement shall include but not be limited to the following:

1. The total number of units approved for the housing development, the number, location, and level of affordability of target units, and the number of density bonus units.

2. Standards for determining affordable rent or affordable ownership cost for the target units.

3. The location, unit size in square feet, and number of bedrooms of target units.

4. Provisions to ensure affordability in accordance with subsections B and C of Section 17.38.110.

5. A schedule for completion and occupancy of target units in relation to construction of non-restricted units.

6. A description of any incentives or concessions, or waivers or modification of development standards being provided by the city.

7. The terms of any waiver or deferral of city development impact fees and/or building permit fees applicable to the target units or the project of which they are a part.

8. A description of remedies for breach of the agreement by either party. The city may identify tenants or qualified purchasers as third party beneficiaries under the agreement.

9. Procedures for qualifying tenants and prospective purchasers of target units.

10. Other provisions to ensure implementation and compliance with this chapter.

D. In the case of for sale housing developments, the density bonus housing agreement shall include the following conditions governing the sale and use of target units during the applicable use restriction period:

1. Target units shall be owner-occupied by eligible very low, low, or moderate income households, or by qualified residents in the case of senior citizen housing developments.

~~2. The purchaser of each target unit shall execute an instrument, approved by the city and to be recorded against the parcel, including such provisions as the city may require to ensure continued compliance with this chapter.~~

~~E. In the case of rental housing developments, the density bonus housing agreement shall provide for the following:~~

~~1. Procedures for establishing affordable rent, filling vacancies, and maintaining target units for eligible tenants;~~

~~2. Provisions requiring verification of household incomes;~~

~~3. Provisions requiring maintenance of records to demonstrate compliance with this subsection.~~

~~F. Density bonus housing agreements for land dedication or child care facilities shall ensure continued compliance with all conditions included in Sections 17.38.080 and 17.38.090 respectively.~~

~~(Ord. 2082 § 2, 2013)~~

~~§ 17.38.140. Conflict of interest.~~

~~The following individuals are ineligible to purchase or rent a target unit: (A) city employees and officials who have policy making authority or influence regarding city housing programs, and their immediate family members; (B) the project applicant and its officers and employees and their immediate family members; and (C) the project owner and its officers and employees and their immediate family members.~~

~~(Ord. 2082 § 2, 2013)~~

TITLE 18 ZONING

CHAPTER 18.08 DEFINITIONS

18.08.332 Major transit stop.

“Major transit stop” means a site containing either of the following, or as amended by state law:

- A. An existing public rail or public bus rapid transit station.
- B. The intersection of two or more major public bus routes with a frequency of service interval of 20 minutes or less during the morning and afternoon peak commute periods.

Unless otherwise defined by state law, a distance or radius from the major transit stop shall be measured from a single point at the center of the stop or station. Where a station/stop includes infrastructure, such as platforms, bus transfer facilities, and/or parking areas, a single centroid shall be used. If a project site is partially within the radius measurement from the single point, a project shall be considered to be within the radius if: (1) all parcels within the project have no more than 25 percent of their area farther than the specified distance from the major transit stop; and (2) if residential units are proposed, not more than 10 percent of the residential units or 100 units, whichever is less, in the project are farther than the specified distance from the major transit stop.

CHAPTER 18.88 OFF-STREET PARKING FACILITIES

18.88.020 Basic Requirements.

A. Unless otherwise provided in state law or for by this chapter, at the time of initial occupancy, major alteration, or enlargement of sites, or of completion of construction of a structure or of a major alteration or enlargement of a structure, there shall be provided off-street parking facilities for automobiles in accordance with the schedule of off-street parking space requirements prescribed in Section 18.88.030 of this chapter. Except as modified in subsection D of this section, the terms "major alteration" or "enlargement" shall mean a change of use or an addition which would increase the number of parking spaces required by not less than 10 percent of the total number required. The number of parking spaces provided for a major alteration or enlargement of a site or structure shall be in addition to the number existing prior to the alteration or enlargement, unless the preexisting number is greater than the number prescribed in Section 18.88.030 of this chapter, in which instance the number in excess of the prescribed minimum shall be counted in calculating the number provided to serve the major alteration or enlargement.

Half Mile radius from East BART Platform



Bay Area Rapid Transit



BART Platform 0.5 mile radius

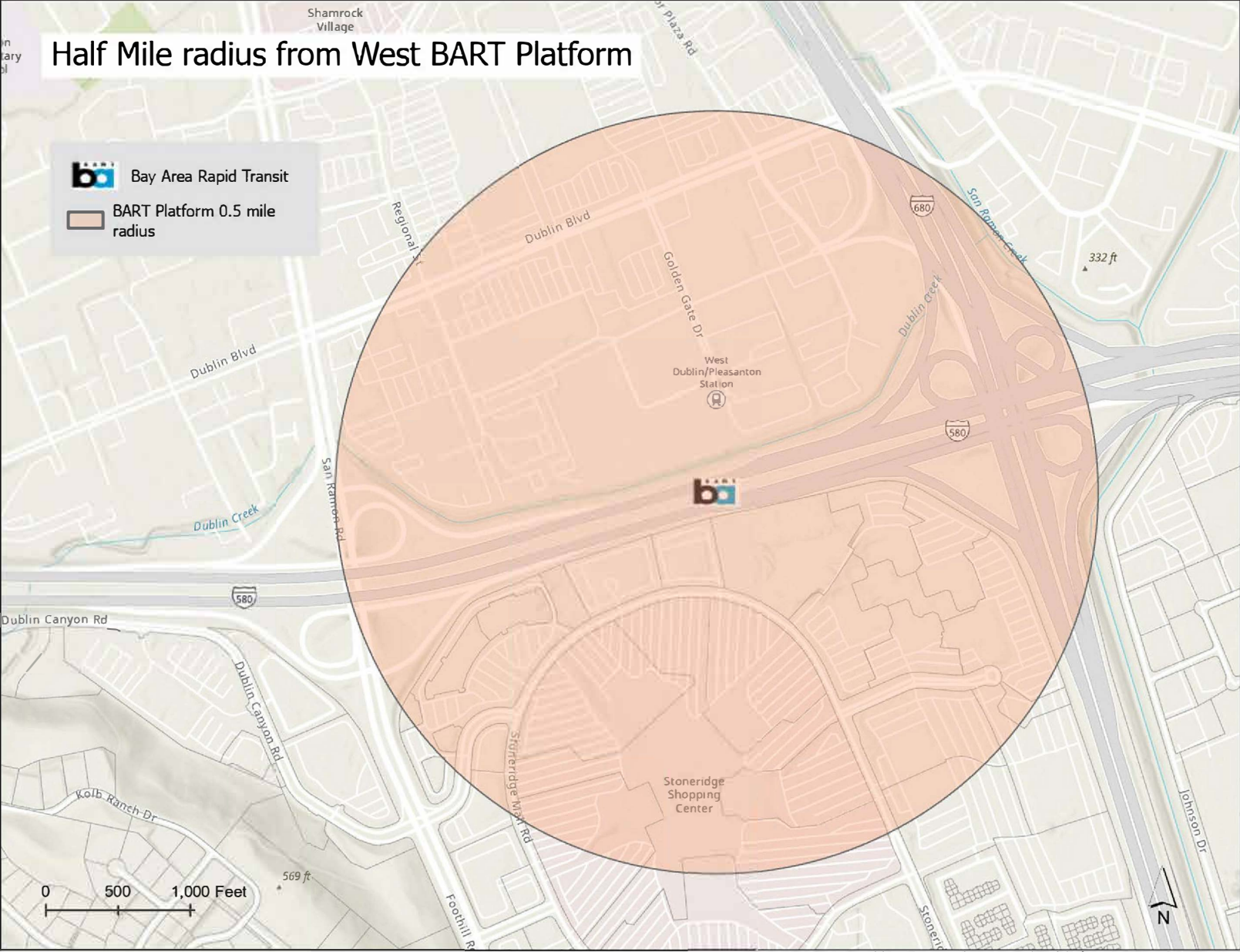
0 500 1,000 Feet

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Half Mile radius from West BART Platform

**Bay Area Rapid Transit**

 BART Platform 0.5 mile radius



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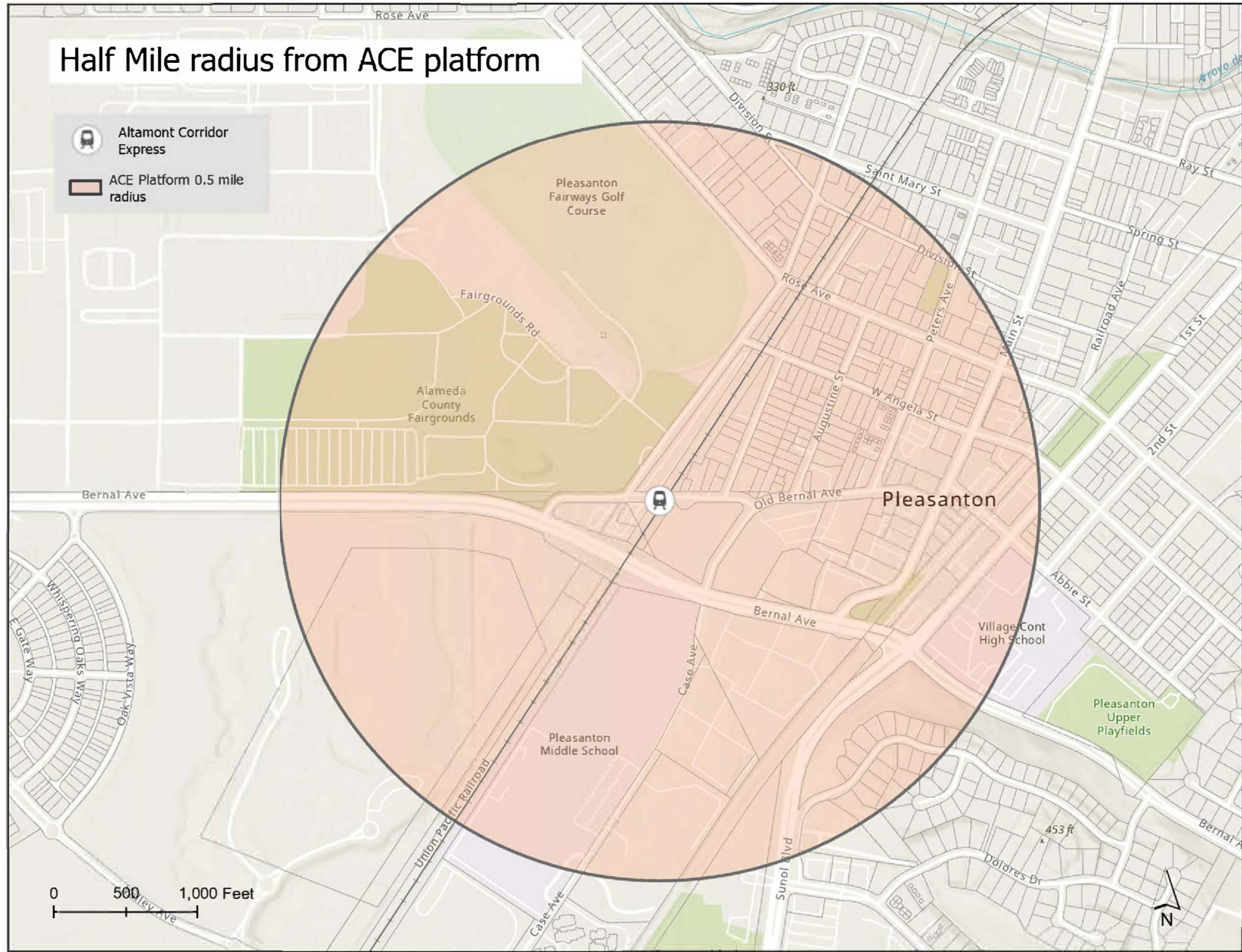
Half Mile radius from ACE platform



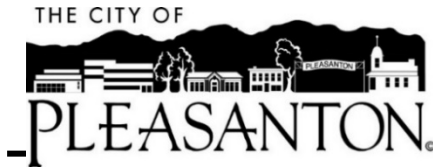
Altamont Corridor
Express



ACE Platform 0.5 mile
radius



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PLANNING COMMISSION MEETING MINUTES

Wednesday, September 11, 2024

CALL TO ORDER, PLEDGE OF ALLEGIANCE, AND ROLL CALL

Chair Gaidos called the regular meeting of the Planning Commission to order at 7:00 p.m. from the City Council Chambers located at 200 Old Bernal Avenue.

Commissioner Morgan led the Pledge of Allegiance.

Commissioners Present: Commissioners Anurag Jain, Vivek Mohan, Ken Morgan, Brandon Pace, Stephanie Wedge, and Chair Matt Gaidos

Commissioners Absent: None.

AGENDA AMENDMENTS

None.

CONSENT CALENDAR

1. Actions of the Zoning Administrator

Recommendation: Receive report.

2. Approve the meeting minutes of June 26, 2024

Recommendation: Approve the meeting minutes.

MOTION: It was m/s by Pace/Morgan to approve the items on the Consent Calendar, as recommended. Motion passed by the following roll call vote:

Ayes:	Commissioners Jain, Mohan, Morgan, Pace, and Chair Gaidos
Noes:	None
Absent:	None
Abstain:	None

MEETING OPEN TO THE PUBLIC

3. Public comment regarding items not listed on the agenda.

Chair Gaidos opened the public comment. There being no speakers, Chair Gaidos closed the public comment.

PUBLIC HEARING AND OTHER MATTERS

4. P24-0505, City of Pleasanton – Review, consider, and provide a recommendation for amendments to Chapters 17.40, 17.44, and 18.38 of the Pleasanton Municipal Code regarding inclusionary rates, affordable levels, design and development standards, approval processes, requirements, and administrative procedures for the affordable housing fee; and update the City’s Objective Design Standards for Housing Sites to align with the proposed municipal code amendments.

Recommendation: Adopt Resolution No. PC-2024-15 recommending the City Council approve amendments to Pleasanton Municipal Code Chapters 17.44 -- Inclusionary Zoning Ordinance; related amendments to Chapter 17.40 -- Affordable Housing Fee; Chapter 18.38 -- Housing Opportunity Zone District; and the Objective Design Standards for Housing Element Sites.

Director Ellen Clark presented the item.

Chair Gaidos opened the public comment. There being no speakers, Chair Gaidos closed the public comment.

MOTION: It was m/s by Morgan/Pace to adopt Resolution No. PC-2024-15 recommending City Council action, as recommended with an additional request for staff to provide additional information to City Council with respect to the basis for establishing minimum unit sizes for rental inclusionary units. Motion passed by the following roll call vote:

Ayes:	Commissioners Jain, Morgan, Pace, and Chair Gaidos
Noes:	Commissioner Mohan
Absent:	None
Abstain:	None

5. P24-0334, City of Pleasanton – Review, consider, and provide a recommendation for amendments to Chapters 17.38, 18.08, 18.88, and 18.106 of the Pleasanton Municipal Code regarding density bonus, major transit stop, and separate conveyance of accessory dwelling units as identified in State law.

Recommendation: Adopt Resolution No. PC-2024-16 recommending the City Council Approve amendments to Chapters 17.38, 18.08, and 18.88 of the Pleasanton Municipal Code regarding Density Bonus and Major Transit Stop as identified in state law.

Senior Planner Shweta Bonn presented the item.

Chair Gaidos opened the public comment. There being no speakers, Chair Gaidos closed the public comment.

MOTION: It was m/s by Morgan/Pace to adopt Resolution No. PC-2024-16 approving text amendments to the Pleasanton Municipal Code related to the Density Bonus and Major Transit Stop, as amended by supplemental memo, retaining Section 17.38.140 in the Density Bonus ordinance, and recommending City Council consider directing staff to draft text amendments to the Pleasanton Municipal Code allowing separate conveyance of accessory dwelling units. Motion passed by the following roll call vote:

Ayes:	Commissioners Jain, Mohan, Morgan, Pace, and Chair Gaidos
Noes:	None
Absent:	None
Abstain:	None

MATTERS FOR COMMISSION'S REVIEW/ACTION/INFORMATION

6. Reports from Meetings Attended (e.g., Committee, Task Force, etc.)

Commissioner Jain reported attending a recent Bicycle, Pedestrian and Trails Committee meeting.

Commissioner Morgan reported attending a recent Heritage Tree Board of Appeals meeting.

7. Actions of the City Council

Director Clark provided a brief overview of the items listed in the report.

8. Future Planning Calendar

None.

MATTERS INITIATED BY COMMISSION MEMBERS

None.

ADJOURNMENT

Chair Gaidos adjourned the meeting at 9:20 p.m.

Paul Eichenholtz, Recording Secretary

CITY COUNCIL AGENDA REPORT

October 15, 2024
Finance

TITLE: ACCEPT THE MONTHLY DISBURSEMENT AND INVESTMENT REPORT FOR AUGUST 2024

SUMMARY

Attached is the City of Pleasanton monthly disbursements and investment report for August 2024.

RECOMMENDATION

Accept claim disbursements in the amount of \$20,231,058 and the investment report for the month of August 2024.

BACKGROUND

The City's Investment Policy requires the Director of Finance to submit a monthly transaction report to the City Council within 60 days of the end of the reporting period in accordance with California Government Code Section 53607.

The Investment Policy also requires the Director of Finance to submit a quarterly report to the City Council on the status of the City's investment portfolio no later than 45 days after the end of each month. This report shall include the types of investments, the amount of money invested with various institutions, purchase and maturity dates, and yield on investments. The Director of Finance certifies that the investment portfolio is in compliance with the investment policy and that it will meet cash flow needs for the next six months.

This report also includes check and electronic payment information for August 2024.

DISCUSSION

The monthly disbursements and investment report provides transparency of the City's financial transactions and payments for review by the City Council. Of note, the medium term note with 3M Company is rated at A by Moody's and rated at BBB+ by S&P. A rating of A indicates the investment grade is very high and a rating of BBB+ indicates the investment grade is good. When this investment was purchased in 2019, it met the A rating category required by the City's investment policy. This investment is scheduled to mature in February 2025. Staff has been monitoring this investment and will take action such as selling the security before maturity if warranted.

EQUITY AND SUSTAINABILITY

Not applicable, as this item is a routine administrative matter of City business.

OUTREACH

No outreach was conducted, as this item is a routine administrative matter of City business.

STRATEGIC PLAN ALIGNMENT

Not applicable, as this item is a routine administrative matter.

FISCAL IMPACT

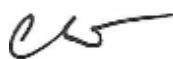
There is no fiscal impact associated with acceptance of this report.

Prepared by:



Dawn DeMarcus, Senior
Budget and Finance Analyst

Submitted by:



Susan Hsieh, Director of Finance

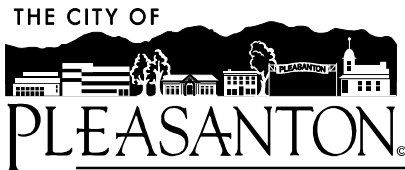
Approved by:



Gerry Beaudin, City
Manager

Attachments:

1. Disbursements and Investment Report



AUGUST 2024 DISBURSEMENTS

CHECK REGISTER*

<u>DATE</u>	<u>CHECK NUMBER</u>	<u>AMOUNT</u>
8/1/2024	63599-63718, 63720-63779	\$ 1,826,214
8/6/2024	63784-63819	2,996,088
8/8/2024	63824-63840	573,792
8/9/2024	63842-63843, 63845-63925	463,384
8/13/2024	63935	555,791
8/15/2024	63936-64019	459,717
8/22/2024	64023-64046	2,097,898
8/23/2024	64049-64160	812,983
8/29/2024	64178-64192, 64194-64273	514,818

\$ 10,300,687

ACH PAYMENTS

<u>DATE</u>	<u>CHECK NUMBER</u>	<u>AMOUNT</u>
8/1/2024	63780-63783	\$ 217,045
8/6/2024	63820-63823	38,033
8/8/2024	63841	358
8/9/2024	63926-63934	199,545
8/15/2024	64020-64022	2,362,140
8/22/2024	64047-64048	621,448
8/23/2024	64161-64177	1,956,692
8/29/2024	64193, 64274-64277	169,761

Payroll & Tax related ACH Payments	854,281
	\$ 6,419,304

WIRE TRANSFERS

AMOUNT

\$ -

PAYROLL TRANSFERS

<u>DATE</u>	<u>AMOUNT</u>
8/8/2024	\$ 1,798,040
8/22/2024	1,713,028
	\$ 3,511,068

TOTAL DISBURSEMENTS

\$ 20,231,058

* Detailed registers available upon request.



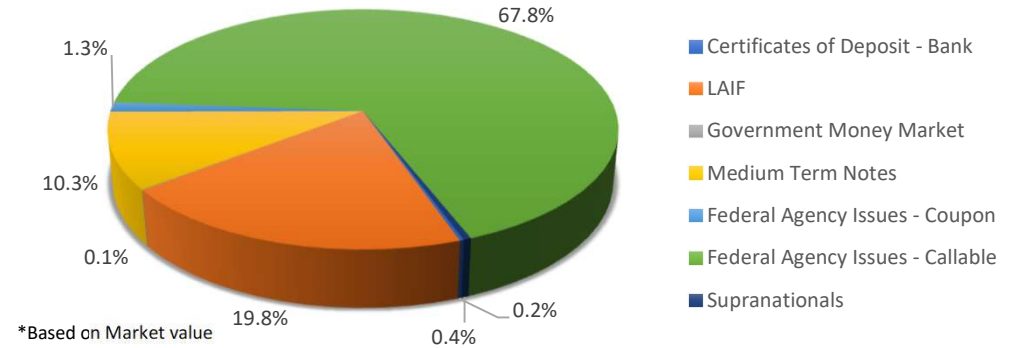
Portfolio Snapshot

August 31, 2024

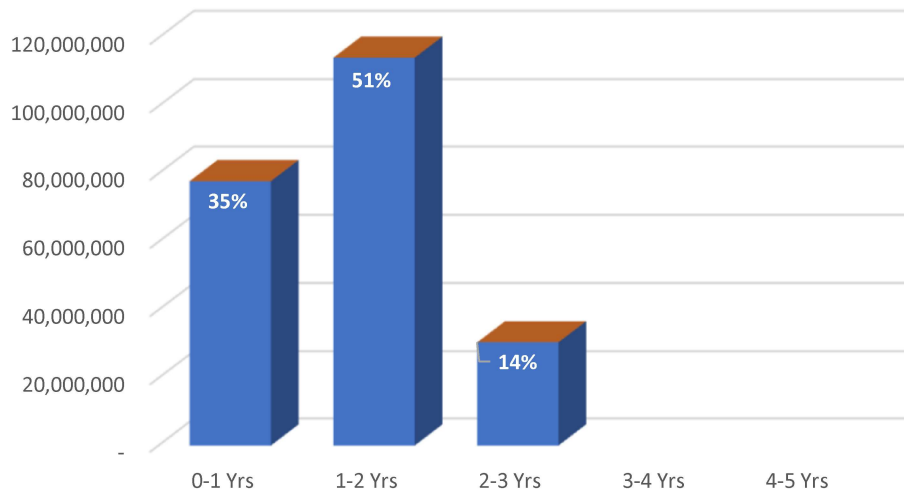
Portfolio Characteristics

Total Market Value	\$222,517,034
Effective Rate of Return	1.87%
Average Days to Maturity	443

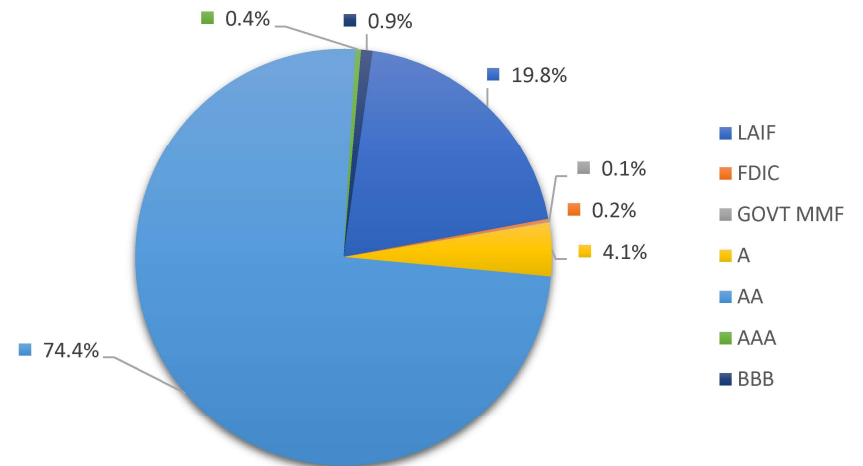
Sector Allocation



Maturity Distribution



Assigned Credit Ratings of Investments



CITY OF PLEASANTON
Portfolio Management
Portfolio Details - Investments
August 31, 2024

Page 1

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Certificates of Deposit - Bank												
SYS	1093-2	Fremont Bank		04/20/2024	239,245.20	239,245.20	239,245.20	4.890	4.823	4.890	20	09/21/2024
SYS 1091	1091-2	United Business Bank		04/11/2024	250,000.00	250,000.00	250,000.00	4.890	4.823	4.890	222	04/11/2025
Subtotal and Average			489,245.20		489,245.20	489,245.20	489,245.20		4.823	4.890	123	
LAIF												
SYS5	5	LOCAL AGENCY INVESTMENT FUND			44,305,517.89	44,142,298.22	44,305,517.89	4.480	4.419	4.480	1	
Subtotal and Average			44,305,517.89		44,305,517.89	44,142,298.22	44,305,517.89		4.419	4.480	1	
Gov't Money Market												
X9USDCRGO	7	Dryfus Govt Cash Mgmt 672		08/23/2024	182,575.00	182,575.00	182,575.00	4.930	4.862	4.930	1	
Subtotal and Average			39,683.87		182,575.00	182,575.00	182,575.00		4.862	4.930	1	
Medium Term Notes												
037833DM9	6048	Apple Inc.		01/07/2020	1,040,000.00	1,039,147.20	1,040,000.00	1.800	1.775	1.800	10	09/11/2024
89236TGL3	6046	Toyota Motor Credit Corp		10/24/2019	1,600,000.00	1,594,848.00	1,599,984.00	2.000	1.973	2.000	36	10/07/2024
037833DF4	6049	Apple Inc.		01/13/2020	1,000,000.00	992,060.00	1,037,212.20	2.750	1.938	1.965	134	01/13/2025
88579YBH3	6053	3M Company		02/14/2020	2,000,000.00	1,972,420.00	2,016,869.48	2.000	1.798	1.823	166	02/14/2025
30231GAF9	6056	EXXON MOBIL CORPORATION		03/11/2020	3,000,000.00	2,966,460.00	3,145,587.00	2.709	1.667	1.690	186	03/06/2025
89788JAA7	6058	Truist Bank		03/13/2020	2,000,000.00	1,961,920.00	1,969,486.00	1.500	1.796	1.821	190	03/10/2025
30231GBH4	6064	EXXON MOBIL CORPORATION		04/20/2020	2,000,000.00	1,978,880.00	2,113,800.00	2.992	1.753	1.777	199	03/19/2025
89236THW8	6067	Toyota Motor Credit Corp		03/09/2021	3,000,000.00	2,858,730.00	2,959,140.00	0.800	1.075	1.090	495	01/09/2026
037833EB2	6065	Apple Inc.		02/08/2021	2,000,000.00	1,903,100.00	1,996,860.00	0.700	0.722	0.732	525	02/08/2026
037833BY5	6066	Apple Inc.		02/23/2021	3,000,000.00	2,958,840.00	3,331,380.00	3.250	0.967	0.981	540	02/23/2026
46632FSCO	6068	JPMorgan Chase Bank NA		06/22/2021	3,000,000.00	2,778,810.00	3,000,000.00	1.100	1.085	1.100	659	06/22/2026
Subtotal and Average			24,794,794.47		23,640,000.00	23,005,215.20	24,210,318.68		1.414	1.433	339	
Federal Agency Issues - Coupon												
3130AQF65	3576	FEDERAL HOME LOAN BANK		12/22/2021	3,000,000.00	2,827,410.00	2,995,657.09	1.250	1.262	1.280	841	12/21/2026
Subtotal and Average			2,995,657.09		3,000,000.00	2,827,410.00	2,995,657.09		1.262	1.280	841	
Federal Agency Issues - Callable												
3134GVZ68	4535	FREDDIE MAC		06/23/2020	3,000,000.00	2,906,760.00	2,998,950.00	0.700	0.697	0.707	295	06/23/2025
3133ELQ49	4537	FEDERAL FARM CREDIT BANK		07/06/2020	3,000,000.00	2,904,630.00	2,997,750.00	0.700	0.706	0.715	302	06/30/2025
3136G4YH0	4538	FEDERAL NATIONAL MORTGAGE ASSN		07/14/2020	3,250,000.00	3,141,742.50	3,248,862.50	0.700	0.697	0.707	316	07/14/2025
3136G4A45	4541	FEDERAL NATIONAL MORTGAGE ASSN		07/22/2020	3,000,000.00	2,897,850.00	3,000,000.00	0.710	0.700	0.710	324	07/22/2025

Portfolio PLST
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Run Date: 09/30/2024 - 18:38

PM (PRF_PM2) 7.3.11

CITY OF PLEASANTON
Portfolio Management
Portfolio Details - Investments
August 31, 2024

Page 2

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Federal Agency Issues - Callable												
3130AJZ36	4544	FEDERAL HOME LOAN BANK		08/27/2020	3,000,000.00	2,882,850.00	2,997,000.00	0.600	0.612	0.620	360	08/27/2025
3134GWA55	4545	FREDDIE MAC		09/09/2020	3,000,000.00	2,881,830.00	2,998,950.00	0.650	0.648	0.657	373	09/09/2025
3133EMB0	4548	FEDERAL FARM CREDIT BANK		10/05/2020	3,340,000.00	3,215,050.60	3,336,660.00	0.530	0.543	0.550	393	09/29/2025
3134GWW93	4547	FREDDIE MAC		09/30/2020	3,000,000.00	2,888,250.00	3,000,000.00	0.550	0.542	0.550	394	09/30/2025
3134GWWT9	4549	FREDDIE MAC		10/07/2020	3,000,000.00	2,888,250.00	2,997,600.00	0.550	0.559	0.566	394	09/30/2025
3134GW3F1	4550	FREDDIE MAC		10/28/2020	3,000,000.00	2,882,010.00	3,000,000.00	0.600	0.592	0.600	422	10/28/2025
3130AKGD2	4553	FEDERAL HOME LOAN BANK		11/25/2020	3,000,000.00	2,865,690.00	2,996,250.00	0.570	0.587	0.595	450	11/25/2025
3135GA3W9	4552	FEDERAL NATIONAL MORTGAGE ASSN		11/25/2020	3,000,000.00	2,874,390.00	3,000,000.00	0.600	0.592	0.600	450	11/25/2025
3134GXDM3	4554	FREDDIE MAC		12/01/2020	3,000,000.00	2,873,580.00	3,000,000.00	0.620	0.612	0.620	456	12/01/2025
3130AKQ74	4555	FEDERAL HOME LOAN BANK		01/22/2021	3,000,000.00	2,855,310.00	3,000,000.00	0.625	0.616	0.625	508	01/22/2026
3130AKRN8	4557	FEDERAL HOME LOAN BANK		01/28/2021	3,000,000.00	2,854,530.00	3,000,000.00	0.650	0.641	0.650	514	01/28/2026
3135G06R9	4556	FEDERAL NATIONAL MORTGAGE ASSN		01/28/2021	3,000,000.00	2,856,060.00	3,000,000.00	0.550	0.542	0.550	514	01/28/2026
3130AKXQ4	4558	FEDERAL HOME LOAN BANK		02/12/2021	3,000,000.00	2,848,290.00	3,000,000.00	0.600	0.109	0.110	529	02/12/2026
3130AL3S1	4560	FEDERAL HOME LOAN BANK		02/17/2021	3,000,000.00	2,848,260.00	3,000,000.00	0.625	0.616	0.625	534	02/17/2026
3130AL5X8	4561	FEDERAL HOME LOAN BANK		02/24/2021	3,000,000.00	2,847,330.00	3,000,000.00	0.650	0.641	0.650	541	02/24/2026
3130AKXJ0	4562	FEDERAL HOME LOAN BANK		02/24/2021	3,125,000.00	2,963,750.00	3,122,500.00	0.600	0.608	0.616	541	02/24/2026
3130ALCV4	4563	FEDERAL HOME LOAN BANK		02/24/2021	3,000,000.00	2,851,620.00	3,000,000.00	0.750	0.740	0.750	541	02/24/2026
3130AKZ25	4559	FEDERAL HOME LOAN BANK		02/26/2021	3,000,000.00	2,846,790.00	3,000,000.00	0.650	0.641	0.650	543	02/26/2026
3130ALGR9	4572	FEDERAL HOME LOAN BANK		03/15/2021	3,000,000.00	2,855,340.00	2,989,560.00	0.850	0.909	0.922	543	02/26/2026
3130ALGR9	4574	FEDERAL HOME LOAN BANK		03/18/2021	3,000,000.00	2,855,340.00	2,985,960.00	0.850	0.934	0.947	543	02/26/2026
3130ALGR9	4577	FEDERAL HOME LOAN BANK		03/22/2021	3,000,000.00	2,855,340.00	2,982,510.00	0.850	0.958	0.971	543	02/26/2026
3130ALGR9	4579	FEDERAL HOME LOAN BANK		03/31/2021	3,000,000.00	2,855,340.00	2,978,517.00	0.850	0.986	1.000	543	02/26/2026
3130ALDN1	4565	FEDERAL HOME LOAN BANK		03/16/2021	3,000,000.00	2,848,680.00	3,000,000.00	0.800	0.789	0.800	561	03/16/2026
3130ALGC2	4569	FEDERAL HOME LOAN BANK		03/23/2021	3,000,000.00	2,850,210.00	3,000,000.00	0.875	0.863	0.875	568	03/23/2026
3130ALGC2	4576	FEDERAL HOME LOAN BANK		03/23/2021	3,000,000.00	2,850,210.00	2,987,700.00	0.875	0.946	0.959	568	03/23/2026
3133EMUK6	4575	FEDERAL FARM CREDIT BANK		03/25/2021	3,000,000.00	2,862,870.00	3,000,000.00	1.050	1.036	1.050	570	03/25/2026
3130ALMM3	4571	FEDERAL HOME LOAN BANK		03/30/2021	3,000,000.00	2,854,080.00	3,000,000.00	1.000	0.986	1.000	575	03/30/2026
3130ALNT7	4578	FEDERAL HOME LOAN BANK		03/30/2021	3,000,000.00	2,853,180.00	2,998,050.00	0.980	0.980	0.993	575	03/30/2026
3130ALMM3	4581	FEDERAL HOME LOAN BANK		04/05/2021	3,000,000.00	2,854,080.00	2,996,250.00	1.000	1.012	1.026	575	03/30/2026
3130ALUC6	4580	FEDERAL HOME LOAN BANK		04/15/2021	3,000,000.00	2,851,260.00	2,995,500.00	1.020	1.036	1.051	591	04/15/2026
3130AMCL4	4585	FEDERAL HOME LOAN BANK		05/20/2021	2,795,000.00	2,648,458.15	2,795,000.00	1.020	1.006	1.020	625	05/19/2026
3130AMH62	4587	FEDERAL HOME LOAN BANK		05/26/2021	3,000,000.00	2,840,040.00	2,998,500.00	1.000	0.996	1.010	632	05/26/2026
3130AMGW6	4588	FEDERAL HOME LOAN BANK		05/26/2021	3,000,000.00	2,839,050.00	2,998,950.00	0.980	0.974	0.987	632	05/26/2026
3130AMHB1	4590	FEDERAL HOME LOAN BANK		06/02/2021	2,750,000.00	2,597,677.50	2,746,562.50	0.875	0.888	0.901	632	05/26/2026
3130AMH62	4591	FEDERAL HOME LOAN BANK		06/02/2021	1,500,000.00	1,420,020.00	1,500,000.00	1.000	0.986	1.000	632	05/26/2026
3133EMH21	4595	FEDERAL FARM CREDIT BANK		06/24/2021	3,000,000.00	2,836,320.00	2,997,000.00	0.900	0.908	0.921	652	06/15/2026

Portfolio PLST
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Run Date: 09/30/2024 - 18:38

PM (PRF_PM2) 7.3.11

CITY OF PLEASANTON
Portfolio Management
Portfolio Details - Investments
August 31, 2024

Page 3

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Federal Agency Issues - Callable												
3130AMSL7	4592	FEDERAL HOME LOAN BANK		06/30/2021	3,000,000.00	2,838,150.00	3,000,000.00	1.030	1.016	1.030	667	06/30/2026
3130AMYA4	4594	FEDERAL HOME LOAN BANK		06/30/2021	3,000,000.00	2,840,250.00	3,000,000.00	1.070	1.055	1.070	667	06/30/2026
3130AN2Q2	4596	FEDERAL HOME LOAN BANK		06/30/2021	1,500,000.00	1,418,295.00	1,500,000.00	1.000	0.986	1.000	667	06/30/2026
3130AMWK4	4597	FEDERAL HOME LOAN BANK		07/14/2021	3,000,000.00	2,834,250.00	2,999,250.00	1.020	1.011	1.025	681	07/14/2026
3130AP2P9	4598	FEDERAL HOME LOAN BANK		09/30/2021	3,000,000.00	2,810,340.00	2,983,500.00	0.920	1.019	1.033	759	09/30/2026
3130APC94	4599	FEDERAL HOME LOAN BANK		10/14/2021	3,000,000.00	2,818,890.00	2,997,750.00	1.070	1.071	1.085	773	10/14/2026
3130APU78	4600	FEDERAL HOME LOAN BANK		12/09/2021	530,000.00	498,968.50	526,947.20	1.300	1.401	1.421	814	11/24/2026
3130APUR4	4601	FEDERAL HOME LOAN BANK		12/09/2021	1,840,000.00	1,732,268.00	1,829,401.60	1.300	1.401	1.421	814	11/24/2026
3130APVC6	4602	FEDERAL HOME LOAN BANK		12/09/2021	3,000,000.00	2,827,680.00	2,988,000.00	1.375	1.439	1.459	821	12/01/2026
3130AQG80	4605	FEDERAL HOME LOAN BANK		01/03/2022	3,000,000.00	2,824,980.00	2,999,250.00	1.420	1.406	1.425	849	12/29/2026
3130AQG80	4606	FEDERAL HOME LOAN BANK		01/10/2022	3,000,000.00	2,824,980.00	2,982,750.00	1.420	1.519	1.541	849	12/29/2026
3130AQEC3	4603	FEDERAL HOME LOAN BANK		12/30/2021	3,000,000.00	2,821,440.00	3,000,000.00	1.370	1.351	1.370	850	12/30/2026
3130AQEF6	4604	FEDERAL HOME LOAN BANK		12/30/2021	3,000,000.00	2,821,800.00	2,998,500.00	1.375	1.366	1.385	850	12/30/2026
3130AQLD3	4607	FEDERAL HOME LOAN BANK		02/08/2022	3,000,000.00	2,844,150.00	2,975,010.00	1.750	1.900	1.926	879	01/28/2027
3130AQW66	4608	FEDERAL HOME LOAN BANK		03/08/2022	3,000,000.00	2,862,780.00	2,995,500.00	2.080	2.083	2.112	907	02/25/2027
Subtotal and Average			158,420,440.80		158,630,000.00	150,921,540.25	158,420,440.80		0.903	0.916	576	
Supranationals												
45950VPS9	7000	International Finance Corp		06/28/2021	1,000,000.00	948,750.00	980,200.00	0.500	0.922	0.935	543	02/26/2026
Subtotal and Average			980,200.00		1,000,000.00	948,750.00	980,200.00		0.922	0.935	543	
Total and Average			232,025,539.32		231,247,338.09	222,517,033.87	231,583,954.66		1.645	1.668	443	

CITY OF PLEASANTON
Portfolio Management
Portfolio Details with Earnings - Investments
August 31, 2024

Page 1

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Current Rate	Days To Maturity	YTM	Accrued Interest	Unrealized Gain/Loss	Maturity Date
Certificates of Deposit - Bank													
SYS	1093-2	FREMON		04/20/2024	239,245.20	239,245.20	239,245.20	4.890	20	4.890	4,295.00	0.00	09/21/2024
SYS 1091	1091-2	VCB		04/11/2024	250,000.00	250,000.00	250,000.00	4.890	222	4.890	4,789.52	0.00	04/11/2025
Subtotal and Average			489,245.20		489,245.20	489,245.20	489,245.20	4.890	123	4.890	9,084.52	0.00	
LAIF													
SYS5	5	LAIF			44,305,517.89	44,142,298.22	44,305,517.89	4.480	1	4.480	317,722.58	-163,219.67	
Subtotal and Average			44,305,517.89		44,305,517.89	44,142,298.22	44,305,517.89	4.480	1	4.480	317,722.58	-163,219.67	
Gov't Money Market													
X9USDCRGO	7	DRYFUS		08/23/2024	182,575.00	182,575.00	182,575.00	4.930	1	4.930	166.16	0.00	
Subtotal and Average			39,683.87		182,575.00	182,575.00	182,575.00	4.930	1	4.930	166.16	0.00	
Medium Term Notes													
037833DM9	6048	APPL		01/07/2020	1,040,000.00	1,039,147.20	1,040,000.00	1.800	10	1.799	8,840.00	-852.80	09/11/2024
89236TGL3	6046	TOYOTA		10/24/2019	1,600,000.00	1,594,848.00	1,599,984.00	2.000	36	2.000	12,800.00	-5,136.00	10/07/2024
037833DF4	6049	APPL		01/13/2020	1,000,000.00	992,060.00	1,037,212.20	2.750	134	1.964	3,666.67	-45,152.20	01/13/2025
88579YBH3	6053	3M		02/14/2020	2,000,000.00	1,972,420.00	2,016,869.48	2.000	166	1.822	1,888.89	-44,449.48	02/14/2025
30231GAF9	6056	XOM		03/11/2020	3,000,000.00	2,966,460.00	3,145,587.00	2.709	186	1.689	39,506.25	-179,127.00	03/06/2025
89788JAA7	6058	TRU		03/13/2020	2,000,000.00	1,961,920.00	1,969,486.00	1.500	190	1.821	14,250.00	-7,566.00	03/10/2025
30231GBH4	6064	XOM		04/20/2020	2,000,000.00	1,978,880.00	2,113,800.00	2.992	199	1.777	26,928.00	-134,920.00	03/19/2025
89236THW8	6067	TOYOTA		03/09/2021	3,000,000.00	2,858,730.00	2,959,140.00	0.800	495	1.090	3,466.66	-100,410.00	01/09/2026
037833EB2	6065	APPL		02/08/2021	2,000,000.00	1,903,100.00	1,996,860.00	0.700	525	0.732	894.44	-93,760.00	02/08/2026
037833BY5	6066	APPL		02/23/2021	3,000,000.00	2,958,840.00	3,331,380.00	3.250	540	0.980	2,166.67	-372,540.00	02/23/2026
46632FSCO	6068	JP		06/22/2021	3,000,000.00	2,778,810.00	3,000,000.00	1.100	659	1.100	6,325.00	-221,190.00	06/22/2026
Subtotal and Average			24,794,794.47		23,640,000.00	23,005,215.20	24,210,318.68	1.968	339	1.433	120,732.58	-1,205,103.48	
Federal Agency Issues - Coupon													
3130AQF65	3576	FHLB		12/22/2021	3,000,000.00	2,827,410.00	2,995,657.09	1.250	841	1.280	7,291.66	-168,247.09	12/21/2026
Subtotal and Average			2,995,657.09		3,000,000.00	2,827,410.00	2,995,657.09	1.250	841	1.280	7,291.66	-168,247.09	
Federal Agency Issues - Callable													
3134GVZ68	4535	FHLMC		06/23/2020	3,000,000.00	2,906,760.00	2,998,950.00	0.700	295	0.707	3,966.67	-92,190.00	06/23/2025
3133ELQ49	4537	FFCB		07/06/2020	3,000,000.00	2,904,630.00	2,997,750.00	0.700	302	0.715	3,558.33	-93,120.00	06/30/2025
3136G4YH0	4538	FNMA		07/14/2020	3,250,000.00	3,141,742.50	3,248,862.50	0.700	316	0.707	2,970.14	-107,120.00	07/14/2025
3136G4A45	4541	FNMA		07/22/2020	3,000,000.00	2,897,850.00	3,000,000.00	0.710	324	0.710	2,307.50	-102,150.00	07/22/2025
3130AJZ36	4544	FHLB		08/27/2020	3,000,000.00	2,882,850.00	2,997,000.00	0.600	360	0.620	200.00	-114,150.00	08/27/2025

Portfolio PLST
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PM (PRF_PM8) 7.3.11

Run Date: 09/30/2024 - 18:38

Report Ver. 7.3.11

CITY OF PLEASANTON
Portfolio Management
Portfolio Details with Earnings - Investments
August 31, 2024

Page 2

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Current Rate	Days To Maturity	YTM	Accrued Interest	Unrealized Gain/Loss	Maturity Date
Federal Agency Issues - Callable													
3134GWA55	4545	FHLMC		09/09/2020	3,000,000.00	2,881,830.00	2,998,950.00	0.650	373	0.657	9,316.67	-117,120.00	09/09/2025
3133EMBJ0	4548	FFCB		10/05/2020	3,340,000.00	3,215,050.60	3,336,660.00	0.530	393	0.550	7,474.18	-121,609.40	09/29/2025
3134GWW93	4547	FHLMC		09/30/2020	3,000,000.00	2,888,250.00	3,000,000.00	0.550	394	0.550	6,920.83	-111,750.00	09/30/2025
3134GWWT9	4549	FHLMC		10/07/2020	3,000,000.00	2,888,250.00	2,997,600.00	0.550	394	0.566	6,920.83	-109,350.00	09/30/2025
3134GW3F1	4550	FHLMC		10/28/2020	3,000,000.00	2,882,010.00	3,000,000.00	0.600	422	0.600	6,150.00	-117,990.00	10/28/2025
3130AKGD2	4553	FHLB		11/25/2020	3,000,000.00	2,865,690.00	2,996,250.00	0.570	450	0.595	4,560.00	-130,560.00	11/25/2025
3135GA3W9	4552	FNMA		11/25/2020	3,000,000.00	2,874,390.00	3,000,000.00	0.600	450	0.600	4,800.00	-125,610.00	11/25/2025
3134GXDM3	4554	FHLMC		12/01/2020	3,000,000.00	2,873,580.00	3,000,000.00	0.620	456	0.620	4,650.00	-126,420.00	12/01/2025
3130AKQ74	4555	FHLB		01/22/2021	3,000,000.00	2,855,310.00	3,000,000.00	0.625	508	0.625	2,031.25	-144,690.00	01/22/2026
3130AKRN8	4557	FHLB		01/28/2021	3,000,000.00	2,854,530.00	3,000,000.00	0.650	514	0.650	1,787.50	-145,470.00	01/28/2026
3135G06R9	4556	FNMA		01/28/2021	3,000,000.00	2,856,060.00	3,000,000.00	0.550	514	0.550	1,512.50	-143,940.00	01/28/2026
3130AKXQ4	4558	FHLB		02/12/2021	3,000,000.00	2,848,290.00	3,000,000.00	0.600	529	0.110	950.00	-151,710.00	02/12/2026
3130AL3S1	4560	FHLB		02/17/2021	3,000,000.00	2,848,260.00	3,000,000.00	0.625	534	0.625	729.17	-151,740.00	02/17/2026
3130AL5X8	4561	FHLB		02/24/2021	3,000,000.00	2,847,330.00	3,000,000.00	0.650	541	0.650	379.17	-152,670.00	02/24/2026
3130AKXJ0	4562	FHLB		02/24/2021	3,125,000.00	2,963,750.00	3,122,500.00	0.600	541	0.616	364.58	-158,750.00	02/24/2026
3130ALCV4	4563	FHLB		02/24/2021	3,000,000.00	2,851,620.00	3,000,000.00	0.750	541	0.750	437.50	-148,380.00	02/24/2026
3130AKZ25	4559	FHLB		02/26/2021	3,000,000.00	2,846,790.00	3,000,000.00	0.650	543	0.650	270.83	-153,210.00	02/26/2026
3130ALGR9	4572	FHLB		03/15/2021	3,000,000.00	2,855,340.00	2,989,560.00	0.850	543	0.922	354.17	-134,220.00	02/26/2026
3130ALGR9	4574	FHLB		03/18/2021	3,000,000.00	2,855,340.00	2,985,960.00	0.850	543	0.947	354.17	-130,620.00	02/26/2026
3130ALGR9	4577	FHLB		03/22/2021	3,000,000.00	2,855,340.00	2,982,510.00	0.850	543	0.971	354.17	-127,170.00	02/26/2026
3130ALGR9	4579	FHLB		03/31/2021	3,000,000.00	2,855,340.00	2,978,517.00	0.850	543	1.000	354.17	-123,177.00	02/26/2026
3130ALDN1	4565	FHLB		03/16/2021	3,000,000.00	2,848,680.00	3,000,000.00	0.800	561	0.800	11,000.00	-151,320.00	03/16/2026
3130ALGC2	4569	FHLB		03/23/2021	3,000,000.00	2,850,210.00	3,000,000.00	0.875	568	0.875	11,520.83	-149,790.00	03/23/2026
3130ALGC2	4576	FHLB		03/23/2021	3,000,000.00	2,850,210.00	2,987,700.00	0.875	568	0.959	11,520.83	-137,490.00	03/23/2026
3133EMUK6	4575	FFCB		03/25/2021	3,000,000.00	2,862,870.00	3,000,000.00	1.050	570	1.050	13,650.00	-137,130.00	03/25/2026
3130ALMM3	4571	FHLB		03/30/2021	3,000,000.00	2,854,080.00	3,000,000.00	1.000	575	1.000	12,583.33	-145,920.00	03/30/2026
3130ALNT7	4578	FHLB		03/30/2021	3,000,000.00	2,853,180.00	2,998,050.00	0.980	575	0.993	12,331.67	-144,870.00	03/30/2026
3130ALMM3	4581	FHLB		04/05/2021	3,000,000.00	2,854,080.00	2,996,250.00	1.000	575	1.025	12,583.33	-142,170.00	03/30/2026
3130ALUC6	4580	FHLB		04/15/2021	3,000,000.00	2,851,260.00	2,995,500.00	1.020	591	1.050	11,560.00	-144,240.00	04/15/2026
3130AMCL4	4585	FHLB		05/20/2021	2,795,000.00	2,648,458.15	2,795,000.00	1.020	625	1.019	8,077.55	-146,541.85	05/19/2026
3130AMH62	4587	FHLB		05/26/2021	3,000,000.00	2,840,040.00	2,998,500.00	1.000	632	1.010	7,916.67	-158,460.00	05/26/2026
3130AMGW6	4588	FHLB		05/26/2021	3,000,000.00	2,839,050.00	2,998,950.00	0.980	632	0.987	7,758.33	-159,900.00	05/26/2026
3130AMHB1	4590	FHLB		06/02/2021	2,750,000.00	2,597,677.50	2,746,562.50	0.875	632	0.900	6,349.83	-148,885.00	05/26/2026
3130AMH62	4591	FHLB		06/02/2021	1,500,000.00	1,420,020.00	1,500,000.00	1.000	632	0.999	3,958.33	-79,980.00	05/26/2026
3133EMH21	4595	FFCB		06/24/2021	3,000,000.00	2,836,320.00	2,997,000.00	0.900	652	0.920	5,700.00	-160,680.00	06/15/2026

Portfolio PLST
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Run Date: 09/30/2024 - 18:38

PM (PRF_PM8) 7.3.11

CITY OF PLEASANTON
Portfolio Management
Portfolio Details with Earnings - Investments
August 31, 2024

Page 3

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Current Rate	Days To Maturity	YTM	Accrued Interest	Unrealized Gain/Loss	Maturity Date
Federal Agency Issues - Callable													
3130AMSL7	4592	FHLB		06/30/2021	3,000,000.00	2,838,150.00	3,000,000.00	1.030	667	1.030	5,235.83	-161,850.00	06/30/2026
3130AMYA4	4594	FHLB		06/30/2021	3,000,000.00	2,840,250.00	3,000,000.00	1.070	667	1.070	5,439.17	-159,750.00	06/30/2026
3130AN2Q2	4596	FHLB		06/30/2021	1,500,000.00	1,418,295.00	1,500,000.00	1.000	667	1.000	2,541.67	-81,705.00	06/30/2026
3130AMWK4	4597	FHLB		07/14/2021	3,000,000.00	2,834,250.00	2,999,250.00	1.020	681	1.025	3,995.00	-165,000.00	07/14/2026
3130AP2P9	4598	FHLB		09/30/2021	3,000,000.00	2,810,340.00	2,983,500.00	0.920	759	1.033	11,576.67	-173,160.00	09/30/2026
3130APC94	4599	FHLB		10/14/2021	3,000,000.00	2,818,890.00	2,997,750.00	1.070	773	1.085	12,215.83	-178,860.00	10/14/2026
3130APU78	4600	FHLB		12/09/2021	530,000.00	498,968.50	526,947.20	1.300	814	1.420	1,856.47	-27,978.70	11/24/2026
3130APUR4	4601	FHLB		12/09/2021	1,840,000.00	1,732,268.00	1,829,401.60	1.300	814	1.420	6,445.11	-97,133.60	11/24/2026
3130APVC6	4602	FHLB		12/09/2021	3,000,000.00	2,827,680.00	2,988,000.00	1.375	821	1.458	10,312.50	-160,320.00	12/01/2026
3130AQG80	4605	FHLB		01/03/2022	3,000,000.00	2,824,980.00	2,999,250.00	1.420	849	1.425	7,336.67	-174,270.00	12/29/2026
3130AQG80	4606	FHLB		01/10/2022	3,000,000.00	2,824,980.00	2,982,750.00	1.420	849	1.540	7,336.67	-157,770.00	12/29/2026
3130AQEC3	4603	FHLB		12/30/2021	3,000,000.00	2,821,440.00	3,000,000.00	1.370	850	1.370	6,964.17	-178,560.00	12/30/2026
3130AQEF6	4604	FHLB		12/30/2021	3,000,000.00	2,821,800.00	2,998,500.00	1.375	850	1.385	6,989.58	-176,700.00	12/30/2026
3130AQLD3	4607	FHLB		02/08/2022	3,000,000.00	2,844,150.00	2,975,010.00	1.750	879	1.926	4,812.50	-130,860.00	01/28/2027
3130AQW66	4608	FHLB		03/08/2022	3,000,000.00	2,862,780.00	2,995,500.00	2.080	907	2.111	1,040.00	-132,720.00	02/25/2027
Subtotal and Average			158,420,440.80		158,630,000.00	150,921,540.25	158,420,440.80	0.898	576	0.916	304,282.87	-7,498,900.55	
Supranationals													
45950VPS9	7000	IFC		06/28/2021	1,000,000.00	948,750.00	980,200.00	0.500	543	0.935	69.44	-31,450.00	02/26/2026
Subtotal and Average			980,200.00		1,000,000.00	948,750.00	980,200.00	0.500	543	0.935	69.44	-31,450.00	
Total and Average			232,025,539.32		231,247,338.09	222,517,033.87	231,583,954.66	1.709	443	1.668	759,349.81	-9,066,920.79	

CITY OF PLEASANTON
Portfolio Management
Investment Status Report - Investments
August 31, 2024

Page 1

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase Date	YTM	S&P	Moody's	Accrued Interest At Purchase	Current Principal	Book Value
Certificates of Deposit - Bank												
SYS	1093-2	FREMON	239,245.20	4.890	09/21/2024	04/20/2024	4.890				239,245.20	239,245.20
SYS 1091	1091-2	VCB	250,000.00	4.890	04/11/2025	04/11/2024	4.890				250,000.00	250,000.00
Certificates of Deposit - Bank Totals			489,245.20				4.890			0.00	489,245.20	489,245.20
LAIF												
SYS5	5	LAIF	44,305,517.89	4.480			4.480				44,305,517.89	44,305,517.89
LAIF Totals			44,305,517.89				4.480			0.00	44,305,517.89	44,305,517.89
Gov't Money Market												
X9USDCRGO	7	DRYFUS	182,575.00	4.930		08/23/2024	4.930				182,575.00	182,575.00
Gov't Money Market Totals			182,575.00				4.930			0.00	182,575.00	182,575.00
Medium Term Notes												
037833DM9	6048	APPL	1,040,000.00	1.800	09/11/2024	01/07/2020	1.800	AA	Aaa	Received	1,040,000.00	1,040,000.00
89236TGL3	6046	TOYOTA	1,600,000.00	2.000	10/07/2024	10/24/2019	2.000	A	A	Received	1,599,984.00	1,599,984.00
037833DF4	6049	APPL	1,000,000.00	2.750	01/13/2025	01/13/2020	1.965	AA	Aaa		1,037,212.20	1,037,212.20
88579YBH3	6053	3M	2,000,000.00	2.000	02/14/2025	02/14/2020	1.823	BBB	A		2,016,869.48	2,016,869.48
30231GAF9	6056	XOM	3,000,000.00	2.709	03/06/2025	03/11/2020	1.690	AA	Aa	Received	3,145,587.00	3,145,587.00
89788JAA7	6058	TRU	2,000,000.00	1.500	03/10/2025	03/13/2020	1.821	A	A	Received	1,969,486.00	1,969,486.00
30231GBH4	6064	XOM	2,000,000.00	2.992	03/19/2025	04/20/2020	1.777	AA	Aa	Received	2,113,800.00	2,113,800.00
89236THW8	6067	TOYOTA	3,000,000.00	0.800	01/09/2026	03/09/2021	1.090	A	A	Received	2,959,140.00	2,959,140.00
037833EB2	6065	APPL	2,000,000.00	0.700	02/08/2026	02/08/2021	0.732	AA	Aaa		1,996,860.00	1,996,860.00
037833BY5	6066	APPL	3,000,000.00	3.250	02/23/2026	02/23/2021	0.981	AA	Aaa		3,331,380.00	3,331,380.00
46632FSCO	6068	JP	3,000,000.00	1.100	06/22/2026	06/22/2021	1.100	A	Aa		3,000,000.00	3,000,000.00
Medium Term Notes Totals			23,640,000.00				1.433			0.00	24,210,318.68	24,210,318.68
Federal Agency Issues - Coupon												
3130AQF65	3576	FHLB	3,000,000.00	1.250	12/21/2026	12/22/2021	1.280	AA	Aaa		2,995,657.09	2,995,657.09
Federal Agency Issues - Coupon Totals			3,000,000.00				1.280			0.00	2,995,657.09	2,995,657.09
Federal Agency Issues - Callable												
3134GVZ68	4535	FHLMC	3,000,000.00	0.700	06/23/2025	06/23/2020	0.707	AA	Aaa		2,998,950.00	2,998,950.00
3133ELQ49	4537	FFCB	3,000,000.00	0.700	06/30/2025	07/06/2020	0.715	AA	Aaa	Received	2,997,750.00	2,997,750.00
3136G4YH0	4538	FNMA	3,250,000.00	0.700	07/14/2025	07/14/2020	0.707	AA			3,248,862.50	3,248,862.50

CITY OF PLEASANTON
Portfolio Management
Investment Status Report - Investments
August 31, 2024

Page 2

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase Date	YTM	S&P	Moody's	Accrued Interest At Purchase	Current Principal	Book Value
Federal Agency Issues - Callable												
3136G4A45	4541	FNMA	3,000,000.00	0.710	07/22/2025	07/22/2020	0.710	AA	Aaa		3,000,000.00	3,000,000.00
3130AJZ36	4544	FHLB	3,000,000.00	0.600	08/27/2025	08/27/2020	0.620	AA	Aaa		2,997,000.00	2,997,000.00
3134GWA55	4545	FHLMC	3,000,000.00	0.650	09/09/2025	09/09/2020	0.657	AA	Aaa		2,998,950.00	2,998,950.00
3133EMB0	4548	FFCB	3,340,000.00	0.530	09/29/2025	10/05/2020	0.550	AA	Aaa	Received	3,336,660.00	3,336,660.00
3134GWW93	4547	FHLMC	3,000,000.00	0.550	09/30/2025	09/30/2020	0.550	AA	Aaa		3,000,000.00	3,000,000.00
3134GWWT9	4549	FHLMC	3,000,000.00	0.550	09/30/2025	10/07/2020	0.566		Aaa	Received	2,997,600.00	2,997,600.00
3134GW3F1	4550	FHLMC	3,000,000.00	0.600	10/28/2025	10/28/2020	0.600		Aaa		3,000,000.00	3,000,000.00
3130AKGD2	4553	FHLB	3,000,000.00	0.570	11/25/2025	11/25/2020	0.595	AA	Aaa		2,996,250.00	2,996,250.00
3135GA3W9	4552	FNMA	3,000,000.00	0.600	11/25/2025	11/25/2020	0.600	AA	Aaa		3,000,000.00	3,000,000.00
3134GXDM3	4554	FHLMC	3,000,000.00	0.620	12/01/2025	12/01/2020	0.620		Aaa		3,000,000.00	3,000,000.00
3130AKQ74	4555	FHLB	3,000,000.00	0.625	01/22/2026	01/22/2021	0.625	AA	Aaa		3,000,000.00	3,000,000.00
3130AKRN8	4557	FHLB	3,000,000.00	0.650	01/28/2026	01/28/2021	0.650	AA	Aaa		3,000,000.00	3,000,000.00
3135G06R9	4556	FNMA	3,000,000.00	0.550	01/28/2026	01/28/2021	0.550	AA	Aaa		3,000,000.00	3,000,000.00
3130AKXQ4	4558	FHLB	3,000,000.00	0.600	02/12/2026	02/12/2021	0.110	AA	Aaa		3,000,000.00	3,000,000.00
3130AL3S1	4560	FHLB	3,000,000.00	0.625	02/17/2026	02/17/2021	0.625	AA	Aaa		3,000,000.00	3,000,000.00
3130AL5X8	4561	FHLB	3,000,000.00	0.650	02/24/2026	02/24/2021	0.650	AA	Aaa		3,000,000.00	3,000,000.00
3130AKXJ0	4562	FHLB	3,125,000.00	0.600	02/24/2026	02/24/2021	0.616	AA			3,122,500.00	3,122,500.00
3130ALCV4	4563	FHLB	3,000,000.00	0.750	02/24/2026	02/24/2021	0.750	AA			3,000,000.00	3,000,000.00
3130AKZ25	4559	FHLB	3,000,000.00	0.650	02/26/2026	02/26/2021	0.650	AA	Aaa		3,000,000.00	3,000,000.00
3130ALGR9	4572	FHLB	3,000,000.00	0.850	02/26/2026	03/15/2021	0.922	AA	Aaa	Received	2,989,560.00	2,989,560.00
3130ALGR9	4574	FHLB	3,000,000.00	0.850	02/26/2026	03/18/2021	0.947	AA	Aaa	Received	2,985,960.00	2,985,960.00
3130ALGR9	4577	FHLB	3,000,000.00	0.850	02/26/2026	03/22/2021	0.971	AA	Aaa	Received	2,982,510.00	2,982,510.00
3130ALGR9	4579	FHLB	3,000,000.00	0.850	02/26/2026	03/31/2021	1.000	AA	Aaa	Received	2,978,517.00	2,978,517.00
3130ALDN1	4565	FHLB	3,000,000.00	0.800	03/16/2026	03/16/2021	0.800	AA	Aaa		3,000,000.00	3,000,000.00
3130ALGC2	4569	FHLB	3,000,000.00	0.875	03/23/2026	03/23/2021	0.875	AA	Aaa		3,000,000.00	3,000,000.00
3130ALGC2	4576	FHLB	3,000,000.00	0.875	03/23/2026	03/23/2021	0.959	AA	Aaa		2,987,700.00	2,987,700.00
3133EMUK6	4575	FFCB	3,000,000.00	1.050	03/25/2026	03/25/2021	1.050	AA	Aaa		3,000,000.00	3,000,000.00
3130ALMM3	4571	FHLB	3,000,000.00	1.000	03/30/2026	03/30/2021	1.000	AA	Aaa		3,000,000.00	3,000,000.00
3130ALNT7	4578	FHLB	3,000,000.00	0.980	03/30/2026	03/30/2021	0.993	AA	Aaa		2,998,050.00	2,998,050.00
3130ALMM3	4581	FHLB	3,000,000.00	1.000	03/30/2026	04/05/2021	1.026	AA	Aaa	Received	2,996,250.00	2,996,250.00
3130ALUC6	4580	FHLB	3,000,000.00	1.020	04/15/2026	04/15/2021	1.051	AA	Aaa		2,995,500.00	2,995,500.00
3130AMCL4	4585	FHLB	2,795,000.00	1.020	05/19/2026	05/20/2021	1.020	AA	Aaa	Received	2,795,000.00	2,795,000.00
3130AMH62	4587	FHLB	3,000,000.00	1.000	05/26/2026	05/26/2021	1.010	AA	Aaa		2,998,500.00	2,998,500.00
3130AMGW6	4588	FHLB	3,000,000.00	0.980	05/26/2026	05/26/2021	0.987	AA	Aaa		2,998,950.00	2,998,950.00
3130AMHB1	4590	FHLB	2,750,000.00	0.875	05/26/2026	06/02/2021	0.901	AA	Aaa	Received	2,746,562.50	2,746,562.50

Portfolio PLST

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Run Date: 09/30/2024 - 18:38

CITY OF PLEASANTON
Portfolio Management
Investment Status Report - Investments
August 31, 2024

Page 3

CUSIP	Investment #	Issuer	Par Value	Stated Rate	Maturity Date	Purchase Date	YTM	S&P	Moody's	Accrued Interest At Purchase	Current Principal	Book Value
Federal Agency Issues - Callable												
3130AMH62	4591	FHLB	1,500,000.00	1.000	05/26/2026	06/02/2021	1.000	AA	Aaa	Received	1,500,000.00	1,500,000.00
3133EMH21	4595	FFCB	3,000,000.00	0.900	06/15/2026	06/24/2021	0.921	AA	Aaa	Received	2,997,000.00	2,997,000.00
3130AMSL7	4592	FHLB	3,000,000.00	1.030	06/30/2026	06/30/2021	1.030	AA	Aaa		3,000,000.00	3,000,000.00
3130AMYA4	4594	FHLB	3,000,000.00	1.070	06/30/2026	06/30/2021	1.070	AA	Aaa		3,000,000.00	3,000,000.00
3130AN2Q2	4596	FHLB	1,500,000.00	1.000	06/30/2026	06/30/2021	1.000	AA	Aaa		1,500,000.00	1,500,000.00
3130AMWK4	4597	FHLB	3,000,000.00	1.020	07/14/2026	07/14/2021	1.025	AA	Aaa		2,999,250.00	2,999,250.00
3130AP2P9	4598	FHLB	3,000,000.00	0.920	09/30/2026	09/30/2021	1.033	AA	Aaa		2,983,500.00	2,983,500.00
3130APC94	4599	FHLB	3,000,000.00	1.070	10/14/2026	10/14/2021	1.085	AA	Aaa		2,997,750.00	2,997,750.00
3130APU78	4600	FHLB	530,000.00	1.300	11/24/2026	12/09/2021	1.421	AA	Aaa	Received	526,947.20	526,947.20
3130APUR4	4601	FHLB	1,840,000.00	1.300	11/24/2026	12/09/2021	1.421	AA	Aaa	Received	1,829,401.60	1,829,401.60
3130APVC6	4602	FHLB	3,000,000.00	1.375	12/01/2026	12/09/2021	1.459	AA	Aaa	Received	2,988,000.00	2,988,000.00
3130AQG80	4605	FHLB	3,000,000.00	1.420	12/29/2026	01/03/2022	1.425	AA	Aaa	Received	2,999,250.00	2,999,250.00
3130AQG80	4606	FHLB	3,000,000.00	1.420	12/29/2026	01/10/2022	1.541	AA	Aaa	Received	2,982,750.00	2,982,750.00
3130AQEC3	4603	FHLB	3,000,000.00	1.370	12/30/2026	12/30/2021	1.370	AA	Aaa		3,000,000.00	3,000,000.00
3130AQEF6	4604	FHLB	3,000,000.00	1.375	12/30/2026	12/30/2021	1.385	AA	Aaa		2,998,500.00	2,998,500.00
3130AQLD3	4607	FHLB	3,000,000.00	1.750	01/28/2027	02/08/2022	1.926	AA	Aaa	Received	2,975,010.00	2,975,010.00
3130AQW66	4608	FHLB	3,000,000.00	2.080	02/25/2027	03/08/2022	2.112	AA	Aaa	Received	2,995,500.00	2,995,500.00
Federal Agency Issues - Callable Totals			158,630,000.00				0.916			0.00	158,420,440.80	158,420,440.80
Supranationals												
45950VPS9	7000	IFC	1,000,000.00	0.500	02/26/2026	06/28/2021	0.935	AAA	Aaa	Received	980,200.00	980,200.00
Supranationals Totals			1,000,000.00				0.935			0.00	980,200.00	980,200.00
Investment Totals			231,247,338.09				1.668			0.00	231,583,954.66	231,583,954.66

CITY OF PLEASANTON
Portfolio Management
Activity By Type
August 1, 2024 through August 31, 2024

Page 1

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
Certificates of Deposit - Bank							
Subtotal							489,245.20
LAIF (Monthly Summary)							
Subtotal							44,305,517.89
Gov't Money Market (Monthly Summary)							
X9USDCRGO	7	Dryfus Govt Cash Mgmt 672	4.930		182,575.00	0.00	
Subtotal					182,575.00	0.00	182,575.00
Medium Term Notes							
69371RQ25	6062	PACCAR FINANCIAL CORP	2.150	08/15/2024	0.00	1,294,196.40	
Subtotal					0.00	1,294,196.40	24,210,318.68
Federal Agency Issues - Coupon							
Subtotal							2,995,657.09
Federal Agency Issues - Callable							
Subtotal							158,420,440.80
Supranationals							
Subtotal							980,200.00
Total					182,575.00	1,294,196.40	231,583,954.66

CITY OF PLEASANTON
Portfolio Management
Activity Summary
August 2023 through August 2024

Page 1

Month End	Year	Number of Securities	Average Balance	Yield to Maturity		Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Average Days to Maturity
				360 Equivalent	365 Equivalent					
August	2023	75	226,572,122.96	1.363	1.382	3.434	0	1	1,547	767
September	2023	74	222,199,727.26	1.319	1.338	3.534	0	0	1,589	761
October	2023	74	216,627,684.25	1.304	1.322	3.670	0	0	1,612	744
November	2023	74	215,466,393.93	1.323	1.342	3.843	0	0	1,612	718
December	2023	74	230,337,361.67	1.688	1.711	3.929	0	0	1,386	594
January	2024	74	247,834,511.04	1.679	1.702	4.012	0	1	1,403	580
February	2024	73	243,504,467.82	1.665	1.688	4.122	0	0	1,426	566
March	2024	73	240,078,438.89	1.665	1.688	4.272	0	0	1,444	549
April	2024	75	254,330,644.64	1.915	1.942	4.272	2	2	1,305	475
May	2024	73	263,538,122.69	1.926	1.953	4.332	0	1	1,301	456
June	2024	72	260,556,724.84	1.920	1.946	4.480	0	0	1,326	443
July	2024	72	249,460,826.05	1.649	1.672	4.480	0	0	1,469	466
August	2024	73	232,025,539.32	1.645	1.668	4.480	1	1	1,467	443
Average		74	238,637,146.35	1.620%	1.643%	4.066	0	0	1,453	582

CITY OF PLEASANTON
Portfolio Management
Distribution of Investments By Type
August 2023 through August 2024

Page 1

Security Type	August 2023	September 2023	October 2023	November 2023	December 2023	January 2024	February 2024	March 2024	April 2024	May 2024	June 2024	July 2024	August 2024	Average by Period
Certificates of Deposit - Bank	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2%
Certificates of Deposit - S & L														
LAIF	14.7	12.4	11.1	11.1	23.6	22.7	21.5	20.5	28.1	28.3	27.0	19.0	19.1	19.9%
Fidelity - Government Fund														
Gov't Money Market													0.1	
Managed Pool Accounts -4														
Passbook/Checking Accounts														
Medium Term Notes	12.7	13.1	13.3	13.3	11.4	11.2	11.4	11.5	10.4	9.7	9.9	11.0	10.5	11.5%
Bankers Acceptances														
Commercial Paper - Discount														
Federal Agency Issues - Coupon	1.3	1.4	1.4	1.4	1.2	1.2	1.2	1.3	1.1	1.1	1.2	1.3	1.3	1.3%
Federal Agency Issues - Discount														
Treasury Securities - Coupon														
Treasury Securities - Discount														
Federal Agency Issues - Callable	70.6	72.5	73.5	73.5	63.3	64.3	65.4	66.2	59.8	60.3	61.4	68.1	68.4	66.7%
Supranationals	0.4	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4%
Miscellaneous Securities - Discount														

CITY OF PLEASANTON
Portfolio Management
Interest Earnings Summary
August 31, 2024

Page 1

	August 31Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	242,247.50	492,222.50
Plus Accrued Interest at End of Period	441,461.07	441,461.07
Less Accrued Interest at Beginning of Period	(520,163.52)	(605,322.56)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	163,545.05	328,361.01
Adjusted by Capital Gains or Losses	35,803.60	35,803.60
Earnings during Periods	199,348.65	364,164.61
Pass Through Securities:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
Cash/Checking Accounts:		
Interest Collected	0.00	805,517.89
Plus Accrued Interest at End of Period	317,888.74	317,888.74
Less Accrued Interest at Beginning of Period	(149,143.12)	(722,290.92)
Interest Earned during Period	168,745.62	401,115.71
Total Interest Earned during Period	332,290.67	729,476.72
Total Capital Gains or Losses	35,803.60	35,803.60
Total Earnings during Period	368,094.27	765,280.32

October 15, 2024
Finance

TITLE: ADOPT A RESOLUTION TO 1) ESTABLISH A CONVENIENCE SURCHARGE FOR CREDIT CARD PAYMENTS MADE TO THE CITY AND 2) UPDATE THE INDIRECT COST RATE

SUMMARY

This staff report requests two separate actions from the City Council: 1) the establishment of a credit card convenience surcharge and 2) the approval of an updated overhead rate.

Over the years, the City has expanded the opportunity for its customers to pay for permits and services using credit cards. These transactions require the City to pay fees to credit card companies, payment processors, and the bank. To mitigate the significant revenue loss, staff recommends establishing a 2.50 percent convenience surcharge on all payments made to the City using a credit card.

The City has conducted an indirect cost allocation study, and the new indirect cost rate is calculated at 27.03 percent. The resulting indirect cost rate can be applied to direct salaries and benefits that are charged directly to City funds, departments, and services for the purpose of recovering indirect services costs. The cost allocation plan was prepared in advance of a Citywide fee study planned for fiscal year 2024/25.

RECOMMENDATION

Adopt a resolution (Attachment 1) to:

1. Establish a 2.50 percent convenience surcharge on all payments made to the City using a credit card, effective January 1, 2025, and
2. Update the City's indirect cost rate to 27.03 percent, effective November 18, 2024.

BACKGROUND

This staff report requests two separate actions from the City Council: 1) the establishment of a credit card convenience surcharge and 2) the approval of an updated indirect cost, or overhead, rate.

Convenience Surcharge for Credit Card Payments

The City accepts credit card payments online and at City department cashiering counters. While credit card payments offer many benefits to the City and its customers, the City must pay fees to credit card companies, payment processing vendors, and the bank. In recent years, the City has paid over \$400,000 in annual fees for various services/departments. Currently, these costs are borne by the General Fund, Non-General Funds, and Water and Sewer Enterprise Funds. To mitigate the growing financial impact of credit card fees on the City's revenue, staff evaluated establishing a convenience surcharge to be charged to

customers who pay the City by credit card. Credit card surcharges are often charged as a percentage of the base charge to offset revenue loss.

Indirect Cost Rate

A cost allocation plan is an analysis that apportions the City's administrative or indirect services costs to its individual departments and/or direct cost centers. Allocated costs are typically termed "Citywide overhead." Most indirect services costs are expenditures that provide support services or oversight to each department Citywide and typically include legislative, managerial, financial, administrative, legal, personnel, technology, building and equipment use, and risk management activities.

While the review and analysis of development impact fees and certain fees such as special events permits, event support services, and group use of City fields are in process, a Citywide fee study is planned for fiscal year 2024/25 in which fees for all City departments will be analyzed to ensure full cost recovery where applicable. Since user fees include direct and indirect costs, the City conducted a cost allocation study in advance of the citywide fee study.

The fiscal year 2024/25 Master Fee Schedule will be updated following City Council approval of the convenience surcharge for credit card payments and the updated indirect cost rate.

DISCUSSION

Convenience Surcharge

The City conducted an analysis to determine the convenience surcharge for credit card payments. The primary purpose of this analysis is to ensure that the convenience surcharge charged by the City does not exceed the costs of providing services. Understanding the total estimated and reasonable costs of providing services also presents the City Council with the information needed to adopt surcharge amounts at full cost recovery.

The City utilizes multiple credit card processors to collect payments, depending on the department and/or cashiering location processing the charge, and each credit card processor applies different processing fees, typically based on a percentage of the transaction amount, a per-transaction amount, or a combination of both. In fiscal year 2023/24, the City processed approximately 38,000 credit card transactions with about \$15 million in total transaction receipts. Total fees were over \$400,000, with more than 50 percent of the fees incurred by the water and sewer programs associated with utility billings. The average processing fee paid by the City was 2.73%.

The City is in the process of upgrading its financial system to a newer version; with this upgrade, the City is required to change its credit card processing vendor. The vendor for the City's financial system offers a few options, and the credit card processing fees are expected to be at 2.45%, 3.25%, or 3.75%, depending on the selected payment processor. As such, the City is planning to select a payment processor with a lower rate. The result of this conversion is that the average processing fee is expected to be 2.50%. The conversion is expected to be completed by the end of December 2024. Therefore, staff recommends establishing a 2.50% convenience surcharge effective January 1, 2025.

Indirect Cost Rate

The comprehensive cost allocation study involved organizational analysis, expenditure analysis, allocation factor assignment, cost allocation exercise, and derivation of outcomes.

- **Organizational analysis** is the identification of entire departments or functions within departments Citywide that provide indirect services, broadly or specifically, to departments outside their own.
- **Expenditure analysis** is the review of line-item expenditures to determine the inclusion/exclusion of specific expenditures for each indirect service department.
- **An allocation factor** is a data set used as the basis for distributing indirect services costs to departments receiving support or benefit from the cost pool. Allocation factors can include general data sets, such as employee count or budgeted expenditures in each department, or other data that identifies how each indirect cost center supports other departments and programs.
- **Cost allocation** represents each indirect services cost pool distributed across departments following the distribution inherent in the selected allocation factor for each pool. This results in a total share of indirect services costs for each department.
- **Derivation of outcomes** represent various outcomes generated based on the total share of indirect services costs identified for each department.

The City's new overhead rate, calculated at 27.03%, can be applied to salaries and benefits charged directly to City funds, departments, and services to recover indirect services costs. Staff recommends the updated rate be effective November 18, 2024.

EQUITY AND SUSTAINABILITY

Generating sufficient revenue and ensuring the City's fiscal sustainability allows the City to continue providing programs and services that benefit all residents.

OUTREACH

No outreach was conducted, as this item is an administrative matter of City business.

STRATEGIC PLAN ALIGNMENT

This item aligns with the ONE Pleasanton strategic plan goal of *Funding Our Future* that supports financial health and sound fiscal policies.

FISCAL IMPACT

The establishment of a convenience surcharge for credit card payments will allow the City to recover expenses currently being absorbed by City funds that the City can use toward other needs. Staff will propose appropriate budget amendments as part of the mid-year budget update.

Prepared by:



Susan Hsieh, Director of Finance

Submitted by:



Susan Hsieh, Director of Finance

Approved by:



Gerry Beaudin, City Manager

Attachments:

1. Resolution

RESOLUTION NO.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLEASANTON
ESTABLISHING A CONVENIENCE SURCHARGE FOR CREDIT CARD PAYMENTS
MADE TO THE CITY AND UPDATING THE INDIRECT COST RATE**

WHEREAS, the City has expanded the opportunity for its customers to pay for permits and services using credit cards; and

WHEREAS, while credit card payments offer many benefits to the City and its customers, the City must pay fees to credit card companies, payment processing vendors, and the bank; and

WHEREAS, to mitigate the growing financial impact of credit card fees on the City's revenue, the City wishes to establish a convenience surcharge on all payments made to the City using a credit card; and

WHEREAS, the City conducted a comprehensive cost allocation study to update its indirect cost rate.

NOW, THEREFORE BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF PLEASANTON DOES RESOLVE, DECLARE, DETERMINE AND ORDER THE FOLLOWING:

SECTION 1. Establish a 2.50 percent convenience surcharge on all payments made to the City using a credit card, effective January 1, 2025.

SECTION 2. Update the City's indirect cost rate to 27.03 percent, effective November 18, 2024.

SECTION 3. Authorize the City Manager to take any actions to implement the intent of this resolution.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Pleasanton at a regular meeting held on October 15, 2024.

I, Jocelyn Kwong, City Clerk of the City of Pleasanton, California, certify that the foregoing resolution was adopted by the City Council at a regular meeting held on October 15, 2024, by the following vote:

Ayes: Councilmembers
Noes:
Absent:
Abstain:

Jocelyn Kwong, City Clerk

APPROVED AS TO FORM:

Daniel G. Sodergren, City Attorney

CITY COUNCIL AGENDA REPORT

October 15, 2024
Library and Recreation

TITLE: ADOPT A RESOLUTION ACCEPTING \$42,948 IN GRANT FUNDING FOR ADULT LITERACY SERVICES FROM THE CALIFORNIA STATE LIBRARY FOR FY 2024/25

SUMMARY

Adult Literacy Services at the Pleasanton Library meet the needs of English language learners, along with English-as-a-Second Language services, referred to collectively as Pleasanton Reads. Funding from the State of California Library Literacy Services (CLLS) directs state and federal funds to support literacy programs in public libraries. On May 21, 2024, City Council approved the submittal of a CLLS grant application for FY 2024/25, and the City was awarded the funding on August 22, 2024. Acceptance of this grant would support the implementation of Adult Literacy Services in the Pleasanton community.

RECOMMENDATION

Adopt a resolution accepting \$42,948 in grant funding for Adult Literacy Services from the California State Library for FY 2024/25.

BACKGROUND

The Pleasanton Library has provided Adult Literacy Services since 1985. Beginning in 2006, Pleasanton has applied for and received CLLS funding, administered by the California State Library under the direction of the State Librarian. In FY 2023/24, CLLS awarded the City a \$43,777 grant for Adult Literacy Services and \$61,071 for ESL Services, two interrelated literacy programs collectively known as Pleasanton Reads. City in-kind General Fund support for direct costs totaled \$104,790. Pleasanton Reads served 176 adult English-language learners, 1,174 literacy program attendees, and 137 volunteer tutors in FY 2023/24. The program offered learners a welcoming environment to practice language skills that improved their quality of life, helped them form friendships and connect with community partner organizations, and provided channels for them to participate more fully in civic life. Learner feedback indicated that these opportunities filled critical needs, including speaking English and language fluency, building community connections, and utilizing unique support not found elsewhere in the community, such as WI-FI, computers, printing, books, materials, and library programs.

DISCUSSION

If approved, a resolution to accept the FY 2024/25 CLLS grant funding (Attachment 1), would support Adult Literacy Services and the following program goals:

- Seek new ways to attract volunteer tutors through marketing and outreach
- Support waitlisted learners with resources (small group sessions) or referrals while they

wait to be placed with volunteer tutors

- Connect tutors with in-service opportunities to help them expand their skills and confidence
- Work with community partners such as Tri-Valley Career Center and City Serve Tri-Valley to close service gaps for learners with referrals based on learner needs/goals
- Inspire new language and life goals
- Provide learner and tutor pairs with print materials, high-quality digital tools, take-home computers, and Wi-Fi hotspots.

EQUITY AND SUSTAINABILITY

Adult Literacy Services further equity and belonging in the community by providing resources and tools for diverse community members, including immigrant and underserved populations, to learn English language skills, apply for jobs, navigate local services, help their children with schoolwork, build social connections and participate more fully in civic life.

OUTREACH

No outreach was conducted for this item.

STRATEGIC PLAN ALIGNMENT

This action advances the following Citywide goals and strategies:

ONE Pleasanton Citywide Strategic Plan:

- *Building a Community Where Everyone Belongs*
 - Strategy 1 – Apply strategies from the City's diversity, equity, and inclusion (DEI) action plan to increase equitable access to City programs and services for the community.
 - Strategy 3 – Implement high priority items from the Library and Recreation Strategic Plan to continue to deliver activities and programs that meet the needs and interests of the community.
- *Funding Our Future*, Strategy 1 - Develop a long-term strategy for funding operations and maintenance needs to ensure the reliability of community-owned facilities and infrastructure and continuity of City services.

FISCAL IMPACT

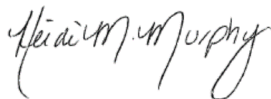
1. \$42,948 in Adult Literacy Services grant funding revenue and matching expenditures is budgeted in the Library Grants account (Org 11652102 and Project 25817) for FY 2024/25.
2. \$95,983 in City in-kind general fund support for Adult Literacy Services is budgeted in the Library Public Services account (Org 00152300) for FY 2024/25.

Prepared by:



Lia Bushong, Assistant
Director of Library and
Recreation

Submitted by:



Heidi Murphy, Director of Library and
Recreation

Approved by:



Gerry Beaudin, City
Manager

Attachments:

1. Resolution

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLEASANTON
AUTHORIZING STAFF TO ACCEPT THE CALIFORNIA STATE LIBRARY GRANT
FUNDS FOR ADULT LITERACY SERVICES FOR FISCAL YEAR 2024/25**

WHEREAS, the California State Library supports libraries with state funded and federally funded grants, statewide subscriptions to electronic resources, and statewide initiatives with partners offering further resources; and

WHEREAS, the Pleasanton Public Library's Adult Literacy Services Grant application was selected for grant funding, which will be used to enhance services to the Pleasanton community.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PLEASANTON DOES
RESOLVE, DECLARE, DETERMINE AND ORDER THE FOLLOWING:**

SECTION 1. Authorizes the City Manager to accept the California State Library grant funds for California Library Literacy Services in the amount of \$42,948, as referenced in Exhibit A, and execute all necessary documents required by the grant program.

SECTION 2. This Resolution shall become effective immediately upon its passage and adoption.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Pleasanton at a regular meeting held on October 15, 2024.

I, Jocelyn Kwong, City Clerk of the City of Pleasanton, California, certify that the foregoing resolution was adopted by the City Council at a regular meeting held on October 15, 2024 by the following vote:

Ayes:
Noes:
Absent:
Abstain:

Jocelyn Kwong, City Clerk

APPROVED AS TO FORM:

Daniel G. Sodergren, City Attorney

CITY COUNCIL AGENDA REPORT

October 15, 2024
Public Works - Engineering Division

TITLE: APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH PAKPOUR CONSULTING GROUP, INC. FOR CONSTRUCTION MANAGEMENT SERVICES FOR THE NOT-TO-EXCEED AMOUNT OF \$186,624 FOR THE NEAR-TERM WATER IMPROVEMENTS PROJECT, CIP NO. 24172

SUMMARY

Staff recommends awarding a professional service agreement to Pakpour Consulting Group, Inc. (PCG) to replace the existing agreement with Carlson Management, Inc. (CM) to provide full-time construction support services for the Near-Term Water Improvements Project, CIP No. 24171. The request is necessary due to the unavailability of resources from the original professional services firm to provide the necessary service to manage the construction project. The recommended agreement will use the remaining funds from the original agreement previously authorized by the City Council, not to exceed \$186,624.

RECOMMENDATION

Approve a professional services agreement with Pakpour Consulting Group, Inc. under the on-call general civil engineering contract for a not-to-exceed amount of \$186,624 for the Near-Term Water Improvements Project, CIP No. 24171, per the June 1, 2021, City Council Resolution.

BACKGROUND

On June 1, 2021, the City Council approved the on-call general civil engineering professional services agreements to four firms for the aggregate not-to-exceed total of \$750,000 for services between July 1, 2021, and June 30, 2024, with the option of two one-year extensions. The City Council also authorized the Director of Engineering to approve individual task authorizations up to \$100,000 each and directed that if an individual task authorization was greater than \$100,000, it would be presented to the City Council for consideration. In addition, the City Council resolution enabled staff to recommend work to be considered for a separate agreement and not count toward the established not-to-exceed aggregate amount of \$750,000.

On July 20, 2021, the City Council approved the on-call construction management professional services agreements to three firms for an aggregate not-to-exceed total of \$1 million between July 20, 2021, and June 30, 2024, with the option of two one-year extensions.

On March 19, 2024, the City Council authorized a task authorization to Carlson Management, Inc. under the on-call construction management agreement in the amount of \$330,000 to provide construction management support services for the Near-Term Water Improvements, CIP No. 24171.

DISCUSSION

The Near-Term Water Improvements, CIP No. 24171, is currently under construction; construction is approximately 14 percent complete and needs continued construction management support. Carlson Management, Inc. notified the City in June that the principal, Bill Carlson, could no longer provide full-time services and could not locate another construction manager with the necessary experience to backfill the position. The City reduced the City Manager task authorization to leave \$30,000 available to support the project on an as-needed basis and to transition the tasks to the new consultant.

Staff contacted the three professional services firms with the On-Call General Civil Engineering contract and two remaining firms in the On-Call Construction Management firms. The City only received one qualified proposal from Pakpour Consulting Group, which is available to arrange for a construction manager with similar project experience to support the project immediately. With this contract award, PCG will transition and substitute for Carlson Management, Inc. to oversee and manage the Near-Term Water Improvement projects.

PCG has provided design and construction support on multiple waterline projects in the city and is well-versed in the City's water-related design and construction methods. Per the June 1 City Council Resolution for the on-call general civil engineering contract, staff could seek City Council approval to issue the work to be considered as a separate contract and not count toward the established not-to-exceed aggregate amount of \$750,000. With only one qualified proposal received that can meet the City's immediate need, the staff is seeking City Council approval to award a professional services agreement to Pakpour Consulting Group, Inc. under the City Council-approved on-call contracts not to exceed \$186,624 to provide as-needed construction management support for the remaining Near-Term Water Improvements Project, CIP No. 24171. This contract award will utilize the remaining balance of the previously approved budget for construction management support by Carlson Management. No new funding is needed to award this contract.

EQUITY AND SUSTAINABILITY

Staff followed the City Procurement Policy for purchasing procedures and previously council approved provisions as these types of projects are routine matters of City business.

OUTREACH

Outreach was conducted via mail and social media at the start of construction for this project and continues to be updated with construction impacts as needed through social media and website postings.

STRATEGIC PLAN ALIGNMENT

Approval of this action advances the ONE Pleasanton strategic plan goal of *Investing in Our Environment*, Strategy 1 – Implement the Four-Year Capital Improvement Program (CIP) to complete the design and construction of budgeted capital projects and Strategy 3 – Identifying funding and implement the recommendations from the Water Supply Alternative Study to resolve PFAS water quality issues.

FISCAL IMPACT

City Council authorized a budget of \$330,000 for construction management services to Carlson Management, Inc. as a part of the award of the Near-Term Water Improvements

Project, CIP No. 24171, on March 19, 2024, construction contract to JMB Construction. To date, Carlson Management has expended \$82,272 under the task authorization, and staff recommends keeping an additional \$30,000 available to provide additional technical support. The recommended amount of \$186,624 shall be transferred from the remaining allocated agreement amount previously approved and issued to Carlson Management, Inc. to the new construction management consultant, Pakpour Consulting Group, Inc. No new funding is required for this agreement award approval.

Prepared by:



Adam Nelkie, Assistant Dir.
of Public Works -
Engineering

Submitted by:



Siew-Chin Yeong, Director of Public
Works

Approved by:



Gerry Beaudin, City
Manager

Attachments:

1. Pakpour Consulting Group Professional Services Agreement

PROFESSIONAL SERVICES AGREEMENT

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is entered into this 15th day of October 2024, between the CITY OF PLEASANTON, a municipal corporation ("City"), and Pakpour Consulting Group, Inc., whose address is 5776 Stoneridge Mall Road, Suite 320, Pleasanton, CA 94588, and telephone number is (925) 224-7717, ("Consultant").

RECITALS

A. Consultant is qualified to and experienced in providing as-needed project/construction management services for the purposes specified in this Agreement.

B. City finds it necessary and advisable to use the services of the Consultant for the purposes provided in this Agreement.

NOW THEREFORE, in consideration of the mutual covenants and conditions in this Agreement, City and Consultant agree as follows:

1. **Consultant's Services.** Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to City the services described in Exhibit A. Consultant shall provide said services at that time, place and in the manner specified in Exhibit A.

2. **City Assistance, Facilities, Equipment and Clerical Support.** Except as set forth in Exhibit A, Consultant shall, at its sole cost and expense, furnish all facilities and equipment that may be required for furnishing services pursuant to this Agreement. City shall furnish to Consultant only the facilities and equipment listed in Exhibit A according to the terms and conditions set forth in Exhibit A.

3. **Term.** This contract shall commence on the date written above and shall expire on June 30, 2025.

4. **Compensation.** City shall pay Consultant for services rendered pursuant to this Agreement as described more particularly in Exhibit A. The payments shall be made on a monthly basis upon receipt and approval of Consultant's invoice. Total compensation for services and reimbursement for costs shall not exceed \$186,624.

a. Invoices submitted to City must contain a brief description of work performed, time used and City reference number. Payment shall be made within thirty (30) days of receipt of Consultant's invoice and approved by City.

b. Upon completion of work and acceptance by City, Consultant shall have sixty (60) days in which to submit final invoicing for payment. An extension may be granted by City upon receiving a written request thirty (30) days in advance of said time limitation. The City shall have no obligation or liability to pay any invoice for work performed which the Consultant fails or neglects to submit within sixty (60) days, or any extension thereof granted by the City, after the work is accepted by the City.

5. **Sufficiency of Consultant's Work.** All work product and all other documents prepared by Consultant shall be adequate and sufficient to meet the purposes for which they are prepared.

6. **Ownership of Work.** All work product and all other documents completed or partially completed by Consultant in the performance of this Agreement shall become the property of the City. All materials shall be delivered to the City upon completion or termination of the work under this Agreement. If any materials are lost, damaged or destroyed before final delivery to the City, the Consultant shall replace them at its own expense. Any and all copyrightable subject matter in all materials is hereby assigned to the City and the Consultant agrees to execute any additional documents that may be necessary to evidence such assignment. Consultant shall keep materials confidential. Materials shall not be used for purposes other than performance of services under this Agreement and shall not be disclosed to anyone not connected with these services, unless the City provides prior written consent.

7. **Changes.** City may request changes in the scope of services to be provided by Consultant. Any changes and related fees shall be mutually agreed upon between the parties and subject to a written amendment to this Agreement.

8. **Consultant's Status.** In performing the obligations set forth in this Agreement, Consultant shall have the status of an independent contractor and Consultant shall not be considered to be an employee of the City for any purpose. All persons working for or under the direction of Consultant are its agents and employees and are not agents or employees of City.

9. **Termination for Convenience of City.** The City may terminate this Agreement at any time by mailing a notice in writing to Consultant. The Agreement shall then be deemed terminated, and no further work shall be performed by Consultant. If the Agreement is so terminated, the Consultant shall be paid for that percentage of the work actually completed at the time the notice of termination is received.

10. **Non-Assignability.** The Consultant shall not assign, sublet, or transfer this Agreement or any interest or obligation in the Agreement without the prior written consent of the City, and then only upon such terms and conditions as City may set forth in writing. Consultant shall be solely responsible for reimbursing subcontractors.

11. **Indemnity and Hold Harmless.** Consultant shall defend, indemnify, and hold harmless, the City and its officers, agents and employees from and against all claims, losses, damage, injury, and liability for damages arising from, or alleged to have arisen from, errors, omissions, negligent or wrongful acts of the Consultant in the performance of its services under this Agreement, regardless of whether the City has reviewed or approved the work or services which has given rise to the claim, loss, damage, injury or liability for damages. This indemnification shall extend for a reasonable period of time after completion of the project as well as during the period of actual performance of services under this Agreement. The City's acceptance of the insurance certificates required under this Agreement does not relieve the Consultant from its obligation under this paragraph.

12. **Insurance.** During the term of this Agreement, Consultant shall maintain in full force and effect, at its own cost and expense, insurance coverages with insurers with an A.M. Best's rating of no less than A:VII. Contractor shall have the obligation to furnish City, as additional insured,

the minimum coverages identified below, or such greater or broader coverage for City, if available in the Contractor's policies:

a. General Liability and Bodily Injury Insurance. Commercial general liability insurance with limits of at least \$2,000,000 combined limit for bodily injury and property damage that provides that the City, its officers, employees and agents are named as additional insureds under the policy as evidenced by an additional insured endorsement satisfactory to the City Attorney. The policy shall state in writing either on the Certificate of Insurance or attached rider that this insurance will operate as primary insurance for work performed by Consultant and its subconsultants, and that no other insurance effected by City or other named insured will be called on to cover a loss.

b. Automobile Liability Insurance. Automobile liability insurance with limits not less than \$2,000,000 per person/per occurrence.

c. Workers' Compensation Insurance. Workers' Compensation Insurance for all of Consultant's employees, in strict compliance with State laws, including a waiver of subrogation and Employer's Liability Insurance with limits of at least \$1,000,000.

d. Professional Liability Insurance. Professional liability insurance in the amount of \$2,000,000.

e. Certificate of Insurance. Consultant shall file a certificate of insurance with the City prior to the City's execution of this Agreement, and prior to engaging in any operation or activity set forth in this Agreement. The Certificate of Insurance shall provide in writing that the insurance afforded by this Certificate shall not be suspended, voided, canceled, reduced in coverage or in limits without providing notice to the City in accordance with California Insurance Code section 677.2 which requires the notice of cancellation to: 1) include the effective date of the cancellation; 2) include the reasons for the cancellation; and 3) be given at least 30 days prior to the effective date of the cancellation, except that in the case of cancellation for nonpayment of premiums or for fraud, the notice shall be given no less than 10 days prior to the effective date of the cancellation. Notice shall be sent by certified mail, return receipt requested. In addition, the insured shall provide thirty (30) days prior written notice to the City of any cancellation, suspension, reduction of coverage or in limits, or voiding of the insurance coverage required by this agreement. The City reserves the right to require complete certified copies of policies.

f. Waiver of Subrogation. The insurer agrees to waive all rights of subrogation against the City, its officers, employees and agents.

g. Defense Costs. Coverage shall be provided on a "pay on behalf of" basis, with defense costs payable in addition to policy limits. There shall be no cross liability exclusions. These provisions do not apply to Professional Liability.

h. Subcontractors. Consultant shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated in this Agreement, including but not limited naming additional insureds.

13. **Notices.** All notices herein required shall be in writing and shall be sent by certified or registered mail, postage prepaid, addressed as follows:

To Consultant:	Joubin Pakpour Pakpour Consulting Group, 5776 Stoneridge Mall Road, Suite 320 Pleasanton, CA 94588	To City: City Manager City of Pleasanton P.O. Box 520 Pleasanton, CA 94566
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14. **Conformance to Applicable Laws.** Consultant shall comply with all applicable Federal, State, and Municipal laws, rules, and ordinances. Consultant shall not discriminate in the employment of persons or in the provision of services under this Agreement on the basis of any legally protected classification, including race, color, national origin, ancestry, sex or religion of such person.

15. **Licenses, Certifications and Permits.** Prior to the City's execution of this Agreement and prior to the Consultant's engaging in any operation or activity set forth in this Agreement, Consultant shall obtain a City of Pleasanton business license, which must be kept in effect during the term of this Agreement. Consultant covenants that it has obtained all certificates, licenses, permits and the like required to perform the services under this Agreement.

16. **Records and Audits.** Consultant shall maintain all records regarding this Agreement and the services performed for a period of three years from the date that final payment is made. At any time during normal business hours, the records shall be made available to the City to inspect and audit.

17. **Confidentiality.** Consultant shall exercise reasonable precautions to prevent the unauthorized disclosure and use of City reports, information or conclusions.

18. **Conflicts of Interest.** Consultant covenants that other than this Agreement, Consultant has no financial interest with any official, employee or other representative of the City. Consultant and its principals do not have any financial interest in real property, sources of income or investment that would be affected in any manner of degree by the performance of Consultant's services under this Agreement. If such an interest arises, Consultant will immediately notify the City.

19. **Waiver.** In the event either City or Consultant at any time waive any breach of this Agreement by the other, such waiver shall not constitute a waiver of any other or succeeding breach of this Agreement, whether of the same or of any other covenant, condition or obligation.

20. **Governing Law.** California law shall govern any legal action pursuant to this Agreement with venue in the applicable court or forum for Alameda County.

21. **No Personal Liability.** No official or employee of City shall be personally liable to Consultant in the event of any default or breach by the City or for any amount due Consultant.

22. **Exhibits.** All exhibits referred to herein are attached hereto and are by this reference incorporated herein.

23. **Counterparts and Electronic Signatures.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with U.S. federal E-Sign Act of 2000 (15 U.S. Code §7001 et seq.), California Uniform Electronic Transactions Act (Cal. Civil Code §1633.1 et seq.), or other applicable law) or other transmission method, and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

24. **Scope of Agreement.** This writing constitutes the entire Agreement between the parties. Any modification to the Agreement shall be in writing and signed by both parties.

THIS AGREEMENT executed the date and year first above written.

CITY OF PLEASANTON

CONSULTANT

Gerry Beaudin, City Manager

By: _____
Signature

ATTEST:

Print name

Jocelyn Kwong, City Clerk

Its: _____
Title

Approved as to form:

Daniel G. Sodergren, City Attorney

By: _____
Signature

Print name

Its: _____
Title

[If Consultant is a corporation, signatures must comply with California Corporations Code §313]



EXHIBIT A

October 4, 2024

10011.22

Gerry Parco, PE
Senior Civil Engineer - CIP Manager
Public Works Department, Engineering Division
City of Pleasanton
200 Old Bernal Ave.,
Pleasanton, CA 94566

**Subject: Proposal for Continued As-Needed Project/Construction Management Services
– City of Pleasanton**

Dear Mr. Parco,

Per the City's request, Pakpour Consulting Group (PCG) is providing a proposal for continued as-needed Project/Construction Management Services for the City of Pleasanton. PCG proposes David Lau, PE as the Senior Engineer role as the City's representative for the various projects and programs. Steven Yee, Principal Engineer, will be available to support David for as-needed tasks. The project/construction management services will be performed under the 2021 on-call engineering services for the City of Pleasanton and include the following general scope of work:

Scope of Work – Project Management Services

- Provide project/construction management services as the City's representative.
- Coordinate construction administration with the project construction management team.
- Attend project meetings and site visits.
- Review and evaluate proposed change orders and estimate, negotiate, and make recommendations to the City for approval.
- Review construction claims and make recommendations to the City for review and approval to resolve.
- Review and recommend approval of contractor's monthly payment requests.
- Coordinate and expedite functions connected with the contractor's obligation to document as-built information.
- Monitor punch list items and project closeout.

October 04, 2024 – Page 2

Parco – As-Needed Project/Construction Management Services Proposal

- Make recommendations for final acceptance and payment.
- Review current project and construction management procedures and provide coaching, training and share information with the City staff.
- Provide as-needed services related to the delivery of the City's CIP program.

Budget

Based on the City's request, PCG proposes a time and materials budget of approximately 864 hours for an 8-month duration, for continued project/construction management services. PCG will only bill for actual time spent on the projects. The billing rate used for this proposal is from the current on-call engineering services contract.

October 16, 2024 to June 30, 2025 – 864 hours x \$216 per hour = \$186,624.00

Total Budget = \$186,624.00

Thank you once again for considering *Pakpour Consulting Group* for continued project/construction management services. Should you have any questions, please do not hesitate to contact Steven Yee, Principal Engineer, or me at (925) 224-7717.

Very truly yours,

Pakpour Consulting Group, Inc.

DocuSigned by:

 FD1650F8C0904EA...

Joubin Pakpour, PE
 President

J:\Projects\Pleasanton - 10011.00\22-Project Management Services\Contract\Agency\22-PLS-Gerry-24.10.04-Proposal for Continued As-Needed Project Management Services.docx

CITY COUNCIL AGENDA REPORT

October 15, 2024
Public Works - Utilities Division

TITLE: RECEIVE AN UPDATE ON WATER SYSTEM ACTIVITIES

SUMMARY

Maintaining and improving the City's water system is a top priority of the City Council, as noted in the City's ONE Pleasanton Strategic Plan. The City Council's priority strategies related to the City's water system include *Funding our Future* Strategy 1 to develop a long-term strategy for funding operations and maintenance needs to ensure the reliability of community-owned facilities and infrastructure and continuity of City services; *Investing in Our Environment* Strategy 2 to develop an Asset Management Plan to address comprehensive long-term planning for maintenance, renovation, repair and/or replacement of infrastructure and public facilities to meet current and future needs; and *Investing in Our Environment* Strategy 3 to identify funding and implement the recommendations from the Water Supply Alternative Study to resolve PFAS water quality issues. This quarterly report provides an update on programs and projects related to the City's water system from July 2024 to September 2024, and includes updates on capital projects, the Water System Management Plan, regulatory requirements, and the water enterprise bond issuance.

RECOMMENDATION

Receive an update on Water System Activities.

BACKGROUND

The City distributes approximately 14,000 acre-feet of safe, reliable drinking water annually to over 22,000 customers. The City has traditionally had two sources of water supply: treated surface water and groundwater, purchased from Zone 7 Water Agency (Zone 7), and groundwater from City-owned and operated wells with a total pumping allotment of 3,500 acre-feet per year (currently not in use). The City's distribution system consists of 20 storage tanks, 14 pump stations, and over 300 miles of primarily underground piping. The annual operating budget for the water system program is currently approximately \$29 million (Capital Improvement Program (CIP) expenditures not included).

The City has undertaken numerous water-related initiatives to ensure a reliable and sustainable water supply for residents and businesses. The City's current efforts include:

- Compliance with State mandates: The City has myriad obligations under drinking water regulations promulgated by the State, and prepares an annual water quality report. These requirements are summarized in the Discussion section of this report.
- Water conservation programs: Encourage residents and businesses to reduce water usage. These programs include promoting water-efficient landscaping, offering rebates for water-saving appliances, and providing educational resources on water conservation.
- Water supply: Utilize local groundwater and surface water delivered from regional

wholesaler Zone 7 to reduce dependence on a single source. Infrastructure improvements to repair and maintain its water infrastructure to ensure the efficient delivery of water and reduce the risk of leaks and system failures.

- Recycled water: Reuse treated wastewater for non-potable purposes, such as irrigation at the City's largest parks, to conserve potable water for drinking and other essential uses.
- Drought preparedness: Manage water resources during periods of drought, including implementing water use restrictions, increasing public awareness, and exploring additional water sources.

This work demonstrates the City's commitment to ensuring a reliable and sustainable water supply for the community while promoting water conservation and environmental stewardship that prepare the city for the future.

As part of a future quarterly water systems activities update, staff will make a presentation to accompany the agenda report to provide an opportunity for additional discussion; this is planned for an update in early 2025.

DISCUSSION

Water Enterprise Fund Financials

Financing

The City's Joint Powers Financing Authority (JPFA) recently received an AA credit rating with a positive outlook for its series 2024 water revenue bonds, reflecting the City's continued commitment to financial stability and responsible governance. Key highlights contributing to the 'AA' rating include:

- Updated Policies: Pleasanton has committed to practices such as regular rate studies and public rate hearings every two years, demonstrating a proactive approach to financial management.
- Revised Rate Structure: The City's updated rate structure, initiated with the Phase I water rate increase, ensures full recovery of fixed wholesale costs, providing the foundation for improved coverage and reserves.
- Water Supply Stability: Despite challenges such as drought and emerging contaminants, Pleasanton maintains a reliable water supply. 100% of the city's water is currently sourced from the Zone 7 Water Agency.
- Local Economic Strength: Pleasanton benefits from a diverse and affluent service area, coupled with the presence of major local employers.

The JPFA completed its sale of the 2024 Water Revenue Bonds on June 4, 2024, for a total of \$19,164,268, including funds for issuance costs. The bond provides \$19 million with a 4.11% true interest cost. The bond proceeds are being used to pay for the necessary near-term water infrastructure improvements and anticipated design costs for the regional groundwater wells project. The City has three years to complete the projects approved by the City Council as the Near-Term Improvements project.

The City has invested 68% of the total bond proceeding in four major water projects; the project budget and fund balance are summarized in the table below. The status of the projects

is described in Attachment 1-Water Projects and Capital Improvement Program (CIP) Projects. The total encumbered amount does not include the project contingency authorized by the City Council until a change order is issued to a contract.

Project Name	Total Budget	Total Encumbered	Total Remaining
Regional Groundwater Facility Project	\$4,000,000	\$1,000,000	\$3,000,000
CIP #24171 Turnout #4 and Stoneridge Dr. & Sunol Water Main	\$10,741,025	\$9,561,025	\$1,180,000
CIP # 24172 Bernal Ave Water Line and Turnout #1	\$2,205,420	\$1,903,200	\$302,220
Turnout #4 Procurement	\$1,300,000	\$0	\$1,300,000
Unappropriated/ Contingency	\$753,555	\$0	\$753,555
Total	\$19,000,000	\$12,464,225	\$6,535,775

Water Rate and Connection Fee Studies

In June 2024, the City advertised a request for qualifications (RFQ) for water and sewer rate and connection fee studies consulting services; three statements of qualifications (SOQs) were received and in August, staff reviewed the proposals and invited two firms for interviews. Water Resources Economics, LLC (WRE) was selected as the firm most well-suited and qualified for the City's needs in response to the SOQ. On September 3, the City Council approved a professional services agreement with WRE. The studies will begin in October 2024 and conclude in May 2025, with Proposition 218 notice activities occurring in June and July. A public hearing for the City Council to adopt the rate increases is planned for September.

Also underway, staff is presenting the draft nexus studies for developer impact fees to the City Council in November, with public hearings to adopt the fees in late 2024/early 2025. The sewer and water connection fees support the City's enterprise funds and cover the developer's share of the cost of infrastructure improvements to the systems to meet future demands based on population growth.

Water Planning

Since 2022, the City has developed several components of the Water System Management Plan (WSMP), which is the guiding document for properly managing administration, planning, operations and maintenance, capital improvements, resources, and financing. The agenda report titled *Receive an Update on the Development of a Water System Management Plan* (pages 234-239) presented to the City Council on December 19, 2023, provides more detailed information about specific elements of the WSMP, and is available [here](#).

Water System Management Plan

The City has contracted with Carollo Engineers to prepare the Water System Management Plan (WSMP). The purpose of this WSMP is to develop a prioritized list of recommended Capital Improvement Program (CIP) projects and operations and maintenance (O&M) programs to improve the City's water system, and then serves as a basis for determining future funding needs. Carollo submitted a preliminary draft of the WSMP for staff review in June 2024 and presented a high-level overview to the Water Advisory Group in August 2024. Carollo is currently incorporating comments and feedback into the WSMP for final review by staff, followed by City Council review for adoption by the end of 2024. As part of the WSMP, Carollo is developing alternative strategies for implementing the recommendations contained within the WSMP. These alternative strategies vary based on the timing of implementation, resource needs, and risks to the water program. Completion of the alternative strategies will be incorporated and evaluated as part of the upcoming water rate study to develop a capital improvement plan that is suitable for ratepayers but sufficient to support a reliably performing water system.

Water Advisory Group

A Water Advisory Group was formed to advise City staff on implementing future programs and projects related to developing a comprehensive water program that meets Pleasanton's needs, addresses regulatory requirements, and keeps the water enterprise financially sustainable. Advisory group members represent different perspectives on water issues, including community group/HOA, financial, business, resident, environmental organization, community members with sciences/water issues professional background, and a recent Pleasanton Community Academy member. The seven-member group meets monthly to review and discuss several key City efforts in water system management. In this quarter, the water advisory group met in July, August and September. The group toured the Public Works Utilities Division and now has a deeper understanding of the operation and maintenance of the City's water system, and received presentations on the Regional Groundwater Facilities Project, the Water System Management Plan (WSMP), the upcoming water rate study, and the new customer service portal for water customers.

Annual Water Quality Report

The State-mandated water quality report, also called the Consumer Confidence Report (CCR), was completed in May. The technical and analytical water quality information presented in this Consumer Confidence Report (CCR) is required by State health regulations. These regulations require water suppliers to inform customers about where their water comes from, what is in their water, and any violation of safe drinking water standards that may have occurred during this past reporting period. This report provides the results of all tests required to be performed on Pleasanton's water supplies during 2023. The CCR reports that all 2023 water quality tests confirmed that the water delivered to the Pleasanton community met all applicable federal and state drinking water standards without any violations. The report is

posted online at www.PleasantonWater.com, and copies are available for residents at the Public Works Department/Operations Service Center at 3333 Busch Road.

Water Regulations

In addition to PFAS, a host of regulatory mandates are on the horizon that directly impact the water system, including Making Water Conservation a California Way of Life, Nonfunctional Turf Ban, Cross-Connection Control, and Lead and Copper Guideline regulations. These California State mandates are summarized below.

PFAS Regulatory Update

On April 10, 2024, the U.S. Environmental Protection Agency (EPA) announced the final National Primary Drinking Water Regulation (NPDWR) for six PFAS. Per the EPA regulation, public water systems must initially monitor for these PFAS by 2027. Note that the City is already monitoring Wells 5, 6, and 8 based on previous orders issued by the Division of Drinking Water (DDW) at the State level. Test data has exceeded the new MCLs for PFOS, PFOA, and/or PFHxS at all three wells. Per the EPA regulation, public water systems must comply with the new PFAS MCLs by 2029. Although the City is not required to meet these MCLs for five years, the City is continuing to keep all wells offline and offsetting the supply with additional wholesale water purchases from Zone 7.

Zone 7 presented a workshop in collaboration with the State Waterboard on PFAs Management Updates on September 4, 2024. A copy of the presentation is available on Zone 7's website [here](#).

The Quarter 3 Test Results of the Pleasanton's three wells identified no significant changes:

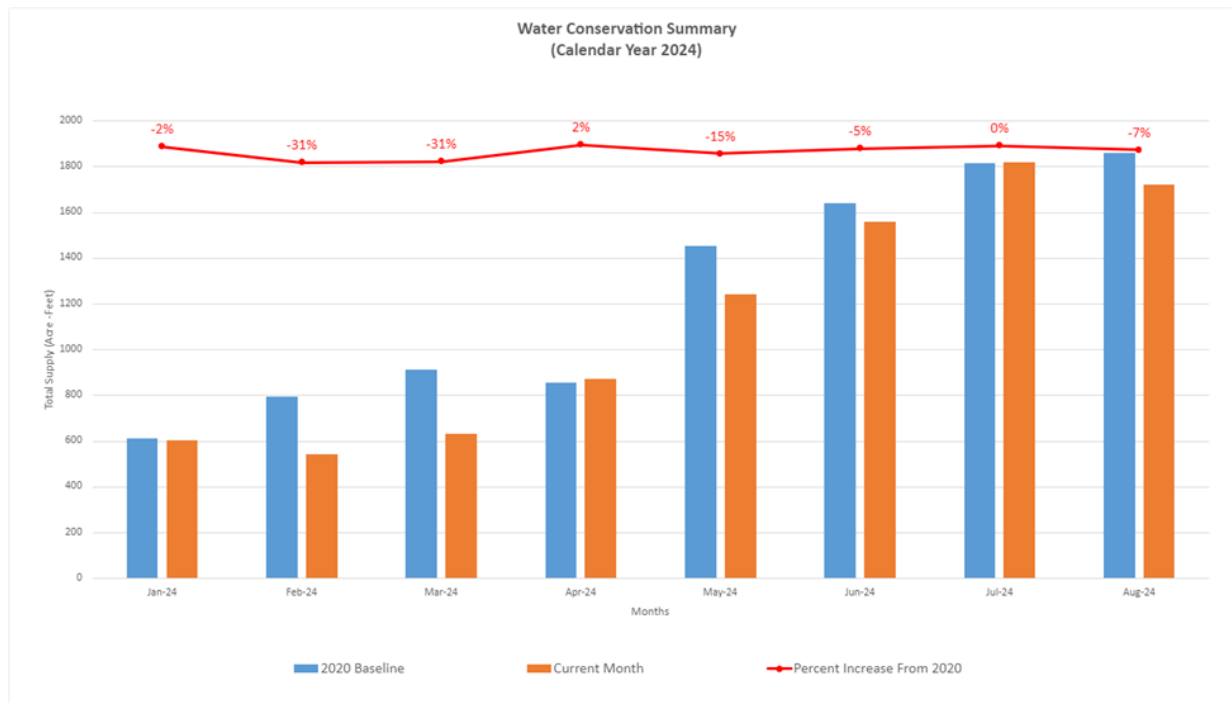
- Well 5 – remains below response level and above notification level for PFOS and PFHxS, and below notification level for PFBS and PFOA
- Well 6 – remains below response level and above notification level for PFOS and PFHxS, and below notification level for PFBS and PFOA
- Well 8 – remains below response level and above notification level for PFOS, below notification level for PFBS and PFOA, and is above the response level for PFHxS at 25 ng/L.

PFAS information and current test results are provided at www.PleasantonWater.com under the PFAS Information section. Click on "Where can I find PFAS test results for Pleasanton's water?"

Making Conservation a California Way of Life Regulation

The State Water Resources Control Board adopted the Making Water Conservation a California Way of Life regulation. Under this new regulation, urban water suppliers must comply with their annual "urban water use objective" (UWUO), which is the sum of standard-based budgets for an aggregate set of water uses, by January 2027. Critical data necessary to accurately analyze implications to the city, compared to current usage, is not yet available. Staff planning is underway to advance an assessment of impacts. There are no immediate impacts on residents and business owners. The water use budget will be set for Pleasanton's entire service area, not individual households or businesses. Pleasanton will continue to work with customers to achieve water savings that may be needed to meet the new regulation.

Currently, however, water conservation remains an integral part of the Tri-Valley’s water program. For the calendar year 2024, water customers’ conservation efforts fluctuated, as shown in the summary chart below. For the eight months shown, water consumption was reduced by an average of 11 percent. February, March and May were higher conservation months due to the wet weather. These are significant reductions, demonstrating that city water users are focusing on conservation.



AB1572 Nonfunctional Turf Ban

AB 1572 is a new law systematically prohibiting the watering of “nonfunctional turf” with potable water (single family homes are exempt). Nonfunctional turf is considered areas of grass that are not located in recreational-use areas or community spaces with open access for assembly. Exceptions exist for watering to the extent necessary to ensure the health of trees and other perennial plants. No restrictions exist on residential yards, cemeteries, parks, sports fields, or golf courses.

The prohibition on the use of potable water to irrigate nonfunctional turf phaseout goes into effect as follows across the selected property types:

- January 1, 2027 – All properties owned by the City [staff has already facilitated a study to identify underutilized turf at selected City-owned properties with logical opportunities for water reduction through the replacement of turf area.]
- January 1, 2028 – All other institutional properties and all commercial and industrial properties
- January 1, 2029 – All common areas of homeowners’ associations, common interest developments, and community service organizations or similar entities
- January 1, 2031 – All government facilities in disadvantaged communities (or the date at which State funding is available).

To meet the requirements, the City must revise its municipal code to include the prohibition of potable water use among the AB 1572 specified potable water customer categories, and must communicate the new requirements to customers on or before January 1, 2027. Staff recommends adding this to Pleasanton Municipal Code (PMC) Section 14.04.060(G), which lists the City's current definitions of water "waste" as prohibited uses of water, and will present this revision to the City Council before fall 2025.

Staff will engage in public outreach through outreach to stakeholders and customer classes that will be impacted by the new prohibition, and by addressing public calls, inquiries, and water-waste reports. Proactively, staff will develop outreach content to educate customer classes about the new prohibition when it goes into effect and provide guidance on alternatives to turf. Additionally, staff anticipates an increase in customer calls with concerns and questions regarding the new requirements as more media coverage focuses on this regulation, as well as an increase in water waste reports to both the State Water Board reporting portal and directly to the City, as members of the public report watered turf areas as nonfunctional turf violation concerns.

Addressing the new AB 1572 requirements has been incorporated into the Public Works FY 2024/2025 work plan, which has the added benefit of supporting the City's efforts in achieving its obligations under the new Making Water Conservation a California Way of Life regulation.

Cross-Connection Control Regulations

The goal of the new Cross-Connection Control Policy Handbook (CCCPH), which went into effect July 1, 2024, is the protection of public health through the establishment of standards to protect public water systems' drinking water distribution systems through the prevention of backflow of water from end-user sources back into the potable distribution system. Under these new regulations, the City is required to develop a Cross-Connection Control Plan (CCCP) by July 1, 2025, and complete a hazard assessment of the potable distribution system. Through a competitive RFP process, staff selected a specialized consultant to assist the City in complying with these regulations (this proposal was approved the the City Council on October 1, 2024).

Additionally, staff has been conducting hazard assessments of City-owned facilities, which has advanced the hazard assessment requirement. As well, a technical workgroup has been created to share information and ideas about the implementation of this regulation. The workgroup comprises staff members of all water agencies represented in the Tri-Valley area: the cities of Pleasanton and Livermore, Dublin San Ramon Services District, Zone 7, East Bay Municipal Utility District, Cal Water, and Contra Costa Water District.

Lead and Copper Guidelines

The State Division of Drinking Water developed new guidelines for lead and copper, which require water agencies to inspect all service lines for lead and copper within their respective service area. To meet the requirement, staff completed visual inspections of 750 residential, commercial, and industrial buildings which necessitated that staff visit each identified location, pull the meter box lid, verify pipe material on both the customer's and the City's sides of the water meter, and take a picture for verification purposes. This data was then sent to the State for completion signoff. This was a significant project that needed to be completed in a short amount of time, and was completed by the October 16, 2024, deadline. No lead was found in Pleasanton's drinking water system.

Water Projects and CIP

The City has recently undertaken several near-term water improvement projects aimed at ensuring a reliable, safe, and sustainable water supply; a review of key projects are included in Attachment 1. These projects focus on maintaining sufficient water supply and expanding infrastructure capacity and include four projects funded by the 2024 Water bond to address PFAS and include:

- Bernal Avenue Water Line & Turnout No. 1 – Under Construction near Completion
- Stoneridge and Sunol Water Lines & Turnout No. 4 – Under Construction
- Turnout No. 4 Booster Station Procurement – Under Award
- Regional Groundwater Facilities Project – Phase I Award of exploratory test wells

Using the 2024 Bond proceeds, the City has awarded \$12.46 million in contracts and expended \$3.25 million to date, with construction now finishing on the Bernal Avenue Water Line & Turnout No. 1, and major pipe installation on Stoneridge Drive scheduled to resume in October. Collectively, these initiatives reflect the City's proactive approach to managing its water resources, focusing on sustainability, reliability, and quality improvements to meet the needs of the Pleasanton community.

To keep the community updated, information about these projects is available on the City's website on the [Near-Term Water Improvement Projects](#) webpage and the [Joint Groundwater Wells Study](#) webpage.

EQUITY AND SUSTAINABILITY

The water system improvements and planning advance the City's Climate Action Plan 2.0 (CAP) - Water Resources - Reduce GHG emissions from water usage (including conveyance) and prepare community water resources for a changing climate, which will result in cost savings, enhance water quality and availability, improve infrastructure, and increase resiliency.

OUTREACH

The City has created a special edition e-newsletter series, the *Pleasanton Pipeline*, to share information about water projects and initiatives. The series is sent via direct email and the City's social media platforms. As of the date of this report, seven issues of the *Pleasanton Pipeline* have been distributed. Additionally, updates about specific water-related projects and programs are regularly shared across the City's media platforms.

STRATEGIC PLAN ALIGNMENT

Approval of this action advances the ONE Pleasanton Strategic Plan goals of *Funding our Future* - Strategy 1 Develop a long-term strategy for funding operations and maintenance needs to ensure the reliability of community-owned facilities and infrastructure and continuity of City services; *Investing in Our Environment* - Strategy 2 Develop an Asset Management Plan to address comprehensive long-term planning for maintenance, renovation, repair and/or replacement of infrastructure and public facilities to meet current and future needs; and *Investing in Our Environment* - Strategy 3 Identify funding and implement the recommendations from the Water Supply Alternative Study to resolve PFAS water quality issues.

These efforts also advance the goals of *Funding our Future*, Strategy 3 - Evaluate and update enterprise revenue sources, including utility rates and connection and user fees, to address growth and meet current needs; and *Investing in our Environment* Strategy 1 - Implement the four-year Capital Improvement Program (CIP) to complete the design and construction of budgeted capital projects and Strategy 4 – Complete the Water System Master Plan to reflect current and future operations and identify system improvements and necessary maintenance.

FISCAL IMPACT

There is no fiscal impact associated with this update. The City Council previously approved funding for these projects under separate actions and will similarly consider any future noted expenditures as they are ready to be presented.

Prepared by:



Ryan Smith, Assistant Dir. of Public Works - Utilities

Submitted by:



Siew-Chin Yeong, Director of Public Works

Approved by:



Gerry Beaudin, City Manager

Attachments:

1. Water Projects and Capital Improvement Program (CIP) Projects

Water Projects and Capital Improvement Program (CIP) Projects

(1) Near-Term Water Improvements

Bernal Avenue Water Line & Turnout No. 1 – Under Construction

The Bernal Avenue 18-Inch Potable Water Main (F- 4 Line) & Turnout No. 1 Project, CIP 24172, was awarded to Golden State Construction on January 16, 2024, for a total project cost of \$2.2 million. The project installed a new 18-inch water line parallel to the existing 12-inch line from Turnout No. 5 at the corner of Nevada Street to the Vineyard Booster Station at the intersection of Vineyard and Bernal Avenues. The project also includes improvements at Turnout No. 1 on Santa Rita Road that replaced the interior piping and equipment to Zone 7's current standards and include a motorized control valve, flow meter, fluoride injection, and instrumentation.

The water line work on Bernal Avenue has been completed and put in service. Final restoration has been completed. Only some remaining landscaping trees and irrigation remain. The contractor damaged the vault during soil stabilization at Turnout No. 1, which has delayed the completion of the exterior piping work while repairs to the vault are completed. Commencement of the vault repair is scheduled for late September 2024. The project is anticipated to be completed by the end of October 2024. Expended 79.6 % to date, \$1,755,235 of the \$2,205,420 total project budget.



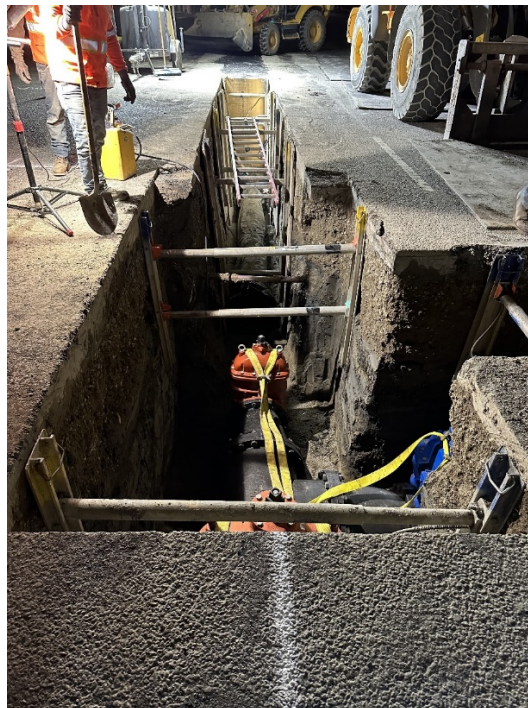
Installing water line at bridge
12" Water line in Bernal Avenue



Stoneridge and Sunol Water Lines & Turnout No. 4 – Under Construction

Turnout No. 4 Replacement and Booster Station and Stoneridge Drive 24-Inch Potable Water Main (F-1 Line), CIP No. 24171, and the Sunol Boulevard 20-Inch Water Main (F-7 Line), CIP No. 24173, were packaged together as Near-Term Water Improvements. The contract was awarded to JMB Construction on March 19, 2024, for a total project cost of \$10.6 million. Work on Stoneridge Drive takes place from Johnson Drive to Hopyard Road and includes installation of approximately 3,200 linear feet of 24-inch fusible PVC water main; 450 linear feet of ductile iron pipe ranging in diameter from 18-inch to 24-inch; site preparation for installation of a new prefabricated booster station which is being procured separately; and installation of the prefabricated booster station with new Zone 7 connection once fabrication is complete. Work on Sunol Boulevard will extend from Sycamore Road to Bernal Avenue and includes the installation of 4,500 linear feet of 20-inch ductile iron pipe connecting to the existing City system at each end. The project will construct a larger turnout and booster station that will increase the firm capacity and reliability of the turnout from 1,000 gallons per minute (gpm) to 5,200 gpm.

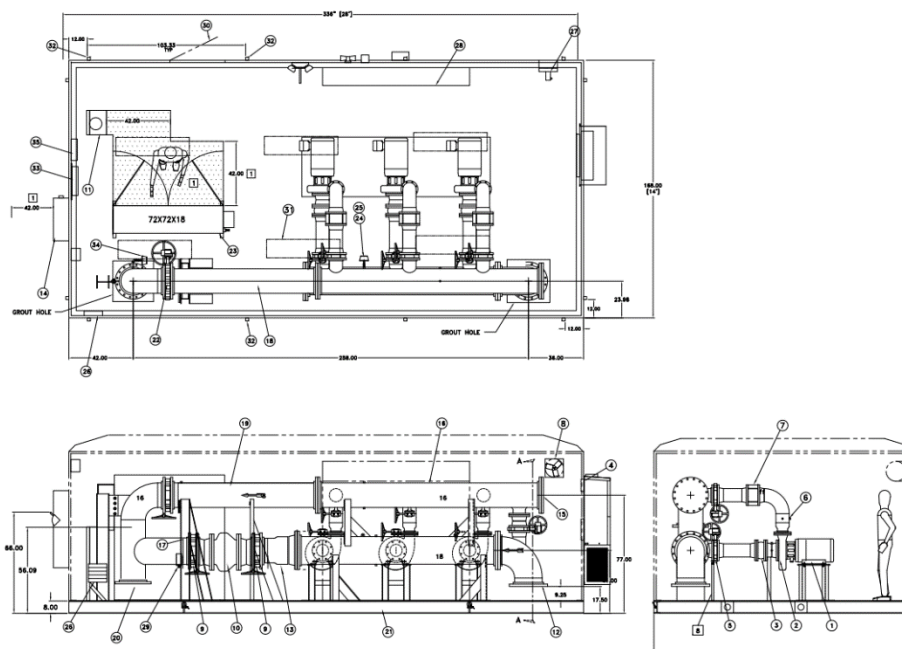
Construction of the project started in late May, with work on Hopyard Road completed in advance of the street resurfacing. Critical tie-in work was completed prior to the peak summer water demands as scheduled. Work has resumed on Stoneridge Drive to install the water pipeline and piping for the new Turnout No. 4. Expended 13.9% to date, \$1,494,576 of the \$10,741,025 total project budget.



Water line work near Hopyard Road Intersection

Turnout No. 4 Booster Station - Under Award

Given the limited site conditions, a prepackaged booster station will be built off-site, similar to the Recycled Water Booster Station in Ken Mercer Sports Park. A Request for Proposal (RFP) was developed, and proposals were received on January 19, 2024. The proposals ranged from \$1.7 - \$1.8 million, compared to the engineer's estimate of \$850,000. Further analysis and updates to reduce costs were incorporated into a revised RFP that was issued for re-bid in June. The award of the booster station is scheduled for November. The booster station is expected to be installed in the fall of 2025; with the new increased turnout capacity and pipeline, the current temporary booster pump will not be needed for next summer. No expenditures to date, design work was completed under CIP 24171.



Turnout #4 Booster Station Concept Plan

Regional Groundwater Facilities Project/Partnership (Water Supply Alternative–New Wells) CIP 24174

Overview

Based on the findings and recommendations from the Brown and Caldwell 2023 Water Supply Alternatives Study, on October 17, 2023, the City Council approved proceeding with the planning and developing of new groundwater wells in the Bernal subbasin to recover the use of its Groundwater Production Quota (GPQ) of 3,500 acre-feet per year. Planning efforts include evaluating the feasibility of collaborating with Zone 7 Water Agency (Zone 7) on a joint project. On February 15, 2024, Zone 7 and City staff completed a process that outlined the terms of collaboration for a joint project with the goal to increase Zone 7's groundwater production capacity for the Tri-Valley region, recover the use of the City's GPQ, and produce water supply that meets and exceeds

all State and federal water quality standards including current and anticipated regulations for PFAS. The joint project is titled Regional Groundwater Facilities Project.

This project is envisioned to include new groundwater well(s) that are tied to Zone 7's water supply system; an increase in capacity of Zone 7's existing Hopyard Treatment Facility to treat groundwater from the new well(s); new pipelines to tie the new well(s) to the Hopyard Treatment Facility and Zone 7's transmission system; and delivery of the City's GPQ by Zone 7 through Zone 7's transmission system to City turnouts. Additional improvements to the City's distribution system will be required to receive its GPQ from turnouts rather than directly from City-operated wells. The City will evaluate and construct these improvements outside of the joint activities with Zone 7.

The project will be divided into three phases. Phase I evaluates the feasibility and provides a basis for design. The target completion date for Phase I is Spring 2025. If the project is feasible, the City Council and the Zone 7 Board would consider authorizing it to proceed. Phase II involves designing and constructing the project according to the design developed in Phase I. The target completion date for Phase II is the end of 2028. Phase III is for the operations and maintenance (O&M) of the project. This phase would start after the completion of Phase II and when required permits to operate are in place. Zone 7 would be the lead agency in the project's evaluation, permitting, design, construction, and O&M. The City would support Zone 7 by providing necessary land rights, participating in the project team, managing community outreach within the city, and sharing its fair share of costs.

An agreement between the City and Zone 7 to perform Phase I was approved by the City Council on June 18, 2024, and the Zone 7 Board of Directors on July 17, 2024. The scope of work includes well siting analysis, exploratory test drilling, a technical feasibility evaluation, developing an environmental compliance strategy, and negotiating draft terms for Phase II and III of the project. The City and Zone 7 will contribute staff time and resources for self-performing tasks and activities. The contractor and consultant services cost will be equally shared, with a combined not-to-exceed limit of \$2 million.

Status Update

A well siting analysis was completed in June 2024, which identified the top three locations for potential installation of production well facilities: Pleasanton Tennis and Community Park, Del Prado Park, and Hansen Park. Exploratory test wells will be installed at these locations to evaluate water quality and yields. Zone 7 is currently in the bid period for hiring a contractor to construct the test wells and anticipates awarding the contract at the October 14, 2024, Zone 7 Board Meeting. Construction activities are anticipated to occur between November 2024 and February 2025. Public outreach related to construction activities will include frequently asked questions, informational booths, and notification cards targeted at nearby residents and park users.

To evaluate the technical feasibility of the project, a consultant will be hired whose

scope includes overseeing the test well construction, analyzing water quality and yield data, assisting Zone 7 in groundwater modeling to analyze groundwater basin sustainability, and preparing a feasibility and basis of design report. Zone 7 is currently in the consultant selection process and anticipates awarding a contract at the October 14, 2024, Zone 7 Board Meeting.

Overall public outreach efforts have been ongoing, including updates through the Pleasanton Pipeline e-newsletter and the [Regional Groundwater Facilities Project](#) webpage, and will continue as the project progresses.

Expended 0.07% to date, \$2,700 of the \$1 million total project budget City share for Phase 1.

(2) Other Capital Improvement Program (CIP) Projects in Water System

Annual Water Distribution Project (CIP 23183)

Work completed included emergency work for Turnout No. 1 and a temporary booster pump at Turnout No. 4. Accepted by the City Council on December 5, 2023. Total Expenditures \$783,366.



T-4 Temporary Booster Pump



Kilkare Water Bridge Crossing

Annual Water Distribution Project (CIP 24183) - Funding re-allocated to Near-Term Water Improvements to fund design work.

Water Capacity Evaluation (CIP 18134): Akel Engineering completed the Hydraulic Model Master Plan in May 2024. Total Expenditures \$271,104.

Lemoine Bypass Pipeline Project (CIP 22199) - Working on procurement of an easement from East Bay Regional Parks District. Additional funding will be required to complete construction. Total to date expended \$80,694 of \$185,552.

Recycled Water System Management Plan (CIP 23180) - Staff is preparing an update on the recently released DERWA Management Plan and its near- and long-term potential impacts to the City. No expenditures to date of \$300,000 budget for consultant support.

2023 Recycled Water Repair (CIP 2133) - No projects have been identified at this time. Funding is set aside for urgent repairs or major maintenance. No expenditures to date of the \$493,050 budget

Collectively, these initiatives reflect the City's proactive approach to managing its water resources, focusing on sustainability, reliability, and quality improvements to meet the needs of the Pleasanton community.

October 15, 2024
Community Development

TITLE: RECEIVE A PRESENTATION AND PROVIDE INPUT ON DRAFT AMENDMENTS TO PLEASANTON MUNICIPAL CODE (PMC) CHAPTER 17.44 - INCLUSIONARY ZONING AMENDMENTS AND RELATED AMENDMENTS TO PMC CHAPTER 17.40 - AFFORDABLE HOUSING FEE, CHAPTER 18.38 - HOUSING OPPORTUNITY ZONE DISTRICT, AND THE OBJECTIVE DESIGN STANDARDS FOR HOUSING ELEMENT SITES

SUMMARY

This study session is to present draft revisions to the Inclusionary Zoning Ordinance (IZO), Chapter 17.44 of the Pleasanton Municipal Code, and related chapters of the Municipal Code (PMC 17.40, 18.48), and the Objective Design Standards for Housing Element Sites, for initial City Council review and input. The draft revisions reflect input from the two study sessions held with City Council in May and August 2024, and the recommendation of the Planning Commission for adoption of the amendments, which was provided on September 11, 2024. In addition to updating the IZO with respect to the inclusionary rate, and target affordability levels, the amendments provide much greater specificity and increased objectivity related to design and development standards for inclusionary units, and also clarify and improve the procedures, findings and requirements for projects seeking approval of alternative means to comply with the IZO. Following City Council's input and direction, the various PMC and ODS amendments would be presented to the City Council for adoption in November. Also in November, staff will provide an update and introduction to the Draft Nexus Fee studies, including the Affordable Housing In-Lieu Fee, for City Council review and input.

RECOMMENDATION

Receive a presentation and provide input on Draft Amendments to Pleasanton Municipal Code (PMC) Chapter 17.44 - Inclusionary Zoning Amendments and Related Amendments to PMC Chapter 17.40 - Affordable Housing Fee, Chapter 18.38 - Housing Opportunity Zone District, and the Objective Design Standards for Housing Element Sites.

BACKGROUND

Since early 2024, City staff and a professional services team led by Economic & Planning Systems (EPS) have undertaken work to update the City's Development Impact Fees and Affordable Housing Fees, and to update the existing Inclusionary Zoning Ordinance (IZO).

The process to update the City's Affordable Housing fee has to date been conducted in tandem with discussion of potential changes to the IZO. In particular, these discussions have focused on the inclusionary rate reflected in the IZO (i.e., the proportion of affordable units required as part of market-rate projects), and the required minimum affordability levels for inclusionary units, since those factors influence the recommended affordable housing fee amount. Amendments are also proposed to PMC Chapter 17.40 - Affordable Housing Fee, Chapter 18.38 – Housing Opportunity Zone District, and the Objective Design Standards for

Housing Element Sites, to align with the amendments to the IZO and make other clarifying changes.

The City Council held workshops in May and August as part of the study process.

May 7, 2024 Workshop

At an introductory workshop on May 7, 2024, City Council reviewed and discussed the results of EPS' initial analysis, including an evaluation of potential changes to the affordable housing inclusionary rate, along with other initial findings and recommendations with respect to impact fees more generally. The latter discussion focused on seeking a balance between establishing fees at a rate that would appropriately mitigate development impacts, while being mindful of potentially negative impacts on development feasibility that could impede other City financial and policy goals. EPS evaluated various inclusionary scenarios, including some scenarios that would increase the current inclusionary rate, and others that would retain or reduce those rates. EPS also looked at the resultant equivalent in-lieu fee, if set at a level reflecting the equivalent cost to subsidize those same affordable units constructed elsewhere, and the overall feasibility of setting fees at those equivalent rates. Based on the analysis, staff's initial recommendation was to set the inclusionary rate for all types of residential projects at 15% (i.e., decrease the current single-family/ownership rate and retain the existing multi-family rate). Additional detail and supporting analysis is provided in the [May 7, 2024 Agenda Report](#) and attachments; minutes of the May 7 workshop are included in Attachment 2 to this report.

August 20, 2024 Workshop

The City Council held a follow-up workshop on August 20, 2024, focused on the Inclusionary Zoning Ordinance. At this meeting, EPS provided additional analysis and refined scenarios for the inclusionary rate and in-lieu affordable housing fee; staff also provided analysis and requested City Council direction on several key policy questions for the update of the IZO. Consensus direction was provided based on a straw-poll vote by a majority of the City Council on each of the policy items, although it is noted there was not unanimity on every point. (See Attachment 2, Minutes from the May 7 and August 20, 2024 City Council Workshops). The outcomes and recommendations made by the City Council are outlined further in the analysis and discussion of the amendments to the IZO, in the Discussion section below. With respect to the inclusionary rate and affordability levels, the City Council supported staff's recommendation to establish the rate at 15% for both rental and ownership projects, with a moderate-income target affordability for ownership units, and lower-income affordability for rental units. Additional detail and supporting analysis is provided in the [August 20, 2024 Agenda Report](#) and attachments.

PLANNING COMMISSION ACTION

The Planning Commission held a public hearing on September 11, 2024, to review and provide a recommendation to City Council for adoption of the updated IZO and related amendments to PMC 17.40, 18.38, and the 2023 Objective Design Standards for Housing Element Sites. By a 4-1 vote (Mohan voting "no") the Planning Commission recommended the City Council approve the amendments as recommended by staff. As described below, the Planning Commission suggested more information be provided to City Council to support recommendations concerning minimum unit sizes.

DISCUSSION

As noted, staff has incorporated the various points of City Council direction at the August 20 workshop into a comprehensively revised and updated IZO. Attachment 1 includes the text of the draft IZO Amendments (Chapter 17.44, starting on page 8 of Attachment 1) in redline/strikeout format. In addition to items on which the City Council provided specific direction, the proposed revisions include various other updates, clarifications and improvements to the IZO, principally intended to provide more clear and objective standards, clarify procedures, and align the ordinance with more standard language in definitions and other terms. Substantive changes to the IZO are outlined below.

Inclusionary Rate and Affordability Levels (17.44.040.B. and C.)

The amended IZO establishes the inclusionary rate and affordability levels for ownership and rental projects. As described above, consistent with majority City Council direction, it includes:

- For-Sale Projects (attached and detached): 15% inclusionary; units affordable to households making up to a maximum of 120% Area Median Income (AMI) – i.e., moderate income
- Rental Projects: 15% inclusionary; units affordable to households making a maximum of 50% and 60% Area Median Income (AMI) – i.e., very-low and low-income. (This split affordability is recommended, based on further analysis by EPS, in support of a City Council request to study this option).

The proposed 15% rate and recommended affordability levels provide an appropriate balance between achieving the City's affordable housing goals, while representing a more feasible rate for attached and detached single-family projects. While there is potentially a significant developer cost to subsidize inclusionary for-sale units due to the large gap between affordable and market sales prices, other proposed amendments to the IZO would provide projects with significantly more flexibility to meet the requirements of the IZO on-site, and thus improve feasibility. Furthermore, staff's analysis found there would be a minimal future number of large, single-family detached projects subject to the IZO, and the change from a 20% inclusionary rate to a 15% rate will not meaningfully affect inclusionary unit production.

With respect to multi-family projects, as previously presented to City Council, it is currently an extremely challenging environment for multi-family construction, and few, if any, projects are likely to be feasible under current economic conditions, even if the inclusionary rate were to be substantially reduced. However, since the current 15% rate has been feasible in the past, and anticipating there will be improvement in the multi-family construction market over time, staff recommended, and City Council supported, retaining the multi-family rental inclusionary rate at 15%, which will also help the City meet its affordable housing goals.

The August 20 report also suggested the City Council could consider other near-term tools to help stimulate multi-family rental housing production, which comprises the largest share of the remaining units that could be zoned and built under the Housing Element, such as temporarily permitting projects to “fee out” of up to a third of their inclusionary requirement. The City Council will have the opportunity to consider this concept as part of the discussion and adoption of the Affordable Housing fee.

Threshold Project Size

As recommended by City Council, the IZO has been amended to reduce the minimum project

size subject to inclusionary requirements (i.e., required to provide units on site) from 15 to 10 units.

Inclusionary Unit Standards (Section 17.44.040)

Numerous changes are proposed to Section 17.44.040, principally to create more objective standards for the evaluation of inclusionary housing proposals, and in some instances to provide more flexibility in how the inclusionary requirements can be met. Major changes include:

- Clustering and dispersal of units (17.44.050.A): The revisions include additional, but limited, exceptions to permit clustering of units. For example, within single-family detached developments the IZO would have provisions to allow attached units such as duets or townhomes, or where a project is able to use Lower Income Housing Tax Credits (LIHTC) to achieve a multi-family project that would satisfy its inclusionary requirements for those units to be clustered, as a practical matter. The amended IZO allows other exceptions to the clustering/dispersal requirements to be allowed, subject to City Council allowance through an “alternative compliance” approval (see below) and subject to specific findings.
- ADUs and JADUs disallowed from counting toward inclusionary requirements (17.44.050.B): The revised IZO explicitly states that ADUs and JADUs may not count toward the IZO. This new requirement is staff’s recommendation, as legally (pursuant to the Ellis Act) the City cannot require a homeowner to rent an ADU (at all), and even if rented, there are significant practical challenges to monitoring and ensuring the unit is rented to an income-qualified household. This provision is not intended to construe that the City does not support or encourage ADUs in general, which could still be used to provide an increment of housing above and beyond the IZO, that is “affordable by design.” Language has been included in the draft amended IZO to that effect.

The City Council unanimously supported not allowing JADUs to count toward meeting the IZO but requested additional analysis regarding ADUs. In addition to the above-stated reasons, there are negative reports from staff of cities whose ordinances have allowed ADUs to satisfy their respective IZO only to see virtually all single-family projects elect this option and then face significant challenges with monitoring and enforcement. As such, staff continues to strongly recommend against allowing for ADUs to be used to satisfy the IZO requirements. In particular, it is the intent of the IZO and numerous policies of the Housing Element to secure units that provide housing opportunities for lower-income households in need of those units. The lack of certainty that the unit will actually provide the affordable housing opportunity intended to be secured by the IZO is a compelling reason in support of the staff and Planning Commission recommendation, consistent with the City’s stated policy goals.

- Unit Size. The proposed amendments allow for:
 - For-sale inclusionary units: Living area to be up to 50 percent of the size of the average of the market-rate units.
 - Rental inclusionary units: Minimum unit sizes are specified based on number of bedrooms. (1) a studio shall be at least 450 net square feet; (2) a one-bedroom

unit shall be at least 550 net square feet; (3) a two-bedroom unit shall be at least 750 net square feet; (4) a three bedroom unit shall be at least 1,000 net square feet; and (5) for units with more than three bedrooms an additional 200 net square feet for each additional bedroom.

Regarding the size of inclusionary rental units, in response to Planning Commission comments, the above recommendations include some minor adjustments to the minimum square footage, reducing them slightly from the initially proposed unit sizes by 50-100 square feet, to help improve the feasibility of these units for new development. The revisions also now specify that unit sizes are net (i.e., "paint to paint") so that the thickness of walls is not included in the unit size calculation. In developing the recommendations, staff consulted with Van Meter Williams Pollack (VMWP), the City's consultant who has extensive experience developing both market-rate and affordable projects throughout the Bay Area. The recommended unit sizes are based on considerations of livability (adequate living space for the typical household size that would be occupying a unit) and ability to include features such as storage and additional bathrooms as bedroom counts increase. VMWP noted that in Pleasanton, market-rate unit sizes tend to be larger than in more urban areas such as Oakland and San Francisco, so ensuring relative equity between the affordable and market-rate units means that affordable units should also be somewhat larger than in those other locations.

- *Bedroom Mix (17.44.050.G.)* The IZO has been amended to include new requirements for the bedroom mix (i.e., the number of units that are studios, one-, two-, or three-bedrooms) of the affordable units.
 - For-sale projects inclusionary units must reflect a similar average number of bedrooms as the market-rate units
 - In rental projects, a mix that includes at least 10% three-bedroom units is required, with a limitation set on studio units (no more than 10% studio units are allowed), and the remainder one- and two-bedroom units.

This mix is the same as that included and approved in the ODS, and matching average bedroom counts in for-sale projects is a commonly used approach that retains equivalency between the market-rate and affordable units.

Alternative Means of Compliance (17.44.040.080)

Consistent with direction provided by City Council on August 20, recommended amendments to the alternative compliance section (17.44.080) include:

- More detailed findings for approval of alternative compliance proposals, and clearly placing the burden of proof to support the basis of requests on the applicant.
- Establishing the City Council as the approving body for all alternative compliance requests.
- Establishing a clear priority among acceptable forms of alternative compliance, with (from most to least preferred): 1) Alternative configurations, unit types or clustering of units on site; 2) Constructing units off-site; 3) Dedicating land for an affordable housing project; and 4) Paying the Affordable Housing fee. As proposed in the text amendments, applicants are required to demonstrate that a higher-priority option is infeasible, before consideration is made of a lower-priority option.

- Strengthened, and where possible, objective criteria for each of the alternative compliance options to ensure that the alternative will continue to meet the purpose of the IZO and policy priorities of the City.

In addition, the amendments would remove the option to allow transfer of excess units as credits to help maximize the production of affordable units and avoid administrative complexities in terms of the timing, coordination and approvals required between the “sending” and “receiving” sites.

Procedures for Review

Among other clarifying provisions, the proposed IZO amendments would allow for affordable housing proposals/agreements in full compliance with the Ordinance (i.e., not requesting alternative compliance or otherwise deviating from the standard) to be approved by the same body responsible for approval of the underlying project. For example, if the project was subject to Planning Commission approval, then a fully compliant affordable housing agreement could also be reviewed and approved by the Planning Commission. Such actions would be subject to the typical appeal or “call-up” procedures allowed by the municipal code. Any affordable housing agreement proposal involving an alternative compliance request would be subject to City Council review and approval.

Other Revisions

Other more minor revisions are included throughout the Ordinance and reflected in the redline draft in Attachment 1. These generally aim to improve or clarify the language of the ordinance, reduce ambiguity, and/or create more objectivity. Additional revisions beyond those noted in the prior section include:

- 17.44.020 – Purpose: Revisions to remove reference to regulatory provisions more appropriately stated elsewhere in the Ordinance.
- 17.44.030 – Definitions: Revisions to the definitions section to align and update the definitions to terms used in the Ordinance, current practices, and other related regulatory requirements.
- 17.44.050 – Inclusionary Unit Provisions and Specifications: In addition to the changes described above, other revisions in this section would add more specificity or measurable standards.
- 17.44.060 – Affordable Housing Agreement: Clarifying that where a project is permitted by City Council to pay affordable housing fees such project does not require a separate affordable housing agreement, and the requirement would instead be memorialized in a City Council resolution for approval.
- 17.44.070 – Incentives to Encourage On-Site Construction of Inclusionary Units: Deletion of the incentive for “priority processing” since this requirement may conflict with project review timelines mandated by State law.
- 17.44.080 – Alternative Means of Compliance. Other minor revisions to clarify/strengthen requirements and criteria for approval of alternative compliance requests.
- 17.44.090 – Administration. Addition of a provision regarding amendment of affordable housing agreements to allow administrative approval of minor, non-substantive changes, with other amendments subject to approval by the original approving body.

Related Amendments to PMC Chapters 17.40, 18.38, and Objective Design Standards

In addition to the various amendments to Chapter 17.44, various amendments are proposed to other chapters of the PMC and to the 2023 Objective Design Standards to align with the IZO amendments and to make other limited updates to align with State law. In summary, these include:

Chapter 17.40 – Affordable Housing Fee

Minor revisions have been made to this chapter, including:

- Clarification of the purposes for which affordable housing funds may be used, to include affordable housing programs as well as construction of affordable housing units.
- Modernizing/update terminology (e.g., referencing facilities for religious purposes as being exempt from the affordable housing fee) and/or align it to existing regulations (e.g., adding a reference to Junior ADUs, as well as ADUs as being exempt from the affordable housing fee.) Since the Planning Commission review, an additional update has been made to definitions of Lower- and Moderate-Income Housing Units, to align them with the definitions used in the IZO.
- Amending the method by which annual increases to the fee are made to be indexed to the Construction Cost Index (CCI), rather than the Consumer Price Index (CPI), since provision of affordable/inclusionary housing is a construction-related cost.
- Deletion of references to annual reporting and other requirements pursuant to AB1600 (Mitigation Fee Act) since the affordable housing fee is not considered an impact fee subject to AB1600.

Chapter 18.38 – Housing Opportunity Zone District

As part of implementation of the 2023-2031 (6th Cycle) Housing Element, the City rezoned sites and created the Housing Opportunity Zone District. Since the IZO was pending update, some more detailed standards for inclusionary housing were included in this chapter. Because those provisions would be redundant with the updated IZO, this chapter of the PMC would be amended to delete them.

Objective Design Standards for Housing Element Sites

Similar to Chapter 18.38, the ODS were adopted prior to this update of the IZO, and so detailed standards were included in the ODS for required affordable housing units. Similarly, those standards are proposed to be deleted from the ODS, and instead the ODS would defer to the IZO for affordable housing requirements.

EQUITY AND SUSTAINABILITY

Adopting the updated Inclusionary Zoning Ordinance and related PMC amendments helps to advance equity and sustainability goals, by improving and strengthening the ordinance and its implementing procedures to encourage the maximum production of affordable housing units, and ensure that the housing needs of Pleasanton's lower-income households are met.

OUTREACH

Notice of this meeting was placed in The Valley Times, and interested parties requesting notification were also sent notices. Following this meeting and with direction from City Council,

staff is scheduled to present the key findings and recommendations to meetings of the Chamber of Commerce Economic Development and Government Relations (EDGR) Committee; the Business Organization Partners (BOP), and the Economic Vitality Committee (EVC).

STRATEGIC PLAN ALIGNMENT

Completion of these updates is consistent with the ONE Pleasanton Strategic Plan goal of *Building a Community Where Everyone Belongs*, Strategy – Implement the Housing Element and develop a plan to end homelessness, and the 6th Cycle Housing Element Program 2.1 – Continue to implement the Inclusionary Zoning Ordinance and actively pursue strategies to improve its effectiveness in producing affordable housing units in conjunction with new development.

FISCAL IMPACT

Adopting the IZO and related Code amendments would not have a direct fiscal impact, since its provisions are intended to better align the City's requirements and standards with respect to provision of affordable housing with the City's broader housing policy goals, while ensuring those requirements are not an impediment to overall residential development that may contribute future property tax and other revenues.

Prepared by:



Ellen Clark, Director of
Community Development

Submitted by:



Ellen Clark, Director of Community
Development

Approved by:



Gerry Beaudin, City
Manager

Attachments:

1. Redline Amendments, PMC Chapters 17.40, 17.44, 18.38 and Objective Design Standards
2. May 7 and August 20, 2024 City Council Workshop Minutes
3. Presentation

ATTACHMENT 1

TITLE 17 PLANNING AND RELATED MATTERS

Chapter 17.40 AFFORDABLE HOUSING FEES

§ 17.40.010. Purpose.

An affordable housing fee (previously known as the lower-income housing fee) is established as set forth in this chapter in order to assist in meeting the affordable and moderate-income housing goals as established in the general plan.
(Ord. 1488 § 1, 1990; Ord. 2192 § 2, 2019)

§ 17.40.020. Definitions.

As used in this chapter:

"Commercial office or industrial development project" means any construction of a new commercial, office or industrial structure, the addition to any existing commercial, office or industrial structure, or the conversion of an existing commercial, office or industrial structure to a use classification capable of employing additional employees.

~~"Household of moderate income" means a household comprised of those individual or families with incomes greater than 80 percent, but less than 120 percent, of the median family income for the Standard Metropolitan Statistical Area, defined as Alameda and Contra Costa Counties for a family of four persons, adjusted up or down for larger or smaller household sizes (PMSA Median).~~

~~"Household of lower income" means a household composed of those individuals or families with incomes no greater than 80 percent of the median family income for the Standard Metropolitan Statistical Area, defined as Alameda and Contra Costa Counties for a family of four persons, adjusted up or down for larger or smaller household sizes (PMSA Median).~~

~~"Lower income housing units" means new or rehabilitated units to be used by households of lower income for at least 25 years and the total housing cost for each unit shall not exceed 30 percent of household income.~~

~~"Moderate income housing units" means new or rehabilitated units to be used by households of moderate income for at least 25 years and the total housing cost for each unit shall not exceed 30 percent of household income.~~

"Housing Unit, Lower-Income" means a new or rehabilitated unit to be made available at a sales price or rental cost affordable to a household whose income does not exceed 80 percent of the Area Median Income, as those terms are defined in Chapter 17.44.

“Housing Unit, Moderate-Income” means a new or rehabilitated unit to be made available at a sales price or rental cost affordable to a household whose income is more than 80 percent of the Area Median Income, but does not exceed 120 percent of the Area Median Income, as those terms are defined in Chapter 17.44.

"Rehabilitated unit" means any housing unit not meeting Uniform Building Code requirements for occupancy which is improved so as to meet those requirements.

"Residential development project" means the construction of a new housing unit.
(Ord. 1488 § 1, 1990; Ord. 2192 § 2, 2019)

§ 17.40.030. Affordable housing fee required.

- A. All residential and commercial office or industrial development projects not otherwise exempt shall pay an affordable housing fee as established by separate city council resolution and which fee shall be set forth in the city's ~~fees and charges appendix, master fee schedule, as amended.~~

If additional floor area is constructed for, or converted to, commercial, industrial or office use, the fee shall be applicable only to the square footage of the floor area added or to that portion of the square footage of the floor area converted for which the fee has not been paid.

- B. The city council may adjust the fee in consideration of on-site programs promoting lower-income housing such as the dedication of land suitable for lower-income housing, or in conjunction with an alternative compliance proposal made as part of an affordable housing proposal in accordance with Chapter 17.44.

(Ord. 1488 § 1, 1990; Ord. 2192 § 2, 2019)

§ 17.40.040. Exemptions.

- A. The following are exempt from the affordable housing fee:
1. All units within a residential development project when the project has a minimum of 15 percent deed-restricted lower-income housing units;
 2. Those lower-income housing units in a residential development project with less than 15 percent deed-restricted lower-income housing units;
 3. Deed-restricted Moderate moderate-income housing units in residential development projects;
 4. Second units and accessory dwelling units and junior accessory dwelling units as those terms are used in Section 65852.2 of the Government Code and Chapter 18.106;
 5. Reconstruction or other new development on a site when such reconstruction replaces an equal number of square feet of floor area, as defined in the Uniform Building Code, when the use is similar, and when such reconstruction occurs within two years from the time the previous structure on the site was demolished;
 6. Churches Facilities used exclusively for religious purposes as defined in California Revenue and Taxation Code Section 207.

- B. The project developer shall enter into a regulatory agreement with the city in order for a project to qualify for an exemption by the inclusion of lower-income or moderate-income housing units.

(Ord. 1488 § 1, 1990; Ord. 2192 § 2, 2019)

§ 17.40.050. Reduction of fee—Commercial, office or industrial project.

- A. The city council may reduce the required fee for a commercial, office or industrial development project when the project developer can demonstrate: (1) that the proposed use will generate substantially fewer workers than the uses which have established the fee; and (2) that the building design is unable to house another use without substantial renovation. Examples of such uses are public utility facilities, exclusive storage buildings, etc.
- B. In the event such buildings are renovated to house another use, the fee then applicable shall be due at that time.

§ 17.40.060. Commercial, office or industrial projects—Construction of lower-income housing.

Commercial, office or industrial development projects may construct lower-income housing to fulfill the requirements of this chapter in accordance with this section, and with the applicable provisions of Section 17.44.030.

- A. Lower-income housing proposed to offset the requirements of this chapter must be proposed in conjunction with the commercial, office or industrial development project which would give rise to the fee and must be approved by the city council in offsetting otherwise required affordable housing fees.
- B. For lower-income housing constructed on lands designated for other than residential development in the general plan as of the effective date of the ordinance codified in this chapter, the project developer shall be given a credit, for purposes of offsetting the affordable housing fee otherwise required, in an amount established by separate city council resolution and which credit amount shall be set forth in the city's fees and charges appendix.
- C. For lower-income housing constructed on lands designated for residential development in the general plan as of the effective date of the ordinance codified in this chapter, for each lower-income housing unit constructed beyond 15 percent of the residential development project, the project developer shall be given a credit for purposes of off-setting the affordable housing fee otherwise required, in an amount established by separate city council resolution and which credit amount shall be set forth in the city's fees and charges appendix.
- D. In the event the lower-income housing constructed by the developer of a commercial, office or industrial development project creates an offset of the affordable housing fee greater than the total fee required by the development project, the developer may apply the difference to other sites then owned by the developer. This transfer shall be so noted in the regulatory agreement accompanying the project.

(Ord. 1488 § 1, 1990; Ord. 2192 § 2, 2019)

§ 17.40.070. Annual adjustment of the fee.

The affordable housing fee shall annually be revised effective January 1st of each year, commencing on January 1, 1992, by the percentage increase or decrease in the Engineering News Record Consumer Construction Price Cost Index for the San Francisco San Francisco/Oakland region Bay Area.

(Ord. 1488 § 1, 1990; Ord. 2192 § 2, 2019)

§ 17.40.080. Establishment of affordable housing fund.

- A. All fees generated pursuant to this chapter shall be deposited into the affordable housing fund, and any property interest or other value contributed, including interest earned by the fund, shall be segregated and used exclusively for the purposes provided for herein.
- B. The city manager shall make a written annual report to the city council regarding the administration of the affordable housing fund, ~~and shall present such annual report at a regular meeting of the city council.~~
- ~~C. Pursuant to Government Code Section 66000, et seq., the city shall make findings once each fiscal year with respect to any portion of the fees remaining unexpended or uncommitted in its account five or more years after the deposit of the fees to identify the purpose to which the fee is to be put and to demonstrate a reasonable relationship between the fee and the purpose for which it was charged. The findings required by this section need only be made for moneys in the possession of the city and need not be made with respect to letters of credit, bonds or other instruments taken to secure payment of the fee at a future date.~~
- D. ~~Any refunds shall be made pursuant to Government Code Section 66001.~~
(Ord. 1488 § 1, 1990; Ord. 2192 § 2, 2019)

§ 17.40.090. Use of affordable housing fund.

- A. Any ~~moneys~~ monies generated by this chapter shall be used in accordance with and in support of activities to administer and implement the city's adopted housing element and other policies and programs specifically related to affordable housing as may be approved or authorized by the city council. Activities may include, but are not limited to, land acquisition, construction, rehabilitation, subsidization, and counseling or assistance to other governmental entities, private organizations, or individuals to expand housing opportunities to lower-income households.
- B. ~~Moneys~~ Monies in the affordable housing fund may be disbursed, hypothecated, collateralized, or otherwise employed for the purposes set forth herein. These purposes include, but are not limited to, assistance to housing development corporations, equity participation loans, grants, development loan funds, participation leases, loans to develop affordable housing or other public/private partnership arrangements. The affordable housing fund may be used for the benefit of both rental or owner-occupied housing.
- C. When the city uses affordable housing fund moneys to construct or assist in the construction of lower-income units, the city may establish the rules which will apply to occupancy of said units. It is the intention of this chapter and the general plan that such units be made available on a priority basis to Pleasanton residents and workers.

- D. The city council may use affordable housing fund ~~moneys~~ monies for moderate-income housing as determined necessary and desirable to meet general plan goals and policies.
(Ord. 1488 § 1, 1990; Ord. 2192 § 2, 2019)

§ 17.40.100. Time of payment.

Affordable housing fees shall be paid at the time of issuance of a building permit for the residential unit and/or for the commercial, office or industrial development project giving rise to the fee, unless otherwise determined by the city.

(Ord. 1488 § 1, 1990; Ord. 2192 § 2, 2019)

Chapter 17.44 INCLUSIONARY ZONING

Article I General Provisions

§ 17.44.010. Title.

This chapter shall be called the "Inclusionary Zoning Ordinance of the City of Pleasanton."
(Ord. 1818 § 1, 2000)

§ 17.44.020. Purpose.

The purpose of this chapter is to enhance the public welfare, ~~to and~~ assure that market-rate further housing development mitigates its impacts on the demand for affordable housing, and to attain ~~attains~~ the city's affordable housing goals by increasing the production of residential units affordable to households of very low, low, and moderate income, and by providing funds for the development of very low, low, and moderate income ownership and/or rental housing and for housing-related programs that benefit very-low, low, and moderate income households. ~~In order to assure that the remaining developable land is utilized in a manner consistent with the city's housing policies and needs, 15 percent of the total number of units of all new multiple-family residential projects containing 15 or more units, constructed within the city as it now exists and as may be altered by annexation, shall be affordable to very low and low income households. For all new single-family residential projects of 15 units or more, at least 20 percent of the project's dwelling units shall be affordable to very low, low, and/or moderate income households. These requirements shall apply to both ownership and rental projects.~~
(Ord. 1818 § 1, 2000)

§ 17.44.030. Definitions.

For the purposes of this chapter, certain words and phrases shall be interpreted as set forth in this section unless it is apparent from the context that a different meaning is intended.

"Affordable Housing Fee." A fee paid to the city by an applicant for a project in the city, in lieu of providing the inclusionary units required by this chapter.

"Affordable housing proposal." A proposal submitted by the project owner as part of the city development application (e.g., design review, planned unit development, etc.) stating the method by which the requirements of this chapter are proposed to be met.

"Affordable rent." A monthly rent (including utilities as determined by a schedule prepared by the city) which does not exceed one-twelfth of 30 percent of the maximum annual income for a household of the applicable income level.

"Affordable sales price." A sales price ~~that which~~ results in a monthly housing costs, mortgage payment (including principal and interest) which may include taxes, insurance, homeowners association dues (if any), and utility costs as determined by the city, which does not exceed

one-twelfth of 35 percent of the maximum annual income for a household of the applicable income level.

"Amenities, Interior." Interior features which are not essential to the health and safety of the resident, but provide visual or aesthetic appeal, or are provided as conveniences rather than as necessities. Interior amenities may include, but are not limited to, fireplaces, garbage disposals, dishwashers, cabinet and storage space and bathrooms in excess of one. Amenities shall in no way include items required by city building codes or other ordinances that are necessary to ensure the safety of the building and its residents.

"Amenities, Shared." Facilities and amenities within the project that are available for the shared and/or general use of residents of the project, including but not limited to shared recreation and other facilities (e.g. gym or pool, clubhouse, meeting room, co-working space, laundry, barbeque area, etc.).

–"Applicant." Any person, firm, partnership, association, joint venture, corporation, or any entity or combination of entities which seeks city permits and approvals for a project.

"Area Median Income (AMI)." Median income for Alameda County, adjusted for household size, as published pursuant to California Code of Regulations, Title 25, Section 6932 and California Health and Safety Code section 50093 as may be amended.

"City." The city of Pleasanton or its designee or any entity with which the city contracts to administer this chapter.

"Commercial, office, and industrial project." For the purposes of this chapter, any new nonresidential (commercial, office, or industrial) development or redevelopment greater than 10 gross acres or 250,000 square feet of gross building area, whichever is less.

"Dwelling unit." A dwelling designed for occupancy by one household.

"HUD." The United States department of housing and urban development or its successor.

"Household." One person living alone; or two or more persons sharing residency whose income is considered for housing payments.

"Household, low income." A household whose annual income is more than 50 percent but does not exceed 80 percent of the ~~AMI annual median income for Alameda County, based upon the annual income figures provided by the U.S. department of housing and urban development (HUD), as defined by this chapter.~~ adjusted for household size.

"Household, moderate income." A household whose annual income is more than 80 percent but does ~~not~~ exceed 120 percent of the ~~AMI annual median income for Alameda County, based upon the annual income figures provided by HUD,~~ as defined by this chapter.

"Household, very low income." A household whose annual income does not exceed 50 percent of the ~~AMI annual median income for Alameda County, based upon the annual income figures provided by HUD,~~ as defined by this chapter.

"Inclusionary unit." A dwelling unit as required by this chapter which is rented or sold at affordable rents and/or affordable sales prices (as defined by this chapter) to very low, low, or moderate income households.

"Inclusionary unit credits." Credits approved by the city council in the event a project exceeds the total number of inclusionary units required in this chapter. ~~Inclusionary unit credits may be used by the project owner to meet the affordable housing requirements of another project subject to approval by the city council.~~

"Income." The gross annual household income as defined by HUD.

"Life of the inclusionary unit." The term during which the affordability provisions for inclusionary units shall remain applicable. The affordability provisions for inclusionary units shall apply in perpetuity from the date of occupancy, which shall be the date the city of Pleasanton performs final inspection for the building permit.

~~"Lower income housing fee." A fee paid to the city by an applicant for a project in the city, in lieu of providing the inclusionary units required by this chapter.~~

"Market-rate units." means new living units in residential projects which are not rented or sold at affordable rents or affordable sales prices, as defined in this chapter.

~~"Median income for Alameda County." The median gross annual income in Alameda County as determined by HUD, adjusted for household size.~~

"Off-site inclusionary units." Inclusionary units constructed within the city of Pleasanton on a site other than the site where the applicant intends to construct market rate units.

"Ownership units." Inclusionary units developed as part of a residential development which the applicant intends will be sold, or which are customarily offered for individual sale.

"Project." A residential housing development at one location or site including all dwelling units for which permits have been applied for or approved.

"Project owner." Any person, firm, partnership, association, joint venture, corporation, or any entity or combination of entities which holds fee title to the land on which the project is located.

"Property owner." The owner of an inclusionary unit, excepting a "project owner."

"Recapture mechanisms." Legal programs and restrictions by which subsidies provided to inclusionary units will be controlled and repaid to the city and/or other entity upon resale, to ensure the ongoing preservation of affordability of inclusionary units or to ensure funds for inclusionary units remain within the city's affordable housing program.

"Rental units." Inclusionary units which the applicant intends will be rented or leased, or which are customarily offered for lease or rent.

"Residential project, rental." A residential project or portion thereof, that creates one or more units that cannot be sold individually, except that construction of any accessory dwelling unit shall not be considered a rental project.

"Residential project, for sale." A residential project, or portion thereof, that includes the creation of one or more residential living units that may be sold individually, including a condominium, stock cooperative, community apartment, or attached or detached single-family home. A for-sale project also includes a residential condominium conversion project and the

creation of residential living units that may be sold individually, but are initially rented rather than sold.

"Resale restrictions." Legal restrictions which restrict the price of inclusionary units to ensure that they remain affordable to very low, low, and moderate income households on resale.

~~"Residential project, multiple-family." A residential project consisting of condominiums, apartments, and similar dwellings attached in groups of four or more units per structure and including multiple units located on a single parcel of land under common ownership.~~

~~"Residential project, single-family." A residential project consisting of detached and attached single-family homes, including paired single-family, duets, duplexes, townhomes, and similar unit types where each unit is located on a separate parcel of land.~~

"Unit type." Various dwelling units within a project which are distinguished by number of bedrooms and/or the type of construction (e.g., detached single-family, duets, townhomes, condominiums, apartments).

(Ord. 1818 § 1, 2000)

Article II Zoning Requirements

§ 17.44.040. General requirements/applicability.

A. Applicability. The Inclusionary Housing Requirements of this chapter shall apply to all new residential for-sale and rental projects, including mixed residential and non-residential projects, consisting of ten (10) or more residential units or parcels. The project unit count used to determine applicability of this chapter shall be exclusive of any Accessory Dwelling Units or Junior Accessory Dwelling Units.

~~A. Residential Development. For all new multiple-family residential projects of 15 units or more, at least 15 percent of the project's dwelling units shall be affordable to very low, and/or low income households. For all new single-family residential projects of 15 units or more, at least 20 percent of the project's dwelling units shall be affordable to very low, low, and/or moderate income households. These dwelling units shall be referred to as "Inclusionary Units". Special consideration will be given to projects in which a significant percentage of the inclusionary units are for very low and low income households. The specific mix of units within the three affordability categories shall be subject to approval by the city.~~

~~The inclusionary units shall be reserved for rent or purchase by eligible very low, low, and moderate income households, as applicable. Projects subject to these requirements include, but are not limited to, single-family detached dwellings, townhomes, apartments, condominiums, or cooperatives provided through new construction projects, and/or through conversion of rentals to ownership units.~~

The percentage of inclusionary units required for a particular project shall be determined ~~only once on a given project,~~ at the time of tentative map approval, or, for projects not processing a map, prior to issuance of building permit. If the ~~project's subdivision~~ design changes, which results in a change in the number of ~~inclusionary units~~~~unit types~~ required, the number of inclusionary units required shall be recalculated to coincide with the final approved project. In applying and calculating the number of inclusionary units required based on the specified percentage~~15 percent requirement~~, any decimal fraction less than or equal to 0.50 may be disregarded, and any decimal fraction greater than 0.50 shall be construed as one unit.

B. Residential For-Sale Projects. For all new for-sale residential project, and where the project would include 10 residential units or more, at least fifteen (15) percent of the project's dwelling units shall be affordable to very-low, low- or moderate-income households as specified. These units shall be referred to as "Inclusionary Units." The Inclusionary Units shall be reserved for purchase by eligible households, in the following proportions. The applicant shall not be prohibited from deepening the level of affordability in the project:

- 100 percent of the inclusionary units at a sales price affordable to a household whose income is no more than 120% of the Area Median Income.

C. Residential Rental Projects. For all new residential rental projects, including where the rental units are part of a mixed use projects, and where the project would include 10 residential units or more, at least 15 percent of the project's dwelling units shall be affordable to very-low [and/] or low-income households as specified. These units shall be referred to as "Inclusionary Units." The Inclusionary Units shall be reserved for rent to eligible households within each income category as specified, in the following proportions. The applicant is not precluded from deepening the level of affordability in the project:

- 50 percent of the inclusionary units at a sales price affordable to a household whose income is no more than 50% of the Area Median Income.
- 50 percent of the inclusionary units at a sales price affordable to a household whose income is no more than 60% of the Area Median Income

D. Commercial, Office, and Industrial (COI) Development. COI projects shall be subject to the affordable housing ~~In lieu of paying the lower income fee as set forth in Chapter 17.40. In lieu of paying the affordable housing fee COI developments as defined in this chapter~~ city Ordinance No. 1488, COI development may provide rental or for-sale affordable housing consistent with this chapter, and with the requirements of Section 17.40.060. A COI development proposing to provide affordable housing in lieu of paying the fee shall. ~~As a result, new COI developments are strongly encouraged to submit an affordable housing proposal as set forth in Section 17.44.090 of this chapter. Upon submittal of the affordable housing proposal, city staff will meet with the~~

developer to discuss the potential for providing incentives to encourage on-site construction of affordable housing units and alternatives to constructing affordable units as set forth in this chapter. In the event a developer requests incentives or alternatives as a means of providing affordable housing in connection with a COI development, the affordable housing proposal will be reviewed as set forth in Section 17.44.090 of this chapter. ~~COI development not pursuing the inclusion of affordable housing shall be subject to the lower income fees as set forth in city ordinance 1488.~~

- E. Residential projects with fewer than ten (10) Dwelling units shall be subject to the affordable housing fee as set forth in Chapter 17.40.

(Ord. 1818 § 1, 2000)

§ 17.44.050. Inclusionary unit provisions and specifications.

- A. For those projects with both market-rate and inclusionary units, the inclusionary units shall be dispersed throughout the project so as not to concentrate inclusionary units in a specific geographic area (including a floor) of the project, except as provided in this section. The inclusionary units shall be located in comparable locations to the market-rate units, and shall be located on each floor, and throughout the site such that a) a proportionate number of inclusionary units are located on each floor of a multi-story apartment or condominium building, and that within such buildings no more than 20 percent of units are located adjacent to one another; b) no more than 20 percent of the units are located adjacent to one another in a single-family detached project and c) in developments containing more than one multi-unit structure, including groups of attached townhomes, condominiums or apartments, no more than 50 percent of the proposed inclusionary units are consolidated into one structure.
1. For a project where the market rate units are proposed to be detached single-family homes, it is permitted for the inclusionary units to be paired single-family, duets, duplexes, or townhomes. In such case, the townhomes, duets, or duplexes shall be dispersed throughout the project.
 2. For a project where the market rate units are proposed to be attached or detached single-family homes, duets, or duplexes (or a combination thereof), it is permitted for the inclusionary units to be ownership condominiums or rental apartments, with such units also dispersed throughout the project. This provision shall not apply to affordable units that are financed with low-income tax credits.
 3. Clustering of inclusionary units in a manner other than that specified in this section may be allowed subject to City Council approval, as specified in Section 17.44.080, Alternative Means of Compliance.
- B. Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs) shall not be permitted to satisfy the requirements of this Inclusionary Zoning Ordinance. This provision shall not be construed to discourage, prohibit or disallow the provision of ADUs and JADUs as a component of a market-rate residential project, in addition to any required inclusionary units.

- C. Inclusionary units shall be equivalent in exterior appearance and overall quality of construction to market-rate units in the housing development.
- ~~A. Inclusionary units shall be dispersed throughout the project unless otherwise approved by the city.~~
- ~~B. Inclusionary units shall be constructed with identical exterior materials and an exterior architectural design that is consistent with the market rate units in the project.~~
- D. Inclusionary units may be of smaller size than the market-rate units in the project, subject to the following limitations:
1. For for-sale units, the living area of each inclusionary units may be up to 50 percent smaller than the size of the average market rate unit in the project.
 2. For rental units, the living area of each inclusionary unit shall be as follows: (1) a studio shall be at least 450 net square feet; (2) a one-bedroom unit shall be at least 550 net square feet; (3) a two-bedroom unit shall be at least 750 net square feet; (4) a three bedroom unit shall be at least 1,000 net square feet; and (5) for units with more than three bedrooms an additional 200 net square feet for each additional bedroom.
- E. Inclusionary units . ~~In addition, inclusionary units~~ may have fewer interior amenities than the market rate units in the project, except that inclusionary units shall have air-conditioning, enclosed garages, and laundry facilities to the extent the market-rate units have those amenities. Interior finishes and amenities must be equivalent to those provided in the base model market-rate units.
- F. The residents of the inclusionary units shall have the same access to shared common areas, open space, parking, storage and other amenities as the market-rate residents when located in the same building or on the same site.
- G. Bedroom Mix:
- ~~H. The project shall comply with the following . However, the city may require that the inclusionary units meet certain minimum standards with respect to the bedroom mix of . These standards shall be set forth in the affordable/inclusionary units: housing agreement for the project.~~
- i. For for-sale projects, the average number of bedrooms per unit for all affordable units in the project shall equal the average number of bedrooms for all other units in the project, up to a limit of three bedrooms per unit;
 - ii. For rental projects, a minimum of 10 percent of the total affordable units shall be three-bedroom units; a minimum of 40 percent of the total affordable units shall be two-bedroom units; and the remaining affordable units shall be studio or one-bedroom units except that no more than 10% of units may be studios. Age-restricted projects shall not be required to provide three-bedroom units, and may instead provide additional studio, one- or two-bedroom units in lieu of the required three-bedroom units. This provision shall not apply to affordable units that are financed with low-income tax credits. The director of community development may approve deviations from the specified bedroom mix for projects with 10 or fewer inclusionary units, except that at least 50 percent of units shall have at least two bedrooms if the market rate project also provides units of that size.

- I. Inclusionary units shall remain affordable in perpetuity from the date of occupancy, which shall be the date the city of Pleasanton performs final inspection for the building permit, through recordation of an affordable housing agreement as described in Section 17.44.060 of this chapter.
- J. All inclusionary units in a project shall be constructed concurrently ~~with~~within or prior to the construction of the project's market rate units, unless an alternative schedule for construction is approved by the city council. "Concurrently" means that all inclusionary units shall be built prior to the full build-out of market rate units in the same residential development project. In phased developments, inclusionary units shall be constructed and occupied in proportion to the number of market rate units constructed and occupied in each phase.
 1. A building permit may not be issued for any market rate unit unless a proportional number of building permits has been issued for inclusionary units; and
 2. A certificate of occupancy or final inspection may not be issued for market rate units unless a proportional number of certificates of occupancy or final inspections have been issued for inclusionary units.
- K. For purposes of calculating the affordable rent or affordable sales price of an inclusionary unit, the following household size assumptions shall be used for each applicable dwelling unit type:

Unit Size	HUD Income Category by Household Size
Studio unit	1 person
1 bedroom unit	2 persons
2 bedroom unit	3 persons
3 bedroom unit	4 persons
4 or more bedroom unit	5 or more persons

L. The city's adopted preference and priority system shall be used for determining eligibility among prospective beneficiaries for affordable housing units created through this inclusionary zoning ordinance.

(Ord. 1818 § 1, 2000)

§ 17.44.060. Affordable housing agreement.

An affordable housing agreement shall be entered into by the city and the project owner. The agreement shall record the method and terms by which a project owner shall comply with the requirements of this chapter. The approval and/or recordation of this agreement shall take place prior to final map approval or, where a map is not being processed, prior to the issuance of building permits for such lots or units.

The affordable housing agreement shall state the methodology for determining a unit's initial and ongoing rent or sales and resale price(s), any resale restrictions, occupancy requirements, eligibility requirements, city incentives including second mortgages, recapture mechanisms,

the administrative process for monitoring unit management to assure ongoing affordability and other matters related to the development and retention of the inclusionary units.

In addition to the above, the affordable housing agreement shall set forth any waiver of the ~~affordable lower income~~ housing fee. For projects which meet the affordability threshold with very low and/or low-income units, all units in the project shall be eligible for a waiver of the ~~affordable lower income~~ housing fee. For ~~single-family ownership~~ residential projects which meet the affordability threshold with moderate income units, ~~or multiple-family residential projects which do not meet the affordability threshold~~, only the inclusionary units shall be eligible for a waiver of the ~~affordable lower income~~ housing fee except as otherwise approved by the city council.

To assure affordability in accordance with the terms of this chapter and over the life of the unit ~~(i.e. in perpetuity)~~, the affordable housing agreement shall be recorded with the property deed or other method approved by the city attorney. ~~In the event an inclusionary unit is affordable by design the affordable housing agreement shall stipulate the method for assuring that the units retain their affordability as the housing market changes.~~

The community development director may waive the requirement for an affordable housing agreement ~~for projects approved prior to the effective hereof and/or~~ for projects that have their affordable housing requirements included in a development agreement or other city document. ~~(Ord. 1818 § 1, 2000; Ord. 2000 § 1, 2009)~~

If a project is permitted to pay the affordable housing fee to meet the requirements of this Chapter, pursuant to Sections 17.44.040.D, 17.44.040.E, or Section 17.44.080, an affordable housing agreement shall not be required. In the case of approval pursuant to Section 17.44.080, such provision shall be reflected in a resolution for approval adopted by city council. (Ord. 1818 § 1, 2000; Ord. 2000 § 1, 2009)

§ 17.44.070. Incentives to encourage on-site construction of inclusionary units.

The city shall consider making available to the applicant incentives to increase the feasibility of residential projects to provide inclusionary units. Incentives or financial assistance will be offered only to the extent resources for this purpose are available and approved for such use by the city council or city manager, as defined below, and to the extent that the project, with the use of incentives or financial assistance, assists in achieving the city's housing goals. However, nothing in this chapter establishes, directly or through implication, a right of an applicant to receive any assistance or incentive from the city.

Any incentives provided by the city shall be set out in the affordable housing agreement pursuant to Section 17.44.060 of this chapter. The granting of the additional incentives shall require demonstration of exceptional circumstances that necessitate assistance from the city, as well as documentation of how such incentives increase the feasibility of providing affordable housing.

The following incentives may be approved for applicants who construct inclusionary units on-site:

A. Fee Waiver or Deferral. The city council, by resolution, may waive or defer payment of city development impact fees and/or building permit fees applicable to the inclusionary units or the project of which they are a part. Fee waivers shall meet the criteria included in the city's adopted policy for evaluating waivers of city fees for affordable housing projects. The affordable housing agreement shall include the terms of the fee waiver.

B. Design Modifications. The granting of design modifications relative to the inclusionary requirement shall require the approval of the city council and shall meet all applicable zoning requirements of the city of Pleasanton. Modifications to typical design standards may include the following:

Reduced setbacks;

Reduction in infrastructure

requirements; Reduced open space

requirements; Reduced landscaping

requirements; Reduced interior or

exterior amenities;

Reduction in parking

requirements; Height restriction

waivers.

C. Second Mortgages. The city may utilize available affordable lower income housing funds for the purpose of providing second mortgages to prospective unit owners or to subsidize the cost of a unit to establish an affordable rent or an affordable sales price. Terms of the second mortgage or subsidy shall be stated in the affordable housing agreement. The utilization of these incentives shall not be the sole source of providing the inclusionary units and they are intended to augment the developer's proposal.

~~D. Priority Processing. After receiving its discretionary approvals, a project that provides inclusionary units may be entitled to priority processing of building and engineering approvals subject to the approval of the city manager. A project eligible for priority processing shall be assigned to city engineering and/or building staff and processed in advance of all nonpriority items.~~

(Ord. 1818 § 1, 2000)

§ 17.44.080. Alternative Means of Compliance ~~Alternatives to constructing inclusionary units on-site.~~

In general, and where specified by this chapter, projects shall be required to construct inclusionary units on-site and~~The primary emphasis of this inclusionary zoning ordinance is to achieve the inclusion of affordable housing units to be constructed~~ in conjunction with market rate units within the same project in all new residential projects. However, pursuant to state law

and in the interests of avoiding undue impediments to housing production, the city acknowledges that it may be beneficial to provide alternative means of compliance with this chapter. not always be practical to require that every project satisfy its affordable housing requirement through

A. Provisions Applicable to All Alternatives

1. Approval of any alternative proposal is subject to city council review and approval, based on the criteria and findings set forth in subsections B through H as applicable.
2. The applicant shall bear the burden of providing substantial evidence to support the findings set forth in this section, and to support the feasibility of any proposed alternative. The applicant shall set forth the factual and legal basis for any request under this section.
3. Any request under this section shall be submitted to the director of community development together with an economic analysis, if required, or other supporting documentation.
4. The city council may approve or conditionally approve any alternative set forth in this section if it makes all of the following findings and any additional findings required for the selected alternative:
 - a. It is not feasible or desirable to accommodate the inclusionary units on site, or to otherwise construct the units in strict accordance with the requirements of this chapter, due to specific site conditions or constraints, project location, or other unique characteristics of the project or project site.
 - b. The number of affordable units provided by the alternative equals or exceeds that provided by the on-site units or by the payment of the Affordable Housing Fee, as applicable to the project;
 - c. The level of affordability provided by the alternative is the same or lower (i.e. has “deeper” affordability) as provided by on-site units or the payment of fees, as applicable;
 - d. The alternative is consistent with the general plan and housing element, and the provisions of this chapter.

B. Alternative Proposals

If the provision of on-site affordable units under Section 17.44.040.B. or C. is financially or otherwise infeasible, an applicant for a residential project may request, in order of priority: 1) alternative on-site unit type, size, configuration or clustering of units in a manner other than that specified in subsection 17.44.050, as provided in Subsection C; 2) provide off-site units as provided in subsection D, below; 3) dedicate land for affordable housing as provided in subsection E, below; 4) pay the affordable housing fee as set forth in Chapter 17.40 and in Subsection F, below. The applicant must demonstrate, through provision of substantial evidence as described in Section A, above, that each of the higher priority options is infeasible before the city will consider a lower-priority option.

1. Notwithstanding Section 17.44.080 A.4., the city council may accept fees in lieu of the alternatives in Subsection B., above, provided it makes a finding that special circumstances justify payment of fees over provision of units.
- C. Alternative unit type, size, configuration or clustering of units.
1. An applicant may propose alternatives for the on-site units that deviate from the strict standards of this chapter with respect to unit size, bedroom mix, clustering, unit type, and interior amenities of the affordable units.
 2. Proposed units shall comply with requirements of the Building Code and Fire Code, and in no circumstance shall otherwise required amenities be waived that are necessary to ensure the health, safety and welfare of the building and its residents.
 3. Alternative on-site locations or clustering of affordable units shall provide equivalent access to shared amenities within the project, unless the affordable units would have suitable alternative shared amenities available for the exclusive use of the residents of the affordable units.
- D. Off-Site Projects. Upon approval by the city council, ~~Inclusionary~~ inclusionary units required pursuant to this chapter may be permitted to be constructed at a location within the city other than the project site. Any off-site inclusionary units must meet the following criteria:
- ~~1. The off-site inclusionary units must be determined to be consistent with the city's goal of creating, preserving, maintaining, and protecting housing for very low, low, and moderate income households.~~
 1. The off-site inclusionary units must not result in a significant concentration of inclusionary units in any one particular neighborhood or tend to cause residential segregation.
 2. The off-site location is suitable for the proposed affordable housing, and the off-site inclusionary units shall conform to the requirements of all applicable city ordinances and standards, and the provisions of this chapter.
 2. The occupancy and rents of the off-site inclusionary units shall be governed by the terms of a deed restriction, and if applicable, a declaration of covenants, conditions and restrictions similar to that used for the on-site inclusionary units.
 3. The affordable housing agreement shall stipulate the terms by which ~~of~~ the off-site inclusionary units will be built. Construction of the off-site affordable units shall occur concurrently with construction of the market-rate units in the residential project, unless otherwise approved by the city council. If the construction does not take place at the same time as construction of the market-rate units ~~project development~~, the agreement shall require the units to be ~~produced~~ constructed within a specified time frame, but in no event longer than ~~five~~ two years after the first building permit is issued for the market-rate project. A cash deposit, ~~or~~ bond or other financial security may be required by the city, refundable upon construction, as assurance that the units will be built.
 5. Off-site construction of affordable units does not qualify the residential project for a density bonus or other regulatory incentives allowed by Government Code Section 65915 unless the off-site development includes the dedication of land conforming to the provisions of Section 65915(g). No off-site alternative may be approved by the city

if a density bonus or other regulatory incentive is requested for the site on which the affordable housing is to be built. Any off-site alternative must comply with the density, intensity and other development standards that are permitted under the zone for the site.

- E. Land Dedication. Upon approval by the city council ~~At, an~~ an applicant may dedicate land to the city or a ~~qualified local~~ nonprofit housing developer in place of actual construction of inclusionary units upon approval of the city council. The intent of allowing a land dedication option is to provide the city or a local nonprofit housing developer the free land needed to make an inclusionary unit development feasible, thus furthering the intent of this chapter. The following criteria shall be met for any dedication of land:
1. The dedicated land must be appropriately zoned, buildable, free of toxic substances, ~~and~~ contaminated soils, or geologic or other physical constraints that make it unsuitable for residential development.
 2. The developable area of the site is ~~and~~ large enough to accommodate the number of inclusionary units required for the project. The city's acceptance of land dedication shall require that the lots be fully improved, with infrastructure, adjacent utilities, grading, and fees paid.
 3. The land is appraised by the City at a value equal to or greater than the in-lieu-fee in place at time of the market-rate project application, multiplied by the number of required inclusionary units that would be satisfied by construction of units on the land to be dedicated. If the appraised value is less than the in-lieu fee, the developer shall be subject to payment of the difference as a cash contribution to the Affordable Housing Fund.
- F. Affordable Housing Fee. In lieu of providing inclusionary units in a project, the city council may approve payment of the city's affordable housing fee, as set forth in Chapter 17.40 of this title. Such alternative shall only be approved if the city council determines that:
1. The proposal would be consistent with and further the purpose of this chapter, as set forth in Section 17.44.020.
 2. Greater benefit would accrue to the City's with respect to furthering affordable housing and the ability to provide housing affordable to all segments of the community through payment of the fee, versus requiring construction of the units on-site.
 3. Projects requesting a density bonus, incentive or concession, waiver, or parking ratio under Government Code Section 65915 or Chapter 17.38 of the Pleasanton Municipal Code shall not be permitted to pay in-lieu fees as an alternative to satisfying the affordable housing requirements of this Chapter. Payment of fees in lieu of providing affordable units under Chapter 17.44 of the Code does not qualify a housing development for a density bonus.
- ~~G. Credit Transfers. In the event a project exceeds the total number of inclusionary units required in this chapter, the project owner may request inclusionary unit credits which may be used to meet the affordable housing requirements of another project. Inclusionary unit credits are issued to and become the possession of the project owner and may not be transferred to another project owner without approval by the city council. The number of~~

~~inclusionary unit credits awarded for any project is subject to approval by the city council.~~

H. Other Alternate Methods of Compliance. Applicants may propose other creative concepts for meeting the requirements of this chapter, in order to bring down the cost of providing inclusionary units, whether on- or off-site. The city council may approve such alternate methods of compliance with this chapter if the applicant demonstrates that such alternate method meets the purpose of this chapter (as set forth in Section 17.44.020 of this chapter).

~~I. Lower Income Housing Fee Option. In lieu of providing inclusionary units in a project, an applicant may pay the city's lower income housing fee as set forth in Chapter 17.40 of this title.~~

(Ord. 1818 § 1, 2000)

Article III Miscellaneous

§ 17.44.090. Administration.

An applicant of a project subject to this chapter shall submit an affordable housing proposal stating the method by which it will meet the requirements of this chapter. The affordable housing proposal shall be submitted as part of the applicant's city development application (e.g., design review, planned unit development, etc.) to the planning division in a form approved by the city manager. ~~The community development director may waive the requirement for submittal of an affordable housing proposal for projects approved prior to the effective date hereof and/or for projects that have undergone considerable public review during which affordable housing issues were addressed.~~

- A. Review and approval of the affordable housing proposal shall occur as follows: A proposal that is fully compliant with the requirements of this chapter, and does not include any request for alternative compliance, shall be subject to review and approval by the body responsible for review and approval of the related residential development application. Where zoning administrator or planning commission are the approving body, such action shall be subject to appeal in accordance with the provisions of Chapter 18.144.
- B. Any affordable housing proposal that includes an alternative compliance method, or that deviates from the standards set forth in this chapter, shall be subject to city council review and approval. In such cases tThe affordable housing proposal shall be reviewed by the city's planninghousing commission at a properly noticed meeting open to the public. The planninghousing commission shall make recommendations to the city council either accepting, rejecting or modifying the developer's proposal and/or the utilization of any incentives as outlined in this chapter. The planninghousing commission may also make recommendations to the city council planning commission regarding the proposalproject as necessary to assure conformance with this chapter.

C. ~~The approving body, as applicable, Acceptance of the applicant's affordable housing proposal is subject to approval by the city council, which~~ may direct the city manager to execute an affordable housing agreement in a form approved by the city attorney. The city manager or his or her designee shall be responsible for monitoring the sale, occupancy and resale of inclusionary units.

D. Amendment. Minor modifications to an approved affordable housing agreement may be granted by the director of community development, if the modifications substantially comply with the original affordable housing agreement. Other modifications to the affordable housing agreement shall be processed in the same manner as the original affordable housing proposal.

(Ord. 1818 § 1, 2000; Ord. 2000 § 1, 2009)

§ 17.44.100. Conflict of interest.

The following individuals are ineligible to purchase or rent an inclusionary unit: (a) city employees and officials (and their immediate family members) who have policymaking authority or influence regarding city housing programs; (b) the project applicant and its officers and employees (and their immediate family members); and (c) the project owner and its officers and employees (and their immediate family members).

(Ord. 1818 § 1, 2000)

§ 17.44.110. Enforcement.

The city manager is designated as the enforcing authority. The city manager may suspend or revoke any building permit or approval upon finding a violation of any provision of this chapter. The provisions of this chapter shall apply to all agents, successors and assigns of an applicant. No building permit or final inspection shall be issued, nor any development approval be granted which does not meet the requirements of this chapter. In the event that it is determined that rents in excess of those allowed by operation of this chapter have been charged to a tenant residing in an inclusionary unit, the city may take appropriate legal action to recover, and the project owner shall be obligated to pay to the tenant, or to the city in the event the tenant cannot be located, any excess rents charged.

(Ord. 1818 § 1, 2000)

§ 17.44.120. Appeals.

Any person aggrieved by any action or determination of the city manager under this chapter, may appeal such action or determination to the city council in the manner provided in Chapter

18.144 of this code.

(Ord. 1818 § 1, 2000)

TITLE 18 ZONING

CHAPTER 18.38 HOZ HOUSING OPPORTUNITY ZONE DISTRICT

Article I General Provisions

§ 18.38.010 Title.

§ 18.38.020 Purpose.

~~§ 18.38.030 Definitions.~~

Article II Requirements

§ 18.38.~~040~~030 General applicability and development standards.

~~§ 18.38.045 Inclusionary unit provisions and specifications.~~

~~§ 18.38.050 Affordable housing agreement.~~

Article III Miscellaneous

~~§ 18.38.060 Administration.~~

~~§ 18.38.070 Enforcement.~~

§ 18.38.~~080~~040 Appeals.

Article I General Provisions

§ 18.38.010. Title.

This chapter shall be called the "Housing Opportunity Zone (HOZ) District" ordinance of the city of Pleasanton.

(Ord. 2272, 12/19/2023)

§ 18.38.020. Purpose.

The purpose of this chapter is to enhance the public welfare and ensure further housing development attains the city's housing goals, including affordable housing, by increasing the production of residential units for all income levels. To ensure the remaining developable land is utilized in a manner consistent with the city's housing policies and needs, this HOZ district is created to allow new or expanded affordable housing development opportunities to all applicable parcels as specified in the city's Housing Element of the General Plan. These new or expanded opportunities shall apply to both ownership and rental projects.

(Ord. 2272, 12/19/2023)

~~§ 18.38.030. Definitions.~~

~~For the purposes of this chapter, certain words and phrases shall be interpreted as set forth in this section unless it is apparent from the context that a different meaning is intended.~~

~~"Affordable housing fee" means the fee set forth in Chapter 17.40 paid to the city by an applicant for a project in lieu of providing the inclusionary units required by this chapter.~~

~~"Affordable housing proposal" means a proposal submitted by the project owner as part of the city development application (e.g., housing site compliance review, design review, planned unit development, etc.) stating the method by which the requirements of this chapter are proposed to be met. This information may be provided as part of an affordable housing agreement as provided in Section 18.38.050.~~

~~"Applicant" means any person, firm, partnership, association, joint venture, corporation, or any entity or combination of entities which seeks city permits and approvals for a project.~~

~~"City" means the city of Pleasanton or its designee or any entity with which the city contracts to administer this chapter.~~

~~"HUD" means the United States Department of Housing and Urban Development or its successor.~~

~~"Household" means one person living alone, or two or more persons sharing residency whose income is considered for housing payments.~~

~~"Inclusionary unit" means a dwelling unit as required by this chapter which is rented or sold at affordable rents and/or affordable sales prices (as defined by this chapter) to very low, low, or moderate income households.~~

~~"Income" means the gross annual household income as defined by HUD.~~

~~Income Levels.~~

- ~~1. "Household, low income" means a household whose annual income is more than 50% but does not exceed 80% of the area median income (AMI) for San Francisco-Oakland-Fremont Metropolitan Statistical Area, based upon the annual income figures provided by HUD, as adjusted for household size.~~
- ~~2. "Household, moderate income" means a household whose annual income is more than 80% but does not exceed 120% of the area median income (AMI) for San Francisco-Oakland-Fremont Metropolitan Statistical Area, based upon the annual income figures provided by HUD, as adjusted for household size.~~
- ~~3. "Household, very low income" means a household whose annual income does not exceed 50% of the area median income (AMI) for San Francisco-Oakland-Fremont Metropolitan Statistical Area, based upon the annual income figures provided by HUD, as adjusted for household size.~~

~~"Life of the inclusionary unit" means the term during which the affordability provisions for inclusionary units shall remain applicable. The affordability provisions for inclusionary units shall apply in perpetuity from the date of occupancy, which shall be the date the city performs final inspection for the building permit.~~

~~"Living area" means the gross area of all floors of a residential structure excluding: basement or cellar areas used for storage only; space used for off-street parking (i.e., garages) or loading, steps, patios, decks, terraces, porches, and exterior balconies, if not enclosed on more than three sides.~~

~~"Median income for San Francisco-Oakland-Fremont Metropolitan Statistical Area" means the median gross annual income in San Francisco-Oakland-Fremont Metropolitan Statistical Area as determined by HUD, adjusted for household size.~~

~~"Ownership units" means inclusionary units developed as part of a residential development which the applicant intends to be sold, or which are customarily offered for individual sale.~~

~~"Project" means a residential housing development at one location or site including all dwelling units for which permits have been applied for or approved.~~

~~"Project owner" means any person, firm, partnership, association, joint venture, corporation, or any entity or combination of entities which holds fee title to the land on which the project is located.~~

~~"Property owner" means the owner of an inclusionary unit, excepting a "project owner."~~

~~"Rental units" means inclusionary units which the applicant intends to be rented or leased, or which are customarily offered for lease or rent.~~

~~"Resale restrictions" means legal restrictions which restrict the price of inclusionary units to ensure that they remain affordable to very low, low, and moderate income households on resale.~~

~~"Residential project, multiple-family" means a residential project consisting of condominiums, apartments, and similar dwellings attached in groups of four or more units per structure and including multiple units located on a single parcel of land under common ownership.~~

~~"Residential project, single-family" means a residential project consisting of detached and attached single-family homes, including paired single-family, duets, duplexes, townhomes, and similar unit types where each unit is located on a separate parcel of land.~~

~~"Unit type" means various dwelling units within a project which are distinguished by number of bedrooms and/or the type of construction (e.g., detached single-family, duets, townhomes, condominiums).~~

~~(Ord. 2272, 12/19/2023)~~

Article II Requirements

§ 18.38.040030. General applicability and development standards.

A. General Applicability.

1. Parcels shall be identified in the city's Housing Element as a housing opportunity site, meaning sites designated in the Housing Element to be zoned to allow residential development or mixed-use (i.e., mixed residential and nonresidential use, whether in

the same building or on the same site) and designated in the General Plan Land Use Map as Housing Element Overlay.

2. Parcels identified in the Housing Element as accommodating the city's share of the lower income Regional Housing Needs Allocation, including the following housing opportunity sites, identified with reference to the 2023-2031 6th Cycle Housing Element, as follows: Site 2 - Stoneridge Shopping Center; Site 5 - Laborer's Council; Site 6 - Signature Center; Site 7 - Hacienda Terrace; Site 9 - Metro 580; Site 12 - Pimlico Area (North Side); Site 20 - Boulder Street; Site 21a (Kiewit High Density); Site 23 - Sunol Boulevard; Site 29 - Oracle; and the Dublin/Pleasanton BART Station parking lot. These sites shall:
 - a. Permit owner-occupied and/or rental single-family and/or multi-family uses by right pursuant to California Government Code Section 65583.2(h) and (i) for projects with affordable housing proposals in which 20% or more of the units are affordable to lower-income households.
 - b. Be allowed 100% residential uses regardless of any other applicable zoning district's permitted and conditionally permitted uses for the site; and
 - c. Have all residential uses either: (i) occupy at least 50% of the floor area for a new construction mixed-use project; or (ii) occupy at least 50% of the new floor area proposed on a housing opportunity site with pre-existing commercial/office floor area to be preserved as part of the project. In no case shall the provisions of this district preclude a commercial/office project with no residential uses, assuming those uses are allowed by the base zoning, to be proposed on a housing opportunity site.

B. Development Standards.

1. Nonresidential uses, including modification and expansion of existing uses, shall be permitted and conditionally permitted as specified in the underlying zoning district, the city's Objective Design Standards (ODS) and/or applicable provisions of this title thereto.
2. Residential uses shall be allowed consistent with the densities set forth on a site-specific basis in the Housing Element and the city's Objective Design Standards, ~~and~~ the applicable development standards as specified in the city's Objective Design Standards and/or applicable provisions of this title, and the requirements of Chapter 17.44 (Inclusionary Zoning) and other applicable provisions of Title 17, thereto.

(Ord. 2272, 12/19/2023)

~~§ 18.38.045. Inclusionary unit provisions and specifications.~~

~~A. Required Inclusionary Units.~~

- ~~1. For all new multiple-family residential projects of 15 units or more, at least 15% of the project's dwelling units shall be affordable as provided in this chapter.~~
- ~~2. For all new single-family residential projects of 15 units or more, at least 20% of the project's dwelling units shall be affordable as provided in this chapter.~~
- ~~3. For all new mixed-use projects with 15 residential units or more, at least 15% of the project's dwelling units shall be affordable as provided in this chapter.~~

- ~~4. Any commercial, office or industrial development will be subject to the affordable housing fee set forth in Chapter 17.40 or may provide inclusionary housing as provided in Section 17.44.040.B.~~
- ~~5. The percentage of inclusionary units required for a particular project shall be determined only once on a given project, at the time of tentative map approval, or, for projects not processing a map, prior to issuance of building permit. If the subdivision design changes, which results in a change in the number of unit types required, the number of inclusionary units required shall be recalculated to coincide with the final approved project. In applying and calculating the 15% requirement, any decimal fraction less than or equal to 0.50 may be disregarded, and any decimal fraction greater than 0.50 shall be construed as one unit.~~
- ~~B. Rental Units. For rental units, the following affordability mix shall be met among the required inclusionary units:
 - ~~1. A minimum of 25% of inclusionary units shall have rents set at no more than 30% of 50% area median income (AMI) for households with incomes up to 50% AMI (very low income units).~~
 - ~~2. A minimum of 25% of inclusionary units shall have rent set at no more than 30% of 60% AMI for households with incomes of 51% to 60% AMI (low income units).~~
 - ~~3. No more than 50% of inclusionary units shall have rent set at no more than 30% of 80% AMI for households with incomes of 61% to 80% AMI (low income units).~~~~
- ~~C. Ownership Units. For affordable ownership units, initial sales prices shall be set at the following limits to result in a monthly mortgage payment (principal and interest) which does not exceed one twelfth of 35% of the stated AMI, for household size per subsection F, below:
 - ~~1. One bedroom units to be restricted at 100% AMI.~~
 - ~~2. Two bedroom condominium units to be restricted at 100% AMI.~~
 - ~~3. Two bedroom townhome units/single family units AND three bedroom and larger units to be restricted at 120% AMI.~~~~
- ~~D. Bedroom Mix. For each project, a minimum of 10% of the total inclusionary units will be three bedroom units; a minimum of 45% of the total inclusionary units will be two bedroom units; and the remaining inclusionary units will be studio or one bedroom units except that no more than 10% of the units may be studios. This requirement shall not apply to age restricted senior housing or single family projects.~~
- ~~E. Minimum Size. Inclusionary units may be of smaller size than the market rate units in the project, subject to the following limitations: the living area of ownership units may be up to 50% smaller than the size of the average market rate unit in the project; for rental units the living area of each unit shall be as follows: (1) a studio shall be at least 700 square feet; (2) a one bedroom unit shall be at least 850 square feet; (3) a two bedroom unit shall be at least 1,000 square feet; (4) a three bedroom unit shall be at least 1,250 square feet; and (5) for units with more than three bedrooms an additional 250 square feet for each additional bedroom.~~
- ~~F. Household Size. For the purposes of calculating affordable rental or affordable sales price of an inclusionary units, the following household size assumptions shall be used for each applicable dwelling unit types:~~

Unit Size	HUD Household Size
Studio units	1 person
1 bedroom unit	2 persons
2 bedroom unit	3 persons
3 bedroom unit	4 persons
4 or more bedroom unit	5 or more persons
G. Materials. Inclusionary units shall be constructed with identical exterior materials and an exterior architectural design that is consistent with the market rate units in the project.	
H. Construction Timing. All inclusionary units in a project shall be constructed concurrently with or prior to the construction of the project's market rate units.	
I. Accessory Units. Accessory dwelling units and junior accessory dwelling units shall not count towards meeting inclusionary requirements.	
J. Projects with Different Unit Types. For those projects with both market rate units and inclusionary units:	
1. Inclusionary units shall be dispersed throughout the project so as not to concentrate inclusionary units in a specific geographic area (including a floor) of the project.	
a. For a project where the market rate units are proposed to be detached single-family homes, it is permitted for the inclusionary units be paired single-family, duets, duplexes, or townhomes. In such case, the townhomes can be concentrated in one or more areas of the project. The residents of both the market rate and the inclusionary units must be provided equivalent project amenities.	
b. For a project where the market rate units are proposed to be attached or detached single-family homes, duets, or duplexes, it is permitted for the inclusionary units to be ownership condominiums or rental apartments. In such case, and where the number of inclusionary units exceed 15 units, the condominiums or apartments can be concentrated in an area of the project. The residents of both the market rate and the inclusionary units must be provided equivalent project amenities.	
K. Requirements. The affordability requirements are as set forth in this chapter and the applicable Objective Design Standards (ODS); and for sites for which there are no ODS, then the requirements in Chapter 17.44. In the event of any conflict, the more restrictive provisions that provide more inclusionary units and deeper affordability shall apply.	
L. Perpetuity. Inclusionary units shall remain affordable in perpetuity through the recordation of an affordable housing agreement described in Section 18.38.050 of this chapter.	
M. Eligibility. The city's adopted preference and priority system shall be used for determining eligibility among prospective beneficiaries for affordable housing units created by this chapter, unless superseded by federal or state law.	
(Ord. 2272, 12/19/2023)	

~~§ 18.38.050. Affordable housing agreement.~~

~~All projects subject to this chapter shall enter into an affordable housing agreement. The agreement shall record the method and terms by which a project owner shall comply with the requirements of this chapter or by alternatives as generally provided in California Government Code Section 65850(g) acceptable in the determination of the city based on analysis of~~

~~equivalent financial value; which analysis may be required by the city to be done by a third party at the owner's expense. The approval and/or recordation of this agreement shall take place prior to final map approval or, where a map is not being processed, prior to the issuance of building permits for such lots or units.~~

~~The affordable housing agreement shall state the methodology for determining a unit's initial and ongoing rent or sales and resale price(s), any resale restrictions, occupancy requirements, eligibility requirements, city incentives including second mortgages, recapture mechanisms, the administrative process for monitoring unit management to ensure ongoing affordability and other matters related to the development and retention of the inclusionary units.~~

~~In addition to the above, the affordable housing agreement shall set forth any waiver of the affordable housing fee. For projects which meet the affordability threshold with very low and/or low income units, all units in the project shall be eligible for a waiver of the affordable housing fee. For single family residential projects which meet the affordability threshold with moderate income units, or multiple family residential projects which do not meet the affordability threshold, only the inclusionary units shall be eligible for a waiver of the affordable housing fee.~~

~~To ensure affordability of the unit in perpetuity, the affordable housing agreement shall be recorded with the property deed or other method approved by the city attorney.
(Ord. 2272, 12/19/2023)~~

Article III Miscellaneous

§ 18.38.060. Administration:

~~Approval of residential projects within the district shall be as specified in this title, which may include, but is not limited to, a housing site compliance review pursuant to Chapter 18.22, subdivision map, etc. An applicant of a project subject to this chapter shall submit an affordable housing proposal stating the method by which it will meet the requirements of this chapter. The affordable housing proposal shall be submitted as part of the applicant's city development application to the planning division in a form approved by the director of community development or designee.~~

~~The affordable housing proposal shall be reviewed by the city's commission with purview over affordable housing agreements at a properly noticed meeting open to the public. The commission shall make recommendations to the city council either accepting, rejecting or modifying the developer's proposal and the utilization of any incentives described in Section 17.44.070 and Housing Element Policy 2.6. The commission may also make recommendations to the city council regarding the project as necessary to ensure conformance with this chapter.~~

~~Acceptance of the applicant's affordable housing proposal is subject to approval by the city council, which may direct the city manager to execute an affordable housing agreement in a form approved by the city attorney. The city manager or his or her designee shall be responsible for monitoring the sale, occupancy and resale of inclusionary units.
(Ord. 2272, 12/19/2023)~~

~~§ 18.38.070. Enforcement.~~

- ~~A. In the event of conflict between this chapter and Chapter 17.40 or 17.44, or other adopted city requirement, the more specific provision shall prevail.~~
- ~~B. The city manager is designated as the enforcing authority. The city manager may suspend or revoke any building permit or approval upon finding a violation of any provision of this chapter. The provisions of this chapter shall apply to all agents, successors and assigns of an applicant. No building permit or final inspection shall be issued, nor any development approval be granted which does not meet the requirements of this chapter.~~

~~(Ord. 2272, 12/19/2023)~~

§ 18.38.~~0800~~40. Appeals.

Any person aggrieved by any action or determination of the city manager under this chapter, may appeal such action or determination to the city council in the manner provided in Chapter 18.144 of this code.

(Ord. 2272, 12/19/2023)

OBJECTIVE DESIGN STANDARDS

OBJECTIVE DESIGN STANDARDS

CITY OF PLEASANTON

Objective Design Standards for Housing Sites

Adopted January 26, 2023, Revised May 2, 2023, and
_____, 2024

COMMUNITY DEVELOPMENT DEPARTMENT

PART 2 DEVELOPMENT STANDARDS

The following regulations establish quantitative standards in order to realize the desired building, open space, and street character contained in the Design Standards.

In addition to the Design Standards described below; all multifamily residential development shall satisfy other **standards** in this document relating to:

- The provision of pedestrian and bicycle connections (both private and public)
- Group Usable Open Space (Development Standards)
- Landscaped Paseos (A.6)
- Open Space, Landscaping and Lighting (A8, A9, and A10)

And shall also incorporate residential amenities such as play/activity areas, pools, water features, fitness facilities, and community rooms.

Density: Each site has been identified for a range of density expressed in units per acre (see Table 2.1 Housing Sites, for details). These densities are in addition to the on-site retail or service uses that the City may approve as part of a mixed-use project, if such additional development was anticipated in the 2012 Housing Element and Climate Action Plan General Plan Amendment and Rezonings Supplemental EIR, or the 2023-2031 (6th Cycle) Housing Element Update Program EIR, or as approved through any subsequent tiered environmental review.

***Note:** The City interprets the minimum residential density to be an average minimum density to be met over the entirety of the project site (i.e., different portions of the site may have densities that are either higher or lower, but the minimum density is met cumulatively across the entire site).*

Permitted and Conditionally Permitted Uses: In addition to residential uses at the densities assigned in Table 2.1, mixed-use development (commercial uses in conjunction with residential uses) is allowed as follows on sites where such additional development was anticipated in the 2012 Housing Element and Climate Action Plan General Plan Amendment and Rezonings Supplemental EIR, or the 2023-2031 (6th Cycle) Housing Element Update Program EIR, or as approved through any subsequent tiered environmental review.

- Appendix C lists permitted and conditionally permitted uses for designated 5th Cycle (Carryover Sites)
- 6th Cycle Housing Element Sites 18 (Valley Plaza) and Site 2 (Stoneridge Shopping Center), permitted and conditionally permitted uses shall be allowed as specified by their underlying zoning, within mixed use projects on these sites. Vertical mixed use (mixed uses within

the same building) or horizontal mixed use (mixed uses within different buildings on the same site) is allowed.

Affordability: All development shall comply with the City's Inclusionary Zoning Ordinance (IZO), Chapter 17.44 of the Pleasanton Municipal Code, ~~through Affordable Housing Agreements entered into between the City and each developer; the agreements will be recorded and will run with the land. Inclusionary units shall be deed-restricted to be affordable in perpetuity. Accessory Dwelling Units or Junior Accessory Dwelling Units shall not be permitted to count towards meeting the IZO's minimum inclusionary requirements.~~

~~For rental units, the following affordability mix shall be met, reflecting the rent maximums that may be set among any required inclusionary units:~~

- ~~• A minimum of 25 percent of inclusionary units shall have rents set at no more than 30% of 50% Area Median Income (AMI) for households with incomes up to 50% AMI (Very Low Income Units)~~
- ~~• A minimum of 25 percent of inclusionary units shall have rent set at no more than 30% of 60% AMI for households with incomes of 51% to 60% AMI (Low Income Units)~~
- ~~• No more than 50 percent of inclusionary units shall have rent set at no more than 30% of 80% AMI for households with incomes of 61% to 80% AMI (Low Income units)~~

~~Actual rents charged shall follow the published schedule of maximum monthly rents, by size and type of units, as provided and updated annually by the City. Qualifying incomes shall be set at the same levels as those described above (i.e., a qualifying household for a 50% AMI rent restricted unit shall have a maximum annual income of no more than 50% AMI), with such income limits based on the schedule of income limits based on household size published annually by the City and consistent with the U.S. Department of Housing and Urban Development (HUD) annual adjustment in the AMI for the San Francisco-Oakland-Fremont Metropolitan Statistical Area.~~

~~In instances where a project proposes to make use of State or Federal programs (e.g., State Housing Density Bonus Law, Low Income Tax Credits, etc.) then the most restrictive requirements of any applicable income and rent limits established by such programs shall prevail; and for purposes of Density Bonus Law, for low income households earning 61-80% AMI, the City shall allow, at the applicant's request, rents to be set at 30% of actual income of such qualifying low income households.~~

~~For ownership units, prices shall be set at the following limits to result in a monthly mortgage payment (principal and interest) which does not exceed one-twelfth of 35% of the stated AMI, per Municipal Code Section 17.44.050.F:~~

- ~~1 bedroom units to be restricted at 100% AMI~~
- ~~2 bedroom condominium units to be restricted at 100% AMI~~
- ~~2 bedroom townhome units/single family units AND 3 bedroom and larger units to be restricted at 120% AMI^[1]~~

~~**Section 8 Rental Assistance Vouchers:** Through the affordable housing agreements entered into between the City and each developer, the developments will generally be required to accept HUD Section 8 Rental Vouchers as a means of assisting qualified applicants.~~

~~**Bedroom Mix of Affordable Units:** For each project, a minimum of 10% of the total affordable units will be three bedroom units; a minimum of 45% of the total affordable units will be two bedroom units; and the remaining affordable units will be studio or one bedroom units except that no more than 10% of units may be studios. This requirement shall not apply to age restricted senior housing or single family projects.~~

~~^[1] Household sizes for units shall be calculated based upon two persons in the case of a one bedroom unit, three persons in the case of a two bedroom unit, four persons in the case of a three bedroom unit, as generally set forth in Cal. Health and Safety Code section 50052.5(h).~~



**CITY OF PLEASANTON
CITY COUNCIL
MINUTES**

**Tuesday, May 7, 2024
5:00 PM**

CALL TO ORDER

Mayor Brown called the Special Meeting Workshop of the City Council to order at the hour of 5:00 p.m. from the Council Chamber located at 200 Old Bernal Avenue.

ROLL CALL

Present: Councilmembers Arkin, Balch, Nibert, Testa, Mayor Brown
Absent: None

PUBLIC COMMENT

Mayor Brown opened public comment. There being no speakers, Mayor Brown closed the public comment

WORKSHOP

1. Present initial findings and receive policy direction on Development Impact Fees, inclusionary housing requirements and Lower-Income Housing Fees, and City water and sewer connection fees

Recommendation: Present initial findings and receive policy direction on Development Impact Fees, inclusionary housing requirements and Lower-Income Housing Fees, and City water and sewer connection fees

1. Set Sewer and Water Connection Fees at, or close to, the maximum.
2. Set inclusionary rate at 15% for all projects; set in-lieu Affordable Housing Fee as close to cost to construct as feasible.
3. Set CFF and TIF fees at a financially feasible level.

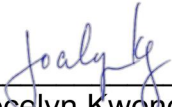
The City Council provided direction regarding the recommendations as follows:

1. Council agreed to the recommendation with the clarification that connection fees for residential is calculated per unit, but other categories are calculated by square foot.
2. Council requested this item be revisited for future discussion, with the percentage to be somewhere between 15-20%. Staff will provide additional

- scenarios for square foot versus per unit charge.
3. Council requested a recommended range for consideration.

ADJOURNMENT

Mayor Brown adjourned the meeting at 6:39 p.m.



Jocelyn Kwong, City Clerk



**CITY OF PLEASANTON
CITY COUNCIL
MINUTES**

**Tuesday, August 20, 2024
5:00 PM**

CALL TO ORDER/ROLL CALL

Mayor Brown called the Workshop of the City Council to order at the hour of 5:00 p.m. from the Council Chamber located at 200 Old Bernal Avenue.

ROLL CALL

Present: Councilmembers Arkin, Balch, Testa, Mayor Brown
Absent: Councilmember Nibert

Mayor Brown amended the order of items on the agenda with item 1b to be heard before item 1a.

PUBLIC COMMENT

Mayor Brown opened public comment for each item separately.

WORKSHOP

1. Review and provide direction on the following items:
- b. Provide direction regarding a public art fee and program

Recommendation: Develop and present for Civic Arts Commission and City Council consideration:

- A "percent for art" program for Pleasanton based on best practices from neighboring cities
- Updates to the City's Municipal Code to provide for a "percent for art" and better clarify the public art process and responsibilities
- A public art plan to guide the expansion of the public art program throughout the city

Presentation by Heidi Murphy, Director of Library and Recreation.

Mayor Brown opened public comment. The following individuals provided comment: Jan Coleman-Knight, Kellene Cousins.

Mayor Brown closed the public comment.

The City Council provided direction to proceed with the recommendation and to make the program broad enough in scope to include potential use of the fund for art-based community programs and art grants, and to prioritize installation, maintenance, and acquisition of public art.

- a. Provide direction on key policy considerations for an update of the Inclusionary Zoning Ordinance and affordable housing fee

Presentation by Ellen Clark, Director of Community Development and consultant Megan Gregory with Economic and Planning Systems.

Mayor Brown opened public comment. There being no speakers, Mayor Brown closed the public comment.

Mayor Brown recessed the workshop at 6:40 p.m. with the meeting to resume after the conclusion of the regular meeting in order to finalize the City Council's direction regarding item 1a.

The workshop reconvened at 9:50 p.m.

The City Council provided direction as follows:

1. Inclusionary rate for for-sale and rental projects

- Establish a 15% inclusionary rate for both rental and for-sale projects (all unit types), with rental units at 60% Area Median Income (low-income) and for-sale projects at 120% AMI (moderate income).
- Reduce "threshold" project size for residential developments subject to IZO from 15 to 10 units.
- Bring back for City Council consideration, as part of the future affordable housing fee rate discussion:
 - Consideration of an interim measure to stimulate multi-family housing production, allow rental apartment projects to pay fees in lieu of constructing on-site housing for up to 30% of the required units, for up to two years.
 - An option for rental projects that includes units at 50% and 60% AMI

2. Amount of the affordable housing fee

- Establish an affordable housing in-lieu fee for projects not subject to inclusionary requirements, or otherwise permitted to pay in-lieu fees, of up to

\$45.57 per square foot for single-family and townhome projects, and up to \$20-25 per square foot for multi-family projects, with these preliminary recommendations subject to refinement as part of the broader consideration of the overall fee program.

3. Modifications and refinements to the existing IZO

- Make proposals fully compliant with the IZO subject to approval at the same level as the underlying project
- Make all alternative compliance proposals subject to City Council review and approval, and subject to findings
- Continue to include a range of alternative compliance options, including payment of in-lieu fees, also subject to City Council review and approval, subject to specific findings and structured to encourage use of options other than payment of the in-lieu fee.
- Disallow JADUs to count toward meeting the IZO requirement and return with more information regarding ADUs.
- Improve feasibility for on-site inclusionary units by providing additional flexibility as to smaller unit sizes/types, and clustering of inclusionary units in some circumstances
- Add quantitative standards to ensure minimum unit sizes and other standards are met

ADJOURNMENT

Mayor Brown adjourned the meeting at 10:14 p.m.


Jocelyn Kwong City Clerk

Inclusionary Zoning Ordinance and Related Code Amendments

City Council Workshop
October 15, 2024



1

Meeting Purpose

- Present draft revisions to PMC Chapter 17.44: Inclusionary Zoning Ordinance (IZO)
 - Related amendments to PMC Chapters 17.40, 18.38 and Objective Design Standards for Housing Element Sites
- City Council feedback and direction, prior to hearings for adoption in November



2

Background

- Inclusionary Zoning Ordinance Update:
 - Revisit/study potential changes to inclusionary rate and target affordability
 - Create/strengthen objective standards for inclusionary units
 - Improve process and findings for approval of alternative compliance
 - Clarify and update procedures
- Modifications to IZO studied in parallel with impact fee update
- City Council Workshops: May and August 2024:
 - Recommendations for inclusionary rate, and direction on key policy items for IZO update
- Planning Commission Recommendation to Adopt Amendments: September 11, 2024



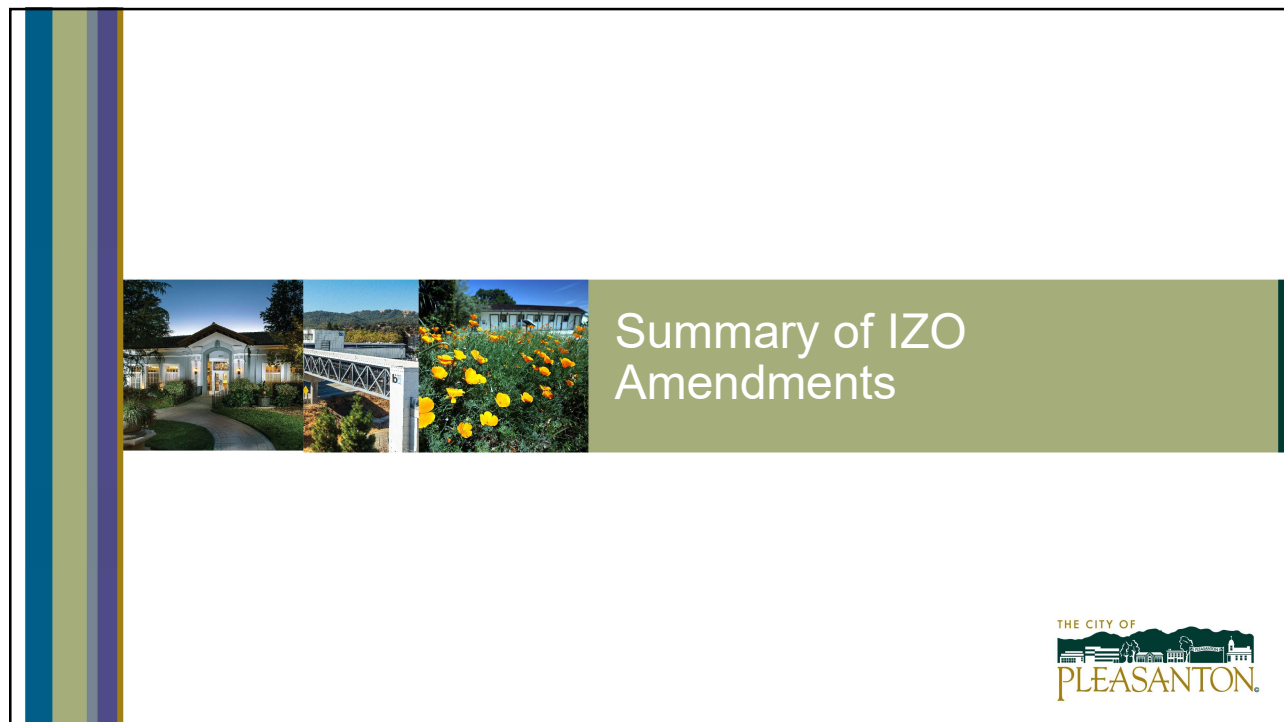
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City Council Workshops

- **May 7, 2024**
 - Initial findings for impact fee update
 - Various scenarios for inclusionary rate and affordability levels
 - Key finding: Increased fees can be justified based on nexus and other analysis, but need to balance feasibility concerns, effect on City's longer-term fiscal and housing policy goals
 - Staff recommendation to set inclusionary rate at 15% for all residential projects
- **August 20, 2024**
 - Focused discussion for IZO Update
 - Additional/refined scenarios for inclusionary rate and fee
 - City Council supported 15% inclusionary rate
 - Consensus direction on key policy items



4



5

IZO Amendments: Summary

- Inclusionary Rate and Affordability Levels
- Threshold Project Size
- Inclusionary Unit Standards
 - Clustering
 - ADUs/JADUs
 - Unit Size Minimums
 - Bedroom Mix
- Alternative Compliance
- Review Procedures
- Other Revisions



6

Inclusionary Rate/Affordability Levels

§17.44.040 B. and C.

- **For Sale Projects** (attached and detached)
 - 15% Inclusionary, at 120% AMI (moderate income)
- **Rental Projects**
 - 15% Inclusionary, at 50% and 60% AMI (low-income)



7

Inclusionary Rate/Affordability Levels

§17.44.040 B. and C.

- Reducing for-sale inclusionary rate has negligible effect on AH production, but improves project feasibility
- Rates similar to peer cities surveyed
- Inclusionary rate supports an in-lieu fee that is higher than today, and more commensurate with cost to construct
- Concurrent recommendation to reduce threshold project size subject to IZO from 15 to 10 units
- City Council will discuss Affordable Housing Fee (and other fee rates) on 11/19



8

Inclusionary Unit Standards: Clustering

§17.44.050.A.

- Existing ordinance requires “dispersal”, but no objective definition
- Limited flexibility around clustering – may impede feasible options to provide on-site affordable
- **Revised IZO:**
 - Establishes objective standards for acceptable degree of clustering
 - Additional flexibility for clustering in single-family projects
 - Attached duets, townhomes or apartments (still dispersed)
 - Permits tax-credit funded units to be completely clustered
 - Clustering beyond these standards requires City Council approval



9

Inclusionary Unit Standards: ADU/JADU

§17.44.050.B

- ADUs/JADUs explicitly prohibited from “counting” towards IZO requirements
 - City cannot legally require units to be rented at all (per Ellis Act)
 - Monitoring/enforcement extremely challenging
 - Does not prohibit or preclude ADUs from being provided – but they are “over and above” IZO
- City Council supported disallowing JADUs to “count” – requested additional information on ADUs
- Staff and Planning Commission supported recommendation to disallow both ADUs/JADUs from meeting IZO requirement



10

Inclusionary Unit Standards: Unit Size

§17.44.050.D

- For Sale Units: Living Area may be up to 50% of size of average market-rate unit
- Rental Units:
 - Studio: Minimum 450 net sq. ft.
 - 1 Bedroom: Minimum 550 net sq. ft.
 - 2 Bedroom: Minimum 750 net sq. ft.
 - 3 Bedroom: Minimum 1,000 net sq. ft.
 - 4 Bedroom and Up: + 200 net sq. ft / bedroom
- Guidance from City consultant (VMWP) experience developing market-rate and affordable residential – minor adjustments based on PC comments
- Affordable units are typically smaller than market-rate to improve feasibility but remain livable
- Pleasanton “typical” unit larger than more urban locations



11

Inclusionary Unit Standards: Bedroom Mix

§17.44.050.G

- **For-Sale Projects**
 - Same average number of bedrooms as market-rate units, up to 3 bedrooms
- **Rental Projects:**
 - At least 10% Three-Bedroom units
 - No more than 10% Studio Units
 - Remainder One-Bedroom and Two-Bedroom Units



12

Alternative Compliance §17.44.080

- Continue to allow several means of alternative compliance:
 1. Alternative on-site unit configuration or clustering
 2. Off-Site Construction
 3. Dedication of Land
 4. Payment of Affordable Housing Fee
 Plus: Other “creative concepts”
- All alternative compliance options subject to Council approval
- Burden of proof on applicant to demonstrate infeasibility of basic compliance
- Incorporation of preference/ranking for alternative compliance
- Strengthened approval criteria and findings



13

Procedures for Review §17.44.090

- Proposals in full compliance with IZO subject to approval by same body approving project as a whole
 - Approval may be appealed or “called up” per typical PMC procedures
- Alternative compliance proposals subject to City Council approval, with recommendation from Planning Commission



14

Other Revisions to IZO

- Definitions revised and updated to match terms of updated IZO, current practice and regulatory requirements (e.g. definition of “AMI”)
- Clarification of design standards to be more specific, objective
- Projects permitted to pay fees don’t require approval of a detailed Affordable Housing Agreement (approval by Council Resolution)
- Delete “priority processing” as an incentive – potential to cause conflicts with permit processing requirements under State law
- Add AHA amendment procedures, including administrative approval of non-substantive amendments



15

Amendments to PMC 17.40, 18.38, and ODS

- **Chapter 17.40: Affordable Housing Fee**
 - Clarify purposes for which AH Fee may be used (e.g. housing-related programs)
 - Modernize language: e.g. exemption from fee for religious facilities, vs. “churches”
 - Annual adjustment to fee based on Construction Cost Index, vs. Consumer Price Index
 - Delete obsolete references to AB1600
- **Chapter 18.38 – Housing Opportunity Zone District, and Objective Design Standards for Housing Sites**
 - Delete detailed standards for inclusionary units: superseded by updated IZO



16

Next Steps

- Presentations to Business Organization Partners, Chamber of Commerce, and Economic Vitality Committee
- November 19 City Council
 - Introduce Ordinance to Amend IZO and Related Code Amendments
 - Study Session: Impact Fee Studies and Fee Rate Recommendations
- December/January: Adopt Ordinance to Adopt Impact Fee Studies and Updated Fees
 - Fees effective 60 days after Second Reading (~early March, 2025)



17

City Council Questions and Discussion



18

October 15, 2024
City Manager

TITLE: RECEIVE ECONOMIC DEVELOPMENT STRATEGIC PLAN IMPLEMENTATION UPDATE

SUMMARY

To recalibrate the City's economic development policies, programs, and strategies to proactively meet today's market opportunities and challenges, the City Council adopted an updated five-year Economic Development Strategic Plan (EDSP). The EDSP serves as a tactical roadmap for the City's economic development activities, which make tangible progress in strengthening the City's fiscal health. This report provides a summary of tasks initiated or completed for the five Implementation Plan Priorities identified in the EDSP for FY 2023/24 and identifies the progress toward implementation of these priorities in the current FY 2024/25.

RECOMMENDATION

Receive Economic Development Strategic Plan implementation update.

BACKGROUND

In August 2023, the City Council adopted the updated Economic Development Strategic Plan (EDSP) which the Economic Vitality Committee (EVC) and staff use as the foundation for their work. The strategic plan defines the City's economic development goals, strategies, and implementation actions over five years from FY 2023/24 to FY 27/28. The [EDSP](#) is available on the City's [Economic Development webpage](#).

The EDSP is composed of five Implementation Plan Priorities:

- Economic Development Capacity Building
- Business Retention, Expansion & Attraction
- Local Revenue Growth
- Entrepreneurship & Innovation Outreach
- Major Projects Accelerator Program

Each plan priority includes key initiatives outlining specific programs and tasks proposed to advance the plan priorities which are assigned to anticipated fiscal years for implementation. An EDSP implementation update was most recently provided to the Economic Vitality Committee meeting at its June 20, 2024, meeting; similarly, this report will be provided to the EVC.

DISCUSSION

The following is a summary of implementation activities initiated or completed in FY 2023/24 and continued into FY 2024/25 for each of the five EDSP priorities, as the framework for the City's economic development efforts.

1. Economic Development Capacity Building

Shortly after the EDSP was adopted in August 2023, an evaluation of priorities was conducted to accommodate the Economic Development division's capacity to accomplish the key initiatives within each priority given that the Office Assistant position, which also supports the Communications Division, is currently unfilled/frozen. To support business promotion activities, as-needed marketing and communications professional services were retained for FY 2023/24 and FY 2024/25. In August 2024, a part-time, temporary Program Specialist was hired to provide support in the Economic Development Division and is budgeted for FY 2024/25.

Adopt and Incorporate DEI Best Practices in Economic Development

An update to the Business License application to gather demographic data was initiated with Business License staff in FY 2023/24 and will be implemented with the upcoming 2025 business license renewal process. Three optional supplemental questions will collect information to identify minority-, women-, veteran-owned businesses and ethnicity to provide connection to federal, state, or regional resources available for these groups. Resource guides have been added to the City's [website](#).

Formulate Community & Business Partnerships

Agreements with the Pleasanton Chamber of Commerce, Pleasanton Downtown Association, and i-Gate Innovation Hub were executed or continued in FY 2023/24. Generally, these agreements define the partnership roles and responsibilities, areas of collaboration, and identify funding commitments where applicable.

City staff holds bi-monthly City Business Organization Partner meetings to share information relating to economic development with business leaders from the Pleasanton Downtown Association, Pleasanton Chamber of Commerce, Hacienda, Stoneridge Shopping Center, Visit Tri-Valley, and Alameda County Fair Association. The City's Economic Development Manager and the Deputy Director of Community Development/Planning and Permit Center Manager facilitate the meetings.

Economic Development Work Plan Activities

The following activities are assigned to the Economic Development division, which are intended to support economic development on a broad scale:

- Liaise with the Economic Vitality Committee which had six meetings in FY 2023/24, and one meeting to date this current fiscal year. The EVC meets bi-monthly.
- Publish a business e-newsletter to share relevant information with the business community to over 4,280 business contacts including businesses that have an active business license in Pleasanton. There were 12 e-newsletters published in FY 2023/24 which had an average open rate of 47.7%.
- Represent the City with economic development-related organizations by attending meetings and events: East Bay Economic Development Alliance Economic Development Council, Innovation Tri-Valley Leadership Group and Business Innovation Committee, i-Gate Innovation Hub Board of Directors City staff representative, Visit Tri-Valley Board of Directors City representative for FY 2023/24, Pleasanton Downtown Association Board of Directors City representative, and Pleasanton Chamber of

2. Business Retention, Attraction & Expansion Program

Enhance Visibility, Marketing and Branding Strategy

Digital and print collateral to define Pleasanton's value proposition are currently being designed in coordination with the Retail Attraction and Business Roadmap to Provide a Clear Pathway for Zoning and Permitting initiatives; this will include expanded Economic Development webpages on the City's website. Completion is planned in FY 2024/25.

Economic Development success stories are compiled and shared with the City Council, Economic Vitality Committee and on the City's social media platforms. Some significant news in FY 2023/24 included:

- Tarlton Properties began plans to build out Pleasanton Labs, a total of 291,000 square feet of office space on Hopyard Road slated for conversion to life sciences, biotech, or medical device R&D lab and office space. Tarlton Properties is a leader in commercial property development specifically focused on life sciences in the Bay Area, which aligns with Pleasanton's priorities to grow its life sciences sector.
- Stanford Health Care Tri-Valley purchased a five-building office complex at Hacienda Lakes to provide expanded high-quality services, confirming Stanford's commitment to its patients in the Tri-Valley with a second surgical center, additional clinic space and multidisciplinary clinics.
- Unchained Labs relocated its headquarters within Pleasanton, moving into its 124,000 square foot headquarters, nearly 2.5 times its previous footprint at Bernal Corporate Park.
- Two new hotels opened in the Johnson Drive Economic Development Zone along Johnson Drive and I-680: Springhill Suites and Town Place Suites, both by Marriott, adding 231 suite-type rooms to Pleasanton's hotel room supply, which is the largest in the Tri-Valley at over 2,100 rooms.
- Villa Sport Fitness opens its newest Bay Area location featuring a state-of-the-art facility, expert trainers, and specialized recovery services including compression, cryo, cold, float, and infrared therapies in Hacienda.
- Denica's Real Food Kitchen opened its doors in the former Red Robin location at the 580 Metro Shopping Center, making this its third location in the Tri-Valley. Another notable dining addition includes Pleasanton's second Chick-fil-A, a non-drive-thru location on Hopyard Road which features a special carry-out section in the restaurant to serve the nearby residents and business employees.
- Kaiser Permanente began transitioning over 1,000 employees in March 2024 to its existing Pleasanton campus from its headquarters in Oakland. Kaiser owns six office buildings in Hacienda on Owens Drive and Hacienda Drive. The transition represents 10% of its administrative staff including executive leadership.

Support marketing events through partnerships:

- Sponsored i-Gate/Startup Tri-Valley's 2023 Tri-Valley Life Sciences Summit event. Partnering in the 2024 event as a sponsor, participating on the planning committee and was instrumental in acquiring Kaiser Permanente as the primary Host and Presenting

Sponsor.

- Sponsored the 2023 Innovation Tri-Valley #GameChangers event which recognized Tri-Valley innovators including Pleasanton-based Vector Atomic.
- Co-hosted the 2023 Economic Drivers: Destination for Successful Innovation luncheon with the Pleasanton Chamber of Commerce to recognize four outstanding Pleasanton companies: Blume Global, ZF, Cowbell Cyber and Vector Atomic.

Formulate Recurring Employer/Business Meetings to Create Touchpoints with City

A contact list of key business types has been created and is periodically updated. Connections in FY 2023/24 included Tarlton Properties/Pleasanton Labs, Kaiser Permanente, The Clorox Company, and Villa Sport Fitness. Conducted joint Community Development and Economic Development pre-applicant meetings with the following businesses interested in Pleasanton: Natera, School of Rock, and Park Lab.

In conjunction with the 2024 Tri-Valley Life Sciences Summit, an Executive Roundtable is planned with business leaders to learn how the City can support continued success, identify challenges and hear insights on attracting more life sciences, biotech, and innovation-based companies to Pleasanton.

Assess and Strengthen Talent/Workforce Development Offerings

A partnership with Pleasanton Unified School District was formed in FY 2023/24 to leverage PUSD's Workforce Development programming. A presentation was made at its April 18, 2024, Economic Vitality Committee meeting to provide an overview of PUSD's Career Technical Education programs. An invitation for Pleasanton businesses to participate was sent via a survey in the City's September 2024 business e-newsletter. Additional outreach is planned throughout FY 2024/25 to increase program awareness.

3. Local Revenue Growth

Expand Citywide Retail & Tenant Support Program

Pleasanton's retail centers, employment centers, and hotel properties are primary drivers of the City's economic resilience. With increasing competition for new commercial development and possible reinvestment in dated retail inventory, staff is advancing a new retail attraction initiative to focus on strategies that lead to local revenue growth and future provisions of high quality public services and amenities. The initiative will produce three critical pieces of research and analysis:

- An inventory and assessment of vacant retail opportunity sites in all major shopping centers and commercial districts in the city.
- A preliminary assessment of retail attraction opportunities, using the "void analysis" methodology. As a result of the void analysis, staff identified 18 specific retail categories that have the greatest potential for retail attraction (e.g., home improvement, home furnishings, personal care, restaurants, automotive, health & fitness, etc.). Based on the analysis, a list of specific tenants was compiled within each retail category that can be targeted for retail marketing and attraction efforts during the coming year.
- A scan of regional economic and market trends that impact Pleasanton's position in the retail market and that help shape short- and long-term retail attraction goals.

The chart below, provided by HdL, the City's sales tax consultant, illustrates sales tax revenue by major business group for the 1st quarter of 2024. Considerations for retail attraction initiative activities will take into account sales tax trends in order for the City to identify those business groups or industries that enhance job growth and generate sales tax revenue in Pleasanton.



Provided by HdL Companies, 1Q 2024 (January-March) Sales Tax Update for the City of Pleasanton

An overview of the initiative was presented to the Economic Vitality Committee at its June 20, 2024, meeting for feedback. As this initial research has been completed, staff will:

- Continue outreach to retail brokers, property owners, and other members of the local retail development community; for example, staff met with Retail West regarding a future tenant(s) the former Bank of America building at 337 Main Street;
- Refine and complete the analysis of Pleasanton's retail sector;
- Develop brochures and other collateral materials to use in retail attraction meetings;
- Begin outreach to the target retail tenants, culminating in meetings with the retail tenants at the upcoming ICSC retail conference in March 2025.

COVID Business Support Programs

Economic Development and Finance staff continue to oversee repayment activity for the Business Support Loan Program which provided \$1,335,700 to 115 Pleasanton businesses during the pandemic as part of the City's Business Assistance Program. Loans were provided with zero percent interest and up to 3-year repayment terms with amounts ranging between \$2,500 to \$21,600 depending on business location (downtown or non-downtown) and employee count. Repayment began on April 1, 2023, after the local state of emergency was

lifted by the City Council. Six businesses requested an extended repayment period of up to 72 months, which the City granted. To date, \$643,066.12 has been received, including a total of \$110,700 from 16 businesses which have paid loans in full. It is anticipated that approximately \$652,488.44 will be paid by April 2026 under the original repayment period of up to 36 months. There are 15 businesses that are in arrears of approximately \$73,587.94; staff is invoicing and taking further steps to collect payments. The remaining balance of \$40,945.44 is anticipated to be paid by 2029 for loans with a repayment period of up to 72 months.

The Downtown Parklet and Outdoor Dining Installation Grant Programs ended on June 30, 2024. These programs were also part of the City's Business Assistance Program during the pandemic. The programs provided reimbursements of 50% of eligible parklet-related or outdoor dining installation expenses up to \$10,000. Nine downtown businesses received parklet grants for a total of \$75,292: four of which were approved in FY 2022/23 and five were approved in FY 2023/24. One business received a grant of \$10,000 for an outdoor dining installation in FY 2022/23. No grant applications were submitted in the latter half of FY 2023/24.

Evaluate the Downtown Business Improvement District Structure

For several years, the City Council included in its Work Plan Priorities an evaluation of the current Downtown Pleasanton Business Improvement District structure which has been in place since 1989. To enhance economic vitality and create a sustainable funding mechanism for programs and services within the Downtown district, the formation of a Property and Business Improvement District (PBID) is currently being explored; the proposed PBID is a property owner-based district, designed with the goal of adding additional investment toward enhancing and improving the downtown. Civitas Advisors is working with staff on the feasibility and formation processes. As part of the process, a steering committee comprised of downtown property owners has been formed to develop consensus around key issues, guide the development of the PBID service plan, and assist staff in seeking support for the PBID. Outreach and consensus building efforts for property owners will include a survey and open house. The PBID formation recommendation will be presented to the City Council in early 2025.

Implement City's "Support Local" Marketing Plan Strategies

- Transition the City's inPleasanton.com support local website to the recently redesigned City website within an expanded Visit Pleasanton page. New shopping and dining pages will be added to highlight Pleasanton businesses through featured videos and photos.
- Continue marketing and communication efforts to support and promote Pleasanton businesses using the City's inPleasanton social media platforms including LinkedIn, Facebook and Instagram.
- Executed the 2023 Business Anniversary Recognition Program by honoring 169 businesses celebrating 15, 20, 25, 30, and 40 years as a Pleasanton business at the December 5, 2023, City Council meeting and with a social media campaign. In 2024, there are 164 businesses celebrating 15, 20, 25, 30, 40, and 50 years as a Pleasanton business. These businesses are invited to receive recognition at the October 15, 2024, City Council meeting.
- A new Holiday Gift Guide was prepared to promote local businesses for the 2023 holiday season. Over 60 Pleasanton businesses participated in the gift guide which was

mailed to 34,000 households in the Tri-Valley. Printed copies were available at public facilities, Museum on Main, Visit Tri-Valley and the Pleasanton Chamber of Commerce offices as well as several Pleasanton hotels. The City contributed to the overall design and circulation of the guide while businesses paid for advertising space. A similar guide is planned for the 2024 holiday season.

- To encourage local spending during the 2023 holiday season, a special promotion was held with *Gift Pleasanton*, Pleasanton's e-gift card program which provided a bonus card with purchase. Over \$14,000 worth of e-gift cards were sold from late November through December. There are 48 Pleasanton businesses that accept *Gift Pleasanton* e-gift cards. A similar holiday promotion is planned for the 2024 holiday season to keep holiday spending in Pleasanton. A corporate sponsorship program for *Gift Pleasanton* will be planned in FY 2024/25.
- Update the Pleasanton Dining Guide on an annual basis to promote local dining and food-related retail shopping. View the [2024 Pleasanton Dining Guide](#).

Formalize Partnerships with Community and Business Organizations for events and campaigns

- Partnered with Pleasanton Downtown Association to promote Small Business Saturday.
- Pleasanton Downtown Association is a new partner for *Gift Pleasanton* and will discontinue the downtown gift card program.
- Partnered with Visit Tri-Valley (VTV) to promote Taste Tri-Valley Restaurant Week.

Tourism & Hospitality Program

- Sponsored Visit Tri-Valley's *the VIBE* online event platform to promote civic arts performances, events, and activities in Pleasanton. Sponsorship was shared between Economic Development and Library and Recreation Department's Civic Arts program.
- Staff is actively involved in Visit Tri-Valley's proposed multi-use facility development process which is included in VTV's 5-year Destination Strategic Plan. The proposed multi-use facility will feature approximately 100,000 square feet of flexible space for sporting events, conferences, concerts, and trade shows. VTV and its consultants are considering sites in Dublin, Livermore and Pleasanton. Since March, staff has met regularly with VTV and its consultants to provide information to best position Pleasanton as a top contender for the multi-use venue location.

4. Entrepreneurship & Innovation Outreach

Staff is leveraging existing outreach activities by enhancing regional partnerships with East Bay Economic Development Alliance, Innovation Tri-Valley, i-Gate Innovation Hub/Startup Tri-Valley, and East Bay Small Business Development Center. Some planned initiatives for FY 2024/25 include:

- A Life Sciences and Biotech Series with i-Gate/Startup Tri-Valley to highlight entrepreneurship and new founders in the Tri-Valley life sciences and biotech ecosystem, ultimately to attract these companies to a future Pleasanton location.

- A partnership with East Bay Small Business Development Center to provide resources for entrepreneurs. Planned events may include “Your Restaurant Business Plan” to craft new or update business plans and “Meet the Lenders” to match entrepreneurs with financial institutions. The Pleasanton Chamber of Commerce may be a potential partner in this programming for the latter half of FY 2024/25.

5. Major Projects Accelerator Program

Create Business Roadmap to Provide a Clear Pathway for Zoning and Permitting

This initiative began in FY 2023/24 to identify opportunities in the zoning and permitting processes to support attraction of target sectors. Supported by professional services support with experience with the development of biotechnology and other innovation-based industrial uses, implementation of this initiative primarily involves Economic Development and Community Development staff which have had a series of meetings to explore ways to streamline zoning for biotechnology and other innovation-based businesses. Additional staff involved in the permitting process, including Building, Engineering and Livermore Pleasanton Fire Department, will be involved in evaluating recommended updates. Current efforts are focusing on:

- Reviewing how other cities handle the zoning approvals for biotech businesses.
- Reviewing the specific real estate and facility needs of biotech businesses – and how those needs may align or diverge from what current Pleasanton zoning allows.
- Reviewing existing zoning language – including the zoning use definitions, permitted uses, approval process, and development standards – and developing proposed minor modifications to facilitate the approval of biotechnology and other innovation-based businesses.

An overview of the initiative was presented at the Economic Vitality Committee at its August 15, 2024, meeting for discussion and input. Any proposed changes to the City’s zoning will be focused on the ability to make Pleasanton more conducive to attracting biotechnology and other innovation-based businesses; proposed changes would be presented to the Economic Vitality Committee and Planning Commission for discussion prior to City Council consideration as needed.

EQUITY AND SUSTAINABILITY

Not applicable, as this item is a routine matter of City business.

OUTREACH

No outreach was conducted, as this item is a routine matter of City business.

STRATEGIC PLAN ALIGNMENT

Approval of this action advances the [ONE Pleasanton Strategic Plan](#) goal of *Building a Community Where Everyone Belongs: Livability and Community Development Strategy 4* – Implement the updated 2024-2028 Economic Development Strategic Plan initiatives, including retail revitalization, ensuring the vibrancy of Pleasanton’s downtown, business retention and expansion, and workforce development.

FISCAL IMPACT

There is no fiscal impact associated with this action.

Prepared by:



Lisa Adamos, Economic
Development Manager

Submitted by:



Pamela Ott, Assistant City Manager

Approved by:



Gerry Beaudin, City
Manager

Attachments:

1. EDSP Strategic Plan Implementation Update Presentation Slides

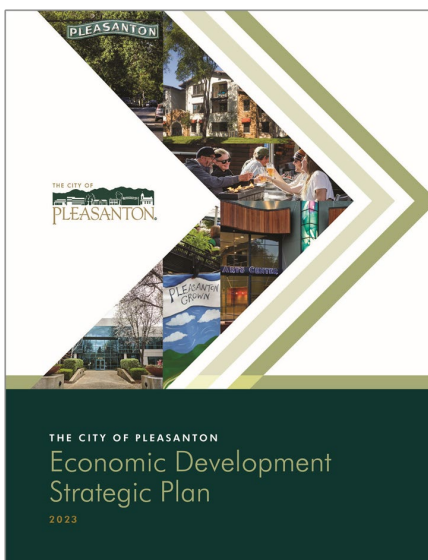
Economic Development Strategic Plan Update

City Manager's Department – Economic Development

City Council Meeting, October 15, 2024



5-year Economic Development Strategic Plan



To recalibrate the City of Pleasanton's economic development policies, programs, and strategies to proactively meet today's market opportunities and challenges

FY 23/24 to FY 27/28



Building a Community Where Everyone Belongs: Livability and Community Development



Implementation Plan Priorities

1.0 Economic Development Capacity Building

2.0 Business Retention, Expansion & Attraction

3.0 Local Revenue Growth

4.0 Entrepreneurship & Innovation Outreach

5.0 Major Projects Accelerator Program



1.0 Organizational Capacity Building

Economic Development Division consists of:

- (1) full-time Economic Development Manager
- and (1) part-time, temporary Program Specialist

1.3 Adopt and Incorporate DEI Best Practices

- Update Business License application to gather demographic data

1.4 Formalize Community & Business Partnerships

- Formal Agreements
- Bi-monthly Business Organization Partners Meetings

Resources for Veteran-Owned Businesses

National

Veteran Entrepreneurship Portal

The Veteran Entrepreneurship Portal (VEP) is designed to make it easier for Veteran small business owners to discover and access federal services. The portal provides information for learning how to start a business, access financing, grow a business, and where to find opportunities.

www.va.gov/osdbu/entrepreneur/

Bunker Labs

Bunker Labs is an organization committed to helping veteran and military spouse entrepreneurs alike launch and grow their own businesses. Their Launch Lab Online Course is a gamified, interactive module made to help guide veterans through starting their business. Bunker Labs also offers various educational content on financing, entrepreneurship, and sustainable business practices.

www.bunkerlabs.org

Economic Development Identity-Specific Resource Guide

The City of Pleasanton takes pride in its thriving and growing small business community. We are dedicated to supporting and uplifting our small businesses. Through this resource guide, we hope that you can find resources and tools that align with your identity and goals.

Resources for Women-Owned Businesses

National

Women's Business Enterprise National Council

The Women's Business Enterprise National Council is a non-profit organization committed to helping women-owned businesses thrive. Alongside the various programs, events, and networking opportunities, the council provides a WBEIC certification that validates any business that is at least 51% owned by a woman or women. Their certification is a valuable resource for acquiring grants and funding.

www.wbenc.org | (202) 872-5515

Ladies Who Launch

Ladies Who Launch is a global community dedicated to empowering women and non-binary small business owners. They provide free access to educational resources, networking, and business templates. Additionally, LWL has a comprehensive grants database which is updated on weekly basis to help business owners find funding opportunities.

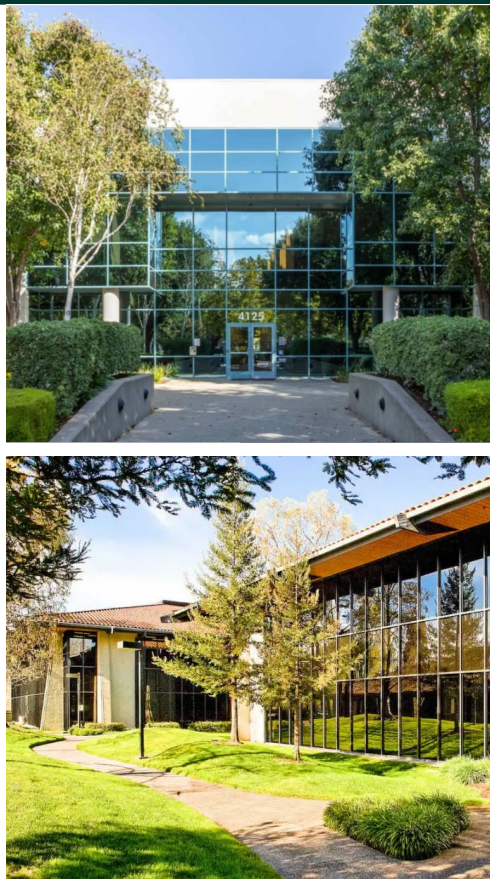
www.ladieswholaunch.org



(925) 945-5042
www.cityofpleasanton.ca.gov

125 Main Street
Pleasanton, CA 94566





Pleasanton Success Stories

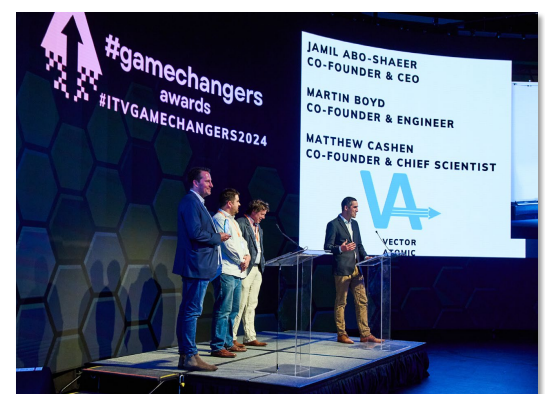
- **Tarlton Properties** to build out **Pleasanton Labs** offering office conversion for life sciences
- **Stanford Health Care Tri-Valley** purchases 5-building complex
- **Unchained Labs** expands to 124,000 sq. ft.
- **Villa Sports Fitness, Denica's Real Food Kitchen,** and Pleasanton's 2nd **Chick-fil-A** open
- **Kaiser Permanente** shifts more than 1,000 employees



2.0 Business Retention, Attraction & Expansion

2.1 Enhance Visibility, Marketing and Branding Strategy

- “Why Pleasanton” – webpage and brochures
- Event Support – Economic Drivers Awards, #GameChangers, and Tri-Valley Life Sciences Summit



3.0 Local Revenue Growth

3.1 Citywide Retail and Tenant Support Program – Retail Attraction Initiative

- Inventory and assessment of vacant opportunity sites
- Void analysis of retail attraction opportunities
- Regional economic and market trends

Initial Findings for Most Promising Retail Categories include:

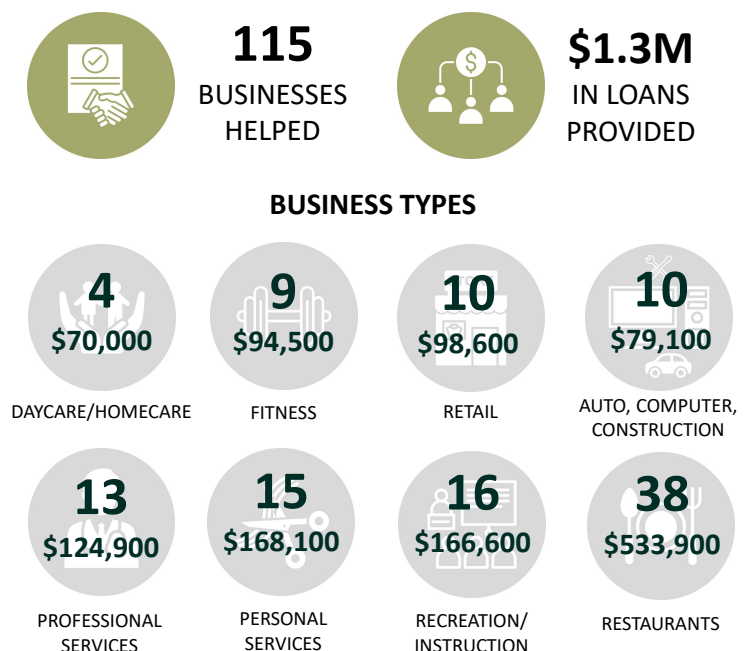
Apparel & Footwear	Home Improvement & Building Materials
Auto Parts & Automotive	Housewares & Home Furnishings
Convenience Stores & Gas Stations	Personal Care & Beauty
Discount Department Stores	Restaurants & Specialty Food
Health & Fitness	Sporting Goods & Apparel
Healthcare & Clinics	



3.0 Local Revenue Growth

3.1 Citywide Retail and Tenant Support Program – Business Support Loan Program

- To date, \$643,066 received, including \$110,700 paid in full
- Approximately, \$652,488 to be paid by 2026
- Remaining balance of \$40,945 by 2029



3.0 Local Revenue Growth



3.1 Citywide Retail and Tenant Support Program – Downtown Parklets and Outdoor Dining Installation Grant Programs

- \$75,292 provided for nine downtown parklets
- \$10,000 provided for one outdoor dining installation
- Programs concluded on June 30, 2024



3.0 Local Revenue Growth

3.3 Support Local Marketing Plan Strategies – to keep spending local

2023

Happy Holidays!

Help your holiday spending go a little further with the Gift Pleasanton e-gift card! Support local businesses and receive a bonus gift card to spread more holiday cheer!

SCAN FOR BONUS CARD

\$10 BONUS CARD

With a \$25+ Gift Card Purchase

\$20 BONUS CARD

With a \$50+ Gift Card Purchase

\$40 BONUS CARD

With a \$100+ Gift Card Purchase

Purchase at inPleasanton.com

Limit 3 bonus cards per purchaser | Offer valid thru 12-31-2023 or while supplies last | Bonus cards must be used by 3-1-2024.

2024

Happy Holidays!

Help Your Holiday spending go a little further with the Gift Pleasanton e-gift card! Support local businesses and receive a bonus gift card to spread more holiday cheer!

SCAN FOR BONUS CARD

\$10 BONUS CARD

With a \$25+ Gift Card Purchase

\$20 BONUS CARD

With a \$50+ Gift Card Purchase

\$40 BONUS CARD

With a \$100+ Gift Card Purchase

PURCHASE AT CITYOFFPLEASANTONCA.GOV

Limit 3 bonus cards per purchaser | Offer valid thru 12-31-2024 or while supplies last | Bonus cards must be used by 3-1-2025.

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GIFT PLEASANTON

SHOPPING

DINING

LIFESTYLE

EVENTS

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Welcome to Pleasanton, California – a unique destination set in the Tri-Valley area of Northern California. In Pleasanton, you are surrounded by green hills, open space, and neighborhood parks – creating a perfect place to experience an extraordinary day.

Throughout our community, you can enjoy performing arts, a diverse culinary scene, and many shops for every taste. Whether enjoying our charming downtown or heading to the regional shopping mall, everything is just a short drive, walk, or bike ride away.



5.0 Major Projects Accelerator Program

5.1 Create Business Roadmap to Provide a Clear Pathway for Zoning and Permitting – to help bring target sectors to Pleasanton

- Review other cities' zoning
- Explore specific real estate and facility needs
- Review existing zoning use definitions, permitted uses, approval process, and development standards – and develop proposed minor modifications to facilitate the approval of biotechnology and other innovation-based businesses



Thank you!

Questions, Comments & Feedback