



City Council Agenda

City of Campbell, 70 North First Street, Campbell, California

CITY COUNCIL EXECUTIVE SESSION

Tuesday, April 5, 2016 – 6:00 p.m.

Ralph Doetsch Conference Room - 70 N. First Street

- A. Personnel - Pursuant to G.C. Section 54957: Public Employee Performance Evaluation
- B. Litigation
- C. Real Property
- D. Labor Negotiations

REGULAR MEETING OF THE CAMPBELL CITY COUNCIL/SUCCESSOR AGENCY

Tuesday, April 5, 2016 – 7:30 p.m.
Council Chamber – 70 N. First Street

CALL TO ORDER, ROLL CALL, PLEDGE OF ALLEGIANCE

SPECIAL PRESENTATIONS AND PROCLAMATIONS

COMMUNICATIONS AND PETITIONS

ORAL REQUESTS

NOTE: This portion of the meeting is reserved for persons wishing to address the City Council on any matter not on the agenda. Persons wishing to address the Council are requested, but not required to complete a Speaker's Card. Speakers are limited to two (2) minutes. The law generally prohibits the Council from discussion or taking action on such items. However, the Council may instruct staff accordingly regarding Oral Requests.

COUNCIL ANNOUNCEMENTS

CONSENT CALENDAR

NOTE: All matters listed under consent calendar are considered by the City Council to be routine and will be enacted by one motion. There will be no separate discussion of these items unless a request is made by a member of City Council, City staff, or a member of the public. Any person wishing to speak on any item on the consent calendar should ask to have the item removed from the consent calendar prior to the time the Council votes to approve. If removed, the item will be discussed in the order in which it appears.

1. **Minutes of Regular Meeting of March 15, 2016**
Recommended Action: Approve the Regular Meeting Minutes.
2. **Approving Bills and Claims**
Recommended Action: Approve the bills and claims in the amount of \$1,679,950.63.
3. **Monthly Investment Report – February, 2016**
Recommended Action: Note and file the Monthly Investment Report for February, 2016.
4. **Accept Donation of \$5,000 from Kaiser Permanente for 2016 Summer Concert Series**
Recommended Action: Accept a donation of \$5,000 from Kaiser Permanente for the 2016 Summer Concert Series.
5. **Authorize Submittal of Proposed 2016/2017 Storm Water Management Program Budget to West Valley Sanitation District (Resolution/Roll Call Vote)**
Recommended Action: Adopt a resolution authorizing submittal of the proposed 2016/2017 Storm Water Management Program to West Valley Sanitation District.
6. **Approval of Tract Map No. 10340 including Acceptance of Street Dedication and Public Service Easement Shown on Said Map – 280 Dillon Avenue Phase II (Resolution/Roll Call Vote)**
Recommended Action: Adopt a resolution approving the Tract Map for Tract No. 10340 and accept the street dedication and public service easement as shown on the map for the property located at 280 Dillon Avenue.
7. **Initiate Proceedings of the Campbell Lighting and Landscaping District, Fiscal Year 2016/17(Resolution/Roll Call Vote)**
Recommended Action: Adopt a resolution initiating proceedings, describing the improvements, and directing staff to prepare the Engineer's Report for the Campbell Lighting and Landscaping Assessment District for Fiscal Year 2016/17.
8. **Authorization to Purchase One Marked Police Vehicle and Approval of a Budget Adjustment (Resolution/Roll Call Vote)**
Recommended Action: Adopt a resolution authorizing the Public Works Director to purchase one marked police vehicle from Serramonte Ford; and approve a budget adjustment in the amount of \$33,000 to the Vehicle & Equipment Maintenance Fund.
9. **Second Reading of Ordinance 2199 and 2200 Approves the City-initiated Text Amendments (PLN2015-365) to Amend the Campbell Municipal Code Regulations for Massage Establishments. (Ordinances Second Reading/Roll Call Vote)**

Recommended Action: Approve the second reading and adopt the Ordinance 2199 approving a Text Amendment amending Chapter 21.10 (Commercial and Industrial Districts); Chapter 21.12 (Special Purpose Districts); Chapter 21.36 (Provisions Applying to Special Uses); and Section 21.72.020 (Definitions) of the Campbell Zoning Code; and approve the second reading and adopt the Ordinance 2200 approving a Text Amendment amending Chapter 5.48 (Business Regulations) and Chapter 6.10 (Inspections of Property) of the Campbell Municipal Code.

PUBLIC HEARINGS AND INTRODUCTION OF ORDINANCES

10. **Appeal of the Planning Commission Approval of a Conditional Use Permit PLN2015-352) and Administrative Planned Development Permit (PLN2015-354) to Allow Establishment of a New 45-seat Restaurant (Kalye Hits) with Beer and Wine Service, Outdoor Seating, Live Entertainment No Dancing), and "Late-night" Operational Hours (11:00 PM Public Closing); and a Parking Modification Permit (PLN2015-355) to Allow a Reduction in the Number of Required Parking Spaces on Property Located at 2145 S. Winchester Boulevard in the P-D (Planned Development) Zoning District. (Resolution/Roll Call Vote)**

Recommended Action: Adopt a Resolution denying the appeal and upholding the Planning Commission approval of a Conditional Use Permit (PLN2015-352), Administrative Planned Development permit (PLN2015-354), and Parking Modification Permit (PLN2015-355).

11. **Introduction of Ordinance Forming the Campbell Industrial Development Authority (First Reading of Ordinance/Roll Call Vote)**

Recommended Action: Introduce an Ordinance forming the Campbell Industrial Development Authority.

SUCCESSOR AGENCY NEW BUSINESS

12. **Authorizing Preparation of Proceeding for the Proposed Issuance of Bonds to Refund Outstanding Obligations of the Former City of Campbell Redevelopment Agency, Approving a Financing Team and Providing Other Matters Relating Thereto (Resolution/Roll Call Vote)**

Recommended Action: Successor Agency adopt resolution authorizing the retention of consultants in connection with the proposed issuance of bonds to refund indebtedness of the former City of Campbell Redevelopment Agency.

NEW BUSINESS

13. **Authorizing Preparation of Proceedings for the Refinancing of Outstanding Certificates of Participation, Approving a Financing Team and Providing Other Matters Relating Thereto (Resolution/Roll Call Vote)**

Recommended Action: Adopt a resolution authorizing the refinancing of outstanding certificates of participation and approval of financing team and related agreements.

14. **BMR Administrator Proposal Update**
Recommended Action: Authorize staff to schedule interviews with the Subcommittee and the recommended candidates for the expanded scope of services; authorize the City Manager to negotiate a contract with the highest-ranked candidate, as recommended by the Subcommittee following interviews; and direct staff to return to the City Council with a draft contract for review and approval by the City Council.
15. **Authorize City Manager to Award and Execute Contract for Pre-Ballot Polling Services (Resolution/Roll Call Vote)**
Recommended Action: Adopt a resolution authorizing the City Manager to award and execute an agreement with Godbe Research for per-ballot polling services.
16. **Low Edwards Group Consultant Services (Resolution/Roll Call Vote)**
Recommended Action: Adopt a resolution that will release The Low Edwards Group from its current services contract; and authorize the City Manager to negotiate, award and execute a new contract for pre-electoral consulting services.
17. **Appropriate up to \$231,000 from the Civic Center Master Plan Reserve to Fund Expenditures Related to Placing a Ballot Measure on the 2016 General Election Ballot (Resolution/Roll Call Vote)**
Recommended Action: Adopt a resolution to appropriate up to \$231,000 from the Civic Center Master Plan Reserve fund expenditures related to placing a measure on the 2016 General Election ballot.

COUNCIL COMMITTEE REPORTS

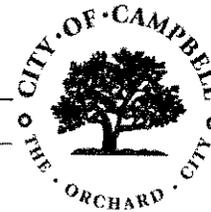
18. **City Councilmember Reports/Updates on Committee Assignments**
Recommended Action: Report on committee assignments and general comments.

ADJOURN

In compliance with the Americans with Disabilities Act, listening assistive devices are available for all meetings held in the City Council Chambers. If you require accommodation, please contact the City Clerk's Office, (408) 866-2117, at least one week in advance of the meeting.

CITY COUNCIL MINUTES

City of Campbell, 70 North First Street, Campbell, California



CITY COUNCIL EXECUTIVE SESSION

Tuesday, March 15, 2016 – 6:00 p.m.

Ralph Doetsch Conference Room - 70 N. First Street

- A. Personnel - Pursuant to G.C. Section 54957: Public Employee Performance Evaluation – City Manager (Item continued from February 16, 2016)
- B. Litigation
- C. Real Property
- D. Labor Negotiations

Council met in executive session to discuss item A. Executive session adjourned at 7:26 p.m.

REGULAR MEETING OF THE CAMPBELL CITY COUNCIL

Tuesday, March 15, 2016 – 7:30 p.m.

Council Chamber – 70 N. First Street

Note: This Regular Meeting was duly noticed pursuant to open meeting requirements of the Ralph M. Brown Act (G.C. Section 54956).

This meeting was recorded and can be viewed in its entirety at www.cityofcampbell.com/agendacenter.

CALL TO ORDER, ROLL CALL, PLEDGE OF ALLEGIANCE

The City Council of the City of Campbell convened this day in the regular meeting place, the Council Chamber of City Hall, 70 N. First Street, Campbell, California.

Roll Call:

Present: Councilmembers: Kotowski, Resnikoff, Cristina, Gibbons, Baker

Absent: Councilmembers: None

Pledge: Ann Herosy

The pledge was led by Ann Herosy, representative for the American Red Cross of Silicon Valley. Mayor Baker thanked her for leading the pledge.

SPECIAL PRESENTATIONS AND PROCLAMATIONS

1. **Proclamation declaring the month of March “American Red Cross Month” in the City of Campbell**

Recommended Action: Present proclamation.

Mayor Baker presented Ann Herosy with a proclamation declaring the month of March as “American Red Cross Month” in the City of Campbell.

2. **Envision Campbell Mobile Application**

Recommended Action: Accept presentation.

City Manager Linder gave a brief introduction of this item.

Matthew Chavez, Program Manager for Silicon Valley Talent Partnership, spoke about the development of the application and introduced Ari Chen, Product Development Intern for Silicon Valley Talent Partnership. Ari helped develop the application and gave a brief overview of the features.

COMMUNICATIONS AND PETITIONS

There were no communications and petitions.

ORAL REQUESTS

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Debbie Boitano, Campbell resident, spoke about sewer issues with her property and stated that the process is being held up and would like Council to help resolve the issues.

Community Development Director Kermoyan stated that they are aware of the issues with this property and are working to correct the sewage issue.

Mark Dunkle, President of the Campbell CERT, submitted an article from the Mercury News regarding the Campbell CERT program and spoke about the goals for the program.

COUNCIL ANNOUNCEMENTS

The Recreation and Community Services Department will be hosting a free conference for families and friends who care for aging loved ones. The conference will be held on

Saturday, April 16th, from 9:00 a.m. - 2:00 p.m. in the Orchard City Banquet Hall and includes a resource fair with over 20 agencies providing services for caregivers.

The author of "Surviving Alzheimer's," Paula Spencer Scott, will be the keynote speaker.

For more information, please call the Recreation and Community Services Department at (408) 866-2147 or visit the City's website at www.cityofcampbell.com

Register early for Campbell Day Camps, Sports Camps and Swim Lessons. Descriptions and schedules are available on the city's website at www.cityofcampbell.com.

Early Bird summer registrations begin, Tuesday, March 22nd, at 8:00 a.m.

Campbell Kiwanis presents the 36th annual Campbell Eggstravaganza event on Saturday, March 26th, from 9 - 11:00 a.m. Festivities will include face painting, a mini petting zoo, baton dance demonstrations, craft projects and jump houses.

Following the Eggstravaganza, the public is invited to Downtown Campbell's 18th annual Bunnies and Bonnets parade. The parade will begin at 12:00 p.m. and will feature marching bands, baton dancers, classic cars and more. This is a wonderful Campbell tradition for the entire family.

For more information about any City project or event, please visit the City's website at www.cityofcampbell.com.

CONSENT CALENDAR

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Mayor Baker asked if any Councilmember or anyone in the audience wished to remove any item from the Consent Calendar.

Councilmember Cristina asked to remove item five.

The Consent calendar was considered as follows:

3. **Minutes of Study Session of March 1, 2016**

Recommended Action: Approve the study session minutes.

This action approves the minutes of the study session of March 1, 2016.

4. **Minutes of Regular Meeting of March 1, 2016**

Recommended Action: Approve the regular meeting minutes.

This action approves the minutes of the regular meeting of March 1, 2016.

6. **Resolution Congratulating Janie Harris Kelly on Being Selected "Citizen of the Year" by the Campbell Chamber of Commerce (Resolution/Roll Call Vote)**

Recommended Action: Adopt a resolution congratulating Janie Harris Kelly on being selected Campbell's 2015 "Citizen of the Year."

Resolution 11955 congratulates Janie Harris Kelly on being selected Campbell's 2015 "Citizen of the Year."

7. **Resolution Congratulating Chiropractic Wellness Center on Being Selected "Business of the Year" by the Campbell Chamber of Commerce (Resolution/Roll Call Vote)**

Recommended Action: Adopt a resolution congratulating Chiropractic Wellness Center on being selected Campbell's 2015 "Business of the Year."

Resolution 11956 congratulates Chiropractic Wellness Center on being selected Campbell's 2015 "Business of the Year."

M/S: Gibbons/Kotowski - that the City Council approve the Consent Calendar with the exception of item five and includes desk item three. Motion was adopted by the following roll call vote:

AYES: Councilmembers: Kotowski, Resnikoff, Cristina, Gibbons, Baker

NOES: Councilmembers: None

ITEMS CONSIDERED SEPARATE FROM THE CONSENT CALENDAR

Councilmember Cristina asked for clarification on a payment.

5. **Approving Bills and Claims**

Recommended Action: Approve the bills and claims in the amount of \$1,242,578.83.

After discussion, **M/S: Cristina/Resnikoff – that the City Council approve the bills and claims in the amount \$1,242,578.83 as follows: bills and claims check dated February 22, 2016 in the amount of \$857,537.54; payroll checks dated February 25, 2016 in the amount of \$243,489.51; and bills and claims checks dated February 29, 2016 in the amount of \$141,551.78. Motion was adopted by the following roll call vote:**

AYES: Councilmembers: Kotowski, Resnikoff, Cristina, Gibbons, Baker

NOES: Councilmembers: None

PUBLIC HEARINGS AND INTRODUCTION OF ORDINANCES

8. **Public Hearing to Consider a City-initiated Zoning Text Amendment (PLN2013-13) to Amend the Campbell Zoning Code to Reclassify Restaurants and Motor Vehicle Sale Establishments (Within an Enclosed Building) as Conditionally Permitted Uses Subject to Approval of a Conditional Use Permit and Specifically Prohibiting Drive-through and Drive-in Restaurants Within the C-3 (Central Business District) Zoning District (Introduction of Ordinance/Roll Call Vote)**

Recommended Action: Take first reading of an ordinance amending the Campbell Zoning Code to reclassify restaurants and motor vehicle sale establishments (within an enclosed building) as conditionally permitted uses subject to approval of a Conditional Use Permit and specifically prohibiting drive-through and drive-in restaurants within the C-3 (Central Business District) Zoning District.

This is the time and place for a public hearing to consider City-initiated Zoning Text Amendment (PLN2013-13) to amend the Campbell Zoning Code to reclassify restaurants and motor vehicle sale establishments (within an enclosed building) as conditionally permitted uses subject to approval of a conditional use permit and specifically prohibiting drive-through and drive-in restaurants within the C-3 (Central Business District) zoning district.

Community Development Director Kermoyan gave a brief introduction of this item.

Associate Planner Fama presented staff report dated March 15, 2016.

Mayor Baker declared the public hearing open and asked if there was anyone in the audience wishing to be heard.

Jessica Lynam, Director of Local Government Affairs – Bay Area with the California Restaurant Association, stated the restaurant community wants to work with the City and would like to be involved in the process.

There being no one else wishing to be heard, Mayor Baker closed the public hearing.

After discussion, **M/S: Cristina/Resnikoff – that the City Council continue this item and have staff bring it back as two separate items; one focused on the motor vehicle portion and the other being focused on the restaurants; with the restaurant portion having two options: one is to only to remove of the finding stating “diversification of eating establishments;” the other is to incentivize retail instead of using the Conditional Use Permit (CUP) with a list of negative reasons why we wouldn’t want to use any of the current uses that are not in there and would be a part of the review of the mix of uses and include an ideal of day and evening use balance as well as “pop-ups.”**

After discussion, **Vice Mayor Gibbons made a friendly amendment to require a CUP for any conversion to restaurant including side streets and office space.**

Amendment was accepted by Councilmember Cristina and Councilmember Resnikoff.

After further discussion, **Vice Mayor Gibbons made another friendly amendment to remove the return of any discussion on indoor motor vehicle sale establishments.**

Amendment was accepted by Councilmember Cristina and Councilmember Resnikoff.

Amended motion was adopted unanimously.

9. **Public Hearing to Consider a City-initiated Text Amendment (PLN2015-365) to Amend the Campbell Municipal Code Regulations for Massage Establishments (Resolution/Introduction of Ordinances/Roll Call Vote)**

Recommended Action: Adopt a resolution finding that the proposed Zoning Text Amendment (PLN2015-365) is exempt from CEQA; take first reading of an ordinance approving a Text Amendment amending Chapter 21.10 (Commercial and Industrial District); Chapter 21.12 (Special Purpose District); Chapter 21.36 (Provisions Applying to Special Uses); and Section 21.72.020 (Definitions) of the Campbell Zoning Code; and take first reading of an ordinance approving a Text Amendment amending Chapter 5.48 (Business Regulations) and Chapter 6.10 (Inspections of Property) of the Campbell Municipal Code.

This is the time and place for a public hearing to consider a City-initiated Text Amendment (PLN2015-365) to amend the Campbell Municipal Code regulations for massage establishments.

Senior Planner McCormick presented staff report dated March 15, 2016.

Police Chief Carmichael provided additional comments regarding police enforcement for the massage establishments.

Mayor Baker declared the public hearing open and asked if there was anyone in the audience wishing to be heard.

A member of the public spoke about her husband's massage establishment Pure Massage Therapy. She stated that sometimes he is the only person in the facility and if he is required to hire an additional person that would be a hardship for his business.

There being no one else wishing to be heard, Mayor Baker closed the public hearing.

After discussion, M/S: Gibbons/Kotowski – that the City Council adopt Resolution 11957 finding that the proposed Zoning Text Amendment (PLN2015-365) is exempt from CEQA; take first reading of Ordinance 2199 approving a Text Amendment amending Chapter 21.10 (Commercial and Industrial Districts); Chapter 21.12 (Special Purposes Districts); Chapter 21.36 (Provisions Applying to Special Uses); and Section 21.72.020 (Definitions) of the Campbell Zoning Code; and take first reading of Ordinance 2200 approving a text amendment amending Chapter 5.48 (Business Regulations) and Chapter 6.10 (Inspection of Property) of the Campbell Municipal Code with an amendment to subsection K of Municipal Code section 5.48.210, section 12 to state “At all times that a massage establishment is open for business, the massage establishment shall have on the premise at least one person who is not actively engaged in the performance of a massage to ensure that the premises remains open.” Motion was adopted by the following roll call vote:

AYES: Councilmembers: Kotowski, Resnikoff, Gibbons, Baker

NOES: Councilmembers: Cristina

City Clerk Wood read the title of Ordinance 2199.

M/S: Gibbons/Kotowski – that the City Council waive further reading of Ordinance 2199. Motion was adopted unanimously.

City Clerk Wood read the title of Ordinance 2200.

M/S: Gibbons/Kotowski – that the City Council waive further reading of Ordinance 2200. Motion was adopted unanimously.

NEW BUSINESS

10. **Affirm the Revised Fiscal Year 2015-16 City Council Strategic Priorities and Confirm or Provide Direction Regarding Fiscal Year 2016-17 Strategic Priorities**

Recommended Action: Affirm or provide direction related to the revised Fiscal Year 2015-16 City Council Strategic Priorities and proposed 2016-17 Strategic Priorities.

City Manager Linder presented staff report dated March 15, 2016.

After discussion, Council provided general feedback and would like additional information for discussion during the budget process.

COUNCIL COMMITTEE REPORTS

Councilmember Cristina made a motion to agendaize a review of the contract with Lew Edwards for the next regularly scheduled council meeting. Councilmember Resnikoff seconded the motion. Motion approved by a 3-2 vote (Vice Mayor Gibbons and Mayor Baker voted no)

Councilmember Cristina stated that he had a work related meeting to attend and left at 10:43p.m.

11. **City Councilmember Reports/Updates on Committee Assignments**

Recommended Action: Report on committee assignments and general comments.

--Councilmember Resnikoff thanked Councilmember Kotowski for filling in for him at the Valley Transportation Authority Policy Advisory Committee meeting; and stated that he attended the opening day ceremony for the Campbell Little League.

-- Councilmember Kotowski attended the Valley Transportation Authority Policy Advisory Committee meeting; attended the Recycling Waste Reduction Commission meeting; spoke about the Youth Commission special meeting; and attended the West Valley Sanitation District meeting.

-- Vice Mayor Gibbons spoke about the Anisley House and Historical Museum events: Downtown Abby Tea weekend, upcoming Mother's Day teas; continuation of the History Happy Hour starting on April 1st, with the "History of the Universe" and on May 13th, "Exploring the Impacts of the Prohibition on Santa Clara Valley;" spoke about the new exhibits at the Museum; attended the AARP meeting at the Community Center; and spoke about an upcoming community meeting of neighborhood associations at the Community Center.

-- Mayor Baker spoke about the Envision Silicon Valley Ad Hoc Subcommittee of Valley Transportation Authority meetings.

ADJOURN

Mayor Baker adjourned the meeting at 10:57 p.m.

APPROVED:

ATTEST:

Jason T. Baker, Mayor

Wendy Wood, City Clerk



City Council Report

Item: 2.
Category: Consent Calendar
Meeting Date: April 5, 2016

TITLE: Approving Payment of Bills and Claims

RECOMMENDATION

Approve the attached lists of bills and claims for payment in the amount of \$1,679,950.63.

DISCUSSION

Attached are the lists of bills and claims that have been audited and approved by staff for payments made as noted below:

<u>Type</u>	<u>Check Date</u>	<u>Amount</u>
Bills & Claims	March 7, 2016	\$224,989.83
Payroll	March 10, 2016	\$284,936.10
Bills & Claims	March 14, 2016	\$371,962.73
Bills & Claims	March 21, 2016	\$798,061.97
	Total	\$1,679,950.63

FISCAL IMPACT

Adequate funding was available to cover all expenses as listed.

Prepared by: Leslie Fabila
Leslie Fabila, Office Assistant

Reviewed by: Sharif Etman
Sharif Etman, Finance Manager

Reviewed by: Jesse Takahashi
Jesse Takahashi, Finance Director

Approved by: Mark Linder
Mark Linder, City Manager

Attachments:
Attachment 1 – Bills & Claims Lists



City Council Report

Item: 3.
 Category: Consent Calendar
 Meeting Date: April 5, 2016

Title: Monthly Investment Report – February, 2016

RECOMMENDATION

That the attached Investment Report for February, 2016 be noted and filed.

DISCUSSION

The City invests primarily in the State of California Local Agency Investment Fund (LAIF) and US Government Agency securities to preserve the safety of the City's surplus funds while achieving a reasonable return on its portfolio. The City's strategy is one of buy-and-hold in which a portion of the portfolio is invested in fixed income securities of varying maturities that will provide sufficient cash flow to meet the City's operational needs.

During the month of February, a Federal Home Loan Mortgage Corporation fixed interest rate bond with \$2 million par value and maturity date of 2018 was called. The total portfolio increased \$1 million in LAIF mainly due to the receipts of \$0.8 million construction fees from developers and normal fluctuations in operating revenue and expenditures.

All investments are made in accordance with the City's established Investment Policy or as authorized pursuant to bond covenants. Presented within this report are the following:

- Investment balance and earnings for February, 2016
- Summary of investments by types as of February, 2016
- List of investments by institution as of February, 2016
- Reconciliation of pooled cash as of February, 2016
- Investment transactions as of February, 2016
- Actual Receipts and Disbursements for February, 2016
- Cash flow projections for the month of May, 2016

<u>Investment Balance and Earnings - February, 2016</u>						
<u>Bal. at Beg. of Month 02/01/16</u>	<u>Purchases/ Deposits</u>	<u>Maturities/ Withdrawals</u>	<u>Bal. at End of Month 02/29/16</u>	<u>Interest Earned this Month</u>	<u>Interest Earned YTD</u>	<u>% of Interest Earned YTD/Budget</u>
\$ 37,220,681	\$ 3,000,005	\$ (2,000,000)	\$ 38,220,687	\$ 15,909	\$ 103,580	46.87%

<u>Summary of Investments by Type - February, 2016</u>						
<u>Description</u>	<u>Current Month</u> <u>02/29/16</u>	<u>% of Total Portfolio</u>	<u>Prior Month</u> <u>01/31/16</u>	<u>% of Total Portfolio</u>	<u>Prior Year</u> <u>2/28/15</u>	<u>% of Total Portfolio</u>
L.A.I.F.	\$ 30,663,595	80.23%	\$ 29,663,595	79.70%	\$ 24,429,655	65.17%
Agencies	\$ 3,500,000	9.16%	\$ 5,500,000	14.78%	10,999,500	29.34%
Cash with Bank of New York	\$ 2,000,000	5.23%	\$ -	0.00%	-	0.00%
Money Market (U.S. Bank)	\$ 2,057,092	5.38%	\$ 2,057,086	5.52%	2,057,027	5.49%
Total	\$ 38,220,687	100.00%	\$ 37,220,681	100.00%	\$ 37,486,182	100.00%

Cash Flow Projections

The cash flow projection reflects there are sufficient funds available to meet the City of Campbell's anticipated expenditures for May, 2016 through October, 2016 (See Exhibit II).

<u>List of Investments by Institution - February, 2016</u>				
<u>Institution</u>	<u>Cost</u>	<u>% of Total Portfolio</u>	<u>Market Value</u>	<u>Diff. Bet. Cost & Market</u>
L.A.I.F	\$ 30,663,595	80.23%	\$ 30,638,664	\$ (24,931)
Cash with Bank of New York	2,000,000	5.23%	\$ 2,000,000	\$ -
Federal Farm Credit Bank (FFCB)*	1,500,000	3.92%	\$ 1,502,415	\$ 2,415
Federal Home Loan Mortgage Corp (FHLMC) *	2,000,000	5.23%	\$ 1,994,280	\$ (5,720)
U.S. Bank-Money Market Fund **	2,057,092	5.38%	\$ 2,057,092	\$ -
	\$ 38,220,687	100.00%	\$ 38,192,451	\$ (28,236)

* The City intends to hold treasury/agency securities to maturity or until they are called, as a result this is a paper gain and/or loss that will not be realized.

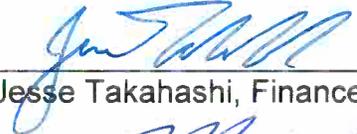
** City and RDA COP and TAB bond proceeds held for program and reserve funds.

<u>Reconciliation of Pooled Cash per Ledgers to Investment Report</u>	
<u>February, 2016</u>	
Balance per ledger - February, 2016	\$ 38,220,661
February, 2016 interest to be Journalized	26
Adjusted General Ledger Balance	<u>38,220,687</u>
Balance Per Investment Report	<u>38,220,687</u>

<u>Summary of Total Cash Invested</u>			
<u>Description</u>	<u>Current Month</u> <u>02/29/16</u>	<u>Prior Month</u> <u>01/31/16</u>	<u>Prior Year</u> <u>02/28/15</u>
Cash on Deposit	\$ 2,153,482	\$ 3,206,152	\$ 1,617,419
Investments	<u>38,220,687</u>	<u>37,220,681</u>	<u>37,486,182</u>
Total Cash and Investments	<u>\$ 40,374,169</u>	<u>\$ 40,426,833</u>	<u>\$ 39,103,601</u>
% of Total Cash Invested	<u>94.67%</u>	<u>92.07%</u>	<u>95.86%</u>

Prepared by: 
Sophie Kao, Accountant

Reviewed by: 
Sharif Etman, Finance Manager

Reviewed by: 
Jesse Takahashi, Finance Director

Approved by: 
Mark Linder, City Manager

- Attachment 1 - Monthly Schedule of Investments
- Attachment 2 - Cash Flow Projection
- Attachment 3 - Actual Receipts & Disbursements

**City of Campbell
Monthly Schedule of Investments
For the month ending February, 2016**

Attachment 1

	Beginning Balance	Purchases/ Deposits	Maturities/ Calls/ Withdrawals	Ending Balance	% of Type	% of Assets	Par Value	* Market Value	Maturity Date	Remain Days To Mat	Interest Rate (Annual)	Interest Earned To Maturity	# of Days In Month	Int.Recv. Beginning Balance	Interest Earned This Mo.	Interest Received This Mo.	Int.Recv. Ending Balance	Interest Received To Date	Interest Bal. to Maturity
Local Agency Investment Fund (L.A.I.F.)	\$ 29,663,594.51	\$ 1,000,000.00		\$ 30,663,594.51	100.00%	80.23%	\$ 30,663,595	\$ 30,638,664	N/A	N/A	0.467% Q	N/A	29	\$ 11,236.41	\$ 11,377.45	\$	\$ 22,613.86	\$ 69,838.93	N/A
Cash & Gov't Securities (Custodian-BNY Bank)																			
Cash	-	2,000,000.00		2,000,000.00	36.36%	5.23%	2,000,000	2,000,000	-	-	-	-	29	-	-	(9,778.78)	9,778.78	-	-
Fed. Farm Credit Bank (FFCB) Fixed	1,500,000.00			1,500,000.00	27.27%	3.92%	1,500,000	1,502,415	11/30/18	-	-	-	29	2,808.49	1,596.99	-	4,405.48	-	-
Fed. Home Loan Mortgage (FHLMC)	2,000,000.00		(2,000,000.00)	-	0.00%	0.00%	-	-	02/26/18	1,005	1.340% S	59,859	29	8,438.36	1,340.42	9,778.78	-	59,859	-
Fed. Home Loan Mortgage (FHLMC)	2,000,000.00			2,000,000.00	36.36%	5.23%	2,000,000	1,994,280	03/30/18	728	1.000% S	49,863	26	6,739.73	1,589.04	-	8,328.77	-	-
Subtotal-Gov't Securities	5,500,000.00	2,000,000.00	(2,000,000.00)	5,500,000.00	100.00%	14.39%	5,500,000	5,496,695		760	1.096%	159,695	29	17,986.58	4,526.45	-	12,734.25	-	109,832
Investments under the management of contracted parties:																			
Trustee: U.S. Bank																			
1997 COP																			
Treasury Obligations - Lease Payment	-	-	-	-	0.00%	0.00%	0	0	N/A	N/A	0.000% M	N/A	29	-	-	-	-	2,873.71	N/A
Treasury Obligations	-	-	-	-	0.00%	0.00%	0	0	N/A	N/A	0.000% M	N/A	29	-	-	-	-	-	-
2002 COP																			
First American Treasury D - Lease Pmt	2.15	-	-	2.15	0.00%	0.00%	2	2	N/A	N/A	0.003% M	N/A	29	-	-	-	-	4,760.56	N/A
First American Treasury D - Improvement	-	-	-	-	0.00%	0.00%	0	0	N/A	N/A	0.000% M	N/A	29	-	-	-	-	152,311.90	N/A
2002 RDA TABS																			
First American Treasury D - Interest	0.86	-	-	0.86	0.00%	0.00%	1	1	N/A	N/A	0.004% M	N/A	29	-	-	-	-	3,754.52	N/A
First American Treasury D - Reserve	1,013,282.77	5.18	-	1,013,287.95	49.26%	2.65%	1,013,288	1,013,288	N/A	N/A	0.006% M	N/A	29	-	5.18	5.18	-	154,367.50	N/A
First American Treasury D - Principal	0.31	-	-	0.31	0.00%	0.00%	0	0	N/A	N/A	0.002% M	N/A	29	-	-	-	-	623.73	N/A
First American Treasury D - Redevelop	-	-	-	-	0.00%	0.00%	0	0	N/A	N/A	0.000% M	N/A	29	-	-	-	-	2,616.89	N/A
2005 RDA TABS																			
First American Treasury D - Interest	-	-	-	-	0.00%	0.00%	0	0	N/A	N/A	0.000% M	N/A	29	-	-	-	-	4,081.34	N/A
First American Treasury D - Reserve	1,043,800.77	-	-	1,043,800.77	50.74%	2.73%	1,043,801	1,043,801	N/A	N/A	0.001% M	N/A	29	-	-	-	-	2,226.96	N/A
First American Treasury D - Principal	-	-	-	-	0.00%	0.00%	0	0	N/A	N/A	0.000% M	N/A	29	-	-	-	-	111,418.63	N/A
First American Treasury D - Reserve	-	-	-	-	0.00%	0.00%	0	0	N/A	N/A	0.000% M	N/A	29	-	-	-	-	439,035.73	-
Subtotal-Trust A/C	2,057,086.86	5.18	-	2,057,092.04	100.00%	5.38%	2,057,092	2,057,092			N/A	N/A	29	-	5.18	5.18	-	439,035.73	-
Total Portfolio	\$ 37,220,681.37	\$ 3,000,005.18	\$ (2,000,000.00)	\$ 38,220,686.55	100.00%	\$ 38,220,687	\$ 38,192,451			Wgt Avg	0.530%	\$ 159,695	29	\$ 29,222.99	\$ 15,909.08	\$ 5.18	\$ 35,348.11	\$ 508,874.66	\$ 109,832

Investment Portfolio Increased / (Decreased) by: **\$ 1,000,005.18**

Weighted Average to Maturity = **118.2 Days**

Note:	Month	Portfolio Balance		% of Total Cash Invested		Month	Wgt Avg	Rate/Annual Yield		Actual Interest Earned		Actual Interest Received	
		FY 15-16	FY 14-15	FY 15-16	FY 14-15			FY 15-16	FY 14-15	FY 15-16	FY 14-15		
S - Semi-Annual	July	\$ 37,670,072	\$ 38,342,028	95.78%	98.36%	July	Wgt Avg	0.415%	0.580%	\$ 13,269	\$ 19,276	\$ 20,071	\$ 25,480
Q - Quarterly	August	35,670,878	37,732,033	89.78%	97.33%	August	Wgt Avg	0.408%	0.570%	12,516	19,688	10,318	14,380
M - Monthly	September	35,247,357	37,012,606	94.65%	98.39%	September	Wgt Avg	0.341%	0.571%	9,550	17,510	6,568	17,705
	October	33,195,877	33,889,665	93.33%	96.06%	October	Wgt Avg	0.413%	0.604%	11,634	16,346	24,996	20,128
	November	33,195,882	33,689,670	91.10%	93.82%	November	Wgt Avg	0.605%	0.426%	11,635	17,143	5	19,280
	December	33,195,890	34,289,675	93.30%	95.10%	December	Wgt Avg	0.476%	0.603%	12,721	17,550	8	15,630
	January	37,220,681	37,296,177	92.07%	91.91%	January	Wgt Avg	0.517%	0.527%	16,347	18,049	6	26,062
	February	38,220,687	37,486,182	94.67%	95.86%	February	Wgt Avg	0.530%	0.473%	15,909	14,179	5	10,920
	March		35,412,660		92.57%	March	Wgt Avg		0.491%		14,563		22,705
	April		33,750,291		82.38%	April	Wgt Avg		0.392%		13,267		23,227
	May		37,750,296		93.23%	May	Wgt Avg		0.345%		13,072		8,443
	June		40,850,001		93.87%	June	Wgt Avg		0.389%		14,924		17,089
	Average	\$ 35,452,165	\$ 36,458,440	Average 93.09%	Average 94.07%	Average		0.441%	0.513%	\$ 103,580	\$ 197,568	\$ 61,976	\$ 221,048

Per Governmental Code requirements, this schedule of Investments complies with the City of Campbell's Investment Policy, and there are adequate funds available to meet the budgeted expenditures for the next six months.

* Market prices are obtained from the monthly investment statements of the various institutions or the City's third-party custodian, BNY Mellon Bank.

Cash Flow Projection for the Month of May 2016

Date	Revenue Description	Receipt Amount	Date	Expenditure Description	Payment Amount
2	Community Center Leases/Rentals	\$ 216,000	1	Outstanding Checks	\$ 500,000
2	Environmental Services Fees	33,000	2	Bills & Claims	250,000
2	Franchise Fees	470,000	9	Bills & Claims	350,000
9	Property Taxes	103,000	16	Bills & Claims	800,000
9	Other Taxes	55,000	23	Bills & Claims	450,000
9	Licenses and Permits	125,000	30	Bills & Claims	300,000
9	Fines/Forfeitures/Penalties	17,000	5	Payroll	660,000
16	Investment Interest	1,000	19	Payroll	670,000
16	Motor Vehicle in Lieu	-			
16	Highway Users Tax	-			
16	Intergovernmental	110,000			
16	Charges for Current Services	500,000			
23	Sales & Use Tax (incl. Meas.O)	1,000,000			
23	Park Dedication Fees	78,000			
30	Transient Occupancy Tax (monthly)	280,000			
30	Miscellaneous Receipts	64,000			
	Sub-total (Receipts)	3,052,000		Sub-total (Expenditure)	3,980,000
	Amount expected to be withdrawn from Investments to cover this month's expenditures.	928,000		Amount of expected revenue available for investment.	-
	Total	\$ 3,980,000		Total	\$ 3,980,000

Note:

The approximately \$30.7 million invested with the Local Agency Investment Fund (see Exhibit I) is highly liquid and available on any business day. It, therefore, can be reasonably estimated that sufficient funds are readily available to cover normal expenditures for the subsequent six-month period. More specifically, the monthly cash flow projection reflects that sufficient funds are available to meet the anticipated expenditures for the month.

Actual Receipts & Disbursements for the Month of February 2016

Fund / Account	Revenue Description	Receipt Amount	Date	Expenditure Description	Payment Amount
4810, 4819	Community Center/Dev. Leases/Rentals	\$ 211,979	1	Outstanding Checks as of 1/31/2016	\$ 1,030,763
F209, 4720, 21, 22, 24	Environmental Services Fees	253,973	1	Bills & Claims	372,605
4120-4125	Franchise Fees	309,609	8	Bills & Claims	320,170
40XX, 4153	Property Taxes	84,098	15	Bills & Claims	353,461
4151,4152,4155	Other Taxes	209,843	22	Bills & Claims	857,538
42XX	Licenses and Permits	624,328	29	Bills & Claims	144,534
43XX	Fines/Forfeitures/Penalties	24,576	29	Bills & Claims-manual & voided checks	(2,958)
4410,4431, 4450	Investment Interest	9,676	11	Bills & Claims-PR vendors' checks	237,055
4580	Motor Vehicle in Lieu	-	25	Bills & Claims-PR vendors' checks	243,490
4586	Highway Users Tax	-	11	Payroll	870,527
other 45XX	Intergovernmental--Other	8,742	25	Payroll	680,189
4510-4516	Intergovernmental--Gas Taxes	67,304	8	Calpers Insurance Payment	145,062
4571, 4572	Intergovernmental--VTA Meas. B	-	29	Calpers Retirement Funding	137,021
4590,4591,4592 F333	Intergovernmental--Successor Agency	-			
46XX-47XX, excl 4725	Charges for Current Services	435,172			
4110-4115	Sales & Use Tax (incl. Meas.O)	1,077,948			
F295,4920	Park Dedication Fees	137,802			
4150	Transient Occupancy Tax (monthly)	427,424			
48XX-49XX, excl F798	Miscellaneous Receipts	42,368			
F366,368,4450,4966	Miscellaneous Receipts (from RDA)	-			
F207,236,367exc237,5XXX	Special Assessment	752			
	Sub-total (Receipts)	3,925,594		Sub-total (Expenditure)	5,389,457
	Amount withdrew from Investments to cover this month's expenditures.	1,463,863		Amount of expected revenue available for investment.	-
	Total	\$ 5,389,457		Total	\$ 5,389,457



City Council Report

Item: 4.
Category: Consent Calendar
Meeting Date: April 5, 2016

TITLE: ACCEPT DONATION OF \$5,000.00 FROM KAISER PERMANENTE FOR 2016 SUMMER CONCERT SERIES

RECOMMENDATION

It is recommended that the City Council accept a donation of \$5,000.00 from Kaiser Permanente for the 2016 Summer Concert Series.

BACKGROUND

Kaiser Permanente donated \$5,000.00 to the City of Campbell as part of their community sponsorship program for the 2016 Summer Concert Series. The payment must be formally accepted by the City Council before funds are deposited.

DISCUSSION

Kaiser Permanente has significantly contributed toward the cost of the Summer Concert Series for the last several years. Physicians and key staff members from Kaiser Permanente's Campbell Medical Offices also attend the last concert of the season to encourage Campbell residents to live healthier lives through exercise, good nutrition and recreational activities.

FISCAL IMPACT

There is no negative fiscal impact to the City.

Prepared by:

Regina Maurantonio, Recreation & Community Services Director

Reviewed by:

Jesse Takahashi, Finance Director

Approved by:

Mark Linder, City Manager



City Council Report

Item: 5.
Category: Consent Calendar
Meeting Date: April 5, 2016

TITLE: Authorize Submittal of Proposed 2016/2017 Storm Water Management Program Budget to West Valley Sanitation District (Resolution/Roll Call Vote)

RECOMMENDATION

That the City Council adopt the attached resolution authorizing submittal of the proposed 2016/2017 Storm Water Management Program Budget to West Valley Sanitation District.

BACKGROUND

In 1992, the cities of Campbell, Saratoga, Monte Sereno, and the Town of Los Gatos entered into agreements with the West Valley Sanitation District (District) for the provision of Storm Water Management Services. These agreements were established at the cities' requests in an effort to provide the local funding necessary for the cities to comply with the state mandated Clean Water Program requirements as determined by each city's National Pollution Discharge Elimination System (NDPES) permits, also known as Municipal Regional Permits (MRPs). The agreements were renewed in 2012 for a 20 year period in order to continue to provide funding for the cities Storm Water Management Programs.

As part of the agreements, the District levies and collects revenue through user fees assessed on the annual property tax rolls. The revenues collected by the District have successfully funded the elements of the City's Storm Water Management Program since the Storm Water Management Program began in 1992.

Assessment rates for the Storm Water Program collected by the District have been approximately \$19.48 per year for the average single family residence. Commercial and industrial parcels are assessed at just over \$6.00 per 1,000 ft². At these rates, approximately \$379,400 for fiscal year 2016/2017 is expected to be collected from Campbell property owners to sustain the City's Storm Water Management Program.

This current level of revenue has been sufficient to cover program costs and maintain a surplus fund until the last few years. However, annually increasing costs now require use of those accumulated surplus funds each year and will exhaust that surplus in the next four to five years at the current rate of drawdown. For FY 2016/2017, it is

proposed to augment the annual assessment revenue of \$379,400 with approximately \$64,807 from accumulated surplus.

Revenues to Campbell's program from these annual assessments are basically fixed as assessments and would be difficult to increase at this time due to current restrictions imposed by California Proposition 218. Legislative efforts to modify these restrictions relative to storm water management charges are underway and may allow for collection of additional dedicated revenue for this program in future years.

DISCUSSION

Each year, as part of the overall budget for the City's Storm Water Management Program, the cities and the West Valley Clean Water Program (WVCWP) cooperatively prepare a budget for the upcoming activities of the WVCWP. This budget is submitted to the individual cities for approval prior to the establishment of the District's annual user fees, and prior to the District transmitting those fees to the County for collection on the property tax roll.

The outline of the proposed WVCWP budget has been prepared for FY 2016/2017. Should Council approve and grant authorization, this budget will be submitted to the District so that the assessments for FY 2016/2017 may be collected. Highlights of the proposed budget are described below.

The State Regional Water Quality Control Board (RWQCB) issues a new region-wide Municipal Regional Permit (MRP) encompassing the entire Bay Area every four to five years. A new MRP issued in late 2015, contained increased requirements for all co-permittees including:

- Reducing the square footage of impervious surface for regulated projects requiring additional regulation.
- Increasing Low Impact Development (LID) requirements for new developments and redevelopments.
- Developing and implementing a Green Infrastructure Plan for inclusion of LID drainage design into storm drain infrastructure on public and private lands, including streets, roads, storm drains, parking lots, building roofs, and other storm drain infrastructure elements.
- Submitting documentation that a work plan for implementing Green Infrastructure was approved by local governing body by June 30, 2017 and submitting completed Green Infrastructure Plan by September 30, 2019.

- Accelerating implementation of full capture trash device installations and other clean-up activities to attain and document a 60% visual trash load reduction from 2009 base year level by July 2016, a 70% reduction by July 2017, an 80% reduction by July 2019, and 100% visual trash load reduction by July 1, 2022.
- Setting numeric effluent limits on chemical pollution (PCB's, Mercury, etc.) to the San Francisco Bay.
- Additional Illicit Discharge Detection and Elimination requirements.

Discussions are underway with RWQCB staff regarding these additional requirements of the new MRP that impact the City of Campbell's responsibilities. Staff will estimate the magnitude of future budget increases with the assistance of the WVCWP and the Santa Clara Valley Urban Runoff Pollution Prevention Program (SCVURPPP).

FISCAL IMPACT

Due to WVCWP program revisions, a shortfall of \$64,807 is estimated for the City's overall Storm Water Management Program FY 2016/2017.

Funds held in the City's Environmental Fund – Storm Water Fees are projected to total \$293,078 on June 30, 2016. These funds have been used as supplemental funding for the annual Storm Water Management Program beginning in FY 2012/2013, and are proposed to be used to provide the \$64,807 estimated shortfall for FY 2016/2017.

For FY 2016/2017, the anticipated source and use of funds for the Campbell Storm Water Management Program is as follows:

<u>Source of Funds</u>	Existing FY 15/16	Proposed FY 16/17
Storm Drain Assessment Revenues	\$ 377,700	\$ 379,400
Storm Drain Area Fees	15,000	15,000
Environmental Fund - Storm Water Fees	<u>74,800</u>	<u>64,807</u>
Total Source of Funds	\$ 467,500	\$459,207

Authorize Submittal of Proposed 2016/2017 Storm Water Management Budget to West Valley Sanitation District April 5, 2016

<u>Estimated Use of Funds</u>	FY 15/16	FY 16/17
West Valley Clean Water Program Budget:		
Operating Expenses	\$ 187,700	\$201,357
Fire Dept. IC/ID Inspection Program	13,000	18,000
SCVURPPP Program Management	86,000	86,000
State NPDES Permit Fees	16,800	16,800
Contract Grant Matching	3,000	11,150
Contingency	3,000	3,100
Sub-Total WVCWP Budget	\$ 279,376	\$336,407
WVSD Storm Drain Cleaning	\$25,000	
Campbell Storm Water Management Program Expenses	\$ 133,000	\$122,800
Total Storm water Management Program Estimated Use of Funds	\$467,500	\$459,207

The attached resolution has been prepared for Council to consider the adoption of the proposed WVCWP budget for FY 2016/2017 as outlined above. Once approved, the WVCWP budget will also be incorporated into the City's FY 2016/2017 Operating Budget.

ALTERNATIVES

1. Do not approve the proposed work program and budget.
2. Allocate other revenues to support these mandated activities.

Prepared by: Bill Helms
 Bill Helms, Executive Project Manager

Reviewed by: Todd Capurso Frederick Ho
 Todd Capurso, Director of Public Works

Approved by: Mark Linder
 Mark Linder, City Manager

Attachment: Resolution

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAMPBELL
AUTHORIZING SUBMITTAL OF PROPOSED 2016/2017 STORM WATER
MANAGEMENT BUDGET TO WEST VALLEY SANITATION DISTRICT**

WHEREAS, City staff, in cooperation with the West Valley Clean Water Program (WVCWP), has prepared the FY 2016/2017 Storm Water Program Management Budget for the anticipated expenditures for the WVCWP; and

WHEREAS, the WVCWP budget is a portion of the City's overall Storm Water Management Program budget; and

WHEREAS, City Council approval of the FY 2016/2017 WVCWP Storm Water Management Budget is necessary prior to the West Valley Sanitation District Board's approval and submittal of user fees/assessments to the County Assessor for inclusion in the tax roll for FY 2016/2017.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Campbell does hereby authorize the submittal of the FY 2016/2017 West Valley Clean Water Program Storm Water Management Budget to West Valley Sanitation District.

PASSED AND ADOPTED this 5th day of April, 2016 by the following roll call vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

APPROVED:

Jason T. Baker
Mayor

ATTEST:

Wendy Wood, City Clerk



City Council Report

Item No.: 6.
Category: Consent Calendar
Meeting Date: April 5, 2016

TITLE: Approval of Tract Map No. 10340 including Acceptance of Street Dedication and Public Service Easements Shown on Said Map – 280 Dillon Avenue Phase II (Resolution/Roll Call Vote)

RECOMMENDATION

That the City Council adopt the attached resolution approving the Tract Map for Tract No. 10340 and accept the street dedication and public service easements as shown on the map for the property located at 280 Dillon Avenue.

DISCUSSION

On October 21, 2014, the City Council adopted Resolution No. 11736 conditionally approving a Tentative Subdivision Map (PLN2013-339) to allow the creation of 81 townhome parcels, three parcels to accommodate 19 apartment units, and associated common parcels on property owned by Robson Homes, Inc. located at 280 Dillon Avenue.

On July 21, 2015, the City Council adopted Resolution No. 11865 conditionally approving a modification to the approved Tentative Subdivision Map allowing the phasing of the project.

On November 17, 2015, the City Council adopted Resolution No. 11921 conditionally approving a modification to the approved Tentative Subdivision Map allowing an increase to 90 townhome parcels, two parcels to accommodate 28 apartment units, and associated common parcels on property owned by Robson Homes, Inc. located at 280 Dillon Avenue.

Tract Map 10340 represents the second and final phase of the project including 43 townhome parcels, one parcel for 16 apartment units, and the associated common parcels.

The Tract Map includes the public street dedication and public service easements necessary to accommodate the approved use of the property. Staff has reviewed the map and found it in compliance with the approved Tentative Map, the Subdivision Map Act, and Title 20 of the Campbell Municipal Code. The attached resolution has been prepared for Council's consideration for approval of the Tract Map and acceptance of the street dedication and public service easements offered for dedication.

**Approval of Tract Map No. 10340 and Acceptance of Street
Dedication and Public Service Easements Shown on Said
Map – 280 Dillon Avenue Phase II
April 5, 2016**

FISCAL IMPACT

There is no fiscal impact associated with this action.

ALTERNATIVES

Determine that the Tract Map is not consistent with the Tentative Map or applicable codes, and do not approve the Tract Map or accept dedications.

Prepared by:



Roger Storz, Senior Civil Engineer

Reviewed by:



Fred Ho, Acting City Engineer

Reviewed by:



Todd Capurso, Public Works Director

Approved by:



Mark Linder, City Manager

Attachments: Attachment 1: Resolution
Attachment 2: Tract Map

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAMPBELL
APPROVING THE TRACT MAP FOR TRACT NO. 10340 AND
ACCEPTING THE PUBLIC STREET AND THE PUBLIC
SERVICE EASEMENTS OFFERED FOR DEDICATION FOR PROPERTY
LOCATED AT 280 DILLON AVENUE**

WHEREAS, on October 21, 2014, the City Council adopted Resolution No. 11736 approving a Tentative Map for the property located at 280 Dillon Avenue; and

WHEREAS, on July 21, 2015, the City Council adopted Resolution No. 11865 approving a modification to the approved Tentative Map allowing for the phasing of the project; and

WHEREAS, on November 17, 2015, the City Council adopted Resolution No. 11921 approving a modification to the approved Tentative Map increasing the total number of units for the project; and

WHEREAS, public street dedication and public service easements are necessary to accommodate the approved use of the property and have been offered for dedication on the Tract Map; and

WHEREAS, the Tract Map has been prepared, reviewed by staff, and found to be in compliance with the Tentative Map, Subdivision Map Act and Title 20 of the Campbell Municipal Code.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Campbell that Tract Map 10340 is hereby approved and the Public Street and Public Service Easements offered for dedication as shown on said map are hereby accepted in conformity with the terms for which they are offered.

PASSED AND ADOPTED this 5th day of April, 2016 by the following roll call vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

APPROVED:

Jason T. Baker, Mayor

ATTEST:

Wendy Wood, City Clerk

OWNER'S STATEMENT

WE HEREBY STATE THAT WE ARE THE OWNER OF OR HAVE SOME RIGHT, TITLE OR INTEREST IN AND TO THE REAL PROPERTY INCLUDED WITHIN THE SUBDIVISION SHOWN ON THE MAP; THAT WE ARE THE ONLY PEOPLE WHOSE CONSENT IS NECESSARY TO PASS CLEAR TITLE TO SAID REAL PROPERTY; AND THAT WE HEREBY CONSENT TO THE MAKING OF SAID MAP AND SUBDIVISION AS SHOWN WITHIN THE RESTRICTIVE BORDER LINE.

WE HEREBY OFFER FOR DEDICATION IN FEE SIMPLE TO PUBLIC USE ALL STREETS AND PORTIONS OF STREETS NOT PREVIOUSLY EXISTING AS SHOWN ON THE MAP WITHIN SAID SUBDIVISION, AND ALSO DEDICATE TO PUBLIC USE EASEMENTS FOR ANY AND ALL PUBLIC USES UNDER, UPON AND OVER SAID STREETS AND SAID PORTIONS THEREOF.

WE ALSO HEREBY DEDICATE TO PUBLIC USE EASEMENTS, TOGETHER WITH THE RIGHTS OF INGRESS AND EGRESS, FOR ANY AND ALL PUBLIC SERVICE FACILITIES INCLUDING POLES, WIRES, CONDUITS, GAS, WATER, AND ALL PUBLIC UTILITIES AND ANY AND ALL APPURTENANCES TO THE ABOVE, UNDER, UPON, OR OVER THOSE CERTAIN PORTIONS OF LAND DELINEATED AND DESIGNATED AS "PSEC" (PUBLIC SERVICE EASEMENT). SAID PUBLIC SERVICE EASEMENTS ARE TO BE KEPT OPEN AND FREE FROM BUILDINGS AND STRUCTURES OF ANY KIND EXCEPT PUBLIC SERVICE STRUCTURES, IRRIGATION SYSTEMS AND APPURTENANCES, LAWFUL FENCES AND LAWFUL BUILDING OVERHANGS.

WE ALSO HEREBY DEDICATE FOR PUBLIC PURPOSES EASEMENTS OF INGRESS, EGRESS FOR EMERGENCY ACCESS UNDER OR OVER THOSE CERTAIN STRIPS OF LAND DESIGNATED AND DELINEATED AS "EVAC" (EMERGENCY VEHICLE ACCESS EASEMENT). SAID EASEMENTS ARE TO BE KEPT OPEN AND FREE OF BUILDING AND STRUCTURES OF ANY KIND EXCEPT LAWFUL BUILDING OVERHANGS AND TRAFFIC RATED UNDERGROUND UTILITY COMPANY STRUCTURES.

WE ALSO HEREBY RESERVE EASEMENTS FOR THE OWNERS, THEIR LICENSEES, VISITORS, AND TENANTS RECIPROCAL RIGHTS OF INGRESS AND EGRESS UPON AND OVER THOSE CERTAIN STRIPS OF LAND DESIGNATED AND DELINEATED AS "ICE" (INGRESS AND EGRESS EASEMENT).

WE HEREBY RESERVE EASEMENTS FOR STORM DRAINAGE PURPOSES AND SANITARY SEWER PURPOSES DESIGNATED AND DELINEATED AS "PSDC" (PRIVATE STORM DRAINAGE EASEMENT) AND "PSSE" (PRIVATE SANITARY SEWER EASEMENT) FOR THE INSTALLATION AND MAINTENANCE OF PRIVATE STORM AND PRIVATE SANITARY SEWER FACILITIES. THESE EASEMENTS ARE TO BE KEPT OPEN AND FREE FROM ALL BUILDINGS AND STRUCTURES OF ANY KIND, EXCEPT PRIVATE STORM DRAINAGE AND PRIVATE SANITARY SEWER FACILITIES AND STRUCTURES, IRRIGATION SYSTEMS AND APPURTENANCES THERETO, LAWFUL FENCES AND ALL LAWFUL BUILDING OVERHANGS, THE MAINTENANCE, REPAIR AND/OR REPLACEMENT OF PRIVATE STORM DRAINAGE AND PRIVATE SANITARY SEWER FACILITIES SHALL BE THE SOLE RESPONSIBILITY OF THE PROPERTY OWNERS BENEFITED, AS DETERMINED BY THE APPROPRIATE COVENANTS, CONDITIONS, AND RESTRICTIONS. SAID EASEMENTS ARE NOT OFFERED FOR DEDICATION TO, NOR ARE THEY ACCEPTED BY, THE CITY OF CAMPBELL.

THE PRIVATE DRIVES CONTAINED WITHIN THIS TRACT ARE NOT OFFERED NOR ACCEPTED FOR DEDICATION FOR PUBLIC STREET PURPOSES.

OWNER

MADISON PARK OF CAMPBELL, LLC,
A CALIFORNIA LIMITED LIABILITY COMPANY

BY: ROBSON PROPERTIES, INC.,
A CALIFORNIA CORPORATION
ITS MANAGER

BY: _____ DATE: _____

OWNER'S ACKNOWLEDGMENT

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA
COUNTY OF SANTA CLARA

ON _____ BEFORE ME, _____ A NOTARY PUBLIC,

PERSONALLY APPEARED

WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/IT/HEY EXECUTED THE SAME IN HIS/HER/ITS/THEIR AUTHORIZED CAPACITIES AND BY HIS/HER/ITS/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND

SIGNATURE _____

NAME (PRINT) _____

PRINCIPAL PLACE OF BUSINESS _____

MY COMMISSION NUMBER _____

MY COMMISSION EXPIRES _____

TRUSTEE'S STATEMENT

FIRST AMERICAN TITLE COMPANY, TRUSTEE UNDER DEED OF TRUST RECORDED AUGUST 19th, 2015 AS DOCUMENT NO. 23057029 OFFICIAL RECORDS, SANTA CLARA COUNTY, ENCUMBERING THE LAND HEREIN SHOWN, HEREBY CONSENTS ON BEHALF OF THE BENEFICIARY TO THE MAKING AND FILING OF SAID MAP.

AS TRUSTEE:

FIRST AMERICAN TITLE COMPANY

BY: _____ DATE: _____

TRUSTEE'S ACKNOWLEDGMENT

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA
COUNTY OF SANTA CLARA

ON _____ BEFORE ME, _____ A NOTARY PUBLIC,

PERSONALLY APPEARED

WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/IT/HEY EXECUTED THE SAME IN HIS/HER/ITS/THEIR AUTHORIZED CAPACITIES AND BY HIS/HER/ITS/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND

SIGNATURE _____

NAME (PRINT) _____

PRINCIPAL PLACE OF BUSINESS _____

MY COMMISSION NUMBER _____

MY COMMISSION EXPIRES _____

CITY CLERK'S STATEMENT

I HEREBY STATE THAT THIS MAP, DESIGNATED AS TRACT NO. 10340, CONSISTING OF FOUR (4) SHEETS, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF CAMPBELL, AT MEETING OF SAID COUNCIL HELD ON THE DAY OF _____, 2016 AND THAT SAID COUNCIL ACCEPTED, SUBJECT TO IMPROVEMENT, ON BEHALF OF THE PUBLIC, ALL STREETS AND EASEMENTS DEDICATED TO PUBLIC USE IN CONFORMITY WITH THE TERMS OF THE OFFER OF DEDICATION.

WENDY WOOD
CITY CLERK OF THE CITY OF CAMPBELL

SOILS AND GEOLOGICAL REPORT

GEOLOGICAL REPORT ON THIS PROPERTY HAS BEEN PREPARED BY PACIFIC GEOTECHNICAL ENGINEERING DATED MAY 9, 2013, PROJECT NO. 2013.0049 AND IS ON FILE AT THE OFFICE OF THE CITY ENGINEER.



TRACT NO. 10340

CONSISTING OF FOUR (4) SHEETS

BEING ALL OF THAT REAL PROPERTY AS DESCRIBED IN THE FOLLOWING DEEDS: DEED RECORDED ON APRIL 24, 2015, DOCUMENT NO. 22927167, SANTA CLARA COUNTY RECORDS, DEED RECORDED ON JULY 2, 2015, DOCUMENT NO. 23005570, SANTA CLARA COUNTY RECORDS, DEED RECORDED ON MAY 20, 2015, DOCUMENT NO. 22959006, SANTA CLARA COUNTY RECORDS AND ALSO ALL OF THE REAL PROPERTY SHOWN AS LOT 49 ON THAT CERTAIN TRACT MAP ENTITLED "TRACT NO. 10296" RECORDED IN BOOK 067 PAGES 23 THROUGH 28 OF MAPS, SANTA CLARA COUNTY RECORDS

LYING WITHIN THE CITY OF CAMPBELL, COUNTY OF SANTA CLARA, STATE OF CALIFORNIA.

DATE: APRIL 2016



Civil Engineers • Planners • Surveyors
224 Alhambra Parkway, Suite 525
San Jose, CA 95110

CITY SURVEYOR'S STATEMENT

I HEREBY STATE THAT I AM SATISFIED THAT THE WITHIN TRACT MAP IS TECHNICALLY CORRECT.

CYRUS KIAMPUR
LS NO. 7515 EXP: 12-31-17



DATE: _____

SURVEYOR'S STATEMENT

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY MADE IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF ROBSON HOMES, LLC IN JULY, 2009. I HEREBY STATE THAT THIS TRACT MAP SUBSTANTIALLY CONFORMS TO THE APPROVED OR CONDITIONALLY APPROVED TENTATIVE MAP, IF ANY; THAT THE SURVEY IS TRUE AND COMPLETE AS SHOWN; THAT ALL MONUMENTS ARE OF THE CHARACTER AND OCCUPY THE POSITIONS INDICATED, OR THAT THEY WILL BE SET IN THOSE POSITIONS ON OR BEFORE JANUARY, 2017; AND THAT THE MONUMENTS ARE, OR WILL BE, SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED.

ANDREW TURNER
LS NO. 9104
EXPIRES: 6-30-16



DATE: _____

CITY ENGINEER'S STATEMENT

I HEREBY STATE THAT I HAVE EXAMINED THIS TRACT MAP; THAT THE MAP IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAP AND ANY APPROVED ALTERATION THEREOF; AND THAT ALL PROVISIONS OF THE CALIFORNIA SUBDIVISION MAP ACT AND ANY LOCAL ORDINANCES APPLICABLE AT THE TIME OF THE APPROVAL OF THE TENTATIVE MAP HAVE BEEN COMPLIED WITH.

FREDRICK HO, ACTING CITY ENGINEER
OF THE CITY OF CAMPBELL, CALIFORNIA
ROE NO. 58895 EXP: 6-30-17



DATE: _____

REMEMINDER'S STATEMENT

FILE NO. _____ FEE \$ _____ PAID. ACCEPTED FOR RECORD AND FILED

THIS _____ DAY OF _____, 2016, AT _____, CA.

IN BOOK _____ OF MAPS AT PAGES _____ SANTA CLARA COUNTY RECORDS, AT THE REQUEST OF CIVIL ENGINEERING ASSOCIATES.

REGINA ALDOMENDRAS, COUNTY RECORDER
SANTA CLARA COUNTY, CALIFORNIA

BY: _____ DEPUTY

TRACT NO. 10340

CONSISTING OF FOUR (4) SHEETS

BEING ALL OF THAT REAL PROPERTY AS DESCRIBED IN THE FOLLOWING DEEDS: DEED RECORDED ON APRIL 24, 2015, DOCUMENT NO. 22827187, SANTA CLARA COUNTY RECORDS, DEED RECORDED ON JULY 2, 2015, DOCUMENT NO. 23005570, SANTA CLARA COUNTY RECORDS, DEED RECORDED ON MAY 20, 2015, DOCUMENT NO. 22859008, SANTA CLARA COUNTY RECORDS AND ALSO ALL OF THE REAL PROPERTY SHOWN AS LOT 48 ON THAT CERTAIN TRACT MAP ENTITLED "TRACT NO. 10296" RECORDED IN BOOK 867 PAGES 23 THROUGH 26 OF MAPS, SANTA CLARA COUNTY RECORDS

LYING WITHIN THE CITY OF CAMPBELL, COUNTY OF SANTA CLARA, STATE OF CALIFORNIA.

DATE: APRIL 2016



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224 Alport Parkway, Suite 525
San Jose, CA 95110

NOTES

1. ALL DIMENSIONS SHOWN HEREON ARE IN FEET AND DECIMALS THEREOF.
2. THE AREA WITHIN THE DISTINCTIVE BORDER = 2.31 ACRES GROSS AND 2.28 ACRES NET.

BASIS OF BEARINGS

THE BEARING NORTH 31°32'00" EAST, OF THE MONUMENT LINE OF DILLON AVENUE, BETWEEN FOUND MONUMENTS AT SAN CAVA LANE (FORMERLY CENTRAL AVENUE) AND CAMPBELL AVENUE, AS SAID MONUMENT LINE AND MONUMENTS ARE SHOWN ON THAT CERTAIN RECORD OF SURVEY, RECORDED IN BOOK 655 OF MAPS AT PAGE 36, SANTA CLARA COUNTY RECORDS, WAS USED AS THE BASIS OF ALL BEARINGS SHOWN ON THIS MAP.

LEGEND

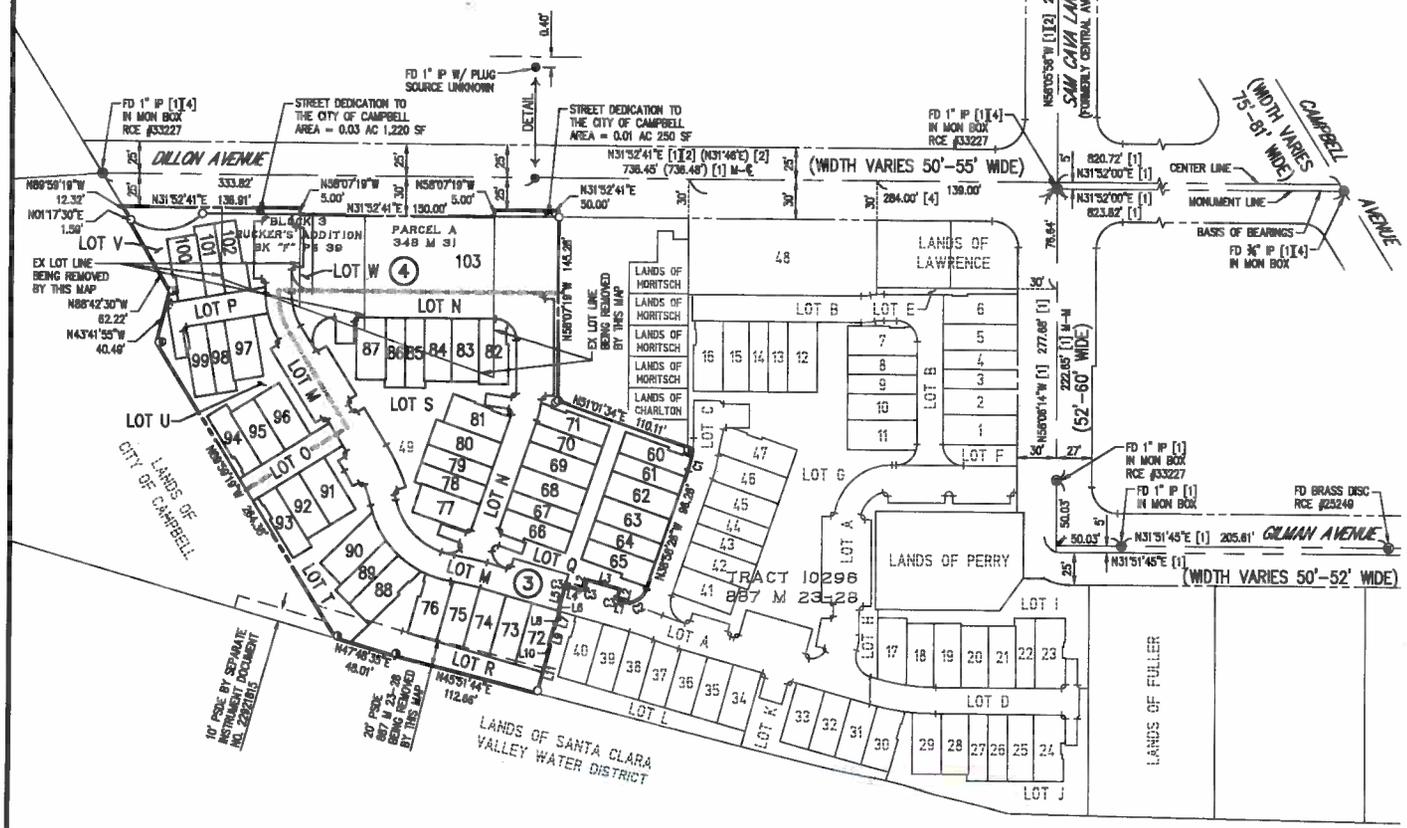
- DISTINCTIVE BOUNDARY
- - - RIGHT OF WAY
- NEW LOT LINE
- EXISTING LOT LINE
- CENTERLINE
- MONUMENT LINE
- NEW EASEMENT LINE
- EXISTING EASEMENT LINE
- BOUNDARY TO FOUND BRASS DISK IN CITY MONUMENT WELL (AS NOTED)
- SET WITNESS MONUMENT, CUT CROSS ON TOP OF CURB, UNLESS NOTED OTHERWISE
- SET BRASS PIN IN CITY MONUMENT BOX FOR PRIVATE STREET MONUMENT
- FOUND IRON PIPE (AS NOTED)
- SET 3/4" IRON PIPE OR OTHER PERMANENT MONUMENT AS INDICATED TARGETED LS 9104
- 3/4" IRON PIPE OR OTHER PERMANENT MONUMENT, TO BE SET PER [5]
- (100.00') RECORD DATA
- (R) RADIAL BEARING
- EVAVE EMERGENCY VEHICLE ACCESS EASEMENT
- IE INGRESS AND EGRESS EASEMENT
- PSSE PRIVATE SANITARY SEWER EASEMENT
- PSDE PRIVATE STORM DRAIN EASEMENT
- PSE PUBLIC SERVICE EASEMENT
- 23 LOT NUMBER
- ③ SHEET COVERAGE
- ③ SHEET NUMBER



REFERENCES

- [1] 656 M 35-37
- [2] 680 M 6-7
- [3] 338 M 55
- [4] 367 M 56
- [5] 667 M 23-28

CURVE TABLE				LINE TABLE		
CURVE #	RADIUS	DELTA	LENGTH	LINE #	BEARING	LENGTH
C1	75.00'	12°40'28"	16.59'	L1	N47°27'00"E	0.75'
C2	18.00'	86°25'26"	24.13'	L2	N42°33'00"W	6.00'
C3	3.00'	90°00'00"	4.71'	L3	N47°27'00"E	28.00'
				L4	N47°27'00"E	9.00'
				L5	N42°33'00"W	23.00'
				L8	N47°27'00"E	1.00'
				L7	N42°33'00"W	13.96'
				L8	N47°27'00"E	0.92'
				L9	N42°33'00"W	13.00'
				L10	N47°27'00"E	1.42'
				L11	N42°33'00"W	38.12'



TRACT NO. 10340

CONSISTING OF FOUR (4) SHEETS

BEING ALL OF THAT REAL PROPERTY AS DESCRIBED IN THE FOLLOWING DEEDS: DEED RECORDED ON APRIL 24, 2015, DOCUMENT NO. 22827167, SANTA CLARA COUNTY RECORDS, DEED RECORDED ON JULY 2, 2015, DOCUMENT NO. 23005970, SANTA CLARA COUNTY RECORDS, DEED RECORDED ON MAY 20, 2015, DOCUMENT NO. 22859008, SANTA CLARA COUNTY RECORDS AND ALSO ALL OF THE REAL PROPERTY SHOWN AS LOT 48 ON THAT CERTAIN TRACT MAP ENTITLED "TRACT NO. 10296" RECORDED IN BOOK 857 PAGES 23 THROUGH 28 OF MAPS, SANTA CLARA COUNTY RECORDS

LYING WITHIN THE CITY OF CAMPBELL, COUNTY OF SANTA CLARA, STATE OF CALIFORNIA.

DATE: APRIL 2016

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San Jose, CA 95110



LEGEND

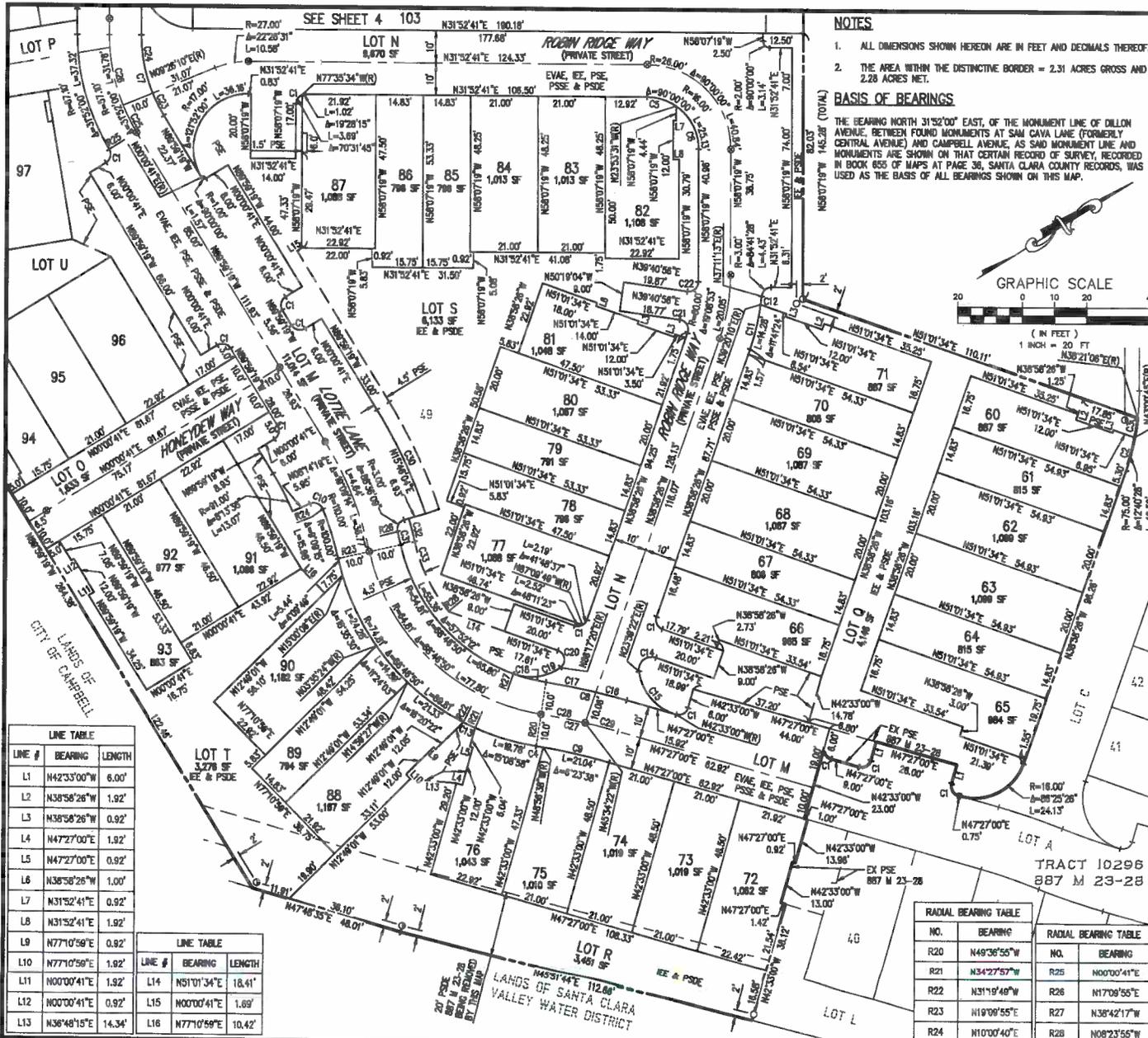
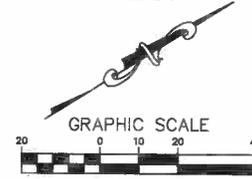
- DISTINCTIVE BOUNDARY
- - - RIGHT OF WAY
- - - NEW LOT LINE
- - - EXISTING LOT LINE
- - - CENTERLINE
- - - MONUMENT LINE
- - - NEW EASEMENT LINE
- - - EXISTING EASEMENT LINE
- - - BOUNDARY TO FOUND BRASS DISK IN CITY MONUMENT WELL (AS NOTED)
- SET WITNESS MONUMENT, CUT CROSS ON TOP OF CURB, UNLESS NOTED OTHERWISE
- SET BRASS PIN IN CITY MONUMENT BOX FOR PRIVATE STREET MONUMENT FOUND IRON PIPE (AS NOTED)
- SET 3/4" IRON PIPE OR OTHER PERMANENT MONUMENT AS INDICATED TAGGED LS 9104
- 3/4" IRON PIPE OR OTHER PERMANENT MONUMENT, TO BE SET PER [S]
- (100.00) RECORD DATA
- (R) RADIAL BEARING
- EVAE EMERGENCY VEHICLE ACCESS EASEMENT
- IEE INGRESS AND EGRESS EASEMENT
- PSSE PRIVATE SANITARY SEWER EASEMENT
- PSDE PRIVATE STORM DRAIN EASEMENT
- PSE PUBLIC SERVICE EASEMENT

NOTES

- ALL DIMENSIONS SHOWN HEREON ARE IN FEET AND DECIMALS THEREOF.
- THE AREA WITHIN THE DISTINCTIVE BORDER = 2.31 ACRES GROSS AND 2.28 ACRES NET.

BASIS OF BEARINGS

THE BEARING NORTH 31°52'00" EAST, OF THE MONUMENT LINE OF DILLON AVENUE, BETWEEN FOUND MONUMENTS AT SAN CAVA LANE (FORMERLY CENTRAL AVENUE) AND CAMPBELL AVENUE, AS SAID MONUMENT LINE AND MONUMENTS ARE SHOWN ON THAT CERTAIN RECORD OF SURVEY, RECORDED IN BOOK 855 OF MAPS AT PAGE 36, SANTA CLARA COUNTY RECORDS, WAS USED AS THE BASIS OF ALL BEARINGS SHOWN ON THIS MAP.



LINE #	BEARING	LENGTH
L1	N42°33'00"W	6.00'
L2	N38°56'26"W	1.92'
L3	N38°56'26"W	0.92'
L4	N47°27'00"E	1.92'
L5	N47°27'00"E	0.92'
L6	N38°56'26"W	1.00'
L7	N31°52'41"E	0.92'
L8	N31°52'41"E	1.92'
L9	N77°10'59"E	0.92'
L10	N77°10'59"E	1.92'
L11	N00°00'41"E	1.92'
L12	N00°00'41"E	0.92'
L13	N36°48'15"E	14.34'

LINE #	BEARING	LENGTH
L14	N51°01'34"E	18.41'
L15	N00°00'41"E	1.89'
L16	N77°10'59"E	10.42'

NO.	BEARING
R20	N49°36'55"W
R21	N34°27'57"W
R22	N31°19'48"W
R23	N19°09'55"E
R24	N10°00'40"E

NO.	BEARING
R25	N00°00'41"E
R26	N17°08'55"E
R27	N38°42'17"W
R28	N08°23'55"W

CURVE TABLE			CURVE TABLE				
CURVE #	RADIUS	DELTA	LENGTH	CURVE #	RADIUS	DELTA	LENGTH
C1	3.00'	90°00'00"	4.71'	C18	54.81'	105°43'36"	10.44'
C2	75.00'	87°00'49"	10.49'	C19	16.00'	55°07'23"	15.36'
C3	75.00'	4°39'38"	6.10'	C20	3.00'	125°15'46"	6.56'
C4	188.57'	0°40'17"	2.21'	C21	3.00'	101°20'38"	5.31'
C5	16.00'	34°13'48"	9.56'	C22	3.00'	97°48'15"	5.12'
C6	16.00'	55°46'12"	15.57'	C23	47.10'	9°25'29"	7.75'
C7	47.10'	31°52'00"	26.20'	C24	47.10'	22°26'31"	18.45'
C8	208.57'	7°03'55"	25.72'	C25	57.10'	9°25'26"	9.39'
C9	188.57'	7°03'55"	23.25'	C26	57.10'	22°26'31"	22.37'
C10	3.00'	91°46'20"	4.81'	C27	198.57'	7°03'55"	24.49'
C11	70.00'	135°00'21"	16.91'	C28	198.57'	4°02'34"	14.01'
C12	70.00'	2°06'57"	2.63'	C29	198.57'	3°01'22"	10.48'
C13	74.81'	3°08'08"	4.09'	C30	158.02'	12°53'51"	35.57'
C14	4.00'	117°02'12"	8.17'	C31	120.00'	2°00'00"	4.19'
C15	16.00'	86°32'22"	18.56'	C32	124.50'	3°23'51"	7.36'
C16	208.57'	2°42'16"	9.85'	C33	50.31'	27°33'50"	24.20'
C17	208.57'	4°21'37"	15.87'				

TRACT NO. 10340

CONSISTING OF FOUR (4) SHEETS

BEING ALL OF THAT REAL PROPERTY AS DESCRIBED IN THE FOLLOWING DEEDS: DEED RECORDED ON APRIL 24, 2015, DOCUMENT NO. 22927167, SANTA CLARA COUNTY RECORDS, DEED RECORDED ON JULY 2, 2015, DOCUMENT NO. 23005570, SANTA CLARA COUNTY RECORDS, DEED RECORDED ON MAY 20, 2015, DOCUMENT NO. 22959006, SANTA CLARA COUNTY RECORDS AND ALSO ALL OF THE REAL PROPERTY SHOWN AS LOT 49 ON THAT CERTAIN TRACT MAP ENTITLED "TRACT NO. 10296" RECORDED IN BOOK 887 PAGES 23 THROUGH 28 OF MAPS, SANTA CLARA COUNTY RECORDS

LYING WITHIN THE CITY OF CAMPBELL, COUNTY OF SANTA CLARA, STATE OF CALIFORNIA.

DATE: APRIL 2016



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224 Airport Parkway, Suite 525
San Jose, CA 95110

NOTES

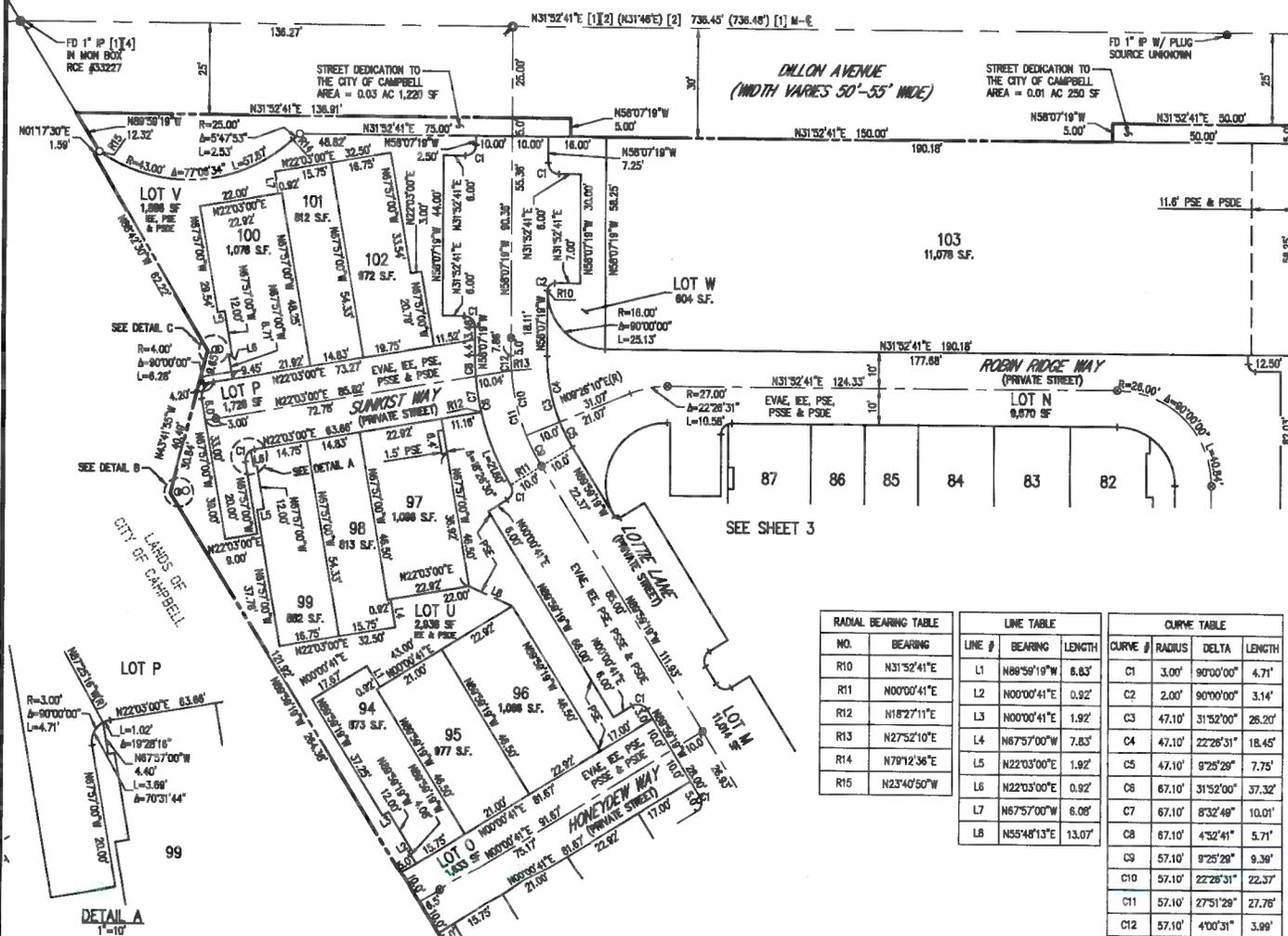
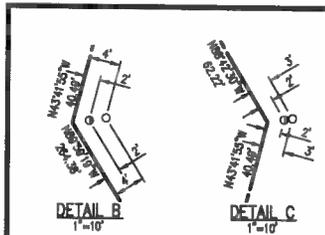
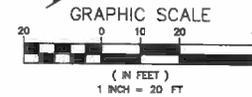
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BASIS OF BEARINGS

THE BEARING NORTH 31°32'00" EAST, OF THE MONUMENT LINE OF DILLON AVENUE, BETWEEN FOUND MONUMENTS AT SAN CAVA LANE (FORMERLY CENTRAL AVENUE) AND CAMPBELL AVENUE, AS SAID MONUMENT LINE AND MONUMENTS ARE SHOWN ON THAT CERTAIN RECORD OF SURVEY, RECORDED IN BOOK 655 OF MAPS AT PAGE 35, SANTA CLARA COUNTY RECORDS, WAS USED AS THE BASIS OF ALL BEARINGS SHOWN ON THIS MAP.

LEGEND

- DISTINCTIVE BOUNDARY
- RIGHT OF WAY
- NEW LOT LINE
- EXISTING LOT LINE
- CENTERLINE
- MONUMENT LINE
- NEW EASEMENT LINE
- EXISTING EASEMENT LINE
- BOUNDARY THE FOUND BRASS DISK IN CITY MONUMENT WELL (AS NOTED)
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- SET BRASS PIN IN CITY MONUMENT BOX FOR PRIVATE STREET MONUMENT
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- 3/8" IRON PIPE OR OTHER PERMANENT MONUMENT, TO BE SET PER [5]
- (100.00) RECORD DATA
- (R) RADIAL BEARING
- EVAE EMERGENCY VEHICLE ACCESS EASEMENT
- IEE INGRESS AND EGRESS EASEMENT
- PSSE PRIVATE SANITARY SEWER EASEMENT
- PSDE PRIVATE STORM DRAIN EASEMENT
- PSE PUBLIC SERVICE EASEMENT



RADIAL BEARING TABLE		LINE TABLE		CURVE TABLE			
NO.	BEARING	LINE #	BEARING	CURVE #	RADIUS	DELTA	LENGTH
R10	N31°32'41"E	L1	N88°59'19"W	C1	3.00'	90°00'00"	4.71'
R11	N00°00'41"E	L2	N00°00'41"E	C2	2.00'	90°00'00"	3.14'
R12	N18°27'11"E	L3	N00°00'41"E	C3	47.10'	31°52'00"	26.20'
R13	N27°52'10"E	L4	N67°57'00"W	C4	47.10'	22°28'31"	18.45'
R14	N79°12'36"E	L5	N22°03'00"E	C5	47.10'	9°25'29"	7.75'
R15	N23°40'50"W	L6	N22°03'00"E	C6	67.10'	31°52'00"	37.32'
		L7	N67°57'00"W	C7	67.10'	8°32'48"	10.01'
		L8	N55°48'13"E	C8	67.10'	4°52'41"	5.71'
				C9	57.10'	9°25'29"	9.39'
				C10	57.10'	22°28'31"	22.37'
				C11	57.10'	27°51'29"	27.78'
				C12	57.10'	4°00'31"	3.99'



City Council Report

Item: 7.
Category: Consent
Meeting Date: April 5, 2016

TITLE: Initiate Proceedings of the Campbell Lighting and Landscaping District, Fiscal Year 2016/17 (Resolution/Roll Call)

RECOMMENDATION

That the City Council adopt the attached resolution initiating proceedings, describing the improvements, and directing staff to prepare the Engineer's Report for the Campbell Lighting and Landscaping Assessment District for Fiscal Year 2016/17.

BACKGROUND

On June 23, 1980, the City Council adopted Resolution No. 5831 approving the formation of the city-wide Campbell Landscaping and Lighting District (LLD) pursuant to the Landscaping and Lighting Act of 1972 (LLA). The LLA requires the City Council to annually take a series of actions prior to the levy of annual assessments on properties within the LLD. The initial Council action required annually by the LLA is the adoption of a Resolution Initiating Proceedings and directing the preparation of the annual Engineer's Report. The Engineer's Report is to describe the improvements to be maintained by the LLD and establish the annual assessments. This Resolution Initiating Proceedings is attached for the City Council's consideration.

The LLA authorizes the use of LLD revenues for installation, operation, and maintenance of a range of public improvements including the following: public lighting, traffic signals, street and median landscaping, parks and recreational improvements, curbs, gutters, sidewalks, irrigation and associated drainage improvements. The LLA also authorizes the use of revenues for acquisition of park and recreation land including acquisition of existing improvements, although Campbell has not taken advantage of this provision of the enabling legislation.

DISCUSSION

Staff is recommending no increase in LLD assessments for the upcoming fiscal year, nor any modification to the existing assessment formula rules. Any increase in assessments or modification of the assessment formula would be subject to the provisions of Proposition 218, including requirements related to special versus general benefits and property owner approval voting provisions. LLD assessments have not been raised since July, 1996, when a 10% increase was approved by the City Council to cover increased maintenance costs.

LLD assessment revenues have never completely covered the costs as described by the Engineer's Report. General Fund, Gas Tax and other revenue sources are regularly used by the City to augment the LLD's annual maintenance and operating budget.

SCHEDULE

The proposed schedule of City Council actions for the annual LLD assessment is as follows:

- | | |
|----------------|--|
| April 5, 2016 | City Council adopts Resolution Initiating Proceedings and orders City Engineer to prepare Engineer's Report. |
| June 7, 2016 | City Council grants preliminary approval of Engineer's Report and adopts Resolution of Intention. Time and place for the Public Hearing are set. |
| June 22, 2016 | Resolution of Intention published in the <u>Campbell Express</u> . |
| June 29, 2016 | Resolution of Intention published in the <u>Campbell Express</u> . |
| July 19, 2016 | Public Hearing is held at the regular City Council meeting. City Council considers adoption of a Resolution Overruling Protests, if any, ordering the improvements and confirming the diagram and assessments for Fiscal Year 2016/17. |
| August 1, 2016 | Diagram and assessment is filed with County Assessor by August 1, 2016. |

FISCAL IMPACT

Projected LLD revenues for FY 2016/17 are approximately \$1,180,000.

ALTERNATIVES

1. Direct staff to investigate increasing LLD assessments for FY 2016/17.
2. Do not levy LLD assessments for FY 2016/17.

Prepared by: 
Roger Storz, Senior Civil Engineer

Reviewed by: 
Fred Ho, Acting City Engineer

Reviewed by: 
Todd Capurso, Public Works Director

Approved by: 
Mark Linder, City Manager

Attachment: Resolution

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY OF CAMPBELL
INITIATING PROCEEDINGS FOR THE
CITY OF CAMPBELL LIGHTING AND LANDSCAPING DISTRICT
FISCAL YEAR 2016/17**

BE IT RESOLVED, by the City Council of the City of Campbell, California, as follows:

1. This City Council did, pursuant to the provisions of the Landscaping and Lighting Act of 1972, Part 1, Division 15 of the Streets and Highways Code of the State of California, conduct proceedings for the formation of the City of Campbell Lighting District LLA-1 and for the levy and collection of Assessments for Fiscal Year 1980-1981, and did, on June 23, 1980, pursuant to proceedings duly had, adopt its Resolution No. 5381, a Resolution Overruling Protests and Ordering the Formation of an Assessment District and the Improvements and Confirming the Diagram and Assessments.

2. The public interest, convenience and necessity require, and it is the intention of said City Council to undertake proceedings for the levy and collection of assessments upon the parcels of land in said District, for the installation of improvements, including the maintenance and/or operation thereof for the Fiscal Year 2016/17.

3. The improvements to be constructed or installed, if any, including the maintenance and/or operation, shall include, in general, the following:

- Public lighting including traffic signals
- Landscaping
- Parks and recreational improvements including play equipment and public restrooms
- Appurtenances for maintenance of the above including curb, gutter, sidewalk, irrigation and drainage improvements and for acquisition of park or recreation land, and acquisition of existing improvements, if any.

4. The costs and expenses of said improvements, including the maintenance and/or operation, are to be made chargeable upon said District, the exterior boundaries of which District are the composite and consolidated area as more particularly shown on a map thereof on file in the office of the Clerk of the City of Campbell to which reference is hereby made for further particulars. Said map indicates by a boundary line the extent of the territory included in said District and of any zone thereof and shall govern for all details as to the extent of the assessment district.

5. The City Engineer of said City be, and is hereby, directed to prepare and file with said Clerk a report, in writing, referring to the assessment district by its distinctive designation, specifying the fiscal year to which the report applies, and, with respect to that year, presenting the following:

- a) Plans and specifications of existing improvements and for proposed new improvements, if any, to be made within the Assessment District;

- b) An estimate of the costs of said proposed new improvements, if any, to be made, the costs of maintenance and/or operation thereof, and of any existing improvements, together with the incidental expenses in connection therewith;
- c) A diagram showing the exterior boundaries of the Assessment District and the lines and dimensions of each parcel of land within the district as such parcel of land is shown on the County Assessor's map for Fiscal Year 2016/17 each of which parcels shall be identified by a distinctive number or letter on said diagram; and
- d) A proposed assessment of the total amount of the estimated costs and expenses of the proposed new improvements, in accordance with Section 22569 of the California Streets and Highways Code, including the installation, if any, and the maintenance and/or operation thereof, and of any existing improvements upon the parcels in said District in proportion to the estimated benefits to be received by such parcels respectively from said improvements, including the maintenance or servicing, or both, therefore, and of the expenses incidental thereto.

6. The City Engineer of said City be, and is hereby, designated as the office to answer inquiries regarding any protest proceedings to be had herein, and may be contacted during regular office hours at the Public Works Department, City Hall, 70 North First Street, Campbell, California 95008, or by calling (408) 866-2150.

I hereby certify that the foregoing is a full, true and correct copy of a Resolution duly passed and adopted by the City Council of the City of Campbell, California, at a meeting thereof held on the 5th day of April, 2016, by the following vote of the members thereof:

AYES:	Councilmembers:
NOES:	Councilmembers:
ABSENT:	Councilmembers:

APPROVED:

Jason T. Baker, Mayor

ATTEST:

Wendy Wood, City Clerk



City Council Report

Item: 8.
Category: Consent Calendar
Meeting Date: April 5, 2016

TITLE: Authorization to Purchase One Marked Police Vehicle and Approval of a Budget Adjustment (Resolution/Roll Call Vote)

RECOMMENDATION

That the City Council adopt the attached resolution:

1. Authorizing the Public Works Director to purchase one (1) marked police vehicle from Serramonte Ford; and
2. Approving a budget adjustment in the amount of \$33,000 to the Vehicle & Equipment Maintenance Fund.

BACKGROUND

During a Police action on January 30, 2016, police unit #1355 was heavily damaged when a suspect intentionally drove a vehicle into it.

The Public Works Department is currently awaiting a decision from the Association of Bay Area Governments (ABAG) on whether the vehicle is a total loss or not. ABAG provides assistance with Risk Management and insurances to participating government agencies and could potentially reimburse the City for the replacement cost of the damaged unit.

Unit #1355 is a 2015 Ford Explorer that was added to the Police Department (PD) fleet last year at a cost of \$33,727. The "build out", which includes the installation of radios, safety and security devices, added an additional cost of \$8,000 for a total unit cost of \$41,727.

In November, 2015, Council adopted Resolution No. 11910 authorizing the Public Works Director to purchase two (2) new 2016 Ford Explorers as replacement units for PD vehicles. The purchase price of the 2016 Explorers was \$36,842 per unit before any build outs were completed.

In February, Public Works staff was approached by the Serramonte Ford Dealership with an opportunity to purchase new 2015 Ford Explorer safety vehicles at a discounted price. The dealership ordered and purchased sixty of these units for a client, but ordered the units without the client's specified options. The client refused delivery of the vehicles. In order to liquidate the inventory, the dealership is substantially discounting the cost of each unit. The dealership has three 2015 Ford Explorers that meet Campbell's specifications for police units at a cost of \$27,597 each (approximately

\$9,300 less than the lowest bid received by the City last year for 2016 Ford Explorers and over \$6,100 less than the City paid for unit no. 1355, a 2015 Ford Explorer), and the units are available for immediate delivery.

DISCUSSION

There are only three units available from the dealership that are the same as the units currently deployed by Campbell's PD that also meet the needs and specifications of the fleet.

According to Municipal Code 3.20.050, "purchases and contract for supplies, services and equipment of estimated fair market value greater than twenty-five thousand dollars shall be written contract with the lowest responsible bidder;" however, Section 3.20.030 indicates that "The bidding procedures of Section 3.20.050 may be dispensed with when...(8) The City Council, by a majority vote, determines that it is in the best interest of the public to dispense with the requirements of Section 3.20.050"

Authorizing the Public Works Director to purchase the 2015 police unit directly from the dealership without going out for a new bid would save the City approximately \$9,300 compared to purchasing a new 2016 model and would allow for an immediate delivery of the vehicle as opposed to an estimated six month delivery when going out for a new bid.

The new unit will be "built out" using the radio and other safety devices from unit #1355, saving the cost of new equipment; the City will need to pay for the labor to remove the safety equipment from unit #1355 and to install it into the new unit.

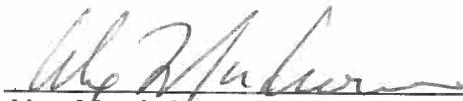
FISCAL IMPACT

If unit #1355 is "totaled", the cost of the replacement unit will be reimbursed to the City from ABAG. If the vehicle is not totaled, the cost of the new unit and the labor cost to build out the unit will impact the City's Motor Pool Fund. The estimated total cost for the new unit, including build out, is \$33,000. Any funds received from insurance will be returned to the City's Motor Pool Fund along with any funds realized from the auction sale of unit #1355.

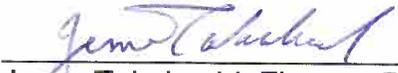
ALTERNATIVES

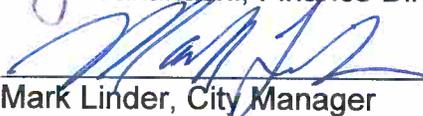
1. Do not approve the purchase from Serramonte Ford directing staff to go out for bid on a new unit. Staff does not recommend this since last year the City received bids for similar units at a much higher cost and will also result in a longer delivery time.
2. Do not replace unit #1355. Staff does not recommend this since the police fleet usage is currently maximized to provide safety services.
3. Request Police staff to consider alternative units.

**Authorization to Purchase One Marked
Police Vehicle and Approval of a Budget Adjustment
April 5, 2016**

Reviewed by: 
Alex Mordwinow, Public Works Superintendent

Reviewed by: 
Todd Capurso, Public Works Director

Reviewed by: 
Jesse Takahashi, Finance Director

Approved by: 
Mark Linder, City Manager

Attachments:

1. Resolution
2. Budget Adjustment

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAMPBELL
AUTHORIZING THE PURCHASE OF ONE MARKED POLICE VEHICLE AND
APPROVING A BUDGET ADJUSTMENT**

WHEREAS, in accordance with the City of Campbell's Purchasing Policy, if the equipment's estimated fair market value is greater than twenty-five thousand dollars Council authorization is required; and

WHEREAS, police unit #1355 was heavily damaged during a police action; and

WHEREAS, Public Works is requesting that City Council authorize the Public Works Director to purchase one marked police vehicle from Serramonte Ford and approve a budget adjustment for a replacement unit; and

WHEREAS, Serramonte Ford will provide a police unit that meets the City's current police vehicle specifications at a cost lower than the lowest bid amount received during the bid process last year.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Campbell does hereby authorize the Public Works Director to purchase one replacement marked police vehicle from Serramonte Ford and approves a budget adjustment in the amount of \$33,000.

PASSED AND ADOPTED this 5th day of April 2016, by the following roll call vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

APPROVED:

Jason T. Baker, Mayor

ATTEST:

Wendy Wood, City Clerk

City of Campbell Request for Budget Adjustments

Department/Program	Division	Date	Request No.
Vehicle & Equipment / Public Works	Vehicle & Equipment Maintenance	March 15, 2016	BA 16 <i>SK</i>

Budget to be Reduced

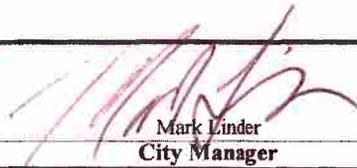
Fund	Account Number	Description	Amount
641	641.3040 ⁶⁰⁹¹	Fund Balance Motor Vehicle Pool Fund	33,000

Budget to be Increased

Fund	Account Number	Description	Amount
641	641.750.7884	Machinery & Equipment Serramote Ford Dealership	33,000

REASON FOR REQUEST - BE SPECIFIC:

Allocate \$33,000 from Motor Vehicle Fund to purchase one marked police vehicle from Serramonte Ford. This is to replace Unit # 1355, a heavily damaged police vehicle. Any insurance reimbursement from ABAG and auction sale proceed of Unit # 1355 will be returned to the Motor Vehicle Pool Fund.

 Todd Capurso Department Head Signature	 Jesse Takahashi Finance Director	 Mark Linder City Manager
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City Council Report

Item: 9.
Category: Consent
Date: April 5, 2016

TITLE **Second Reading of Ordinance 2199 and 2200 Approves the City-initiated Text Amendments (PLN2015-365) to Amend the Campbell Municipal Code Regulations for Massage Establishments. (Ordinances Second Reading/Roll Call Vote)**

RECOMMENDATION

Staff recommends that the City Council take the following action:

1. Approve the second reading and adopt the Ordinance 2199 approving a Text Amendment amending Chapter 21.10 (Commercial and Industrial Districts); Chapter 21.12 (Special Purpose Districts); Chapter 21.36 (Provisions Applying to Special Uses); and Section 21.72.020 (Definitions) of the Campbell Zoning Code; and
2. Approve the second reading and adopt the Ordinance 2200 approving a Text Amendment amending Chapter 5.48 (Business Regulations) and Chapter 6.10 (Inspections of Property) of the Campbell Municipal Code.

BACKGROUND

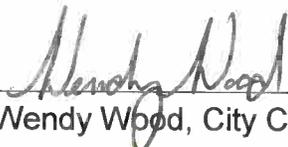
On March 15, 2016, the City Council took a first reading of Ordinance 2199 approving a Text Amendment amending the Campbell Zoning Code (Chapter 21) and finding that the proposed Municipal Code Text Amendment (PLN2015-365) is exempt from CEQA. The Council also took first reading of Ordinance 2200 approving a Text Amendment amending the Campbell Municipal Code (Chapter 5.46 and 6.10), with one revision.

DISCUSSION

Section 12 of Ordinance 2199 refers to general operating requirements. Following public testimony and discussion by the Council, a motion was made to amend subsection (k) of section 5.48.210 of the draft ordinance to replace the word "employee" with "person" so as to provide more flexibility for massage establishment owners to meet the City Code. The draft ordinance has been amended accordingly as follows, with underlining indicating new text and ~~strikeouts~~ indicating deleted text:

"At all times that a massage establishment is open for business, the massage establishment shall have on the premises at least one ~~employee~~ person who is not actively engaged in the performance of a massage to ensure that the premises remain open."

Ordinance 2199 and Ordinance 2200 will become effective 30 days following the second reading.

Prepared by: 
Wendy Wood, City Clerk

Approved by: 
Mark Linder, City Manager

Attachments:

- 1. Ordinance 2199 adopting a Text Amendment to Chapter 21
- 2. Ordinance 2200 adopting a Text Amendment to Chapters 5.48 and 6.10

Ordinance No. 2199

BEING AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CAMPBELL AMENDING CERTAIN SECTIONS OF TITLE 21 (Zoning) OF THE CAMPBELL MUNICIPAL CODE RELATING TO MASSAGE ESTABLISHMENTS

The City Council of the City of Campbell does ordain as follows:

SECTION 1. Findings: Government Code Sections 51030—51034 provide authority for the legislative bodies of California cities to license and regulate the business of massage. In enacting these amendments, the city council recognizes that massage is a viable professional field offering the public valuable health and therapeutic services. The city council further recognizes that unless properly regulated, the practice of massage and the operation of massage establishments may be associated with unlawful activity and pose a threat to the quality of life in the community. Therefore, it is the purpose and intent of these amendments to regulate massage establishments and practices in order to protect public health, safety, and welfare. The regulations are intended to reduce or prevent blight, protect and preserve the quality of commercial and residential properties, and deter criminal activity.

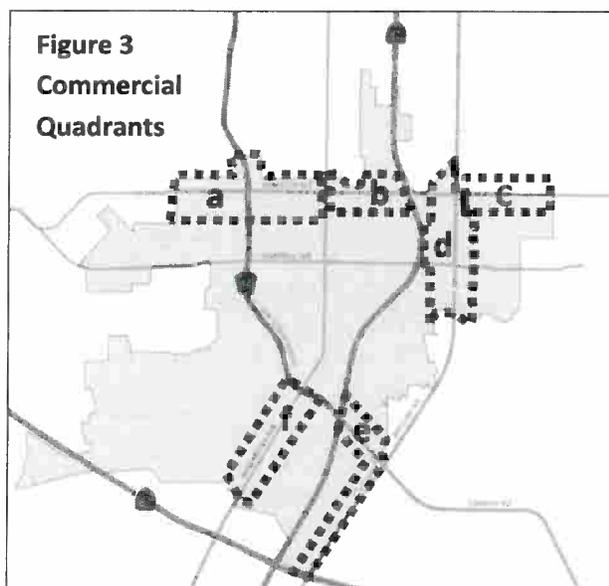
SECTION 2. Regulations for Massage Establishments: Section 21.36.270 is hereby added to Chapter 21.36 of the Campbell Municipal Code (Provisions Applying to Special Uses) to read as follows:

21.36.270 – Massage Establishments.

- A. Purpose. The City has broad control over land use regulation of massage establishments in order to manage such establishments in the best interests of the City of Campbell. This Section is designed to provide for and to regulate massage establishment uses where they are allowed in compliance with the provisions of Campbell Municipal Code Article 2 (Zoning Districts) and Chapter 5.48 (Massage Establishments and Therapists).
- B. Conditional Use Permit.
 1. On and after [Effective Date of Ordinance], a conditional use permit shall be required for massage establishment uses in compliance with Chapter 21.46 (Conditional Use Permits).
 2. Mandatory Concurrent Application for Massage Establishment Permit. A massage establishment permit, and any renewal thereof, shall be filed with the Chief of Police, pursuant to Section 5.48 (Massage Establishments and Therapists) of the Municipal Code. The Conditional Use Permit shall not be granted until a massage establishment permit is issued by the Chief of Police.

C. Overconcentration / Location Requirements.

1. No massage establishment shall be located in any zone in the city other than the C-2 (General Commercial) and P-O (Professional Office) zoning districts.
2. A massage establishment use shall not be located within three hundred feet of another existing massage establishment use, as measured from the edge of the property line of each property.
3. Massage Establishments may be permitted in only the following commercial quadrants as indicated in Figure 3, upon filing an application for a Conditional Use Permit and satisfying the required findings to support such use. In no event shall there be more than two massage establishments in each commercial quadrant.
 - a. West Hamilton Avenue and South Winchester Boulevard--west of Winchester Boulevard;
 - b. East Hamilton Avenue and South Winchester Boulevard--east of Winchester Boulevard and west of Highway 17;
 - c. East Hamilton Avenue, east of Bascom Avenue
 - d. Bascom Avenue, north of Dry Creek Road;
 - e. Camden Avenue and South Bascom Avenue, south of Curtner Avenue;
 - f. South Winchester Boulevard, south of San Tomas Expressway



D. Operational Standards. Except as specifically required in the Massage Establishment Permit issued by the Chief of Police and pursuant to the provisions of Chapter 5.48, all massage establishments shall comply with the regulations and restrictions applicable to the zoning district in which it is located and with the following operating requirements:

1. Owner/Operator. It shall be unlawful for any operator to own, manage, or operate a massage establishment in or upon any premises within the city without having a current massage establishment permit issued by the Chief of Police pursuant to the provisions of Chapter 5.48;
2. Hours of Operation. No massage establishment shall be kept open for business and no massage therapist shall administer massages before the hour of 7:00 a.m. or after the hour of 10:00 p.m.;
3. Window Coverage. No massage business located in a building or structure with exterior windows fronting a public street, highway, walkway, or parking area shall, during business hours, block visibility into the interior reception or waiting area through the use of curtains, closed blinds, tints, or any other material that obstructs, blurs, or unreasonably darkens the view into the premises. For the purpose of this sub-section, there is an irrebuttable presumption that the visibility is impermissibly blocked if more than 10 percent of the interior reception or waiting area is not visible from the exterior window.
4. Nonconforming uses shall come into compliance with the operational standards of this subsection within 30 days of the effective date of the ordinance enacting this Section.

E. Non-conforming Massage Establishments.

1. Any use of real property lawfully existing on the effective date of this section, which does not conform to the provisions of this Section, but which was established, operated, and maintained in compliance with all previous regulations, shall be regarded as a nonconforming use and may continue at its existing location in compliance with the regulations of Section 21.58.040.
2. Discontinued Use. A nonconforming use that is abandoned, discontinued, or has ceased operations for a continuous period of at least twelve months shall not be re-established on the site and further use of the structure or parcel shall comply with all of the regulations of the applicable zoning district and all other applicable provisions of this Zoning Code. Evidence of abandonment shall include, but is not limited to, the actual removal of equipment, furniture, machinery, structures, or other components of the nonconforming use, the turning-off of the previously connected utilities, or where there are no

business receipts/records available to provide evidence that the use is in continual operation;

3. Annexed property. Any massage establishment that is a legal use at the time of annexation of the property into the city, but which does not conform to the provisions of this Section, shall be terminated within one year of the date of annexation.

SECTION 3. DEFINITION OF "SPA SERVICES": The definition of "Spa Services" in Campbell Municipal Code section 21.72.020 is amended to read as follows, with underlining indicating new text and ~~strikeout~~ indicating deleted text:

"Spa Services / Health Spa" means an establishment that provides a combination of hair, nail, and/or skin care; waxing; facials; massage; and other similar services to customers for financial compensation and may include a sauna, whirlpool, and other similar amenities for the incidental use of patrons. Spa Services / Health Spa shall not mean a beauty shop, nail shop, barber shop, or massage establishment where the active primary use of the establishment does not encompass a full range of services identified in the preceding sentence, but is focused on only one or two of the uses listed in this sentence.

SECTION 4. DEFINITION OF "PERSONAL SERVICES": The definition of "Personal services" in Campbell Municipal Code section 21.72.020 is amended to read as follows, with underlining indicating new text and ~~strikeout~~ indicating deleted text:

"Personal services" means establishments providing non-medical services as a primary use, including: 1. Barber and beauty shops; 2. Clothing rental; 3. Dry cleaning pick-up stores with limited equipment; 4. Home electronics and small appliance repair; 5. Laundromats (self-service laundries); 6. Nail shops; 7. Shoe repair shops; 8. Tailors.

~~These uses~~ "Personal services" may also include accessory retail sales of products related to the services provided.

The term "personal services" does not include massage establishments. ~~These uses do~~
The term "personal services" does not include body piercing, psychic readers, tattoo parlors, or any of the other uses listed under "Personal services, limited."

SECTION 5. Permitted uses in C-1 (Neighborhood Commercial) zoning district:

The list of permitted uses in Subsection B of Campbell Municipal Code section 21.10.040 is amended to read as follows, with underlining indicating new text and ~~strikeouts~~ indicating deleted text:

1. Automated teller machines (ATM's);
2. Banks and financial services;
3. Catering business, only when ancillary to a restaurant;
4. Dry cleaning;
5. Grocery stores (under ten thousand square feet);
6. Hardware stores (under ten thousand square feet);
7. Laundromats, self-service;
8. Libraries, public;
9. Light rail passenger terminals;
- ~~10. Massage establishments;~~
- ~~11. 10. Meat markets;~~
- ~~12. 11. Offices, professional;~~
- ~~13. 12. Outdoor seating, when twelve total seats or less;~~
- ~~14. 13. Parking lots/structures, public;~~
- ~~15. 14. Personal services, general;~~
- ~~16. 15. Pharmacies/drug stores;~~
- ~~17. 16. Photocopying;~~
- ~~18. 17. Photography studio/supply shop;~~
- ~~19. 18. Repair and maintenance, consumer products;~~
- ~~20. 19. Restaurants or cafes (excluding fast food or drive-ins);~~
- ~~21. 20. Retail stores, general merchandise;~~
22. 21. Satellite television or personal internet broadband dishes/antenna (less than three feet in diameter);
- ~~23. 22. Schools K—12, public;~~
24. 23. Shopping centers (under ten thousand square feet);
25. 24. Travel agencies;
26. 25. Universities/colleges, public;
- ~~27. 26. Vending machines;~~
28. 27. Wireless telecommunications facilities - stealth (requires approval of a site and architectural review permit).

SECTION 6. Permitted uses in C-2 (General Commercial) zoning district: The list of permitted uses in Subsection B of Campbell Municipal Code section 21.10.050 is amended to read as follows, with underlining indicating new text and strikeouts (~~strikeout~~) indicating deleted text:

1. Ambulance service;
2. Artisan products, small-scale assembly;
3. Automated teller machines (ATM's);
4. Banks and financial services;
5. Blueprinting shops;
6. Catering business, only when ancillary to a restaurant;
7. Dry cleaning;
8. Furniture, furnishings, and equipment stores (greater than ten thousand square feet);
9. Furniture, furnishings, and equipment stores (under ten thousand square feet);
10. Garden centers/plant nurseries;
11. Grocery stores (under ten thousand square feet);
12. Handicraft industries, small scale assembly;
13. Hardware stores (under ten thousand square feet);
14. Hotels;
15. Laundromats, self-service;
16. Libraries, public;
17. Light rail passenger terminals;
- ~~18. Massage establishments;~~
18. 18. Medical services, laboratories;
- ~~20.~~ 19. Motels;
- ~~24.~~ 20. Offices, professional;
- ~~22.~~ 21. Outdoor seating, when twelve total seats or less;
- ~~23.~~ 22. Parking lots/structures, public;
- ~~24.~~ 23. Personal services, general;
- ~~25.~~ 24. Pharmacies/drug stores;
- ~~26.~~ 25. Photocopying;
- ~~27.~~ 26. Photography studio/supply shop;
- ~~28.~~ 27. Repair and maintenance, consumer products;
- ~~29.~~ 28. Restaurants or cafes (excluding fast food or drive-ins);
- ~~30.~~ 29. Retail stores, general merchandise;
- ~~31.~~ 30. Satellite television or personal internet broadband dishes/antenna (less than three feet in diameter);
- ~~32.~~ 31. Schools K—12, public;
- ~~33.~~ 32. Shopping centers (under ten thousand square feet);
- ~~34.~~ 33. Travel agencies;
- ~~35.~~ 34. Universities/colleges, public;
- ~~36.~~ 35. Vending machines;
- ~~37.~~ 36. Wireless telecommunications facilities - stealth (requires approval of a site and architectural review permit).

SECTION 7. Conditional uses in C-2 (General Commercial) zoning district: The list of uses allowed with a conditional use permit in Subsection C of Campbell Municipal Code section 21.10.050 is amended to read as follows, with underlining indicating new text and ~~strikeout~~ indicating deleted text:

1. Adult day care facilities;
2. Alternative fuels and recharging facilities;
3. Arcades;
4. Banquet facilities;
5. Bed and breakfast inns (only in historic structures);
6. Broadcast and recording studios;
7. Caretaker/employee housing (not to exceed six hundred forty square feet and one bedroom);
8. Cat and dog day care facilities;
9. Cat and dog grooming facilities;
10. Cat Boarding facilities;
11. Check cashing;
12. Commercial day care centers;
13. Commercial schools;
14. Community/cultural/recreational centers;
15. Convalescent/rest homes;
16. Convenience markets/stores;
17. Conversion, commercial converted from residence;
18. Dancing and live entertainment;
19. Department stores;
20. Drive-in theaters;
21. Emergency shelters;
22. Equipment rental establishments;
23. Gasoline stations;
24. Golf courses and golf driving ranges;
25. Government offices and facilities (local, state or federal);
26. Grocery stores (greater than ten thousand square feet);
27. Hardware stores (greater than ten thousand square feet);
28. Health/fitness centers;
29. Hospitals;
30. Indoor amusement/entertainment/recreation centers;
31. Late night activities;
32. Liquor establishments (on-site consumption only);
33. Liquor stores (off-site consumption only);
34. Massage Establishments;
- ~~34.~~ 35. Medical services, clinics;
- ~~35.~~ 36. Medical services, extended care;
- ~~36.~~ 37. Miniature golf courses;
- ~~37.~~ 38. Motor vehicle - cleaning, washing, and detailing;
- ~~38.~~ 39. Motor vehicle - oil change facilities;
- ~~39.~~ 40. Motor vehicle - parts and supplies (very limited maintenance/installation);

- 40. 41. Motor vehicle - renting and leasing;
- 41. 42. Motor vehicle - sales (new and/or used);
- 42. 43. Museums, public;
- 43. 44. Music (recordings) stores;
- 44. 45. Nightclubs with or without food service;
- 45. 46. Outdoor active activities (e.g., drive-up windows);
- 46. 47. Outdoor amusement/entertainment/recreation centers;
- 47. 48. Outdoor retail sales and activities;
- 48. 49. Outdoor seating, when more than twelve total seats;
- 49. 50. Personal services, limited;
- 50. 51. Pet stores;
- 51. 52. Pharmacies/drug stores, with drive-up service;
- 52. 53. Philanthropic collection trailers;
- 53. 54. Public assembly uses;
- 54. 55. Public utility structures and service facilities;
- 55. 56. Public works maintenance facilities and storage yards;
- 56. 57. Radio or television transmitters;
- 57. 58. Radio stations;
- 58. 59. Recycling facilities - reverse vending machines;
- 59. 60. Recycling facilities - small collection facility;
- 60. 61. Restaurants with late night activities or banquet facilities;
- 61. 62. Restaurants, fast food (with or without drive-in service);
- 62. 63. Schools - K—12, private;
- 63. 64. Second hand/thrift stores;
- 64. 65. Shopping centers (greater than ten thousand square feet);
- 65. 66. Sign shops;
- 66. 67. Spa services;
- 67. 68. Studios, large;
- 68. 69. Studios, small;
- 69. 70. Tanning studios;
- 70. 71. Theaters, movie or performing arts;
- 71. 72. Transitional housing;
- 72. 73. Tutoring center, large;
- 73. 74. Tutoring center, small;
- 74. 75. Universities/colleges, private;
- 75. 76. Veterinary clinics and animal hospitals;
- 76. 77. Video rental stores;
- 77. 78. Warehouse retail stores;
- 78. 79. Wireless telecommunications facilities - non-stealth.

SECTION 8. Permitted uses in C-3 (Central Business District) zoning district: The list of permitted uses in Subsection B of Campbell Municipal Code section 21.10.060 is amended to read as follows, with underlining indicating new text and strikeouts (~~strikeout~~) indicating deleted text:

1. Retail business, including but not limited to clothing stores, department stores, drugstores, furniture stores, toy stores, jewelry stores, shoe stores, florist shops and gift shops subject to standards for alcohol sales in compliance with paragraph (F) (Standards for alcohol sales in the C-3 zoning district), below. Does not include retail business uses specified in paragraph (C) (Uses permitted with a conditional use permit in the C-3 district).
2. Tutoring centers (small and large), studios (small and large), and professional offices, except on the ground floor of parcels abutting East Campbell Avenue east of Second Street unless the following standards can be met:
 - a. The business is located in a separate tenant space that is a minimum of fifty feet from the East Campbell Avenue property line; and
 - b. The separate tenant space does not have a door or entrance that takes access from East Campbell Avenue.
3. Service commercial establishments including but not limited to barber shops, beauty parlors, dry cleaning, ~~massage services~~, photographic studio, shoe repair shops, and tailors, except on the ground floor of parcels abutting East Campbell Avenue east of Second Street unless the following standards can be met:
 - a. The business is located in a separate tenant space that is a minimum of fifty feet from the East Campbell Avenue property line; and
 - b. The separate tenant space does not have a door or entrance that takes access from East Campbell Avenue.
4. Outdoor seating and merchandise displays, subject to approval of an outdoor seating and merchandise display permit in compliance with paragraph (H) (Standards and permit requirements for outdoor seating and merchandise display), below.
5. Restaurants, subject to the provisions of paragraph (F) (Standards for alcohol sales in the C-3 zoning district) and standards for live entertainment in compliance with paragraph (G) (Standards for live entertainment in the C-3 zoning district), below.
6. Wireless telecommunications facilities—stealth (requires approval of a site and architectural review permit).
7. Other uses similar to the above in compliance with Chapter 21.02 (Interpretation of Provisions).

SECTION 9. Conditional uses in C-M (Controlled Manufacturing) zoning district:

The list of permitted uses in Subsection C of Campbell Municipal Code section 21.10.070 is amended to read as follows, with underlining indicating new text and ~~strikeout~~ indicating deleted text:

1. Automated teller machines (ATM's);
2. Banks and financial services;
3. Catering business, only when ancillary to a restaurant;
4. Dry cleaning;
5. Grocery stores (under ten thousand square feet);
6. Hardware stores (under ten thousand square feet);
7. Laundromats, self-service;
8. Libraries, public;
9. Light rail passenger terminals;
- ~~10. Massage establishments;~~
- ~~11. 10. Meat markets;~~
- ~~12. 11. Offices, professional;~~
- ~~13. 12. Outdoor seating, when twelve total seats or less;~~
- ~~14. 13. Parking lots/structures, public;~~
- ~~15. 14. Personal services, general;~~
- ~~16. 15. Pharmacies/drug stores;~~
- ~~17. 16. Photocopying;~~
- ~~18. 17. Photography studio/supply shop;~~
- ~~19. 18. Repair and maintenance, consumer products;~~
- ~~20. 19. Restaurants or cafes (excluding fast food or drive-ins);~~
- ~~21. 20. Retail stores, general merchandise;~~
22. 21. Satellite television or personal internet broadband dishes/antenna (less than three feet in diameter);
- ~~23. 22. Schools K—12, public;~~
24. 23. Shopping centers (under ten thousand square feet);
- ~~25. 24. Travel agencies;~~
26. 25. Universities/colleges, public;
- ~~27. 26. Vending machines;~~
28. 27. Wireless telecommunications facilities - stealth (requires approval of a site and architectural review permit).

SECTION 10. Restrictions in C-PD (Condominium Planned Development) zoning district.

The list of restrictions in Subsection D of Campbell Municipal Code section 21.12.020 is amended to read as follows, with underlining indicating new text and strikeouts (~~strikeout~~) indicating deleted text:

- D. Restrictions. The C-PD zoning district is the only zoning district in which the construction of new condominiums, or the conversion of existing residential, commercial, or industrial structures to condominiums, is allowed. The following uses are prohibited:
1. Any use inconsistent with state or federal law.
 2. Payday lender.
 3. Massage Establishments.

SECTION 11. Prohibited Uses in PD (Planned Development) zoning district.

The list of prohibited uses in Subsection F of Campbell Municipal Code section 21.12.030 is amended to read as follows, with underlining indicating new text and strikeouts (~~strikeout~~) indicating deleted text:

- F. Prohibited uses in the P-D (Planned Development) zoning district. The following uses are prohibited:
1. Any business that includes smoking tobacco on site (e.g., smoking lounges, hookah lounges, etc.).
 2. Payday lender.
 3. Massage Establishments.
 4. Any use inconsistent with state or federal law.

SECTION 12. This Ordinance shall become effective (30) days following its passage and adoption and shall be published once within fifteen (15) days upon passage and adoption in the Campbell Express, a newspaper of general circulation in the City of Campbell, County of Santa Clara.

PASSED AND ADOPTED this 5th day of April, 2016 by the following roll call vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

APPROVED:

Jason T. Baker, Mayor

ATTEST:

Wendy Wood, City Clerk

Ordinance No. 2200

**BEING AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CAMPBELL
AMENDING CERTAIN SECTIONS OF CHAPTER 5.48 OF THE CAMPBELL
MUNICIPAL CODE RELATED TO THE PRACTICE OF MASSAGE AND SECTION
6.10.160 OF THE CAMPBELL MUNICIPAL CODE REGARDING INSPECTIONS OF
PROPERTY**

The City Council of the City of Campbell does ordain as follows:

SECTION 1. Findings: While legitimate massage establishments offer a valuable service to the public, the City has experienced a significant number of massage establishments that engage in prostitution and other illegal activities. The policing of these establishments has put a strain on the City's law enforcement resources as the number of establishments has grown significantly over the past few years. It is the intent of this Ordinance to amend Campbell's existing massage regulations to allow for a reasonable number of legitimate massage establishments to serve the needs of the public, while allowing for adequate policing of the establishments to be allowed within the City in order to protecting the public from the legal activities that have too often been associated with these businesses.

SECTION 2. Definition of Massage Establishment: Campbell Municipal Code section 5.48.020 is amended to read as follows, with underlining indicating new text and ~~strikeouts~~ (~~strikeout~~) indicating deleted text:

5.48.020 - Definitions.

For the purposes of this chapter, unless the context clearly requires a different meaning, the words, terms and phrases set forth in this chapter shall have the meanings given to them in this section:

(a) "Bathroom" means any room containing a toilet, shower or bathtub;

~~(a)~~ (b) "Chief of police" means the Chief of the Campbell Police Department or his/her designee, including a police officer who is responsible for receiving applications and required fees and processing permit applications as required by this chapter;

(c) "Employee" means anyone working at a massage establishment, including but not limited to owners, operators, employees and independent contractors;

~~(b)~~ (d) "For compensation" means the exchange of massage services for money, goods, or other services. An establishment or person cannot avoid the requirements of this

chapter by offering free massage in conjunction with other services or goods provided to a client or customer for compensation;

~~(e)~~ (e) "Managing employee" means any employee of a massage establishment who has responsibility for supervising, directing, or assigning work to massage therapists;

~~(d)~~ (f) "Massage" means any method of pressure on, or friction against, or stroking, kneading, rubbing, tapping, pounding, vibrating or stimulating the external parts of the human body with the hands or any other parts of the body or with the aid of any mechanical or electrical apparatus or other appliances or devices, with or without the use of oils, creams, tonics, lotions, antiseptics, tanning products, or other similar preparations. Massage shall further include baths, including aromatherapy, vapor, shower, electric tub, sponge, hot towels, sauna, steam, or any other type of bath where the essential nature of the service involves any method of pressure or friction against, or stimulating the external parts of the human body, with the hands or any other parts of the body;

~~(e)~~ (g) "Massage establishment" means an establishment having a fixed place of business where any person, firm, association or corporation practices or otherwise permits massage for compensation. For the purposes of this chapter, the term "massage establishment" includes establishments that offer services such as relaxation, hot tub, towel wraps, baths, health treatments, tanning, or any service where the essential nature of the interaction between the employee and the customer involves a massage. ~~A "massage establishment" does not include a sole proprietorship if (1) there is only one owner, (2) the owner is the only person that provides massage services, and (3) the owner has a state massage certification;~~

~~(f)~~ (h) "Massage therapist" or "massage therapist trainee" means any person who, for any type of compensation, or as part of a business or commercial transaction, practices massage;

~~(g)~~ (i) "Out call massage" means providing massage services for compensation, or as part of a business or commercial transaction at a location other than at a permitted massage establishment;

~~(h)~~ (j) "Operator" means any individual who has any ownership interest in the massage establishment;

~~(i)~~ (k) "Permit" means a written document issued in accordance with this chapter authorizing the holder to engage in the business specified in the document. Three types of permits are issued pursuant to this chapter: establishment permits, therapist permits, and trainee permits;

~~(j)~~ (l) "Recognized school of massage" means any school or institution of learning which:

(1) Is approved under the California Education Code, Section 94311, as a vocational or postsecondary institution, or if the school is not located in California, has complied with standards commensurate with those required in Section 94311; and,

(2) Is recognized by a national professional massage or body therapy organization.

Any school or institution of learning allowing correspondence course credit not requiring actual attendance at class shall not be deemed a "recognized school of massage;"

~~(k)~~ (m) "State massage certification" means a current, unexpired certification issued pursuant to Chapter 10.5 of Division 2 of the California Business and Professions Code;

~~(j)~~ (n) "Trainee permit" means a permit issued by the chief of police authorizing an individual, who is in the process of completing the educational requirements leading to the practice of massage therapy, to practice massage for a limited period of time not to exceed twelve months. A trainee permit is non-renewable. Trainee permits are not issued for out call massage services;

~~(m)~~ (o) "Working under the supervision" means that the massage therapist trainee has his/her work directed by:

(1) A professional licensed to practice any healing art under the provisions of Division 2 (commencing with Section 500) of the California Business and Professions Code; or

(2) A professional licensed to practice any services under the California Barbering and Cosmetology Act (Business and Professions Code Section 7301 et seq.); or

(3) A massage therapist who is licensed, permitted, or otherwise authorized to practice massage under this chapter or under the local or state regulations applicable to the establishment in which the therapist practices.

SECTION 3. Requirement for State Massage Certificate: Campbell Municipal Code section 5.48.042 is amended to read as follows, with underlining indicating new text and ~~strikeout~~ indicating deleted text:

5.48.042 - Stay on issuance of therapist permits; state massage certification required.

The city shall not issue any therapist permits or trainee permits at any time during which the state massage certifications are being issued. Anyone required by this chapter to obtain a therapist permit, trainee permit or state massage certification must obtain and possess a state massage certification at all times during which ~~the State of California is engaged in the issuance of such state massage~~ certifications are being issued.

SECTION 4. Exemptions from Permit: Campbell Municipal Code section 5.48.060 is amended to read as follows, with underlining indicating new text and ~~strikeout~~ indicating deleted text:

5.48.060 - Exemption.

(a) No establishment permit, therapist permit or trainee permit shall be required of the following persons when practicing massage within the scope of his/her license:

(1) Any barber, cosmetologist, esthetician, manicurist, electrologist, apprentice barber instructor, or cosmetology instructor licensed under the California Barbering and Cosmetology Act (Business and Professions Code Section 7301 et seq.);

(2) Any person licensed to practice any healing art under the provisions of Division 2 (commencing with Section 500) of the California Business and Professions Code.

(b) No establishment permit shall be required for the following persons while engaging in the performance of duties of their respective professions:

(1) Massage therapists, in possession of a valid massage permit or state massage certification, while performing massage in the offices of a licensed physician, surgeon, chiropractor or osteopath and while under the direct supervision and medical recommendation of such licensed medical professional;

(2) Nurses, physical therapists, or occupational therapists who are duly licensed to practice their professions in the State of California while performing massage within the scope of their profession at a licensed medical or physical therapy business;

(3) Barbers or cosmetologists who are duly licensed under Division 6 of the California Business and Professions Code while performing massage at a licensed barber shop or cosmetology salon, within the scope of their license, and for which no separate or additional fee is charged;

(4) Massage therapists, in possession of a valid massage permit or state massage certification, providing massage services at a licensed personal fitness training center or gym that are clearly incidental to the operation of that business;

(5) Acupuncturists who are licensed to practice their profession in the State of California while providing massage services within the scope of their profession at a licensed acupuncture clinic;

(6) Massage therapists, in possession of a valid permit or state massage certification, providing massage services at an annual recreational or community event, provided that massage services are made equally available to all participants of the event, the event is open to participation ~~or~~ of a significant segment of the public such as employees of a sponsoring or participating corporation, massage services are provided at the event site and during the hours the event is scheduled, the event sponsors have approved of the provision of massage services, and those providing massage services are not the primary sponsors of the event.

(c) No therapist permit or trainee permit shall be required of anyone who provides proof of state massage certification, ~~as set forth in Section 5.58.062 of this chapter.~~

SECTION 5. Application for Permits: Campbell Municipal Code section 5.48.070 is amended to read as follows, with underlining indicating new text and strikeouts (~~strikeout~~) indicating deleted text:

5.48.070 - Application for an establishment permit or therapist permit.

(a) Written application for an establishment permit or therapist permit required by this chapter and any renewal thereof shall be filed with the chief of police. Such application shall be accompanied by a fee as approved by the city council. Nothing contained herein shall exempt the applicant from any and all other applicable license taxes and fees.

(b) The following information shall be provided in the application concerning the applicant, if an individual; and concerning each stockholder, each officer and each director, if the applicant is a closely held corporation; and concerning each member, if a limited liability company; and concerning each partner, including limited partners, if the applicant is a partnership; and concerning the operator of the establishment;:

- (1) Name, present residential and business addresses, telephone numbers, birth date and California driver's license or identification card number of the applicant;
- (2) All residential addresses and dates of residence for five years preceding the date of the application;
- (3) Business, occupation or employment history of the applicant for the five years immediately preceding the date of the application;
- (4) Satisfactory proof that the applicant is over the age of eighteen years. Satisfactory proof may consist of a California driver's license, California identification card or a United States passport;
- (5) A listing and explanation of any arrests or convictions for any felonies or non-traffic related misdemeanors;
- (6) Documentation to substantiate that the applicant has met the educational requirements as set forth in Section 5.48.050(a);
- (7) Fingerprints of the applicant;
- (8) Two portrait photographs of the applicant, at least two inches by two inches in size;
- (9) Statement indicating whether the applicant has ever had an ownership interest in, operated or been employed by any business which has been the subject of an abatement proceeding under the California Red Light Abatement Act (California Penal Code Sections 11225-11325) or any similar abatement laws in other jurisdictions;
- ~~(11)~~ (10) Any other information as required by the chief of police relevant to the provision of massage services.

(c) In addition to the information required above, an applicant for an establishment permit must also provide:

(1) A statement on whether the applicant owns, leases or rents the premises where the massage establishment will be located. If the applicant leases or rents the premises, the applicant shall provide the name, address and telephone number of the owner of the premises and the term of any lease;

(2) The address where the applicant proposes to operate a massage establishment and the name under which the business will be operated;

(3) The business name, street address, and city of any and all businesses where the applicant conducted any business providing massage, relaxation, hot tub, towel wraps, baths, health treatments, or tanning services within twenty-four months preceding the date of the application;

(4) Evidence of applicable land use and/or building permits as required by the City of Campbell;

(5) The names and birth dates of all persons who will be providing massage at the massage establishment, together with color photographs of those persons, and proof that those persons possess a valid state massage certification.

~~(d) In addition to the information required above, an applicant for a massage therapist permit or massage trainee permit must provide a certificate from a physician, which includes the physician's street address and phone number, stating that the applicant has been examined and found to be free from hepatitis B and tuberculosis. The examination must have been completed within sixty days of the permit application.~~

~~(e)~~ (d) Notwithstanding the foregoing provisions, any applicant for an establishment permit who has presented proof of state massage certification in accordance with Section 5.48.062 of this chapter need not submit the information that would otherwise be required pursuant to subsections (b)(2) - (4) (9) and ~~(d)~~ of this section.

SECTION 6. Application Renewals: Campbell Municipal Code section 5.48.080 is amended to read as follows, with underlining indicating new text and ~~strikeout~~ (strikeout) indicating deleted text:

5.48.080 - Annual renewal application.

(a) Every holder of a massage establishment or massage therapist permit required by this chapter shall annually make application to the chief of police for renewal of the permit. The renewal application shall require the update of any and all information set forth on the initial application and be accompanied by the annual renewal fee as prescribed by the city council.

~~(b) A renewal application for a massage therapist permit must be accompanied by a certificate from a physician, which includes the physician's street address and phone~~

~~number, stating that the applicant has been examined and found to be free from hepatitis B and tuberculosis. The examination must have been completed within sixty days of the permit application.~~

~~(e)~~ (b) A renewal application must be submitted no less than ninety days before the permit expiration date. If the permittee fails to submit the renewal application and renewal fee no less than ninety days before the permit expiration date, then the underlying permit shall be null and void on its expiration date.

~~(d)~~ (c) Nothing contained herein shall exempt the applicant from any and all other applicable license taxes and fees.

SECTION 7. Permit Fee: Campbell Municipal Code section 5.48.090 is amended to read as follows, with underlining indicating new text and strikeouts (~~strikeout~~) indicating deleted text:

5.48.090 - Permit fee.

Fees for each establishment permit, therapist permit, and trainee permit shall be paid to the ~~Campbell police department~~ city at the time the application or renewal application is submitted and are non-refundable. Fee amounts shall be approved by the city council.

Nothing contained herein shall exempt the applicant from any and all other applicable license taxes and fees.

SECTION 8. Action on Application: Campbell Municipal Code section 5.48.110 is amended to read as follows, with underlining indicating new text and strikeouts (~~strikeout~~) indicating deleted text:

5.48.110 - Action by chief of police on permit application.

(a) The chief of police shall either issue or deny a permit within sixty calendar days following receipt of a completed application for an establishment, therapist, or trainee permit or the renewal thereof. In taking such action, the chief of police shall consider the recommendations of city officials investigating the application, along with any other relevant information.

(b) The chief of police shall deny an establishment permit, a therapist permit, or a trainee permit or the renewal thereof on any of the following grounds:

(1) The applicant, owner, operator, any officer or director of a massage establishment has been convicted within the last ten years of a violation of Section 148, 266h, 266i, 311 through 311.7, 314, 315, 316, 318, or subdivision (a) (b) or (d) of Section 647 of the California Penal Code, or any other crime involving dishonesty, fraud, deceit, moral turpitude, or when the prosecution accepted a plea of guilty or nolo contendere to a charge of a violation of California Penal Code Sections 415, 602, or any lesser included

or related offense, in satisfaction of, or as a substitute for, any of the previously listed crimes. ;

(2) The applicant, owner, operator, any officer or director of a massage establishment has been convicted within the last ten years of offenses equivalent to those listed above under the laws of another jurisdiction, even if expunged. ;

(3) The applicant, owner, operator, any officer or director of a massage establishment is required to register under the provisions of Section 290 of the California Penal Code. ;

(4) The applicant, owner, operator, any officer or director of a massage establishment has been convicted within the last ten years of a violation of Health and Safety Code Section 11550 or any offense involving the possession or sale of a controlled substance specified in Section 11054, 11055, 11056, 11057, or 11058 of the Health and Safety Code or convicted of an equivalent offense in any other state. ;

(5) The applicant, owner, operator, any officer or director of a massage establishment has been convicted of any offense involving the use of force or violence upon another person. ;

(6) The applicant, owner, operator, any officer or director of a massage establishment has been convicted of any offense involving sexual misconduct with children. ;

(7) The applicant, owner, operator, any officer or director of a massage establishment has been convicted within the last ten years of any offense involving theft. ;

(8) The operation of a massage establishment at the proposed location would be injurious to the health, safety or welfare of the community or would not be in compliance with applicable zoning regulations. ;

(9) The operation of the massage establishment, as proposed by the applicant, would not comply with all applicable laws including city ordinances and regulations. ;

(10) The applicant knowingly made a material omission or misstatement of fact in the license application. ;

(11) The applicant, owner, operator, any officer or director of a massage establishment has violated any provision of this chapter or any similar law, rule or regulation of another public agency which regulates the operation of massage establishments. ;

(12) The applicant, owner, operator, any officer or director of the proposed massage establishment has ever had an ownership interest in, operated or been employed by any business which has been the subject of an abatement proceeding under the California Red Light Abatement Act (California Penal Code Sections 11225-11325) or any similar abatement laws in other jurisdictions;

(13) The proposed location of the massage establishment has been the situs of any of the following within five years of the submission of the application:

(i) A violation of Section 148, 266h, 266i, 311 through 311.7, 314, 315, 316, 318, or subdivision (a) (b) or (d) of Section 647 of the California Penal Code;

(ii) An abatement proceeding under the California Red Light Abatement Act (California Penal Code Sections 11225-11325);

(iii) A violation of any provision of this chapter; or

(14) The issuance of the establishment permit would cause the number of massage establishments in the City to exceed the maximum number of establishments allowed pursuant to section 5.48.264.

(c) If a permit or renewal thereof is approved, the chief of police shall include such restrictions and conditions in the permit, as he/she deems reasonable and necessary under the circumstances, to ensure compliance with the purposes and intent of this chapter.

(d) Upon approval or denial of a permit or renewal thereof, the chief of police shall prepare and forward to the applicant written notice that the permit has been granted, renewed, or denied, along with a statement of any conditions of approval attached thereto. If the permit is denied or approved subject to conditions, the notice shall state the reasons for the denial or imposition of the conditions. The written notice shall be hand-delivered or sent by certified mail to the applicant. The decision of the chief of police upon application for a permit or renewal thereof shall become final unless an appeal is filed with the city council within fifteen calendar days following delivery of the written notice.

SECTION 9. List of Personnel: Section 5.48.062 is of Chapter 5.48 of the Campbell Municipal Code is hereby amended to read as follows with underlining indicating new text:

5.48.062 - Registration of state certified therapists.

~~Prior to providing any massage services in the City of Campbell, anyone claiming an exemption from the requirement to obtain a therapist or trainee permit pursuant to subsection (c) of Section 5.48.060 shall appear at the police department of the city and:~~

~~(a) Present proof that they possess state massage certification; and~~

~~(b) Pay a registration fee in an amount to be fixed by the city council to cover the reasonable costs of processing the exemption request.~~

5.48.062 List of Therapists.

Prior commencing operations, the operator of any massage establishment shall provide the Campbell Police Department with a list containing the full name, residence address and birth date of any person who will be performing massage at the establishment, and the date that each person was issued their state massage certification. No one other than a person identified on the list shall perform massage at the establishment. The

operator shall update the list to include any new persons who will be providing massage at the establishment prior to the commencement of their services.

SECTION 10: Permit Revocation: Section 5.48.140 of the Campbell Municipal Code is amended to read as follows, with underlining indicating new text and strikeouts (~~strikeout~~) indicating deleted text:

5.48.140 - Revocation of permit.

(a) The chief of police may revoke an establishment permit, therapist permit, or a trainee permit for good cause. Before the chief of police revokes a permit, the chief of police shall provide written notice of the revocation by personal delivery or certified mail. The notice shall provide for revocation of the permit fifteen calendar days after service of the notice unless the permittee requests an appeal hearing. The notice shall set forth the reasons for the revocation and shall instruct the permittee on how to file an appeal.

(b) Following the receipt of a revocation notice and within fifteen calendar days thereafter, the permittee may file an appeal of the revocation and request a hearing be held in accordance with Section 5.48.130. If an appeal is filed, the city council shall conduct a de novo hearing on the appeal of any permit revocation and may approve, conditionally approve, modify, or deny the revocation based upon grounds as set forth in subsection (d) of this section.

(c) If after the passage of fifteen calendar days from the receipt of the revocation notice, the permittee has not requested an appeal, the revocation decision of the chief of police shall become final.

(d) A permit may be revoked for good cause on the basis of any of the following:

(1) The permit was obtained by fraud; ~~or~~

(2) Any person making use of such permit is violating or has violated any conditions of such permit; ~~or~~

(3) The detriment to the public health or safety, or the nuisance arising from the conduct of the massage establishment, or from changed circumstances, necessitates the revocation of the permit; or

(4) The permittee ~~has violated~~, or ~~permitted~~ any other person under his/her control or supervision ~~to violate~~ has violated, any provision of this chapter or of other local, state, or federal law in connection with the practice of massage or operation of a massage establishment; or

(5) The permittee or any person under his/her control has committed any offense involving lewdness, indecent exposure, prostitution, or any other offense which would be grounds for denial of an application, ~~or employees of the establishment have committed such offenses in the course of their employment and the permittee has failed to prevent them from doing so. The employer shall be responsible for those acts of its~~

~~employees and massage therapists which are done in the course and scope of their employment, or which occur on the premises of the massage establishment.~~

SECTION 11: Prohibited Acts: Section 5.48.200 of the Campbell Municipal Code is amended to read as follows, with underlining indicating new text and strikeouts (~~strikeouts~~) indicating deleted text:

5.48.200 - Prohibited acts.

(a) No permittee, or any other employee of a massage establishment, shall place either his/her hands upon, or touch with any part of his/her body, or touch with a mechanical device, a sexual or genital part of any other person in the course of a massage, or massage a sexual or genital part of any other person. Sexual or genital parts shall include the genitals, pubic area, anus or perineum of any person or the vulva or the nipples of a female. This subsection shall not be construed as prohibiting a person holding a valid state massage certification from performing massage on the gluteal muscles.

(b) No permittee or any other employee of a massage establishment shall uncover or expose the female breasts or sexual or genital parts, as defined above, of a client or themselves in the course of practicing a massage or other health treatment before or after a massage. This subsection does not prohibit a client from turning over in the course of a massage, so long as the therapist holds a drape over the client to protect his/her privacy.

SECTION 12: Operating Requirements: Section 5.48.210 of the Campbell Municipal Code is amended to read as follows, with underlining indicating new text and strikeouts (~~strikeouts~~) indicating deleted text:

5.48.210 - Operating requirements, general.

All massage establishments shall comply with the following operating requirements.

(a) Maintenance of Permits. A copy of the establishment permit and each therapist's permit, certification issued pursuant to 10.5 of Division 2 of the California Business and Professions Code shall be posted in a conspicuous place on the establishment premises in such a manner that can be easily seen by persons entering the establishment. A passport-size photograph of the permittee shall be affixed to each therapist's permit or certification.

(b) Posting of Services Offered. A list of all services available, the price thereof, and the length of time of each service, shall be posted or available in a conspicuous place in such a manner that it can be easily viewed by persons entering the massage establishment. No services, other than those set forth on the list, shall be provided.

(c) Payment. All payments for massage services, including gratuities or tips, shall be made at the designated reception area exclusively. At least one sign, with lettering not less than one-half inch in height, shall be posted in a conspicuous place in such a

manner that it can be easily seen by persons entering the establishment stating, "All payments for massage services, including gratuities or tips, shall be made in the designated reception area exclusively."

(d) Alcohol Prohibited. No alcoholic beverages shall be sold, served, furnished, kept or possessed in any part of a massage establishment. The owner, operator, and managing employee shall be responsible to ensure that no person possesses alcoholic beverages inside the massage establishment.

(e) Condoms Prohibited. Condoms shall be not be furnished, kept or possessed in any part of a massage establishment.

(f) Written Records. Every massage establishment shall maintain written records, which include the date and hour of each service provided, the full name and address of each client, and the type of service received, as well as the name of the massage therapist administering the service. These records shall be kept on the premises and shall be open to inspection by officials charged with enforcement of this chapter, including the chief of police and his/her designee and city attorney. These records shall be retained for a period of at least two years.

(g) Dress Code for Employees. The holder of the establishment permit, massage therapists and all other employees of the massage establishment shall remain fully clothed ~~in clean outer garments~~ as required by paragraph (10) of subsection (a) of California Business and Professions Code section 4609, or any successor statute thereto, while on the premises of the massage establishment. At a minimum, such clothing shall be made of non-transparent material and shall not permit exposure of the buttocks, genital area, or breasts of any employee.

(h) Operating Hours. No massage establishment shall be kept open for business and no massage therapist shall administer massages before the hour of 7:00 a.m. or after the hour of 10:00 p.m. The chief of police may stipulate more restrictive hours when appropriate for the protection of the public health, safety or welfare.

(i) Recording or Scanning Devices Prohibited. No audio or video monitoring or recording device shall be used by the operator of the massage establishment to monitor the practice of massage, or any conversation or other sounds in massage rooms, without the express consent of the client. No device of any kind shall be installed or used which would operate in any way to detect or interfere with law enforcement surveillance or communication equipment.

(j) Advertising. No services shall be offered in signs, posters, flyers, newspapers or other printed advertisements, or in verbal or recorded announcements or messages, other than those lawfully permitted and posted as required in Section 5.48.210(b). Photographs, drawings, written or verbal statements used in any advertising shall not explicitly or implicitly communicate that services offered are for the purpose of sexual stimulation or gratification.

(k) At all times that a massage establishment is open for business, the massage establishment shall have on the premises at least one person who is not actively engaged in the performance of a massage to ensure that the premises remain open.

SECTION 13: Locking of Doors: Subsection (i) of section 5.48.220 of the Campbell Municipal Code is amended to read as follows, with underlining indicating new text and ~~strikeouts~~ indicating deleted text:

(i) All ~~public~~ external entrances shall be kept unlocked during business hours, including at any time massage services are being provided, except if the only employee on the premises is actively engaged in the performance of a massage. All ~~internal Doors~~ doors ~~to massage rooms~~ shall remain unlocked at all times, ~~unless there is no staff person available to assure security for clients and therapists who are in the massage room,~~ except for occupied bathrooms.

SECTION 14: Bathroom Occupancy: Subsection (m) of section 5.48.220 of the Campbell Municipal Code is amended to read as follows, with underlining indicating new text and ~~strikeouts~~ indicating deleted text:

(m) Dressing rooms ~~and restrooms~~ may only be used by clients of the same sex at the same time. Doors, draw drapes, curtain enclosures, or doors/enclosures of other opaque materials shall be provided for all dressing rooms and massage rooms. Bathrooms may be occupied by only one person at a time, and shall have only one door for both entrance and exit.

SECTION 15: Video Monitors in Massage Rooms: Subsection (n) is added to section 5.48.220 of the Campbell Municipal Code to read as follows, with underlining indicating new text:

(n) No video monitors shall be allowed in any massage room while a customer is present in the room.

SECTION 16: Responsibility of Operators and Managers: Section 5.48.262 is added to Chapter 5.48 of the Campbell Municipal Code to read as follows, with underlining indicating new text:

5.48.262 - Responsibility of Operators and Managers

Every operator and every managing employee of a massage establishment is legally responsible and strictly liable for all acts, omissions and transactions of the employees of the massage establishment that occur either in the course of the employee's employment or on the premises of the massage establishment, as if the operator or managing employee committed the act, omission or transaction. In any proceeding brought to enforce the provisions of this chapter, the operator or managing employee's lack of knowledge of an act, omission or transaction committed by an employee shall not be a defense.

SECTION 17: Number of Establishments: Section 5.48.264 is added to Chapter 5.48 of the Campbell Municipal Code to read as follows, with underlining indicating new text:

5.48.264 – Number of Massage Establishments

(a) Except as provided in subsection (b) of this section, the maximum number of massage establishments allowed in the City shall be twelve.

(b) Notwithstanding subsection (a) of this section, a massage establishment that is lawfully operating in the City at the time that the ordinance adopting this section becomes effective shall be able to renew its establishment permit, so long as the massage establishment:

(1) Continues to comply with the requirement of this chapter and applicable state and federal laws;

(2) Has not had its establishment permit revoked; or

(3) Has not otherwise ceased operations.

SECTION 18: Inspections: Section 6.10.160 of Chapter 6.10 of the Campbell Municipal Code is amended to read as follows, with underlining indicating new text and ~~strikeouts~~ (strikeouts) indicating deleted text:

6.10.160 - Right of inspection.

(a) *Right to Inspect.* An enforcement officer or other authorized agent of the community development, fire, police, building and/or public works departments shall have the right to enter upon any property within the city limits of the City of Campbell to inspect such property for compliance with this chapter provided that such agent gives the owner and residents of such property at least seventy-two hours advance notice of the inspection in the following manner:

(1) A notice shall be conspicuously posted on the property to be inspected, specifying the date, time and reason for the proposed inspection and setting forth a telephone number with directions for the residents or property owners to call for further information; and

(2) If the identity and address of the owner is known, such owner shall be notified of the proposed inspection by first-class mail, setting forth the time, date, location and reason for the proposed inspection.

(b) *Emergency.* In the event of an emergency, where the condition of the property poses an immediate threat to the public health or safety, agents of the community development, fire, police, building and/or public works departments may enter the property without the notice specified in subsection (a).

(c) *Right to Enter Business Open to Public.* Notwithstanding anything contained in this section to the contrary, an enforcement officer or other authorized agent of the

community development, fire, police, building and/or public works departments shall have the right to enter upon any property within the city limits of the City of Campbell, without prior notice, to inspect such property for compliance with this chapter at any time that the business is open to the public.

(e) (d) Inspections conducted under this section shall be performed reasonably and in accordance with law, including the Fourth Amendment of the United States Constitution and the related protections of the California Constitution.

SECTION 19: Restatement of Existing Law: The amendments made by sections 2, 3, 4, 10, 16 and 18 of this Ordinance, as well the amendments to paragraphs (12) and (13) of subsection (b) of Campbell Municipal Code section 5.48.110 made by section 8 of this Ordinance are intended to be declaratory of the law as it existed prior to enactment of this Ordinance, and are intended solely as a clarification, not as a change to the intent of the previously existing Municipal Code provisions.

SECTION 21: This Ordinance shall become effective (30) days following its passage and adoption and shall be published once within fifteen (15) days upon passage and adoption in the Campbell Express, a newspaper of general circulation in the City of Campbell, County of Santa Clara.

PASSED AND ADOPTED this 5th day of April, 2016 by the following roll call vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

APPROVED:

Jason T. Baker, Mayor

ATTEST:

Wendy Wood, City Clerk



*City
Council
Report*

Item: 10.
Category: Public Hearing
Date: April 5, 2016

TITLE

Appeal of the Planning Commission approval of a Conditional Use Permit (PLN2015-352) and Administrative Planned Development Permit (PLN2015-354) to allow establishment of a new 45-seat restaurant (Kalye Hits) with beer and wine service, outdoor seating, live entertainment (no dancing), and "late-night" operational hours (11:00 PM public closing); and a Parking Modification Permit (PLN2015-355) to allow a reduction in the number of required parking spaces on property located at 2145 S. Winchester Boulevard in the P-D (Planned Development) Zoning District. (Resolution / Roll Call Vote)

RECOMMENDATION

The Planning Commission recommends that the City Council take the following action:

1. **Adopt a Resolution**, denying the appeal and upholding the Planning Commission approval of a Conditional Use Permit (PLN2015-352), Administrative Planned Development Permit (PLN2015-354), and Parking Modification Permit (PLN2015-355).

ENVIRONMENTAL DETERMINATION

The Planning Commission found that this project is Categorically Exempt under Section 15303(c) of the California Environmental Quality Act (CEQA) Guidelines, which exempts from environmental review the conversion of existing building area of less than 10,000 square-feet from one use to another, where only minor modifications are made to the exterior of the structure.

DISCUSSION

Project Site: The project site is the former A&W property, located at the southwest corner of E. Rincon Avenue and S. Winchester Boulevard, immediately to the south of the Merrill Gardens community (reference **Attachment 2** – Location Map). The property is developed with a 5,049 square-foot single-story commercial retail structure (two separate buildings connected by a breezeway). The proposed restaurant would assume the entirety of Building 2, located at the Rincon/Winchester corner, occupying 2,255 square-feet of gross floor area.

This portion of Winchester Boulevard is located within the P-D (Planned Development) Zoning District, and the boundaries of the Winchester Boulevard Master Plan. Consistent with Master Plan's vision of an expanded downtown, allowable uses are the same as those prescribed for the C-3 (Central Business District) Zoning District, which comprises Historic Downtown Campbell between the loop streets. However, the parking standards are those applicable City-wide; since restaurants occupying existing tenant spaces in C-3 Zoning District do not require parking (CMC Sec. 21.10.060.I.3).

Winchester Boulevard also lies within the boundary of the Downtown Alcohol Beverage Policy (reference **Attachment 3**), which was originally adopted in 2009 and revised in 2011. The policy serves as an implementation tool of the Campbell General Plan and Downtown Development Plan by ensuring the responsible service of alcohol. This is achieved by application of operational restrictions intended to ensure that late night alcohol-serving restaurants do not operate as bars or nightclubs, particularly in the late evening.

Application Request: The proposed restaurant would include beer and wine service, outdoor seating, live entertainment (no dancing), and "late-night" operational hours (11:00 PM public closing, followed by a 12:00 AM operational closing) as noted in the project description (reference **Attachment 4**). The submitted floor plan (reference **Attachment 5 – Project Plans**) depicts 26 dining room seats, 11 "high-top" bar seats (eight at the bar and two at the corner window), and eight outdoor seats in front of the tenant space. A complete analysis of the project is included in the attached Planning Commission staff report (reference **Attachment 6**).

Planning Commission Action: At its meeting of February 23, 2016, the Planning Commission held a public hearing on the project, taking comment from the applicant, the property owner, and a neighboring resident. The Commission discussed the appropriateness of alcohol service and live entertainment, the adequacy of parking, noise, and hours of operation (reference **Attachment 7 – Meeting Minutes**). The Commission adopted Resolution No. 4275 (reference **Attachment 8**) on a 5-0 vote, approving the application request, subject to additional restrictions on noise.

Appeal Analysis: On March 4, 2016, the City Clerk received an appeal letter from Mr. Steve Gandy and Ms. Debbie Marino (reference **Attachment 9**), both residents of Mission Way, a private street located immediately to the west of the project site. The appellants request reconsideration of the Planning Commission's approval on the basis of late-night operating hours, alcohol, live music, and parking, as discussed below (the appellants' claims are summarized and followed by staff's response). Additionally, Mr. Jose Nagui Jr., the project applicant, also submitted a letter in response to the appeal (reference **Attachment 10**).

1. Alcohol – Differentiating between beer and wine, and "hard alcohol" (distilled spirits) is a distinction without a difference; alcohol is alcohol.

Although the point is taken that alcohol of any sort is an intoxicant with predictable effects and consequences, distilled spirits provide a more expedient means of intoxication than beer or wine, which more easily results in overconsumption. This is why the Police Department has little concern with beer and wine service, as was the case for this application (reference **Attachment 11 – Email**).

Moreover, this distinction has long been made by the State of California through issuance of varying degrees of liquor licenses in recognition of the particular issues associated with consumption of distilled spirits. The City's recognition of this distinction is reflected in the Downtown Alcohol Beverage Policy which includes an exemption to the discouragement of new bars, with a specific allowance for wine bars and wine tasting establishments.

2. Late Night Operational Hours. The approved hours of operation will include employees staying past the business hours and causing a disturbance, such as emptying garbage late at night. Conditions will be difficult to enforce.

Any business activity occurring after 11:00 PM is defined as "late-night" activity, due to the potential for neighborhood impacts. As approved by the Planning Commission, patrons must entirely vacate the restaurant by 11:00 PM, with employees leaving no later than midnight, which renders the restaurant a "late-night" activity. In making its decision, the Planning Commission made the following findings pursuant to CMC Sec. 21.12.030.H.7:

- a. Not Create a Nuisance. The establishment will not create a nuisance due to litter, noise, traffic, vandalism or other factors;
- b. Not Disturb the Neighborhood. The establishment will not significantly disturb the peace and enjoyment of the nearby residential neighborhood; and
- c. Proposed conditions of approval (if any), are sufficient to mitigate any detrimental impacts specified that may be caused by the late-night establishment.

The Planning Commission affirmatively established these findings in part because the proposed hours of operation are consistent with the Downtown Alcohol Beverage Policy, below. Although the project site is not within the Downtown proper (i.e., C-3 Zoning District), the Council affirmed the policy's applicability to Winchester Boulevard and East Campbell Avenue in 2011 (reference **Attachment 12 and 13** – City Council Staff Report and Meeting Minutes). At that time, the Council considered, but ultimately did not choose to modify the policy boundary to exclude Winchester Boulevard and East Campbell Avenue. As a result, the Commission made its decision consistent with established policy that recognizes an 11:00 PM closing time as appropriate for a restaurant along Winchester Boulevard.

4. Hours of Operation

- a. It is strongly recommended that Conditional Use Permits for establishments for on-site consumption of alcohol beverages be limited to a closing time of no later than 12:00 AM.
- b. Restaurants requesting beer and wine service only with operating hours not exceeding 11 PM will continue to be allowed without a Conditional Use Permit.

Additionally, Winchester Boulevard, like the City's other major thoroughfares are lined with commercially zoned properties contiguous to residential zoning districts. To this extent, it is anticipated that the normal operation of commercial businesses, which may produce noise, light, and traffic, will be perceivable to neighboring residents. Through the development review process, such effects may be minimized, but not entirely eliminated, through appropriate building design, thoughtful site planning, and imposition of reasonable operational restrictions (i.e., conditions of approval). These conditions may be enforced at any time upon filing of a formal complaint by a member of the public, or upon a Police Department calls-for-service that are reported to the Community Development Department. If repeated violations occur, the City may take action to forcibly revoke or modify the permit approval to address the issue(s). A recent example of such action is the Socialight restaurant, which had repeated violations that resulted in a public hearing with the City Council.

The appellants cite the building's proximity to their homes as a determining factor relating to the hours operation. However, in approving the retail building in 2012, the Planning Commission and City Council were aware of the building's relationship to the neighborhood and that it would likely accommodate a restaurant. Had the proximity been recognized as a factor warranting preemptive restriction, the Planned Development Permit could have included a condition of approval restricting the operational hours of any future business. That did not occur, which would reasonably lead the property owner to believe that leasing to a restaurant with an 11:00 PM public closing time, consistent with the Downtown Alcohol Beverage Policy, would be acceptable.

If the Council believes that staff activity occurring after 11:00 PM may be disruptive to the neighbors, Condition of Approval No. 6.t (Trash and Clean Up) could be modified to require that any outdoor activity, such as disposal of refuse in the dumpster be limited to the "business hours,"; that is before 11:00 PM. In this way, the staff's activities would be limited to the interior of building after closing time, other than leaving the property at the end of the shift.

3. Live Music – The live entertainment, particularly the karaoke will generate noise that will escape whenever a door or window is opened, creating a disturbance.

The proposed restaurant was granted limited live entertainment, specifically, live performances of no more than two performers with non-amplified instruments, and karaoke. Mindful of the noise concerns, the Planning Commission's approval included various conditions of approval governing live entertainment. Of note, all doors are to be kept closed during live entertainment, with the rear doors restricted to emergency use after 8:00 PM. This would limit the potential for noise leakage from the rear of the building. Similarly, although the stage is shown in the back corner of the restaurant, it faces forward to direct sound away from the neighborhood. Should the noise associated with the live entertainment prove to be intrusive, the Planning Commission may hold a public hearing to consider measures to address the issue, including but not limited to, prohibiting karaoke. The City Council may also rescind a Live Entertainment Permit upon finding that the entertainment is creating a nuisance.

Live Entertainment: Live entertainment, limited to karaoke and live performances of no more than two musicians playing non-amplified instruments, shall be permitted during business hours, daily, within the corner stage shown on the approved floor plan, subject to approval of a Live Entertainment Permit in compliance with CMC Sec. 5.24.

Dancing Prohibited: At no time shall the business owner allow any form of dancing.

Cover Charge: At no time shall a cover charge be required or a donation necessary in order to patronize the establishment.

Doors and Windows: Doors and windows shall remain closed during live entertainment performances. The rear doors shall be restricted to emergency egress only—no normal customer entrance or exiting shall be allowed—after 8:00 PM. This restriction shall be posted with a conspicuous sign affixed to both sides of the door. The rear doors shall also incorporate an exterior locking mechanism which shall be activated after 8:00 PM and interior panic hardware to allow emergency egress when locked.

Noise: Unreasonable noise—defined as noise, regardless of decibel level, which obstructs the free use of neighboring properties so as to unreasonably interfere with the comfortable

enjoyment of the neighboring residents—shall not be generated by the live entertainment. In the event three (3) verified complaints are received the City within a six (6) month period regarding such unreasonable noise, the Community Development Director may immediately modify the business hours and/or impose additional restrictions on the live entertainment, including but not limited to, reducing the number of performers, and prohibiting karaoke, subject to the project being brought back to the Planning Commission in a public hearing.

Loitering: There shall be no loitering allowed outside the business. The business owner is responsible for monitoring the premises to prevent loitering. "No Loitering" signs shall be permanently installed on the rear fence and on the rear building wall of the restaurant.

4. Parking – Street parking is not available due to Casa Lupe's customers parking on Winchester Boulevard and should not be taken into account for the proposed restaurant. Parking overflow onto Mission Way would be unacceptable.

The Planning Commission determined that consideration of on-street parking along the property's frontage was sufficient to compensate for the on-site deficiency, and warranted approval of a Parking Modification Permit. This action would allow an increase in seating capacity to 45 seats, up from 27 that otherwise would be allowed if the restaurant were strictly held to the parking standard.

Downtowns have public parking facilities typically in garages or surface lots. However, on Winchester Boulevard, the public parking is provided along the public street. The Winchester Boulevard Master Plan specifically states that "curbside parking should be retained in Area 2 to support storefront commercial businesses" (Pg. 19), recognizing that street parking along Winchester Boulevard is principally intended to serve commercial tenants. To this extent, the development of the property resulted in creation of all seven on-street stalls where previously the entire frontage had been red-curbed or driveway. As such, consideration of the street parking for the restaurant was appropriate.

Parking concerns regarding restaurants are becoming a perennial issue. This may stem in part from the increase in the number of new restaurants, as well the City's 2011 adoption of a more restrictive restaurant parking standard. As previously discussed with the Council, this standard was purposefully increased to account for the "worst case scenario" of a stand-alone restaurant on its own parcel where there is no possibility for the natural ebb and flow of parking demand seen in a shopping center. It was understood that a tighter standard would necessarily lead to a greater number of Parking Modification Permit requests which would be reviewed on a case-by-case basis. These requests should not be considered variances, exceptions, or otherwise suspect efforts to subvert the City's requirements. Rather, some projects, such as this one, present circumstances that warrant flexibility in the application of the parking standard.

Additionally, the notion that all parking demand generated by a commercial use must be contained on-site is not grounded in policy or practice. The purpose statement (CMC Sec. 21.28.10) for the Zoning Code's "parking and loading" chapter states that only provision "adequate" parking is required by the City's parking standards, not an "abundant" or even a "sufficient" quantity. This

recognizes that the provision of parking must be balanced with other goals, as also identified in the purpose statement.

This chapter is intended to ensure that ~~adequate~~ off-street parking and loading spaces are provided for each type of land use in a manner that will ensure their usefulness, support alternative transportation solutions, improve the urban form of the community, and protect the public safety.

As a result, motorist will inevitably park along the public streets when on-site parking nears capacity on a busy Friday or Saturday night. However, this is not unlike single-family residential properties whose provision of two parking spaces—an "adequate" amount—is often insufficient to capture the demand generated by a household's residents and guests, particularly when a garage is used for storage or as a workshop. The City's enforcement of off-street parking requirements should be consistently applied.

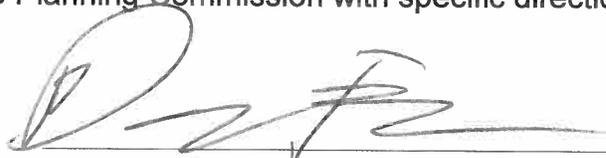
Lastly, on-street parking is not technically permitted on Mission Way. This private street is only 20 feet wide which is the minimum width necessary for emergency vehicle access. Therefore, residents, their guests, and outsiders, should not be parking along the roadway at all. As a private street, this may be privately enforced through towing. In this regard, there should be little concern that customers will illegally park along, what is in effect, a shared driveway.

ALTERNATIVES

1. **Approve the Appeal and Overturn the Approval (Denial):** If the City Council determines that a restaurant, irrespective of alcohol service, hours of operation, and/or seating capacity, is not appropriate, the project may be denied in its entirety (Administrative Planned Development Permit, Conditional Use Permit, and Parking Modification Permit).
2. **Deny the Appeal and Modify the Scope of Approval:** If the concept of a restaurant is agreeable, but the Council believes that the scope of approval must be modified in terms of disallowing live entertainment, "late-night" hours, alcohol service, and/or a parking reduction (related to seating capacity increase), certain aspects of the project may be removed as noted below:
 - Live Entertainment – Prohibit entirely or specifically disallow karaoke
 - "Late-Night" Operational Hours – Disallow any business activity after 11:00 PM
 - Alcohol Service – Prohibit any alcohol service
 - Seating Increase – Require conformance to the parking standard resulting in a maximum seating capacity of 27 seats
3. **Deny the Appeal and Modify the Approval:** If the Council is generally agreeable to the project as approved by the Planning Commission, but wishes to refine certain operational standards to address specific issues (e.g., noise, loitering, etc.), individual conditions of approval may be modified as appropriate.

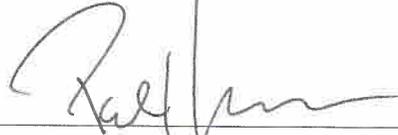
4. **Refer back to the Planning Commission:** The application could be referred back to the Planning Commission with specific direction for further consideration.

Prepared by:



Daniel Fama, Associate Planner

Reviewed by:



Paul Kermoyan, Community Development Director

Approved by:



Mark Linder, City Manager

Attachments:

1. Draft City Council Resolution
2. Location Map
3. Downtown Alcohol Beverage Policy
4. Project Description
5. Project Plans
6. Planning Commission Staff Report, dated February 23, 2016
7. Planning Commission Meeting Minutes, dated February 23, 2016
8. Planning Commission Resolution No. 4275
9. Appeal Letter
10. Applicant's Response Letter
11. City Email
12. City Council Staff Report, October 4, 2011
13. City Council Meeting Minutes, October 4, 2011

RESOLUTION NO. _____

BEING A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAMPBELL DENYING AN APPEAL AND UPHOLDING APPROVAL OF A CONDITIONAL USE PERMIT (PLN2015-352) AND ADMINISTRATIVE PLANNED DEVELOPMENT PERMIT (PLN2015-354) TO ALLOW ESTABLISHMENT OF A NEW 45-SEAT RESTAURANT WITH BEER AND WINE SERVICE, OUTDOOR SEATING, LIVE ENTERTAINMENT (NO DANCING), AND "LATE-NIGHT" OPERATIONAL HOURS (11:00 PM PUBLIC CLOSING); AND A PARKING MODIFICATION PERMIT (PLN2015-355) TO ALLOW A REDUCTION IN THE NUMBER OF REQUIRED PARKING SPACES ON PROPERTY LOCATED AT **2145 S. WINCHESTER BOULEVARD**. FILE NO: PLN2015-352, 354, & 355

After notification and public hearing, as specified by law and after presentation by the Community Development Director, proponents and opponents, the hearing was closed.

The City Council finds as follows with regard to File No. PLN2015-352, 354 & 355:

1. The proposed project includes a request for Conditional Use Permit (PLN2015-352) and Administrative Planned Development Permit (PLN2015-354) to allow establishment of a new 45-seat restaurant (Kalye Hits) with beer and wine service, outdoor seating, live entertainment (no dancing), and "late-night" operational hours (11:00 PM public closing); and a Parking Modification Permit (PLN2015-355) to allow a reduction in the number of required parking spaces.
2. The project site is a commercial property located at the southwest corner of S. Winchester Boulevard and E. Rincon Avenue.
3. The project site is developed with a 5,000 square-foot retail/commercial building constructed pursuant to Planned Development Permit PLN2011-318 approved by City Council Resolution No. 11426.
4. The project site is within the P-D (Planned Development) Zoning District and is designated with a Central Commercial land use designation by the General Plan.
5. The project site is also within the boundaries of the Winchester Boulevard Master Plan.
6. The Winchester Boulevard Master Plan was adopted by the City Council in 2009 with the goal of transforming "Winchester Boulevard into a vibrant mixed-use, pedestrian oriented street, lined with ground-level businesses with residential or office above".
7. The Master Plan was adopted pursuant to General Plan Strategy LUT-5.3j in furtherance of the area's predominant Central Commercial General Plan Land Use Designation:

Strategy LUT-5.3j: Winchester Boulevard Plan: Develop an Area Plan for Winchester Boulevard. The Area Plan should address specific boundaries, mix of uses, street amenities, landscaping, building and site design.

Central Commercial: The Central Commercial designation is used for the heart of Campbell including parts of Campbell and Winchester Avenues in Downtown Campbell. This area is intended to provide shopping, services and entertainment within a pedestrian oriented, urban environment. Building forms in this designation edge the street and should include retail commercial uses on the ground floor with either office or residential uses on the second and third floors.

8. The Winchester Boulevard Master Plan specifies that allowable land uses are the same as those allowed within the C-3 Zoning District (i.e., Historic Downtown Campbell), with a specific emphasis on retail and restaurants on the ground floor. As such, a restaurant with beer and wine service, outdoor seating, live entertainment (no dancing), and "late-night" operational hours is an allowable use, consistent with the Master Plan.

...The subject parcels predominantly have a General Plan designation of Central Commercial (C-3), therefore Permitted, Conditional and Prohibited Uses shall be those set forth in the C-3 zoning district.... In general, the vision for this Plan area shall be ground floor retail/restaurant, with upper floor residential/office. It is expected that a variety of ground floor retail businesses and eating establishments shall be maintained to achieve a balanced and distinctive pedestrian-oriented experience, without an overconcentration of any one type of use.

9. Policies found within the Campbell General Plan and Downtown Campbell Development Plan articulate a desire to promote and enhance a downtown environment that provides a desirable balance of land uses including shopping, services, and entertainment. This vision is evidenced in policies that encourage a mix of day and evening activities, a distinctive retail presence, a diversity of eating establishments, support for neighborhood-serving businesses, and protection of surrounding residential neighborhoods.
10. The City Council adopted the 'Downtown Alcohol Beverage Policy', as an implementation tool of the Campbell General Plan and Downtown Development Plan. The Policy is intended to balance the health and safety of the community while still maintaining the commercial viability of the downtown in which restaurants have an essential role.
11. The approval of the proposed project incorporates applicable operational standards of the Downtown Alcohol Beverage Policy.
12. Alcohol beverage service in the restaurant shall be ancillary and subordinate to the primary purpose of serving food.
13. Conformance to the provisions of the Downtown Alcohol Beverage Policy is the basis to which the City shall review new applications for alcohol beverage service. Restrictions to the hours of operation, amount of bar area seating, and alcohol beverage service, are necessary to protect the public health, safety and welfare.

14. The Downtown Alcohol Beverage Policy strongly recommends that Conditional Use Permits for establishments for on-site consumption of alcohol beverages be limited to a closing time of no later than 12:00 AM.
15. The over-concentration of late night alcohol serving establishments within a compact downtown district can create a cumulative impact that overwhelms the area creating an undesirable result such as drunk in public, vandalism, and disorderly conduct.
16. There are two alcohol-serving restaurants within the immediate vicinity (500 feet) of the project site, which does not constitute an overconcentration.
17. The approval of a Conditional Use Permit incorporates applicable operational standards of the Downtown Alcohol Beverage Policy, including a 11:00 PM public closing time and bar area seating comprising no more than 25% of the total seating capacity.
18. Alcohol beverage service in the restaurant shall be ancillary and subordinate to the primary purpose of serving food.
19. The proposed project request seeks a seating capacity for the proposed restaurant of 45 seats, including 37 interior seats and 8 exterior seats.
20. Under the city-wide parking standard for restaurants (1 space for every 3 seats plus 1 space for every 200 square-feet of "non-dining" area), the restaurant would require 18 parking spaces. Based on the project site's overall parking ratio of 1 space per 194 square-feet, the restaurant's pro-rated proportional share of parking stalls is 12, resulting in a technical deficiency of 6 spaces.
21. The Winchester Boulevard Master Plan notes that all new developments are subject to existing city parking requirements, but that adjustments may be approved by the decision making body pursuant to CMC Sec. 21.28.050. This code section provides relief from parking standards under certain circumstances through consideration of a Parking Modification Permit.
22. The Winchester Boulevard street frontage in front of project site provides 6 parking spaces, which supplements on the on-site parking.
23. The Master Plan notes that existing curbside (street) parking will be retained to "support commercial businesses" (Pg. 19), recognizing that street parking along Winchester Boulevard is principally intended to serve commercial tenants.
24. Accounting of street parking as a basis for a parking reduction pursuant to a Parking Modification Permit would be consistent with the Winchester Boulevard Master Plan and CMC Sec. 21.28.050.

25. Since the proposed "late night" hours of operation are consistent with the Downtown Alcohol Policy, they do not present an impact to area residents or adjacent businesses.
26. The City Council's review of the proposed project encompassed zoning and General Plan land use conformance, noise impacts, parking, property maintenance, odors, security and enforcement, and neighborhood impacts.

Based upon the foregoing findings of fact, the City Council further finds and concludes that:

Conditional Use Permit Finding (CMC Sec. 21.45.040):

1. The proposed use is allowed within the applicable zoning district with Conditional Use Permit approval, and complies with all other applicable provisions of this Zoning Code and the Campbell Municipal Code;
2. The proposed use is consistent with the General Plan;
3. The proposed site is adequate in terms of size and shape to accommodate the fences and walls, landscaping, parking and loading facilities, yards, and other development features required in order to integrate the use with uses in the surrounding area;
4. The proposed site is adequately served by streets of sufficient capacity to carry the kind and quantity of traffic the use would be expected to generate;
5. The design, location, size, and operating characteristics of the proposed use are compatible with the existing and future land uses on-site and in the vicinity of the subject property; and
6. The establishment, maintenance, or operation of the proposed use at the location proposed will not be detrimental to the comfort, health, morals, peace, safety, or general welfare of persons residing or working in the neighborhood of the proposed use, or be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the city.

Liquor Establishment Findings (CMC Sec. 21.46.070):

7. The establishment will be consistent with the Campbell Downtown Alcohol Policy.
8. The establishment will not result in an over concentration of these uses in the surrounding area;
9. The establishment will not create a nuisance due to litter, noise, traffic, vandalism, or other factors;
10. The establishment will not significantly disturb the peace and enjoyment of the nearby residential neighborhood; and

11. The establishment will not significantly increase the demand on city services.

Administrative P-D Permit Findings (CMC Sec. 21.12.030.H.6):

12. The proposed development or uses clearly would result in a more desirable environment and use of land than would be possible under any other zoning district classification;

13. The proposed development would be compatible with the general plan and will aid in the harmonious development of the immediate area;

14. The proposed development would not be detrimental to the health, safety or welfare of the neighborhood or of the city as a whole.

"Late-Night Activity" Findings (CMC Sec. 21.12.030.H.7):

15. The establishment will not create a nuisance due to litter, noise, traffic, vandalism or other factors;

16. The establishment will not significantly disturb the peace and enjoyment of the nearby residential neighborhood; and

17. Proposed conditions of approval (if any), are sufficient to mitigate any detrimental impacts specified that may be caused by the late-night establishment.

Parking Modification Permit Findings (CMC Sec. 21.28.050):

18. Due to the unique nature and circumstances of the project, or special development features, the anticipated number of parking spaces necessary to serve the use or structure is less than that required by the applicable off-street parking standard, and would be satisfied by the existing or proposed number of parking spaces, as supported by review of the applicant's documentation and/or a parking demand study prepared by a qualified transportation engineer accepted by the decision-making body;

19. Conditions of approval have been incorporated into the project to ensure the long-term adequacy of the provided off-street parking; and

20. Approval of the parking modification permit will further the purpose of this chapter.

Environmental Findings (CMC Sec. 21.38.050):

21. The project is Categorically Exempt under Section 15303(c) of the California Environmental Quality Act (CEQA) Guidelines, which exempts from environmental review the conversion of existing building area of less than 10,000 square-feet from one use to another, where only minor modifications are made to the exterior of the structure.

THEREFORE, BE IT RESOLVED that the City Council denies the appeal and upholds approval a Conditional Use Permit (PLN2015-352), Administrative Planned Development Permit (PLN2015-354), and Parking Modification Permit (PLN2015-355), subject to the attached Conditions of Approval (attached **Exhibit A**).

PASSED AND ADOPTED this 5th day of April, 2016, by the following roll call vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:
ABSTAIN: COUNCILMEMBERS:

APPROVED: _____
Jason T. Baker, Mayor

ATTEST: _____
Wendy Wood, City Clerk

CONDITIONS OF APPROVAL
Conditional Use Permit (PLN2015-352), Administrative Planned Development Permit (PLN2015-354), Parking Modification Permit (PLN2015-355)

Where approval by the Director of Community Development, City Engineer, Public Works Director, City Attorney or Fire Department is required, that review shall be for compliance with all applicable conditions of approval, adopted policies and guidelines, ordinances, laws and regulations and accepted engineering practices for the item under review. Additionally, the applicant is hereby notified that he/she is required to comply with all applicable Codes or Ordinances of the City of Campbell and the State of California that pertain to this development and are not herein specified.

COMMUNITY DEVELOPMENT DEPARTMENT

Planning Division

1. Approved Project: Approval is granted for a Conditional Use Permit (PLN2015-352) and Administrative Planned Development Permit (PLN2015-354) to allow establishment of a new 45-seat restaurant (Kalye Hits) with beer and wine service, outdoor seating, live entertainment (no dancing), and "late-night" operational hours (11:00 PM public closing); and a Parking Modification Permit (PLN2015-355) to allow a reduction in the number of required parking spaces on property located at **2145 S. Winchester Boulevard**. The project shall substantially conform to the project plans and revised project description stamped as received by the Planning Division on February 4, 2016 and December 11, 2015, respectively, except as may be modified by the conditions of approval contained herein.
2. Approval Expiration: This Approval shall be valid for one year from the effective date of the City Council action (**April 5, 2017**). Within this one-year period, applications for a building permit for restaurant tenant improvements and a Type 41 (Beer and Wine) License must be submitted to the Campbell Building Division and the Department of Alcoholic Beverage Control, respectively. Failure to meet this deadline or expiration of an issued building permit will result in the Approval being rendered void. Once established, the Approval shall be valid in perpetuity on the property, subject to continued operation of the use in compliance with conditions of approval contained herein. Abandonment, discontinuation, or ceasing of operations for a continuous period of twelve months shall void the Approval.
3. Signage: No signage has been approved as part of this development application. New signage shall not be installed prior to approval of a Master Sign Plan for the project site as required by City Council Resolution No. 11426 (Planned Development Permit PLN2011-318).
4. Planning Final Required: Planning Division clearance is required prior to Building Permit final. Construction not in substantial compliance with the approved project plans shall not be approved without prior authorization of the necessary approving body.

5. Construction Drawings Requirements: The construction drawings submitted for a building permit shall include the following revisions:
 - a. **Conditions of Approval**: The Conditions of Approval contained herein shall be included with a separate plan sheet behind the cover sheet.
 - b. **Outdoor Furniture**: Details for patio furniture, including chairs, tables, and umbrellas shall be included within the construction drawings. All furniture shall be of a high quality material and design, appropriate for the Downtown setting, as approved by the Community Development Director.
 - c. **Ventilation System**: Specifications and details for a mechanical ventilation system with odor filtration consistent with the best management practices established by the Air Quality District, shall be included within the construction drawings, for approval by the Community Development Director.
 - d. **Window Glazing**: Elevation drawings shall indicate that all window glazing shall be kept clear and unobstructed in compliance with the conditions of approval.
 - e. **Corner Seating Design**: The seating counter at the corner of the restaurant shall be designed to maintain visibility below the countertop (i.e., the glazing shall not be obstructed).
 - f. **Required Signage**: The signage required by the conditions of approval shall be noted on the appropriate sheet(s).

6. Operational Standards: Consistent with Downtown Alcohol Beverage Policy and other City standards, any restaurant operating pursuant to the Project Approval shall conform to the following operational standards.
 - a. **Approved Use**: The approved use is a "standard restaurant" with an ancillary "bar area" as defined by the Campbell Municipal Code. At no time shall the restaurant be operated as a "fast food" restaurant. This shall require the restaurant to include a host station, wait staff, table service, individual menus, and non-disposable plates, cutlery, and drink-ware.
 - b. **Restaurant Seating/Patron Occupancy**: Total indoor patron occupancy shall be limited to 37 seated persons, consistent with the 26 dining area seats and 11 bar area seats. At no time shall there be more than 37 patrons within the establishment, excluding those waiting for service. It is the responsibility of the business owner to provide adequate entrance controls to ensure that patron occupancy is not exceeded.
 - c. **Maximum Occupancy Sign**: The business owner shall install a maximum occupancy sign of a size to be determined by the Community Development Director, conspicuously posted within the premises, which shall include the maximum occupancy noted herein and include a visual depiction on the final floor plan configuration.

- d. **Bar Area Seating:** The bar area shall be composed of eleven (11) bar seats as shown on the approved project plans. No part of the dining area shall be considered part of the bar area.
- e. **Floor Plan:** All chairs and tables within the dining area shall consist of standard-height furniture (i.e., not "high-top"). All tables and chairs shall be placed in such a manner to allow sufficient area for dining and shall not be stacked or removed from the dining area or placed outside. At no time shall the seating be reconfigured to create large open spaces for patrons to congregate, dance, drink, or socialize.
- f. **Hours of Operation:** Hours of operation shall be as follows. By the end of 'Business Hours' all patrons shall have exited the restaurant. By the end of the 'Operational Hours' all employees shall be off the premises.
 - Business Hours: 10:00 AM – 11:00 PM, daily
 - Operational Hours: 8:00 AM – 12:00 AM, daily
- g. **Food Service:** Full menu food service shall be provided at all times during the Business Hours in the dining, outdoor seating, and bar areas (i.e., the kitchen shall not be closed).
- h. **Alcohol Beverage Service:** Alcohol beverage service in the dining area shall only be allowed in conjunction with food service. The dining area shall not be converted to a bar area or dance area.
- i. **Bar Area Meal Service:** Meal service shall be available in the bar area at all times.
- j. **Live Entertainment:** Live entertainment, limited to karaoke and live performances of no more than two musicians playing non-amplified instruments, shall be permitted during business hours, daily, within the corner stage shown on the approved floor plan, subject to approval of a Live Entertainment Permit in compliance with CMC Sec. 5.24.
- k. **Dancing Prohibited:** At no time shall the business owner allow any form of dancing.
- l. **Cover Charge:** At no time shall a cover charge be required or a donation necessary in order to patronize the establishment.
- m. **Doors and Windows:** Doors and windows shall remain closed during live entertainment performances. The rear doors shall be restricted to emergency egress only—no normal customer entrance or exiting shall be allowed—after 8:00 PM. This restriction shall be posted with a conspicuous sign affixed to both sides of the door. The rear doors shall also incorporate an exterior locking mechanism which shall be activated after 8:00 PM and interior panic hardware to allow emergency egress when locked.
- n. **Noise:** Unreasonable noise—defined as noise, regardless of decibel level, which obstructs the free use of neighboring properties so as to unreasonably interfere with the comfortable enjoyment of the neighboring residents—shall

not be generated by the live entertainment. In the event three (3) verified complaints are received the City within a six (6) month period regarding such unreasonable noise, the Community Development Director may immediately modify the business hours and/or impose additional restrictions on the live entertainment, including but not limited to, reducing the number of performers, and prohibiting karaoke, subject to the project being brought back to the Planning Commission in a public hearing.

- o. **Exterior Speakers:** Exterior loud speakers, exterior audio sound systems, and/or public address systems are prohibited.
- p. **Storefront Glazing:** All storefront glazing shall remain unobscured, except for the 25% of window area permitted to be occupied with the window signage.
- q. **Outdoor Seating:** Outdoor seating shall be considered part of the dining area subject to all restrictions herein. In addition, the following requirements apply:
 - i. Total patron occupancy in the outdoor seating area shall be limited to eight (8) seated patrons within sidewalk area directly in front of the tenant space along S. Winchester Boulevard.
 - ii. The design, make, and placement of all furniture (chairs, tables, and umbrellas, etc.) shall be subject to review and approval by the Community Development Director.
 - iii. Use of the outdoor seating area shall cease by 11:00 PM, daily. During non-business hours, chairs and tables shall be stacked, stored inside, or otherwise secured to prevent unauthorized use.
 - iv. All outdoor furniture shall be kept clean and in good repair and replaced and/or fixed as necessary.
 - v. The business owner shall maintain comprehensive liability insurance and list the City as an "additionally insured". Before the issuance of a Business License, the business owner shall furnish to the city a certificate of insurance.
 - vi. A barrier surrounding the patio, such as railing or planters, shall not be permitted.
 - vii. Exterior heaters shall be electric or natural gas and wall-mounted.
- r. **Loitering:** There shall be no loitering allowed outside the business. The business owner is responsible for monitoring the premises to prevent loitering. "No Loitering" signs shall be permanently installed on the rear fence and on the rear building wall of the restaurant.
- s. **Smoking:** "No Smoking" signs shall be posted on the premises in compliance with CMC 6.11.060.
- t. **Trash & Clean Up:** All trash, normal clean up, carpet cleaning, etc. shall occur during the approved 'Operational Hours'. Refuse and recycling receptacles shall be kept within the enclosure except during collection in compliance with Chapter 6.04 of the Campbell Municipal Code.

- u. **Liquor License:** The applicant shall obtain and maintain in good standing a Type 41 (On-Sale Beer and Wine for Bona Fide Public Eating Place) license from the State Department of Alcoholic Beverage Control for the sale of beer and wine beverages in conjunction and restaurant. The license shall include the Business Hour restrictions consistent with these conditions of approval. A copy of the issued license shall be provided to the Community Development Department prior to issuance of a Business License.
 - v. **Alcohol Sales:** The monthly gross sales of alcoholic beverages shall not exceed the gross sales of food during the same period, consistent with ABC licensing regulations. The business owner shall provide sales records on demand to the City to verify compliance with this standard.
 - w. **Employee Training:** The establishment shall use an employee training manual that addresses alcoholic beverage service consistent with the standards of the California Restaurant Association and the Department of Alcoholic Beverage Control.
 - x. **Designated Driver Program:** The establishment shall maintain and actively promote a designated driver program (e.g., complimentary non-alcoholic beverages for designated drivers), including posting in a conspicuous place contact information for local designated driver services.
 - y. **Taxicab Service:** The establishment shall post in a conspicuous place the telephone numbers of local taxicab services.
 - z. **Outdoor Activity:** Other than outdoor seating as permitted by an Outdoor Seating Permit, no outdoor activity (e.g., cooking) is permitted in association with the establishment.
7. Location of Mechanical Equipment: No roof-mounted mechanical equipment (i.e. air conditioning units, ventilation ducts or vents), shall be added to the existing building without providing screening of the mechanical equipment from public view and surrounding properties. The screening material and method shall be architecturally compatible with the building and requires review and approval by the Community Development Director and Building Division prior to installation of such screening.
8. Outdoor Storage: No outdoor storage is permitted on the subject property. No equipment, materials or business vehicles shall be parked and/or stored outside the building or within the parking lot.
9. Parking and Driveways: All parking and driveway areas shall be maintained in compliance with the standards in Chapter 21.28 (Parking & Loading) of the Campbell Municipal Code. Parking spaces shall be free of debris or other obstructions.
10. Compliance with Other Conditions of Approval: The restaurant shall be operated in compliance with all other conditions of approval provided for in Planned Development Permit PLN2011-318 (City Council Resolution No. 11426).

11. Revocation of Permit: Operation of the restaurant pursuant to this Approval is subject to Sections 21.68.020, 21.68.030 and 21.68.040 of the Campbell Municipal Code authorizing the appropriate decision making body to modify or revoke a discretionary permit if it is determined that the sale of alcohol, late-night activity, and/or live entertainment, has become a nuisance to the City's public health, safety or welfare or for violation of the conditions of approval contained herein, or any standards, codes, or ordinances of the City of Campbell.

At the discretion of the Community Development Director, if the establishment generates three (3) verifiable complaints related to violations of conditions of approval and/or related to the service of alcohol, noise, and/or live entertainment, within a six (6) month period, a public hearing before City Council upon recommendation of the Planning Commission may be scheduled to consider modifying conditions of approval or revoking the Approval. The Community Development Director may commence proceedings for the revocation or modification of use permits upon the occurrence of less than three (3) complaints if the Community Development Director determines that the alleged violation warrants such an action. In exercising this authority, the decision making body may consider the following factors, among others:

- a. The number and types of Police Department calls for service at or near the establishment that are reasonably determined to be a direct result of patrons actions;
- b. The number of complaints received from residents, business owners and other citizens concerning the operation of an establishment;
- c. The number of arrests for alcohol, drug, disturbing the peace, fighting and public nuisance violations associated with an establishment;
- d. The number and kinds of complaints received from the State Alcoholic Beverage Control office and the County Health Department; and
- e. Violation of conditions of approval.

Building Division:

12. Permits Required: A building permit application shall be required for the proposed bar/restaurant use in the existing commercial structure. The building permit shall include Electrical/Plumbing/Mechanical fees when such work is part of the permit.

13. Construction Plans: The Conditions of Approval shall be stated in full on the cover sheet of construction plans submitted for building permit.

14. Size of Plans: The minimum size of construction plans submitted for building permits shall be 24 in. X 36 in.

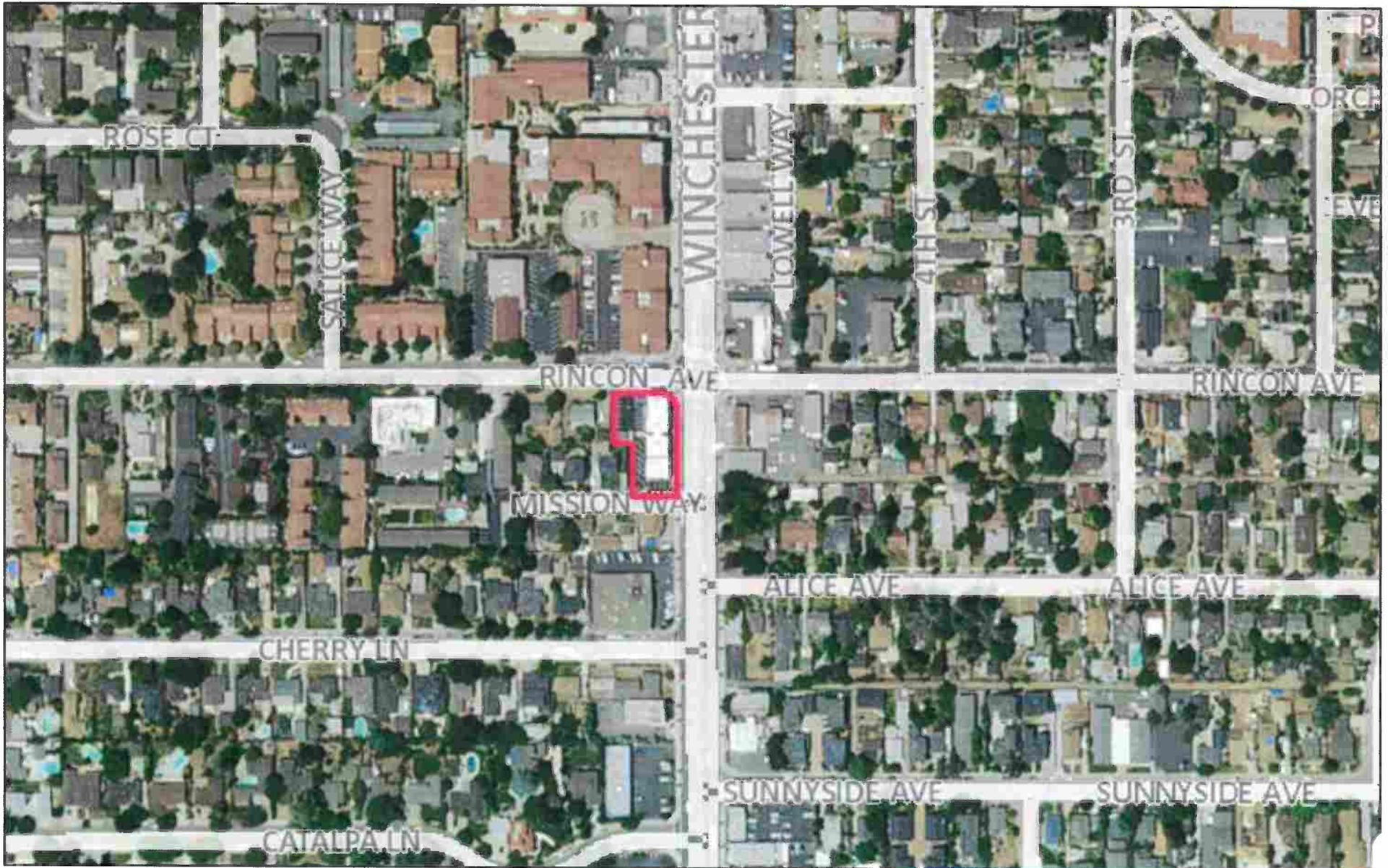
15. Plan Preparation: This project requires plans prepared under the direction and oversight of a California licensed Engineer or Architect. Plans submitted for building permits shall be "wet stamped" and signed by the qualifying professional person.

16. Site Plan: Application for building permit shall include a competent site plan that identifies property and proposed structures with dimensions and elevations as appropriate. Site plan shall also include site drainage details. Site address and parcel numbers shall also be clearly called out. Site parking and path of travel to public sidewalks shall be detailed.
17. Title 24 Energy Compliance: California Title 24 Energy Compliance forms shall be blue-lined on the construction plans. Compliance with the Standards shall be demonstrated for conditioning of the building envelope and lighting of the building.
18. Special Inspections: When a special inspection is required by C.B.C. Chapter 17, the architect or engineer of record shall prepare an inspection program that shall be submitted to the Building Official for approval prior to issuance of the building permits, in accordance with C.B.C Appendix Chapter 1, Section 106. Please obtain City of Campbell, Special Inspection forms from the Building Inspection Division Counter.
19. Non-point Pollution Control Program: The City of Campbell, standard Santa Clara Valley Non-point Source Pollution Control Program specification sheet shall be part of plan submittal. The specification sheet (size 24" X 36") is available at the Building Division service counter.
20. Title 24 Accessibility – Commercial: On site general path of travel shall comply with the latest California Title 24 Accessibility Standards. Work shall include but not be limited to accessibility to building entrances from parking facilities and sidewalks.
21. Title 24 Accessibility – Commercial: Projects seeking to use the Title 24 Hardship exemption clause shall blue-line completed, City of Campbell "20%" exemption form on submitted construction plans. Form is available at Building Division service counter.
22. Approvals Required: The project requires the following agency approval prior to issuance of the building permit:
 - a. West Valley Sanitation District (378-2407)
 - b. Santa Clara County Fire Department (378-4010)
 - c. Santa Clara County Dept. of Environmental Health (918-3400)
 - d. City of San Jose Dept. of Environmental Services (535-8550)
23. P.G. &E: Applicant is advised to contact Pacific Gas and Electric Company as early as possible in the approval process. Service installations, changes and/or relocations may require substantial scheduling time and can cause significant delays in the approval process. Applicant should also consult with P.G. and E. concerning utility easements, distribution pole locations and required conductor clearances.

FIRE DISTRICT

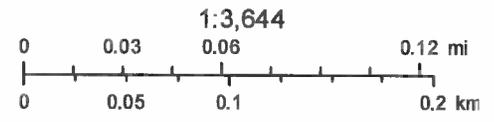
24. Scope of Review: Review of this Developmental proposal is limited to acceptability of site access and water supply as they pertain to fire department operations, and shall not be construed as a substitute for formal plan review to determine compliance with adopted model codes. Prior to performing any work the applicant shall make application to, and receive from, the Building Department all applicable construction permits.
25. Fire Sprinkler System: If the proposed use will require an interior remodel modification of the fire sprinkler system may be required. A State of California licensed (C-16) Fire Protection Contractor shall submit plans, calculations, a completed permit application and appropriate fees to this department for review and approval prior to beginning their work. NOTE: The owner(s), occupant(s) and any contractor(s) or subcontractor(s) are responsible for consulting with the water purveyor of record in order to determine if any modification or upgrade of the existing water service is required. CFC Sec. 903.2 as adopted and amended by CBLMC
26. 904.2.1 Commercial hood and duct systems. Each required commercial kitchen exhaust hood and duct system required by Section 609 to have a Type I hood shall be protected with an approved automatic fire- extinguishing system installed in accordance with this code. 904.3 Installation. Automatic fire-extinguishing systems shall be installed in accordance with this section. 904.3.1 Electrical wiring. Electrical wiring shall be in accordance with California Electrical Code.
27. Construction Site Fire Safety: All construction sites must comply with applicable provisions of the CFC Chapter 33 and our Standard Detail and Specification SI-7. Provide appropriate notations on subsequent plan submittals, as appropriate to the project. CFC Chp. 33.
28. Address identification. New and existing buildings shall have approved address numbers, building numbers or approved building identification placed in a position that is plainly legible and visible from the street or road fronting the property. These numbers shall contrast with their background. Where required by the fire code official, address numbers shall be provided in additional approved locations to facilitate emergency response. Address numbers shall be Arabic numbers or alphabetical letters. Numbers shall be a minimum of 4 inches (101.6 mm) high with a minimum stroke width of 0.5 inch (12.7 mm). Where access is by means of a private road and the building cannot be viewed from the public way, a monument, pole or other sign or means shall be used to identify the structure. Address numbers shall be maintained. CFC Sec. 505.1

2145 S. Winchester Blvd. - Location Map



February 10, 2016

- Major Roads
- Streets
- Freeways
- Highway Routes



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DOWNTOWN ALCOHOL BEVERAGE POLICY

Adopted February 3, 2009

Amended October 4, 2011

POLICY ADDRESSING THE ISSUANCE OF ALCOHOLIC BEVERAGE LICENSES AND THE SERVICE OF ALCOHOL IN THE DOWNTOWN

I. PURPOSE

The Downtown area of Campbell by nature is a compact commercial district intended to be the center of social and civic activity for the City. The City has encouraged, through its redevelopment programs and City policies, an active and vibrant balance of day and night time land uses to appeal to all demographics. To be successful, a downtown must be appealing to local residents and also serve as a destination for visitors to our community. A component of any successful downtown is restaurants and night time venues that provide a selection of places to dine and socialize. Alcoholic beverage licenses are often requested as a part of the operation and service offered by such establishments.

City policy supports the responsible service of alcohol as a component to those full service restaurants and night time establishments. The City currently uses a number of tools designed to protect the public welfare when considering alcohol service including conditions of operations, police enforcement, the State Office of Alcohol Beverage Control regulations, and administrative citations. However, the over-concentration of late night alcohol serving establishments within a compact downtown district can create a cumulative impact that overwhelms the area creating an undesirable result such as drunk in public, vandalism, and disorderly conduct. While acknowledging the positive contributions restaurants and night time activities provide to a vibrant commercial district, maintaining the proper balance of uses is essential to a successful downtown.

This policy is intended to:

- Provide the Planning Commission and City Council with guidelines when considering how new applications for alcohol beverage service affects the proper balance and/or concentration of a particular land use, especially as it relates to late night service of alcohol.
- Provide clear policy direction to staff as a basis in evaluating new applications for alcohol beverage service; and
- Demonstrate to the Campbell community and the general public that the City intends to maintain a level of discretion and control over late night alcohol service.

For purposes of this policy, the "Downtown" is defined by the boundary map attached as "Exhibit A".

The following provisions are intended to balance the health and safety of the community while still maintaining the commercial viability of the downtown in which restaurants have an essential role. Hours of operation may be regulated based on an establishment's proximity to a residential neighborhood, the concentration of similar alcohol beverage

licenses in the area or other material reasons raised at a public hearing in consideration of an alcohol beverage license.

By controlling the concentration of alcohol service establishments and the operation of late night alcohol beverage service, this policy is consistent with the goals and objectives of the Downtown Development Plan and General Plan by reflecting the vision for the downtown as a safe and healthy environment for all to enjoy.

II. GENERAL POLICY

The deciding body shall consider the following policy guidelines in reviewing any application involving the service of alcoholic beverages:

1. Stand Alone Bars

- a. The City strongly discourages new applications for stand alone bars in the downtown. This includes nightclubs, ultra lounges or similar establishments typically offering live entertainment and late night alcohol service.
- b. Wine bars and wine tasting establishments with hours not exceeding 11:00 PM may be approved.

2. Restaurants with Separate Bars

Conditional Use Permits for restaurants requesting separate bar areas should have the separate bar area be ancillary and subordinate to the primary purpose of serving food and should comply with the following criteria:

- a. Unless otherwise approved by the Planning Commission, the bar area is restricted to having no more than 25 percent of the total seating allowed for the establishment.
- b. The bar cannot stay open past the hours of operation of the restaurant.
- c. Full menu food service must be provided at all times.
- d. Live entertainment is limited to live musicians complimentary to the primary purpose of providing meal service, is subject to Section 5.24.010 of the Municipal Code which requires a Live Entertainment Permit, and shall not be permitted past 11:00 PM.
- e. Alcohol beverage service in the dining room area is only allowed in conjunction with food service. Additionally, the dining room area may not be converted to bar area. An area for dancing can be approved with a conditional use permit.
- f. Meal service must be permitted in the bar area.
- g. Specific hours of operation are determined by the Planning Commission upon issuance of a Conditional Use Permit.
- h. Outdoor seating areas are considered part of the dining area and shall be subject to the restrictions of Section II.2.e. Outdoor dining areas shall be closed down by 11:00 PM. Outdoor seating is prohibited for stand alone bars.
- i. Doors and windows shall remain closed after 10:00 PM.

3. **Restaurants w/o Separate Bars**

a. Any new discretionary land use permit granted to a restaurant which allows alcohol beverage service, must have a full service menu available during operational hours. A full service menu is defined as a combination of food items intended to serve as meals for breakfast, lunch or dinner. A menu consisting of only food items commonly known as appetizers such as popcorn, nachos, pretzels, potato skins, relish trays, etc. (hot or cold) is not a full service menu. The full service menu the applicant intends to serve must be submitted with each application.

b. Restaurants without separate bars are also subject to the provisions of Section 11.2 as it relates to live entertainment, alcohol service, meal service, outdoor seating, and the closing of windows and doors.

4. **Hours of Operation**

a. It is strongly recommended that Conditional Use Permits for establishments for on-site consumption of alcohol beverages be limited to a closing time of no later than 12:00 AM.

b. Restaurants requesting beer and wine service only with operating hours not exceeding 11 PM will continue to be allowed without a Conditional Use Permit.

5. **Operating Conditions**

Any new discretionary land use permit granting an establishment alcohol beverage service or any modification of a land use permit to serve alcohol for on-site consumption may be subject to the following conditions:

a. Uniformed, privately provided security staff may be required in and/or around the premises when deemed necessary by the Chief of Police.

b. At the discretion of the Chief of Police, periodic meetings will be conducted with representatives from the Police Department/Alcohol Beverage Control for on-going employee training on alcoholic beverage service to the general public.

c. All establishments shall use an employee training manual that addresses alcoholic beverage service consistent with the standards of the California Restaurant Association and the Department of Alcohol Beverage Control.

d. All licensed operators shall have and shall actively promote a designated driver program such as complimentary non-alcoholic beverages for designated drivers.

e. Taxicab telephone numbers shall be posted in a visible location.

6. **Existing Establishments**

- a. Those existing establishments operating under a valid Conditional Use Permit with alcohol beverage licenses in effect as of the date of adoption of this policy, and conducting business in good standing under their Conditional Use Permit, may continue to operate under their current conditions of approval.
- b. The City may consider an application for expansion of an existing establishment that is currently permitted to serve late night alcohol as of the effective date of this policy, subject to the deciding body making the following findings that:
 - i) The establishment is currently operating and has operated in good standing under the terms of its conditional use permit and as a responsible business owner in the community; and
 - ii) The proposed expansion will not have a material detrimental affect on the health, safety and welfare of the downtown and its surrounding neighborhoods due to its size, number of permitted occupants and general management and operation; and
 - iii) The expansion or intensification will not adversely affect the goal of achieving a balanced use of commercial space downtown as envisioned under the Downtown Development Plan which promotes predominantly retail and restaurant uses.
- c. All new and existing establishments are subject to Section III of this policy.

III. Enforcement

All Conditional Use Permits issued to establishments for alcoholic beverage service on-site are subject to Sections 21.68.020, 21.68.030 and 21.68.040 of the Campbell Municipal Code authorizing the appropriate decision making body to modify or revoke a Conditional Use Permit if it is determined that the sale of alcohol has become a nuisance to the City's public health, safety or welfare. At the discretion of the Community Development Director, any establishment that generates three (3) verifiable complaints related to violations of conditions of approval and/or related to the service of alcohol within a six (6) month period may be scheduled before the Planning Commission for a public hearing to consider modifying conditions of approval or revoking its conditional use permit. Nothing contained in this section is intended to limit the authority of the Community Development Director to commence proceedings for the revocation or modification of use permits upon the occurrence of less than three (3) complaints if the Community Development Director determines that the alleged violation warrants such an action. In exercising this authority, the decision making body may consider the following factors, among others:

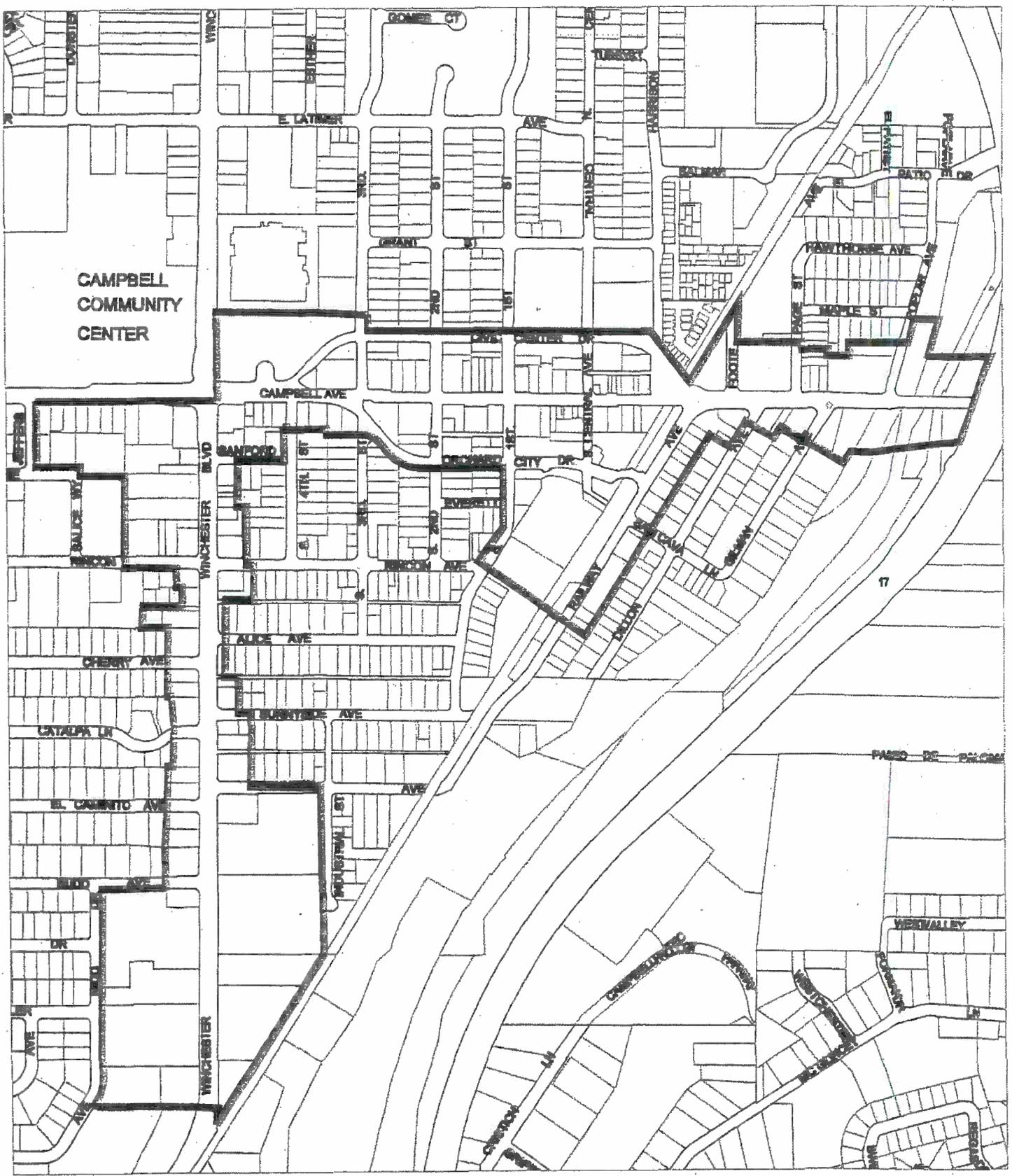
- a. The number and types of Police Department calls for service at or near the establishment that are reasonably determined to be a direct result of patrons actions;
- b. The number of complaints received from residents, business owners and other citizens concerning the operation of an establishment,
- c. The number of arrests for alcohol, drug, disturbing the peace, fighting and public nuisance violations associated with an establishment;
- d. The number and kinds of complaints received from the State Alcoholic Beverage Control office and the County Health Department; and
- e. Violation of conditions of approval.

The City retains the right of review and to approve (or deny) an application based on its merits.

DOWNTOWN ALCOHOL BEVERAGE POLICY BOUNDARY MAP



1"=600' N



October 4, 2011

List of Existing Establishments Eligible for Consideration under Section 6.b of the
Downtown Alcohol Beverage Policy

- | | | |
|----|------------------------|------------------------|
| 1. | Chacho's | 266 E. Campbell Avenue |
| 2. | Katie Blooms Irish Pub | 369 E. Campbell Avenue |
| 3. | Cardiff Lounge | 260 E. Campbell Avenue |
| 4. | Khartoum | 300 Orchard City Drive |
| 5. | Sonoma Chicken Coup | 200 E. Campbell Avenue |
| 6. | La Pizzeria | 373 E. Campbell Avenue |
| 7. | The Spot | 201 Orchard City Drive |

Request Letter: Written Description

Kalye Hits

2135 South Winchester Blvd

November, 13, 2015

Dear Daniel Fama, Planning Director and City of Campbell,

In line with our vision to sustain business growth by providing good food and service, we are interested in expanding our business and intend to open a location at 2135-2145 South Winchester Blvd, which will provide high quality, affordable food. We will be serving Filipino Street Food as well as Beer and Wine to cater to our prospective customers.

Our restaurants have been on a few Television shows. One of them is the Bizaare foods of Travel Channel. We are known for exotic flavor and originality, we often hear from our customers that we serve the " Best Sisig in Town".

We therefore request permits so we can implement our strategy. Based on our demographic study, there are few restaurants that cater to our target customers. Thank you for your consideration and we hope to contribute to the community and will abide by its rules and regulation.

Sincerely,

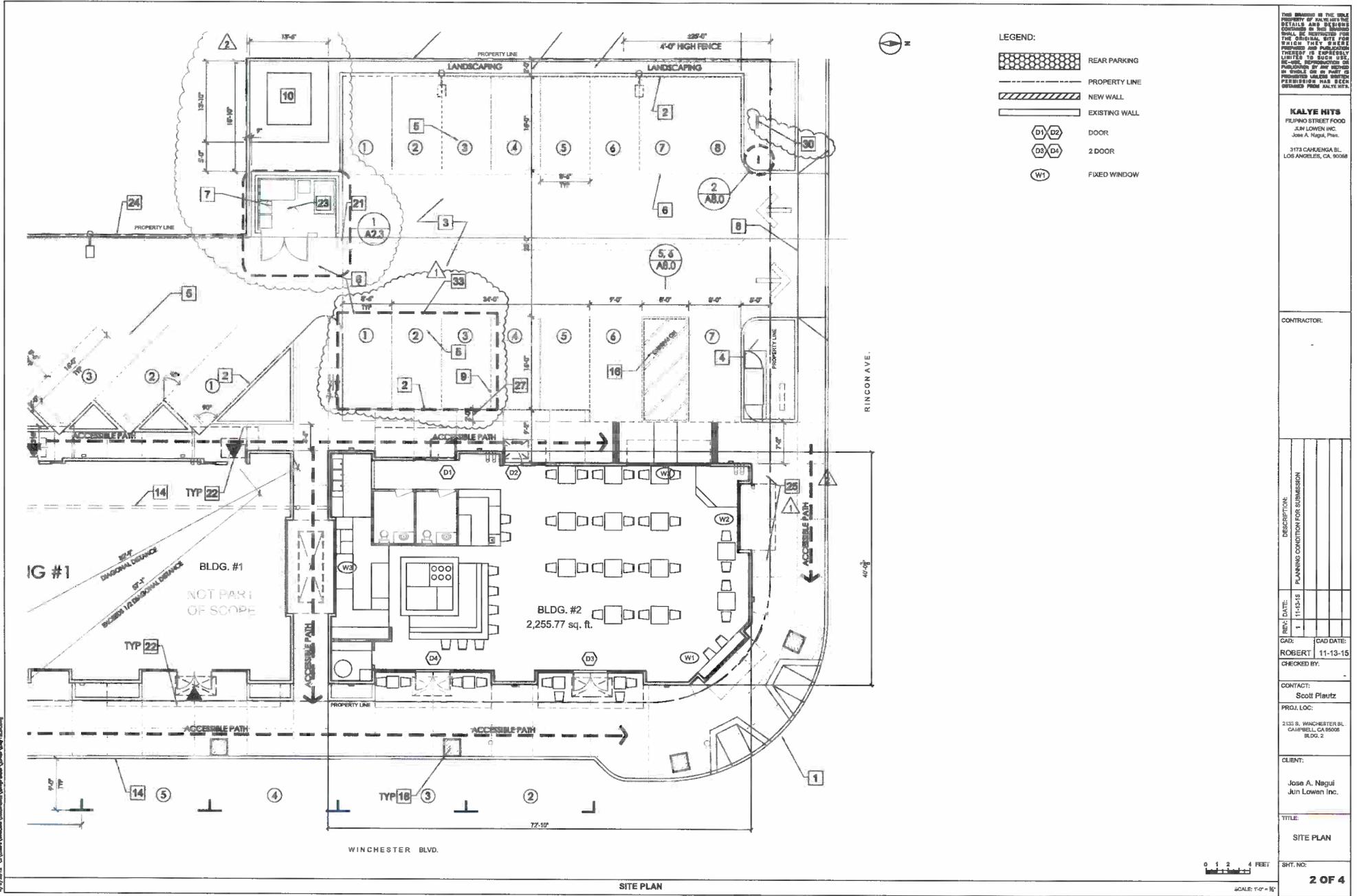
Jun Lowen Inc.
Dba Kalye Hits
Jose Nagui Jr.

To whom it may concern,

This will be a part of our revised project description on 2145 Winchester. To achieve our business goal as a restaurant providing good food; music, beer and wine, and authentic ambient will be needed. We are kindly asking the City of Campbell to permit us to operate with live entertainment such as band, acoustic, piano, karaoke but no dancing. To compliment our dishes we are also asking permits for type-41 beer and wine license . We are also asking the city to allow us to operate from 10am-11pm daily.

Since Filipino fine cuisine in US is new, live music and beer and wine is a necessary to compete with other restaurants. From my own experience I know that even good food is not enough sometimes. Thank you in advance for your consideration.

Jose A. Nagui Jr.
President
Jun Lowen Inc.



- LEGEND:**
- REAR PARKING
 - PROPERTY LINE
 - NEW WALL
 - EXISTING WALL
 - DOOR
 - 2 DOOR
 - FIXED WINDOW

THIS DRAWING IS THE SOLE PROPERTY OF KALYE HITS. THE DETAILS AND DIMENSIONS SHOWN ON THIS DRAWING SHALL BE INTERPRETED FOR THE ORIGINAL DATE FOR WHICH THEY WERE PREPARED AND PUBLISHED THEREIN. IT IS EXPRESSLY LIMITED TO SUCH USE. NO PART OF THIS DRAWING OR ANY SECTION HEREOF SHALL BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT PERMISSION IN WRITING OBTAINED FROM KALYE HITS.

KALYE HITS
 PULPINO STREET FOOD
 JUN LOWEN INC.
 JOSE A. NAGUI, PHS
 3173 CAKEMEN BL.
 LOS ANGELES, CA 90068

CONTRACTOR:

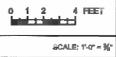
REV.	DATE	DESCRIPTION
1	11-13-15	PLANNING CONDITION FOR SUBMISSION

CAD: ROBERT
 DATE: 11-13-15
 CHECKED BY:

CONTACT: Scott Plautz
 PROJ. LOC: 2133 S. WINCHESTER BL. CHAPPELL, CA 95006 BLDG. 2

CLIENT: Jose A. Nagui
 Jun Lowen Inc.

TITLE: SITE PLAN



SHT. NO: 2 OF 4

SITE PLAN



LEGEND / AREAS:

- DISHWASHING
- FOOD PREPARATION
- FREEZER / COLD STORAGE
- COOKING
- BAR / REGISTER
- LOCKER ROOM AND WATER TANK HEATER

- ① 3 COMPARTMENT SINK STAINLESS STEEL 96" x 31" D x 37" H KITCHEN TO WASH DISHES POTS
- ② PREPARATION TABLE USE TO CHOP OR PREPARATION FOR FOOD STAINLESS STEEL 30" D x 72" L
- ③ REFRIGERATOR STAINLESS STEEL SOLID 2 SWING DOORS 47" L x 29 1/2" D x 78 1/2" H AMP 5.8
- ④ FREEZER STAINLESS STEEL SOLID 2 SWING DOORS 39 1/2" L x 29 1/2" D x 78 1/2" H AMP 11.0
- ⑤ PIZZA PREPARATION TABLE 3 DOORS W/ PLATE RACKS 2 LEVEL 93" L x 33" D x 40 1/2" H
- ⑥ REFRIGERATOR UNDERNEATH STAINLESS STEEL 3 SWING DOOR
- ⑦ PREPARATION TABLE WITH UNDERNEATH CUSTOMIZED REFRIGERATOR STAINLESS STEEL 4 PULL OUT DRAWERS 6'-0" L x 33" D x 15" H
- ⑧ COUNTER TOP RADIANT BROILER STAINLESS STEEL BURNER 36" L x 36" D
- ⑨ UNDERNEATH CUSTOMIZED REFRIGERATOR STAINLESS STEEL 4 PULL OUT DRAWERS
- ⑩ 6 BURNER STOVE / GAS RANGE 36" L x 28 1/2" D x 36" H W/ 2 HOOD 4'-0" x 6'-0" EA. TO BE INSTALLED BY CONTRACTOR
- ⑪ FRIED FRYERS GAS TUBE SPLIT STAINLESS STEEL 24" L x 36" D x 37" H
- ⑫ BAR PREPARATION TABLE W/ REFRIGERATOR UNDERNEATH STAINLESS STEEL 3 SWING DOOR
- ⑬ HANDWASH AND REGISTER AREA

- INDOOR CHAIRS NOS.**
- ② - 15" HT. CHAIR Windsor wood Windsor chair 26
 - ② - 30" HT. BAR CHAIR Hercules Series Back Metal Bar Stool with Mahogany Wood Seat 11
- OUTDOOR CHAIRS**
- ③ - 18" HT. CHAIR Outdoor furniture Aluminum wicker chair 8
- TOTAL SEATER 45**
- ① - LAMINATED TABLE TOP 32" x 32"

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KALYE HITS
 FILIPINO STREET FOOD
 JUN LOWEN INC.
 Jose A. Nagai, P.E.
 3113 CAHUEMGA BL.
 LOS ANGELES, CA 90008

CONTRACTOR:

REV.	DATE	DESCRIPTION
1	11-13-15	PLANNING CONDITION FOR SUBMISSION

CAD: ROBERT **CAD DATE:** 11-13-15
CHECKED BY:

CONTACT: Scott Plautz
PROJ. LOC: 2135 S. WINCHESTER BL. CARROLL, GA 30008 BLDG. 2

CLIENT: Jose A. Nagai
 Jun Lowen Inc.

TITLE:
LEGEND / AREAS

SHT. NO. 4 OF 4

ITEM NO. 2



CITY OF CAMPBELL • PLANNING COMMISSION
Staff Report • February 23, 2016

PLN2015-352,354,355
Castillo, L.

Public Hearing to consider the application of Lowen Castillo for a Conditional Use Permit (PLN2015-352) and Administrative Planned Development Permit (PLN2015-354) to allow establishment of a new 45-seat restaurant (Kalye Hits) with beer and wine service, outdoor seating, live entertainment (no dancing), and "late-night" operational hours (11:00 PM public closing); and a Parking Modification Permit (PLN2015-355) to allow a reduction in the number of required parking spaces on property located at **2145 S. Winchester Boulevard** in the P-D (Planned Development) Zoning District.

STAFF RECOMMENDATION

That the Planning Commission take the following action:

1. **Adopt a Resolution**, incorporating the attached findings, approving a Conditional Use Permit, Administrative Planned Development Permit, and Parking Modification Permit, subject to the attached Conditions of Approval.

ENVIRONMENTAL DETERMINATION

Staff recommends that the Planning Commission find this project is Categorically Exempt under Section 15303(c) of the California Environmental Quality Act (CEQA) Guidelines, which exempts from environmental review the conversion of existing building area of less than 10,000 square-feet from one use to another, where only minor modifications are made to the exterior of the structure.

PROJECT DATA

Lot Size:	17,194 square feet
Building Area:	2,794 square feet (Building 1) <u>2,255 square feet</u> (Building 2 – Subject Tenant Space) 5,049 square feet (Total)
Zoning District:	P-D (Planned Development)
General Plan Land Use:	Central Commercial / Winchester Blvd. Master Plan
Business (Public) Hours:	10:00 AM – 11:00 PM, daily
Operating Hours:	8:00 AM – 12:00 AM, daily
Seating:	37 Indoor Seats (11 bar "high-top" / 26 standard dining) <u>8 Outdoor Seats</u> 45 Total Seats
Parking Required:	15 spaces (45 seats @ 1 space per 3 seats) <u>3 spaces</u> (540 sf "non-dining" area @ 1 space spaces per 200 sf) 18 spaces
Parking Provided	
Site (Total)	26 spaces (@ 1 space per 194 square feet)
Tenant (proportional)	12 spaces

DISCUSSION

Applicant's Proposal: The proposed project would allow establishment of a new restaurant with beer and wine service, outdoor seating, live entertainment (no dancing), and "late-night" operational hours (11:00 PM public closing, followed by a 12:00 AM operational closing) as noted in the project description (reference **Attachment 3**). Application requests include an Administrative Planned Development Permit and Conditional Use Permit, as well as a Parking Modification Permit to allow a reduction in the number of required parking spaces and a corresponding increase in seating capacity. The submitted floor plan (reference **Attachment 4 – Project Plans**) depicts a restaurant with 26 dining room seats, 11 "high-top" bar seats, and eight outdoor seats in front of the tenant space.

Project Location: The project site is the former A&W property, located at the southwest corner of E. Rincon Avenue and S. Winchester Boulevard, immediately to the south of the Merrill Gardens community (reference **Attachment 5 – Location Map**). The property is developed with a 5,049 square-foot single-story commercial retail structure (two separate buildings connected by a breezeway). The proposed restaurant would assume the entirety of Building 2, located at the Rincon/Winchester corner, occupying 2,255 square-feet of gross floor area.

Background: The subject property was developed pursuant to a Planned Development Permit approved by the City Council on June 19, 2012. As originally approved, the building was intended to be 5,393 square-feet, but due to utility conflicts, was reduced to 5,049 square-feet, per the approved construction drawings. The property is served by 26 on-site parking stalls, originally representing a one stall deficiency, which was granted in recognition of the adjacent on-street parking supply. However, with the reduction in building square-footage, the property now has a one stall surplus.

Since the building's completion in June 2014, staff has had numerous conversations with the property owner and prospective tenants. However, for a year and half, not a single application for a new tenant was received. The proposed restaurant operation is the first tenant to submit an application to occupy the site. Moreover, as noted, the restaurant is proposing to occupy all of Building 2, which had originally been anticipated to accommodate two tenants.

In terms of maintaining policy consistency, the land use analysis that follows is guided by the City's various decisions at the Merrill Gardens project over the last several years. Particularly, the City Council's February 2, 2016, denial of an appeal, and upholding of the Planning Commission's approval of the Scrambl'z seating expansion proposal, at Merrill Gardens. This decision allowed an increase in restaurant seating capacity based on consideration of on-street parking along Winchester Boulevard. The Council's decision also recognized that flexibility was warranted in that particular case since Scrambl'z was one of the first tenants to occupy a Merrill Gardens commercial suite, at a not insignificant financial risk to the business owner.

Similarly, the proposed restaurant also represents a comparable risk for the business owner. In this regard, staff's review of the application and resulting recommendation is reflective of not only land use policies that encourage the further development of Winchester Boulevard into a vibrant mixed-use district, but also of the City's partnership with the business community to support small-business owners in furtherance of City-Council adopted economic development goals and policies.

ANALYSIS

General Plan / Land Use: Winchester Boulevard, from the northerly City border with San Jose to approximately "old Camden" Avenue is governed by the [Winchester Boulevard Master Plan](#) ("Master Plan"), which was adopted by the City Council in 2009 with the goal of transforming "Winchester Boulevard into a vibrant mixed-use, pedestrian oriented street, lined with ground-level businesses with residential or office above." The Master Plan was adopted in furtherance of the General Plan Strategy LUT-5.3j, below.

Strategy LUT-5.3j: Winchester Boulevard Plan: Develop an Area Plan for Winchester Boulevard. The Area Plan should address specific boundaries, mix of uses, street amenities, landscaping, building and site design.

The proposed restaurant would be consistent with the Master Plan's goals, and as conditioned, with the following General Plan policies and strategies pertaining to maintaining neighborhood integrity, encouraging a mix of day and evening activities, encouraging neighborhood-serving businesses, and maintaining a balance of uses:

- Policy LUT-5.1: Neighborhood Integrity: Recognize that the City is composed of residential, industrial and commercial neighborhoods, each with its own individual character; and allow change consistent with reinforcing positive neighborhood values, while protecting the integrity of the city's neighborhoods.
- Policy LUT-5.3: Variety of Commercial and Office Uses: Maintain a variety of attractive and convenient commercial and office uses that provide needed goods, services and entertainment.
- Strategy LUT-5.3g: Day and Evening Activities: Encourage restaurant and specialty retail uses in the Downtown commercial area that will foster a balance of day and evening activity.
- Strategy LUT-11.a: Services Within Walking Distance: Encourage neighborhood serving commercial and quasi-public uses, such as churches, schools, and meeting halls to locate within walking distance of residential uses.

Zoning District: As implemented by the P-D (Planned Development Zoning District) permitting requirements, the Master Plan specifies that allowable land uses are the same as those allowed within the C-3 Zoning District (i.e., Historic Downtown Campbell), with a specific emphasis on retail and restaurants on the ground floor. As such, a restaurant with beer and wine service, outdoor seating, live entertainment (no dancing), and "late-night" operational hours is an allowable use, consistent with the Master Plan.

Generally, establishment of a land use within the P-D Zoning District is considered by the Community Development Director through review of an Administrative Planned Development Permit ([CMC Sec. 21.12.030.H.1.a](#)). However, any application involving the sale of alcohol is subject to Conditional Use Permit review by the Planning Commission. The proposed restaurant, therefore, requires both approval of an Administrative Planned Development and a Conditional Use Permit. Since the establishment of a restaurant is inherently related to alcohol service within the restaurant, the two applications are linked. To facilitate review of the proposal, the Community Development Director has forwarded consideration of the Administrative Planned Development Permit to be reviewed concurrently with the Conditional Use Permit by the Planning Commission as allowed by [CMC Sec. 21.38.020](#).

Alcohol Service: To approve a Conditional Use Permit for alcohol service, the Planning Commission must make special findings contained in [CMC Sec. 21.46.070](#), in addition to those applicable to all Conditional Use Permits ([CMC Sec. 21.46.040](#)), that the use would not result in the following: the potential overconcentration of similar alcohol establishments in the surrounding area, the potential to create a nuisance or disturb the neighborhood, and the potential to increase demand on City services.

In large part, establishment of these findings may be grounded in conformance with the [Downtown Alcohol Beverage Policy](#) ("Policy"), in that an establishment that maintains responsible alcohol service is unlikely to create a nuisance, disturb the neighborhood, or increase the demand on City services. The Policy is designed to ensure that alcohol beverage service remains ancillary and subordinate to the primary purpose of serving food such that restaurants do not evolve into bars or nightclubs. Specifically, the Policy establishes the following operational standards for restaurants with separate bars and recommended hours of operation:

- a. Unless otherwise approved by the Planning Commission the bar area is restricted to having no more than 25% of the total seating allowed for the establishment.¹
- b. The bar cannot stay open past the hours of operation of the restaurant.
- c. Full menu food service must be provided at all times.
- d. Live entertainment is limited to live musicians complimentary to the primary purpose of providing meal service.
- e. Alcohol beverage service in the dining room area is only allowed in conjunction with food service. Additionally, the dining room area may not be converted to a bar or dance area.
- f. Meal service must be permitted in the bar area.
- g. Specific hours of operation are determined by the Planning Commission upon issuance of a Conditional Use Permit. It is strongly recommended that Conditional Use Permits for establishments for on-site consumption of alcohol beverages be limited to a closing time of no later than 12:00 AM.
- h. Outdoor seating areas are considered part of the dining area and shall be closed down by 11:00 PM.
- i. Doors and windows shall remain closed after 10:00 PM.

The project as presented, and subject to the recommended conditions of approval, would comply with the above operational requirements. Additionally, the applicant currently operates other locations of the proposed restaurant, in [Los Angeles](#) and [San Diego](#). As evidenced by the online photographs, it is evident the applicant intends to operate the business as a restaurant with a full range of items including appetizers, entrées, and desserts, consistent with the Policy's requirement for a "full service menu". The proposed floor depicts a traditionally configured dining room with an incidental bar, where the bar seating will constitute 25% of the total seating, consistent with the Policy.

In terms of overconcentration, Winchester Boulevard has far fewer alcohol-serving establishments than Downtown Campbell proper, as depicted on the [ABC License Map Query website](#). Within 500 feet of the project site, there are only two restaurants with alcohol service; Casa Lupe and Coach's Sports Bar and Grill, both of which maintain "general" Type 47 license allowing service of distilled spirits. Bottle and Bodega, at Merrill Gardens, also maintains a Type 42 license allowing service of beer and wine in association with art classes. As a result, the distribution of alcohol-serving establishments in the immediate vicinity does not pose an overconcentration, particularly as the proposal would allow only beer and wine service.

¹ A "bar area" is defined as a "separate area, tables, or a room intended primarily for serving alcoholic beverages." ([CMC Sec. 21.10.060.F.1.b](#))

Parking: The Master Plan specifies that new developments are subject to existing city-wide parking requirements, but that adjustments may be approved by the decision-making body pursuant to [CMC Sec. 21.28.050](#). The parking standard for restaurants is 1 space for every 3 seats plus 1 space for every 200 square-feet of "non-dining" area. This standard was increased in 2010 to account for employee parking demand by adding the "non-dining" component. It was meant to capture the "worst case" scenario of a stand-alone restaurant on its own parcel where there is no possibility for the natural ebb and flow of parking demand seen in a shopping or strip center with a mix of businesses operating with differing peak hours. The following parking analysis indicates that the proposed restaurant will result in a six stall *on-site* parking deficiency on the property:

On-Site Parking Analysis						
Building	Tenant	Classification	Area (Sq. Ft.)	Parking Required per Table 3-1		
1	TBD	Retail	800	1/200 sq. ft.	4	
	TBD	Retail	1,994	1/200 sq. ft.	10	
2	Kalye Hits	Restaurant	2,255 (540 "non-dining")	1/3 seats (45 seats)	15	
				1/200 sq. ft. "non-dining"	3	
			5,049	Total Parking Required	33	
					Total <i>On-Site</i> Parking	26
					<i>On-Site</i> Deficit/Surplus	-6

As a result, the project includes a request for a Parking Modification Permit to waive the six stall parking deficiency in order to allow a total of 45 restaurant seats. Without this relief, the restaurant would be limited to only 27 seats, which would be likely too few to justify the investment in the new business. The applicant and property owner are requesting that the Planning Commission take into account the adjacent street parking to satisfy the restaurant's parking obligation. As shown on the approved site plan (reference **Attachment 6**), the project site has seven street parking stalls along the frontage; six along Winchester Boulevard and one along Rincon Avenue.

This approach is supported by the Master Plan, which notes that existing on-street parking will be retained to "support commercial businesses" (Pg. 19), recognizing that street parking along Winchester Boulevard is principally intended to serve commercial tenants. As noted, consideration of street parking for the proposed restaurant would also be consistent with the City Council's recent denial of an appeal, and upholding of the Planning Commission's approval, of the Scrambl'z seating expansion at Merrill Gardens, which was also predicated on accounting of on-street parking along Winchester Boulevard.

For comparison purposes, the Downtown (C-3 Zoning District) parking standard is 1 space per 4 seats, and new restaurants are not obligated to satisfy a parking requirement if occupying an existing building (arguably, such a standard should have been incorporated into the Master Plan in recognition of its vision of an expanded Downtown area). Under this standard, the proposed restaurant would require 11 parking spaces (including interior and outdoor seating), consistent with its proportional share of the property's 26 parking stalls. In other words, had the restaurant been located in a new building in Downtown, a Parking Modification Permit would not be necessary.

Live Entertainment: The proposed floor plan depicts a small stage in the corner for live entertainment that would allow for band performances and karaoke. The Downtown Alcohol Beverage Policy indicates that "live entertainment is limited to live musicians complimentary to the primary purpose of providing meal service". To assure that the live entertainment remains ancillary in nature, staff has included the following limitations within the recommended conditions of approval:

- Limit live musical performances to two performers
- Prohibit amplified instruments for live musical performances (not including karaoke)
- Prohibit charging of a cover charge
- Prohibit dancing
- Require that doors and windows be kept closed while entertainment is occurring
- Prohibit "unreasonable noise"² from being generated by the live entertainment

These measures will minimize, but not entirely eliminate potential impacts associated with live entertainment. As was recognized by the City's approval of the Boswell's CUP on Bascom Avenue, some degree of impact is likely to occur given the adjacency between a commercially developed property and a residential neighborhood. Nevertheless, a condition of approval has been included that provides the Planning Commission an ability to review the approval at a future time should the City receive repeated and verifiable complaints of sound disturbance. If upon review, the Planning Commission finds that there is substantial evidence that sound associated with the use is creating an unreasonable disturbance to adjacent residents, it may take reasonable measures lessen the disturbance, such as limiting the hours of operation and/or live entertainment. Additionally, if approved for live entertainment, the business owner would need to subsequently secure approval of a Live Entertainment Permit from the City Council, who may impose more respective limitations as deemed appropriate.

Hours of Operation: Any business activity occurring prior to 6 AM or after 11 PM, including preparation and clean-up, is defined as "late-night activity", requiring discretionary approval. The purpose of this requirement is to allow the City to evaluate each business on a case-by-case basis in order to review the proposed hours of operation and to restrict operational conditions as appropriate to minimize the impact on nearby businesses and residents. Since the proposed restaurant would require staff to perform clean-up activity after the 11:00 PM public closing time up until midnight, the proposal technically includes a request for "late-night activity". However, as the proposed hours of operation are consistent with the Downtown Alcohol Policy, the Commission may determine that the hours of operation do not present an impact to area residents or adjacent businesses.

Outdoor Seating: The Master Plan notes that the 15-foot wide sidewalks were intended to accommodate outdoor seating. The proposed floor plan depicts four two-tops (eight seats) placed against the building wall. As conditioned, the outdoor dining area would be held to the applicable operational standards of the Downtown Alcohol Beverage Policy, with respect to food and alcohol service and hours of operation (closing by 11 PM). Additionally, the Community Development Director would have final approval of the furniture and materials.

² Defined as a noise, regardless of decibel level, which obstructs the free use of neighboring properties so as to unreasonably interfere with the comfortable enjoyment of the neighboring residents.

Police Department Review: Typically, the key issue of concern from a public safety perspective with respect to new restaurants is a closing time of midnight or later, particularly in combination with general alcohol service. As the proposed restaurant would close to the public at 11:00 PM and serve only beer and wine, the Police Department did not identify any concerns with the proposed application.

Signage: The Master Plan requires that signage substantially conform to the Downtown (C-3) signage standards, which discourage plastic over higher quality materials such as metal and wood. Additionally, the property's Planned Development Permit requires preparation and approval of a Master Sign Plan prior to issuance of any Sign Permits for the tenants. A Master Sign Plan may be decided upon the Community Development Director or Planning Commission depending if the proposal includes an "exception" request, such as additional number of signs.

Site and Architectural Review Committee: The Site and Architectural Review Committee did not review this application as no exterior alterations are proposed.

Attachments:

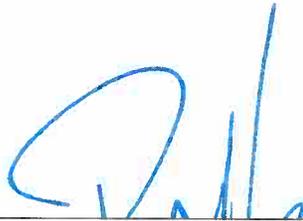
1. Findings for Approval of File No. PLN2015-352, 354, 355
2. Conditions of Approval for File No. PLN2015-352, 354, 355
3. Project Description
4. Project Plans
5. Location Map
6. Site Plan

Prepared by:



Daniel Fama, Associate Planner

Approved by:



Paul Kermoyan, Community Development Director

CITY OF CAMPBELL PLANNING COMMISSION
MINUTES

7:30 P.M.

TUESDAY

FEBRUARY 23, 2016
CITY HALL COUNCIL CHAMBERS

The Planning Commission meeting of February 23, 2016, was called to order at 7:30 p.m., in the Council Chambers, 70 North First Street, Campbell, California by Chair Dodd and the following proceedings were had, to wit:

ROLL CALL

Commissioners Present:	Chair:	Cynthia L. Dodd
	Vice Chair:	Yvonne Kendall
	Commissioner:	Pamela Finch
	Commissioner:	Philip C. Reynolds, Jr.
	Commissioner:	Donald C. Young
Commissioners Absent:	Commissioner:	Ron Bonhagen
	Commissioner:	Michael L. Rich
Staff Present:	Community Development Director:	Paul Kermoyan
	Senior Planner:	Cindy McCormick
	Associate Planner:	Daniel Fama
	City Attorney:	William Seligmann

APPROVAL OF MINUTES

Motion: Upon motion by Commissioner Finch, seconded by Commissioner Young, the Planning Commission minutes of the meeting of February 9, 2016, were approved as submitted. (4-0-2-1; Commissioners Bonhagen and Rich were absent and Chair Dodd abstained)

COMMUNICATIONS

None

AGENDA MODIFICATIONS OR POSTPONEMENTS

Director Paul Kermoyan pointed out that two of the three agenda items on this evening's agenda are Zoning Text Amendments and one is a project with an applicant. He said the Commission may want to consider hearing that project item first and the Zoning Text Amendments after since there are people in the audience in attendance for the project.

The Commission discussed this option and decided to hear Item 2 first and then Items 1 and 3.

ORAL REQUESTS

None

CONSENT

There were no consent items.

PUBLIC HEARINGS

Chair Dodd read Agenda Item No. 2 into the record as follows:

2. **PLN2015-352 (CUP)**
PLN2015-354 (PMP)
PLN2015-355 (TRP)
Public Hearing to consider the application of Lowen Castillo for a Conditional Use Permit (PLN2015-352) and Administrative Planned Development Permit (PLN2015-354) to allow establishment of a new 45-seat restaurant (Kalye Hits) with beer and wine service, outdoor seating, live entertainment (no dancing), and "late-night" operational hours (11:00 PM public closing); and a Parking Modification Permit (PLN2015-355) to allow a reduction in the number of required parking spaces on property located at **2145 S. Winchester Boulevard** in the P-D (Planned Development) Zoning District. Staff is recommending that this project be deemed Categorically Exempt under CEQA. Planning Commission decision final unless appealed in writing to the City Clerk within 10 calendar days. Project Planner: *Daniel Fama, Associate Planner*

Mr. Daniel Fama, Associate Planner, presented the staff report.

Director Paul Kermoyan added that when factoring Live Entertainment with a restaurant use, the Live Entertainment aspect should be ancillary to the restaurant use with tighter provisions due to proximity to adjacent residential uses.

Chair Dodd asked if there were questions of staff.

Commissioner Finch asked what the difference might be regarding amplification for live music versus for karaoke. She said that it seems there is no difference.

Planner Daniel Fama pointed out that karaoke is not possible without amplification.

Director Paul Kermoyan:

- Said that Commissioner Finch makes a good point.
- Added that the Planning Commission can discuss this further.
- Stated that live music tends to become as loud as the musicians want it to be and depending upon which instruments are used there is a different level of noise/sound impact.
- Offered that the Commission can decide to allow no amplification at all but just acoustical live entertainment (both live music and karaoke).

Commissioner Kendall said that she notices nine high-top tables on the site plan and asked if those are being looked at as bar seating.

Planner Daniel Fama replied that they are counted as bar seating. They are seats at which a customer can have a beer without being required to also order a meal.

Commissioner Young referenced the stage in the corner and pointed out that corner is closest to the adjacent residential properties.

Planner Daniel Fama said that is correct.

Commissioner Finch said that it seems that 11 of 45 seats are high-top seats.

Planner Daniel Fama agreed and said they represent 25 percent of the seats as is allowed.

Commissioner Kendall asked how late the outdoor tables could be used.

Planner Daniel Fama said 11 p.m. the same as the restaurant itself.

Chair Dodd opened the Public Hearing for Agenda Item No. 2.

Lowen Castillo, Applicant:

- Reported that this will be their fourth restaurant.
- Added that she loves the idea of opening up this restaurant in Campbell. It is a City with low crime and will be the "best place to be."
- Advised that Filipinos love to sing karaoke.
- Pointed out that there are currently no Filipino restaurants in Campbell.

- Concluded that it will be good for them to establish in Campbell and to be in this community.

Steve Gandy, Resident on Mission Way:

- Said that Mission is a private street located adjacent on one side of this commercial building.
- Added that he has been on Mission for 30 years.
- Admitted that he had hoped that the businesses established in this new commercial center would not have a negative impact to them.
- Said that there are three things he objects to: late hours, alcohol and live entertainment.
- Pointed out that the street parking along Winchester is already widely utilized by patrons of Casa Lupe just a bit further up Winchester.
- Added that it will be hard to manage karaoke and the live entertainment could disturb neighbors.
- Said that he doesn't see alcohol service as a good fit and that this use could result in a decrease in property values. This is not the right fit for the neighborhood.

Scott Plautz, Project Site Property Owner:

- Reported that there have been challenges in finding tenants for this site.
- Reminded that he was the first developer to conform to the Winchester Boulevard Master Plan.
- Pointed out that he still has a completely vacant building and the parking restrictions in the area are his biggest problem in getting tenants. That includes Starbucks. He has been challenged in leasing this property. Right now this property is a liability rather than an asset.
- Reminded that the site was formerly occupied by an old A&W restaurant and it used to draw transients as it became run down.
- Suggested that the best way to manage live music is to establish a maximum decibel level.
- Added that the location of the stage placement is deliberate in order to allow speakers to point towards Winchester rather than in the direction of adjacent residential neighbors.
- Said that this will be a great restaurant for Campbell. They have been included on several Food Network programs. They started as a street food vendor.
- Reminded that while the nearby Casa Lupe is a full service liquor establishment he purposely has restricted alcohol sales on his property to just beer and wine.
- Advised that this is a family-friendly and cultural business.

Chair Dodd closed the Public Hearing for Agenda Item No. 2.

Commissioner Finch:

- Said that she is still concerned about amplification of karaoke music.
- Said that she appreciates the fact that the speakers will be pointed away from the residential neighborhood.
- Pointed out that the nearby Casa Lupe doesn't have enough parking. Parking is of concern but she has mixed feelings about how to fix parking.

- Added that she hears Mr. Plautz's concerns about securing a tenant for this site.
- Admitted that she is concerned about outdoor seating being utilized up to 11 p.m.
- Concluded that she has no concrete decision right now.

Commissioner Kendall:

- Said that usually parking and noise issues jump out at her but she doesn't feel those concerns about this request.
- Reminded that Winchester is a lively street already and this is going to be a family-style restaurant that can be given some live entertainment allowances but without amplification. Music should not be noticed from outside until a patron walks into the business. She's not that concerned about it.
- Stated that parking along Winchester adds to the vibrancy of the area. This is the beginning of the renewal of that area.
- Concluded that unless she hears something that is of concern she will be supporting this as it is proposed.

Commissioner Young:

- Expressed agreement with Commissioner Kendall.
- Said he visited the site and found the distance between this commercial building and the neighborhood of concern. However the proposed outdoor seating would be situated along Winchester.
- Added that he hopes the nearby utility box to this site will be sponsored and painted as part of the Civic Improvement Commission's public art project.
- Said that this project is consistent with the Downtown Campbell Alcohol Policy. It does not represent an over-concentration. There will be no significant disturbances to the peace.
- Added that perhaps a reduction in hours may make sense and suggested perhaps 10 p.m. instead of 11 p.m.

Commissioner Reynolds:

- Said that since his wife is Filipino he may be biased.
- Said that in regards to noise concerns and parking, any sound can be directed where we want it to go.
- Said that this proposal is consistent with a buffer zone between neighborhoods and commercial uses.
- Warned that when one purchases a residence situated close to a commercial area one must be aware of the inherit possibility of noise. Once one is deeper into a residential neighborhood there is more of a buffer between the two uses.
- Admitted that parking is of concern. This neighborhood has been plagued with parking impacts for several years now and some nearby neighborhoods have permit parking as a result.
- Said that there are limits as to what can go onto this site and he is concerned that the future of other future tenant spaces on this site might be even more restricted.
- Added that he doesn't want to create parking problems into adjacent residential neighborhoods such that those issues come to the attention of Council.
- Stated that this will be a fine restaurant for Campbell.

Commissioner Finch:

- Said that she would need to be convinced that sound will not be a problem here.
- Asked for a specific number of verifiable noise complaints as part of condition 6-n.
- Added that she doesn't want to limit Mr. Plautz's ability to do business and find tenants for his building.
- Pointed out that this corner of Winchester/Rincon is so much better looking with this new commercial building than it was before.
- Said that her concerns remain potential for sound impacts and parking.

Chair Dodd:

- Pointed out that even with the deficit of six spaces for this use, the site still has the parking required to serve the rest of the site.

Commissioner Finch:

- Reminded that the street parking along this part of Winchester is already being utilized by patrons of nearby Casa Lupe.

Director Paul Kermoyan pointed out that Casa Lupe existed prior. The City can't stand in the way of a business becoming successful.

Commissioner Finch said it was unfortunate that Casa is not adequately parked on site.

Director Paul Kermoyan:

- Reminded that even before Casa Lupe was on that site another restaurant was there in the same tenant space.
- Suggested addressing sound issue with Condition 6-f.
- Added that the Commission could put a limit to entertainment hours to 10 p.m.

Commissioner Young:

- Referenced page 5 of the staff report which explains that without a Parking Modification, this restaurant would be limited to 27 seats, which would not be a viable number for success.
- Pointed out that sound can be managed through building materials (including glass) to help reduce impacts of sound outside the building.
- Added that there is an opportunity to control entertainment hours and/or to determine what is required to achieve a maximum decibel level for the live entertainment.
- Concluded that he is comfortable with this application.

Commissioner Kendall:

- Pointed out that this site is actually not too close to the "Four C's" neighborhood that now has a parking permit program due to impacts of overflow parking from the La Valencia Apartments rather than from businesses along Winchester Boulevard.
- Asked if the parking of Casa Lupe can be looked at in the future.
- Said that limiting entertainment hours is a good idea and suggested also limiting the outdoor dining hours as well.

- Suggested the installation of “No Loitering” signage at the back parking to prevent noise impacts from people hanging out in the parking lot that is so close to residences.
- Suggested having this business leave its door closed and limit entertainment to allow it up to 10 p.m.

Director Paul Kermoyan pointed to Condition 6-m that reads “after 10 p.m. and during live performances.

Chair Dodd:

- Said that with its beer and wine service, this is more a restaurant than a bar.
- Admitted to being concerned about the number of high-top tables and the stage.
- Added that she’d like to see some restrictions on the karaoke microphone’s amplification perhaps “to the satisfaction of the Community Development Director”.
- Supported restricting live entertainment to conclude by 10 p.m.
- Said having the restaurant itself open to 11 p.m. is fine.
- Reminded that this proposed use is located very close to a residential neighborhood and is once again short on parking but it would be good to get something onto this site.
- Said that she is okay with parking and understands that parking to serve other future uses on this site remain available.
- Added that she likes diversity in cuisine and supports outdoor seating to 10 p.m.
- Reminded that this area on Winchester is very different from what it was 30 years or more ago.

Commissioner Reynolds:

- Said he is okay with 11 p.m. for the outdoor seating and live entertainment as he believes noise can be controlled.
- Reported that in the Filipino community karaoke is a predominate form of entertainment. It doesn’t require instruments but rather the music serves as a background for the vocals.
- Added that he is okay with the seating and dining on Winchester up to 11 p.m.
- Advised that Filipinos dine later, like the Europeans. They nibble, enjoy small plates, and love to eat and visit.
- Pointed out that the noise from traffic would overpower any sounds of conversation by diners seated along Winchester.
- Reiterated his support for an 11 p.m. close including for karaoke.

Commissioner Finch asked for a suggested number of verifiable complaints.

Commissioner Reynolds pointed out that the standard has been three in the past.

Commissioner Young listed the other items discussed including: No Loitering signage in the back parking area, limiting entertainment to 10 p.m.; having doors closed when live entertainment is underway; outdoor seating to either 10 or 11 p.m. and a prescribed number of verifiable complaints to bring noise issues back for consideration.

Planner Daniel Fama:

- Referenced Condition 11 that establishes three verifiable complaints.
- Referenced Condition 6 that has no specific number.

Commissioner Young agreed with Commissioner Reynolds about allowing outdoor seating up to 11 p.m.

Chair Dodd suggested ceasing live entertainment at 10 p.m. and a vote on 11 p.m. closure.

Commissioner Young said the live entertainment should occur with all doors closed. People will go inside to watch any karaoke performances.

Chair Dodd suggested restrictions on amplification as a safeguard against potential noise impacts.

Director Paul Kermoyan said that is more difficult to control and suggested stopping live entertainment at a certain time may be more effective if the live entertainment is audible from outside the building.

Chair Dodd said she could support allowing music to 11 p.m. if it is not heard outside the building.

Director Paul Kermoyan said that might be very difficult to control.

Commissioner Kendall said that there should be conditions for number of complaints.

Planner Daniel Fama cautioned that sound "leakage" comes from doors whether they are open or closed. He suggested having patrons use the front entrance for access.

Chair Dodd asked if that is reasonable.

Planner Daniel Fama replied yes. That is the ideal and what is wanted in order for this business to have an active presence as seen from Winchester.

Chair Dodd said she could support that.

Commissioner Finch suggested limiting use of rear door after a specified hour, be it 6, 7 or 8 p.m. at which time only the front door would be used.

Director Paul Kermoyan said that two means of egress must be available. At certain times the back could be closed of ingress but remain available for emergency egress. This could be effective at the time the live entertainment starts. It would be best to have an established start time.

Chair Dodd said she was okay with 8 p.m.

- Motion:** Upon motion of Commissioner Kendall, seconded by Commissioner Young, the Planning Commission adopted Resolution No. 4275 approving a Conditional Use Permit (PLN2015-352) and Administrative Planned Development Permit (PLN2015-354) to allow establishment of a new 45-seat restaurant (Kalye Hits) with beer and wine service, outdoor seating, live entertainment (no dancing), and "late-night" operational hours (11:00 PM public closing); and a Parking Modification Permit (PLN2015-355) to allow a reduction in the number of required parking spaces on property located at 2145 S. Winchester Boulevard, subject to the conditions of approval as modified:
- Revise Condition 6-m to state that windows and doors to remain closed during live entertainment and that rear doors shall be restricted to emergency egress only after 8 p.m.;
 - Revise Condition 6-n to establish that three verifiable noise complaints will bring this use back for further review; and
 - Revise Condition 6-r requiring "No Loitering" signs be placed in the parking lot;
- by the following roll call vote:
- AYES:** Dodd, Finch, Kendall, Reynolds and Young
NOES: None
ABSENT: Bonhagen and Rich
ABSTAIN: None

Chair Dodd advised that this action is final unless appealed in writing to the City Clerk within 10 calendar days.

Chair Dodd read Agenda Item No. 1 into the record as follows:

1. **PLN2015-365 (TA)** Public Hearing to consider the City-Initiated Zoning Text Amendment (PLN2015-365) to amend the Campbell Zoning Code to create and modify regulations for massage establishments. Staff is recommending that this project be deemed exempt from CEQA under Section 15061.b.3. Tentative City Council Meeting date: March 15, 2016. Project Planner: *Cindy McCormick, Senior Planner*

Ms. Cindy McCormick, Senior Planner, presented the staff report.

Chair Dodd asked if there were questions of staff.

Commissioner Young asked if massage uses are a problem throughout the City.

Planner Cindy McCormick said that a representative from Campbell Police is here and can address that.

RESOLUTION NO. 4275

BEING A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF CAMPBELL APPROVING A CONDITIONAL USE PERMIT (PLN2015-352) AND ADMINISTRATIVE PLANNED DEVELOPMENT PERMIT (PLN2015-354) TO ALLOW ESTABLISHMENT OF A NEW 45-SEAT RESTAURANT WITH BEER AND WINE SERVICE, OUTDOOR SEATING, LIVE ENTERTAINMENT (NO DANCING), AND "LATE-NIGHT" OPERATIONAL HOURS (11:00 PM PUBLIC CLOSING); AND A PARKING MODIFICATION PERMIT (PLN2015-355) TO ALLOW A REDUCTION IN THE NUMBER OF REQUIRED PARKING SPACES ON PROPERTY LOCATED AT **2145 S. WINCHESTER BOULEVARD**. FILE NO: PLN2015-352, 354, & 355

After notification and public hearing, as specified by law and after presentation by the Community Development Director, proponents and opponents, the hearing was closed.

The Planning Commission finds as follows with regard to File No. PLN2015-352, 354 & 355:

1. The proposed project includes a request for Conditional Use Permit (PLN2015-352) and Administrative Planned Development Permit (PLN2015-354) to allow establishment of a new 45-seat restaurant (Kalye Hits) with beer and wine service, outdoor seating, live entertainment (no dancing), and "late-night" operational hours (11:00 PM public closing); and a Parking Modification Permit (PLN2015-355) to allow a reduction in the number of required parking spaces.
2. The project site is a commercial property located at the southwest corner of S. Winchester Boulevard and E. Rincon Avenue.
3. The project site is developed with a 5,000 square-foot retail/commercial building constructed pursuant to Planned Development Permit PLN2011-318 approved by City Council Resolution No. 11426.
4. The project site is within the P-D (Planned Development) Zoning District and is designated with a Central Commercial land use designation by the General Plan.
5. The project site is also within the boundaries of the Winchester Boulevard Master Plan.
6. The Winchester Boulevard Master Plan was adopted by the City Council in 2009 with the goal of transforming "Winchester Boulevard into a vibrant mixed-use, pedestrian oriented street, lined with ground-level businesses with residential or office above".
7. The Master Plan was adopted pursuant to General Plan Strategy LUT-5.3j in furtherance of the area's predominant Central Commercial General Plan Land Use Designation:

Strategy LUT-5.3j: Winchester Boulevard Plan: Develop an Area Plan for Winchester Boulevard. The Area Plan should address specific boundaries, mix of uses, street amenities, landscaping, building and site design.

Central Commercial: The Central Commercial designation is used for the heart of Campbell including parts of Campbell and Winchester Avenues in Downtown Campbell. This area is intended to provide shopping, services and entertainment within a pedestrian oriented, urban environment. Building forms in this designation edge the street and should include retail commercial uses on the ground floor with either office or residential uses on the second and third floors.

8. The Winchester Boulevard Master Plan specifies that allowable land uses are the same as those allowed within the C-3 Zoning District (i.e., Historic Downtown Campbell), with a specific emphasis on retail and restaurants on the ground floor. As such, a restaurant with beer and wine service, outdoor seating, live entertainment (no dancing), and "late-night" operational hours is an allowable use, consistent with the Master Plan.

...The subject parcels predominantly have a General Plan designation of Central Commercial (C-3), therefore Permitted, Conditional and Prohibited Uses shall be those set forth in the C-3 zoning district... In general, the vision for this Plan area shall be ground floor retail/restaurant, with upper floor residential/office. It is expected that a variety of ground floor retail businesses and eating establishments shall be maintained to achieve a balanced and distinctive pedestrian-oriented experience, without an overconcentration of any one type of use.

9. Policies found within the Campbell General Plan and Downtown Campbell Development Plan articulate a desire to promote and enhance a downtown environment that provides a desirable balance of land uses including shopping, services, and entertainment. This vision is evidenced in policies that encourage a mix of day and evening activities, a distinctive retail presence, a diversity of eating establishments, support for neighborhood-serving businesses, and protection of surrounding residential neighborhoods.
10. The City Council adopted the 'Downtown Alcohol Beverage Policy', as an implementation tool of the Campbell General Plan and Downtown Development Plan. The Policy is intended to balance the health and safety of the community while still maintaining the commercial viability of the downtown in which restaurants have an essential role.
11. The approval of the proposed project incorporates applicable operational standards of the Downtown Alcohol Beverage Policy.
12. Alcohol beverage service in the restaurant shall be ancillary and subordinate to the primary purpose of serving food.
13. Conformance to the provisions of the Downtown Alcohol Beverage Policy is the basis to which the City shall review new applications for alcohol beverage service. Restrictions to the hours of operation, amount of bar area seating, and alcohol beverage service, are necessary to protect the public health, safety and welfare.

Conditional Use Permit, Admin. P-D Permit, and Parking Modification Permit

14. The Downtown Alcohol Beverage Policy strongly recommends that Conditional Use Permits for establishments for on-site consumption of alcohol beverages be limited to a closing time of no later than 12:00 AM.
15. The over-concentration of late night alcohol serving establishments within a compact downtown district can create a cumulative impact that overwhelms the area creating an undesirable result such as drunk in public, vandalism, and disorderly conduct.
16. There are two alcohol-serving restaurants within the immediate vicinity (500 feet) of the project site, which does not constitute an overconcentration.
17. The approval of a Conditional Use Permit incorporates applicable operational standards of the Downtown Alcohol Beverage Policy, including a 11:00 PM public closing time and bar area seating comprising no more than 25% of the total seating capacity.
18. Alcohol beverage service in the restaurant shall be ancillary and subordinate to the primary purpose of serving food.
19. The proposed project request seeks a seating capacity for the proposed restaurant of 45 seats, including 37 interior seats and 8 exterior seats.
20. Under the city-wide parking standard for restaurants (1 space for every 3 seats plus 1 space for every 200 square-feet of "non-dining" area), the restaurant would require 18 parking spaces. Based on the project site's overall parking ratio of 1 space per 194 square-feet, the restaurant's pro-rated proportional share of parking stalls is 12, resulting in a technical deficiency of 6 spaces.
21. The Winchester Boulevard Master Plan notes that all new developments are subject to existing city parking requirements, but that adjustments may be approved by the decision making body pursuant to CMC Sec. 21.28.050. This code section provides relief from parking standards under certain circumstances through consideration of a Parking Modification Permit.
22. The Winchester Boulevard street frontage in front of project site provides 6 parking spaces, which supplements on the on-site parking.
23. The Master Plan notes that existing curbside (street) parking will be retained to "support commercial businesses" (Pg. 19), recognizing that street parking along Winchester Boulevard is principally intended to serve commercial tenants.
24. Accounting of street parking as a basis for a parking reduction pursuant to a Parking Modification Permit would be consistent with the Winchester Boulevard Master Plan and CMC Sec. 21.28.050.

Conditional Use Permit, Admin. P-D Permit, and Parking Modification Permit

25. Since the proposed "late night" hours of operation are consistent with the Downtown Alcohol Policy, they do not present an impact to area residents or adjacent businesses.

26. The Planning Commission's review of the proposed project encompassed zoning and General Plan land use conformance, noise impacts, parking, property maintenance, odors, security and enforcement, and neighborhood impacts.

Based upon the foregoing findings of fact, the Planning Commission further finds and concludes that:

Conditional Use Permit Finding (CMC Sec. 21.45.040):

1. The proposed use is allowed within the applicable zoning district with Conditional Use Permit approval, and complies with all other applicable provisions of this Zoning Code and the Campbell Municipal Code;
2. The proposed use is consistent with the General Plan;
3. The proposed site is adequate in terms of size and shape to accommodate the fences and walls, landscaping, parking and loading facilities, yards, and other development features required in order to integrate the use with uses in the surrounding area;
4. The proposed site is adequately served by streets of sufficient capacity to carry the kind and quantity of traffic the use would be expected to generate;
5. The design, location, size, and operating characteristics of the proposed use are compatible with the existing and future land uses on-site and in the vicinity of the subject property; and
6. The establishment, maintenance, or operation of the proposed use at the location proposed will not be detrimental to the comfort, health, morals, peace, safety, or general welfare of persons residing or working in the neighborhood of the proposed use, or be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the city.

Liquor Establishment Findings (CMC Sec. 21.46.070):

7. The establishment will be consistent with the Campbell Downtown Alcohol Policy.
8. The establishment will not result in an over concentration of these uses in the surrounding area;
9. The establishment will not create a nuisance due to litter, noise, traffic, vandalism, or other factors;
10. The establishment will not significantly disturb the peace and enjoyment of the nearby residential neighborhood; and

Conditional Use Permit, Admin. P-D Permit, and Parking Modification Permit

11. The establishment will not significantly increase the demand on city services.

Administrative P-D Permit Findings (CMC Sec. 21.12.030.H.6):

12. The proposed development or uses clearly would result in a more desirable environment and use of land than would be possible under any other zoning district classification;

13. The proposed development would be compatible with the general plan and will aid in the harmonious development of the immediate area;

14. The proposed development would not be detrimental to the health, safety or welfare of the neighborhood or of the city as a whole.

"Late-Night Activity" Findings (CMC Sec. 21.12.030.H.7):

15. The establishment will not create a nuisance due to litter, noise, traffic, vandalism or other factors;

16. The establishment will not significantly disturb the peace and enjoyment of the nearby residential neighborhood; and

17. Proposed conditions of approval (if any), are sufficient to mitigate any detrimental impacts specified that may be caused by the late-night establishment.

Parking Modification Permit Findings (CMC Sec. 21.28.050):

18. Due to the unique nature and circumstances of the project, or special development features, the anticipated number of parking spaces necessary to serve the use or structure is less than that required by the applicable off-street parking standard, and would be satisfied by the existing or proposed number of parking spaces, as supported by review of the applicant's documentation and/or a parking demand study prepared by a qualified transportation engineer accepted by the decision-making body;

19. Conditions of approval have been incorporated into the project to ensure the long-term adequacy of the provided off-street parking; and

20. Approval of the parking modification permit will further the purpose of this chapter.

Environmental Findings (CMC Sec. 21.38.050):

21. The project is Categorically Exempt under Section 15303(c) of the California Environmental Quality Act (CEQA) Guidelines, which exempts from environmental review the conversion of existing building area of less than 10,000 square-feet from one use to another, where only minor modifications are made to the exterior of the structure.

THEREFORE, BE IT RESOLVED that the Planning Commission approves a Conditional Use Permit (PLN2015-352), Administrative Planned Development Permit (PLN2015-354), and Parking Modification Permit (PLN2015-355), subject to the attached Conditions of Approval (attached **Exhibit A**).

PASSED AND ADOPTED this 23rd day of February, 2016, by the following roll call vote:

AYES:	Commissioners:	Finch, Kendall, Dodd, Reynolds and Young
NOES:	Commissioners:	None
ABSENT:	Commissioners:	Rich, Bonhagen
ABSTAIN:	Commissioners:	None

APPROVED: _____
Cynthia Dodd, Chair

ATTEST: _____
Paul Kermoyan, Secretary

CONDITIONS OF APPROVAL**Conditional Use Permit (PLN2015-352), Administrative Planned Development Permit (PLN2015-354), Parking Modification Permit (PLN2015-355)**

Where approval by the Director of Community Development, City Engineer, Public Works Director, City Attorney or Fire Department is required, that review shall be for compliance with all applicable conditions of approval, adopted policies and guidelines, ordinances, laws and regulations and accepted engineering practices for the item under review. Additionally, the applicant is hereby notified that he/she is required to comply with all applicable Codes or Ordinances of the City of Campbell and the State of California that pertain to this development and are not herein specified.

COMMUNITY DEVELOPMENT DEPARTMENT**Planning Division**

1. Approved Project: Approval is granted for a Conditional Use Permit (PLN2015-352) and Administrative Planned Development Permit (PLN2015-354) to allow establishment of a new 45-seat restaurant (Kalye Hits) with beer and wine service, outdoor seating, live entertainment (no dancing), and "late-night" operational hours (11:00 PM public closing); and a Parking Modification Permit (PLN2015-355) to allow a reduction in the number of required parking spaces on property located at **2145 S. Winchester Boulevard**. The project shall substantially conform to the project plans and revised project description stamped as received by the Planning Division on February 4, 2016 and December 11, 2015, respectively, except as may be modified by the conditions of approval contained herein.
2. Approval Expiration: This Approval shall be valid for one year from the effective date of the Planning Commission action (**March 4, 2017**). Within this one-year period, applications for a building permit for restaurant tenant improvements and a Type 41 (Beer and Wine) License must be submitted to the Campbell Building Division and the Department of Alcoholic Beverage Control, respectively. Failure to meet this deadline or expiration of an issued building permit will result in the Approval being rendered void. Once established, the Approval shall be valid in perpetuity on the property, subject to continued operation of the use in compliance with conditions of approval contained herein. Abandonment, discontinuation, or ceasing of operations for a continuous period of twelve months shall void the Approval.
3. Signage: No signage has been approved as part of this development application. New signage shall not be installed prior to approval of a Master Sign Plan for the project site as required by City Council Resolution No. 11426 (Planned Development Permit PLN2011-318).
4. Planning Final Required: Planning Division clearance is required prior to Building Permit final. Construction not in substantial compliance with the approved project plans shall not be approved without prior authorization of the necessary approving body.

5. Construction Drawings Requirements: The construction drawings submitted for a building permit shall include the following revisions:
 - a. **Conditions of Approval**: The Conditions of Approval contained herein shall be included with a separate plan sheet behind the cover sheet.
 - b. **Outdoor Furniture**: Details for patio furniture, including chairs, tables, and umbrellas shall be included within the construction drawings. All furniture shall be of a high quality material and design, appropriate for the Downtown setting, as approved by the Community Development Director.
 - c. **Ventilation System**: Specifications and details for a mechanical ventilation system with odor filtration consistent with the best management practices established by the Air Quality District, shall be included within the construction drawings, for approval by the Community Development Director.
 - d. **Window Glazing**: Elevation drawings shall indicate that all window glazing shall be kept clear and unobstructed in compliance with the conditions of approval.
 - e. **Corner Seating Design**: The seating counter at the corner of the restaurant shall be designed to maintain visibility below the countertop (i.e., the glazing shall not be obstructed).
 - f. **Required Signage**: The signage required by the conditions of approval shall be noted on the appropriate sheet(s).

6. Operational Standards: Consistent with Downtown Alcohol Beverage Policy and other City standards, any restaurant operating pursuant to the Project Approval shall conform to the following operational standards.
 - a. **Approved Use**: The approved use is a "standard restaurant" with an ancillary "bar area" as defined by the Campbell Municipal Code. At no time shall the restaurant be operated as a "fast food" restaurant. This shall require the restaurant to include a host station, wait staff, table service, individual menus, and non-disposable plates, cutlery, and drink-ware.
 - b. **Restaurant Seating/Patron Occupancy**: Total indoor patron occupancy shall be limited to 37 seated persons, consistent with the 26 dining area seats and 11 bar area seats. At no time shall there be more than 37 patrons within the establishment, excluding those waiting for service. It is the responsibility of the business owner to provide adequate entrance controls to ensure that patron occupancy is not exceeded.
 - c. **Maximum Occupancy Sign**: The business owner shall install a maximum occupancy sign of a size to be determined by the Community Development Director, conspicuously posted within the premises, which shall include the maximum occupancy noted herein and include a visual depiction on the final floor plan configuration.

- d. **Bar Area Seating:** The bar area shall be composed of eleven (11) bar seats as shown on the approved project plans. No part of the dining area shall be considered part of the bar area.
- e. **Floor Plan:** All chairs and tables within the dining area shall consist of standard-height furniture (i.e., not "high-top"). All tables and chairs shall be placed in such a manner to allow sufficient area for dining and shall not be stacked or removed from the dining area or placed outside. At no time shall the seating be reconfigured to create large open spaces for patrons to congregate, dance, drink, or socialize.
- f. **Hours of Operation:** Hours of operation shall be as follows. By the end of 'Business Hours' all patrons shall have exited the restaurant. By the end of the 'Operational Hours' all employees shall be off the premises.
- Business Hours: 10:00 AM – 11:00 PM, daily
 - Operational Hours: 8:00 AM – 12:00 AM, daily
- g. **Food Service:** Full menu food service shall be provided at all times during the Business Hours in the dining, outdoor seating, and bar areas (i.e., the kitchen shall not be closed).
- h. **Alcohol Beverage Service:** Alcohol beverage service in the dining area shall only be allowed in conjunction with food service. The dining area shall not be converted to a bar area or dance area.
- i. **Bar Area Meal Service:** Meal service shall be available in the bar area at all times.
- j. **Live Entertainment:** Live entertainment, limited to karaoke and live performances of no more than two musicians playing non-amplified instruments, shall be permitted during business hours, daily, within the corner stage shown on the approved floor plan, subject to approval of a Live Entertainment Permit in compliance with CMC Sec. 5.24.
- k. **Dancing Prohibited:** At no time shall the business owner allow any form of dancing.
- l. **Cover Charge:** At no time shall a cover charge be required or a donation necessary in order to patronize the establishment.
- m. **Doors and Windows:** Doors and windows shall remain closed during live entertainment performances. The rear doors shall be restricted to emergency egress only—no normal customer entrance or exiting shall be allowed—after 8:00 PM. This restriction shall be posted with a conspicuous sign affixed to both sides of the door. The rear doors shall also incorporate an exterior locking mechanism which shall be activated after 8:00 PM and interior panic hardware to allow emergency egress when locked.
- n. **Noise:** Unreasonable noise—defined as noise, regardless of decibel level, which obstructs the free use of neighboring properties so as to unreasonably interfere with the comfortable enjoyment of the neighboring residents—shall

not be generated by the live entertainment. In the event three (3) verified complaints are received the City within a six (6) month period regarding such unreasonable noise, the Community Development Director may immediately modify the business hours and/or impose additional restrictions on the live entertainment, including but not limited to, reducing the number of performers, and prohibiting karaoke, subject to the project being brought back to the Planning Commission in a public hearing.

- o. **Exterior Speakers:** Exterior loud speakers, exterior audio sound systems, and/or public address systems are prohibited.
- p. **Storefront Glazing:** All storefront glazing shall remain unobscured, except for the 25% of window area permitted to be occupied with the window signage.
- q. **Outdoor Seating:** Outdoor seating shall be considered part of the dining area subject to all restrictions herein. In addition, the following requirements apply:
 - i. Total patron occupancy in the outdoor seating area shall be limited to eight (8) seated patrons within sidewalk area directly in front of the tenant space along S. Winchester Boulevard.
 - ii. The design, make, and placement of all furniture (chairs, tables, and umbrellas, etc.) shall be subject to review and approval by the Community Development Director.
 - iii. Use of the outdoor seating area shall cease by 11:00 PM, daily. During non-business hours, chairs and tables shall be stacked, stored inside, or otherwise secured to prevent unauthorized use.
 - iv. All outdoor furniture shall be kept clean and in good repair and replaced and/or fixed as necessary.
 - v. The business owner shall maintain comprehensive liability insurance and list the City as an "additionally insured". Before the issuance of a Business License, the business owner shall furnish to the city a certificate of insurance.
 - vi. A barrier surrounding the patio, such as railing or planters, shall not be permitted.
 - vii. Exterior heaters shall be electric or natural gas and wall-mounted.
- r. **Loitering:** There shall be no loitering allowed outside the business. The business owner is responsible for monitoring the premises to prevent loitering. "No Loitering" signs shall be permanently installed on the rear fence and on the rear building wall of the restaurant.
- s. **Smoking:** "No Smoking" signs shall be posted on the premises in compliance with CMC 6.11.060.
- t. **Trash & Clean Up:** All trash, normal clean up, carpet cleaning, etc. shall occur during the approved 'Operational Hours'. Refuse and recycling receptacles shall be kept within the enclosure except during collection in compliance with Chapter 6.04 of the Campbell Municipal Code.

- u. **Liquor License:** The applicant shall obtain and maintain in good standing a Type 41 (On-Sale Beer and Wine for Bona Fide Public Eating Place) license from the State Department of Alcoholic Beverage Control for the sale of beer and wine beverages in conjunction and restaurant. The license shall include the Business Hour restrictions consistent with these conditions of approval. A copy of the issued license shall be provided to the Community Development Department prior to issuance of a Business License.
 - v. **Alcohol Sales:** The monthly gross sales of alcoholic beverages shall not exceed the gross sales of food during the same period, consistent with ABC licensing regulations. The business owner shall provide sales records on demand to the City to verify compliance with this standard.
 - w. **Employee Training:** The establishment shall use an employee training manual that addresses alcoholic beverage service consistent with the standards of the California Restaurant Association and the Department of Alcoholic Beverage Control.
 - x. **Designated Driver Program:** The establishment shall maintain and actively promote a designated driver program (e.g., complimentary non-alcoholic beverages for designated drivers), including posting in a conspicuous place contact information for local designated driver services.
 - y. **Taxicab Service:** The establishment shall post in a conspicuous place the telephone numbers of local taxicab services.
 - z. **Outdoor Activity:** Other than outdoor seating as permitted by an Outdoor Seating Permit, no outdoor activity (e.g., cooking) is permitted in association with the establishment.
7. Location of Mechanical Equipment: No roof-mounted mechanical equipment (i.e. air conditioning units, ventilation ducts or vents), shall be added to the existing building without providing screening of the mechanical equipment from public view and surrounding properties. The screening material and method shall be architecturally compatible with the building and requires review and approval by the Community Development Director and Building Division prior to installation of such screening.
8. Outdoor Storage: No outdoor storage is permitted on the subject property. No equipment, materials or business vehicles shall be parked and/or stored outside the building or within the parking lot.
9. Parking and Driveways: All parking and driveway areas shall be maintained in compliance with the standards in Chapter 21.28 (Parking & Loading) of the Campbell Municipal Code. Parking spaces shall be free of debris or other obstructions.
10. Compliance with Other Conditions of Approval: The restaurant shall be operated in compliance with all other conditions of approval provided for in Planned Development Permit PLN2011-318 (City Council Resolution No. 11426).

11. Revocation of Permit: Operation of the restaurant pursuant to this Approval is subject to Sections 21.68.020, 21.68.030 and 21.68.040 of the Campbell Municipal Code authorizing the appropriate decision making body to modify or revoke a discretionary permit if it is determined that the sale of alcohol, late-night activity, and/or live entertainment, has become a nuisance to the City's public health, safety or welfare or for violation of the conditions of approval contained herein, or any standards, codes, or ordinances of the City of Campbell.

At the discretion of the Community Development Director, if the establishment generates three (3) verifiable complaints related to violations of conditions of approval and/or related to the service of alcohol, noise, and/or live entertainment, within a six (6) month period, a public hearing before the Planning Commission may be scheduled to consider modifying conditions of approval or revoking the Approval. The Community Development Director may commence proceedings for the revocation or modification of use permits upon the occurrence of less than three (3) complaints if the Community Development Director determines that the alleged violation warrants such an action. In exercising this authority, the decision making body may consider the following factors, among others:

- a. The number and types of Police Department calls for service at or near the establishment that are reasonably determined to be a direct result of patrons actions;
- b. The number of complaints received from residents, business owners and other citizens concerning the operation of an establishment;
- c. The number of arrests for alcohol, drug, disturbing the peace, fighting and public nuisance violations associated with an establishment;
- d. The number and kinds of complaints received from the State Alcoholic Beverage Control office and the County Health Department; and
- e. Violation of conditions of approval.

Building Division:

12. Permits Required: A building permit application shall be required for the proposed bar/restaurant use in the existing commercial structure. The building permit shall include Electrical/Plumbing/Mechanical fees when such work is part of the permit.
13. Construction Plans: The Conditions of Approval shall be stated in full on the cover sheet of construction plans submitted for building permit.
14. Size of Plans: The minimum size of construction plans submitted for building permits shall be 24 in. X 36 in.
15. Plan Preparation: This project requires plans prepared under the direction and oversight of a California licensed Engineer or Architect. Plans submitted for building permits shall be "wet stamped" and signed by the qualifying professional person.

16. Site Plan: Application for building permit shall include a competent site plan that identifies property and proposed structures with dimensions and elevations as appropriate. Site plan shall also include site drainage details. Site address and parcel numbers shall also be clearly called out. Site parking and path of travel to public sidewalks shall be detailed.
17. Title 24 Energy Compliance: California Title 24 Energy Compliance forms shall be blue-lined on the construction plans. Compliance with the Standards shall be demonstrated for conditioning of the building envelope and lighting of the building.
18. Special Inspections: When a special inspection is required by C.B.C. Chapter 17, the architect or engineer of record shall prepare an inspection program that shall be submitted to the Building Official for approval prior to issuance of the building permits, in accordance with C.B.C Appendix Chapter 1, Section 106. Please obtain City of Campbell, Special Inspection forms from the Building Inspection Division Counter.
19. Non-point Pollution Control Program: The City of Campbell, standard Santa Clara Valley Non-point Source Pollution Control Program specification sheet shall be part of plan submittal. The specification sheet (size 24" X 36") is available at the Building Division service counter.
20. Title 24 Accessibility – Commercial: On site general path of travel shall comply with the latest California Title 24 Accessibility Standards. Work shall include but not be limited to accessibility to building entrances from parking facilities and sidewalks.
21. Title 24 Accessibility – Commercial: Projects seeking to use the Title 24 Hardship exemption clause shall blue-line completed, City of Campbell "20%" exemption form on submitted construction plans. Form is available at Building Division service counter.
22. Approvals Required: The project requires the following agency approval prior to issuance of the building permit:
 - a. West Valley Sanitation District (378-2407)
 - b. Santa Clara County Fire Department (378-4010)
 - c. Santa Clara County Dept. of Environmental Health (918-3400)
 - d. City of San Jose Dept. of Environmental Services (535-8550)
23. P.G. &E: Applicant is advised to contact Pacific Gas and Electric Company as early as possible in the approval process. Service installations, changes and/or relocations may require substantial scheduling time and can cause significant delays in the approval process. Applicant should also consult with P.G. and E. concerning utility easements, distribution pole locations and required conductor clearances.

FIRE DISTRICT

24. Scope of Review: Review of this Developmental proposal is limited to acceptability of site access and water supply as they pertain to fire department operations, and shall not be construed as a substitute for formal plan review to determine compliance with adopted model codes. Prior to performing any work the applicant shall make application to, and receive from, the Building Department all applicable construction permits.
25. Fire Sprinkler System: If the proposed use will require an interior remodel modification of the fire sprinkler system may be required. A State of California licensed (C-16) Fire Protection Contractor shall submit plans, calculations, a completed permit application and appropriate fees to this department for review and approval prior to beginning their work. NOTE: The owner(s), occupant(s) and any contractor(s) or subcontractor(s) are responsible for consulting with the water purveyor of record in order to determine if any modification or upgrade of the existing water service is required. CFC Sec. 903.2 as adopted and amended by CBLMC
26. 904.2.1 Commercial hood and duct systems. Each required commercial kitchen exhaust hood and duct system required by Section 609 to have a Type I hood shall be protected with an approved automatic fire- extinguishing system installed in accordance with this code. 904.3 Installation. Automatic fire-extinguishing systems shall be installed in accordance with this section. 904.3.1 Electrical wiring. Electrical wiring shall be in accordance with California Electrical Code.
27. Construction Site Fire Safety: All construction sites must comply with applicable provisions of the CFC Chapter 33 and our Standard Detail and Specification SI-7. Provide appropriate notations on subsequent plan submittals, as appropriate to the project. CFC Chp. 33.
28. Address identification. New and existing buildings shall have approved address numbers, building numbers or approved building identification placed in a position that is plainly legible and visible from the street or road fronting the property. These numbers shall contrast with their background. Where required by the fire code official, address numbers shall be provided in additional approved locations to facilitate emergency response. Address numbers shall be Arabic numbers or alphabetical letters. Numbers shall be a minimum of 4 inches (101.6 mm) high with a minimum stroke width of 0.5 inch (12.7 mm). Where access is by means of a private road and the building cannot be viewed from the public way, a monument, pole or other sign or means shall be used to identify the structure. Address numbers shall be maintained. CFC Sec. 505.1

RECEIVED**MAR 04 2016****CITY CLERK'S OFFICE**

March 3, 2016

City Clerk
 Planning Department
 Community Development Department
 City of Campbell
 70 N. First Street
 Campbell CA 95008

Appeal of File No: PLN2015-352
 PLN2015-354
 PLN2015-355

Address: 2145 S. Winchester Blvd

Application: Conditional Use Permit, Administrative Planned Development Permit, and subsequent Parking Modification Permit

Status: Approved

The Planning Commission (PC) has approved this Conditional Use Permit, Administrative Planned Development request and subsequent Parking Modification Permit application to allow establishment of a new 45-seat restaurant (Kalye Hits) with beer and wine service, outdoor seating, live entertainment (no dancing) and "late-night" operational hours (11:00 PM public closing); and a Parking Modification Permit to allow a reduction in the number of required parking spaces, subject to conditions of approval.

Reason for Appeal:

I'm appealing the approval mentioned above for the following reasons:

- Late Night Operating Hours
- Alcohol
- Live Music
- Parking

My name is Steve Gandy, I live at 54 Mission Way, the quiet, private street that borders the south side of the subject property. I've lived here for 30 years and have seen a lot of changes. As I'm sure many of you remember, the old A&W became quite an eyesore. As such, I supported Mr. Plautz's efforts to develop the property. He told me a Starbuck's was interested in the location, and I thought, yes, it would be great for the neighborhood. No late night hours, no alcohol, no loitering, no loud music, and little impact, if any, on parking. However, the approved use could not be further from that.

I was always concerned about prospective tenants, since I knew Starbuck's wouldn't be the only one. But I believed two things: One, that most businesses with normal business

hours wouldn't negatively impact the quality of life on Mission Way, and two, that the planning commission wouldn't allow a business that would. I guess I was wrong about number two.

Late Night Operating Hours

The commission approved late night operating hours to 11pm. Which realistically means, that by the time the restaurant cleans up and locks its doors, it will be close to midnight or 12:30 am. I believe it's not hard to imagine that employees will be outside emptying garbage and generally cleaning up. Car doors will slam, and people will talk. I'm not saying it's intentional, it's just reality. The commission says, as a condition, they will require "no loitering" signs. That's the solution? What does enforcement look like?

Some restaurants in the C-3, Central Business District, are forced to close no later than 10:00 pm, and they aren't nearly as close to residences. I don't get it. How is that a requirement there, and the proximity of the residences at this location not worthy of more consideration?

Debbie Marino's house at 31 Mission Way is 43 feet away from the new building. That's barely two parking places. The Merrill Gardens commercial spaces, as well as most other businesses on Winchester, have a much more significant buffer between the commercial and residential properties. The impact on the neighborhood has a lot to do with the operating hours.

Alcohol

The commission seemed to draw a distinction between beer and wine, and hard alcohol. I've seen plenty of people become loud, obnoxious and intoxicated drinking beer and or wine. I don't draw the same distinction. There's no secret as to what alcohol does to people -just ask Campbell PD. It's not alcohol alone, but the combination.

Live Music

Live Music? I like music. I listen to it all the time. It usually has a volume control. You know what doesn't? Live music. You can't modulate live music. And let's admit that Karaoke is the most difficult live music to control. After all, the performer is a customer. If you've watched Karaoke you've seen those who think they sound better by sounding louder. That the way to make up for a lack of talent is with greater volume. Live music is great, but it needs the right venue. This isn't it. The commission suggests that by requiring the doors and windows to be closed, it will be a non-issue. Not true. Doors swing open and noise escapes. Any restaurant that has outside seating, as this one will, will have a constant flow of open doors.

Parking

There's been quite a bit of talk about parking. It appeared to me the commission approved the parking modification request because of the availability of street side parking on Winchester. The truth is that the spaces on Winchester are already being occupied by patrons of Casa Lupe. They don't have enough parking. On any given night there are no vacant parking spaces. Mission way is a dead end, small, private street. We barely have room for our own guests. We simply cannot have restaurant patrons parking on Mission Way.

Summary

It's not easy to find a place serving food on weeknights much later than 9:00 pm. It's because most people aren't eating after 9:00, so it doesn't make good business sense.

You know what defines a "nightclub"? Late hours, alcohol, and live music. It's not the number of bar stools, or the table height. So is this a restaurant with music, or a nightclub serving food? I submit that this location isn't appropriate for this business, and there are plenty of other locations in Campbell that are.

There are a thousand different businesses that could lease the space that wouldn't negatively impact the residents, and you wouldn't hear a word from any of us. But this isn't one of them. This approval will negatively affect the quality of life on Mission Way and our property values.

I pray you'll consider this petition and agree that 2145 S. Winchester is not an appropriate location for this kind of business.

Respectfully,

Steve Gandy
54 Mission Way
408-370-7916
sgandy@earthlink.net

Debbie Marino
31 Mission Way
408-210-2400
Debbie@AReliableServices.com

TR. N° 7098

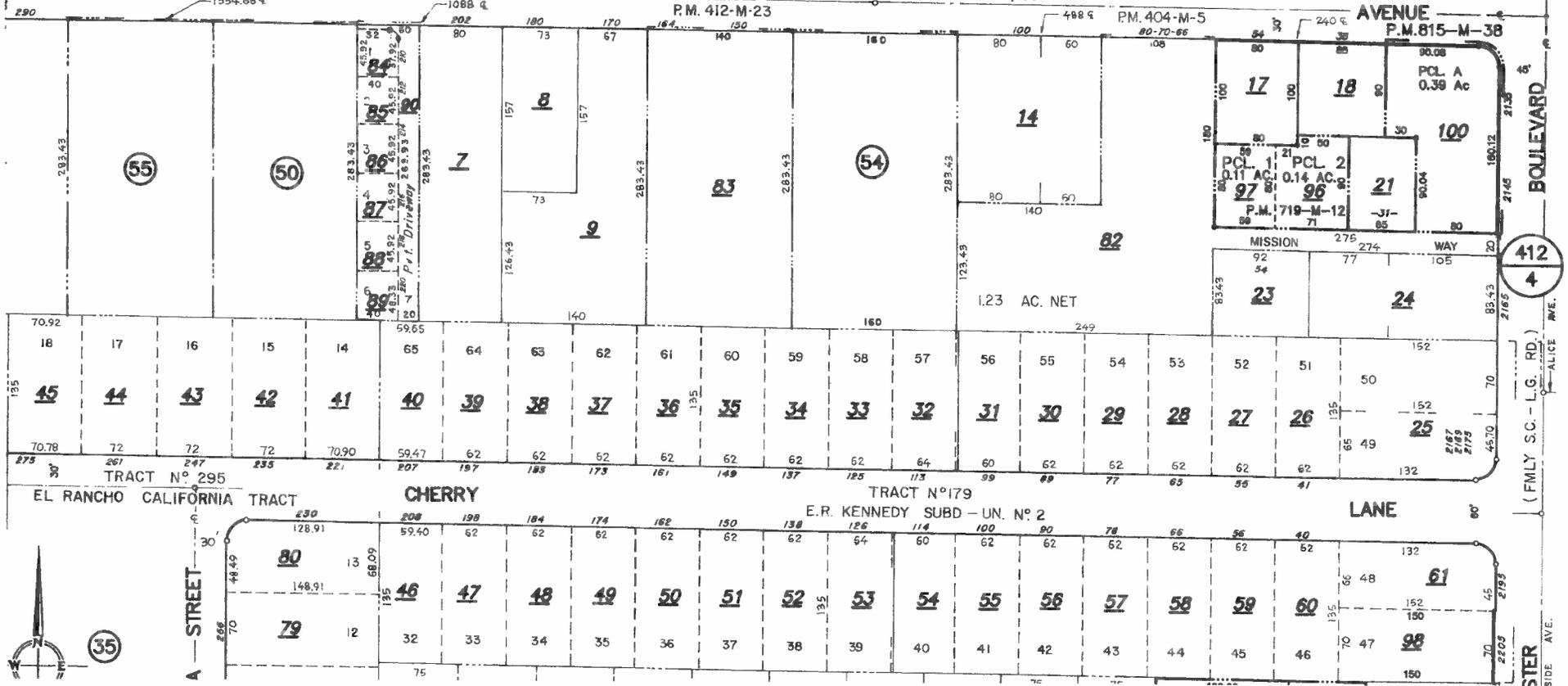
W. RINCON

TR. N° 6281

R.O.S. 370/586

R.O.S. 173/36

Compiled under R. & T. Code, Sec. 327.
Effective Roll Year 2015-2018
TRA DIST. APP 107



412
4

(F.M.L.Y. S.C. - L.G. RD.)

ALICE AVE.
STER SIDE AVE.

Dear City Council of the City of Campbell,

My partner and I submitted a Conditional Use Permit (CUP) application to operate a full service Filipino restaurant requesting live entertainment, beer and wine alcohol sales, late night operations and a parking exception at 2145 S. Winchester Blvd in the city of Campbell Ca.

The City of Campbell Planning Department supported our CUP and the City of Campbell Planning Commission unanimously approved the CUP, and all aspects of the CUP, which are important for our business to operate in a successful restaurant capacity.

We then received notice of an appeal.

We kindly request the City Council to uphold the Planning Commissions unanimous decision in support of all aspects of the CUP, as proposed. The approval of the CUP, in its current state, gives our business the highest probability of success as we venture into this new location in your city.

We appreciate your consideration and look forward to an approval of the CUP, as approved, so we can start our process of construction and be open for business as soon as possible in this new Winchester Master Plan location.

Thank you in advance for your consideration.

Jose A. Nagui Jr.
President
Jun Lowen Inc

Daniel Fama

From: David Livingston
Sent: Wednesday, November 18, 2015 12:49 PM
To: Daniel Fama
Subject: RE: DRC Referral - 2145 S. Winchester Blvd.

Thank you, I will try to be there in person but I have another meeting that I am facilitating at 3:00 pm and I may not make it. The PD is not so concerned with just beer and wine but the hours of operation will be of interest as well as the stage which we would like to know about.

From: Daniel Fama
Sent: Tuesday, November 17, 2015 9:43 AM
To: David Livingston
Subject: DRC Referral - 2145 S. Winchester Blvd.

Hi Dave – Please see the attached materials for a new restaurant at 2145 S. Winchester Blvd. (old A&W site). They're asking for beer and wine. However, we don't know the business hours yet or if there's a proposal for live entertainment (there's a stage shown on the site plan. I'll forward those details to you when I get them.
Thx

Daniel



City Council Report

Item: 8.
 Category: New Business
 Meeting Date: October 4, 2011

TITLE: Consideration of Amending the Downtown Alcohol Beverage Policy

RECOMMENDATION

That the City Council consider the Downtown Sub-Committee's recommendation to amend the Downtown Alcohol Beverage Policy.

BACKGROUND

On September 6th, the City Council conducted a study session to discuss a recommendation from the Downtown Council Sub-Committee to amend the Downtown Alcohol Beverage Policy (the "Policy"). This was the third public meeting to discuss possible changes to the Policy. Discussion of the previous meetings on July 19th and August 11th on this issue is contained in the September 6th staff report to the City Council (Attachment 2 of this report).

The September 6th study session was a combined two and one-half hours conducted before and after the regular meeting in which approximately 25 members of the public spoke on the issue. At the conclusion of the Council's deliberations, staff was directed by the City Council to schedule the Sub-Committee's recommendation before the City Council for consideration at the regular meeting of October 4th.

Discussion

Under consideration by the City Council is a recommendation by the Downtown Sub-Committee (Mayor Baker and Council Member Waterman) as follows:

- To keep intact the current policy which "strongly discourages" new stand alone bars; nightclubs, ultra lounges; etc...
- To allow wine bars/wine tasting establishments that close at 11:00 PM;
- To allow existing establishments that are currently permitted to serve late night alcohol as of the date of this policy, to submit an application for expansion or intensification. Approval of such applications would be subject to the decision making body making findings that:
 - The establishment is currently operating and has operated in good standing under the terms of its conditional use permit and as a responsible business owner in the community; and

- The proposed expansion will not have a material detrimental affect on the health, safety and welfare of the downtown and its surrounding neighborhoods due to its size, number of permitted occupants and general management and operation; and
- The expansion or intensification will not adversely affect the goal of achieving a balanced use of commercial space downtown as envisioned under the Downtown Development Plan which promotes predominantly retail and restaurant uses.
- The current policy allows restaurant hours until 11:00 PM with the Planning Commission having the authority to approve hours until 12:00 AM. The Sub-Committee is suggesting that the policy simply state restaurants serving alcohol be allowed hours until 12:00 AM.
- Current policy prohibits the marketing of live entertainment as an "entertainment focal point" and does not allow the dining room to be converted to a dance area. The Sub-Committee is suggesting changing the current policy to allow the promotion of live entertainment and a dance floor area in restaurants while keeping intact the restriction of live entertainment to 11:00 PM. Dancing would still require a conditional use permit as currently required under the Zoning Ordinance.
- That the boundaries for which the Alcohol Policy is applied be amended to exclude the East Campbell Avenue and Winchester Blvd Plan Areas.

Attachment A to this report is a draft policy with the proposed amendments reflecting the changes suggested by the Downtown Sub-Committee including a modified boundary map.

Police Services Impact Fee

As part of the August study session, the Police Department was asked to explore the possibility of implementing an impact fee or a special district assessment in the downtown area related to late night alcohol establishments. Additionally, we were asked to determine whether establishing a "Taxi Cab Stand" in the downtown area would be beneficial.

The Police Department sent an inquiry to hundreds of law enforcement agencies throughout the state via the California Police Chiefs Association (CPCA) to determine if any other agency is currently utilizing a program where impact fees are collected related to late night alcohol establishments or entertainment districts. Unfortunately, the responses we received from other agencies all indicated they do not assess impact fees for police services mainly due to legal restrictions.

We also made personal contact with every agency in Santa Clara County to determine if there was a practice or policy currently in use which could be modified to fit the needs in our downtown area.

We found that the City of Sunnyvale and the City of Milpitas each have an ordinance which allows for cost recovery after providing "Extraordinary Police Services". These

policies are focused more toward individuals or businesses that have failed to heed warnings to cease unlawful activity. We do not believe these policies are viable options for the issues related to our downtown establishments.

The only agency we found with a program we felt could be modified for use in Campbell is the City of San Jose. While their program is not currently in use, they are moving toward implementation of an impact fee for late night alcohol establishments within their Downtown Entertainment District. This fee program was approved by their Council in 2009. At the time of approval, establishments in the Entertainment District were supportive of change in the way police security was provided and appeared willing to pay impact fees to accomplish that goal.

San Jose's plan will assign a specific number of officers to patrol the Downtown Entertainment District. The amount each establishment will be charged will be based on that venue's occupancy in relation to the total occupancy of the entire district. For example, if the total occupancy for all venues with a permit is 1,000 and a nightclub has an occupancy of 200 (20% of the total) that nightclub would be responsible for 20% of the Entertainment District's overall bill for police services. We believe this policy may have merit and is worthy of further consideration.

Legal Considerations

Currently, our City Attorney is reviewing the City's legal authority to charge any type of fee related to late night alcohol establishments. Police services are considered to be "general services" and are usually tied to a city's general fund, not specifically to any business operation or district. While there may be some viable options such as self assessment by the associated businesses to pay additional fees for service, it appears the only method to levy fees without risk of legal challenge is to pass a voter-approved tax. Our City Attorney will be able to address these issues in more detail.

We have heard through the group called "Campbell Working Together" and also from a representative of the current downtown alcohol establishments that they may be willing to assess themselves a fee to offset the cost of police services in the downtown area during late night operations. They have indicated a willingness to discuss options related to costs, fees, and police service plans for the downtown area during late night operations.

We will have the City Attorney continue to review any legal issues associated with self assessment by the owners, imposition of impact fees, or levying an actual tax on the involved late night alcohol establishments.

Police Activity in the Downtown Area

In an effort to determine the impact of late night downtown alcohol establishments on Police Department resources, we studied three full years worth of police calls (2008/2009/2010) that occurred in the downtown area between the hours of 11:00 p.m. and 6:00 a.m. We found that police patrol officers handled an average of 661 calls annually in the downtown area during these hours.

Police Resources

Due to the disproportionate use of police resources in the downtown area during late night hours, the Police Department is currently examining various options for increasing police presence in the downtown area. One of the options being considered is the hiring of additional officers to augment existing police staffing with a focus on assigning these resources to the downtown area

Taxi Cab Stand

As requested, the Police Department met with a representative of a local taxi cab company to discuss the possibility of establishing a Taxi Cab Stand in Downtown Campbell. We learned that there is no strong desire from the taxi cab companies to have a Taxi Cab Stand in Downtown Campbell as the drivers experience little difficulty in picking up fares and feel a Taxi Cab Stand might actually restrict their ability to pick up fares from other areas of the downtown.

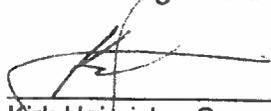
FISCAL IMPACT

Any changes to the Policy that would result in a greater number of late night alcohol establishments or increasing the occupancy of existing late night alcohol establishments could result in a higher cost of police services. If a "police services" impact fee is imposed as a condition of operations, some of those costs could be off-set.

ALTERNATIVES

1. Adopt changes to the Policy other than what is being recommended by the Downtown Sub-Committee.
2. Make no changes to the Policy.

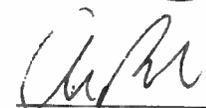
Prepared by:


Kirk Heinrichs, Community Development Director

Prepared by:


Greg Finch, Chief of Police

Approved by:


Al Bito, Interim City Manager

- Attachments:
1. Resolution and Draft Amended Policy
 2. September 6th Council Study Session Staff Report
 3. Letter from Chamber of Commerce

CITY COUNCIL MINUTES

City of Campbell, 70 North First Street, Campbell, California



REGULAR MEETING OF THE CITY COUNCIL

Tuesday, October 4, 2011 - 7:30 p.m.

Council Chamber – 70 N. First Street

Note: This regular meeting was duly noticed pursuant to open meeting requirements of the Ralph M. Brown Act, G.C. Section 54956.

CALL TO ORDER, ROLL CALL, PLEDGE OF ALLEGIANCE

The City Council of the City of Campbell convened this day in the regular meeting place, the City Council Chamber of City Hall, 70 N. First Street, Campbell, California.

Roll Call:

Present: Councilmembers: Waterman, Low, Cristina, Kotowski, Baker

Absent: Councilmembers: None

Pledge of Allegiance:

Mayor Baker led the Pledge of Allegiance.

SPECIAL PRESENTATIONS AND PROCLAMATIONS

There were no Special Presentations and Proclamations.

COMMUNICATIONS AND PETITIONS

There were no Communications and Petitions.

ORAL REQUESTS

Mark Ebner, Campbell resident, spoke about possible Brown Act Violation from members of the council. He also stated that the Downtown Alcohol Beverage Policy did not go through the proper Planning Commission review process and should there for be removed form the Agenda.

COUNCIL ANNOUNCEMENTS

The annual City-Wide Garage Sale will take place this Saturday, October 8th. Map pick-up locations will be available on the City's website on Wednesday, October 5th.

Next, State Senator Joe Simitian will hold a "Town Hall Meeting" on Wednesday, October 12th from 6:00 - 7:30 p.m. at the Campbell Library Community Room located at 77 Harrison Avenue.

I am pleased to announce that at the recent League of California Cities Annual Conference, our City was the grand prize winner of an electric vehicle charging station by Coulomb Technologies. Our City will now have a total of eleven charging stations installed by the end of this year.

Finally, the 4th Annual 5K Oktoberfest Run/walk will take place on Saturday October 15th at Campbell Park. The cost is \$25 for adults and \$15 for ages 19 and under. Pre-registration must be received by this Friday in order to receive a t-shirt.

For more information about these and other activities, please visit the City's website at www.cityofcampbell.com.

CONSENT CALENDAR

Mayor Baker asked if any Councilmember or anyone in the audience wished to remove an item from the Consent Calendar.

Councilmember Cristina asked to remove item 6.

The Consent Calendar was considered as follows with the exception of item 6:

1. **Approval of Minutes of September 20, 2011 Regular Meeting**

This action approves the Minutes of September 20, 2011 Regular Meeting.

2. **Approval of Minutes of September 20, 2011 Study Session**

This action approves the Minutes of September 20, 2011 Study Session.

3. **Approval of Bills and Claims**

This action approves the Bills and Claims in the amount of \$590,577.68 as follows: Bills and Claims checks dated September 12, 2011 in the amount of \$313,660.45; Payroll checks dated September 15, 2011 in the amount of \$229,598.51; and Bills and Claims checks dated September 19, 2011 in the amount of \$47,318.72.

4. **Monthly Investment Report – August, 2011**

This action is to note and file the Monthly Investment Report for August 2011.

5. **Commending Joanne D'Ambrosia for 20 Years of Service Upon Her Retirement (Resolution/Roll Call Vote)**

Resolution 11332 commends Joanne D'Ambrosia upon her retirement after twenty years of dedicated service with the City of Campbell.

M/S: Low/Waterman - to approve the Consent Calendar with the exception of Items 6. Motion adopted by the following roll call vote:

AYES: Councilmembers: Waterman, Low, Cristina, Kotowski, Baker

NOES: Councilmembers: None

ITEMS CONSIDERED SEPARATE FROM CONSENT CALENDAR:

6. **Ordinance 2151 approving City-initiated Text Amendment Amending Chapter 6.10 Nuisance Abatement and Administrative Penalties and Chapter 6.11 Smoking Pollution Control of the Campbell Municipal Code (Second Reading/Roll Call Vote)**

Councilmember Cristina stated that he was against this Ordinance and did not think it should pass.

M/S: Low/Waterman – that the City Council give second reading to Ordinance 2151 approving a City-initiated Text Amendment Amending Chapter 6.10 Nuisance Abatement and Administrative Penalties and Chapter 6.11 Smoking Pollution Control of the Campbell Municipal Code. Motion adopted by the following roll call vote:

AYES: Councilmembers: Waterman, Low, Kotowski, Baker

NOES: Councilmembers: Cristina

PUBLIC HEARINGS AND INTRODUCTION OF ORDINANCES

7. **Consider Establishment of the Mills Act Historic Property Tax Incentive Pilot Program for Residential Historic Resources within the City of Campbell (Resolutions/Roll Call Vote)**

Associate Planner Prosser – Staff report dated October 4, 2011

Bruce Heath, Campbell resident, spoke in support of establishing the Mills Act Historic Property Tax Incentive Pilot Program.

Laura Moore, Historic Preservation Board Member, clarified what the Mills Act is and stated that it is a very important program for the city to have.

Susan Blake, Historic Perservation Board Member, spoke in favor of establishing the Mills Act Historic Property Tax Incentive Pilot Program.

After discussion, **M/S: Kotowski/Waterman** - that the City Council adopted **Resolutions 11333** approving the establishment of a **Mills Act Historic Property Tax Pilot Program** for residential historic resources citywide; and **Resolution 11334** approving a modification of \$1,500 to the adopted City of **Campbell Fee schedule** in order to establish a **Mills Act Contract application fee**. Motion was adopted by the following roll call vote:

AYES: Councilmember: **Waterman, Cristina, Kotowski, Baker**

NOES: Councilmember: **Low**

UNFINISHED BUSINESS

There were no agendized items.

NEW BUSINESS

8. Consideration of Amending the Downtown Alcohol Beverage Policy (Resolution/Roll Call Vote)

Community Development Director Heinrichs – Staff report dated October 4, 2011.

Mayor Baker asked if there was anyone in the audience that wished to speak.

Kareli Sengstack, Campbell resident, stated that she agreed with the proposed amendments with the exception of changing the boundaries.

Barry Shilman, Campbell resident, stated that he wanted Council to find a solution to the late night alcohol problem.

Sam Ramirez, Campbell business owner, spoke in favor of the proposed amendments but had concerns about implementing an impact fee for late night alcohol establishments.

Ed Sengstack, Campbell resident, stated that he agreed with the proposed amendments with the exception of changing the boundaries.

Catherine Hickenbotham, Campbell resident, spoke against changing the policy.

Gerry Keloce, Campbell resident, spoke in support of a stand alone bar at 400 E. Campbell Avenue.

William Gates spoke in support of a stand alone bar at 400 E. Campbell Avenue.

Liz Gibbons, Campbell resident, asked how the Planning Commission would process applications under the new guidelines.

Susan Blake, Campbell resident, spoke against changing the boundaries.

Mark Ebner, Campbell resident, spoke against changing the policy.

Jeff Starbeck, Campbell business owner, spoke against implementing an impact fee for late night alcohol establishments.

Following City Council discussion, **M/S: Waterman/Low – that the City Council accept the Downtown Sub-Committee's recommendation to amend the Downtown Alcohol Beverage Policy with an amendment to not change the boundaries. Council also directed staff to obtain more information on possible alcohol impact fees. Motion adopted by the following roll call vote:**

AYES: Councilmembers: Waterman, Low, Baker

NOES: Councilmembers: Cristina, Kotowski

COUNCIL COMMITTEE REPORTS

9. **City Councilmember Reports/Updates on Committee Assignments**

--Councilmember Low attended the California League of Cities Conference and announced the recruitment of the City Manager position

--Councilmember Waterman thanked Sally Howe for helping put together the Wine Walk

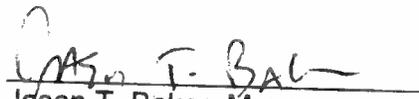
--Vice Mayor Kotowski reported on the California League of Cities Conference

--Mayor Baker reported on the Public Safety Policy Committee

ADJOURN

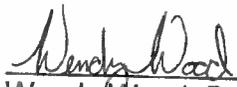
Mayor Baker adjourned the Council meeting at 9:08 p.m.

APPROVED:



Jason T. Baker, Mayor

ATTEST:



Wendy Wood, Deputy City Clerk



City Council Report

Item: 11.

Category: Public Hearings and
Introduction of Ordinances

Date: April 5, 2016

TITLE: Introduction of Ordinance Forming the Campbell Industrial Development Authority (First reading/Roll Call Vote)

RECOMMENDATION

That the City Council introduce an ordinance forming the Campbell Industrial Development Authority.

DISCUSSION

In October 1999, the City of Campbell and the Campbell Redevelopment Agency entered into the joint powers agreement that formed the City of Campbell Public Financing Authority (a joint powers authority). As a result of the Dissolution Act of redevelopment agencies, the current parties to the joint powers agreement are the City and the Successor Agency.

Joint powers authorities like the City of Campbell Public Financing Authority provide assistance to local agencies in connection with public financing transactions, most importantly, general fund lease financings.

The Dissolution Act provides that the Successor Agency will terminate its existence within one year following the date when all debt of the Successor Agency has been retired or paid off. The final Successor Agency bond payment is October 1, 2033. In order to ensure that the City will have access to a joint powers authority for assistance with future long-term financings, the City's two best options are to (i) amend the existing joint powers agreement to add a new counterparty to the City and remove the Successor Agency as a party, which would require Oversight Board and Department of Finance approval (and resulting delay) and (ii) form a new joint powers entity.

Staff is recommending that a new joint powers authority be created between the City and a public entity other than the Successor Agency. Staff believes that the best counterparty for a new joint powers agreement with the City would be the Campbell Industrial Development Authority, a new entity that would be governed by the City Council and that could enter into a joint powers agreement with the City.

The statutory purpose of the Industrial Development Authority is to increase opportunities for useful employment or otherwise contribute to economic development. Staff believes that the Industrial Development Authority will advance this purpose by forming a joint powers authority with the City.

The adoption of the Ordinance to form the Campbell Industrial Development Authority is scheduled for the City Council meeting on April 19, 2016.

JOINT POWERS AGENCY SCHEDULE

The following schedule details the steps necessary for the formation of the new joint powers agency:

Date	Action	Responsible Party
April 5	Introduction of Ordinance forming IDA	City Council
April 19	Adoption of Ordinance forming IDA and Resolution declaring City Council as Governing Board	City Council
May 19	Ordinance becomes effective	
June 7	Adoption of Resolution approving new JPA Agreement	City Council
June 7	Adoption of Resolution approving new JPA Agreement and Resolution approving other organizational matters	Industrial Development Authority
June 7	New JPA Agreement executed	City and IDA
June 7	Approval of bond documents	New JPA and City Council

FISCAL IMPACT

While there is no direct fiscal impact from the formation of the Industrial Development Authority, ultimately, the City and Successor Agency, as well as other taxing jurisdictions in Campbell, will realize a financial benefit from the reduction in debt service expenditures that will ultimately result from the refinancing process.

Prepared by: 

 Jesse Takahashi, Finance Director

Approved by: 

 Mark Linder, City Manager

Attachments:
 1. Ordinance

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CAMPBELL
FORMING THE CAMPBELL INDUSTRIAL DEVELOPMENT AUTHORITY**

WHEREAS, the City of Campbell (the "City") has determined that there is a need in the City for an industrial development authority to be formed under the California Industrial Development Financing Act, Title 10 (commencing with Section 91500) of the California Government Code (the "Act").

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CAMPBELL as follows:

Section 1. There is within the City a corporate instrumentality of the State of California known as the Campbell Industrial Development Authority.

Section 2. Pursuant to the Act, the City Council hereby declares that there is a need within the City for the Campbell Industrial Development Authority.

Section 3. The Campbell Industrial Development Authority shall function pursuant to this Ordinance and the Act.

Section 4. The City Council of the City of Campbell hereby declares itself to be the governing board of the Campbell Industrial Development Authority.

Section 5. This Ordinance shall take effect 30 days after its second reading and adoption.

PASSED and ADOPTED this 5th day of April, 2016, by the following roll call vote:

AYES: Councilmembers

NOES: Councilmembers

ABSENT: Councilmembers

APPROVED:

Jason T. Baker, Mayor

ATTEST:

Wendy Wood, City Clerk



*Campbell
Successor
Agency*

Item: 12.

Category: New Business

Date: April 5, 2016

TITLE: Authorizing Preparation of Proceedings for the Proposed Issuance of Bonds to Refund Outstanding Obligations of the Former City of Campbell Redevelopment Agency, Approving a Financing Team and Providing Other Matters Relating Thereto (Resolution/Roll Call Vote)

RECOMMENDATION

That the Successor Agency adopt the attached resolution authorizing the retention of consultants in connection with the proposed issuance of bonds to refund indebtedness of the former City of Campbell Redevelopment Agency.

BACKGROUND

The City of Campbell Redevelopment Agency (the "Former Agency") issued tax allocation bonds in 2002 and 2005 (the "2002 TABs" and the "2005 TABs", together the "TABs") and incurred an obligation to repay an advance (the "Advancement") made by the City to the Former Agency with respect to the 1997 Refunding Certificates of Participation (Civic Center Project) (the "1997 COPs") and the 2002 Refunding Certificates of Participation (Civic Center Project) (the "2002 COPs"). The repayment of the Advancement only pays for a portion of the principal and interest with respect to the 1997 COPs and the 2002 COPs.

The current outstanding par amount of the TABs is \$19,380,000 and the par amount of the 1997 and 2002 COPs subject to repayment of the Advancement is \$6,203,790. All of these obligations are presently callable at par or 100%.

With the passage of AB1484, the City of Campbell Successor Agency is authorized to issue refunding bonds to pay off outstanding indebtedness of the Former Agency. With current interest rates having declined, the opportunity to refinance the existing obligations, and realize savings for all affected entities, including the various Countywide taxing jurisdictions, now exists, and a financing team is being assembled to structure a refunding transaction.

DISCUSSION

The purpose for refunding the outstanding obligations of the Former Agency is to reduce the interest rate, which lowers the annual tax increment required to make debt payments and increases the share of tax increment available to the taxing entities, including the City.

Since the dissolution of redevelopment agencies, a refunding of outstanding obligations must be approved by the Successor Agency, the Oversight Board, and the Department

of Finance before refunding bonds can be issued. This additional level of oversight adds several additional months to the refinancing process.

An additional requirement of dissolution legislation is that the financing team includes an independent municipal advisor to generate a report confirming that the principal and interest on the new bonds is less than the principal and interest on the refunded obligations. This report must be on file with the Successor Agency and with the Oversight Board after having been approved by each body and, under the dissolution legislation, must be available to the Department of Finance.

Tonight's action is the first step in the process to refund the outstanding obligations of the former City of Campbell Redevelopment Agency. It is anticipated that the refunding will take approximately four months to complete. The key milestones to complete the refunding are identified below:

- Retention of Consultants
- Preparation of all required legal and disclosure documents
- Approval of documents by Successor Agency
- Approval by Oversight Board of Successor Agency action
- Submission to Department of Finance
- Approval by Department of Finance
- Bond Pricing
- Bond Closing and payoff of outstanding obligations

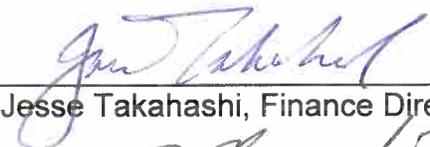
Approval of tonight's resolution will authorize the retention of the following consultants required to complete the refunding:

- Bond/Disclosure Counsel – Jones Hall
- Municipal Advisor – Fieldman, Rolapp & Associates
- Fiscal Consultant – Urban Analytics
- Trustee and Refunding Escrow Agent – TBD

FISCAL IMPACT

Based on current market conditions, it is anticipated that the refinancing of the outstanding obligations of the former Redevelopment Agency will generate savings in excess of \$4.0 million over the remaining life of the indebtedness. The average annual savings are estimated at more than \$450,000 per year with the debt retired on October 1, 2033. The City's share of the savings is approximately 13.5% or more than \$60,000 average annual savings per year. The actual savings will be determined at the time of sale of the refunding bonds. **The term of the refunding bonds is the same as the original term of the currently outstanding obligations and will not be extended.** These savings are net of the cost of issuance. The costs of issuance cover the fees of the municipal advisor, bond/disclosure counsel, fiscal consultant, escrow agent, trustee, Successor Agency staff, and other miscellaneous costs. All the cost of issuance fees are only incurred if the refinancing is approved, except for the costs of the fiscal

consultant. These costs are eligible to be included on the future Recognized Obligations Payment Schedule (ROPs) per the provisions of AB 1484 if the refunding fails to close. Both agreements of the municipal advisor and bond/disclosure counsel are contingent on the refinancing of the bonds.

Prepared by: 
Jesse Takahashi, Finance Director

Approved by: 
Mark Linder, Executive Director

Attachments:
1. Resolution

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF CAMPBELL SUCCESSOR AGENCY DIRECTING PREPARATION OF PROCEEDINGS FOR THE REFUNDING OF OUTSTANDING OBLIGATIONS OF THE FORMER CITY OF CAMPBELL REDEVELOPMENT AGENCY, APPROVING A FINANCING TEAM, AND PROVIDING OTHER MATTERS RELATING THERETO

WHEREAS, the City of Campbell Redevelopment Agency (the "Former Agency") was a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code of the State;

WHEREAS, Assembly Bill x1 26, effective June 29, 2011, together with AB 1484, effective June 27, 2012, codified Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) of Division 24 of the California Health and Safety Code (as amended from time to time, the "Dissolution Act");

WHEREAS, pursuant to Section 34172(a) of the Dissolution Act, the Former Agency has been dissolved and no longer exists as a public body, corporate and politic, and pursuant to Section 34173 of the Dissolution Act, the City of Campbell Successor Agency has become the successor entity to the Former Agency (the "Successor Agency");

WHEREAS, prior to its dissolution, the Former Agency incurred the following outstanding obligations (the "Outstanding Successor Agency Obligations"):

(i) \$15,300,000 City of Campbell Redevelopment Agency Central Campbell Redevelopment Project Tax Allocation Bonds, Series 2002 A (the "2002 Bonds") pursuant to an Indenture of Trust, dated as of September 1, 1999 (the "Master Indenture"), as supplemented by a First Supplement to Indenture of Trust, dated as of July 1, 2002;

(ii) \$12,300,000 City of Campbell Redevelopment Agency Central Campbell Redevelopment Project Tax Allocation Bonds, Series 2005A (the "2005 Bonds") pursuant to the Master Indenture, as supplemented by a Second Supplement to Indenture of Trust, dated as of May 15, 2005;

(iii) an obligation to repay an advance (the "Advancement") made by the City to the Former Agency, pursuant to a Third Amended and Restated Indebtedness Agreement, dated as of July 1, 2002 (the "Indebtedness Agreement"), by and between the City and the Former Agency, which repayments are payable directly to (A) U.S. Bank National Association, as trustee (the "1997 Trustee") with respect to the \$13,480,000 1997 Refunding Certificates of Participation (Civic Center Project) (the "1997 COPs") and (B) U.S. Bank National Association, as trustee (the "2002 Trustee") with respect to the \$11,930,843.30 2002 Refunding Certificates of Participation (Civic Center Project) (the "2002 COPs"); and

WHEREAS, Section 34177.5(a)(1) of the Dissolution Act authorizes the Successor Agency to issue refunding bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Refunding Law") to refund bonds or other indebtedness for the purpose of achieving debt service savings within the parameters set forth in Section 34177.5(a)(1) (the "Savings Parameters");

WHEREAS, the Successor Agency has determined that savings may accrue to the Successor Agency and to applicable taxing entities as a result of a refinancing of the Outstanding Successor Agency Obligations, to the extent they are eligible to be refinanced;

WHEREAS, the repayment of the Advancement only pays for a portion of the principal and interest with respect to the 1997 COPs and the 2002 COPs, and City staff has determined that savings may accrue to the City if the City concurrently refinances the portion of the 1997 COPs and the 2002 COPs that is not payable from the Successor Agency's repayment of the Advancement, to the extent that the 1997 COPs and the 2002 COPS are eligible to be refinanced;

NOW, THEREFORE, BE IT RESOLVED by the City of Campbell Successor Agency, as follows:

1. Direction to Refund. The Successor Agency hereby directs staff, to the maximum extent possible and subject to satisfying the Savings Parameters, to undertake the refunding of the Outstanding Successor Agency Obligations by the issuance of refunding bonds (the "Refunding Bonds"). The Successor Agency hereby directs staff to work with its financing team to prepare the legal documentation required for the issuance of the Refunding Bonds and to return to this Successor Agency for approval of the proposed Refunding Bonds.

2. Approval of Financing Team and Related Agreements. The Successor Agency hereby approves the appointment of the following firms to its financing team and hereby directs the Finance Director, as the chief financial officer of the Successor Agency, to execute agreements with each of such firms:

- (a) Jones Hall, A Professional Law Corporation, as bond counsel and disclosure counsel;
- (b) Fieldman, Rolapp & Associates, as municipal advisor;
- (c) Urban Analytics, as fiscal consultant; and
- (d) A corporate bank to be identified by the Finance Director after a competitive process to act as trustee and refunding escrow agent.

3. Effective Date. This Resolution shall take effect upon its passage and adoption.

PASSED AND ADOPTED this ___ day of _____, 2016, by the following roll call vote:

AYES : Board Members:

NOES : Board Members:

ABSENT: Board Members:

APPROVED:

Jason T. Baker, Chairperson

ATTEST:

Wendy Wood, Secretary



City Council Report

Item: 13.

Category: New Business

Date: April 5, 2016

TITLE: Authorizing Preparation of Proceedings for the Refinancing of Outstanding Certificates of Participation, Approving a Financing Team and Providing Other Matters Relating Thereto (Resolution/Roll Call Vote)

RECOMMENDATION

That the City Council adopt the attached resolution authorizing the refinancing of outstanding certificates of participation and approval of financing team and related agreements.

BACKGROUND

In October 1997, the City issued \$13,480,000 1997 Refunding Certificates of Participation – Civic Center Project (“1997 COPs”), to advance refund the City’s outstanding 1991 Certificates of Participation and to provide funds for certain street maintenance and improvement projects. At present, the 1997 COPs are outstanding in the principal amount of \$12,565,000.

In July 2002, the City issued \$11,930,843.30 2002 Refunding Certificates of Participation – Civic Center Project (“2002 COPs”) to refund the City’s 1993 Certificates of Participation and to provide partial funding for renovation and expansion of the City’s Police Department and construction of an animal shelter. Presently, the current interest portion of the 2002 COPs is outstanding in the principal amount of \$2,420,000. The 2002 COPs also have a capital appreciation certificates component with maturities from October 1, 2029 through October 1, 2032.

Under an agreement with the City, the Successor Agency of the former Campbell Redevelopment Agency reimburses the City for approximately 42% of the City’s debt service on the 1997 COPs and the 2002 COPs. This is an obligation to repay an advance (the “Advancement”) made by the City to the Former Agency with respect to the 1997 COPs and the 2002 COPs. As indicated, the repayment of the Advancement only pays for 42% of the principal and interest with respect to the 1997 COPs and the 2002 COPs.

The City is planning to refund the portion of the 1997 COPs and the 2002 COPs that is not payable from the Successor Agency’s repayment of the Advancement (the “General Fund portion”), to the extent that portion produces positive savings through the issuance of lease revenue bonds. At the same time, the Successor Agency is contemplating the refinancing of the remainder of the 1997 and 2002 COPs payable from the Successor Agency’s repayment of the Advancement through the issuance of tax allocation refunding bonds.

The current outstanding par amount of the general fund portion of the 1997 and 2002 COPs the City is planning to refund is \$8,781,210. It is presently callable at par or 100%.

DISCUSSION

The purpose for refunding the outstanding general fund portion of the 1997 and 2002 COPs is to reduce the interest rate and generate savings to the City's General Fund.

Tonight's action is the first step in the process to refund the outstanding general fund portion of the 1997 and 2002 COPs. As part of the refunding process, the City will be forming the Campbell Industrial Development Authority, a process necessary in order for the City to form a new joint powers agency and move forward with the issuance of lease revenue refunding bonds. It is anticipated that the refunding will take approximately four months to complete. The key milestones to complete the refunding are identified below:

- Request proposals for underwriting services and select underwriter
- Request proposals for trustee and refunding escrow agent and select trustee/agent
- Prepare all required legal and disclosure documents
- Secure a credit rating
- Approval by City Council/Joint Powers Authority of legal and financing documents
- Bond Pricing
- Bond Closing and payoff of outstanding obligations

Approval of tonight's resolution will authorize the retention of the following consultants required to complete the refunding:

- Bond/Disclosure Counsel – Jones Hall
- Municipal Advisor – Fieldman, Rolapp & Associates
- Trustee and Refunding Escrow Agent – TBD

FISCAL IMPACT

Based on current market conditions, it is anticipated that the refinancing will generate savings to the General Fund in excess of \$1.0 million over the remaining life of the indebtedness. The average annual savings are estimated at more than \$100,000 per year. The actual savings will be determined at the time of sale of the refunding bonds. **The term of the refunding bonds is the same as the original term of the currently outstanding obligations and will not be extended.** These savings are net of the cost of issuance. The costs of issuance cover the fees of the municipal advisor,

bond/disclosure counsel, escrow agent, trustee, rating agency, and other miscellaneous costs. All the cost of issuance fees are only incurred if the refinancing is approved, except for the costs of the rating agency. Both agreements of the municipal advisor and bond/disclosure counsel are contingent on the refinancing of the bonds.

Prepared by: 

Jesse Takahashi, Finance Director

Approved by: 

Mark Linder, City Manager

Attachments:
1. Resolution

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAMPBELL DIRECTING PREPARATION OF PROCEEDINGS FOR THE REFINANCING OF OUTSTANDING CERTIFICATES OF PARTICIPATION, APPROVING A FINANCING TEAM, AND PROVIDING OTHER MATTERS RELATING THERETO

WHEREAS, the City previously caused execution and delivery of the following certificates of participation (the "Outstanding Certificates of Participation"): (i) \$13,480,000 1997 Refunding Certificates of Participation (Civic Center Project) (the "1997 COPs") and (ii) \$11,930,843.30 2002 Refunding Certificates of Participation (Civic Center Project) (the "2002 COPs");

WHEREAS, a portion of the 1997 COPs and the 2002 COPs is payable from payments made by the City of Campbell Successor Agency (the "Successor Agency"), as the successor agency to the City of Campbell Redevelopment Agency (the "Former Agency"), in repayment of an advance (the "Advancement") made by the City to the Former Agency, pursuant to a Third Amended and Restated Indebtedness Agreement, dated as of July 1, 2002 (the "Indebtedness Agreement"), by and between the City and the Former Agency;

WHEREAS, the City has determined that savings may accrue to the City as a result of a refinancing of the Outstanding Certificates of Participation, to the extent they are eligible to be refinanced, and the Successor Agency expects to concurrently refinance its repayment obligation under the Indebtedness Agreement, to the extent it is eligible to be refinanced;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Campbell, as follows:

1. Direction to Refund. The City Council hereby directs staff, to the maximum extent possible, to undertake the refunding of the Outstanding Certificates of Participation by the issuance of refunding certificates of participation or lease revenue bonds (the "Refunding Obligations"). The City Council hereby directs staff to work with its financing team to prepare the legal documentation required for the issuance of the Refunding Obligations and to return to this City Council for approval of the proposed Refunding Obligations.

2. Approval of Financing Team and Related Agreements. The City Council hereby approves the appointment of the following firms to its financing team and hereby directs the Finance Director to execute agreements with each of such firms:

- (a) Jones Hall, A Professional Law Corporation, as bond counsel and disclosure counsel;
- (b) Fieldman, Rolapp & Associates, as municipal advisor; and

- (c) A corporate bank to be identified by the Finance Director after a competitive process to act as trustee and refunding escrow agent.
- 3. Effective Date. This Resolution shall take effect upon its passage and adoption.

PASSED AND ADOPTED this ___ day of _____, 2016, by the following roll call vote:

AYES : Councilmembers:

NOES : Councilmembers:

ABSENT: Councilmembers:

APPROVED:

Jason T. Baker, Mayor

ATTEST:

Wendy Wood, City Clerk



City Council Report

Item: 14.
Category: New Business
Meeting Date: April 5, 2016

TITLE: BMR Administrator Proposal Update

RECOMMENDATION

That the City Council take the following actions:

1. Authorize staff to schedule interviews with the Subcommittee and the recommended candidates for the expanded scope of services.
2. Authorize the City Manager to negotiate a contract with the highest-ranked candidate, as recommended by the Subcommittee following interviews.
3. Direct staff to return to the City Council with a draft contract for review and approval by the City Council.

BACKGROUND

On January 19, 2016, the City Council authorized the distribution of a Request for Proposals to administer the City's Below Market Rate (BMR) Housing Program. The Council appointed a Subcommittee consisting of Vice Mayor Gibbons and Councilmember Resnikoff to review the proposals and then requested that the proposals be brought back to the City Council for review prior to scheduling consultant interviews. The Council also asked for a cost breakdown for a standard and expanded scope of work.

Staff distributed the RFP to 14 parties including housing consultants and governmental agencies. Staff received proposals from five candidates: Hello Housing, House Keys, the Housing Trust Silicon Valley, Palo Alto Housing Corporation, and West Valley Community Services (**Attachment 1**). All five proposals were distributed to the Council Subcommittee on February 10, 2016, one day following the submittal deadline.

DISCUSSION

Subcommittee Recommendation

Proposal Review and Initial Recommendation: On March 23rd, the BMR Administrator Subcommittee met with staff to review the five proposals (**Attachment 2**). Following a thorough review of the five proposals, the Subcommittee recommended moving forward with the three proposals that offered the most experience for the requested scope of services: Hello Housing, House Keys, and Palo Alto Housing Corporation. While the Housing Trust of Silicon Valley and West Valley Community Services each currently administer a BMR program for one other City, both of these agencies have a primary focus on other housing related activities. Furthermore, while the Housing Trust has extensive loan administration experience, they have only been administering the City of Santa

Clara's program for about a year. Likewise, while West Valley Community Services has been managing Cupertino's BMR program for 20+ years, the agency has little to no loan administration experience.

Recommended Scope of Services: The Subcommittee recommended that the BMR Administrator provide the expanded scope of services including general administration, loan administration, annual monitoring of existing BMR units, and the processing of new BMR units. The Subcommittee is recommending a full accounting of the City's existing BMR housing stock in the first year, given the three to four year lag in program oversight following the loss of a dedicated Housing Coordinator in 2012. A full accounting would include verifying that each of the 70+ BMR homeowners are in compliance with their BMR Restrictions Agreement and that each of the 284+ BMR rental tenants currently meet program income limits. The full accounting would also include loan compliance verification.

The need for a BMR Administrator is evidenced by recent issues including program qualification concerns and an unpermitted transfer of ownership of a BMR home. There is also some evidence that some BMR homeowners are not living in their home, another potential default of the BMR Agreement that the City makes with each homeowner. A set of BMR Program Guidelines that would be referenced in the Inclusionary Housing Ordinance should be prepared to address these types of issues.

Initial Cost Estimate and Potential Cost Savings: The initial cost of this full accounting is estimated to be approximately \$200,000 to \$400,000 in the first year (**Attachment 3**). However, these costs could be lower in future years by limiting the number of units monitored each year with a goal to audit all of the units over a specified number of years. The cost to the City could also be reduced by charging homeowners a fee to process BMR home re-sales as well as loan subordinations and payoffs. Additional cost recovery could come from charging the developer a fee to cover the costs associated with allocating new BMR units. This task is currently handled by the developer at their own cost, but has proved to be very inefficient. This task can be burdensome for the developer who may have difficulty finding a legitimately qualified buyer or rental tenant. The City would need to adopt a fee schedule to recapture these transaction costs and include those costs in the Affordable Housing Agreement and/or the conditions of approval for each project. In the case where existing entitlements have not collected these fees, staff will need to work with the developer to determine the process for allocating new BMR units.

Next Steps

Staff will schedule Subcommittee interviews with the recommended candidates, or as directed by the City Council. Following a recommendation by the Subcommittee, the City Manager will negotiate a contract with the highest-ranked candidate, using the City's standard Professional Services Agreement. The Agreement will be reviewed by the City Attorney prior to distribution to the consultant who, in turn, will have their legal counsel review the agreement. The final draft contract will be provided to the City Council for review at a future meeting. Following approval by the Council, the City Manager will award and execute the agreement with the consultant.

FISCAL IMPACT

The fiscal impact is not known at this time, but the initial cost is estimated to be approximately \$200,000 to \$400,000 in the first year, as discussed above. The cost could be significantly lower in future years by limiting the number of units monitored each year and by charging the developer a fee to process new BMR units.

ALTERNATIVES

1. Authorize a more limited scope of services.
2. Direct staff to consider an alternative, such as hiring a dedicated Housing staff person with experience in BMR administration, loan administration, and other tasks as needed.
3. Do not authorize staff to move forward with the RFP process or any other alternative.

Attachments:

1. Proposals
2. Proposal Summary and Comparison Matrix (five proposals)
3. Cost comparison matrix (three proposals)

Prepared by:


Cindy McCormick, Senior Planner

Reviewed by:


Paul Kermoyan, Community Development Director

Reviewed by:


Jesse Takahashi, Finance Director

Approved by:


Mark Linder, City Manager

Proposals Received from Five Candidates:

- Hello Housing
- House Keys
- Housing Trust Silicon Valley
- Palo Alto Housing Corporation
- West Valley Community Services



hello housing making places where people thrive

City of Campbell

Request for Proposal – Below Market Rate Program Administration

February 9, 2016



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1. COVER LETTER



hello housing making places where people thrive

February 9, 2016

BMR Administrator RFP Sub-Committee
70 N. First Street
Campbell, CA 95008

RE: Request for Proposal to provide Below Market Rate Program Administration

Dear Sir or Madam,

On behalf of Hello Housing, I am pleased to submit the enclosed response to the City of Campbell's Request for Proposal. Our staff has significant relevant experience, established best practices and a wealth of knowledge regarding the unique questions and challenges that arise daily in managing a BMR program. We would be thrilled to have the opportunity to support the City of Campbell in achieving its affordable housing goals and objectives.

As is further described in the enclosed response, Hello Housing has significant experience with:

- Management of BMR home ownership and rental programs;
- Compliance monitoring of deed-restricted BMR portfolios;
- Management of the marketing and sale of inclusionary BMR homes;
- Financial underwriting of BMR program applicants;
- BMR document preparation and escrow coordination;
- Subordination, pay-offs, reconveyance and loan tracking of homeowner loan portfolios; and
- Program design, program evaluation and policy recommendations.

Many thanks for your consideration. Please feel free to give me a call at (415) 828-4388 or Matt Warner, Program Director of Hello Stewardship at (415) 689-7746 with any questions.

Sincerely,

Mardie Oakes
Executive Director

2. PROGRAM ADMINISTRATION

A. Our Approach

Hello Housing, a 501(c)3 nonprofit organization, develops and preserves affordable housing for traditionally underserved communities. We are skilled at co-creating and managing innovative housing programs with government partners and their constituencies. In response to requests from local governments, we have established an organizational culture and delivery model that allows us to be nimble and to respond quickly to the needs of our stakeholders and partners. By offering a variety of housing development, management and administration services, Hello Housing helps local governments achieve their goals by deploying scarce affordable housing dollars in a timely, cost-effective and responsible manner. Our approach to managing Below Market Rate (BMR) Programs is to Simplify, Serve and Sustain.

SIMPLIFY We invest heavily in setting up programs for success. We create a custom webpage for each program we manage, clarifying program guidelines and providing downloadable access to key forms for program participants. We scan each file for efficient reference. We enter key data into our online Salesforce database, providing us and our partners with homebuyer details and transparent reporting at the touch of a button.

SERVE With the elimination of redevelopment agencies and the transfer of many BMR portfolios to successor agencies without admin dollars, there can be a great deal of confusion among BMR owners. This lack of clarity creates stress for the owner and presents real challenges for municipalities charged with serving its citizens. We provide relief to jurisdictions by educating BMR owners about ongoing program requirements, helping owners through the refinance and resale process and providing active management when something goes wrong.

SUSTAIN Hundreds of millions of taxpayer dollars have been invested into affordable homeownership and rental programs in California. Like any investment, active management is necessary to reduce the risk of loss or abuse. Without the dedicated support of people who understand the program, owners of Below Market Rate home may lose their home to foreclosure, ending up worse off than when they started. Hello Stewardship follows national best practices to preserve BMR homes for generations.

By providing active, professional and affordable administration of Below Market Rate (BMR) ownership, rental and loan programs, Hello Stewardship helps jurisdictions achieve their program goals within a context of limited resources. When managed well, BMR programs create real opportunities for low- and moderate-income families to improve their lives. In the case of homeownership, this means homebuyers not only purchase a home, but are able to stay in their home and use the benefits of participating in a BMR program to enter the conventional homebuyer market. In the case of rental, this means residents are able to feel secure in knowing their rent will remain affordable based on their specific circumstances, rather than be left to the market forces which are driving working families out of the Bay Area.

B. Our Organizational History

Launched in 2005, we hit the ground running as the master developer of the Bay Area Housing Project (BAHP), an innovative, \$100 million public-private partnership which created community-integrated, permanent, scattered-site housing for people with developmental disabilities leaving Agnews Developmental Center, a large state-run institution slated for closure. Specialized homes are located in 19 cities (including the City of Campbell) throughout San Mateo, Santa Clara and Alameda Counties. Today, Agnews is closed and over 240 individuals are thriving in the community among family and friends at a lower cost to the State of California. *A rare win-win.*

As the master developer, Hello Housing was responsible for all phases of development including assembly of financing, site acquisition, loan closings, entitlement and design development. We managed all budgeting for the BAHP project, balancing multiple sources and uses with varying restrictions and terms. Given the complexity of the projects, we worked closely with the numerous stakeholders involved, including but not limited to the Department of Developmental Services, three Regional Centers, three non-profit housing agencies, 22 service provider agencies, and three lending agencies, all along staying committed to understanding everyone's needs and ensuring their expectations were met. In addition, we managed ten architects, six general contractors, engineers, interior designers, and other various consultants. One of the key components to completing the BAHP project on time and on budget was ensuring oversight of the general contractors and daily site supervision at all 60 sites. Recognizing the intricacy and uniqueness of the BAHP project, we developed a process for each development phase, from site identification, the design phase, permitting, construction, and permanent loan closing phase.



Expanding Into Homeownership

Based on our unique experience doing scattered-site, acquisition/rehab of single-family homes, we were perfectly positioned to address the foreclosure crisis. In 2009 and 2010, we were competitively awarded nearly \$10 million in HUD's Neighborhood Stabilization Program (NSP) funds. By leveraging these funds with a \$2.7 million revolving line of credit from Clearinghouse CDFI, a mission-driven private lender, we are making a tangible difference in some of the most affected neighborhoods throughout the East Bay. To date, we have acquired 51 foreclosed homes, 44 homes have been fully renovated and sold to qualified families, four have been fully renovated and provide permanent affordable housing units for adults with mental illness who are homeless or at risk of homelessness and three have been fully renovated and provides permanent affordable housing units for adults with physical disabilities transitioning out of an institutional setting and into the community. Now in our fourth and final round of recycling NSP funds, we are preparing to purchase a small multi-family property, creating five units of long-term, deeply affordable housing for individuals who desire to leave institutionalized nursing facilities. We are implementing the program in the hardest-hit areas of unincorporated Alameda County, and the cities of Livermore, San Leandro, San Lorenzo, Newark, Hayward, Fremont, Union City, Dublin, Berkeley, and Pleasanton. The total project cost is approximately \$30 million. This

work has not only stabilized communities most impacted by the foreclosure crisis, it has also led to innovative public-private partnerships with cities, counties and mission-oriented developers across the Bay Area. In 2013, Hello Housing was hired to administer the City of Oakland's Community Buying Program focused on addressing abandoned and blighted properties throughout city neighborhoods impacted by the economic crisis and resulting foreclosures. Hello Housing is currently in partnership with the County of Alameda's Tax Collector to purchase 32-tax defaulted vacant and abandoned lots scattered throughout residential neighborhoods in Oakland for the development of homeownership and rental opportunities for low and moderate income earning individuals and families. This innovative pilot project is the first of its kind and will hopefully act as a model for other communities facing similar challenges with vacant, blighted and underutilized properties.

The Resale Challenge

Recognizing the challenges of marketing a new government program and attracting income-qualified homeowners, especially in the midst of a very noisy foreclosure environment, Hello Housing took the lead in creating HomeHub, a regional marketing platform, designed to help homebuyers, realtors and lenders learn about NSP homeownership opportunities being offered in 20+ Bay Area cities. This platform increased the pool of qualified buyers, shortened the sales cycle, and allowed for faster recycling of NSP funds, which resulted in more homes renovated and more families served. The primary feature of HomeHub was a user-friendly, searchable website (www.homehub.org) much like Trulia, or Zillow where buyers and their realtors could easily search for affordable homes.



Transforming Blight into Housing for the Homeless and Disabled

In addition to homeownership efforts, and on behalf of local municipalities, Hello Housing has successfully implemented a Mental Health Services Act (MHSA) Shared Housing Program combining NSP funds with MHSA funds to transform four blighted properties into 14 units of permanent, green supportive housing for adults with mental illness who are homeless or at risk of homelessness. Also, with our last round of NSP funds, Hello Housing is currently developing up to five units of permanent, supportive housing for individuals with physical disabilities and/or developmental disabilities who qualify for California Community Transitions (CCT) demonstration project in Alameda County. The CCT project is a federally funded program administered by the California Department of Health Care Services (DHCS), designed to assist individuals who are currently residing in an institutional setting and would prefer to transition into the community where they would receive quality, cost-effective services.



C. Experience Managing BMR Programs

Since 2009, Hello Housing has developed unique expertise in all facets of affordable homeownership. By acquiring, renovating, and reselling homes for multiple local jurisdictions under the federal NSP program, Hello Housing is a go-to agency for the development, management and administration of homeownership programs. A key component to a successful affordable homeownership program is the identification and qualification of homebuyers, helping them navigate the complex purchase process. With NSP, the organization focused its efforts on creating a program that balanced the needs of the government partner (public good) and the homebuyer (private good) within the context of the homeownership market. After attempting to work with two homebuyer counseling agencies, we found that there was a lack of continuity in staffing and management of contracts, at which point we engaged HomeBricks, an affiliate of BRIDGE Housing, to facilitate the purchase process from application through closing, while making sure that all lender and government agencies' requirements were met. We finally found a partner in HomeBricks that professionally managed the process.

As a result of a shift in strategy by BRIDGE Housing in the fall of 2012, Hello Housing assumed all of HomeBricks' homeownership activities under its new program, Hello Stewardship. The director of HomeBricks, Tom Casey, joined the Hello Housing board, and Hello Housing hired their key staff person, Matt Warner. By bringing on Tom and Matt, the transition from HomeBricks to Hello Housing was smooth.

Since the launch of Hello Stewardship, Hello Housing has grown its BMRs under management from 158 to 863. In January 2013, Hello Housing was one of ten organizations nationwide awarded multi-year funding from the Social Innovation Fund and the Ford Foundation to build its capacity to professionally manage BMR programs using national best practices. This financial support and technical assistance has allowed the organization to invest in HomeKeeper, a Salesforce database designed for BMR programs, to efficiently manage the portfolio. This platform radically increases the level of complexity that can be managed by a small staff, making each file's unique details easily accessible. An added benefit of using HomeKeeper is the ability to participate in a National Data Hub, an ambitious effort to improve program management and collect impact data for BMR programs. The Hub seamlessly aggregates and crunches a subset of data from all HomeKeeper users to calculate a set of social impact metrics. Within the year, Hello Housing will be able to view reports that compare the impact of its programs to those of its peers. These comparisons are not public, but they will provide a critical feedback loop Hello Housing. In 2015, in response to demand from Bay Area cities, Hello Housing has added BMR rental compliance to its offerings with 123 units under management to date.

Preserving BMRs at Risk of Loss

Taxpayers invested millions into two affordable homeownership developments in the City of Novato. Like many BMR projects that were developed in the early 2000s, property values dropped below the original BMR sales price after the crash, leaving many BMR owners underwater. Combined with the financial hardships of the recession, these developments were not immune to the foreclosure crisis. To make it even more challenging, after the dissolution of redevelopment agencies, Notices of Default and Notices of Trustee's Sales were being mailed to defunct addresses, preventing the City from having sufficient time to act. In collaboration with the City, Hello Housing developed a "buy-back feasibility tool" which guides the Hello team in preserving a BMR unit that would otherwise be lost to foreclosure.

For example, Hello Housing recently learned on a Friday afternoon about a BMR unit scheduled for trustee's sale the following Wednesday. Hello Housing was able gather the necessary data to present a financial analysis and recommended maximum bid price for City approval. Hello attended the auction, educating other bidders that if they were to buy the home, they would be subject to the City's affordability restrictions. This allowed the City to get the home at the opening bid price. Hello Housing is now in the process of relocating the former owner and preparing the home for resale. The home will be affordable to the AMI of the original buyer with the resale restriction in tact.

Due to the discounted auction price, the City will maintain the affordability of the unit while also collecting sales proceeds to help fund its BMR program administration.

Hello Stewardship's activities to-date include:

- County of Alameda: Sale of 36 newly remodeled NSP homes affordable to LMI buyers, ten of which have resale-restrictions.
- City of Livermore: Sale of ten newly remodeled NSP homes developed by Hello Housing and affordable to LMI buyers.
- Signature Homes: Managed the sale of Signature Homes' 15 inclusionary BMR homes in Candlestick Cove. Hello Housing created and implemented the marketing plan, held informational workshops, performed buyer qualification, conducted lotteries and facilitated close of escrow.
- City of Alameda: Managing the City's BMR portfolio (98 homes) and down payment assistance loan programs. Hello Housing processes and underwrites the loan applications, creates closing documents, coordinates escrow, and performs ongoing compliance monitoring activities. In addition, Hello Housing facilitates the marketing and sale of all BMR homes, including pricing, listing agent coordination, and buyer qualification.
- City of Concord: Managing the City's BMR portfolio (16 homes) and First Time Homebuyer Program. Hello Housing processes and underwrites applications, creates closing documents, coordinates escrow and performs ongoing monitoring of the City's portfolio of FTTHB loans and BMR loans (42 loans). In addition, Hello Housing facilitates the resale of all BMR homes.
- City of Novato: Managing the City's BMR portfolio (408 homes). Hello Housing conducts site inspections, holds workshops, processes subordination requests, creates closing docs, facilitates all resales and provides ongoing recommendations to City staff regarding policy improvements, including direct briefings with City Council members on complex issues.
- City of Menlo Park: Managing the City's BMR portfolio (63 homes) and servicing the City's purchase assistance loans, rehabilitation loans and emergency renovation loans (55 loans). Hello Housing services the loans with monthly payments, tracks loans with deferred payments, performs ongoing compliance monitoring activities, reviews refinance requests, processes subordination requests and facilitates the resales of all BMR homes. Through a special contract in 2015 with Menlo Park, Hello Housing performed significant outreach and brought, to date, 30 out of 42 borrowers out of delinquency into compliance.
- City of Livermore: Managing the City BMR (102 homes) and down payment assistance loan portfolio (81 loans). Hello Housing facilitates the sales of all new units, resale of existing BMR homes, issues new loans and processes refinance requests.
- City of Pleasanton: Managing the City BMR portfolio (116 homes). Hello Housing facilitates the sales of all new units, resale of existing BMR homes, performs compliance monitoring and processes refinance requests.
- Town of Los Gatos: Managing the Town's BMP portfolio of ownership and rental housing (50 ownership and 119 rental homes). Hello Housing processes and underwrites the BMP applications, creates closing documents, coordinates escrow, and performs ongoing compliance monitoring activities. In addition, Hello Housing facilitates the marketing, sale and rental of all BMP homes, including pricing, listing agent coordination, and buyer qualification.

Adapting Programs to Reflect New Market Conditions

In 2009, when Hello Housing first started buying, renovating and selling foreclosed homes in the hardest hit neighborhoods in the East Bay, there were virtually no lenders willing to lend on home with long-term affordability deed restrictions. Hello Housing met the federal requirements of long-term affordability by providing down payment assistance instead, allowing the organization to move forward and impact neighborhoods when inventory was available and prices affordable.

Fast forward to 2012. The inventory of REO homes has dried up, cash investors are driving up prices, and credit markets are loosening up again. Recognizing the new market conditions, Hello Housing reworked its program for its final ten for-sale homes to require 30-year resale restrictions. Overnight, the number of offers on Hello Housing's homes dropped from thirty to three, which helped the organization sell these homes to households that are most likely to be committed to long-term ownership, or who are vested in the philosophy of the program.

- BRIDGE Housing: Managing BRIDGE Housing's refinancing and subordination requests for their Mortgage Assistance Program loans (200 loans).
- City of Concord: Managing the City's Housing Rehabilitation Loan and Grant Programs. Hello Housing processes and underwrites the loan and grant applications, completes environmental reviews, creates closing documents, coordinates escrow, and performs construction inspections and progress site visits. The program is available to income-eligible homeowners living within the City boundaries.
- City of Daly City: Consulted with Daly City to create a Deed Restricted BMR program in response to the City's adoption of an inclusionary ordinance.
- Tri Pointe Homes: Managing the sale of Tri Pointe Homes' 16 inclusionary BMR homes in Alameda Landing. Hello Housing created and implemented the marketing plan, held informational workshops, perform buyer qualification, conduct lotteries, create closing documents and facilitate close of escrow.
- Lennar: Managing the sale of Lennar's 12 inclusionary BMR homes in Daly City and 16 inclusionary units in Alameda. Hello Housing will create and implement the Marketing plan, hold information workshops, perform buyer qualification, conduct lotteries, create closing documents and facilitate close of escrow.

D. Compliance Issue Resolution Example

To illustrate an example of Hello Housing addressing a compliance issue, we are providing the story below. This is a true story and details how Hello Housing responding to an issue of BMR homes being lost due to foreclosure. We drafted this story as an exercise with Goodman Center and was featured as a blog post on Cornerstone Partnership's website.

Saving Affordable Homes in the City of Novato, a Hello Housing Story

(<http://www.affordableownership.org/saving-affordable-homes-in-the-city-of-novato/>)

"If you make an announcement to the crowd, you can be charged with a misdemeanor," says the auctioneer.

Matt Warner, program manager for Hello Stewardship, never thought choosing a career in affordable housing could land him in jail. "Well, I need to let everyone know that if they buy this home, they are subject to the City's affordability restrictions. So what are my options?"

"You can talk to each bidder individually."

Matt surveys the room full of hungry bidders, looks at his watch and starts moving through the crowd. "Hi, I'm Matt Warner and I'm here on behalf of the City of Novato. Are you familiar with the restrictions that you'll be subject to if you buy this home?" casually waving a huge stack of legal documents.

This is Wednesday morning. Late afternoon, the Friday before, Matt had at least two hours of work ahead of him when his phone rang. It was a resident in one of the homeownership developments Hello Housing manages on behalf of the City asking about her neighbor's home. She'd seen a Foreclosure Notice posted on the door and was curious what was happening. The neighbor shared the auction was scheduled for Wednesday morning. This was the first Matt was hearing of this situation.

Matt thanked the neighbor, took a deep breath, and started making calls.

First, he called Hans, the program manager with the City, to see if they'd received any notices. Unsurprisingly, the answer was no. The combination of stale addresses for the defunct redevelopment agency combined with banks not following proper notification procedures means that the City is often given no advance notice of a BMR home at risk of being lost to foreclosure.

Second, Matt called the Trustee to confirm the auction date and to see if there was a published opening bid. "The minimum bid price will be available 24 hours before the auction," said a pre-recorded message.

Next, he tried to call the owner with no luck. He dispatched Hello Housing's local realtor partner to go knock on the door. Ideally, there would be a way to stop the auction to buy some time to hatch a plan.

Then, he called the Title Company to place a rush order on a preliminary title report so he could learn whether there were any outstanding liens on the home.

Next, he called the HOA to find out whether the owner had a balance due. The City had adopted a policy that would bring any HOA back dues current if they were to buy a BMR home back at auction.

All of these pieces of information would help Matt prepare an analysis which would need to be presented to City staff by mid-day on Tuesday for the City to have time to cut cashier's checks by Wednesday morning. Because the owner was unreachable, there was no way to learn whether the home was in need of major rehab, or whether the owner still resided in the home, making them eligible for some relocation assistance. So, the team decided to include conservative numbers in the feasibility analysis.

Since Hello Housing began working with the City ten months prior, this was the fourth home at risk of being lost due to foreclosure. The first home served as the guinea pig for creating a detailed "City Buy-Back" process. By creating a clear road map and a spreadsheet template detailing all the possible costs to buy-back and resell a BMR home, everyone could act swiftly to gather the information and resources needed to preserve the home. Because of the low opening bids, and the high cost of housing in the City of Novato, the City has been able to preserve the long-term affordability of the home while collecting sales proceeds that they reinvest into the BMR program. The first home netted the City \$103,000, the second and third were projected to net another \$120,000 which meant there was plenty of room to take a loss on the fourth home in order to save the home.

"We are ready to begin the auction. Opening bid is set at \$90,000" says the auctioneer.

Matt looks around the room. The crowd has thinned out dramatically after he shared the restrictions. "\$91,000" says Matt, holding up his paddle. The room is silent. After asking the room several times for other bids, the auctioneer says, "The bid sits with me at \$95,000." Matt quickly realizes that the opening bid was not the price the bank was willing to accept. So, a bidding war ensues between Matt and the auctioneer until Matt bid \$131,000. The auctioneer announces that Matt was the winning bid and hands him a pile of paperwork.

Matt calls Hans to let him know they are the new new owners of an old BMR. He then texts the Hello Housing team, "WE GOT IT!"

Thursday morning, the Hello Housing team gathers around the conference table to starts mapping out next steps...

The City of Novato, like most cities in California, has been left with a skeleton crew of staff charged with managing millions in affordable housing assets. City Council and staff in Novato have taken a proactive approach to preserving the \$30 million in taxpayer dollars invested in their BMR developments. For example, the City Council approved the use of General Funds on a short-term basis to buy back BMRs and to hire Hello Housing to professionally manage the BMR program. The team at Hello Housing has been able to help the City act quickly and strategically to buy back homes that would otherwise be lost. With housing prices on the rise once again, preserving these homes is critical to maintaining a diverse, healthy and affordable community where people can live and work. And, with high cost of new development and the loss of public subsidies, the most cost-effective way to offer affordable homeownership for working families is to preserve existing homes rather than build new ones.

3. PROGRAM ADMINISTRATION

A. Brief Narrative

Hello Housing, a non-profit serving the greater Bay Area, is uniquely positioned to offer comprehensive BMR portfolio administration services to the City of Campbell (the “City”). Hello Stewardship, a program of Hello Housing, currently manages an array of homeownership, home repair and rental programs for eight jurisdictions and provides active management of 863 deed-restricted homes. Hello Housing has a proven track record in each of the requested services. Hello Housing is one of ten organizations nationwide awarded multi-year funding from the Social Innovation Fund and the Ford Foundation to build its capacity to professionally manage BMR programs using national best practices.

B. Strategies for Implementation

Hello Housing offers comprehensive administration services for the management of BMR programs. Below are our proposed strategies and methodologies for managing the City’s program.

a. Program set-up.

Hello Housing will draft and send an introduction letter to all BMR owners and BMR rental property managers announcing the change in BMR program administrators. Hello Housing will set-up a dedicated webpage on its website with program information, FAQ’s and contact information for BMR Program Manager. Hello Housing will review all digital files and enter BMR owners into Salesforce database for ongoing administration. Hello Housing will create flow charts for the resale and refinance process identifying each activity and responsible party for each action and will submit for City approval. Hello Housing will review City’s application, procedures, and/or guidelines and suggest modifications that are in-line with industry best practices, if applicable.

b. Ongoing BMR administration.

Hello Housing will field all program inquiries, maintain a dedicated program webpage, advertise the BMR program, provide applications upon request, maintain a waitlist of qualified buyers and maintain a preferred BMR lender list that have program documents approved. Hello Housing will provide a semi-annual report to the City outlining BMR program activity. Hello Housing will offer translation services in Spanish as needed. At the request of the City, Hello Housing will provide BMR Prices for new BMR projects, suggest modifications to the program and assist City staff on program related matters.

c. Annual compliance monitoring of BMR ownership and loan portfolios.

Hello Housing will annually send up to three letters to BMR homeowners and borrowers requesting verification of occupancy and any other compliance requirements of the program. Upon completion of annual monitoring and compliance, Hello Housing will provide the city with a monitoring report summarizing the findings and listing detailed information regarding non-responders or non-compliant responders. Please refer to **Section 3 - D** for a sample monitoring report. All monitoring results will also be tracked in our Salesforce database. Should owners and borrowers be in non-compliance and the City wish to take action, Hello Housing has worked closely with other City’s to enforce program restrictions and would be available Optional - Hello Housing will annually send newsletters to BMR owners sharing helpful resources available to them and a home maintenance checklist.

d. Annual compliance monitoring of BMR Rental portfolio.

Hello Housing will coordinate with BMR rental property managers to get updated lists of rent restricted tenants, addresses lease dates and rent amounts. Hello Housing will annually mail a re-certification application with a list of required supporting documents. Hello Housing will follow-up with tenants for missing documents up to three times. Hello Housing will underwrite each tenant for income, program eligibility and affordable rent levels. Hello Housing will then send a report with its compliance findings to the City and to the property managers.

e. Process the sale and resale of BMR homes.

Hello Housing will prepare marketing material and will advertise units through email blasts to dedicated leads, listings on our website and the current waitlist. Interested homebuyers can also sign up via our website to receive email blasts of available units or when Hello Housing is accepting new applications to the waitlist. Please refer to **Section 3 - D** for a sample marketing flyer. Hello Housing will perform a site inspection to determine any repairs any repairs needed before listing the home for sale. Hello Housing will calculate the restricted resale price as outlined in the City agreements, create a resale application to be uploaded on our website and provided to the listing agent to distribute to prospective applicants during the open house. The necessary education about program requirements, a responsibility matrix and the timeline will also be provided to listing and buyer agents, as well as answering all calls and emails from the public and providing the guidance required. Hello Housing will screen applications for completeness and preference points to determine the ranking order for program eligibility and approval. Hello Housing will collect all backup documentation from applicants to be screened and reviewed for income and program eligibility. Please refer to **Section 3 - D** for a sample application screening worksheet. A complete file will then be sent to the City along with an income calculator, detailed checklist and our recommendation for approval. Once the City approves the file, we will begin collecting the required information from escrow and the lender that is needed to complete the City documents including restrictions, notes, DOTs and escrow instructions. Hello Housing will create the documents and route with instructions for signature and notarization to the City of escrow ensuring conforming loan is secured, a timely close is met and the City receives copies of recorded documents. Once complete, these files become part of our ongoing monitoring portfolio. Finally, Hello Housing will send an exit survey to BMR owner leaving the program to track the impact of the program including equity gained, and type of housing they are moving into (e.g. rental, affordable or market-rate ownership.). Please refer to **Section 3 – D** for a sample flowchart that details our preferred resale process.

f. Sale of new Inclusionary units

Market the BMR units in accordance with developer's City-approved Marketing Plan on Hello Housing's website, City's website and developer's website (if appropriate); place ad in local newspaper prepare poster for public venues. Market the development through e-blast to dedicated leads in Hello Housing's database. Answer all calls and emails from the public and provide the guidance required to complete the BMR application for lottery ranking. Prepare online pre-application, full application and paper application. Calculate preference points and conduct a virtual lottery to determine the ranking order for inviting complete applications, determining program eligibility and approval for a BMR sale. Prepare a detailed, PowerPoint presentation with City's program requirements, the application process and home-specific details specific to each inclusionary development. Conduct workshops customized to specific inclusionary developments providing detailed instructions on the application process, which will provide details on layouts and amenities, resale restrictions and available financing. Hello Housing will process and underwrite selected applicants from lottery ranking to determine if they meet eligibility requirements as set forth in the marketing plan, collect all required documents from the applicant and complete initial screening for program eligibility and obtain conditional approval from the City and preapproval from a qualified Lender. When a unit is ready for sale, collect updated required documents from the applicant (as needed depending on time passed since conditional approval) and lender documentation. Screen documents and information provided to verify income and program eligibility prior to execution of purchase agreement

between developer and applicant. Prepare final approval package for the City and obtain approval for developer to enter into contract. Coordinate Buyer and Developer to enter into purchase & sale agreement. Track each application with lenders, requiring weekly reports on each file to ensure prompt approvals. Coordinate collection of required information from escrow and lender needed to complete City documents including restrictions, notes, DOTs and escrow instructions. Create the documents and route with instructions for signatures and notarizing at the City. Coordinate pickup and delivery of executed documents to title and track file through all stages of escrow to ensure conforming loan is secured and a timely close of escrow.

g. Process payoffs of First-Time Homebuyer, Housing Rehab Loans and Maravilla Loans

Hello Housing will field requests for payoffs of loans, prepare a payoff demand, provide City's payoff demand to Owner and/or takeout lender, prepare escrow instructions and Deed of Reconveyance for recordation upon payoff. Scan and file copy of recorded Reconveyance and update the loan tracker accordingly. Issue 1098 accordingly at the end of the payoff year.

h. Process refinances of BMR homes and down payment loans.

Hello Housing will answer questions from the public and provide information on acceptable first loan products for a refinance, required documentation needed to process a request, and timeline expectations for lenders and owners. Hello Housing will coordinate with the Title Company and first lender for access to a preliminary title report and loan terms in order to review and confirm that the refinance meets program guidelines. Once our review is complete and the request is approved, Hello Housing will prepare the subordination agreement, escrow instructions and all other required City documents and route for signature. Lastly, we will follow up with the title company on close of escrow, and status of the City's receipt of copies of recorded documents. Please refer to **Section 3 - D** for a sample flowchart that details our preferred refinance process.

i. Rental Housing Services.

Hello Housing will provide updated income guidelines to all property managers of the BMR program annually. Hello Housing will manage the entire rental process, including advertising the BMR rental program as necessary and verification of program eligibility of all new tenants through an application and thorough review of a list of financial documentation that is required as part of the application.

j. Affordable Housing Agreement Creation

Hello Housing, in accordance with the local inclusionary housing ordinance, will prepare an Affordable Housing Agreement for new developments in the City of Campbell. Hello Housing will work with City staff and the Developer to procure all the necessary information to insert into the City's agreement template and will then circulate for signature and record.

k. Design and Distribution of an Impact Survey.

Hello Housing will send homeowners an optional "Impact Survey" to help us better understand and measure the impact BMR programs are having in the lives of those who participate in them. This information will help demonstrate whom BMR programs impact and how/if these programs improve the lives of participants and contribute to healthier more vibrant cities.

l. Conduct informational workshops.

Hello Housing will conduct workshops as needed informing the general public regarding opportunities and availability of the City's BMR homeownership programs, answering questions, and capturing attendee information to track as leads.

Additional Services Available Upon Request:

a. Annual Homeowner's Newsletter

Annually, send high-quality newsletters to BMR owners sharing answers to Frequently Asked Questions, helpful resources, and a homeowner's preventative maintenance checklist organized by season.

b. Drafting of BMR Program Guidelines

Hello Housing to gather other local BMR housing guidelines and will make recommendations based on experience in other programs which guidelines works best and which that can cause issues. Hello Housing to compile the guidelines for City review and approval.

c. Recordation of Request for Notice of Defaults

To ensure proper and timely notification of default notices, Hello Housing will review portfolio to determine whether Request for Notice of Defaults are accurate in the recorded documents, If address or contact info is not current, collect all necessary data points to record an updated request for notice of default and sale. Data includes current first lender, the Deed of Trust instrument number, Title Company, and the APN. To collect this information, Hello Housing will utilize its access to First American Title Company's proprietary database and conduct "Property Profiles" which include links to PDFs of all recorded documents on a property. To collect the required information, generate a profile, review the Deed of Trust attachment and collect information from a scanned PDF. Once the necessary data has been collected, create each Request for Notice of Default, obtain signatures, notarize each document, and record with County Recorder's Office. Upon recordation, scan and save each notice of default and sale into Dropbox.

d. Implementation of New Rental Waitlist Process

Hello Housing will coordinate with the eight property managers of the affordable rental developments to gather their waitlists/interest lists. Hello Housing will reach out to each waitlist applicant up to 3 times via telephone and email notifying them that a new consolidated waitlist is happening and directions to opt in. The list will be consolidated first by preference groups and then a lottery will be conducted in each group to establish ranking order. Any additional waitlist members after the consolidation will be entered at the end of the line in their respective priority group.

e. Ongoing Waitlist Management

Hello Housing will accept new application to the waitlist on an ongoing basis. All preference points will be verified at time of application, along with household stated income, assets and bedroom preferences. Hello Housing will perform a waitlist update every two years, where all waitlist households must opt-in again, to ensure the waitlist remains current.

C. Organizational Chart

All staff work out of Hello Housing's office located at 1242 Market Street, 3rd floor in San Francisco with travel to cities as needed to serve its clients.

Hello Housing is committed to hiring to keep pace with contract awards. In 2015 Hello Housing invested in the development of a Stewardship Training Program to efficiently familiarize new staff with all facets of BMR program management. The following representation our current Stewardship staff.

Staff Person	Program Role	Name	Phone	Email
Executive Director	Organization Oversight	Mardie Oakes	(415) 828-4388	mardie@hellohousing.org
Director of Business Development	In-House Broker	Jennifer Duffy	(415) 820-4362	jennifer@hellohousing.org
BMR Program Director	Contract Management, Program Oversight, Management of Sales	Matt Warner	(415) 689-7746	matt@hellohousing.org
BMR Program Manager	Serve as the Primary Point of Contact and Manager for Campbell Contract, Field Program Inquiries, Document Preparation	Marcus Papin	(415) 906-2877	marcus@hellohousing.org
BMR Program Manager	Daily Program Operations and Eligibility Underwriting	Sarah Shimmin	(415) 738-7833	sarah@hellohousing.org
BMR Program Associate	Ownership and Rental Monitoring, Waitlist Management	Joey Shields	(415) 863-3036	joey@hellohousing.org

D. Example Documents

- Ownership and Rental Compliance Monitoring Templates
- Monitoring Report
- Application Form, Resale Flyer and FAQ
- Income Certification
- Resale Flowchart

Ownership and Rental Compliance Monitoring Templates



October 5, 2015

«Applicant»
«Property»
Novato, CA 94949

Please return no later than
October 27, 2015

Hello «Applicant»,

It's that time of year again!

Thank you for your response to last year's owner-occupancy certification request. The purpose of this annual certification is to verify that you are meeting the owner-occupancy requirements of the City of Novato's Below Market Rate Home Program. As background, for the development of your home, and all other homes in Meadow Park, the City of Novato made a substantial financial investment of public funds to provide and maintain an important supply of affordable housing that is specifically intended to be lived in by owners. Consistent with this intent, as part of the purchase of your home, you signed the "Affordable Housing Covenants, Resale Restrictions and Option to Purchase Agreement" (the Agreement). In Article 2.1 B "Restrictions" of the Agreement, it states, "Upon request by the Agency (City of Novato), each owner shall submit an affidavit (Self-Certification of Owner Occupancy) to the Agency certifying under penalty and perjury that the Unit is the owner's principal residence." The Agreement continues, in Article 9.3 "Maintenance and Use", "No Owner shall grant use of, rent or lease all or any part of the unit, but shall occupy the unit as its principal residence as provided in Article 2."

Please be assured that any personal information you share with us is treated as strictly confidential and is never shared beyond the City of Novato. You are welcome to send a copy of your license with everything but your name, expiration date, and address obscured. The only information we are checking for is to confirm that the address on your license matches the address of your home. If you do not have a Driver's License, you may provide a copy of a valid California-issued personal identification card.

We understand that you may still have concerns placing a copy of your license in the mail. In order to accommodate these concerns, while also meeting the City's obligation to confirm owner occupancy of an annual basis, you may satisfy this condition by bringing your Driver's License to City's new administrative offices located at 922 Machin Avenue, Novato, CA for a visual inspection prior to your due date. The City's offices are open Monday through Friday from 9AM to 5PM and are closed between 1PM and 2PM daily. PLEASE NOTE CITY OFFICES ARE CLOSED EVERY OTHER FRIDAY which includes October 9th and October 23rd. The receptionist has been provided with a list of names and addresses to ensure your license matches and they will communicate that this condition has been satisfied to Hello Housing. Please return all other requested materials by mail per the instructions in the attached form. Also included you will find an optional Impact Survey and an update on the City's efforts to enforce owner-occupancy on non-responders to prior years' annual monitoring.

Thank you for your prompt response to this request! Owners who submit complete certifications by October 27th will be entered into a raffle to receive one of three \$25 gift cards to Pini ACE Hardware in Novato!

A handwritten signature in blue ink, appearing to read "Mardie Oakes", with a horizontal line underneath.

Mardie Oakes, Executive Director

making places where people thrive

1230 market street #309, san francisco, ca 94102
tel (415) 863-3036 learn more at www.hellohousing.org

Self-Certification of Owner Occupancy

Please provide the requested information and sign below. If there are additional household members on title, please make a copy and provide the same information or request a copy be mailed to you. If you feel that this request has reached you in error or if any information is incorrect, please let us know by leaving a comment in the section provided at the end of this form.

Please complete each of the following 5 steps

STEP 1: ANSWER THESE QUESTIONS

Are you living in this home as your principal residence? Yes No

Have you contracted to sell, transferred or conveyed your interest the home to anyone since you originally purchased? Yes No

If yes, please explain: _____

Is your home currently in good repair? Yes No

STEP 2: CERTIFY THAT YOU OWNER-OCCUPIED YOUR HOME DURING A MINIMUM OF 10 OF THE LAST 12 MONTHS

By signing below, I «Applicant» hereby certify to the City of Novato under penalty of perjury that I occupy the home located at «Property», Novato, CA (the “Home”) as my principal place of residence, acknowledge that the above information is true and correct to the best of my knowledge and that I have occupied my Home for _____ (please write in) months out of the past 12 months.

Signature _____

Date _____

STEP 3: ATTACH PROOF OF OCCUPANCY

Please attach **BOTH** of the following items:

A. A copy of your most PG&E bill showing address of your home and the name of at least one of the owners on title.

AND

B. A copy of a current Driver License (see cover letter for alternatives to mailing) or California-issued personal identification card of at least one of the owners on title.

STEP 4: UPDATE YOUR CONTACT INFORMATION

Name Change? (e.g. married name) _____ Email _____
Preferred Phone Number _____

STEP 5: RETURN YOUR SELF-CERTIFICATION

Please place your completed, signed and dated form, along with a copy of your PG&E bill and Driver's License or California-issued personal ID in the stamped envelope provided and mail to:

Hello Stewardship – City of Novato
1230 Market Street #309
San Francisco, CA 94102

DEADLINE: Tuesday, October 27, 2015.

QUESTIONS: If you have any questions about completing this request, please contact Hello Housing at 415-863-3036 and leave a message or e-mail sarah@hellohousing.org.

COMMENTS:



{Today's Date}

{Tenant}
{Unit Address}
Los Gatos, CA {Zip Code}

RE: {Year of Submission} Annual BMP Program Income Certification

Dear {Tenant},

As a participant in the Below Market Rate rental program in the {Town/City}, you are required to file an annual income certification. In order to retain your eligible status, please supply the requested documentation in the attached check list by {Due Date}.

You may submit your documentation by mailing your completed packet to:

Hello Housing
{Town/City} Reporting
1242 Market Street 3rd Floor
San Francisco, CA 94102

You may also submit your documentation by sending a PDF to Marcus Papin at: marcus@hellohousing.org. Please include "{Town/City} Reporting" in the subject line.

Information about the {Town/City} BMP Program:

- Your Household income, asset and household composition will be verified on an annual basis for eligibility;
- During the annual recertification, you agree to submit all of the information requested in a timely manner.
- Your rent will increase or decrease yearly based on Fair Market Rate rent schedules and household income;
- If your income should increase beyond 80% of the Area Median Income (AMI) and below 100%, your rent will increase 5% on an annual basis;
- If your household income surpasses 100% AMI, you will no longer be eligible for the BMP program and your rent will be increased to reflect the current market rate.

If you have any questions regarding your certification paperwork, please email me at: marcus@hellohousing.org or call: (415) 906-2877.

Sincerely,

Marcus Papin
Program Manager
1242 Market Street,
San Francisco, CA 94102
415-906-2877

making places where people thrive

1242 market street, 3rd floor, san francisco, ca 94102
tel (415) 863-3036 fax (415) 863-1391 hellohousing.org



Rental Tenant Annual Income Certification Check List

Please provide supporting documentation for EVERY ADULT MEMBER OF THE HOUSEHOLD AGED 18 AND OVER. All documents must be legible to be considered. To help keep you organized, we recommend you print a copy of this checklist for each adult household member to use as a Table of Contents.

Supporting Documentation

A. Proof of Identify: One form of legal identification for every adult *Required* Check below for which form of ID provided.

CA Drivers License CA Identification Card US Passport

B. Social Security Card Social Security Card *Required* Please contact Social Security at (800) 772-1213 if you cannot locate.

C. Documentation of Employment Income *Required* Please contact your Human Resources department if you cannot locate.

If employed, provide 4 most recent consecutive paystubs

- Pay stub 1 Dates covered by paycheck: _____ to _____ (e.g. 11/1/15 to 11/15/15)
- Pay stub 2 Dates covered by paycheck: _____ to _____ (e.g. 11/16/15 to 11/31/15)
- Pay stub 3 Dates covered by paycheck: _____ to _____ (e.g. 12/1/15 to 12/15/15)
- Pay stub 4 Dates covered by paycheck: _____ to _____ (e.g. 12/1/15 - 12/31/15)

OR

If self-employed:

- A year-to-date Profit & Loss statement

D. Two (2) Months of documentation for any other income *Required if applicable*

- | | | |
|--|---|--|
| <input type="checkbox"/> Child Support | <input type="checkbox"/> Pension | <input type="checkbox"/> Foster Care |
| <input type="checkbox"/> Social Security | <input type="checkbox"/> Alimony | <input type="checkbox"/> Gift letter (if applicable) |
| <input type="checkbox"/> SSI | <input type="checkbox"/> Long Term Disability | <input type="checkbox"/> Other (please describe) |

E. Federal and State Tax Returns OR Verification of Non-Filing Previous Year *Required*

Please contact the IRS at (800) 829-1040 if you cannot locate your returns.

If you did NOT file for any of the three (3) years, contact the IRS at (800) 829-1040 and request a "Verification of Non-Filing."

- Most Recent 1040 Federal Tax Return (include ALL pages) or Verification of Non-Filing (if applicable)

F. W-2's Previous Year *Required if issued W-2s*

Please contact your Human Resources department if you cannot locate. You may also call the IRS at (800) 829-1040.

- Most recent W-2s W-2s should cover all reported income in same year's tax return

G. Last Three (3) consecutive statements from ALL Financial Accounts* *Required*

Computer printouts are acceptable ONLY if they contain a complete account number, begin & end balances, and begin & end dates.

Please include statements for ALL OPEN accounts, even if they contain a \$0 balance. Write N/A if you do not have such accounts.

- Most recent three (3) consecutive Bank Statements
- Most recent three (3) consecutive statements for Retirement Accounts (401k, IRA, etc.)
- Most recent three (3) consecutive statements for Stocks, Mutual Funds, Profit Sharing accounts
- Most recent three (3) statements for CDs, Money Market accounts, etc.

H. Proof of Student Status *Required if applicable*

- Copy of Current Registration OR an Unofficial Transcript

I. Worksheets *Required*

- Tenant Income Ceretification Worksheet
- Tenant Income Certification Questionnaire
- Employment Verification Form *To be filled out by employer
- Asset Verification Form *To be filled out by bank

TENANT INCOME CERTIFICATION

Initial Certification Recertification Other _____

Effective Date: _____
 Move-In Date: _____
 (MM-DD-YYYY)

PART I - DEVELOPMENT DATA

Property Name: _____ County: _____
 Address: _____ Unit Number: _____ Bedrooms: _____ Square Footage: _____

PART II. HOUSEHOLD COMPOSITION

Vacant (Check if unit was vacant on December 31 of the Effective Date Year)

HH Mbr #	Last Name	First Name	Middle Initial	Relationship to Head of Household	Date of Birth (MM/DD/YYYY)	F/T Student (Y or N)	Last 4 digits of Social Security #
1				HEAD			
2							
3							
4							
5							
6							
7							

PART III. GROSS ANNUAL INCOME (USE ANNUAL AMOUNTS)

HH Mbr #	(A) Employment or Wages	(B) Soc. Security/Pensions	(C) Public Assistance	(D) Other Income
TOTALS	\$ _____	\$ _____	\$ _____	\$ _____
Add totals from (A) through (D), above			TOTAL INCOME (E):	\$ _____

PART IV. INCOME FROM ASSETS

HH Mbr #	(F) Type of Asset	(G) C/I	(H) Cash Value of Asset	(I) Annual Income from Asset
TOTALS:			\$ _____	\$ _____
Enter Column (H) Total If over \$5000		\$ _____ X	Passbook Rate 0.06%	= (J) Imputed Income \$ _____
Enter the greater of the total of column I, or J: imputed income			TOTAL INCOME FROM ASSETS (K)	\$ _____

(L) Total Annual Household Income from all Sources [Add (E) + (K)] **\$ _____**

HOUSEHOLD CERTIFICATION & SIGNATURES

The information on this form will be used to determine maximum income eligibility. I/we have provided for each person(s) set forth in Part II acceptable verification of current anticipated annual income. I/we agree to notify the landlord immediately upon any member of the household moving out of the unit or any new member moving in. I/we agree to notify the landlord immediately upon any member becoming a full time student.

Under penalties of perjury, I/we certify that the information presented in this Certification is true and accurate to the best of my/our knowledge and belief. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of the lease agreement.

Signature	(Date)	Signature	(Date)
Signature	(Date)	Signature	(Date)

PART V. SUPPLEMENTAL INFORMATION FORM

Enter both Ethnicity and Race codes for each household member (see below for codes).

TENANT DEMOGRAPHIC PROFILE						
HH Mbr #	Last Name	First Name	Middle Initial	Race	Ethnicity	Disabled
1						
2						
3						
4						
5						
6						
7						

The Following Race Codes should be used:

- 1** – White – A person having origins in any of the original people of Europe, the Middle East or North Africa.
- 2** – Black/African American – A person having origins in any of the black racial groups of Africa. Terms such as “Haitian” or “Negro” apply to this category.
- 3** – American Indian/Alaska Native – A person having origins in any of the original peoples of North and South America (including Central America), and who maintain tribal affiliation or community attachment.
- 4** – Asian – A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam.
- 5** – Native Hawaiian/Other Pacific Islander – A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands.
- 6** – Other
- 7** – Did not respond. **(Please initial below)**

Note: Multiple racial categories may be indicated as such: 31 – American Indian/Alaska Native & White, 41 – Asian & White, etc.

The Following Ethnicity Codes should be used:

- 1** – Hispanic – A person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race. Terms such as “Latino” or “Spanish Origin” apply to this category.
- 2** – Not Hispanic – A person not of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race.
- 3** – Did not respond. **(Please initial below)**

Disability Status:

1 – Yes

If any member of the household is disabled according to Fair Housing Act definition for handicap (disability):

- A physical or mental impairment which substantially limits one or more major life activities; a record of such an impairment or being regarded as having such an impairment. For a definition of “physical or mental impairment” and other terms used, please see 24 CFR 100.201, available at <http://www.fairhousing.com/index.cfm?method=page.display&pageID=465> .
- “Handicap” does not include current, illegal use of or addiction to a controlled substance.
- An individual shall not be considered to have a handicap solely because that individual is a transvestite.

2 – No

3 – Did not respond **(Please initial below)**

Resident/Applicant: I do not wish to furnish information regarding ethnicity, race and other household composition.

(Initials) _____
 (HH#) 1. _____ 2. _____ 3. _____ 4. _____ 5. _____ 6. _____ 7. _____

INSTRUCTIONS FOR COMPLETING TENANT INCOME CERTIFICATION

This form is to be completed by the owner or an authorized representative.

Part I - Development Data

Enter the type of tenant certification: Initial Certification (move-in), Recertification (annual recertification), or Other. If other, designate the purpose of the recertification (i.e., a unit transfer, a change in household composition, or other state-required recertification).

Effective Date	Enter the effective date of the certification. For move-in, this should be the move-in date. For annual income recertification's, this effective date should be no later than one year from the effective date of the previous (re)certification.
Move-In Date	Enter the most recent date the household tax credit qualified. This could be the move-in date or in an acquisition rehab property, this is not the date the tenant moved into the unit, it is the most recent date the management company income qualified the unit for tax credit purposes.
Property Name	Enter the name of the development.
County	Enter the county (or equivalent) in which the building is located.
Address	Enter the physical address of the building, including street number and name, city, state, and zip code.
Unit Number	Enter the unit number.
# Bedrooms	Enter the number of bedrooms in the unit.
Square Footage	Enter the square footage for the entire unit.
Vacant Unit	Check if unit was vacant on December 31 of requesting year. For example, for the collection of 2011 data, this would refer to December 31, 2011.

Part II - Household Composition

List all occupants of the unit. State each household member's relationship to the head of household by using one of the following definitions:

H	Head of Household	S	Spouse	U	Unborn Child/Anticipated Adoption or Foster
A	Adult Co-Tenant	O	Other Family Member		
C	Child	F	Foster child(ren)/adult(s)		
L	Live-in Caretaker	N	None of the above		

Date of Birth	Enter each household member's date of birth.
Student Status	Enter "Yes" if the household member is a full-time student or "NO" if the household member is not a full-time student.
Last Four Digits of Social Security Number	For each tenant 15 years of age or older, enter the last four digits of the social security number or the last four digits of the alien registration number. If the last four digits of SSN or alien registration is missing, enter 0000. For tenants under age 15, social security number not required, although please enter 0000.

If there are more than 7 occupants, use an additional sheet of paper to list the remaining household members and attach it to the certification.

Part III - Annual Income

Column (A)	Enter the annual amount of wages, salaries, tips, commissions, bonuses, and other income from employment; distributed profits and/or net income from a business.
Column (B)	Enter the annual amount of Social Security, Supplemental Security Income, pensions, military retirement, etc.
Column (C)	Enter the annual amount of income received from public assistance (i.e., TANF, general assistance, disability, etc.).
Column (D)	Enter the annual amount of alimony, child support, unemployment benefits, or any other income regularly received by the household.
Row (E)	Add the totals from columns (A) through (D), above. Enter this amount.

Part IV - Income from Assets

From the third party verification forms obtained from each asset source, list the gross amount anticipated to be received during the twelve months from the effective date of the certification. If individual household member income is provided, list the respective household member number from Part II and complete a separate line for each member.

Column (F)	List the type of asset (i.e., checking account, savings account, etc.)
Column (G)	Enter C (for current, if the family currently owns or holds the asset), or I (for imputed, if the family has disposed of the asset for less than fair market value within two years of the effective date of (re)certification).
Column (H)	Enter the cash value of the respective asset.
Column (I)	Enter the anticipated annual income from the asset (i.e., savings account balance multiplied by the annual interest rate).
TOTALS	Add the total of Column (H) and Column (I), respectively.

If the total in Column (H) is greater than \$5,000, you must do an imputed calculation of asset income. Enter the Total Cash Value, multiply by 0.06% and enter the amount in (J), Imputed Income.

Row (K)	<i>Enter the greater of the total in Column (I) or (J)</i>	
Row (L)	<i>Total Annual Household Income From all Sources</i>	<i>Add (E) and (K) and enter the total</i>

HOUSEHOLD CERTIFICATION AND SIGNATURES

After all verifications of income and/or assets have been received and calculated, each household member age 18 or older must sign and date the Tenant Income Certification. For move-in, it is recommended that the Tenant Income Certification be signed no earlier than 5 days prior to the effective date of the certification.

PART V. SUPPLEMENTAL INFORMATION

Complete this portion of the form at move-in and at recertification's (only if household composition has changed from the previous year's certification).

Tenant Demographic Profile	Complete for each member of the household, including minors. Use codes listed on supplemental form for Race, Ethnicity, and Disability Status.
Resident/Applicant Initials	All tenants who wish not to furnish supplemental information should initial this section. Parent/Guardian may complete and initial for minor child(ren).

TENANT INCOME CERTIFICATION QUESTIONNAIRE

One Form per Adult Member of the Household

NAME: _____	TELEPHONE NUMBER: () _____
<input type="checkbox"/> Initial Certification <input type="checkbox"/> Re-certification	Unit # _____

INCOME INFORMATION

	YES	NO		MONTHLY GROSS INCOME
1.	<input type="checkbox"/>	<input type="checkbox"/>	I am self employed. (List nature of self employment) _____	(use <u>net</u> income from self-employment only) \$ _____
2.	<input type="checkbox"/>	<input type="checkbox"/>	I have a job and receive wages, salary, overtime pay, commissions, fees, tips, bonuses, and/or other compensation: List the businesses and/or companies that pay you: <div style="text-align: center;"><u>Name of Employer</u></div> 1) _____ \$ _____ 2) _____ \$ _____ 3) _____ \$ _____	
3.	<input type="checkbox"/>	<input type="checkbox"/>	I receive cash contributions of gifts including rent or utility payments, on an ongoing basis from persons not living with me.	\$ _____
4.	<input type="checkbox"/>	<input type="checkbox"/>	I receive unemployment benefits.	\$ _____
5.	<input type="checkbox"/>	<input type="checkbox"/>	I receive Veteran's Administration, GI Bill, or National Guard/Military benefits/income.	\$ _____
6.	<input type="checkbox"/>	<input type="checkbox"/>	I receive periodic social security payments.	\$ _____
7.	<input type="checkbox"/>	<input type="checkbox"/>	The household receives <u>unearned</u> income from family members age 17 or under (example: Social Security, Trust Fund disbursements, etc.).	\$ _____
8.	<input type="checkbox"/>	<input type="checkbox"/>	I receive Supplemental Security Income (SSI).	\$ _____
9.	<input type="checkbox"/>	<input type="checkbox"/>	I receive disability or death benefits other than Social Security.	\$ _____
10.	<input type="checkbox"/>	<input type="checkbox"/>	I receive Public Assistance Income (examples: TANF, AFDC)	\$ _____
11.	<input type="checkbox"/>	<input type="checkbox"/>	I am entitled to receive child support payments.	\$ _____
	<input type="checkbox"/>	<input type="checkbox"/>	I am currently receiving child support payments. If yes, from how many persons do you receive support? _____	\$ _____
	<input type="checkbox"/>	<input type="checkbox"/>	I am currently making efforts to collect child support owed to me. List efforts being made to collect child support: _____ _____	
12.	<input type="checkbox"/>	<input type="checkbox"/>	I receive alimony/spousal support payments	\$ _____
13.	<input type="checkbox"/>	<input type="checkbox"/>	I receive periodic payments from trusts, annuities, inheritance, retirement funds or pensions, insurance policies, or lottery winnings. If yes, list sources: 1) _____ 2) _____	\$ _____ \$ _____
14.	<input type="checkbox"/>	<input type="checkbox"/>	I receive income from real or personal property.	(use <u>net</u> earned income) \$ _____
15.	<input type="checkbox"/>	<input type="checkbox"/>	Student financial aid (public or private, not including student loans) Subtract cost of tuition from Aid received <i>*For Households receiving Section 8 Assistance Only</i>	\$ _____

ASSET INFORMATION

YES	NO		INTEREST RATE	CASH VALUE	
16.	<input type="checkbox"/>	<input type="checkbox"/>	I have a checking account(s). If yes, list bank(s) 1) _____ 2) _____	_____% _____%	\$ _____ \$ _____
17.	<input type="checkbox"/>	<input type="checkbox"/>	I have a savings account(s) If yes, list bank(s) 1) _____ 2) _____	_____% _____%	\$ _____ \$ _____
18.	<input type="checkbox"/>	<input type="checkbox"/>	I have a revocable trust(s) If yes, list bank(s) 1) _____	_____%	\$ _____
19.	<input type="checkbox"/>	<input type="checkbox"/>	I own real estate. If yes, provide description: _____		\$ _____
20.	<input type="checkbox"/>	<input type="checkbox"/>	I own stocks, bonds, or Treasury Bills If yes, list sources/bank names 1) _____ 2) _____ 3) _____	_____% _____% _____%	\$ _____ \$ _____ \$ _____
21.	<input type="checkbox"/>	<input type="checkbox"/>	I have Certificates of Deposit (CD) or Money Market Account(s). If yes, list sources/bank names 1) _____ 2) _____ 3) _____	_____% _____% _____%	\$ _____ \$ _____ \$ _____
22.	<input type="checkbox"/>	<input type="checkbox"/>	I have an IRA/Lump Sum Pension/Keogh Account/401K. If yes, list bank(s) 1) _____ 2) _____	_____% _____%	\$ _____ \$ _____
23.	<input type="checkbox"/>	<input type="checkbox"/>	I have a whole life insurance policy. If yes, how many policies _____		\$ _____
24.	<input type="checkbox"/>	<input type="checkbox"/>	I have cash on hand.		\$ _____
25.	<input type="checkbox"/>	<input type="checkbox"/>	I have disposed of assets (i.e. gave away money/assets) for less than the fair market value in the past 2 years. If yes, list items and date disposed: 1) _____ 2) _____		\$ _____ \$ _____

STUDENT STATUS

YES	NO	
<input type="checkbox"/>	<input type="checkbox"/>	Does the household consist of all persons who are <u>full-time</u> students (Examples: K-12, College, Trade School, etc.)?
<input type="checkbox"/>	<input type="checkbox"/>	Does the household consist of all persons who have been a <u>full-time</u> student 5 months in the current calendar year?
<input type="checkbox"/>	<input type="checkbox"/>	Does your household anticipate becoming an all full-time student household in the next 12 months?
<input type="checkbox"/>	<input type="checkbox"/>	If you answered yes to any of the previous three questions are you:
<input type="checkbox"/>	<input type="checkbox"/>	• Receiving assistance under Title IV of the Social Security Act (AFDC/TANF/Cal Works - not SSA/SSI)
<input type="checkbox"/>	<input type="checkbox"/>	• Enrolled in a job training program receiving assistance through the Job Training Participation Act (JTPA) or other similar program
<input type="checkbox"/>	<input type="checkbox"/>	• Married and filing (or are entitled to file) a joint tax return
<input type="checkbox"/>	<input type="checkbox"/>	• Single parent with a dependant child or children and neither you nor your child(ren) are dependent of another individual
<input type="checkbox"/>	<input type="checkbox"/>	• Previously enrolled in the Foster Care program (currently age 18-24)

UNDER PENALTIES OF PERJURY, I CERTIFY THAT THE INFORMATION PRESENTED ON THIS FORM IS TRUE AND ACCURATE TO THE BEST OF MY/OUR KNOWLEDGE. THE UNDERSIGNED FURTHER UNDERSTANDS THAT PROVIDING FALSE REPRESENTATIONS HEREIN CONSTITUTES AN ACT OF FRAUD. FALSE, MISLEADING OR INCOMPLETE INFORMATION WILL RESULT IN THE DENIAL OF APPLICATION OR TERMINATION OF THE LEASE AGREEMENT.

PRINTED NAME OF APPLICANT/TENANT

SIGNATURE OF APPLICANT/TENANT

DATE

EMPLOYMENT VERIFICATION

THIS SECTION TO BE COMPLETED RESIDENT & SENT/GIVEN TO EMPLOYER

TO: (Name & address of Employer)

1st Request _____

2nd Request _____

Fax #: _____

Attn: _____

RE: _____
Applicant/Resident Name Social Security Number Unit # (if assigned)

I hereby authorize release of my employment information.

Signature of Applicant/Resident

Date

The individual named directly above is an applicant/resident of a housing program that requires verification of income. The information provided will remain confidential to satisfaction of that stated purpose only. Your prompt response is crucial and greatly appreciated.

Return Form To:

Hello Housing
1242 Market Street, 3rd Floor
San Francisco, CA 94102

THIS SECTION TO BE COMPLETED BY EMPLOYER

Please use **GROSS** amounts and do not leave any sections blank; enter zero "0" if hours or amounts are not applicable.

Employee Name: _____ Job Title: _____

Presently Employed: Yes ____ No ____ Date First Employed _____ Last Day of Employment _____

Current Wages/Salary: \$_____ (circle one) hourly weekly bi-weekly semi-monthly monthly yearly other

Number of regular hours per week: _____

Overtime Rate: \$_____ per hour Number of overtime hours per week: _____

Shift Differential Rate: \$_____ per hour Number of shift differential hours per week: _____

Commissions, bonuses, tips, other: \$_____ (circle one) hourly weekly bi-weekly semi-monthly monthly yearly

Does the employee participate in a 401(K) Retirement Account? YES NO Can employee access the account? YES NO

What is the total amount in the 401(K) that is accessible to the employee without terminating or retiring? \$_____

List any anticipated change in the employee's rate of pay within the next 12 months: _____; Effective date: _____

If the employee's work is seasonal or sporadic, please indicate the layoff period(s): _____

Additional remarks: _____

Employer's Signature

Employer's Printed Name

Date

Employer [Company] Name and Address

Phone #

Fax #

E-mail

REQUEST FOR VERIFICATION OF ASSETS

TO _____
 (Name of Financial Institution)

 (Address)

 (City, State and Zip Code)

DATE _____

RE _____
 (Applicant Name)

SS# _____

The person listed above has indicated that he or she has accounts with your institution. Information provided will remain confidential and will be used solely for the purpose of determining eligibility for occupancy.

Sincerely,

Management Agent

I hereby authorize the above management agent to make inquiries regarding my accounts for the purpose of determining my eligibility for occupancy.

Signature: _____ Date: _____

THE FOLLOWING IS TO BE COMPLETED BY THE FINANCIAL INSTITUTION:

Account Holder's Name: _____

Type of Account or Asset and/or Account #	Withdrawal Penalty	Average Balance for the Last 6 Months	Current Balance or Value of Asset	Current Interest Rate or Yearly Dividend Amount
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

 (Authorized Signature) _____ (Date)

 (Title) _____ (Phone)

PLEASE RETURN FORM TO:

Hello Housing
 1242 Market Street , 3rd Floor
 San Francisco, CA 94102

STUDENT VERIFICATION

THIS SECTION TO BE COMPLETED BY MANAGEMENT AND EXECUTED BY STUDENT

This Student Verification is being delivered in connection with the undersigned's eligibility for residency in the following apartment:

Project Name: _____

Building Address: _____

Unit Number if assigned: _____

I hereby grant disclosure of the information requested below from _____
Name of Educational Institution

Signature

Date

Printed Name

Student ID#

Return Form to:

Hello Housing
1242 Market Street 3rd Floor
San Francisco, CA 994102

THIS SECTION TO BE COMPLETED BY EDUCATIONAL INSTITUTION

The above-named individual has applied for residency or is currently residing in housing that requires verification of student status. Please provide the information requested below:

Is the above-named individual a student at this educational institution? YES NO

If so, part-time or full-time? PART-TIME FULL-TIME

If full-time, the date the student enrolled as such: _____

Expected date of graduation: _____

I hereby certify that the information supplied in this section is true and complete to the best of my knowledge.

Signature: _____

Date: _____

Print your name: _____

Tel. #: _____

Title: _____

Educational Institution: _____

Sample Monitoring Report



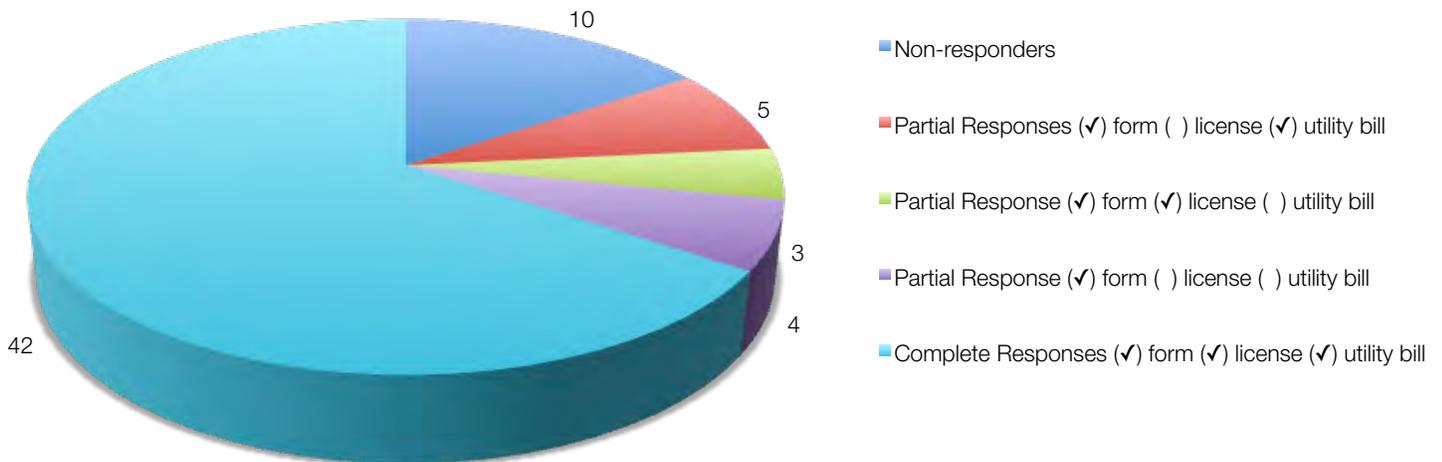
City of [REDACTED] Annual Compliance Monitoring

September 25, 2013

Hello Housing has performed its 2013 annual monitoring for [REDACTED] located in the City of [REDACTED]. This process included mailing up to three rounds of letters to residents, responding to phone and email inquiries, and collecting and reviewing responses for completeness and compliance within the City of [REDACTED]'s primary program guideline of owner occupancy.

[REDACTED]

The following chart reflects the completeness of responses from the owners at [REDACTED].



- 66% provided a complete response
- 18% provided a partial response
- 16% provided no response

For detailed information about non-responders or non-compliant responders, please refer to:

- Attachment A for a list of the names and addresses of non-responders from [REDACTED]. Please note that individuals who have been reported as >\$5,000 behind on their HOA dues are highlighted in blue.
- Attachment B for a list of responders whose information did not fully satisfy the monitoring requirements. Notes regarding their responses are included.
- Attachment C for a list of responders who submitted all documents, but have an incorrect address on their driver's license.

making places where people thrive

1242 market street, 3rd floor, san francisco, ca 94102
tel (415) 863-3036 fax (415) 863-1391 hellohousing.org

Application Form, Resale Flyer and FAQ



On behalf of TRI Pointe Homes, Hello Housing, a nonprofit affordable housing organization, is inviting the top-ranking households on the Alameda Landing BMR Lottery List to submit applications for the purchase of a select number of Below Market Rate homes at Alameda Landing. Submitting an application through Hello Housing's online form is required unless a Reasonable Accommodation Request is submitted and approved. If a Reasonable Accommodation has been granted, this application plus supporting documentation must be post-marked by the application deadline posted at www.hellohousing.org/applyalamedalanding and mailed to:

*Hello Housing - Alameda Landing
1230 Market Street #309
San Francisco, CA 94102*

PLEASE NOTE: Applications will NOT be accepted in person at Hello Housing offices, TRI Pointe offices, Alameda Landing sales office, or Housing Authority offices. No exceptions.

This application includes *required information* as well as *optional information*. Unless a section is labeled "Optional" it is a required section and must be completed. We encourage applicants to complete all sections. Answers to optional questions are confidential and will NOT impact your eligibility. In aggregate, the collective answers from the pool of applicants will help Hello Housing better understand who benefits from affordable housing programs and to advocate for effective programs to policy makers.

PRIMARY APPLICANT & CO-APPLICANT

Below, please provide details for the Primary Applicant and Co-Applicant (if applicable). PLEASE NOTE THAT THIS INFORMATION IS BEING COLLECTED FOR THE PURPOSES OF CALCULATING THE TOTAL NUMBER OF HOUSEHOLD MEMBERS, NOT FOR THE PURPOSES OF DETERMINING WHICH HOUSEHOLD MEMBERS WILL BE BORROWERS ON A MORTGAGE LOAN. Please note that all adult household members will be required to be listed as owners on title at time of purchase. The requirement for all adult members to be listed on the loan will be evaluated on a case-by-case basis.

Primary Applicant

Please note that a Primary Applicant must be an adult (18 years or older).

First Name	_____	Home Mailing Address	_____
Last Name	_____	City	_____
Phone	_____	State	_____
Alternate Phone	_____	Zip Code	_____
Email	_____	Date moved to this address	_____
Date of Birth	_____	Primary Language	_____
		Citizenship	<input type="checkbox"/> US Citizen <input type="checkbox"/> Legal Resident Alien

Co-Applicant

Please note that a Co-Applicant must be an adult (18 years or older).

First Name	_____	Home Mailing Address	_____
Last Name	_____	City	_____
Phone	_____	State	_____
Alternate Phone	_____	Zip Code	_____
Email	_____	Date moved to this address	_____
Date of Birth	_____	Primary Language	_____
		Citizenship	<input type="checkbox"/> US Citizen <input type="checkbox"/> Legal Resident Alien

Non-Discrimination Policy

Hello Housing, TRI Pointe Homes and the Alameda Housing Authority do not discriminate against any persons on the grounds of race, color, religion, national origin, ancestry, sex, gender, gender identity, gender expression, sexual orientation, marital status, familial status, source of income, genetic information, medical condition, physical disability or mental disability, or any other category protected by law.

Additional Household Members

Please provide information on any other members of your household, such as children, grandparents, or other adults in the household who are full time or part time residents. This information helps calculate your household size.

Household Member (please include children and adults)

First Name	_____	Home Mailing Address	_____
Last Name	_____	City	_____
Phone	_____	State	_____
Alternate Phone	_____	Zip Code	_____
Email	_____	Date moved to this address	_____
Date of Birth	_____	Primary Language	_____
Relationship to Applicant	_____		

Household Member

First Name	_____	Home Mailing Address	_____
Last Name	_____	City	_____
Phone	_____	State	_____
Alternate Phone	_____	Zip Code	_____
Email	_____	Date moved to this address	_____
Date of Birth	_____	Primary Language	_____
Relationship to Applicant	_____		

Household Member

First Name	_____	Home Mailing Address	_____
Last Name	_____	City	_____
Phone	_____	State	_____
Alternate Phone	_____	Zip Code	_____
Email	_____	Date moved to this address	_____
Date of Birth	_____	Primary Language	_____
Relationship to Applicant	_____		

Household Member

First Name	_____	Home Mailing Address	_____
Last Name	_____	City	_____
Phone	_____	State	_____
Alternate Phone	_____	Zip Code	_____
Email	_____	Date moved to this address	_____
Date of Birth	_____	Primary Language	_____
Relationship to Applicant	_____		

ALAMEDALANDING

Economic Profile

Please provide accurate information. Eligibility will be determined based on the gross combined household income and will be verified based on the supporting documentation requested at the end of this Application. Your credit condition will not impact eligibility but will assist Hello Housing in understanding potential challenges to obtaining a first mortgage.

Primary Applicant _____

Credit Score (if known) _____

Have you been involved in the foreclosure process?

Yes No

Have you declared bankruptcy within the last 7 years?

Yes No

Annual Income (before taxes)

From Full-Time Employment	\$	_____
From Part-Time Employment	\$	_____
From Self-Employment	\$	_____
From Spousal Support	\$	_____
From Child Support	\$	_____
Investment Income	\$	_____
Social Security Income	\$	_____
SSDI	\$	_____
Income from Assets (e.g. rental income)	\$	_____
Other	\$	_____
TOTAL	\$	_____

Household Member _____

Credit Score (if known) _____

Have you been involved in the foreclosure process?

Yes No

Have you declared bankruptcy within the last 7 years?

Yes No

Annual Income (before taxes)

From Full-Time Employment	\$	_____
From Part-Time Employment	\$	_____
From Self-Employment	\$	_____
From Spousal Support	\$	_____
From Child Support	\$	_____
Investment Income	\$	_____
Social Security Income	\$	_____
SSDI	\$	_____
Income from Assets (e.g. rental income)	\$	_____
Other	\$	_____
TOTAL	\$	_____

Co-Applicant _____

Credit Score (if known) _____

Have you been involved in the foreclosure process?

Yes No

Have you declared bankruptcy within the last 7 years?

Yes No

Annual Income (before taxes)

From Full-Time Employment	\$	_____
From Part-Time Employment	\$	_____
From Self-Employment	\$	_____
From Spousal Support	\$	_____
From Child Support	\$	_____
Investment Income	\$	_____
Social Security Income	\$	_____
SSDI	\$	_____
Income from Assets (e.g. rental income)	\$	_____
Other	\$	_____
TOTAL	\$	_____

Household Member _____

Credit Score (if known) _____

Have you been involved in the foreclosure process?

Yes No

Have you declared bankruptcy within the last 7 years?

Yes No

Annual Income (before taxes)

From Full-Time Employment	\$	_____
From Part-Time Employment	\$	_____
From Self-Employment	\$	_____
From Spousal Support	\$	_____
From Child Support	\$	_____
Investment Income	\$	_____
Social Security Income	\$	_____
SSDI	\$	_____
Income from Assets (e.g. rental income)	\$	_____
Other	\$	_____
TOTAL	\$	_____

ALAMEDALANDING

Economic Profile (continued)

Please provide accurate information about any adult household members. Eligibility will be determined based on the gross combined household income and will be verified based on the supporting documentation requested in this application.

Household Member _____

Credit Score (if known) _____

Have you been involved in the foreclosure process?

Yes No

Have you declared bankruptcy within the last 7 years?

Yes No

Annual Income (before taxes)

From Full-Time Employment	\$	_____
From Part-Time Employment	\$	_____
From Self-Employment	\$	_____
From Spousal Support	\$	_____
From Child Support	\$	_____
Investment Income	\$	_____
Social Security Income	\$	_____
SSDI	\$	_____
Income from Assets (e.g. rental income)	\$	_____
Other	\$	_____
TOTAL	\$	_____

Household Member _____

Credit Score (if known) _____

Have you been involved in the foreclosure process?

Yes No

Have you declared bankruptcy within the last 7 years?

Yes No

Annual Income (before taxes)

From Full-Time Employment	\$	_____
From Part-Time Employment	\$	_____
From Self-Employment	\$	_____
From Spousal Support	\$	_____
From Child Support	\$	_____
Investment Income	\$	_____
Social Security Income	\$	_____
SSDI	\$	_____
Income from Assets (e.g. rental income)	\$	_____
Other	\$	_____
TOTAL	\$	_____

Household Member _____

Credit Score (if known) _____

Have you been involved in the foreclosure process?

Yes No

Have you declared bankruptcy within the last 7 years?

Yes No

Annual Income (before taxes)

From Full-Time Employment	\$	_____
From Part-Time Employment	\$	_____
From Self-Employment	\$	_____
From Spousal Support	\$	_____
From Child Support	\$	_____
Investment Income	\$	_____
Social Security Income	\$	_____
SSDI	\$	_____
Income from Assets (e.g. rental income)	\$	_____
Other	\$	_____
TOTAL	\$	_____

Household Member _____

Credit Score (if known) _____

Have you been involved in the foreclosure process?

Yes No

Have you declared bankruptcy within the last 7 years?

Yes No

Annual Income (before taxes)

From Full-Time Employment	\$	_____
From Part-Time Employment	\$	_____
From Self-Employment	\$	_____
From Spousal Support	\$	_____
From Child Support	\$	_____
Investment Income	\$	_____
Social Security Income	\$	_____
SSDI	\$	_____
Income from Assets (e.g. rental income)	\$	_____
Other	\$	_____
TOTAL	\$	_____

ALAMEDALANDING

Household Assets & Debt

Please list the current value of all assets of all members of the household aged 18 and older. If zero, please write "0" in the blank. Please include an account description and last 4 digits of the account number (for example, Bank of America #4567).

Combined Household Assets

	Value of Assets	Description & Last 4 Digits of Account Number (if applicable)
Checking Accounts	\$ _____	_____ (continued)
Savings Accounts	\$ _____	_____ (continued)
Retirement Accounts	\$ _____	_____ (continued)
Investments	\$ _____	_____
Real Estate	\$ _____	_____
CDs (Certificates of Deposit)	\$ _____	_____
Gift Money	\$ _____	_____
Other	\$ _____	_____

Combined Household Debt

Please list the current value of all debt of all members of the household. If zero, please write "0" in the blank.

	Total Debt	Bank/Institution Name	Monthly Payment	Total Balance Due
Credit Cards	\$ _____	_____	\$ _____	\$ _____
Education Loans	\$ _____	_____	\$ _____	\$ _____
Auto Loans	\$ _____	_____	\$ _____	\$ _____
Lines of Credit	\$ _____	_____	\$ _____	\$ _____
Mortgages	\$ _____	_____	\$ _____	\$ _____
Other	\$ _____	_____	\$ _____	\$ _____

Current Living Situation (Optional)

Please share your current housing expenses on this page. Your responses will not impact your eligibility for the program, but will help paint the picture who is benefiting from this program.

What best describes your current living situation?

- Rent
- Own
- Live with Parents/Relative/Friends
- Lease Purchase
- Other

How many bedrooms are in your current home?

- | | | | |
|--------------------------|------------|--------------------------|---|
| <input type="checkbox"/> | 0 (studio) | <input type="checkbox"/> | 4 |
| <input type="checkbox"/> | 1 | <input type="checkbox"/> | 5 |
| <input type="checkbox"/> | 2 | <input type="checkbox"/> | 6 |
| <input type="checkbox"/> | 3 | | |

What is your current monthly rent? \$ _____

How much do you spend monthly on utilities? \$ _____
(gas, water, electric, trash)

Please describe any special needs or accommodations required by your household. For example, "one-level only" or "at least one ADA-accessible bathroom required"

Homeownership Goals (Optional)

Please share your homeownership goals. Your responses will not impact your eligibility for the program, but will help us design and implement programs that respond to the goals of applicants.

What is your primary reason for wanting to purchase a home? *Select one goal.*

- | | |
|--|--|
| <input type="checkbox"/> Desire to own a home of my own | <input type="checkbox"/> Retirement |
| <input type="checkbox"/> Desire for a larger home | <input type="checkbox"/> Establish household |
| <input type="checkbox"/> Change in family situation | <input type="checkbox"/> Greater # of homes on the market for sale |
| <input type="checkbox"/> Homebuyer tax credit | <input type="checkbox"/> Tax benefits |
| <input type="checkbox"/> Job-related relocation/move | <input type="checkbox"/> Desire for a newly built or custom-built home |
| <input type="checkbox"/> Affordability of homes | <input type="checkbox"/> Purchase home for family member or relative |
| <input type="checkbox"/> Desire to be closer to family/friends | <input type="checkbox"/> Financial security |
| <input type="checkbox"/> Desire for a home in a better area | <input type="checkbox"/> Desire for vacation home/investment property |
| <input type="checkbox"/> Desire to be closer to job/school/transit | <input type="checkbox"/> Other |
| <input type="checkbox"/> Desire for a smaller home | |

Which of the following are barriers to buying a home? *Select all that apply. If none, select none.*

- | | |
|---|--|
| <input type="checkbox"/> Insufficient savings for downpayment | <input type="checkbox"/> Debt |
| <input type="checkbox"/> Insufficient income | <input type="checkbox"/> Lack of references |
| <input type="checkbox"/> Insufficient work history | <input type="checkbox"/> Pending divorce |
| <input type="checkbox"/> Residency | <input type="checkbox"/> Pets |
| <input type="checkbox"/> Over-Income (for BMRs) | <input type="checkbox"/> Own existing home |
| <input type="checkbox"/> Too many assets (for BMRs) | <input type="checkbox"/> Process is overwhelming |
| <input type="checkbox"/> Poor credit history | <input type="checkbox"/> None |

What is most important to you about the neighborhood in which you purchase a home? *Pick top three.*

- | | |
|---|--|
| <input type="checkbox"/> Schools | <input type="checkbox"/> Proximity to family/friends |
| <input type="checkbox"/> Safety/crime | <input type="checkbox"/> Strong housing market |
| <input type="checkbox"/> Proximity to work/school | <input type="checkbox"/> Part of an affordable homeownership program |
| <input type="checkbox"/> Proximity to amenities | |

ALAMEDALANDING

Demographics (Optional)

Demographic information is a not a criteria in the approval process, but provides a clearer picture on who may benefit from affordable housing opportunities and can help advocates of affordable housing make the case to policymakers.

Primary Applicant

Co-Applicant

First & Last Name _____

Race

American Indian or Alaska Native

Asian

Black or African American

Native Hawaiian or Pacific Islander

White

American Indian AND White

Asian AND White

Black or African American AND White

American Indian AND Black

Other multiple races

Ethnicity Hispanic Non-Hispanic

Female Headed Household Yes No

Marital Status

Single

Married/Domestic Partnership

Separated

Divorced

Widowed

Education

Less than high-school diploma

High-school diploma or equivalent

Some post-secondary education

Certification from training program

Associate's degree

Master's or other graduate degree

Employment Status

Self-Employed

Work Full-Time for Employer

Work Part-Time for Employer

Homemaker

Full-Time Student

Permanently unable to work

Unemployed and seeking work

Unemployed and not seeking work

Retired

Veteran Yes No

First & Last Name _____

Race

American Indian or Alaska Native

Asian

Black or African American

Native Hawaiian or Pacific Islander

White

American Indian AND White

Asian AND White

Black or African American AND White

American Indian AND Black

Other multiple races

Ethnicity Hispanic Non-Hispanic

Female Headed Household Yes No

Marital Status

Single

Married/Domestic Partnership

Separated

Divorced

Widowed

Education

Less than high-school diploma

High-school diploma or equivalent

Some post-secondary education

Certification from training program

Associate's degree

Master's or other graduate degree

Employment Status

Self-Employed

Work Full-Time for Employer

Work Part-Time for Employer

Homemaker

Full-Time Student

Permanently unable to work

Unemployed and seeking work

Unemployed and not seeking work

Retired

Veteran Yes No

ALAMEDALANDING

Supporting Documentation

Please provide supporting documentation for EVERY ADULT MEMBER OF THE HOUSEHOLD AGED 18 AND OVER. All documents must be legible to be considered. To help keep you organized, we recommend you print a copy of this checklist for each adult household member to use as a Table of Contents.

- A. Proof of Identify: One form of legal identification for every adult *Required* Check below for which form of ID provided.
- CA Drivers License CA Identification Card US Passport
 Social Security Card *Required* Please contact Social Security at (800) 772-1213 if you cannot locate.

- B. Proof of Residency
- Copy of Birth Certificate
 - Green Card (if applicable)
 - Passport with I55-I Stamp (if applicable)
 - INS Form I-94 (if applicable)
 - Other: _____
- } One form of Proof of Residency is REQUIRED for Primary Applicant & Co-Applicant. Proof is NOT REQUIRED for additional household members.

- C. Documentation of Employment Income *Required* Please contact your Human Resources department if you cannot locate.

If employed, provide 4 most recent consecutive paystubs

- Pay Dates covered by paycheck: _____ to _____ (e.g. 12/1/14 to 12/15/14)
 - Pay Dates covered by paycheck: _____ to _____ (e.g. 12/16/14 to 12/31/14)
 - Pay Dates covered by paycheck: _____ to _____ (e.g. 1/1/15 to 1/15/15)
 - Pay Dates covered by paycheck: _____ to _____ (e.g. 2/1/15 - 2/15/15)
- OR

If self-employed:

- A year-to-date Profit & Loss statement

- D. Two (2) Months of documentation for any other income *Required if applicable*

- | | | |
|--|---|--|
| <input type="checkbox"/> Child Support | <input type="checkbox"/> Pension | <input type="checkbox"/> Foster Care |
| <input type="checkbox"/> Social Security | <input type="checkbox"/> Alimony | <input type="checkbox"/> Gift letter (if applicable) |
| <input type="checkbox"/> SSI | <input type="checkbox"/> Long Term Disability | <input type="checkbox"/> Other (please describe) |
- _____

- E. Last Three (3) years of Federal Tax Returns OR Verification of Non-Filing *Required*

Please contact the IRS at (800) 829-1040 if you cannot locate your returns.

If you did NOT file for any of the three (3) years, contact the IRS at (800) 829-1040 and request a "Verification of Non-Filing."

- | | | |
|--|----|---|
| <input type="checkbox"/> Most Recent 1040 Federal Tax Return (include ALL pages) | or | <input type="checkbox"/> Verification of Non-Filing (if applicable) |
| <input type="checkbox"/> Prior Year's Federal 1040 Tax Return (include ALL pages) | or | <input type="checkbox"/> Verification of Non-Filing (if applicable) |
| <input type="checkbox"/> Next Prior Year's Federal 1040 Tax Return (include ALL pages) | or | <input type="checkbox"/> Verification of Non-Filing (if applicable) |

- F. Last Three (3) years of W-2's *Required if issued W-2s*

Please contact your Human Resources department if you cannot locate. You may also call the IRS at (800) 829-1040.

- Most recent W-2s W-2s should cover all reported income in same year's tax return
- Prior Year's W-2s
- Next Prior Year's W-2s

- G. Last Three (3) consecutive statements from ALL Financial Accounts* *Required*

Computer printouts are acceptable ONLY if they contain a complete account number, begin & end balances, and begin & end dates.

Please include statements for ALL OPEN accounts, even if they contain a \$0 balance. Write N/A if you do not have such accounts.

- Most recent three (3) consecutive Bank Statements
- Most recent three (3) consecutive statements for Retirement Accounts (401k, IRA, etc.)
- Most recent three (3) consecutive statements for Stocks, Mutual Funds, Profit Sharing accounts
- Most recent three (3) statements for CDs, Money Market accounts, etc.

- H. Proof of Student Status *Required if applicable*

- Copy of Current Registration OR an Unofficial Transcript

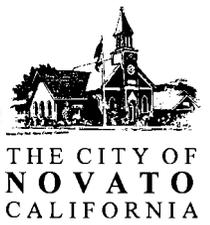
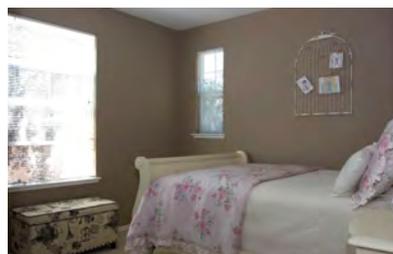
Come to an open house or
schedule a tour

433 Bolling Circle, Novato
Offered at \$395,073

Located in the beautiful Meadow Park community

It's still possible to own part of the American dream. Meadow Park is the result of an innovative public-private partnership to create permanent, high-quality Below Market Rate (BMR) homes in the City of Novato. Come take a tour and visit us online to learn more at www.hellohousing.org/stewardship/cityofnovato.

HOA dues of \$235/month cover building insurance, roof, exterior and grounds maintenance and management.



Interested? Please contact Sandy Mahoney, Realtor® (BRE# 01355214) with The Madison Company at (415) 459-1550 to learn more.

QUALITY FEATURES + MORE

- Beautifully upgraded!
- Three bedrooms
- Two and a half bathrooms
- 1461 square feet
- New laminate flooring
- New high-end stainless steel appliances
- New cabinetry in powder room
- Freshly painted throughout
- Washer and dryer included
- Dual pane windows
- Two stories
- Private Patio
- Easy access to Highway 101

IS THIS HOME RIGHT FOR YOU?

This home isn't available to everyone. You must have a household income of:

- Less than \$75,800 for a household of 1
- Less than \$89,650 for a household of 2
- Less than \$100,850 for a household of 3
- Less than \$112,100 for a household of 4
- Less than \$121,050 for a household of 5
- Less than \$130,000 for a household of 6

- This home must be your primary place of residence.
- You must agree to certain restrictions that limit how much you can sell the home for in the future, which is how these homes will remain affordable for future generations. These restrictions are recorded on the property.

The City of Novato's Below Market Rate Homeownership Program does not discriminate against any persons on the grounds of race, color, national origin, religion, sex or age, per Title VI of the Civil Rights Act, Section 109.



This home is made affordable through the City of Novato's Below-Market Rate Homeownership Program.

What is a Below Market Rate Home?

A Below Market Rate Home (often called a BMR) is a home that has certain deed restrictions recorded on the property which ensure the home remains affordable for future generations. BMRs are often a result of public investment in affordable housing developments or a result of "inclusionary housing policy" which ensures affordable homes are built as a result of market-rate development.

What restrictions am I signing up for?

The most important restriction to understand is that your future selling price is restricted to the price you pay for your home plus any percentage increase in the Area Median Income in Marin County, plus the depreciated value of any approved improvements made during your tenure as the owner of the home.

Can I rent out my home after I buy it?

No. The creation of affordable housing requires significant public investment. These resources come with certain conditions that must be met once the homes are built. These homes were developed to be occupied by homeowners. In contrast, there are affordable developments in Novato that can only operate as rental housing.

Can I renovate my home after I buy it?

Yes. Any improvements you make to your home must meet all local and state building code requirements and be approved by your Home Owner's Association (HOA). If you would like the opportunity to recoup some portion of the costs of your renovation when you sell your home, you must get written approval of your proposed improvements from Hello Housing on behalf of the City of Novato prior to performing the work. Hello Housing will provide you with a depreciation schedule for approved improvements. This means that as time passes since your renovation is complete, the dollar value you can add to your resale price declines. You must provide copies of all receipts to Hello Housing. Hello Housing recommends you make your decisions about improvements based on your enjoyment of the home, not based on increasing the resale value.

Can I refinance later and get cash out?

While you can refinance later to benefit from better loan terms, the program does not allow cash out until resale which should be taken into careful consideration when determining your down payment amount. Also, because BMR programs are unique, only certain lenders can lend on these homes. For a list of lenders familiar with the program, please check Hello Housing's website at www.hellohousing.org/stewardship/cityofnovato.

More questions?

Sandy Mahoney, a Realtor® with The Madison Company can answer your questions about the home and provide you with disclosure packages which include a copy of the City of Novato application and the Affordable Housing Covenants which is the recorded legal agreement that governs the City of Novato's BMR Homeownership Program. The staff at Hello Housing can answer your questions about program eligibility as well as the ongoing requirements of BMR homebuyers.



The Madison Company
Tel: (415) 459-1550
sandy_mahoney@yahoo.com

Hello Housing
Tel: (415) 863-3036
Sarah@hellohousing.org
www.hellohousing.org

Below-Market Rate FAQs

How much will I be able to sell my home for?

Your future resale price will be restricted. This is the way cities ensure homes remain affordable for future generations. Your resale price will be based on a formula that includes a number of variables that change over time, and may also depend on market conditions at the time of sale. The variables include the price you paid for the home, the change in Area Median Income at time of resale, and present interest rates. In addition, market conditions may impact how much you can sell your home for. For example, during the housing crisis, market values dropped below the maximum resale price allowed for by the formula in some cases.

Can I rent out my home?

No. The development of affordable housing requires significant public investment. These public resources come with conditions that must be met after the homes are built. Your home was developed to be lived in by a homeowner. In contrast, there are affordable developments in Daly City that can only be rentals. In addition, you will be required to provide proof of owner occupancy on an annual basis to the City of Daly or its agent as part of your program documents.

Can I renovate my home?

Yes, however any improvements you make to your home must meet all local and state building code requirements and be approved by your Home Owner's Association (HOA). Any improvements made to your home will not necessarily increase your maximum resale price, but could make your home more desirable for purchase in a down real estate market.

Can I refinance in the future and get cash out?

The program documents allow for refinancing under certain conditions but prohibit taking cash out. As you will learn through the purchase process, there are a limited number of lenders who are willing to lend on BMRs, and this is no different when refinancing. *Please keep this in mind when determining your down payment amount as you will be unable to access those funds until you sell your home.*

Do all household members have to be living together at time of application?

Yes, in order for a household member to be considered part of the application the entire household will need to have been living in the same primary residence since March 1, 2015. Additional applicants can't be added to the household to meet minimum household size or income requirements. In order to verify household composition, applicants will be asked to show documentation such as tax returns, government issued ID, paychecks, utility bills or other third party verification.

Is there a downpayment requirement?

Yes, buyers must be prepared to provide a minimum 3.5% downpayment of the purchase price or \$16,500

Can my family members inherit my BMR home?

It depends. If your children are the legal beneficiaries, they can inherit your home ONLY IF their household meets the program requirements. This means, for example, their gross combined household income cannot exceed the program limits at the time of transfer, and they must occupy the home as their primary residence. If they cannot meet the program requirements, they will be required to sell the home to a qualified buyer as provided for in the program documents.

Income Certification Worksheet

County of Alameda NSP QUALIFICATION FOR ELIGIBILITY

APPLICANT: _____

LENDER: _____

Yes No

<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

Household Size:

Tax Returns - Confirm

Loan Application (2nd review)

Other: _____

<input type="checkbox"/>	<input type="checkbox"/>

Verify income:

Payroll stubs (2 most recent; more if needed)

Tax Returns (all pages, including W-2's, 1099's, etc.)

Proof of child support, alimony, other sources of income, etc.

Loan application (2nd review)

Other: _____

<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

Verify assets:

Financial Statements/Other (1 month, all pages)

Loan application (2nd review)

1003 form matches Income Certification Form (2nd review)

<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

Down Payment

Buyer contribution is greater or equal to NSP Down Payment Assistance being requested

Gift letter

<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------

Verify income/asset calculation on Income Calculation Form

<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------

Housing Counseling Certificate:

Certificate Date: _____

<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------

Loan Approval (2nd review)

<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

Additional Circumstances

Full-Time Student

Pregnancy

Disability

CONCLUSION:

Household Size: 1 2 3 4 5 6 7 8

Final % AMI: Bracket FER: % BER: %

INITIAL REVIEW - QUALIFIED: Yes No

Reviewed By: **Matt Warner**
(Hello Housing)

COMMENTS:

Final Approval: _____ Date(s): _____

County of Alameda Income Certification

INCOME CERTIFICATION FORM

Effective Date: 9/5/13
Completed by: Hello Housing

Part I: HOUSEHOLD COMPOSITION							
HH Mbr #	Last Name	First Name and Middle Initial	Household Member	Date of Birth (mm/dd/yyyy)	Full-Time Student	Social Security Number or Alien reg. #	
1							
2							
3							
4							
5							
6							
7							
8							

PART II: GROSS ANNUAL INCOME								
HH Mbr #	PS#	Wages		Social Security	Pensions	Public Assistance	Other Income	
		Employer	Amount				Source	Amount
Totals			\$0	\$0	\$0	\$0		\$0
TOTAL GROSS ANNUAL HOUSEHOLD INCOME								\$0

PART III: INCOME FROM ASSETS (Attach additional sheets if necessary)						
Use Checking, Cash or Savings only, if Joint, list both HH Mbrs in column A, for any retirement accounts, enter only 50% of stated value						
HH Mbr #	Account Name	Type	Date	Cash Value	Annual Income from Asset	
Totals				\$0	\$0	

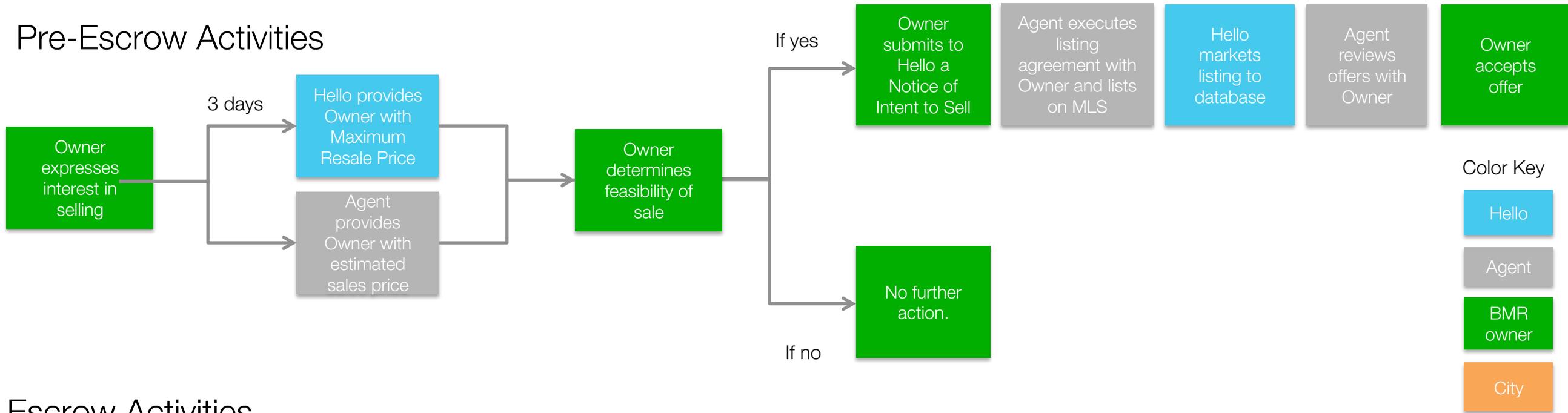
PART IV: TOTAL ANNUAL HOUSEHOLD INCOME FROM ALL SOURCES	\$0
--	-----

PART V: DETERMINATION OF INCOME ELIGIBILITY			
Area Median Income for Family Size from Income Limits for Alameda PMSA determined by HUD annually	\$71,400	Household Percentage of Area Median Income	115%
Designated Maximum AMI(s)	_____ %	Eligible (Y/N):	
Purchase (per OPA, DDA, etc.):	_____ %		

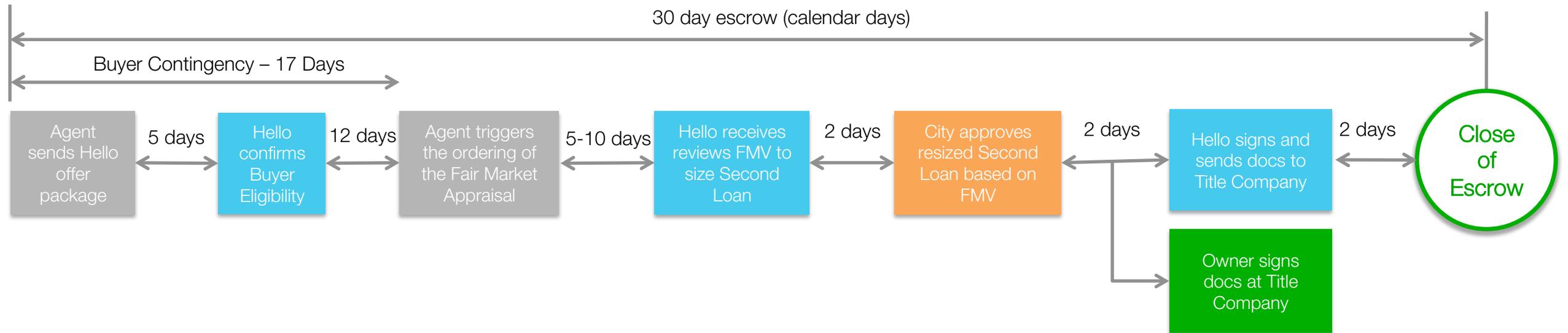
Resale Flowchart

City of Novato Resale Process & Timelines

Pre-Escrow Activities



Escrow Activities



*All durations are business days unless otherwise noted.

4. COST

Hello Housing's cost structure is fee-for-service and pricing is reflective of the hours and expertise required to complete each task with excellence. Year 1 fees not to exceed \$260,000 and year 2 fees not to exceed \$190,000.

Key Assumptions	Year 1	Year 2
BMP Ownership Homes in Portfolio	70	89
BMP Rental Homes in Portfolio	284	292
Loans in Portfolio	114	114
Estimated Number of BMR Rental Unit Turnover	12	8
Estimated Number of New Inclusionary Sales	19	9
Estimated Number of Pay-offs	2	3
Estimated Number of Resales	0	1
Estimated Number of Refinances	3	3
Workshops	1	1

Activities	Notes	Rates	Year 1	Year 2
YEAR ONE ONLY				
Contract Set-Up Fee (due at contract execution)		\$5000 one time fee	\$ 5,000	\$ -
Onboarding BMR Ownership Files	(a)	\$75 per home	\$ 5,250	\$ -
Onboarding BMR Rental Files	(b)	\$25 per unit	\$ 7,100	\$ -
Onboarding of Loan Portfolio	(a)	\$75 per loan	\$ 8,550	\$ -
		<i>One-Time Set Up Subtotal</i>	\$ 25,900	\$ -

ANNUAL FIXED FEES				
Field calls, maintain dedicated website, submittal of semi-annual report	(c)	\$15000 annual fee	\$ 15,000	\$ 15,000
BMR Ownership Compliance Monitoring		\$150 per home	\$ 10,500	\$ 13,350
BMR Rental Compliance Monitoring		\$250 per unit	\$ 71,000	\$ 73,000
Loan Portfolio Monitoring		\$150 per loan	\$ 17,100	\$ 17,100
		<i>Annual Fixed Cost Subtotal</i>	\$ 113,600	\$ 118,450

VARIABLE FEES DEPENDANT ON VOLUME OF TRANSACTIONS				
BMR Orientation Meeting/Workshops		\$750 per workshop	\$ -	\$ 750
Drafting and Recordation of Affordable Housing Agreement		Hourly	\$ 1,100	\$ 2,200
Management of New Inclusionary Sales	(d)	\$5500 per home	\$ 104,500	\$ 49,500
Loan Payoffs		\$750 per loan	\$ 2,250	\$ 2,250
Management of Resales	(e)	\$7500 per home	\$ -	\$ 7,500
Management of Refinances		\$650 per home	\$ 1,950	\$ 1,950
Onboarding of new BMR Ownership files		\$75 per home	\$ -	\$ 1,425
Onboarding of new BMR Rental files		\$25 per unit	\$ -	\$ 200
BMR Rental Eligibility Verification (upon BMP rental vacancy)		\$150 per applicant	\$ 1,800	\$ 1,200
		<i>Variable Cost Subtotal</i>	\$ 111,600	\$ 66,975

Year One Set-Up Costs	\$ 25,900	\$ -
Annual Fixed Costs	\$ 113,600	\$ 118,450
Projected Variable Costs	\$ 111,600	\$ 66,975
	\$ 251,100	\$ 185,425

Less Potential Pass-Through of Management & Sales Costs to Developer for Inclusionary Sales in Year 2 \$ (49,500)

\$ 135,925

Additional Services Available Upon Request

BMR Homeowner Custom Annual Newsletter	\$2500 per issue
Drafting of BMR Program Guidelines	Hourly Rate
Implementing New Waitlist Process	Hourly Rate
Recordation of Updated Requests for Notice of Default	\$40 per unit
Review of the City's Inclusionary Ordinance & BMR Agreements	Pass through costs to Goldfarb and Lipman
BMR Rental Waitlist Administration	Hourly or price to be defined once scope is defined.

Hourly Consulting Fees (for services outside base scope described in "Proposed Pricing")

Executive Director	\$ 150
Program Director	\$ 110
Program Manager	\$ 90
Program Associate	\$ 60

Notes

- (a) This price assumes all program documents and owner files are in good order and complete. Hello Housing will enter all files into Salesforce database for ongoing management. Fee only charged in Year 1.
- (b) This price assumes that all property managers are generally responsive to Hello Housing's requests for information and the City has all governing agreements and accurate contact information for each management company. Fee only charged in year 1.
- (c) Regardless of the transaction level in the BMP program, Hello Housing dedicates trained staff to be knowledgeable about the program to field inquiries and have capacity to manage transactions when they arise. This fixed fee is meant to cover those staff members time dedicated to the program. This fee is to be billed on a pro rata monthly basis.
- (d) 50% of fee due when eligible buyer has been approved by the City and buyer enters into a purchase agreement. In general, this per-unit pricing which is lower than resale pricing depends on a minimum of five units being offered for sale in a new inclusionary development so that Hello Housing can achieve some economies of scale.
- (e) 50% of fee due when eligible buyer has been approved by the City and buyer enters into a purchase agreement. All broker fees from the transaction will be used to pay a Realtor partner and the cooperating broker.

5. ADDITIONAL INFORMATION

Upon contract award, as a part of the program onboarding and implementation process, Hello Housing will review program documents, processes and ordinances, and staff will make suggestions to bring the program in-line with local and industry best practices.

In advance of reviewing program documents, Hello Housing has several possible recommendations to offset BMR administration costs:

- The City can negotiate with for-profit housing developers in the Affordable Housing Agreements, for the BMR marketing, buyer identification and document prep costs be borne by the developer.
- Implementing a subordination fee for refinance requests from current borrowers and owners. This fee can be financed in the new first mortgage by borrowers. Fees charged to refinancing homebuyers in other programs we manage range from \$300 to \$550.
- Implementing changes in BMR Deed Restrictions to allow for the City to collect a fee upon re-sale of BMR home. Because BMR homes typically don't need to be marketed on MLS and the BMR administrator carries much of the workload of reselling the home, listing and buyer's agents typically will work for a reduced commission. The reduced commission allows for the seller to pay lower than industry-standard commissions and still allows the City to collect ~1% of the sales price as a transaction cost.
- Should a BMR owner go into foreclosure, Hello Housing can quickly perform an analysis to determine if the property is worth buying at public auction and re-selling to an income eligible family. Hello Housing has done this work in other jurisdictions and it has generated enough revenue to substantially offset administration costs.

In summary, there are a few ways to bring cost recovery concepts into a BMR program, but it can take decades if the currently-recorded documents do not provide for the fees. The opportunity to make changes to the restrictions happens at resale. With portfolios like Campbell with minimal turnover, it will be a marathon, not a sprint.

In the case of new inclusionary sales, it would be critical to include cost recovery provision in the homebuyer documents up front, ideally with discretion to reasonably adjust fees over time, before lender approval of the program documents.

6. IDENTIFY KEY STAFF

A. Organizational Structure

Hello Housing is a 501(c)3 corporation with a traditional organizational structure. The organization is led by a small board of directors with a variety of skills and perspectives to offer the organization. The Executive Director reports to the Board and the staff report to the Executive Director. There are no parent companies, LLCs or affiliates. Of note, Hello Housing is in confidential conversations to become an affiliate of a well-respected nonprofit housing organization serving the 10-county Bay Area, providing Hello Housing with access to administrative support that far exceeds what organizations of Hello Housing's size can afford on their own.

Charles Gardner, President

Co-Founder of the U.C. David M.I.N.D. Institute and principal of Hallmark Group, a capital program management firm with expertise in campus development and water management.
cgardner@hgcpm.com (916) 708-8767

Matthew Friesen, Vice President & Treasurer

Co-owner of Advance Education, provider of comprehensive services and support to persons with autism and related disorders and their families.
mfriesen@hgcpm.com (916) 747-8467

Tom Casey, Secretary

Residential developer for Dogtown Development in Oakland. Former VP for Bridge Housing and leader of HomeBricks, a BRIDGE affiliate that provided homeownership services to jurisdictions and developers.
tbcasey@gmail.com (415) 601-2369

Rick Rollens, Board Member

Political consultant and former secretary of the California State Senate
rrollens@aol.com (916) 791-2792

Susan Kirkgaard, Board Member

A trial attorney with expertise in employment, construction, real estate fraud, and unfair business practices
skirkgaa@travelers.com (916) 638-6610

B. Staff Resumes

Hello Housing is comprised of a unique team of experts with backgrounds in design, development, construction, finance, social policy, supportive services and homeownership program administration. Hello Stewardship, a program of Hello Housing, is staffed by Mardie Oakes, Executive Director; Jennifer Duffy, Director of Business Development; Matt Warner, Program Director of Hello Stewardship; Sarah Shimmin, Program Manager; Marcus Papin, Program Manager and Joey Shields, Program Associate.

The staff committed to the management of Campbell's BMR program will be Marcus Papin, Sarah Shimmin and Joey Shields. They will perform the day-to-day administrative and program management activities. All contract set-up and business development activities are coordinated by



Mardie Oakes and Matt Warner. Please refer to Section 6C below for a list intended staff roles. Please see below for detailed information regarding our staff experience.

Mardie Oakes, Executive Director

In her role as founding Executive Director for Hello Housing, Mardie:

- Is responsible for all facets of the organization's performance;
- Oversees the development and program teams;
- Oversees all financing relationships ensuring funding requirements and needs are being met;
- Leads new business development for the organization;
- Represents the organization in public forums and in the media;
- Negotiated and closed \$1.5 million in permanent debt for supportive housing at peak of the financial crisis;
- Negotiated and closed approx. \$10 million in financing for HUD Neighborhood Stabilization Program (NSP) foreclosure recovery activities to support \$30 million in development;
- Led the creation of a shared regional marketing platform for affordable for-sale homes (www.homehub.org).
- Negotiated and closed a \$2.7 million line of credit from Clearinghouse CDFI to leverage NSP funding, more than doubling the number of homes made possible by NSP;
- Negotiated and closed \$120 million in acquisition and construction financing with Bank of America;
- Negotiated and closed \$105 million in permanent financing from California Housing Finance Agency;
- Secured \$20 million in acquisition/bridge financing with The Mechanics Bank;
- Managed a \$100 million tri-party Housing Development Agreement; and
- Closed on 60 infill properties in 19 Bay Area jurisdictions for renovation or new construction to serve 240 individuals with developmental disabilities leaving Agnews Developmental Center.

Mardie, a 2006 Echoing Green Fellow, combines experience in architecture, development and finance with a passion for making the places people live places to thrive. After earning her architecture degree from Rice University, she spent five years developing affordable housing and commercial buildings to revitalize the Fifth Ward, Houston's lowest income neighborhood (85% African American, 10% Latino). She was the project manager for the Maxwell award-winning Lyon's Village, a 24-unit, 10,000 SF retail mixed-use tax credit project focused on low- and extremely low-income families. Her responsibilities included project management from community visioning thru stabilized occupancy. She assembled LIHTC, FHLB, LISC, and lender financing, performed all related due diligence and compliance, worked with city officials to obtain political support and project approvals, oversaw design, and served as General Contractor overseeing 30+ subcontractors, many of whom were local to the Fifth Ward community. She also managed land acquisition department for single family home development which involved: identifying target lots for development, contacting owners through title search or neighbor inquiry, working with sellers and title companies to obtain clear title, and managing the loan closing process. Mardie also managed corporate partnerships, including the Houston Rockets who had players volunteer 2 – 3 times per year at new construction sites alongside the family purchasing the home.

During that time, she co-created *16 Houses: Owning a House in the City* in partnership with Rice School of Architecture and DiverseWorks Artspace, a leading interdisciplinary arts organization. The project invited local and national architects to design innovative and affordable single-family homes for residents of the Fifth Ward, which resulted in an exhibition, book and construction of several demonstration homes. Through this project, Mardie recognized the need for creative financing solutions – and for building bridges across disciplines - to make cutting-edge projects a reality. This led her to Harvard Business School where she was awarded a Harvard Service Fellowship at Boston Community Capital, one of the nation's leading community development financial institutions where she analyzed new business opportunities for BCC; analyzed the social impact of BCC's loan and venture funds; designed & implemented loan fund systems to support organizational growth;

provided technical assistance to Boston Community Loan Fund borrowers; researched exit strategies for community development venture capital investments and analyzed secondary markets as a solution to CDFI liquidity constraints.

Mardie moved to the Bay Area in 2003 to be Director of Real Estate Lending for Opportunity Fund (formerly Lenders for Community Development) where she invested \$20 million of debt into affordable housing and community facilities throughout Silicon Valley. In 2005, she co-founded Hello Housing with Board President Chuck Gardner. Mardie has a Bachelors of Architecture from Rice University and an MBA from Harvard Business School.

Jennifer Duffy, Director of Business Development

In her role as Director of Business Development, Jennifer:

- Leads business development for the organization, including project feasibility and contract facilitation;
- Administers the City of Oakland's Abandoned and Vacant Lot Initiative through the City's Community Buying Program;
- Represents the organization and city partners in public forums;
- Oversees the partnerships with lenders, project brokers, and homebuyer counseling agencies and peer developer partners enabling multiple parties to work efficiently and collaboratively to achieve critical project milestones;
- Manages City of Menlo Park's rehab and down payment loan servicing administration portfolio totaling \$3 million in value;
- Leads all property acquisition and disposition efforts on behalf of the organization;
- Coordinates and monitors the construction management team;
- Led the acquisition and development of over 100+ homes for working families across the Bay Area;
- Implemented Hello Match, an innovative program of Hello Housing supporting aspiring homebuyers looking to renovate their homes utilizing a 203K loan product;
- Managed all development communications among three Bay Area Regional Centers, the State Department of Developmental Services, the State Department of Social Services and the administrative team at Agnews Developmental Center, during the mandated closure of a state run institution; and
- Facilitated communication and training with the State Fire Marshal and 19 local jurisdictions regarding legislation which created a new Community Care Licensing category (Senate Bill 962) for Community Care Facilities.

Jennifer is responsible for transforming great ideas into sustainable programs that serve the mission of Hello Housing. She has helped Bay Area cities maintain and protect existing affordable housing stock during the economic downturn while also creating anti-blight and anti-displacement strategies through innovated public-private partnerships with mission oriented companies. Jennifer brings 20+ years of experience pioneering new models of housing and service delivery for individuals and working families most in need.

Prior to Her work at Hello Housing, Jennifer worked as a leader in the field of service delivery at Community Living Opportunities, Inc. (CLO), a nationally recognized private service corporation, based in Eastern Kansas and affiliated with the University of Kansas. At CLO, Jennifer directed her energy to helping adults with developmental disabilities to achieve personally satisfying and fulfilling lives in their communities through the development of housing and service technologies that worked hand-in-hand.

During Jennifer's tenure with CLO, she supervised all property expansion projects for the residential program that supported over 200 adults. Through her work with community contractors, she expanded housing opportunities for this population two-fold throughout the State of Kansas. Jennifer has helped to advocate and design cutting edge service technologies to aid in the support and independence of adults and children with significant supervision needs including the implementation of a new Camera Monitoring Surveillance system currently being utilized by service providers in Kansas, Tennessee and New York to help individuals live more

independently in less restrictive community environments.

Jennifer is President of the Board of Directors for California Community Opportunities, a well recognized non-profit residential service corporation, which deploys innovative service models for children and adults with developmental disabilities so that they can achieve personally satisfying and fulfilling lifestyles in their communities. Jennifer earned a Bachelor of Science degree in Education and a Masters of Social Welfare from the University of Kansas.

Matt Warner, Program Director

In his role as Program Director of Hello Stewardship, Matt:

- Provides leadership and education regarding the importance of professional stewardship of BMR programs;
- Provides training, oversight and direction of the Hello Stewardship team, which administers over 860 BMR homes, 123 rental units and 100 down payment assistance loans;
- Oversees the marketing and sale of inclusionary BMR units for market-rate developers, including marketing plan creation, launching online campaigns, hosting program workshops, and lottery drawings;
- Provides direction and recommendations to jurisdictions creating or updating their BMR programs;
- Serves as the relationship manager for all contracts served;
- Provides oversight of the pricing, marketing and sale of BMR re-sales for multiple municipalities;
- Performs BMR Buy-Back feasibility assessments for jurisdictions facing potential loss of units due to foreclosure; and
- Works directly with Executive Director to ensure the program is sufficiently resourced as additional contracts are secured.

Matt proved himself as a Program Manager with Hello Housing for two years before being promoted to Program Director in 2015. As Program Manager, he effectively managed all aspects of BMR administration of the portfolio of 500 homes, managed a BMR buy-back program that successfully generated program revenue for a City client, as well as preserved BMR units. Matt also worked closely with the Executive Director to the design and launch an on-line BMR application process for new for-sale inclusionary BMR homes in high-demand jurisdictions.

Prior to joining Hello Housing, Matt served as a Certification Specialist for HomeBricks where he gained three years of experience in BMR housing, DPA loans, NSP programs and management of municipalities' portfolios of affordable homes. His responsibilities included determining applicant eligibility, underwriting DPA loans, coordinating escrow and creating sales projections for two BMR developments, Mission Walk and Armstrong Townhomes in San Francisco, totaling over 250 units. In addition, he was responsible for the annual compliance and reporting for two East Bay municipalities' portfolios of BMR and DPA loans. Matt also managed the marketing and sale process for several large developers' inclusionary BMR units, in the Cities of San Francisco and Dublin, and the marketing sales process for several NSP developers in Contra Costa and Alameda Counties.

Matt earned a Bachelors Degree in Economics from San Diego State University.

Sarah Shimmin, Program Manager

In her role as Program Manager for Hello Housing, Sarah:

- Manages the re-sales of BMR homes on behalf of local jurisdictions, including preparing marketing material, applicant selection and underwriting;
- Underwrites loan applications for various down payment assistance programs.

- Holds educational workshops for current and prospective buyers to educate new and existing program guidelines and processes;
- Serves as the primary contact for all Realtors, lenders and homeowners to educate about the sales and lending process, as well the deed restrictions on the BMR homes in Novato and Menlo Park
- Assists in the marketing and sale of inclusionary BMR homes on the behalf of market-rate developers; and
- Communicates with Spanish speaking members of the community in which Hello Housing works

Prior to joining Hello Housing, Sarah served as a Project Manager for Newcomb Anderson McCormick, an energy engineering and consulting firm. Sarah performed Program Management activities on the UC/CSU/IOU Energy Efficiency Partnership, including database management, creation of reports for the management team, budget analysis and relationship building with the investor-owned utilities and the university system.

Prior to her work at Newcomb Anderson McCormick Sarah served as an Outreach Coordinator for GRID Alternatives where she worked with low-income homeowners residing in affordable housing to assist them in participating with Single-Family Affordable Solar Program (SASH). Sarah's duties included identification of eligible housing developments, conducting informational workshops on the program, eligibility screening of prospective clients, application assistance, home energy auditing, contract signing assistance, post-installation follow up trainings and overall relationship building with affordable housing partners.

Sarah earned a Bachelor of Arts degree in both Environmental Studies and Spanish from CSU East Bay.

Marcus Papin, Program Manager

In his role as Program Manager for Hello Housing, Marcus:

- Manages the re-sales of BMR homes on behalf of local jurisdictions, including preparing marketing material, applicant selection and underwriting;
- Underwrites loan applications for various down payment assistance programs.
- Holds educational workshops for current and prospective buyers to educate new and existing program guidelines and processes;
- Serves as the primary contact for all Realtors, lenders and homeowners to educate about the sales and lending process, as well the deed restrictions on the BMR homes in Los Gatos and Menlo Park; and
- Assists in the marketing and sale of inclusionary BMR homes on the behalf of market-rate developers.

Prior to joining Hello Housing, Marcus served as the Marketing, Project and Property Manager for Uptown Reinvestment Corporation, a non-profit development firm in Flint, Michigan. Marcus played a key role in several community building projects crucial to the redevelopment of the city of Flint. Most notably, he worked as a project manager on the \$36 million Health and Wellness District. The project included the demolition of an 18 story blighted building and creation of an urban plaza in it's place, the conversion of a historic prior newspaper building into mixed use university, office and loft space, the relocation of a year round farmers' market to a vacant print press building and the conversion of a dilapidated structure into a center for all inclusive care for the elderly. In addition to his role as a development project manager he also ran multiple marketing campaigns promoting the redevelopment of the city of Flint and marketing residential and commercial opportunities downtown. He was also responsible for the management of just over 1 million square feet of residential, retail, commercial, medical, and institutional space.

In addition to his work responsibilities Marcus was very involved in his community, holding several board positions. He also helped plan and execute several events in the downtown, helping to bring nearly 500,000 people to the downtown area.

Marcus earned a Bachelor of Arts degree in Communications from the University of Michigan – Flint.

Joey Shields, Program Associate

In his role as Program Associate of Hello Stewardship, Joey:

- Provides written and verbal correspondence with Below Market Rate homeowners and potential BMR applicants;
- Assists homeowners by referring resources to help refinancing and reselling their BMR homes;
- Assists with Hello Housing's large database projects;
- Assists with application underwriting
- Prepares and distributes newsletters; and
- Provides basic office management.

Prior to joining Hello Housing, Joey had an active role in the growing fossil fuel divestment campaign as an outreach and social media coordinator of Fossil Free. He also participated in North Oakland's San Pablo Golden Gate Community Revitalization efforts as a contributing member, and interned for Congressman Mark Takano over the summer of 2014, and also at the Housing Assistance Center at the City of Oakland during his senior year.

Joey recently graduated from the University of California, Berkeley earning his degree in Political Science.

7. REFERENCES

City of Novato

Cathy Capriola, City Manager
ccapriola@novato.org
(415) 899-8906

City of Menlo Park

Cherise Brandell, Community Services Director
cebrandell@menlopark.org
(650) 330-2200

Alameda County

Housing and Community Development

Michelle Starratt, Assistant Housing Director
michelle.starratt@acgov.org
(510) 670-5207

Housing Authority of the City of Alameda

Victoria Johnson, Director of Housing and Community Development
vjohnson@alamedahsg.org
(510) 747-4305

City of Pleasanton

Frances Reisner, Housing Division
fdreisner@ci.livermore.ca.us
(925) 931-5007

8. INSURANCE COVERAGE

February 9, 2016

City of Campbell
 Community Development Department
 70 North First Street
 Campbell, CA 95008

To Whom It May Concern:

Hello Housing is able to furnish insurance coverage in accordance Attachment A – Insurance Requirements with the following exception of the per occurrence limit requirement for Commercial General Liability. Our current coverage supports a \$1,000,000 limit each occurrence with a \$2,000,000 general aggregate limit.

All other coverage requested per Attachment A is available to Hello Housing and can be evidenced on a certificate of insurance supplied to the City pursuant to the signing of a contract for services – Please see below.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
B	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	Y	Y	6601G9323615	7/7/2015	7/7/2016	EACH OCCURRENCE	\$1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$300,000
							MED EXP (Any one person)	\$5,000
							PERSONAL & ADV INJURY	\$1,000,000
							GENERAL AGGREGATE	\$2,000,000
							PRODUCTS - COMP/OP AGG	\$2,000,000
								\$
B	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			6601G9323615	7/7/2015	7/7/2016	COMBINED SINGLE LIMIT (Ea accident)	\$1,000,000
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
								\$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE	\$
							AGGREGATE	\$
								\$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	UB4467T36015	7/7/2015	7/7/2016	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER	
							E.L. EACH ACCIDENT	\$1,000,000
							E.L. DISEASE - EA EMPLOYEE	\$1,000,000
							E.L. DISEASE - POLICY LIMIT	\$1,000,000
C	Professional Liability			VIPL051347	1/25/2016	4/1/2017	Each Claim	1,000,000
							Policy Aggregate	1,000,000

Insurers for Hello Housing Policies:

- Travelers Indemnity Company – Commercial General Liability, Auto Liability
- Travelers Property Casualty Co of A - Workers Compensation
- Gemini Insurance Company– Professional Liability Errors and Omissions

Please feel free to contact me with any questions you may have at the number or email address noted below.

Sincerely,



Jennifer Duffy
 Director of Business Development
 (415) 828-4362
 Jennifer@hellohousing.org

9. TERMINATED CONTRACTS/LITIGATION

February 9, 2016

City of Campbell
Community Development Department
70 North First Street
Campbell, CA 95008

To Whom It May Concern:

Hello Housing has not terminated any contracts or agreements in the last 3 years. The organization is currently not in litigation and there are no pending legal claims against Hello Housing.

Sincerely,

A handwritten signature in blue ink, consisting of a horizontal line followed by a stylized, circular flourish.

Mardie Oakes
Executive Director
(415) 828-4388
mardie@hellohousing.org



via Hand-Delivery and Electronic Mail

February 8, 2016

Wendy Wood, City Clerk
City Manager's Office, City of Campbell
70 N. First Street; Campbell, California 95008

Re: REQUEST FOR PROPOSAL – BMR PROGRAM ADMINISTRATOR

Dear Wendy Wood,

In response to The City of Campbell's RFP for Below Market Rate Program Administration, please view the following proposal response on behalf of HouseKeys. HouseKeys is suited as the ideal BMR Administrator with relevant experience in the administration of affordable housing programs, and documented experience related to the desired scope of services.

As the current BMR Program Administrator for the City of Morgan Hill, we have built a substantive case study concerning the onboarding of their program. Adhering to strict timelines in the wake of the dissolution of a key Silicon Valley affordable housing program administrator, lender and counseling agency, HouseKeys was able to flourish in their role as Program Administrator. This all took place while other jurisdictions were (many still are) determining their next suitable steps for their BMR/BMP programs. We look forward to the opportunity to present our proposal during the month of March.

While we understand the dwindling program budgets initiated by the dissolution of the Redevelopment Agencies, we also have identified true costs as it relates to building a sustainable Affordable Housing program and portfolio. Those costs are shown in the document as the desired budget for what we refer to as the Model City project. With the knowledge of associated regional City Council measures, please view this as part of our discussion, and not a demand request. As an example, the City of Morgan Hill initially had a \$75,000 BMR Program budget which grew to \$272,000 after continued program assessment and City Council approval. Budgeting will be an important part of the program development process.

Thank you for your attention to this response, and for the opportunity.

If you should have any questions regarding this RFP Response Submission, I may be contacted at (408) 684-8202 or by email at Julius@NyandaConsulting.com.

Sincerely,

Julius Nyanda
CEO, Nyanda & Associates

356 Digital Drive | Morgan Hill, CA 95037 | Phone: 1-877-460-KEYS | www.housekeys.org



2. Qualifications

HouseKeys BMR Program Overview

A Nyanda & Associates (N&A) Company

HouseKeys Hotline: 1-877-460-KEYS (5397)

www.housekeys.org

Background

N&A's mission is to improve the effectiveness of community and economic development programming aimed at improving the lives of working and middle class families and to build a firm that attracts and develops civic minded business professionals.

We do this by helping program providers retool and/or restructure their programs and operations to be better equipped to sustain and scale services in the face of ever-changing political, social and economic dynamics and trends.

We focus on three programmatic areas: Affordable Housing, Housing Finance and Neighborhood Development

BMR Experience

HouseKeys is N&A's focused effort to improve *Affordable Housing* programs in the Bay Area and Silicon Valley. After having worked in both the for-profit and nonprofit sectors over the past 20 years, the HouseKeys team has identified best practices that help to effectively build, maintain and preserve affordable housing stock. We also place an emphasis on competency by recruiting and training team members with specific expertise in vital areas that enable an affordable housing program to function effectively and sustainably. These areas include:

- Real Estate Acquisition, Rehabilitation and Sales
- New Home Development Sales
- First Mortgage Lending
- Down Payment and Closing Cost Assistance Program Processing and Underwriting
- Homebuyer Eligibility Processing and Underwriting
- Program Administration and Management
- Title and Escrow
- Asset Management

This team has been very active in the cities of Morgan Hill, Gilroy, Santa Clara, Los Gatos, Los Altos and Burlingame - having worked for South County Housing, Neighborhood Housing Services Silicon Valley and a number mortgage banking operations that facilitated affordable lending financing. Collectively, this group has handled over 680 BMR transactions since 2000, including over 220 in Morgan Hill. With Housing Industry in-house counsel, we consult and work with the City Attorney to handle Resale Restrictions, Deed Restrictions, Development Agreements, and all normal BMR-related regulatory documentation. We utilize the fees from these transactions to offset the annual contract costs to our jurisdictional clients.

Current Jurisdictional Clients: ***City of Morgan Hill***

BMR Program Administrator

Housing Agency of Record

356 Digital Drive | Morgan Hill, CA 95037 | Phone: 1-877-460-KEYS | www.housekeys.org



2. Qualifications

Compliance Example

There are numerous examples of our expertise in the area of Compliance Issue Resolution. As always, the nature of the jurisdictional relationship, and the transparency provided to a Program Administrator is key to our success. One such show of our communication process, resolution ability, and overall industry knowledge, in dealing with compliance issues is shown in the case to be referred to as “Rental Violation”.

As background, the property being discussed was brought into the BMR portfolio through a new development project. The property was compliant for 4 years, until it was resold during that year. The following year, the City hired a new Program Administrator for its’ BMR program. During this time, we completed what turned out to be a year-long onboarding process. After performing a review of the program, the organization suggested a new compliance protocol, utilizing daily surveillance of the entire BMR portfolio.

After completing the new Program Monitoring review, it was found that the BMR Resale Purchaser violated the program by renting out the unit instead of living in the unit, as stated in the BMR Guidelines and signed agreements. The organization provided a detailed memo to the City, and began the suggested plan of action to resolve the violation. After performing due diligence with key parties including the homeowner, it was confirmed that the violation was indeed accurate. The organization updated the City, and began preparing compliance violation correspondence for the homeowner.

Within 5 months, the City followed the suggested plan of action, which included a case study of Legal Action versus Property Acquisition. After the homeowner agreed to go through the Property Acquisition process, the organization efficiently moved forward with its’ plan. This included City Council measures and an Acquisition Rehabilitation & Resale plan, so that the BMR portfolio would remain intact, and that another deserving family within their growing pipeline of potential homeowners would achieve their dream of homeownership. One month after the City Council measure, the organization cleared title, assessed the property, and prepared it for resale within our BMR pipeline of City-approved applicants.

Three months later, the property was sold to a current BMR homeowner, resulting in BMR Portfolio preservation.



BMR Program Services Utilized

HouseKeys provided a suite a services for this jurisdictional client to resolve this issue, and provide a profitable solution for the City. ***The order of events and process are as follows:***

- Program Onboarding
- Program Assessment
 - Detailed Client Communication (Adminstrator & City)
 - Program Suggestion (Enhancement)
 - Compliance Monitoring & Certification Implementation
- Program Monitoring
 - Annual Compliance Assessment & Report
 - Compliance Resolution Plan of Action
- Program Administration
 - Compliance Correspondence & Resolution Plan
 - Program Report & Preparation for City Council Staff Report
 - City Council Action
- Real Estate Acquisition, Rehabilitation and Sales
 - Clear Title
 - Order Payoffs (Deeds of Trust, Encumbrances)
 - Bring Property to Current Tax Status
 - Property Assessment
 - Resale Restriction Agreement / Development Review
 - Appraisal, Inspections, Rehabilitation
 - Transfers and Defaults
 - Property Assignment
 - Property Sale (Violator to Administrator)
 - Resale Preparation
 - Property Marketing
 - Open Houses
 - Property Lottery
 - Property Resale
 - Manage All Aspects of Sale (*Including Legal*)
 - Hold Lottery
 - Find Eligible Buyer
 - 110% AMI
 - Property Resale
 - Resale Restriction Agreement
 - Deed of Trust
 - Loan Officer Coordination
 - Title & Escrow Management



3. Program Administration (Proposed)

As the City of Campbell's BMR Program Administrator, HouseKeys will perform all roles and responsibilities as defined by this RFP request. Additionally, below you will find the proposed **Program Administration Scope of Services**, which outlines how HouseKeys will implement and administer your BMR Program. This includes line item descriptions of all task-related items, task descriptions, preliminary timelines. There is also additional information not requested in the RFP Scope of Services, but we feel should be included in the proposed Scope of Services.

Communication efforts (additionally described in **5. Additional Suggestions**) are key to the overall success of the program. As such, the proposal highlights the intention to have a *HouseKeys' Program Specialist* positioned within the City of Campbell's Housing Department. The relationship between the City and the Administrator takes on an iterative process, where the program continues to be enhanced for sustainability and scalability. Our experience with other jurisdictions have shown this approach to be more cost-efficient and compliant, while also increasing the capacity of the overall program. Monthly Program Reports will be provided, as will Quarterly Program Reviews. We will also aid in the development of all BMR-related Staffing Reports and updates to City Council.

HouseKeys will provide a dedicated web site presence, BMR Program phone number, BMR Program Contact Sheets, and timely updates to the overall applicant/stakeholder pool. With a dedicated in-house technical team, our ability to provide targeted reports that help provide a landscape view of BMR Property Portfolio, and its' Applicant Pool. Those details are also listed in the corresponding Scope of Services.



SCOPE OF SERVICES

The Scope of Work details the roles and responsibilities of the City and Consultant. The Schedule starts from the date the contract is fully executed by both parties.

1. Consultant will onboard the City's BMR Program within 12 Months from contract date <i>(90-120 Days with limited program assessment)</i>
2. Consultant will administer the Below Market Rate program and assure Below Market Rate (BMR) Deed Restrictions are recorded and followed by all parties as applicable for each property.
3. Consultant will provide onsite support in the City of Campbell for service requests, orientations and workshops
4. Consultant will regularly update BMR guidelines and program materials in conjunction with City staff to reflect the Consultant's administrative process for BMR Administration including, but not limited to: applications, program pamphlets, resale calculations, buyer selection process, sale and resale of units, refinancing requests, collection of City fees and other applicable fees, and default monitoring/resolution process. Consultant's objective will be to work alongside City Staff to incorporate "learnings" from the team's collective history with BMR Programs in Campbell along with surrounding Santa Clara, San Benito, Alameda, San Mateo, Santa Cruz and Monterey Counties.
5. Consultant will provide the City with a Below Market Rate program website presence that will link to the City's housing website.
6. Consultant and the City will develop mutually acceptable response times to BMR inquiries and processing times required to obtain City signatures.
7. Consultant shall maintain the City's existing databases and files for program administration and establish a file retention and management system for the program. All electronic records will be considered work products that are property of the City of Campbell. The Consultant will update the City's records quarterly to ensure a coordinated seamless record keeping process.
8. Consultant will provide the applicants will the following services: <ol style="list-style-type: none"> 1. Conducting income qualifications including review of assets, income, VOE's and all other necessary approvals to ensure qualification for the City loans. 2. Making minor revisions to the City's existing program materials and legal documents. 3. Underwriting loan applications in accordance with program requirements. 4. Preparing all loan documents, overseeing proper execution thereof, and conducting final loan approval reviews. 5. Ensuring timely delivery of all necessary documents into escrow, and preparing escrow demands and funding requests. 6. Overall management and implementation of specific program policies, including required reporting.



<p>7. Preparation of program materials by revising the City’s current documents.</p> <p>8. Calculating all pay off demands and issuing any disclosures and tax forms as required by State and/or Federal Law.</p> <p>9. Calculating the resale value of all BMR homes as requested annually by the County.</p> <p>10. Work with City staff to ensure a seamless and coordinated development of documents as it relates to the BMR Program, including the RDO application process where BMR units are included, reviewing developer agreements, and ensuring that BMR requirements are outlined in an Affordable Housing Agreement and any subsequent amendments to the development documentation.</p>
<p>9. Consultant shall act as transaction coordinator for all real estate transactions and will provide the City with a fee schedule. Consultant will charge BMR re-sale transaction fees in line with applicable recorded Deed Restrictions. Consultant will charge the developer transaction coordination fees in accordance with the Affordable Housing Agreement pertaining to the subject development project.</p>
<p>10. Consultant will coordinate document transmittals between buyers, homeowners, developers, and City as needed. Consultant will be responsible for ensuring all documents submitted for City signatures are complete and accurate. Consultant will be responsible for making any necessary corrections to documents.</p>
<p>11. Consultant will work with City staff to coordinate tracking of BMR units produced, BMR units waived and any in-lieu policies or fees collected.</p>
<p>12. Consultant shall work alongside Staff to conduct monitoring to annually evaluate BMR owners’ & renters’ compliance with the terms and conditions of the BMR recorded deed restrictions and program guidelines including the following:</p> <ol style="list-style-type: none"> 1. Mailing monitoring letters to all the BMR units. 2. Reviewing in conjunction with City staff, City or County Assessor data to assist in the process (e.g., water utility bills, property records) 3. Review City’s preliminary monitoring list to identify follow up actions required. 4. Meet with City staff to develop guidelines for acceptable default remedies (e.g., allowing rental of BMR units for hardship cases).
<p>13. Consultant shall work alongside Staff to investigate and identify cure for potential BMR defaults including:</p> <ol style="list-style-type: none"> 1. Conduct follow up of those BMR owners who do not submit their compliance documentation. 2. Reviewing information from calls from BMR neighbors and interest parties 3. Conduct reasonable follow-up investigation to assess potential BMR defaults including unit site visits. 4. Scheduled appointments with BMR owners 5. For confirmed defaults, provide owners with list of actions needed to remedy the default and conduct follow-up to monitoring compliance.



<p>6. Maintaining log of actions taken to remedy the defaults</p> <p>7. For those defaults in which the owners choose to not remedy the situation within a reasonable amount of time, Consultant will meet with City staff to determine the course of action to pursue. The City is responsible for taking any legal actions.</p> <p>8. City will provide a list of any current BMR defaults and actions taken to date.</p>
<p>14. Consultant will develop annual performance measures for BMR program administration. These measures will be developed in conjunction with City staff. Performance measures will be included in annual BMR summary report.</p>
<p>15. Consultant shall conduct introductory Home Buyer Education/Training classes – HomeBuyer Orientation Classes prior to BMR application</p>
<p>16. Consultant shall build and maintain a group of LOCAL (live or work in the City of Campbell) qualified and eligible BMR homebuyers at a minimum Buyer-to-Property ratio of 5:1</p>
<p>17. Consultant will partner with the City to create City legal templates for documents required for signature by the BMR participants. Consultant shall supply documents that are typically used in Santa Clara County for residential real estate transactions (e.g. purchase and sale, disclosure acknowledgements, addendums, etc.)</p>
<p>18. Consultant will create and maintain a list of approved loan officers and lending operations eligible to provide mortgage lending for purchase and refinance transactions</p>
<p>19. Consultant will review individual BMR restrictions for terms and requirements as needed including shared equity programs, down payment assistance loans and any resale restriction agreements.</p>
<p>20. Consultant will prepare City staff reports on a time and materials basis.</p>

In addition to onboarding the BMR Program, the HouseKeys team will provide the following services:

<p>A. Consultant enters into this contract with the City of Campbell with the intention of add the City to the Model City Project that incorporates Industry Best Practices, A BMR Database, and a Regional BMR Working Group. This Project will improve efficiencies and reduce program costs to the City.</p>
<p>B. Consultant will provide training, analysis and suggested improvements to the BMR Program</p>
<p>C. Consultant will prepare a presentation for Staff and Council Members on the Model City Project</p>



4. Cost

There are two major components of the HouseKeys Affordable Housing Program Platform budget:

- 1) Program-Specific Staff: Onsite (City of Campbell) HouseKeys’ BMR Specialist; Orientation Classes; Staff Communication; Program Updates & Reporting; and
- 2) Headquarters (HQ) Staff: Provide back-office support for all of the functionality required to successfully run an affordable housing administration operation.

The proposal includes *annual contract costs based on the Program-Specific Staff*. HQ Staff and the remaining HouseKeys budget will be supported by transaction flow (see fee schedule).

Onsite Program Staff

Onsite Program Staff will include a full time Program Specialist and 10 hours a week from the HouseKeys Program Manager and Lead Consultant. The onboarding of the program will be a time-intensive 12 month process to assess all aspects of the program determine the proper staff and infrastructure needed.

Description	Monthly Cost	Annual Cost	Notes
Program Specialist	\$6,933.33	\$83,200	Full Time Onsite Staff
Manager / Consultant	\$3,250.00	\$39,000	10 hours per week – Primary Lead
Additional Infrastructure	\$1,250.00	\$15,000	Office Costs (phone, internet, etc.)
Program Onboarding		\$30,000	One Time Cost for 12-Month Process

Headquarter (HQ) Staff

HQ Staff involves the team that will support the onsite program staff.

Description	Annual Cost	Notes
Asset Manager	\$15,600	Portfolio Review, Escrow Mgmt. and Development
Proessor	\$15,600	Applications, Process and Procedural Documentation
Underwriter	\$15,600	Program Eligibility and Program Guidelines
Program Analyst / Specialist	\$31,200	Financial, Asset Management and Policy Program Components
Communications Consultant	\$39,000	Internal and External Communications and Strategy
Real Estate Project Manager	\$39,000	Property Maintenance and Rehab
Software Developer	\$39,000	Technology Implementation
Real Estate Attorney	\$39,000	Legal Alignment of all documents, agreements and procedures
Total	\$234,000	These costs are NOT included in the budget proposal and are paid through transaction activities (see fee schedule)



Understanding the HouseKeys Fiscal Approach

It is important to note that the HouseKeys operations are constantly being built and refined to handle all aspects of the affordable housing space. This includes the programmatic, operational, technological, transactional, financial, legal, policy, research, marketing and communication components needed to address the challenges facing local jurisdictions. The budget commitment that a jurisdiction must make to effectively meet these challenges is often bigger than their general fund allows.

HouseKeys' goal is to supplement available funding by obtaining and maintaining the licenses, qualifications and continuing education required to engage in real estate and lending activities. We work with cities to identify their 36-month pipeline of new properties entering the portfolio, work with existing BMR homeowners who want to remodel their homes, and provide assistance whenever they engage in refinance or resale activity. As a Program Administrator with transactional capability, we serve as a facilitator throughout the property's portfolio tenure. This is a vital compliance tool that prevents participants from engaging in activity that puts affordable properties at risk or negatively impacts the excess sales value of the portfolio. The "Agency of Record" role that we fulfill enables the jurisdiction to assume a position that mitigates the risks involved when providing consumer-direct benefits to their constituents.



4. Cost (Scope of Services)

EXHIBIT A SCHEDULE OF COMPENSATION RATES

<u>Set Up – One Time Fee:</u> Initial Set Up and Onboarding	\$30,000
<u>Infrastructure & Overhead Costs</u> (\$1,250/monthly billing)	\$15,000
<u>Program Administration Costs</u> (\$10,183/monthly billing)	\$137,200
Total Contract:	\$167,200 - 1st Year

Fee Schedule

<u>BMR City Refinance w/Subordination Fee:</u> (Paid by Owner/Lender and Consultant to transmit 25% of fee to City along with documents for signature)	\$1,250
<u>BMR Resale Transaction Processing Fee:</u>	6% up to \$12,500 of Sales Price Paid by Seller based on Deed Restrictions
<u>BMR New Construction Transaction Processing Fee:</u>	3% of Sales Price Paid by Developer as agreed upon by the City or \$7,500
<u>Acquisition, Rehabilitation and Resale Transaction Fee:</u>	5% at Acquisition and 5% at Resale included into the Sales Price (this includes Distressed Sales) or \$25,000



**EXHIBIT A
SCHEDULE OF COMPENSATION RATES**

Description	Timing of Payment	Amount
<p>Program Set Up</p> <p><u>Program Analysis and Document Gathering (including feeds for ordering all recorded docs)</u></p> <p><u>Policy and Procedures Set Up (Time and Materials)</u></p> <p><u>Website and Communications Set Up (Time, Materials and Software Subscriptions)</u></p> <p>Total:</p>	<p>Due Immediately Upon Execution of Contract</p>	<p>\$15,000</p> <p>\$7,500</p> <p>\$7,500</p> <p><u>\$30,000</u></p>
<p><u>Program Administration & Management:</u></p> <p>\$137,200 per year</p>	<p>Billed Monthly</p>	<p>\$11,433.33 per month</p>



HouseKeys Budet Breakdown

4. Cost - Exhibit B												
(City of Campbell Expense View / HouseKeys Expense View)												
ONSITE PROGRAM STAFF												
			Year 1			Year 2			Year 3		3 Year Total	
	rate	hrs/wk	Monthly Cost	Yearly	hrs/wk	Monthly Cost	Yearly	hrs/wk	Monthly Cost	Yearly		
Program Specialist	\$ 40.00	40	\$ 6,933.33	\$ 83,200.00	40	\$ 6,933.33	\$ 83,200.00	40	\$ 6,933.33	\$ 83,200.00		
Manager/Consultant	\$ 75.00	10	\$ 3,250.00	\$ 39,000.00	10	\$ 3,250.00	\$ 39,000.00	10	\$ 3,250.00	\$ 39,000.00		
Additional Infrastructure and Overhead Costs			\$ 1,250.00	\$ 15,000.00		\$ 1,250.00	\$ 15,000.00		\$ 1,250.00	\$ 15,000.00		
Program Onboarding (One-Time Charge)				\$ 30,000.00			\$ -			\$ -		
A. Direct Onsite Program Staff Costs			\$ 11,433.33	\$ 167,200.00		\$ 11,433.33	\$ 137,200.00		\$ 11,433.33	\$ 137,200.00	\$ 441,600.00	
HEADQUARTER (HQ) STAFF												
Asset Manager	\$ 30.00	10	\$ 1,300.00	\$ 15,600.00	10	\$ 1,300.00	\$ 15,600.00	10	\$ 1,300.00	\$ 15,600.00		
Processor	\$ 30.00	10	\$ 1,300.00	\$ 15,600.00	10	\$ 1,300.00	\$ 15,600.00	10	\$ 1,300.00	\$ 15,600.00		
Underwriter	\$ 30.00	10	\$ 1,300.00	\$ 15,600.00	10	\$ 1,300.00	\$ 15,600.00	10	\$ 1,300.00	\$ 15,600.00		
Program Analyst/Specialist	\$ 30.00	20	\$ 2,600.00	\$ 31,200.00	10	\$ 1,300.00	\$ 15,600.00	10	\$ 1,300.00	\$ 15,600.00		
Communications Consultant	\$ 75.00	10	\$ 3,250.00	\$ 39,000.00	10	\$ 3,250.00	\$ 39,000.00	10	\$ 3,250.00	\$ 39,000.00		
Real Estate Project Manager	\$ 75.00	10	\$ 3,250.00	\$ 39,000.00	10	\$ 3,250.00	\$ 39,000.00	10	\$ 3,250.00	\$ 39,000.00		
Software Developer	\$ 75.00	10	\$ 3,250.00	\$ 39,000.00	10	\$ 3,250.00	\$ 39,000.00	10	\$ 3,250.00	\$ 39,000.00		
Real Estate Attorney	\$ 75.00	10	\$ 3,250.00	\$ 39,000.00	10	\$ 3,250.00	\$ 39,000.00	10	\$ 3,250.00	\$ 39,000.00		
B. Indirect HQ Costs Contributed to Campbell Program			\$ 19,500.00	\$ 234,000.00		\$ 18,200.00	\$ 218,400.00		\$ 18,200.00	\$ 218,400.00		
HouseKeys Realty (Insurance, License and Association Dues)			\$ 2,500.00	\$ 30,000.00		\$ 2,500.00	\$ 30,000.00		\$ 2,500.00	\$ 30,000.00		
Employee Benefits			\$ 4,750.00	\$ 57,000.00		\$ 4,750.00	\$ 57,000.00		\$ 4,750.00	\$ 57,000.00		
IT Services			\$ 1,500.00	\$ 18,000.00		\$ 1,500.00	\$ 18,000.00		\$ 1,500.00	\$ 18,000.00		
Operations Vendors			\$ 6,000.00	\$ 72,000.00		\$ 6,000.00	\$ 72,000.00		\$ 6,000.00	\$ 72,000.00		
Office Space			\$ 3,250.00	\$ 39,000.00		\$ 3,250.00	\$ 39,000.00		\$ 3,250.00	\$ 39,000.00		
C. Infrastrucutre and Overhead Expense			\$ 18,000.00	\$ 216,000.00		\$ 18,000.00	\$ 216,000.00		\$ 18,000.00	\$ 216,000.00		
D. Total Budget			\$ 48,933.33	\$ 617,200.00		\$ 47,633.33	\$ 571,600.00		\$ 18,000.00	\$ 571,600.00		
Workload Balance and Increased Know-How (Expertise)												



5. Additional Information

BMR Program Suggestions

With over 50 collective years of affordable housing experience, the HouseKeys team has worked with varying jurisdictions handling all aspects of BMR Program Administration. Over the course of 2015, we have helped guide, strategize and reshape the BMR Program Administration for one of the largest BMR portfolios in Santa Clara County. During that time, we have worked to establish a program that is uniquely suited for the jurisdiction.

While every jurisdiction is not the same, our lessons learned over time are being applied in a manner that suits the current pipeline of BMR properties, current BMR program homeowners and renters, and the stated goals of the City (informed by the General Plan and Housing Element). We would like to make the following suggestions, based on the information found within the City of Campbell RFP and the lessons learned over the years.

Program Suggestions:

1. BMR Housing Lottery

Individual property lotteries with corresponding rules related to the property (Federal and State Housing Laws notwithstanding), as opposed to the preference-based *Waiting List* approach, allow for Program Transparency, Buyer Process Consistency, Increase in Capacity, and Program Cost Reduction. Applicant (homebuyers, renters) pool management can be very taxing on a housing department or Program Administrator, due to the dwindling availability of affordable housing units. With many projects being outlined in advance, the ability to foresee the types of available units (Seniors, Veterans, Disability, Live/Work, Unit Size, etc) in the pipeline, provides an opportunity for the City of Campbell, HouseKeys and the residents of Campbell to have focused lotteries with the appropriate applicant pool. In essence, only potential buyers/renters that fit the target audience will be a part of that lottery, rather than a Waiting List that gives off the feeling that anyone that applies, has an opportunity to obtain what we know to be audience-specific housing opportunities.

2. Align BMR Legal Framework

We suggest implementing an Assessment Review of all legal framework and documentation related to the BMR Program. This would include Zoning Ordinances, Agreements, Policy Handbook, and other Procedural Documentation. With in-house Housing Industry counsel, HouseKeys is suited to review, discuss, and provide suggestions through an industry practitioner lens and point of view.

3. Focused Communications

As Program Administrator, it is important to have consistent and focused communication with all BMR Program stakeholders. We would suggest consistent communication with the City of Campbell's internal housing staff, City Attorney and Council. We understand that the BMR Program is an aspect of the entire Housing Department, but as it relates to workload and capacity, we feel that shared knowledge is key to the growth of the program.



The idea of “focused communication” stems from the layers of the program. Developers, Buyers, Owners, and Practitioners (Loan Officers, Real Estate Agent, Escrow Officer) are all valuable parts of the program. With that in mind, we suggest a Program Orientation and Certification Process for each of those parties, as it relates to the BMR Program. Compliance, Program Consistency, and Program Relevancy are all strengthened by this suggestion.

4. Use of Transaction Fees to Offset Program Costs

Running a Below Market Rate Program Administration Team carries costs for specialized staff and capabilities that are uncommon in the typical housing department. Limited funding has made it difficult to maintain existing staff, let alone build out a fully functional affordable housing department. The HouseKeys model limits the contractual fees charged to its jurisdictional clients to facilitate this offering by charging point-of-sale and point-of-service fees for services provided to developers, applicants and owners.

These fees include:

1. **New Construction Transaction Fees** – These are fees charged to the developer to draft the Affordable Housing Agreement, reimburse for costs associated with building the buyer pool (buyer orientation, website management, application screening), matching buyers up with the property, coordinate purchase money financing (including first mortgage and any subordinate mortgages used) and manage the escrow process from contract to restriction agreement signing to final recordation of the closing documents. This is typically a fee charged as a percentage of the sales price (3%) with a minimum charge of \$7,500.
2. **Project Management Fees** – One challenge to an affordable housing portfolio is deferred maintenance. Property owners are limited by equity or income earning restrictions that make it cost prohibitive to make improvements to the property. Through the use of our refinance-rehab program, we assign our Real Estate Project Manager to each property case and work with trainee and certified contractors to ensure quality and code standards are met. Project management fees are a minimum \$5,000 or 10% of the total rehab costs.
3. **Property Acquisition, Rehab and Resale Fees** – Property acquisition is a tool that HouseKeys uses to avoid having to take legal action against program violators who trigger a default event during their resale restricted housing tenure. It is also used as a loss mitigation tool for properties that are at risk of being lost to foreclosures and as a means to expedite the home sale process for owners who wish to sell the home before their restriction period expires. To cover the costs of financing the acquisition, handling the legal documentation, repairing and remodeling the home in preparation for sale and locating and qualifying a new eligible buyer – the HouseKeys team charges an Acquisition Fee that is similar to a developer fee. This cost includes 5% at acquisition and 5% at resale or \$25,000.



4. **Property Resale** – This is the customary 6% real estate brokerage fee charged for a property listing and sale where the broker serves in a dual agency role. Due to the nature of the portfolio and asset management, HouseKeys jurisdictional clients adopt an “Agency Policy” which empowers the Program Administrator to handle the resales of all Below Market Rate ownership properties. In order to ensure that the existing BMR owner who is selling the home has proper representation, HouseKeys sets up orientations and certification programs with local real estate agents to serve as the “Listing Agent” for a 2% commission. For the listing agent, it is a very limited role as compared to a normal market rate listing due to the responsibility of the Administrator to handle documentation and manage the escrow involving the newly qualified buyer, the City releasing the existing restriction agreement and the owner/seller receiving the proper amount of excess sale proceeds while getting the home back to sellable condition.
5. **Subordination and Refinance Processing Fee** – Over the past 4 years jurisdictions have enacted policies that pass a portion of the costs associated with processing and routing refinance transactions to property owners. This fee is typically \$1,250 with a portion of that fee (25%) paid to the jurisdiction. HouseKeys uses this fee to offset the cost of updating the asset management file with the new lien positions, calculating resale restricted price for the owner to determine how much excess sales is available and managing the documentations and escrow process.
6. **Application Fees** – The HouseKeys team processes thousands of applications each year for housing opportunities and various program subsidies. We provide educational orientation classes for an even larger number of prospective program participants. We are currently in the process of developing an income-tiered fee structure for households who need special attention beyond the normal lottery and property match-up required to complete an existing homeownership or rental transaction. We will be offering this as a direct-to-consumer service for households who need 1-on-1 help to determine household eligibility, review financing options, understand credit challenges and plan out their housing solutions. The fee structure will range in pricing from \$500 to \$1,250 depending upon household income tier and will cover the costs of labor, reports and applicable services (e.g. pulling a credit report or providing a market analysis).



6. Identify Key Staff

Your BMR Team

 <p>Julius Nyanda BMR Program Manager Mail: 409 Tennant Station #395 Morgan Hill, CA 95037 356 Digital Drive Morgan Hill, CA 95037 O: 408.684.8712 C: 415.846.8004 F: 408.684.8762 julius@housekeys.org www.housekeys.org</p>	<p>Julius is the manager of the BMR Program. He is the first point of contact for program questions as the HouseKeys team completes the on-boarding and transition from the previous administrator. He is also primary contact for the City of Morgan Hill and for the setup of all new home development projects. All escalations will go to him as well.</p>
 <p>Quency Phillips Program Operations, Communications & Client Services Mail: 409 Tennant Station #395 Morgan Hill, CA 95037 356 Digital Drive Morgan Hill, CA 95037 O: 408.684.8411 C: 408.230.7607 F: 408.684.8762 quency@nyandaconsulting.com www.housekeys.org</p>	<p>Quency is responsible for Operational Support and Client Services for HouseKeys. He handles program reporting, ongoing program analysis and compliance, client/partner communications (including legal review), and assists with program strategy.</p>
 <p>Christina Dimas BMR Asset Manager Mail: 409 Tennant Station #395 Morgan Hill, CA 95037 356 Digital Drive Morgan Hill, CA 95037 O: 408.684.8788 C: 408.710.1935 F: 408.684.8181 christina@housekeys.org www.housekeys.org</p>	<p>Christina is the BMR Program Asset Manager. She is the primary point of contact for all matters relating to current escrows and existing property owners (including resales and refinances). The Asset Management file is the file we use to manage all refinance and resale transactions.</p>



Mandy Israde

BMR Program Processor

Mail: 409 Tennant Station #395 Morgan Hill, CA 95037
356 Digital Drive | Morgan Hill, CA 95037
O: 408.684.8830 | F: 408.684.8181
mandy@housekeys.org | www.housekeys.org

Many is the BMR Program Processor who processes the files of program entrants who apply to become BMR homeowners. We try and limit phone and email inquiries to Mandy as her role is very focused on certifying household size and incomes as well as pre-underwriting files for eligibility and down payment assistance.



Kathie Wells

BMR Program Underwriter

Mail: 409 Tennant Station #395 Morgan Hill, CA 95037
356 Digital Drive | Morgan Hill, CA 95037
O: 408.684.8831 | F: 408.684.8181
kathie@housekeys.org | www.housekeys.org

Kathie is the BMR Program Underwriter who approves program applicants for homeownership eligibility. She also issues the final approvals for all down payment assistance, closing cost assistance and subordination requests.



John Ash

Real Estate Project Manager

Mail: 409 Tennant Station #395 Morgan Hill, CA 95037
356 Digital Drive | Morgan Hill, CA 95037
O: 408.592.7884 | F: 408.684.8181
john@housekeys.org | www.housekeys.org

John Ash is responsible for the properties included in the Below Market Rate portfolio. He interfaces with the developer's onsite construction manager and superintendent during construction (e.g. permits and COO issuance on BMR Units) and works with the program approved contractors during remodel and rehab projects.



Matthew Kabak

In-House Counsel and Program Attorney

Mail: 409 Tennant Station #395 Morgan Hill, CA 95037

356 Digital Drive | Morgan Hill, CA 95037

O: 408.684.9119 | F: 408.684.8181

matthew@housekeys.org | www.housekeys.org

Matthew serves as in-house counsel. He also works with the Program Manager to ensure legal alignment of all of the legal components of the Affordable Housing Program. This includes the Housing Element, Municipal Code, Policy Manual, Agreements and all Procedural Documentation. Matthew also works with the Program Manager to ensure compliance with federal and state housing laws.



Everette Bobby Gasper

Technology Manager and Database Architect

Mail: 409 Tennant Station #395 Morgan Hill, CA 95037

356 Digital Drive | Morgan Hill, CA 95037

bobby@housekeys.org | www.housekeys.org

Bobby is the lead technology manager for HouseKeys and handles the software solutions that facilitate our affordable housing program activities.



7. References

1. Rebecca Garcia, Housing Manager
City of Morgan Hill
Rebecca.Garcia@morganhill.ca.gov / 408.310.4637
2. Sharon Teeter
City of Campbell (Formerly)
SharonTeeter@att.net
3. Kathy Robinson, Director of Housing Development
Charities Housing
krobinson@charitieshousing.org / 408.550.8311



BELOW MARKET RATE (BMR) PROGRAM

FREQUENTLY ASKED QUESTIONS:

1. **If I own a mobile home, can I still apply for a BMR?** Yes. The BMR Program does not consider mobile homes as real estate because you do not own the land. However, the purchase of a BMR cannot be contingent on selling your mobile home.
2. **Can I purchase a BMR if I'm a household holding a Section 8 voucher?** Unfortunately, if you hold a Section 8 voucher, your income will be too low to qualify for a mortgage unless you have a substantial down payment and have sufficient income to verify a the City's required availability of 30% of your gross income for the monthly housing cost.
3. **Will the resale agreement ever be released early?** No. The City has never released the restrictions prior to the expiration date. The demand for our BMRs is so great that we cannot afford to lose any prior to the expiration.
4. **What is the purchase price of a BMR?** Please refer to the current **Unit Pricing and Income Figures** information sheet attached. Resale home prices will differ, depending on the original price of the home and/or upgrades, improvements, special assessments, etc.
5. **How much of a down payment do I need?** You will need whatever amount is going to set your monthly housing cost at or below **35%** of your income but the Program requires a minimum of **3% (does not include escrow fees, closing costs or broker points)**. Your lender will determine the amount you will need in order to obtain the loan to purchase home.

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6. **Do I have to take the first home offered to me?** No. This is a long-term commitment and you need to be sure you are going to be happy with the home you purchase.
 7. **Can I choose which area/development I want live in?** Yes. However, the City cannot guarantee you will be offered a home in your preferred area/development. You would need to decline all offers until you're offered a unit in your preferred area/development. Be aware that the area/development may be sold out by the time your name comes up again. The units are offered on a first-come, first-served basis to the first applicant who submits all of the required documents.
 8. **Do I have to use a lender from your Lender List?** No. However, these lenders are familiar with our program and will process and record all documents in accordance with the City's requirements and, most importantly, in a timely manner.
 9. **I'm getting divorced and want to keep the house. If my spouse agrees, will the City allow one of us to buy the other out?** Yes. You will need to provide this office with a copy of the recorded divorce decree stating the house is yours and a copy of the recorded Quit Claim Deed which shows your spouse has signed the home over to you. You also need to include any name change, if applicable, so that our file is under the correct legal name.
 10. **Do I have to live in the unit after I purchase it or can I rent it out to a friend?** As mentioned in the BMR Orientation and various other documents made available to you, including the Resale Agreement recorded on title, the BMR homes must be owner-occupied as your principal place of residence for the duration of the resale agreement. If you do not live in the BMR home, it is a default of the Resale Agreement recorded on title and will trigger the City's option to purchase. Also, the City will record a Notice of Default.

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11. **Can I rent out a room once I own the unit?** Yes. However, you as the owner must continue to live in the home for the full term of your resale agreement. Vacating the BMR home for any reason is a violation of the resale agreement recorded on title and will trigger the City's option to purchase.
12. **Should my property taxes be based on market rate value or BMR value?** Property taxes are based on the purchase price. However, they will be adjusted at the time of resale, refinance, or obtaining any other type of loan. At this time, the taxes should be based on the BMR value not the market rate value.
13. **What defines a first-time homebuyer?** For the purpose of the City of Morgan Hill *BMR Program*, a first time homebuyer is someone who has not owned a home as a primary residence within the last three years and is a current renter.
14. **Can I use a co-signer/co-borrower?** Yes. However, the co-signer/co-borrower would be required to execute a **Statement of Fact** agreeing to execute a document stating they only hold 1% of title. The holding of title would not grant them the right to occupy or purchase the property upon default by buyer(s) unless co-signer(s)/co-borrower(s) met all eligibility requirements of the BMR Program. The co-signer(s)/co-borrower(s) would be required to cure default and continue to pay the monthly mortgage to prevent foreclosure until the unit is sold to an eligible buyer. The co-signer/co-borrower agrees to honor and abide by the Property Value Restrictions, Resale Agreement and Option to Purchase Agreement executed between the City and the original buyer/s. FYI: All household members on title 18 and older need to meet all the requirements of the BMR Program; this means the co-borrower/s' income would be factored into the income eligibility requirement.
15. **Can I own a home outside of Santa Clara County?** Yes. However, it cannot be owner-occupied as your principal place of residence. It must be a rental unit (investment property) and only one residential

investment property outside of Santa Clara County is allowed.

16. **Can I list my BMR as a contingent sale?** The City strongly recommends not listing your BMR as a contingent sale. We recommend that you leave the sales/purchase agreement “open-ended” which means don’t insert a close-of-escrow date or agree to a longer escrow with the right of either party to extend the close-of-escrow date. This would avoid the possibility of a breach of contract (contact an attorney for further clarification). Be aware that the City is not responsible should you have issues selling your BMR home on a contingent basis.
17. **Can the current appraised value be considered in determining the current BMR value?** No, the appraised value cannot be used in determining the current BMR value. The appraised value may be used for loan processing and to preclude PMI only with the stipulation that BMR homeowners cannot encumber more than 95% of the current **BMR** value. The 95% maximum must be of the **BMR** value.
18. **If I have child support back pay, will it effect the purchasing of the BMR home?** All income received needs to be disclosed and is factored in income eligibility. If you have an order for back child or spousal support but have not actually received the funds, the funds listed on the order will not be factored into income eligibility.
19. **If I purchase a resale, can I assume the agreement?** City policy requires all buyer(s) of a BMR home to execute a new 45-year agreement unless the current agreement recorded on title permits for an assumption.
20. **Does my BMR sell for the same price as that listed on the current Pricing and Income sheet?** No. The resale price will be determined by the formula listed in your Resale Agreement. More than likely the resale price formula is based on the Consumer Price Index (CPI). The current Pricing and Income sheet is for newly constructed units

only.

21. **Can my family/children inherit my BMR?** Only if they are adults, meet all of the current eligibility and program requirements; i.e., income, first-time homebuyer, mortgage-eligible, etc. Any proceeds from the sale of your BMR would go to your estate. Also, non-occupancy of any BMR home by owner (for whatever reason), triggers the City's option to purchase or assigns our option to the next eligible applicant on this list.
22. **Can I sell my current BMR and purchase another one?** No, because you no longer meet the first-time homebuyer requirement. If you wish to purchase a larger BMR (3 bedroom vs. 2 bedroom), you would have to sell your BMR, be a renter for three years, and meet all eligibility criteria before you'd be offered another opportunity to purchase a BMR home.
23. **If the Sweat-Equity loan portion is fulfilled, do the borrowers owe the equity share part only? Or is the obligation all complete when the loan was forgiven?** Once our Finance Department has verified that the loan has been forgiven, this office will reconvey title by executing the Request for Full Reconveyance and forward the original to you so you can record the reconveyance. The resale agreement will remain on the title of your property until it has expired.
24. **What happens with the BMR if we file for bankruptcy?** Filing for bankruptcy is a default of the BMR program because your mortgage will cease thereby violating the Resale Agreement which states that all obligations pertaining to the BMR unit must be maintained in good standing; this means your mortgage, property taxes, HOA fees, etc. However, in order to protect the BMR home, we do not file a Notice of Violation so long as you notify the City that you are filing bankruptcy and provide copies of all documentation relating to said bankruptcy including but not limited to the final recorded ruling.
25. **If I decide to sell my BMR home and the City can't find a buyer, can I**

[find my own buyer or rent it out?](#) You will need to read your Resale Agreement to be sure you follow the resale requirements. That being said, you will be allowed to find your own buyer if no one on the City's Eligibility List is interested; however, you must note that your unit is a BMR and applicants must meet the City's requirements and have City approval. You cannot rent out your BMR home.

[26. What if I get behind on my HOA fees?](#) This is a default of the BMR program/resale agreement because your HOA fees are in arrears which could result in a Notice of Default and/or a lien being placed on your City-restricted property; thereby violating the Resale Agreement which states that all obligations pertaining to the BMR unit must be maintained in good standing; this means your mortgage, property taxes, HOA fees, etc.

[27. Can I just call the City when I want to refinance my home?](#) Yes, however you will be required to complete the BMR Refinance Request Application available from our office. It must be signed and given to the City in order to begin the refinance process. It is imperative that you read your Resale Agreement for important information regarding loans against your City-restricted home.

[28. What will happen if I get behind on my mortgage payments?](#) If your lender files a Notice of Default on the property, we will receive a Copy of the Notice of Default. At that time we will contact you to determine what is being done and make referrals to agencies that may be able to assist you. **Important: you need to contact the City immediately upon determining your inability to make mortgage payments. The City can refer you to agencies that may be able to help you keep your home. However, time is of the essence.**

[29. What if I want to sell my BMR home?](#) You will first need to notify our office by submitting a written *Notice of Intent to Sell* to let us know that you are ready to begin the sales process. Once that is received you will receive a packet explaining the process. It is imperative that you read your Resale Agreement for important information regarding steps to sell

a BMR.

30. Can the lender use an out of state title company to handle the escrow? Sometimes they want to use their own title company. Due to past difficulty getting our documents recorded and returned to us without any problems, the lender must use a title company in Santa Clara County; preferable one in Campbell.
31. Why do most lenders ask for a Subordination Agreement? A Subordination Agreement is a legal document used to make the claim of one party junior to another; therefore, this will ensure that the lender's deed of trust will be in first position (in front of the City's deed of trust).
32. Homeowners don't like it when they are told they cannot take out an equity line of credit since it isn't stated in their Resale Agreement. Not everything is stated in the Resale Agreement; however this and other important Program Requirements are mentioned at the BMR Orientation which all BMR buyers are required to attend. The BMR Policies and Procedures Manual can be changed or updated any time at the discretion of City management staff or the City Council depending on need.
33. Do I have the right to refinance my home at any time? You may refinance your home at any time; however, you must complete and submit the BMR Refinance Request Application and have written City approval before processing the loan application with your lender. Any title changes to your City-restricted home without prior written City approval is a default of your Resale Agreement. It is imperative that you read your Resale Agreement for important information regarding loans against your City-restricted home.
34. Is an appraisal required to refinance? Only if the lender requires one as the City would obtain a copy from your lender. However, if no appraisal is required by the lender, the lender must provide verification of their determination of the appraised value.

35. **Why do we need a Deed of Trust if the Resale Restrictions are already on title?** The Deed of Trust *ensures* that the homeowner and bank comply with our Resale Restrictions.
36. **What is a loan modification?** A loan modification is processed by a lender when a homeowner is in default of the mortgage and is facing foreclosure (the sale of the home by the bank). The lender may be able to change the terms of their loan to make it affordable on either a temporary or permanent basis (if the lender is unwilling to provide a loan modification, contact NACA for assistance; www.naca.com).

General information, requests for services on predatory or unaffordable mortgages:

Call, Toll-free 1-888-302-NACA

Or, write

NACA Home Save

3607 Washington Street

Jamaica Plain MA 02130

Email address: homesave@naca.com

37. **When would a reconveyance be done?** Reconveyance is the transfer of legal title of property from one party to another. A reconveyance is done when an obligation, monetary or otherwise, has been fulfilled; a reconveyance restores title to the property owner (removes bank/lender/agency).

38. **Is a married individual allowed to leave their spouse off of the BMR application as a buyer, include their spouse as a household member, therefore including their income?** This would mean that the spouse would not be on our Agreement or on title. The City requires married individuals to include both names on the BMR documents.

39. **May an applicant that is approved for a low income home buy a median income home?** Yes, anyone can buy up for a higher income unit; however their housing costs still cannot exceed **35%** of their gross monthly income. This may also require an increase of the down payment.

40. **Is a court order of child support sufficient to prove the existence of income?** No, we would need copies of cancelled checks, a receipt or a bank statement showing direct deposit, the same as any other income.
41. **What does the City look for on a title report?** The homeowner's name and address are correct. Confirm that there are no other liens and the taxes are current. Our resale agreement should be listed as well as the deed of trust securing said agreement.
42. **(from staff) How long does the City need to keep refinance paperwork in the file?** We keep the previous documents under the "refinance" tab; the approval letter is filed under "correspondence" and all recorded documents under "other recorded documents". When/if the owner begins another refinance, the "previous" documents under the refinance tab can be shredded to make room for the "current" refinance documents.
43. **What is a Quitclaim Deed?** A quitclaim deed is a legal instrument which is used to transfer interest in real property. The entity transferring its interest is called the *grantor*, and when the quitclaim deed is properly completed and executed it transfers any interest the *grantor* has in the property to a recipient, called the *grantee*. The owner (grantor) terminates ("quits") any right and claim to the property thereby allowing the right or claim to transfer to the recipient (grantee).
44. **Can the "for sale by owner" units be shown by City staff?** No. We can give the prospective buyer the information sheet so that they can contact the homeowner to arrange a time to see the home. It is the City's responsibility to send a formal or informal offer to the prospective buyer so sellers must contact the City prior to listing a home for sale.
45. **Can home improvement values be added to the resale value at the time of refinance or value request?** Only in cases of emergency, such as medical debt which will need to be approved by management. Otherwise, home improvements approved by the City will only be added

to the value of a BMR at time of sale.

46. What If a homeowner requests a resale value and the price has decreased? The City does not allow the resale price of the home to be less than the original sales price.

47. If a homeowner is in the armed forces and has to move because they have been deployed for an unknown length of time, do they have to sell their home? They may sell their home or rent it out upon prior written City approval. If they choose to rent out the unit, it would have to be done through the City's BMR Rental Program and follow the Program Policies and Procedures. Military deployment is the only exception to the no-rental rule.

48. What is the "closing date"? The closing date is the final step in a real estate transaction. It is the date upon which the ownership of the property is transferred to the buyer and seller receives his funds; also known as the "escrow closing date."

49. What is a repayment plan? If you get behind on your mortgage payments, your lender may be willing to approve a plan for repaying missed payments over time. This could prove costly. You may want contact NACA for assistance.

General information, requests for services on predatory or unaffordable mortgages:

Call, Toll-free 1-888-302-NACA
Or, write
NACA Home Save
3607 Washington Street
Jamaica Plain MA 02130
Email address: homesave@naca.com
www.naca.com

Can I put the title to my BMR in a trust? Any title changes to your City-restricted home without prior written City approval is a default of your Resale Agreement. It is imperative that you read your Resale Agreement for important information regarding changing the title (or "vesting") of your City-restricted home.



HouseKeys
Affordability Matters

HouseKeys

Below Market Rate (BMR)

Buyer Process Orientation



HouseKeys

Affordability Matters

We will work tirelessly to scale affordable homeownership and lending programs to ensure meaningful and sustainable community and economic impact



The BMR Dilemma

Why & Why Not

1st Time Home-Buyer

Long Term Stability

Rent Relief & Stability

Some Tax Benefits

Build Credit

Recent Home-Owner*

Investment Property

Sales Profit (45-Year Restriction)

Refinance Cash Outs

Family Ownership Transfers



Affordability Matters

Key Questions to Ask



1

Can I Afford It?

2

Will I Qualify?

3

Am I Eligible?



Household Profile Overview

Determining Your Household Income

	Number of Persons in Household (State Issued Income Limits as of April 15, 2015) Santa Clara County, California							
HHLI Size/ Income Level	1	2	3	4	5	6	7	8
120% AMI	89,280	102,060	114,780	127,560	137,760	147,960	158,160	168,360
110% AMI	81,840	93,555	105,215	116,930	126,280	135,630	144,980	154,330
100% AMI	74,400	85,050	95,650	106,300	114,800	123,300	131,800	140,300
90% AMI	66,960	76,545	86,085	95,670	103,320	110,970	118,620	126,270
80% AMI	59,400	67,900	76,400	84,900	91,650	98,450	105,250	112,050
76% AMI	56,544	64,638	72,694	80,788	87,248	93,708	100,168	106,628
75% AMI	55,800	63,788	71,738	79,725	86,100	92,475	98,850	105,225
73% AMI	54,312	62,087	69,825	77,599	83,804	90,009	96,214	102,419
70% AMI	52,080	59,535	66,955	74,410	80,360	86,310	92,260	98,210
65% AMI	48,360	55,283	62,173	69,095	74,620	80,145	85,670	91,195



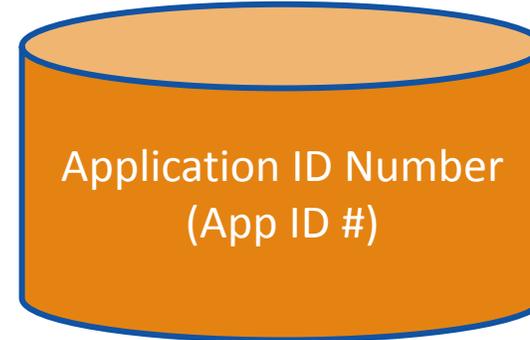
Basic Buyer Process: Part 1

Lottery Submission

Your Key Responsibilities

1. Review Program Buyer Eligibility Guide
2. Register For AND Attend Orientation
3. Complete The Program Buyer Form
4. Review Buyer Information Page (housekeys.org/mhbuyerinfo)
5. Begin Packaging Submission File

HouseKeys' Assigned Number



PREPARE FOR THE
NEXT LOTTERY

LOTTERY SUBMISSION FORM

Do you meet the requirements?



Basic Buyer Process: Part 2

The Pending Lottery (While You Wait)

Your Housing File

1. Complete the BMR Application
2. Gather the BMR Application Checklist Docs
3. Get Your Loan Pre-Approval
4. Get Pre-Approved with all of the Down Payment and Closing Cost Assistance Providers
5. Attend a HUD Approved Education Class

Credit Score: Minimum 620 Median Score
(Experian, Equifax, Trans Union)
[lowest of the borrowers on record]

Debt to Income Ratio: Front End Up to 40% of **Gross Income***
Debt to Income Ratio: Back End Up to 45% of **Gross Income***

Down Payment (3% Minimum Down Payment)*
[Confirm Gift Donor and Amount!]

Down Payment and/or Closing Cost Assistance

Package BMR Application File

HUD Approved 8 Hour Education Class
(Due before close of escrow)



Basic Buyer Process: Part 3

After You Get Your Financing Finalized

APPLICATION ID NUMBER
YOU DON'T HAVE A PRIORITY NUMBER

Application ID	Priority Number
2015010082	N/A
2015010324	N/A

**Handle Your "While You Wait"
To-Do Items**

APPLICATION ID NUMBER
YOU HAVE A PRIORITY NUMBER



5 Business Days!

Application ID	Priority Number
2015010124	1
2015010262	2
2015010003	3
2015010054	4



Basic Buyer Process: Part 3

You Can Be in ONLY ONE Lottery At a Time

76% AMI General Admission (1 Property)

Mortgage

Certification

PROPERTY

Application ID	Priority Number
2015010124	1
2015010262	2
2015010003	3
2015010054	4

1. Complete Opt-Out Form

80% AMI General Admission (2 Properties)

Mortgage

Certification

PROPERTY

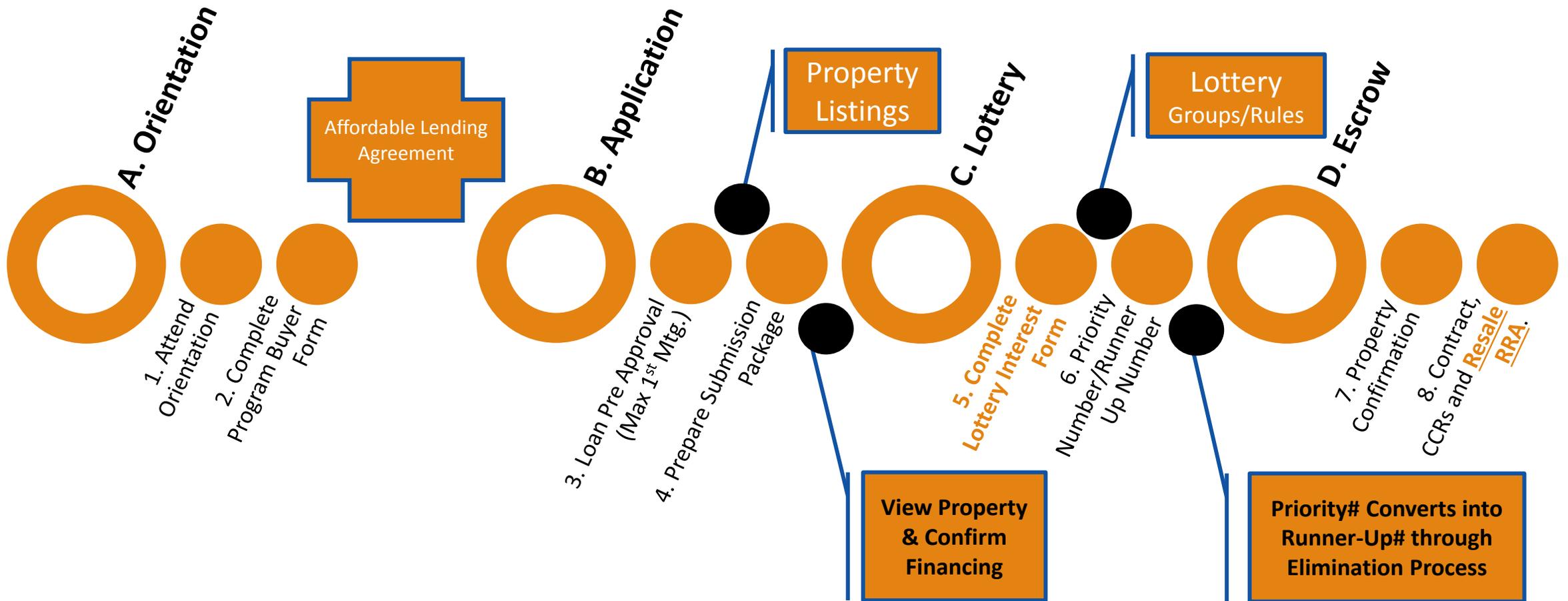
Application ID	Priority Number
2015010136	1
2015010054	2
2015010100	3
2015010001	4

2. Complete Lottery Submission Form

You need to complete an Opt-Out form to remove your ID number from lottery consideration before submitting for a new lottery.



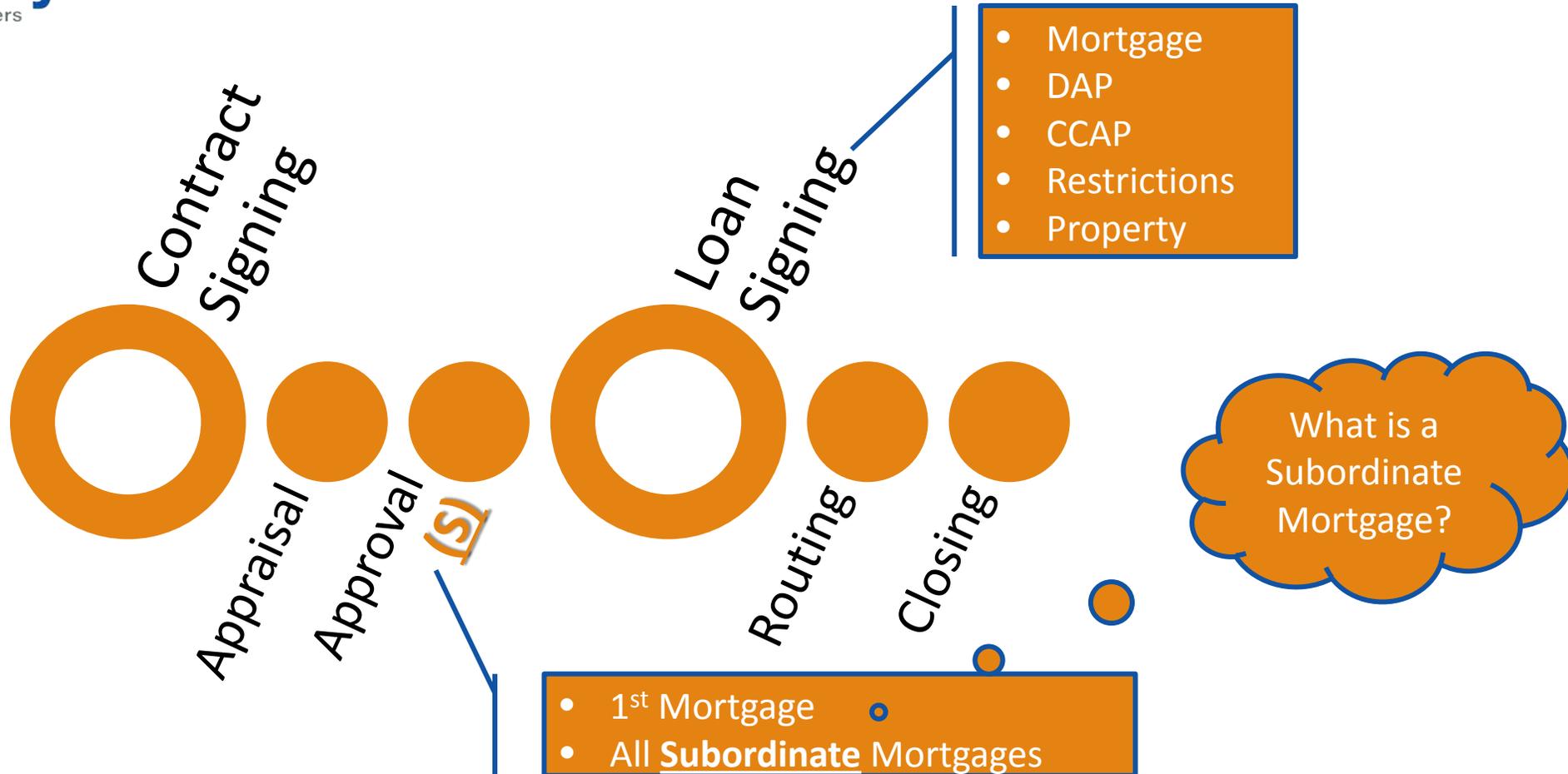
Basic Buyer Process Overview Blueprint





Basic Buyer Process

Plan For a 45-60 Day Escrow





Affordability Matters

Important Information

HOUSEKEYS WEBSITE	WWW.HOUSEKEYS.ORG
LIST OF HUD APPROVED COUNSELING AGENCIES	WWW.HUD.GOV
PHONE NUMBER	1-877-460-KEYS (5397)
EMAIL ADDRESSES *ONLY FOR ACTIVE APPLICATIONS W/ PRIORITY NUMBERS	BMR@HOUSEKEYS.ORG CONDITIONS@HOUSEKEYS.ORG *



Lottery 1.1 Application Form and Rules

Property(ies) linked and released for Lottery/Drawing 1.1

Property: Development: Lot: 9

Property AMI: 73%AMI BMR Price: \$257,690 Monthly HOA: \$258.00

Property Deadline: _____

BMR Scheduled Open House(s):

Location:

A **Property Deadline** is established to be able to meet the timelines and goals established by the BMR Program and to avoid delaying closings and/or delaying opportunities to other applicants that are ready. If the applicant next in line (according to priority or runner up number) is unable to demonstrate the ability to qualify fully and afford the property according to the BMR Program, HouseKeys will immediately move on to the next applicant regardless of which step/stage the applicant is in. HouseKeys is unable to reserve or hold properties.

An **Application File Deadline** is set for each applicant when their application is being reviewed by the BMR processor or BMR Underwriter. This deadline is issued and disclosed to the each applicant by email and the applicants must respond and submit all the documentation (conditions) requested as instructed by HouseKeys in a timely manner. This means, the items must be received by HouseKeys by the deadline, (not postmarked or sent by). Not all applicants will receive an Application File Deadline, only those that are reached for review or clarification, typically those with the best priority numbers.

Rules: Applicants must demonstrate the ability to afford and qualify for the BMR Program by their personal **Application File Deadline** (issued by HouseKeys Staff while the applicant's file is being reviewed) and/or the **Property Deadline**, whichever comes first. Applicants must submit proof they have all the financing or funds needed to cover the full price of the home, including closing costs and provide all the documentation required to determine BMR eligibility and qualification. This includes and is not limited to having and submitting all the following items (by the deadlines as explained above):

- Must have a BMR Application ID number (issued by HouseKeys)
- All the items on the BMR Document Checklist and complete BMR Application Package
- All the lender items (including VOE forms for all household members 18 and older) from a HouseKeys Approved Loan Officer
- Pre-approval letter for the first mortgage loan from an approved HouseKeys Loan Officer
- Pre-approval letter for all down payment assistance programs or grants (must be compatible with the BMR Program)
- Buyers Down Payment (3% or more)
- Proof of having sufficient funds to close
- Two months reserves, if applicable (some down payment assistance programs require reserves, please check with them)
- Proof BMR applicant attended a Home Buyer Orientation with HouseKeys in City
- Proof BMR applicant attended the scheduled BMR Open House associated with the property for this lottery/drawing entry
- Any and all documents requested by HouseKeys to clarify eligibility and qualification

Application ID Number: _____

Applicant Name: _____ Date: _____



Co-Applicant Name: _____ Date: _____

Household Size (total number of people, including yourself that are currently part of your household and will live in the BMR home if selected and found eligible): _____

Estimated Projected Total Household Income (include all income earned by all household members 18 years and older):
\$ _____

Please self-certify your AMI category (bracket)

73% or lower

higher than 73.01% - **You are not eligible for this drawing, please try for future opportunities in your AMI category.**

I'm approved for a First Mortgage for the amount of: \$ _____

I have \$ _____ available for down payment and closing costs.

The funds are in these accounts: (check off as many as applicable)

Gift (must be able to provide gift letter and the donor's bank statements with sufficient funds to cover the gift with the BMR application Package)

Savings/checking accounts

I/we will withdraw from my retirement accounts

The minimum monthly debt I have is \$ _____ (debt that shows on credit report)

Date applicant attended the Home Buyer Orientation: _____

Date co-applicant attended the Home Buyer Orientation: _____

Date applicant attended the scheduled BMR Open House: _____

Date co-applicant attended the scheduled BMR Open House: _____

By initialing and signing below you understand, certify and agree with all that is mentioned below:

____ **A.** HouseKeys can't hold or reserve properties for applicants that are in the middle of the application process, suspended, denied or in the appeal process. HouseKeys will immediately move on to the next applicant.

____ **B.** I/we understand that it's our (the applicant's) responsibility to apply (opt in) each time a lottery/drawing is available, by the deadline, by filling out the appropriate form(s) on the HouseKeys website. In order to find out when the next lottery/drawing is available and fill out the appropriate forms, we (the applicants) must check the website www.housekeys.org frequently and follow the instructions and terms posted for each one. We also understand the rules and term for each lottery/drawing may vary and may not be eligible for to participate in all of them.



___ ___ C. I/we understand that if we are interested in applying for a particular drawing linked to a specific property, we must attend the scheduled BMR Open House for that property being released before we apply to participate in that specific lottery/drawing. The scheduled BMR Open Houses will be posted on the Website as they become available. If we do not attend, we will not be eligible to participate in the lottery/drawing and our lottery/drawing entry and/or priority number will be null and void.

___ ___ D. I/we understand that I/we can't participate in more than one lottery/drawing at a time. I/We understand that we need to wait until all the properties that were released/linked to the lottery that I/we participated in are sold before I/we can participate in different lottery/drawing. I/we can't have more than one active "Priority Number" at a time. I/we also understand that we can only participate in drawings that pertain to our AMI (area median income) bracket/limit.

___ ___ E. Priority numbers issued during a Lottery/Drawing, are only good for properties released for that specific round. A new priority number will be issued every time an applicant participates in a new lottery/drawing (if their name is selected during the lottery/drawing). Priority numbers and Application ID numbers are not transferable.

___ ___ F. It's the applicant's responsibility to check www.HouseKeys.org frequently for instructions, opportunities, deadlines, lottery/drawing opt in, disclosures and rules.

___ ___ G. I/we understand that if we are eligible and selected for a property, I/we will be required to give a good faith deposit during the purchase contract appointment. The amount may vary.

___ ___ H. Households using gifts for down payment and/or for closing cost must submit the signed gift letter(s) and the donor's bank statements showing availability of full funds with the application. If you are unable to provide proof that the funds are available, you will be considered ineligible. If needed, request the Gift Letter Form from your Loan Officer.

___ ___ I. It's the applicant's responsibility to add bmr@housekeys.org mandy@housekeys.org christina@housekeys.org and kathie@housekeys.org to your email address book and check your email frequently as this is the main form of communication between all parties. In addition, please check your junk email folder for correspondence. During the process, you will have short deadlines that you must comply with and you don't want to miss any emails from us. HouseKeys is not responsible for emails that were undeliverable, rejected or not opened.

___ ___ J. Documents submitted to HouseKeys become the property of HouseKeys and may not be returned. HouseKeys reserves the right to request additional information/documentation in order to substantiate income, liabilities, and other information provided in order to make an eligibility determination. If additional documents are requested by HouseKeys, the applicant will have 3 business days (or less in some cases) to submit as instructed. The applicant must abide by the timelines and deadlines set by HouseKeys. The applicant must also call Housekeys to alert us that something was mailed/submitted to us.

___ ___ K. I/we certify that I/we are willing to cooperate with the program and submit additional or updated documentation to HouseKeys on a timely manner as needed. We/I also understand documentation will be requested multiple times throughout the process. Updated documentation will be required many times depending on the number of times I/we (the applicant) participate in lotteries/drawings. I/we are agree to submit documents or clarification items as many times as needed and are willing to cooperate with the City and HouseKeys staff.

I/we understand that inaccurate information/or certifications made by me/us or any member of our household will disqualify me and my household and I/we will be in violation of the BMR Program and Deed Restrictions if selected to purchase a BMR home.

I/We certify and acknowledge that we have read, agree with all the terms/rules and understand all the information.

Applicant Signature

Date

Co-applicant Signature

Date



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Hon. Steve Tate
City of Morgan Hill

Quincy Virgilio
Keller Williams

■

Kevin Zwick
Chief Executive Officer

■

95 S. Market St.
Suite 610
San Jose, CA 95113
Tel: 408.436.3450
Fax: 408.436.3454
housingtrustsv.org

February 9, 2016

Wendy Wood, City Clerk
City Manager's Office, City of Campbell
70 N. First Street, Campbell, CA 95008

RE: Below Market Rate Program (BMR Program) Administration
RFP Response

Dear Ms. Wood:

Housing Trust Silicon Valley (HTSV) is pleased to submit this proposal in response to the City of Campbell's request for BMR Program administration services.

HTSV is among the largest housing trusts in the nation financing affordable housing, assisting first-time homebuyers, and making homeless assistance grants. We are nationally recognized for our efforts to make housing more affordable in the greater Silicon Valley/Bay Area. HTSV is the first and, so far, only non-profit CDFI to be rated by S&P with a high investment grade rating of AA-, indicating HTSV's financial strength and reliability.

Over the past 15 years, HTSV has invested over \$94 MM and leveraged nearly \$2 billion to create over 12,500 housing opportunities. HTSV's Homeownership, Asset Management and Finance teams are highly experienced in loan underwriting, portfolio management, loan compliance, fund compliance, and records management.

The attached Scope of Services and Fee Schedule outlines the proposed services, cost, and timeline for the administration of the new construction sale, existing unit resale, loan portfolio management, monitoring, and compliance services for homeowner and rental properties.

Over the years, HTSV has enjoyed partnering with the City of Campbell on other projects, such as Maravilla Community, and look forward to assisting with the administration of the BMR Program.

If you have any questions regarding this proposal, please contact Sandra Murillo, Chief Operations Officer at sandra@housingtrustsv.org or 408-436-3450 ext. 228.

Sincerely,

Kevin Zwick
Chief Executive Officer
Housing Trust Silicon Valley

Housing Trust Silicon Valley

Request for Proposal Response

City of Campbell BMR Administrator

Below Market Rate Program

Sandra Murillo

2/9/2016

Qualifications

Housing Trust Silicon Valley (HTSV) is among the largest housing trusts in the nation financing affordable housing, assisting first-time homebuyers, and making homeless assistance grants. We are nationally recognized for our efforts to make housing more affordable in the greater Silicon Valley/Bay Area. HTSV is certified by state and federal governments as a Community Development Financial Institution (CDFI). HTSV is a licensed California Finance Lender under the Department of Business Oversight, and is the first and, so far, only non-profit CDFI to be rated by S&P. S&P gave HTSV a high investment-grade AA- rating, indicating HTSV's financial strength and reliability.

Over the past 15 years, HTSV has invested over \$94 Million and leveraged nearly \$2 Billion to create over 12,000 housing opportunities. HTSV is uniquely qualified in working with the City of Campbell in implementing its inclusionary ordinance in the City's effort to meet its general plan housing element goals and objectives, and its regional affordable housing obligations. The Homeownership and Multi-Family Lending teams combined have over 70 years of experience in single family and multi-family financing, real estate, and residential rehab. They have worked with Below Market Rate homes, new construction, and manufactured housing. Staff has experience making down payment assistance loans with FHA, Conventional Financing, and other forms of secondary financing, such as CalHome, BEGIN, CHDAP, and NSP2. Homebuyer staff completed NMLS Federal and State licensing requirements to comply with the SAFE Act. HTSV follows the Consumer Financial Protection Bureau (CFPB) to stay abreast of changes to real estate disclosures. In 2012, HTSV was awarded City of Campbell funds for downpayment assistance loans to 16 homeowners of the Maravilla Community and are being serviced by HTSV.

Under the direction of the Chief Lending Officer, the Homeownership and Multi-family staff has the experience necessary to administer the City of Campbell's BMR program. Since 2001, HTSV has administered down payment assistance and housing rehabilitation programs using local, State and federal funding sources. The lending team possesses extensive experience in negotiating and processing developer agreements, resale restriction agreements, affordable housing covenants, deeds of trust, and/or other necessary documents. HTSV is the administrator of the City of Santa Clara BMP program. The new sale and re-sale activities include coordination with the city staff, housing developer, lender, title company, and the homebuyer. As Administrator, HTSV provides a full suite of services, including marketing, outreach, and applicant program eligibility, on-going compliance and assessment of program documents, and program policies and procedures. In addition to maintaining a dedicated webpage, HTSV offers homebuyer, lender and realtor information workshops. HTSV maintains an interest list and follows the selection process in adherence to established inclusionary policy.

Under the direction of the Chief Operations Officer, the Asset Management team has extensive experience in single family and multi-family loan portfolio management, program monitoring, and compliance. In addition to its own loan portfolio, HTSV provides portfolio management services to the County of Santa Clara for its affordable housing and public facilities loans and

grants, and provides BMP loan servicing and compliance activities to the City of Santa Clara. HTSV monitors three affordable multi-family housing developments funded under the Neighborhood Stabilization Program 2 (NSP2), a program for the benefit of households at or below 50% for the Area Median Income (AMI). HTSV utilizes Mortgage Office loan servicing software, a robust portfolio management program to track loan activity including payment processing, principal balances, interest accrual, subordinations and payoff transactions. HTSV performs annual monitoring for continued occupancy certification, property/hazard insurance, tenant eligibility, manages forbearance agreements, notice of defaults, and other possible defaults. HTSV utilizes RealQuest to pull an abbreviated property search to identify unauthorized title transfers and additional encumbrances. If it is determined that a homeowner or rental property owner are in default, HTSV develops a corrective action plan appropriate for the type of loan and borrower. The corrective action plan will include the steps necessary to bring the loan into compliance.

An example of correcting a non-compliant occupant issue: Under the NSP2 program, initial income eligibility is required in accordance with HUD regulations. During the initial review, it was determined that the property manager was not utilizing the correct federal income calculation methodology. It was found that one of the 74 tenants did not meet the income eligibility requirements which required tenants to be at or below 50% AMI. Additionally, the tenant did not properly disclose the total household size and income. As the tenant was over income, it was necessary to advise the family that they would need to vacate the unit. Working with their legal counsel, the property manager issued a 30-day notice to vacate. With the current housing market, the family was unable to locate affordable housing and would soon find themselves at risk of being homeless. The tenant was provided an additional 30 days to locate housing. To prevent the displacement of the family, the additional adult voluntarily vacated to bring the tenant compliant. Working with HUD, we received approval to allow the tenant to remain. HTSV reviewed with the property manager the proper income calculation methodology to prevent future non-compliance. Staff also reviewed the property managers Affordable Fair Housing Marketing Plan to ensure outreach to the targeted population. Staff has also worked with situations including shortsales, foreclosures and unauthorized junior encumbrances.

HTSV Finance team brings strong experience in nonprofit finance and accounting, treasury management and record keeping.

Program Administration

Below is an outline of the BMR program administration activities from setup to on-going compliance. Each phase describes the activities recommended to ensure proper on-boarding and maintenance.

1. BMR Program Administration, Transfer and Setup:

Program transfer and setup is a very important process to ensure effective and efficient loan portfolio management. The initial steps included:

- a. Meet and review with City staff the current program parameters
- b. Meet and review with City staff the City's Inclusionary Housing Ordinance and other housing policies
- c. Review existing BMR policies, procedures, covenants and documents, including BMR Agreement templates
- d. HTSV will assess current documents and program guidelines for regulatory compliance and industry standards
- e. Review City's maintenance of its homeowner loan files, both electronic and physical and develop file management procedures
- f. HTSV will recommend adjustments to procedures and/or documents to ensure compliance
- g. On-site scanning loan documents of existing BMR loans to integrate BMR loan portfolio into portfolio management software
- h. Work with City staff to develop performance reports
- i. Create procedural flow charts and protocols for BMR sales and Asset Management activities, including City transactional review and approval
- j. Design dedicated webpage for the City to include program description, FAQs, eligibility application forms and requirements. Webpage will be hosted by HTSV and a link will be provided to the City to post on the City's website.

HTSV's proximity (less than 10 miles from the City of Campbell Government Offices), past experience with City of Campbell programs, including MaraVilla Community, and staff's familiarity with the City of Campbell Inclusionary Housing Ordinance, strengthens our understanding of the City's requirements.

2. BMR On-Going Program Administration:

BMR Sale and Re-sale of BMR Homeowner units.

As outlined in the City of Campbell's Inclusionary Housing Ordinance, the City is working towards the goal to foster an adequate supply of housing for persons at all economic levels and to maintain an economically balanced community. The BMR homeowner and rental programs allow the City to work towards this goal.

The BMR Sale and Re-sale activity is distinct and focuses on providing guidance and support to both the City and the prospective homebuyer. To facilitate the program administration, HTSV will be responsible for receiving and documenting all inquiries from first time homebuyers, developers, lenders, brokers, realtors, and title companies.

Interest List: HTSV will maintain an interest list utilizing Constant Contact, as generated from BMR homebuyer informational workshops, on-line interest applications and referrals from lenders, realtors and developers. On an annual basis, HTSV will update interest list and remove those who are no longer interested in the program, or has moved and unable to contact, or is no longer program eligible.

Eligibility List: HTSV will maintain a BMR homebuyer program eligibility list based on program requirements and priorities as outlined in the City's BMR Policies and Procedures and Inclusionary Housing Ordinance. To be considered for program eligibility, applicant must submit a complete Program Eligibility Application that includes:

- i. BMR application
- ii. Income verification
- iii. Household member verification
- iv. 8-Hour homebuyer class certification
- v. First lender pre-approval
- vi. Other required documentation

HTSV will process Program Eligibility Applications and underwrite as outlined in the program policies and procedures. If program eligible, the prospective homebuyers will be notified of program eligibility and held on the Program Eligibility list in the appropriate priority category. HTSV will issue a Notice of Adverse Action to ineligible applicants.

As units become available, HTSV will contact each eligible applicant in order of priority. Do to the high demand for affordable housing units, it may be necessary to coordinate a lottery process. HTSV will:

- Rank the applications pursuant to the City's Priority Criteria
- Select a "Designated Buyer" and two "Alternate Buyers"
- Notify highest ranked applicant and selected preferred lender, and developer of ranking
- Provide guidance to homebuyer in the application update process
- Applicant will receive a reasonable "date certain" deadline to obtain required financing

If the Designated Buyer is unable to obtain financing at an affordable cost or no longer meets program requirements to purchase the unit, the next highest ranked Alternate Buyer will be offered the unit. If the first Alternate is unable to purchase the unit, the second Alternate will be offered the unit.

BMR Rental Units.

In today's current rental market, the opportunities to obtain an affordable unit is becoming more difficult and prospective tenants and property managers need to respond quickly. To minimize the approval time, prior to leasing, it is our recommendation that the Property Manager maintain the wait list specific to the development. HTSV can assist with the review of both the housing development program and income eligibility requirements and leasing guidelines, and work with the Property Manager to ensure their application process meets the program and income eligibility requirements. HTSV is available to review rent rolls and perform annual monitoring of the Property Manager's adherence to program eligibility requirements including tenant continued eligibility, and to work with the Property Manager to develop a plan of action to bring non-compliant tenants into compliance.

If not currently in practice, it is recommended that a procedure be established to codify prospective tenant waitlist protocol, including property manager responsibilities.

BMR Program Reports.

HTSV will provide semi-annual reports, as approved by the City, to include status on the BMR program including:

- i. Overview of program activity for the reporting period, including:
 1. Marketing/Outreach efforts
 2. BMR inquiries
 3. Homebuyer, lender and realtor workshops
 4. Webpage development and updates
 - ii. Prospective homebuyer and program eligibility application activity
 - iii. New or re-sale loan transaction activity.
 - iv. Loan portfolio management reports to include homeowner information, loan details, activity and status (current or default).
 - v. Homeowner occupancy certifications, verification of property/hazard insurance.
 - vi. Maintain a current inventory of affordable homeowner units. Baseline inventory will be provided by the City.
 - vii. As required, report to the City and County the re-sale value of BMR homes.
 - viii. Other relevant information as agreed upon as needed by City for County and State reporting.
3. Annual BMR Compliance Monitoring:
After initial on-boarding of the BMR loans, HTSV will perform annual BMR Homeowner occupancy certification and verify current property/hazard insurance is in place. The occupancy certification process includes the mailing of a certification letter to the homeowners requesting self-certification and supporting documentation to verify occupancy such as a current utility bill. As the certifications are received, Mortgage

Office is updated to reflect compliance. If the certification is not received by the specified date, a second letter is sent. HTSV will attempt to contact all non-responsive homeowners. If it is determined that a homeowner is in default, HTSV will work with City staff to outline steps to remedy in accordance to the BMR agreement.

Working with property managers, HTSV will certify that BMR units are occupied by income eligible tenants. HTSV will initially request rent rolls from the property manager. If a review of the rent rolls indicates that a tenant may no longer be eligible, HTSV will review the re-certification documentation. If it is determined that a tenant is no longer eligible as determined by the BMR rental agreement, HTSV will work with the property manager and City staff to outline a course of action to remedy the non-compliance issue.

4. Existing Loan Administration:

HTSV utilizes Mortgage Office to house the loan information on existing loans, both deferred and amortized. HTSV will obtain a scanned copy of pertinent documents (promissory note, deed of trust, loan agreement, etc.) of all FTHB, RDA, BMR, and other existing housing loans to extract pertinent data and review the document terms. Once compiled, this data is uploaded in to Mortgage Office as individual loan files. Data maintained includes borrower and loan information, including name, address, program name, loan type, amount, interest rate, term and maturity date. With Mortgage Office we maintain current loan information including principal balance, interest paid, accrued interest, payoffs and write-offs.

Once the existing loans are boarded to the Mortgage Office program, HTSV Asset Management and Compliance can more effectively monitor for compliance and default situations. Monthly Delinquency reports are generated enabling staff to address the default condition in a more timely manner. HTSV will initiate delinquency or non-compliance letters and deliver to the client with a response time line and work with the City to develop a plan of action.

In the event of a subordination or refinance request, the Asset Manager will work with the homeowner to obtain the necessary documentation to review for program compliance and to ascertain if approval of the request will benefit the client's long-term affordability and/or increase the risk to the City. HTSV will underwrite the request and submit recommendation to the City for approval. Once approved, HTSV will work with the homeowner, lender and title company, as appropriate to secure required documentation to secure the City's lien and interest.

The following activities can be provided on an "as needed" basis and is not an on-going activity.

5. BMR Development Agreements:

On an as needed basis, HTSV will assist the City in review and preparation of the BMR Developer Agreements. It is critical that the documents clearly define the City's

requirements, approved pricing, affordability and project completion. HTSV's Chief Lending Officer has extensive experience working with non-profit and for profit housing developers and has provided guidance to local jurisdictions in pricing calculations and negotiations with housing developers.

6. BMR Rental Housing (as needed):

As addressed in Section 2 above, it is our recommendation that the Property Manager of each specific affordable housing development maintain tenant interest and eligibility lists. HTSV will work with the Property Manager to establish a program eligibility process and perform annual reviews to verify continued standardization and compliance.

To facilitate the development of these lists, HTSV can assist in the marketing of BMR rental units with the announcement of availability at BMR homebuyer information workshops, post on City of Campbell dedicated website and e-blast through Constant Contact. Additionally, we can facilitate the distribution of marketing collateral through our nonprofit homeless service provider partner networks.

Upon request, HTSV can perform an analysis of current rental rates and supply the City with information to set rental rates for BMR units, including market rates, published fair market rates and utility allowances for unit size.

7. BMR Home Sales:

HTSV is committed to assist the City of Campbell in its commitment to make available affordable housing opportunities to low- and moderate-income residents through the City's BMR program. As needed, HTSV can provide the following BMR services:

- a. **Marketing and Outreach:** 180 days prior to development completion, the Developer will notify both the City and HTSV of unit availability, location, unit numbers, size, sales price, amenities and targeted income mix. HTSV will:
 - i. Work with Developer to design project-specific marketing collateral
 - ii. Respond to inquiries from prospective homebuyers and deliver BMR program summary
 - iii. Coordinate and administer homebuyer information workshops
 - iv. Administer realtor and lender training
 - v. Email campaign to lenders and realtors
 - vi. Email campaign to BMR interest list
 - vii. Update City dedicated website with development and unit information and FAQ's
- b. **Pricing:** HTSV will research current mortgage interest rates and other information necessary to set sales prices of new BMR units and existing BMR homes offered for re-sale, and submit pricing recommendations to the City for review and approval.
- c. **Program Eligibility:**

- i. Eligibility screening
 - ii. Evaluate and underwrite Program Eligibility Application
 - iii. If qualified, add to waitlist registry by priority
 - d. Sale Application Coordination: After Developer and City notification of available unit, HTSV will:
 - i. Notify the waitlist registry by established priority
 - ii. Conduct 1:1 pre-purchase counseling with selected buyers
 - iii. Notice selected buyers, Developer and City
 - iv. Facilitate purchase agreement transaction between Developer and selected buyer
 - v. Review updated documentation for continued eligibility
 - vi. Facilitate closing with title company
 - vii. Prepare BMR documents and funding package for City for approval
 - e. BMR Re-sale Coordination: HTSV will facilitate the resale of a BMR unit by:
 - i. Discuss re-sale requirements with homeowner
 - ii. Perform updated title search and property valuation
 - iii. Perform City prescribed property calculation to determine current sales price
 - iv. Develop unit-specific marketing collateral
 - v. Notify program eligible waitlist of unit availability
 - f. Homeowner Documentation: HTSV will coordinate with the Developer, lender, title company, and homebuyer to review and obtain all required documents to ensure each BMR household meets the BMR requirements. HTSV will prepare and record, or cause to record, all legal documents required to secure the City's investment. Recording costs will be funded by the developer or homebuyer and paid through escrow.
 - g. File Management: HTSV will provide the City a loan hard file and will open a soft file within Mortgage Office for on-going compliance and asset management services.
- 8. Housing Fund/BMR Programs: As needed, HTSV can be available to work with City staff to recommend, develop and implement programs using designated housing funds, and work with staff to prepare material necessary to present to City Council.

*See Attachment C for Sample Monitoring Documents.

*See Attachment D for Sample Application Documents.

*See Attachment E for Website Template and FAQ's

COST

Fee Schedule

See Attachment B

Additional Information

HTSV provides the following general suggestions for consideration.

1. **Rental housing loan portfolio:** It is recommended that the City consider including the rental housing loan portfolio for loan management. Service activities include net cash flow analysis on residual receipt loan agreements. A thorough review of the operating budget, loan agreement and audited financial statements on residual receipt notes may generate fee income if the development is generating a positive cash flow.

It is recommended that the Property Manager perform the tenant eligibility activities as typically included in the Property Management Agreement. The BMR Administrator can perform annual compliance checks thereby reducing City costs.

2. **Impose an administrative fee on multi-family developments** to cover loan servicing and monitoring/compliance costs.

3. **Review existing or develop transaction fee schedule** to include staff cost and third-party fees.

4. **BMR Homeowner Developments:** Negotiate with Developer to fund a portion of the marketing and outreach cost, such as marketing collateral and workshop facility costs.

Key Staff

Sandra Murillo, Chief Operations Officer (COO) will be the primary point of contact in the development and negotiation of this service agreement and submission of performance reports and quarterly invoices.

As the activities under this RFP are distinct, two teams will be supporting this proposal. Under the direction of Jim Mather, Chief Lending Officer (CLO), the Key Staff for the BMR homebuyer sale and re-sale, and BMR rental housing development activities include Adria Quinones-Masur, Homeownership Program Manager, and Hong Ngo, Underwriter. Adria will act as the main point of contact BMR homeownership transactions, including marketing, outreach, program eligibility and documentation preparation and recordation. Jim will be available for consultation on the development and negotiations of new BMR for sale and rental developments.

Under the direction of the COO, the Key Staff for the loan servicing activities of the existing portfolios include Rosa Ly, Asset Manager and Marianna Gonzalez, Compliance Specialist. Rosa will be the main point of contact for loan servicing activities, including on-boarding of loans, payoffs, subordinations, re-conveyances, rent roll analysis, and preparation and recordation of required documents.

Staff resumes: See Attachment A

1. Sandra Murillo, COO
2. Jim Mather, CLO
3. Adria Quinones-Masur, Homeownership Program Manager
4. Hong Ngo, Underwriter
5. Rosa Ly, Asset Manager

References

1. Tamera Haas, Deputy City Manager
City of Santa Clara, City Manager's Office
1500 Warburton Avenue
City of Santa Clara, CA 95050
(408) 615-2228
Thaas@SantaClaraCA.gov
2. Rebecca Garcia, Housing Manager
City of Morgan Hill
17575 Peak Avenue
Morgan Hill, CA 95037
(408) 310-4637
rebecca.garcia@morganhill.ca.gov
3. Andrea Kennedy
CalHome Program
State of California Housing and Community Development
2020 W. El Camino Ave., 4th Floor
Sacramento, CA 95833
(916) 263-2673
andrea.kennedy@hcd.ca.gov

Insurance Coverage

HTSV currently maintains the standard requirement in scope and limits. If selected as the City of Campbell's BMR Administrator, HTSV shall continue to procure and maintain for the duration of the contract, insurance against claims for injuries to persons or damages to properties, which may arise from, or in connection with, the performance of the BMR Administration contract, as outlined in City's Insurance Requirements. Additional cost for increased limits will be included in the Fee Schedule.

Terminated Contracts/Litigation:

Over the past three years, HTSV has not terminated contracts for convenience or default.

Attachment A

Resumes

James Mather
Office: 408.436.3450, x243
E-mail: Jim@housingtrustsv.org

Experience

Housing Trust Silicon Valley

Chief Lending Officer

San Jose, CA
March 2013 to present

Responsible for:

- Overseeing all lending programs
- Creating new lending programs that are responsive to the needs of affordable housing industry
- Overseeing asset management, including reporting to investors
- Development of new capital sources and investor relations

East Bay Asian Local Development Corp.

Director of Finance (Interim)

Oakland, CA
June 2012 to March 2013

Responsible for:

- Financial strategies for refinance of both housing and commercial portfolios
- Creating new capital fund for new housing investments
- Securing new banking relationships for deposit and credit activities

U.S. Bank

Vice President

San Francisco, CA
December 2010 to April 2012

- Relationship Manager, Community Lending

Major Accomplishments:

- Doubled loan volume with key targeted clients
- Expanded business with several new clients
- Led effort to establish syndicator finance business
- Underwrote \$250 million of new business
- Managed term loan portfolio

Union Bank

Senior Vice President

Walnut Creek, CA
March 2008 to December 2010
January 2005 to February 2008

Vice President

- Regional Manager, Community Development Finance
- Team Leader, Community Development Finance

Major Accomplishments:

- From 2005 to 2008, originated more than \$1 billion of affordable housing loans, primarily in California.
- Greatly expanded Union Bank's joint debt & equity originations.
- Developed new swap product with the bank's derivatives group to match requirements of State of California finance programs, resulting in more than \$5 million of swap income.
- Responsible for key hires in Los Angeles and Seattle to increase our CDF footprint
- Also managed:
 - Affordable housing issues for OCC CRA exam
 - Testing of BASEL II risk grading protocols
 - Cross-sell efforts - resulting in a 50% increase in group's deposits
 - Sale of term bond portfolio to FreddieMac
 - Implementation of asset management protocols for term loan portfolio

Bank of America

Vice President

San Francisco, CA

August 1998 to December 2004

- Client Manager, Community Development Lending
- Real Estate Development Manager, Comm. Development Equity
- LIHTC Portfolio Manager, Comm. Development Equity

Major Accomplishments:

- Originating and underwriting more than \$250 million in affordable multi-family construction and permanent loans and sub-division construction loans throughout Northern California
- Responsible for stabilizing and managing national portfolio of 82 direct LIHTC investments
- Structured and managed direct equity investments of \$10 million into land purchases in Oakland and San Francisco, which resulted in projects worth more than \$100 million
- Facilitated tax-advantaged sale of surplus Bank land in downtown San Francisco to two non-profits, which will result in 800 new housing units

County of Alameda

- Housing & Comm. Development Manager
- Housing & Comm. Development Specialist

Hayward, CA

March 1994 to August 1998

January 1990 to March 1994

Major Accomplishments:

- Created first HOME Consortium in California to qualify Alameda County jurisdictions for federal housing subsidy funds
- Managed housing bond issuance for County and created joint powers authority to assist other jurisdictions in bond issuance
- Managed homebuyer assistance programs that subsidized more than 5,000 first-time buyers, resulting in nearly \$700 million in home mortgages
- Managed housing policy development and implementation for large sub-divisions and general plan areas
- Managed compliance for bond financed multi-family projects and single family homeowner assistance programs

Professional Activities

- Board Member, Merritt Community Capital
- Board Member, Dignity Housing West
- Past Advisory member for California Department of Transportation Transit Oriented Development Committee
- Past Advisory member for Bay Area Council Smart Growth Investment Fund
- Frequent panelist for:
 - Housing California
 - Non-Profit Housing Association of Northern California
 - Southern California Non-Profit Housing Association
 - California Council for Affordable Housing
 - California Coalition for Rural Housing
- Past BART joint venture development advisory committee
- Technical assistance provider to industry groups such as the Association of Local Housing Finance Agencies, and the National Association of County Community and Economic Development; and to agencies such as the California Housing Finance Agency, and East Bay Housing Organizations.
- Expert witness to the Housing Committee of the California State Assembly
- Past Board President, California Association of Local Housing Finance Agencies

Education

University of California Los Angeles

1989: M.A., Urban Planning

Yale University

1980: B.A., English

ADRIA QUINONES - MASUR

5774 Lilac Blossom Lane • San Jose, CA 95124 • 408-594-1240 • ayqangel@gmail.com

Experience

Housing Trust Silicon Valley - San Jose CA

7/2014 to Present

Manager- Homebuyer Programs

- Responsible for overseeing the processing, underwriting, and closing of loan applications for Housing Trust down payment assistance loan programs
- Organize community outreach to promote Housing Trust and its programs to nonprofits, real estate associations, and government agencies to the through print advertising, social media, and presentations
- Maintain pre-purchase counseling program for first-time homebuyers and post purchase education program for first-time homeowners
- Monitor loan inventory for compliance for payoffs, insurance and occupancy requirement.
- Manage the Housing Rehabilitation Programs for mobile homes and single family residences
- Supervise the Homebuyer Programs department including Junior Underwriter and Housing Rehabilitation Specialist

Housing Trust Silicon Valley - San Jose CA

1/2013 to Present

Loan Officer- First-time Homebuyer Programs

- Responsible for accepting, processing, underwriting, and closing loan applications for Housing Trust down payment assistance loan programs
- Organize community outreach to promote Housing Trust and its programs to nonprofits, real estate associations, and government agencies to the through print advertising, social media, and presentations
- Maintain pre-purchase counseling program for first-time homebuyers and post purchase education program for first-time homeowners
- Supervise First-time Homebuyer Department and loan administrator
- Develop and maintain policies and procedures for loan programs, loan payoffs requests, and manage annual loan monitoring for existing closed loans

Housing Trust of Santa Clara County - San Jose CA

10/2011 to 12/2012

Community Outreach Specialist

- Interacted and promoted to Real Estate industry professionals the Neighborhood Stabilization Programs benefiting homebuyers, the Housing Trust Homebuyer Assistance programs, and the Realtor Challenge
- Coordinated outreach to nonprofits, real estate associations, and government agencies to promote the Housing Trust and its programs through print advertising, social media, and presentations
- Worked with the Homebuyer Programs department to organize and develop stronger outreach efforts to existing database through email campaigns and surveys

Intero Real Estate Company- San Jose CA

6/2008 to Present

Realtor (Referral Only)

- Assisted buyers and sellers navigate through simple to complicated home buying and home selling transactions including short sales and REO properties

Fidelity National Financial, San Jose CA

10/2004 to 6/2008

Sales Manager from 2005 to 2008 and Account Manager from 2004 to 2005

- Managed a multi-office sales team and worked as primary liaison to branch managers and customers
- Helped drive a 10% increase in market share through strategic marketing campaigns in 9 months

- Developed efficiency-enhancing workflow/process improvements in sales and customer service department that made it possible to accommodate increasing responsibilities necessitated by staff reductions
- Created customer service processes that reduced inaccuracies while providing the sales team with an important customer management and retention tools

Strategic Lending Incorporated- Campbell CA

January 2002 to October 2004

Loan Officer

- Meet with applicants to obtain information for loan applications, gather necessary documentation, assess qualifications of loan applications and submit applications to underwriters for approvals
- Educate borrowers about the availability of different loan programs and their respective terms and conditions

Education

San Jose State University, San Jose, CA

2011

Bachelor of Science- Business Administration, Emphasis in Management and Organization, Dean's Scholar

Certifications & Training

Licensed Realtor, California Bureau of Real Estate, License #01358311

Licensed Mortgage Loan Originator, California Department of Corporations, License #863850

NCHEC Certification in Homeownership Counseling, NeighborWorks, December 2013

NCHEC Certification in Post Purchase Homeownership Counseling, NeighborWorks, March 2014

Professional Affiliations

California Association of Mortgage Professionals- Member since 2013

California Association of Realtors- Member since 2008

National Association of Realtors- Member since 2008

Santa Clara County Association of Realtors- Realtor Member since 2008

Santa Clara County Association of Realtors- Affiliate Member 1995-2008

National Hispanic Organization of Realtors and Associates- Director 2011-2012

Hispanic Association of Realtors and Affiliates- Director 2005

Hispanic Business Association at San Jose State University-President 1995-1996

HONG ANH NGUYEN NGO

E: honganh.n.ngo@gmail.com • M: (408) 603-6790 • San Jose, CA 95135

PROFESSIONAL EXPERIENCE

Junior Loan Underwriter – Housing Trust Silicon Valley

July 2014 - Present

- Review submissions to ensure accuracy and completeness of data in pre-qualification, pre-approval, and loan application, disclosures, and supporting documents for homebuyer assistance loan programs
- Complete necessary fields in a proprietary database (Homekeeper) and excel loan worksheets as needed
- Review and evaluate borrower profile including all income documentation, tax returns, credit reports, preliminary report, judgments, bankruptcy documents and appraisals
- Analyze and calculate income documentation such as personal and business income statements; ensure all necessary documentation is requested to support final loan decisions
- Work with third party companies such as home insurance companies, escrow companies to obtain necessary documents for loans in process
- Preparation of loan documents and funding instructions for new loans
- Execute closing actions to ensure a timely and effective closing process
- Prepare payoff demand and deeds of reconveyance
- Assist in modifying and updating loan underwriting worksheets and file directories as needed

Loan Modification Underwriter – Carrington Mortgage Services, LLC December 2012 – March 2014

- Review and analyze borrower's documentation to determine income and repayment ability, assess borrower's hardship, analyze housing expenses, delinquency, escrow, and determine proper loan resolution
- Prepare reports, documents final decision, perform thorough analysis to ensure loan quality, maintain up-to-date information of loan modification guidelines, extensive knowledge of FHA, GSE, non-GSE underwriting guidelines

Real Estate/ Loan Negotiator/ Closer/ Processor – iHome-iLoan, Inc. February 2011 – November 2012

- Coordinated with buyers/ seller/ listing/selling agents in listing, house showing, inspections, appraisals, signing of escrow and loan documents, funding, and closings. Assisted real estate staff in successfully closing more than 40 short sale and regular sales transactions per year
- Negotiated with lenders on the terms and conditions of short sale approvals, price reductions before and after short sale approval, HOA liens, judgments, mortgage liens, extensions of close of escrow, and postponement of foreclosures. Reviewed HUD-1 for accuracy.
- Reviewed and prepared purchase and listing contracts, counters, addendum, and disclosures. Processed and prepared HAFA/Cooperative/Traditional short sale packages, ARASS/Arm's Length Transaction forms.

Paralegal/ Admin/ Bookkeeper - Phan Law Firm, Inc.

February 2009 – November 2012

- **Bookkeeper and Administrative** responsibilities include: accounts payable/ receivable, banking deposits, payroll, W-2, 1099, federal/state tax deposits, and year-end financial reporting. Prepared customer invoices. Collected past due balances.

HONG ANH NGUYEN NGO

E: honganh.n.ngo@gmail.com • M: (408) 603-6790 • San Jose, CA 95135

- **Paralegal responsibilities include:**
 - **Bankruptcy** – reviewed/analyzed clients’ financial situation; prepared petitions/ repayment plan package, trustee/341 hearings; follow up on modified plan, motion, confirmation, discharge; negotiated with attorneys, creditors on repossession, proof of claim, foreclosure, and eviction.
 - **Loan Modification** – prepared and processed loan modification applications, negotiated loan modification alternatives with lenders. Obtained 70% in approved modified loans.
 - **Debt Negotiation** - negotiated with banks, collectors, and attorneys to reduce credit card debts, equity line balances, personal loans, medical bills, lawsuits, judgments, liens on properties and wage garnishments. Reduce debtors’ obligations by 50% to 80%. Stopped bank levy, wage garnishments. Obtained deed of full conveyance.
 - **Personal Injury (auto accidents, slip and fall, assault and battery)** - assessed property damages, prepared bodily injury demands, negotiated settlements with third parties, Medical/Medicare, medical providers and insurance carriers. Experienced in small claims and litigation. Obtained high settlements and low reimbursements on medical liens.
 - **Evictions** - prepared notices to quit, unlawful detainers, and eviction process.
 - **Transfer Titles/ Grant Deeds** – prepared grant deeds, transfer tax exemptions, and other documents for recording

Search Quality Analyst - Yahoo! /Workforce Logic

March 2008 – February 2009

Performed relevance tests designed to measure data quality across Yahoo’s web search product line, and analyzed user session data to understand query intent and user behaviors, identified issues and built training sets.

SKILLS Salesforce, Equator, CAR.org, MLSlistings, QuickBooks, Bankruptcy Best Case, advanced Office Suite (MS Word, Excel, Publisher, Power Point)
Fluent in English, Vietnamese.

EDUCATION

B.S. in Management at San Jose State University - San Jose, CA

December 2007

A.A. in Paralegal at Evergreen Community College – San Jose, CA

Spring 2011

RESUME

Sandra L. Murillo

1393 Spencer Ave
San Jose, CA 95125

Cell Phone: 408.705.0694
sandra.murillo56@att.net

Career Profile:

A senior level manager with over 30 years of management experience and a strong record of achievement in housing program implementation, operations and administration. Demonstrated strengths in policy development and analysis, staff development and supervision, program planning and implementation, and problem solving. Extensive knowledge of implementation, management and oversight of federal, state and local jurisdiction grant programs. A good communicator and management liaison that works well in fast-paced environments and finds program challenges an opportunity to enhance program policy, implementation and operations.

Professional Experience:

07//20115 to Present Chief Operations Officer Housing Trust Silicon Valley

Responsible for the oversight and administration of Asset Management and Contract Services Department that provides loan portfolio management, monitoring and compliance services. Responsibilities also include administration, performance and financial monitoring of federal, State and local grants awarded to Housing Trust Silicon Valley (HTSV). I possess extensive knowledge and understanding of HUD program rules and regulations, including Community Development Block Grant, HOME and Neighborhood Stabilization Program (NSP2). Additional responsibilities include operations management and human resource activities.

01/2012 to 06/2015 Director of Grants Administration Housing Trust Silicon Valley

Responsibilities include general oversight and administration, performance and financial monitoring of federal, State and local grants awarded to HTSV. I possess a thorough knowledge and understanding of HUD rules and regulations as well as other federal, State, and local rules and regulations to effectively administer the agency's grant funding sources. Manage four collaborations, including Security Deposit Collaborative, ForeclosureHelpSCC, Neighborhood Stabilization Program 2 (NSP2) and most recently the Sequester Eviction Prevention Program (SEPP). HTSV representative in various regional efforts to end and prevent homelessness.

**04/2007 to 12/2011 Housing Policy and Planning Administrator City of San Jose
Housing Department**

As part of the executive management staff, my responsibilities included the administration, oversight and compliance of \$17 million of annual entitlement and competitive federal, state and local grant programs, and the coordination of \$31 million in federal stimulus funds dedicated to expanding affordable housing, community and economic development. Duties included workplan development to support the Department's mission and core values, financial management and budgeting, resource development, and community and nonprofit partner relations. On a regional basis, I work with city and county-wide jurisdictions, to provide public and housing services to low-income residents in a coordinated effort.

RESUME

Sandra Murillo
Page 2

**09/2003 to 4/2007 Grant Program Manager City of San Jose
Housing Department**

Assigned to oversee and seek grants supporting San Jose's Homeless Services Division, the position included developing policies and procedures to ensure proper financial oversight, reporting and compliance of federal entitlement homeless and homeless prevention funding sources. My HUD entitlement program experience included the administration of the Emergency Shelter Grant and Housing Opportunities for People with Aids ('03-06) programs. In 2006, Housing Department Management also selected me to assist with the inter-departmental transfer and oversight of the city's \$10 million Community Development Block Grant Program.

**11/91 to 08/2003 Development Officer City of San Jose
Underwriting Housing Department**

Recruited by the City of San Jose Housing Department to professionalize and standardize the Housing Rehabilitation Program's underwriting process and procedures for loans and grants available to low- and moderate-income homeowners and rental property owners providing affordable housing to low-income households. The program implementation included the supervision of a staff of six loan underwriters and on-going collaborative relationships with planners, inspectors, contractors and non-profit agency staff. I was also instrumental in the design and implementation of the Housing Rehabilitation component of the Strong Neighborhood Initiative Plan launched in 2000.

**08/78 to 10/91 Assistant Vice President Security Pacific
and Various Positions National Bank**

As AVP/Branch Manager, my duties included re-organization and improvement of branch banking compliance and production goals of poorly performing branches in the south bay and peninsula region. My efforts centered on designing and implementing revised procedures, employee motivation and training, and business development outreach. Based on my success at branches, bank management selected me to serve as the Bay Area Management Training Officer for newly recruited college graduate background employees.

Education:

BA Business Administration/Management, San Jose State University, 1979
Graduate Banking Courses/Retail Bank Management, Pacific Coast Banking, 1986
Art and Practice of Leadership Certificate, City of San Jose, 2008
Federal Program Administration and OMB on-going Training, 2003-Present
Low-Income Housing Tax Credit Training, 2015
Office of Management and Budget Super Circular Training, 2015
HR Legal Requirements, 2015

Languages:

Spanish

Associations:

2014 – Present Board Member, Silicon Valley Council of NonProfits
2014 – Present SCC Continuum of Care, Performance Management Work Group
2013-Present 1000 Out of Poverty Committee Member

MULTIMILLION-DOLLAR PORTFOLIO MANAGEMENT

- Tenacious and accomplished Analyst with successful burgeoning career in the financial and business sectors highlighted by hands-on experience that includes asset & portfolio management, loan servicing, financial analysis/operations, reporting/documentation and project management deliverables.
 - Adept in fast-paced work environments demanding increasing responsibility and an integral team member; consistently utilize well-honed analytical and problem-solving skills enhanced by high-level organizational and planning abilities.
-

PROFESSIONAL EXPERIENCE

Housing Trust Silicon Valley, San Jose, CA

2015 to Present: Asset Manager

Provide portfolio management of \$85M in real estate assets. Assets under management consists of the County of Supportive Housing, City of Santa Clara and Housing Trust's portfolio of single family homebuyer loans, home equity rehabilitation loans, and multi-family housing development loans.

- Develop and implement the firm's asset management strategies, identify performance improvements opportunities for clients.
- Assist clients in executing financial and accounting analysis, and process improvements with cash management, and financial reporting.
- Responsible for the creation and maintenance of amortization schedules tracked P&I balances and forecasted payments. Prepared monthly reports; identified and resolved discrepancies for fiscal, borrowers, loan origination and auditors.
- Perform account reconciliations, review subordination requests and provide payoff calculations/demand statements.
- Ensure adherence to regulatory agreements and provide recommendations in process improvement, risk mitigation strategies

City of San Jose, San Jose, CA

2010 to 2015: Asset Management & Financial Analyst - Development Specialist

Provided asset management and financial analysis for a housing department that finances loans to real estate developers to build multi-family homes, with current portfolio of \$600M. Provided key financial analysis to loan underwriters, to negotiate and structures deals to partnerships; loan are underwritten with repayments based on partnership's annual net cash flow.

- Provided Net Cash Flow Analysis; Interpret audit financials, review P&L statements and balance sheets for forecasting and invoicing of residual payments, also to provide loan loss reserve reporting. Ensure adherence to land leases, partnership agreements, promissory notes and cash waterfall projections.
- Streamlined loan servicing ranging from 3 million to 20 million per account; developed comparative benchmarking between accounts, quickly identify and limit expenses deemed too high or not necessary and decreased overall operating costs, reduce expense ratios while increasing residual receipt payments to the City.
- Managed portfolio worth over half a billion in land leases, acquisition, construction, permanent real estate development loans and personally generate up to \$15M in annual residual receipt loan payments from 160 partnership accounts.
- Provided financial analysis and review proformas for deals, loan negotiations and restructures; review due diligence documents, identify risks, provide cost-benefit analysis and valuable considerations for underwriting.

- Provided key financial and budget analysis, proformas and financial audits analysis, approve capital expenditures plans, identify trends with operating expenditures, perform account reconciliations, identify cost overruns and track performance.
- Tracked loan disbursements and draw requests to ensure adequate funding for project loans. Assist in key contract negotiations and due diligence processing for the financing of real estate development with investors, general partners and lenders, as well as determining financial feasibility and forecast revenue for the department.
- Provided amortization scenarios and interest calculation; prepare interest demands and payoff demands during loan closing/loan conversions; reconcile loan balances and payment discrepancies with account holders.
- Collaborated with funders, finance, legal and executive team, as well as external borrowers, auditors, and accountants in communicating financial direction and methodologies. Approve annual partnership budgets, provide budget development and oversight; perform annual audits.

2008 to 2010: Loan Collections & Compliance - Development Specialist

Management was receiving numerous complaints and was asked to transfer to this team to provide detailed accuracy and accountability for multifamily real estate portfolio. Responsible for the creation and maintenance of amortization schedules that calculated interest, tracked P&I balances and forecasted payments. Prepared monthly reports; identified and resolved discrepancies for fiscal, borrowers, loan origination and auditors.

- Calculated loan repayments and maintained amortization schedules, for multi-family real estate accounts, small business revolving loans, home equity rehabilitation loans and provided payoff calculations and demand statements.
- Developed the annual budget, provided year-end loan loss analysis and quickly responded to auditor inquiries; completed financial forecasts and account reconciliations for month-end, quarterly and annual requirements.
- Managed promissory note and loan agreement financial data integrity and utilized effective business acumen and defined financial requirements for design and implementation of Salesforce, an enterprise loan management database system.

2006 to 2008: Loan Compliance - Development Specialist

Began tenure as a Development Specialist in loan compliance and collected compliance documents. Monitored and maintained 1,200+ single family housing loans and projects financed in building affordable homes that require adherence to HUD/Tax Credit rent and income regulations. Ensured compliance was adhered for 20,000+ multi-family housing units in the City of San Jose.

- Provided extensive governance, risk and compliance management solutions to homebuyer loans, home equity loans and multifamily housing development loans, to ensure property managers and owners operate within boundaries of affordable housing legislation, financing restrictions, Low Income Tax Credit (LIHTC) regulations and fair housing laws.
- Managed the portfolio with projects/loans, which had financing structures that followed different compliance regulations, with no current system in place to identify project restrictions and requirements—maintained 95% compliance adherence year-over-year.
- Monitored rent compliance of and ensure compliance of layering affordability restrictions and lease agreements. Trained and mentored personnel, property managers and borrowers on understanding and utilization of legal documents. Revamped rent compliance monitoring by creating an excel rent roll with automatic calculation, error detection and “lookups” formulas and designed a compliance webpage.

◀ AREAS OF STRENGTH ▶

- | | |
|--|---|
| ✓ Review Financial Statements / Financial Modeling | ✓ Governance, Compliance & Risk Assessment |
| ✓ Illustrate Expense Ratios & Forecast Cash Flow | ✓ CRM & ERP Systems / Salesforce & Oracle / SQL |
| ✓ Analyze Audit Financials / Calculate Residual Receipts | ✓ Advanced Excel, PowerPoint, Access & Visio user |
| ✓ Approve Budgets & Audit Expenditures | ✓ SEO, CCS, HTML, Photoshop & Dreamweaver |

EDUCATION

B.S., Business Administration/Emphasis in MIS – San Jose State University, San Jose, CA

Attachment B

Fee Schedule

Attachment C

Sample Monitoring Documents



PAYOFF DEMAND

Sent via email to: «Escrow_Email»

February 9, 2016

«Escrow_Officer»

«Title_Company»

«Title_Address»

«City_State_Zip»

Borrower: «Borrower_Names»

Property Address: «Property_Address»

Loan #: «County_»

Dear «Escrow_Officer»:

The payoff amount for the referenced loan with the County of Santa Clara is «Payoff_Amt», through the requested payoff date of «Payoff_Date».

1. Principal Amount:	\$	«Principal_Amt»
2. Interest:	\$	«Interest_Amt»
Total Payoff Amount:	\$	«Payoff_Amt»
<i>Per Diem after</i> «Payoff_Date»:	\$	«Per_Diem»

Payoff demand is valid through «Expired_Date», please wire payment to:

Wells Fargo Bank - Routing # 123456789
County of Santa Clara - Office of Supportive Housing
Account #456684565

Re: Loan #«County_» / «Property_Address»
Attn: Program Manager

Please email questions to rosa@housingtrustsv.org.

Sincerely,

Rosa Ly
Asset Manager



NOTICE OF TRANSFER OF SERVICING RIGHTS

January 5, 2016

«Borrower_Name»
«Developer»
«Street»
«City», «State» «Zip_Code»

Reference: County Loan # «Account_Number» - Transfer of Portfolio Management

Dear Borrower:

The County of Santa Clara Office of Supportive Housing (County) has commissioned Housing Trust Silicon Valley (HTSV) to provide portfolio management of the affordable housing assets, effective December 14, 2015. The terms of your loan documents will remain unchanged any loan payments should be made to the County of Santa Clara, at:

Office of Supportive Housing
3180 Newberry Drive, Suite 150
San Jose, CA 95118
Attn: Neena Batallones

However, annual compliance submissions such as: certified rent rolls (with household size & income), 2016 annual budgets, 2015 audited financials, and current property insurance certificates should be sent to rosa@housingtrustsv.org.

If there are any questions regarding this transfer, your payment terms, compliance requirements, loan balances & please contact us at:

Housing Trust Silicon Valley
Asset Management
95 S. Market Street, Suite 610
San Jose, CA 95113
rosa@housingtrustsv.org

Sincerely,

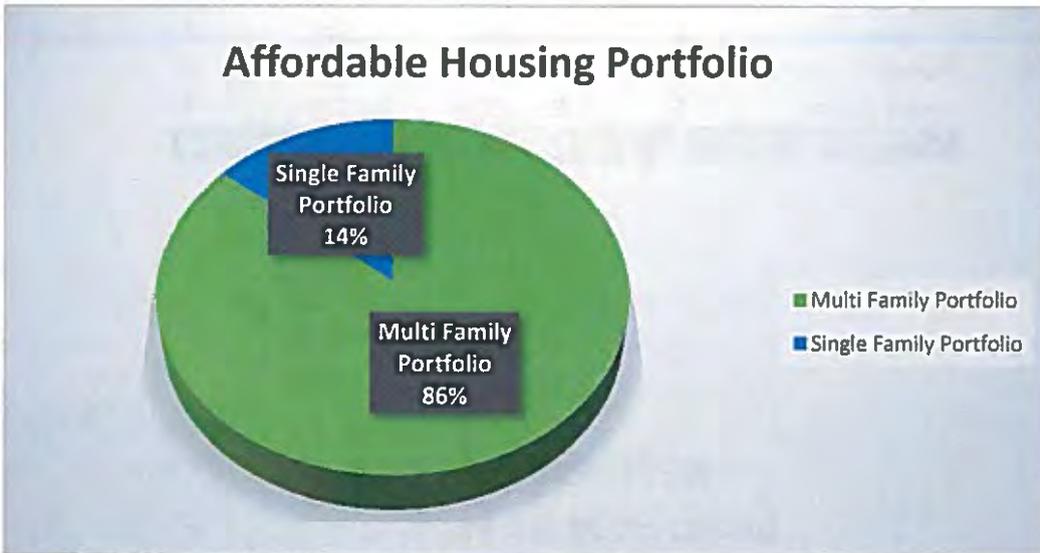
A handwritten signature in black ink, appearing to read "Rosa Ly".

Rosa Ly
Asset Manager

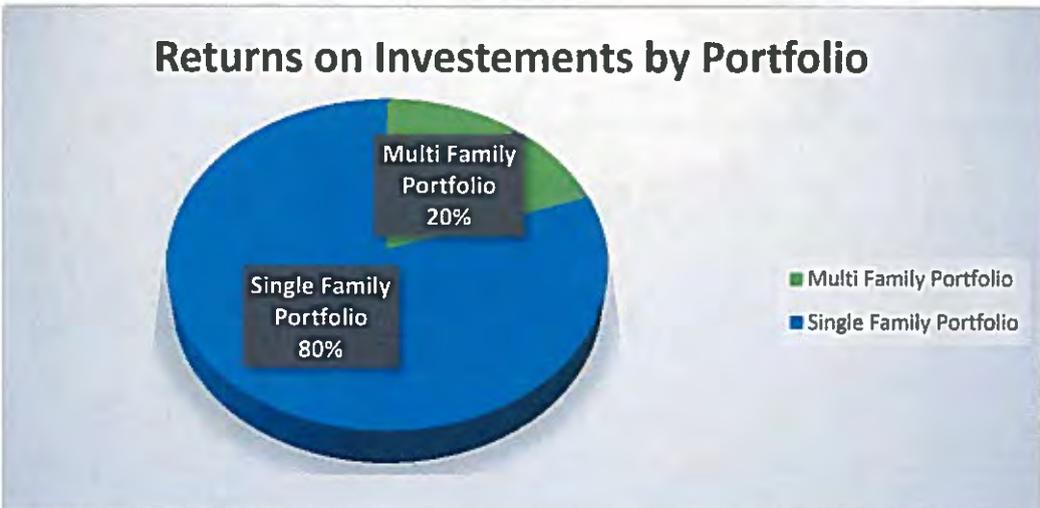
Under Federal law, during the 60-day period following the effective date of the transfer of the loan servicing, a loan payment received by your old servicer on or before its due date may not be treated by the new servicer as late, and a late fee may not be imposed on you.

Housing Portfolio
Balances as of December 31, 2015

Portfolio	Balance	%	# of Loans	%
Multi Family Portfolio	\$ 52,205,518.42	86.2%	140	42.0%
Single Family Portfolio	\$ 8,379,466.45	13.8%	193	58.0%
Total	\$ 60,584,984.87		333	

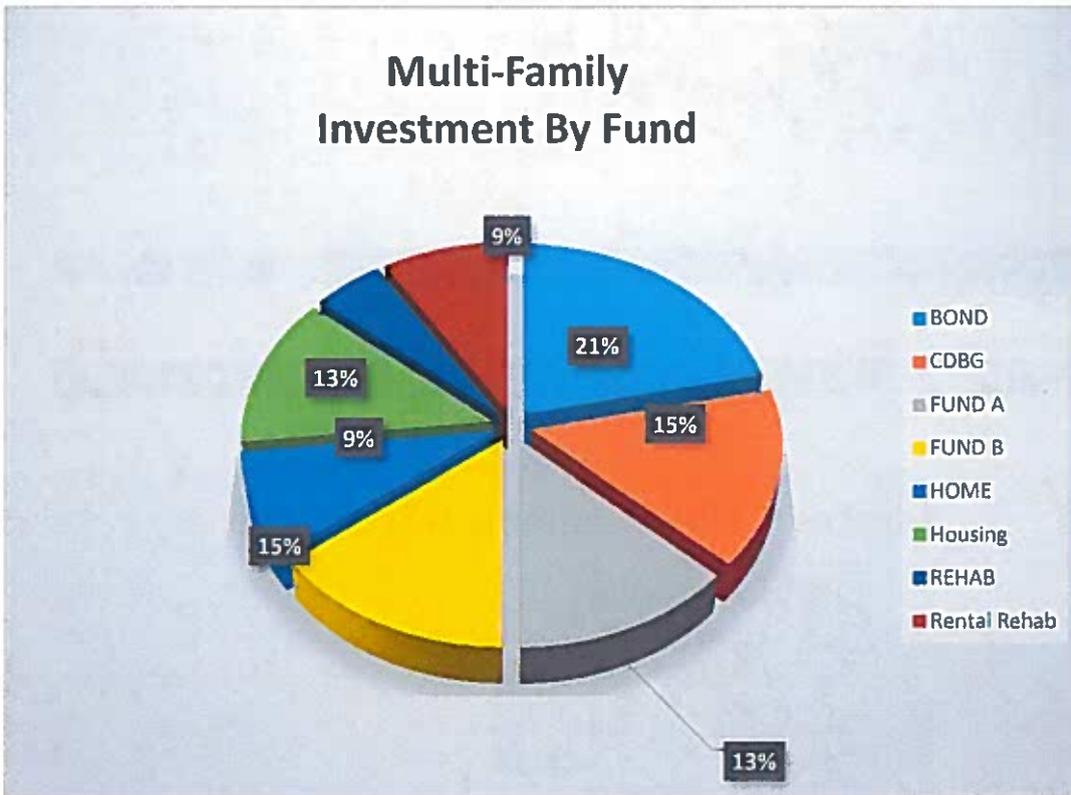


Portfolio	Payment	%
Multi Family Portfolio	\$ 48,311.38	19.7%
Single Family Portfolio	\$ 196,941.48	80.3%
Total	\$ 245,252.86	



Housing Portfolio
Balances as of December 31, 2015

Fund	Investment	Percentage	# of Loans
BOND	\$ 11,245,965.74	21.54%	23
CDBG	\$ 7,953,832.48	15.24%	22
FUND A	\$ 6,919,933.06	13.26%	19
FUND B	\$ 7,605,246.17	14.57%	23
HOME	\$ 4,519,829.82	8.66%	19
Housing	\$ 6,755,140.92	12.94%	16
REHAB	\$ 2,572,410.29	4.93%	9
Rental Rehab	\$ 4,633,159.94	8.87%	9
Total	\$ 52,205,518.42		140



Housing Portfolio
Balances as of December 31, 2015

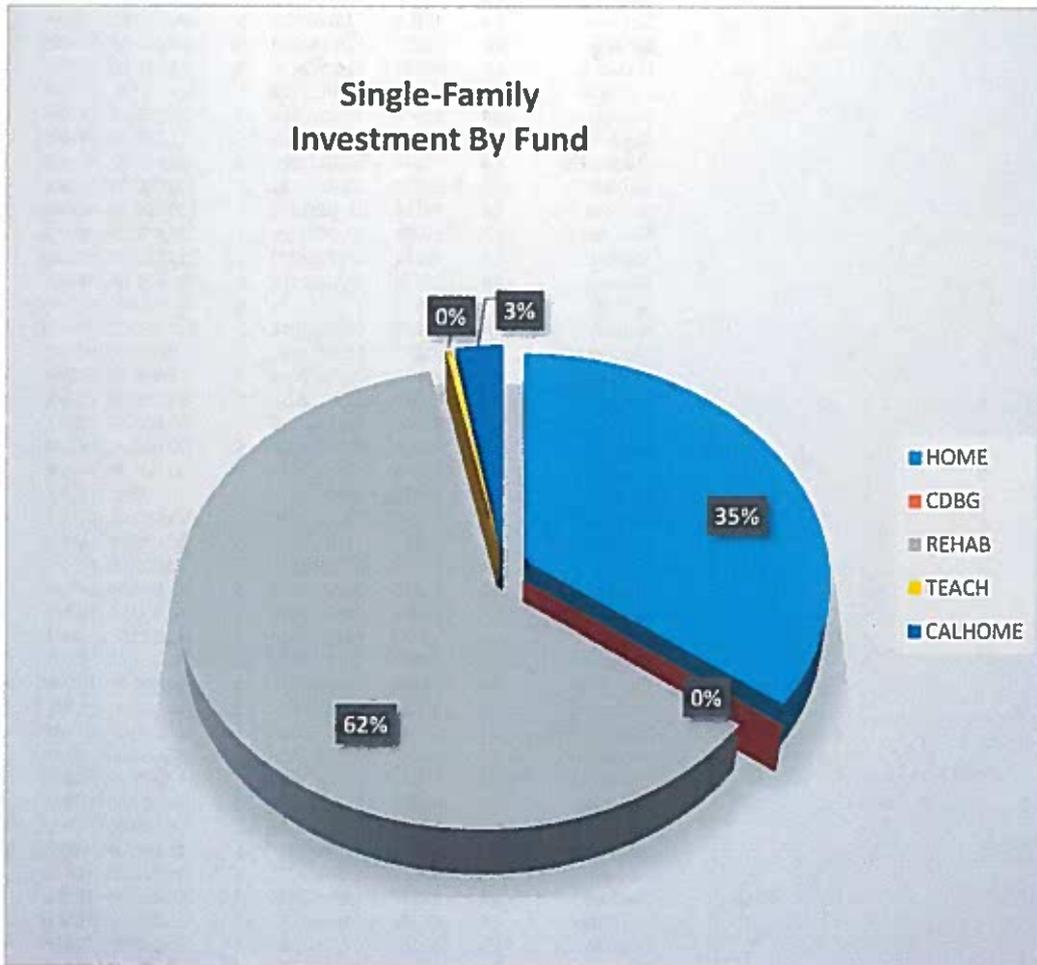
Account	Borrower Name	Project Sponsor	Street	City	State	Zip Code	Maturity	Principal	Fund
		Senior Housing Solutions		San Jose	CA	95112	01/01/2027	\$ 60,741	Rental Rehab
		Senior Housing Solutions		San Jose	CA	95112	12/01/2016	\$ 53,281	Rental Rehab
		Charities Housing		San Jose	CA	95126	03/01/2034	\$ 167,161	Rental Rehab
		Senior Housing Solutions		San Jose	CA	95112	08/05/2020	\$ 169,067	Rental Rehab
		Senior Housing Solutions		San Jose	CA	95112	12/01/2042	\$ 137,702	BOND
		Senior Housing Solutions		San Jose	CA	95112	09/01/2027	\$ 85,000	CDBG
		InnVision		San Jose	CA	95125	11/13/2040	\$ 150,000	FUND A
		Mid-Peninsula		Foster City	CA	94404	12/01/2023	\$ 68,400	FUND B
		Mid-Peninsula		Foster City	CA	94404	12/01/2023	\$ 68,400	HOME
		Mid-Peninsula		Foster City	CA	94404	12/01/2023	\$ 68,400	Housing
		Mid-Peninsula		Foster City	CA	94404	12/01/2023	\$ 68,400	REHAB
		Mid-Peninsula		Foster City	CA	94404	12/01/2023	\$ 68,400	Rental Rehab
		Mid-Peninsula		Foster City	CA	94404	12/01/2023	\$ 68,400	BOND
		ROEM Development		Santa Clara	CA	95030	12/01/2030	\$ 24,521	CDBG
		Charities Housing		San Jose	CA	95126	06/01/2016	\$ 1,191	FUND A
		Charities Housing		San Jose	CA	95126	06/01/2017	\$ 4,317	FUND B
		PALO Alto Housing Corporation		Santa Clara	CA	95030	08/03/2025	\$ 43,349	HOME
		Charities Housing		San Jose	CA	95126	01/01/2025	\$ 120,371	Housing
		South County Housing Corporation		Gilroy	CA	95020	06/30/2021	\$ 40,005	REHAB
		Silicon Valley Habitat for Humanity, Inc.		Oakland	CA	94612	10/06/2032	\$ 112,406	Rental Rehab
		HACSC		San Jose	CA	95110	12/01/2031	\$ 267,041	BOND
		Community Housing Development		Richmond	CA	94801	05/04/2035	\$ 407,189	CDBG
		First Community Housing		San Jose	CA	95113	04/27/2019	\$ 8,102	FUND A
		Stoney Pine Charities Housing		San Jose	CA	95112	03/30/2040	\$ 300,000	FUND B
		Ecumenical Association Housing		San Rafael	CA	94901	09/16/2068	\$ 414,351	HOME
		South County Housing Corporati		Gilroy	CA	95020	05/07/2032	\$ 300,000	Housing
		Emergency Housing Consortium		Milpitas	CA	95035	11/17/2036	\$ 200,000	REHAB
		South County Housing Corporati		Gilroy	CA	95020	05/15/2036	\$ 198,140	Rental Rehab
		Emergency Housing Consortium		Milpitas	CA	95035	12/03/2026	\$ 251,664	BOND
		Emergency Housing Consortium		Milpitas	CA	95035	12/03/2026	\$ 50,000	CDBG
		Emergency Housing Consortium		Milpitas	CA	95035	12/03/2026	\$ 100,000	FUND A
		Mid-Peninsula		Foster City	CA	94404	05/01/2021	\$ 175,000	FUND B
		BRIDGE Housing Corp		San Francisco	CA	94105	08/27/2037	\$ 260,520	HOME
		HACSC		San Jose	CA	95110	05/29/2033	\$ 95,000	Housing
		InnVision		San Jose	CA	95125	02/06/2025	\$ 200,000	REHAB
		South County Housing Corporati		Gilroy	CA	95020	10/31/2024	\$ 147,500	Rental Rehab
		South County Housing Corporati		Gilroy	CA	95020	12/17/2021	\$ 103,066	BOND
		South County Housing Corporati		Gilroy	CA	95020	01/03/2025	\$ 157,050	CDBG
		South County Housing Corporati		Gilroy	CA	95020	04/04/2036	\$ 110,000	FUND A
		Montera Village Associates		Gilroy	CA	95020	07/01/2026	\$ 346,128	FUND B
		Montera Village Associates		Gilroy	CA	95020	06/25/2026	\$ 100,000	HOME
		Mid-Peninsula		Foster City	CA	94404	09/30/2036	\$ 188,000	Housing
		Community Housing Development		Richmond	CA	94801	04/11/2037	\$ 40,000	REHAB
		Senior Housing Solutions		San Jose	CA	95112	12/17/2033	\$ 72,359	Rental Rehab
		Emergency Housing Consortium		Milpitas	CA	95035	02/26/2031	\$ 500,000	BOND
		Mid-Peninsula		Foster City	CA	94404	11/06/2034	\$ 940,413	BOND
		Charities Housing		San Jose	CA	95126	09/23/2027	\$ 61,798	CDBG
		Emergency Housing Consortium		Milpitas	CA	95035	11/17/2036	\$ 166,197	FUND A
		Mid-Peninsula		Foster City	CA	95070	12/30/2023	\$ 206,000	FUND B
		Senior Housing Solutions		San Jose	CA	95112	06/01/2031	\$ 123,900	HOME
		Community Housing Development		Richmond	CA	94801	05/25/2029	\$ 250,000	Housing
		Charities Housing		San Jose	CA	95126	09/01/2027	\$ 33,202	REHAB
		Ecumenical Association Housing		San Rafael	CA	94901	06/01/2039	\$ 910,000	Rental Rehab
		Emergency Housing Consortium		Milpitas	CA	95035	12/03/2026	\$ 332,552	BOND
		Emergency Housing Consortium		Milpitas	CA	95035	12/03/2026	\$ 373,500	CDBG
		Ecumenical Association Housing		San Rafael	CA	94901	09/16/2068	\$ 1,295,775	FUND A
		First Community Housing		San Jose	CA	95113	01/03/2043	\$ 800,000	FUND B
		First Community Housing		San Jose	CA	95113	11/01/2044	\$ 301,470	HOME
		InnVision		San Jose	CA	95125	12/13/2030	\$ 196,300	Housing
		BRIDGE Housing Corp		San Francisco	CA	94105	08/12/2037	\$ 443,448	REHAB
		South County Housing Corporati		Gilroy	CA	95020	10/31/2024	\$ 177,172	Rental Rehab
		South County Housing Corporati		Gilroy	CA	95020	01/03/2025	\$ 376,133	BOND
		Palo Alto Housing Corporation		Palo Alto	CA	94301	01/28/2059	\$ 500,000	CDBG
		South County Housing Corporati		Gilroy	CA	95020	10/03/2029	\$ 170,325	FUND A
		South County Housing Corporati		Gilroy	CA	95020	10/03/2029	\$ 167,675	FUND B
		South County Housing Corporati		Gilroy	CA	95020	01/03/2025	\$ 318,032	HOME
		South County Housing Corporati		Gilroy	CA	95020	06/30/2040	\$ 300,000	CDBG
		South County Housing Corporati		Gilroy	CA	95020	05/03/2041	\$ 400,000	FUND A
		South County Housing Corporati		Gilroy	CA	95020	02/06/2043	\$ 400,000	FUND B
		Project Match, Inc.		Campbell	CA	95008	11/16/2022	\$ 60,000	HOME
		Project Match, Inc.		Los Gatos	CA	95032	12/17/2033	\$ 90,493	CDBG
		Community Solutions		Gilroy	CA	95020	02/27/2062	\$ 350,000	FUND A
		Community Solutions		Gilroy	CA	95020	11/19/2034	\$ 250,000	FUND B
		Charities Housing		San Jose	CA	95113	11/07/2062	\$ 118,367	HOME
		Charities Housing		Foster City	CA	94404	02/28/2024	\$ 168,935	CDBG
		Palo Alto Housing Corporation		Palo Alto	CA	94301	07/01/2026	\$ 1,000,000	FUND A
		Community Solutions		Gilroy	CA	95020	10/01/2059	\$ 1,700,000	FUND B
		Charities Housing		San Jose	CA	95126	07/16/2059	\$ 1,500,000	HOME
		Opportunity Center of the Mid-HIP		Palo Alto	CA	94301	11/01/2061	\$ 1,000,000	BOND
				Milpitas	CA	95035	09/26/2034	\$ 75,000	BOND
		CORE Development		San Jose	CA	95113	04/26/2062	\$ 260,000	BOND
		Senior Housing Solutions		San Jose	CA	95112	06/15/2016	\$ 250,000	BOND
		Unity Care Group, Inc.		San Jose	CA	95126	03/22/2036	\$ 250,000	BOND
		CORE Development		San Jose	CA	95112	02/23/2060	\$ 440,000	BOND
		First Community Housing		San Jose	CA	95113	12/11/2057	\$ 1,350,000	BOND
		ROEM Development		San Jose	CA	95122	04/30/2063	\$ 1,223,609	BOND
		Community Solutions		Gilroy	CA	95020	08/29/2063	\$ 475,000	CDBG

Housing Portfolio
Balances as of December 31, 2015

Account	Borrower Name	Project Sponsor	Street	City	State	Zip Code	Maturity	Principal	Fund
	InnVision			San Jose	CA	95125	07/25/2015	\$ 26,000	FUND A
	InnVision			San Jose	CA	95125	02/27/2031	\$ 107,019	FUND B
	Stoney Pine Charities Housing			San Jose	CA	95112	07/13/2038	\$ 115,058	HOME
	South County Housing Corporati			Gilroy	CA	95020	06/25/2026	\$ 80,000	CD&G
	South County Housing Corporati			Gilroy	CA	95020	12/17/2021	\$ 46,934	FUND A
	Emergency Housing Consortium			Millpitas	CA	95035	06/24/2028	\$ 11,750	FUND B
	Senior Housing Solutions			San Jose	CA	95112	12/19/2062	\$ 384,892	CD&G
	Senior Housing Solutions			Millpitas	CA	95035	12/11/2036	\$ 91,196	FUND A
	Cupertino Community Services			Cupertino	CA	95014	11/26/2036	\$ 747,800	FUND B
	Mid-Peninsula			Foster City	CA	94404	11/01/2023	\$ 200,000	HOME
	Cupertino Community Services			Cupertino	CA	95014	05/02/2036	\$ 257,817	CD&G
	InnVision			San Jose	CA	95125	02/01/2043	\$ 217,800	FUND A
	Charities Housing			San Jose	CA	95131	12/22/2063	\$ 300,000	FUND B
	Charities Housing			San Jose	CA	95136	12/22/2063	\$ 250,000	CD&G
	Charities Housing			San Jose	CA	95111	06/01/2064	\$ 350,000	FUND A
	Charities Housing			San Jose	CA	95126	06/01/2064	\$ 250,000	FUND B
	Senior Housing Solutions			San Jose	CA	95112	07/07/2039	\$ 150,000	HOME
	Mid-Peninsula			Foster City	CA	94404	08/18/2064	\$ 350,000	CD&G
	Senior Housing Solutions			San Jose	CA	95112	07/27/2065	\$ 170,000	FUND A
	Charities Housing			San Jose	CA	95112	10/26/2065	\$ 371,157	FUND B
	Palo Alto Housing Corporation			Palo Alto	CA	94301	10/01/2065	\$ 1,000,000	FUND A
	Palo Alto Housing Corporation			Palo Alto	CA	94301	12/31/2067	\$ 400,000	FUND B
	UHC Communities			Santa Ana	CA	92705	08/01/2065	\$ 217,383	HOME
	Senior Housing Solutions			San Jose	CA	95112	05/05/2041	\$ 37,070	Housing
	BRIDGE Housing Corp			Palo Alto	CA	94303	05/31/2066	\$ 1,500,000	REHAB
	BRIDGE Housing Corp			Palo Alto	CA	94303	05/31/2066	\$ 678,000	Rental Rehab
	Palo Alto Housing Corporation			Palo Alto	CA	94301	12/31/2067	\$ 960,000	BOND
	South County Housing Corporati			Gilroy	CA	95037	12/06/2065	\$ 1,618,793	BOND
	UHC Communities			Santa Ana	CA	92705	10/26/2065	\$ 362,076	CD&G
	Charities Housing			San Jose	CA	95126	12/06/2065	\$ 720,000	FUND A
	South County Housing Corporati			Gilroy	CA	95020	12/12/2066	\$ 1,000,000	FUND B
	South County Housing Corporati			Gilroy	CA	95020	12/12/2066	\$ 529,000	HOME
	Eden Housing			Hayward	CA	94541	12/31/2067	\$ 5,500,000	Housing
	Unity Care Group, Inc.			San Jose	CA	95111	03/20/2042	\$ 47,355	REHAB
	Ecumenical Association Housing			San Rafael	CA	94901	04/25/2067	\$ 370,846	Rental Rehab
	Unity Care Group, Inc.			San Jose	CA	95111	01/15/2043	\$ 18,502	BOND
	ROEM Development			Santa Clara	CA	95051	01/18/2068	\$ 200,000	CD&G
	Mid-Peninsula			Foster City	CA	94404	09/01/2067	\$ 100,000	FUND A
	South County Housing Corporati			Gilroy	CA	95020	12/06/2068	\$ 585,657	Rental Rehab
	UHC Communities			Santa Ana	CA	92705	08/31/2066	\$ 146,400	Rental Rehab
	South County Alternatives			Gilroy	CA	95020	05/03/2016	\$ 31,291	BOND
	Charities Housing			San Jose	CA	95126	02/01/2068	\$ 350,994	CD&G
	Charities Housing			San Jose	CA	95030	12/17/2068	\$ 205,646	FUND A
	Charities Housing			San Jose	CA	95030	12/17/2068	\$ 232,493	Rental Rehab
	Charities Housing			San Jose	CA	95030	12/17/2068	\$ 400,000	Rental Rehab
	Mid-Peninsula			Foster City	CA	94404	12/17/2068	\$ 232,493	BOND
	First Community Housing			San Jose	CA	95113	02/14/2069	\$ 2,207,811	CD&G
	Community Solutions			Gilroy	CA	95020	04/30/2017	\$ 100,000	FUND A
	South County Housing Corporati			Gilroy	CA	95020	07/03/2016	\$ 43,536	Rental Rehab
	Community Solutions			Gilroy	CA	95020	07/03/2016	\$ 40,000	Rental Rehab
	Mid-Peninsula			Foster City	CA	94404	12/31/2072	\$ 537,267	BOND
	Mid-Peninsula			Foster City	CA	94404	04/23/2065	\$ 816,756	CD&G
	Community Housing Developers, Inc.			Richmond	CA	94801	06/01/2027	\$ 140,768	FUND A
Total								\$ 52,205,518	

Housing Portfolio
Balances as of December 31, 2015

Fund	Investment	193	# of Loans
HOME	\$ 2,950,923.60	35.22%	81
CDBG	\$ 2,088.50	0.02%	1
REHAB	\$ 5,155,454.35	61.52%	103
TEACH	\$ 40,000.00	0.48%	4
CALHOME	\$ 231,000.00	2.76%	4
Total	\$ 8,379,466.45		193



Housing Portfolio
Balances as of December 31, 2015

Account	Borrower Name	Street	City	State	Zip	Maturity	Principal	Fund
			San Jose	CA	95110	12/01/2025	\$ 2,088.50	CDBG
			San Jose	CA	95127	03/01/2020	\$ 25,862.74	REHAB
			Los Altos	CA	94024	06/01/2018	\$ 49,104.76	REHAB
			Los Gatos	CA	95032	01/02/2028	\$ 44,265.70	REHAB
			Los Gatos	CA	95030	07/15/2034	\$ 100,000.00	REHAB
			Los Gatos	CA	95030	09/01/2018	\$ 57,375.45	REHAB
			Los Gatos	CA	95030	07/01/2027	\$ 174,971.20	REHAB
			San Jose	CA	95110	01/01/2031	\$ 120,000.00	REHAB
			San Jose	CA	95127	08/01/2019	\$ 154,889.05	REHAB
			Los Gatos	CA	95032	11/01/2019	\$ 63,311.15	REHAB
			San Jose	CA	95140	09/07/2025	\$ 100,000.00	REHAB
			San Jose	CA	95127	05/01/2027	\$ 100,000.00	REHAB
			San Jose	CA	95127	08/01/2026	\$ 75,000.00	REHAB
			Campbell	CA	95008	10/01/2024	\$ 49,999.84	REHAB
			San Jose	CA	95127	07/01/2018	\$ 80,000.00	REHAB
			Los Gatos	CA	95033	09/01/2014	\$ 34,384.00	REHAB
			Los Gatos	CA	95033	01/01/2020	\$ 25,745.00	REHAB
			San Jose	CA	95127	08/01/2026	\$ 5,000.00	HOME
			San Jose	CA	95127	08/01/2026	\$ 70,000.00	REHAB
			San Jose	CA	95127	06/15/2022	\$ 56,767.46	REHAB
			San Jose	CA	95127	11/01/2019	\$ 33,196.00	REHAB
			San Jose	CA	95124	04/01/2028	\$ 100,000.00	REHAB
			San Jose	CA	95127	02/01/2020	\$ 120,000.00	REHAB
			Los Gatos	CA	95133	11/01/2026	\$ 14,275.00	REHAB
			Los Gatos	CA	95033	10/01/2019	\$ 120,364.59	REHAB
			San Jose	CA	95148	11/01/2018	\$ 28,961.18	REHAB
			San Jose	CA	95127	06/01/2025	\$ 21,586.40	REHAB
			Morgan Hill	CA	95037	04/01/2020	\$ 85,437.92	REHAB
			San Jose	CA	95127	10/01/2034	\$ 120,000.00	REHAB
			San Jose	CA	95124	11/01/2036	\$ 100,000.00	REHAB
			Campbell	CA	95008	06/01/2026	\$ 129,437.19	REHAB
			San Jose	CA	95127	07/20/2020	\$ 110,000.00	REHAB
			San Jose	CA	95126	08/01/2018	\$ 208,230.04	REHAB
			San Jose	CA	95127	11/01/2019	\$ 95,000.00	REHAB
			Saratoga	CA	95070	06/01/2018	\$ 132,161.10	REHAB
			Morgan Hill	CA	95037	10/02/2041	\$ 29,000.00	HOME
			Morgan Hill	CA	95037	11/06/2041	\$ 26,000.00	HOME
			Morgan Hill	CA	95037	11/01/2036	\$ 36,000.00	HOME
			San Martin	CA	95046	02/23/2019	\$ 69,082.10	HOME
			Milpitas	CA	95035	08/01/2046	\$ 50,000.00	HOME
			Cupertino	CA	95014	03/01/2047	\$ 40,000.00	HOME
			Gilroy	CA	95020	05/01/2037	\$ 40,000.00	HOME
			Sunnyvale	CA	94086	04/01/2036	\$ 15,000.00	HOME
			Morgan Hill	CA	95037	11/01/2041	\$ 50,000.00	HOME
			Gilroy	CA	95020	07/01/2037	\$ 40,000.00	HOME
			Morgan Hill	CA	95037	03/30/2036	\$ 50,000.00	HOME
			Campbell	CA	95008	07/01/2037	\$ 40,000.00	HOME
			Gilroy	CA	95020	09/01/2036	\$ 40,000.00	HOME
			Morgan Hill	CA	95037	04/01/2036	\$ 40,000.00	HOME
			Palo Alto	CA	94306	01/05/2036	\$ 10,000.00	HOME
			Morgan Hill	CA	95037	02/02/2036	\$ 50,000.00	HOME
			Mountain View	CA	94043	03/01/2036	\$ 10,000.00	HOME
			Morgan Hill	CA	95037	02/27/2036	\$ 50,000.00	HOME
			Gilroy	CA	95020	06/12/2037	\$ 47,145.50	HOME
			Campbell	CA	95008	12/01/2035	\$ 40,000.00	HOME
			Morgan Hill	CA	95037	04/01/2036	\$ 50,000.00	HOME
			Morgan Hill	CA	95037	04/01/2036	\$ 15,000.00	HOME
			San Jose	CA	95123	06/01/2034	\$ 10,000.00	TEACH
			San Jose	CA	95117	10/01/2034	\$ 10,000.00	TEACH
			Los Gatos	CA	95033	11/01/2032	\$ 10,000.00	TEACH
			San Jose	CA	95126	07/01/2038	\$ 10,000.00	TEACH
			Gilroy	CA	95020	01/01/2038	\$ 40,000.00	HOME
			San Jose	CA	95126	07/20/2038	\$ 40,000.00	HOME
			Campbell	CA	95008	01/01/2038	\$ 40,000.00	HOME
			Morgan Hill	CA	95037	10/01/2038	\$ 40,000.00	HOME
			Morgan Hill	CA	95037	09/01/2038	\$ 40,000.00	HOME
			Morgan Hill	CA	95037	12/01/2038	\$ 25,000.00	HOME
			Morgan Hill	CA	95037	11/01/2038	\$ 40,000.00	HOME
			San Jose	CA	95128	09/01/2028	\$ 100,000.00	REHAB

Housing Portfolio
Balances as of December 31, 2015

Account	Borrower Name	Street	City	State	Zip	Maturity	Principal	Fund
			Morgan Hill	CA	95037	12/01/2038	\$ 40,000.00	HOME
			Morgan Hill	CA	95037	11/01/2038	\$ 40,000.00	HOME
			Morgan Hill	CA	95037	11/01/2038	\$ 40,000.00	HOME
			Morgan Hill	CA	95037	11/01/2038	\$ 40,000.00	HOME
			Morgan Hill	CA	95037	12/01/2038	\$ 25,000.00	HOME
			Morgan Hill	CA	95037	12/01/2038	\$ 20,000.00	HOME
			Morgan Hill	CA	95037	12/01/2038	\$ 35,000.00	HOME
			Morgan Hill	CA	95037	12/01/2038	\$ 12,000.00	HOME
			Morgan Hill	CA	95037	11/01/2038	\$ 34,000.00	HOME
			Morgan Hill	CA	95037	12/01/2038	\$ 40,000.00	HOME
			Los Gatos	CA	95032	10/01/2023	\$ 123,000.00	REHAB
			Morgan Hill	CA	95037	11/01/2038	\$ 20,000.00	HOME
			Morgan Hill	CA	95037	12/01/2038	\$ 40,000.00	HOME
			Saratoga	CA	95070	11/10/2028	\$ 100,000.00	REHAB
			Los Gatos	CA	95032	03/01/2024	\$ 110,000.00	REHAB
			San Jose	CA	95111	04/01/2039	\$ 10,000.00	HOME
			San Jose	CA	95127	04/01/2039	\$ 40,000.00	HOME
			Los Gatos	CA	95030	07/01/2039	\$ 44,743.00	HOME
			San Jose	CA	95124	04/01/2028	\$ 40,000.00	REHAB
			Morgan Hill	CA	95037	08/01/2039	\$ 40,000.00	HOME
			Morgan Hill	CA	95037	09/01/2039	\$ 40,000.00	HOME
			Morgan Hill	CA	95037	08/01/2039	\$ 40,000.00	HOME
			San Jose	CA	95127	08/01/2039	\$ 125,000.00	REHAB
			San Jose	CA	95136	08/01/2029	\$ 125,000.00	REHAB
			Morgan Hill	CA	95037	09/01/2039	\$ 40,000.00	HOME
			Morgan Hill	CA	95037	09/01/2039	\$ 40,000.00	HOME
			Los Gatos	CA	95032	10/01/2039	\$ 173,099.31	REHAB
			Morgan Hill	CA	95037	11/01/2039	\$ 40,000.00	HOME
			San Jose	CA	95127	11/01/2039	\$ 40,000.00	HOME
			Morgan Hill	CA	95037	04/01/2040	\$ 40,000.00	HOME
			Morgan Hill	CA	95037	12/01/2039	\$ 40,000.00	HOME
			San Jose	CA	95127	04/01/2030	\$ 60,000.00	CalHOME
			Morgan Hill	CA	95037	07/01/2040	\$ 40,000.00	HOME
			San Jose	CA	95127	09/01/2030	\$ 43,000.00	REHAB
			San Jose	CA	95127	09/01/2030	\$ 57,000.00	CalHOME
			Los Gatos	CA	95032	10/01/2030	\$ 879.19	REHAB
			San Jose	CA	95127	01/19/2041	\$ 40,000.00	HOME
			San Jose	CA	95127	01/15/2031	\$ 20,000.00	REHAB
			San Jose	CA	94022	05/01/2041	\$ 57,000.00	CalHOME
			Los Altos	CA	94022	05/01/2041	\$ 40,000.00	HOME
			San Jose	CA	95127	05/01/2041	\$ 40,000.00	HOME
			Campbell	CA	95008	05/19/2041	\$ 40,000.00	HOME
			San Jose	CA	95127	06/20/2041	\$ 57,000.00	CalHOME
			Morgan Hill	CA	95037	07/01/2041	\$ 40,000.00	HOME
			Milpitas	CA	95037	07/01/2041	\$ 40,000.00	HOME
			Morgan Hill	CA	95037	07/01/2041	\$ 40,000.00	HOME
			Morgan Hill	CA	95037	07/01/2041	\$ 40,000.00	HOME
			Morgan Hill	CA	95037	07/01/2041	\$ 40,000.00	HOME
			Morgan Hill	CA	95037	07/01/2041	\$ 40,000.00	HOME
			San Jose	CA	95127	03/01/2041	\$ 43,000.00	REHAB
			Morgan Hill	CA	95037	10/10/2041	\$ 40,000.00	HOME
			San Jose	CA	95127	01/02/2042	\$ 40,000.00	HOME
			Morgan Hill	CA	95037	03/01/2042	\$ 40,000.00	HOME
			Los Gatos	CA	95032	03/09/2042	\$ 94,012.07	REHAB
			Los Gatos	CA	95032	05/01/2042	\$ 75,000.00	REHAB
			Morgan Hill	CA	95037	05/11/2042	\$ 40,000.00	HOME
			Morgan Hill	CA	95037	06/01/2043	\$ 40,000.00	HOME
			Morgan Hill	CA	95037	08/01/2042	\$ 40,000.00	HOME
			Morgan Hill	CA	95037	07/01/2042	\$ 42,953.00	HOME
			San Jose	CA	95127	05/01/2042	\$ 150,000.00	REHAB
			Campbell	CA	95008	12/30/2999	\$ 40,000.00	REHAB
			Campbell	CA	95008	12/30/2999	\$ 31,000.00	REHAB
			Campbell	CA	95008	12/30/2999	\$ 5,257.00	REHAB
			Campbell	CA	95008	12/30/2999	\$ 20,000.00	REHAB
			Campbell	CA	95008	12/30/2999	\$ 15,000.00	REHAB
			Campbell	CA	95008	12/30/2999	\$ 25,000.00	REHAB
			Campbell	CA	95008	12/30/2999	\$ 20,260.00	REHAB
			Campbell	CA	95008	12/30/2999	\$ 12,440.31	REHAB
			Campbell	CA	95008	12/30/2999	\$ 40,000.00	REHAB

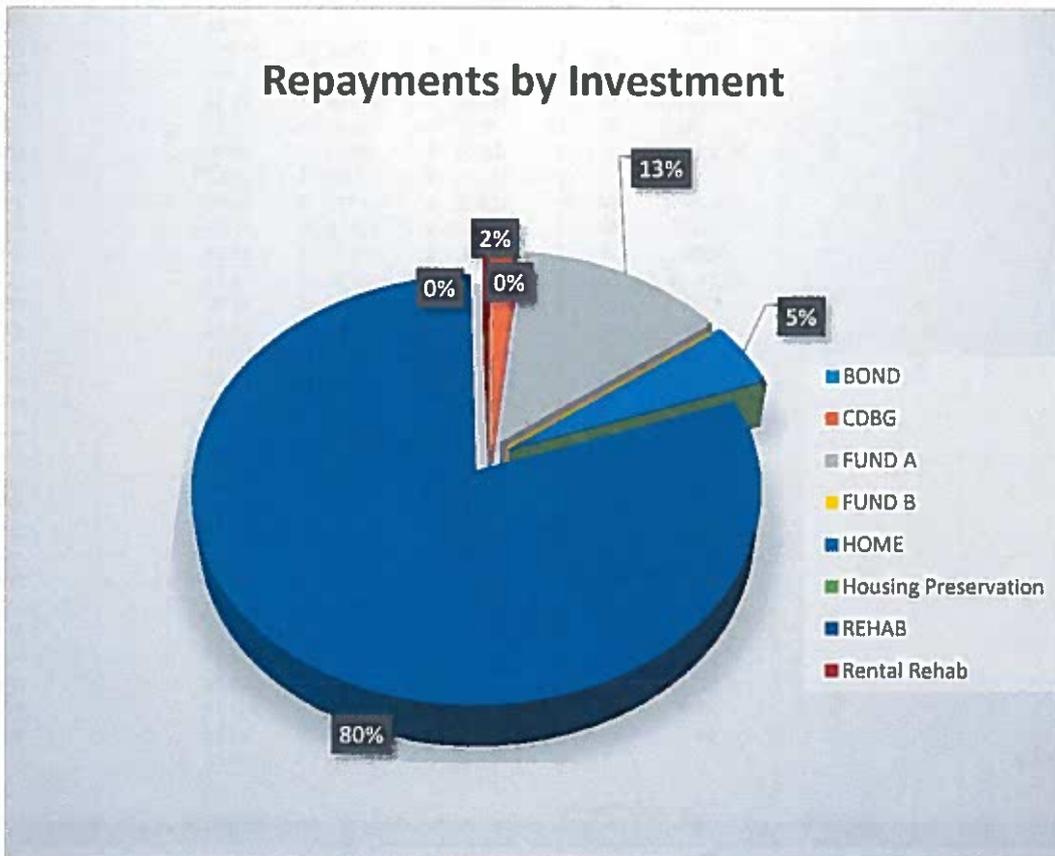
Housing Portfolio
Balances as of December 31, 2015

Account	Borrower Name	Street	City	State	Zip	Maturity	Principal	Fund
			Campbell	CA	95008	12/30/2999	\$ 40,272.00	REHAB
			Campbell	CA	95008	12/30/2999	\$ 41,455.00	REHAB
			San Jose	CA	95128	12/30/2999	\$ 19,441.16	REHAB
			Campbell	CA	95008	12/30/2999	\$ 10,000.00	REHAB
			Campbell	CA	95008	12/30/2999	\$ 24,260.00	REHAB
			Campbell	CA	95008	12/30/2999	\$ 5,000.00	REHAB
			Campbell	CA	95008	12/30/2999	\$ 9,917.50	REHAB
			Campbell	CA	95008	12/30/2999	\$ 24,004.50	REHAB
			Campbell	CA	95008	12/30/2999	\$ 3,499.50	REHAB
			Campbell	CA	95008	12/30/2999	\$ 10,453.00	REHAB
			Campbell	CA	95008	12/30/2999	\$ 25,009.86	REHAB
			Campbell	CA	95008	12/30/2999	\$ 15,000.00	REHAB
			San Jose	CA	95117	12/30/2999	\$ 9,317.50	REHAB
			Campbell	CA	95008	12/30/2999	\$ 14,742.50	REHAB
			Campbell	CA	95008	12/30/2999	\$ 14,178.91	REHAB
			Campbell	SC	95008	12/30/2999	\$ 15,000.00	REHAB
			Campbell	CA	95008	12/30/2999	\$ 25,000.00	REHAB
			Campbell	CA	95008	12/30/2999	\$ 5,510.00	REHAB
			Campbell	CA	95008	12/30/2999	\$ 18,898.44	REHAB
			Campbell	CA	95008	04/01/2022	\$ 6,065.07	REHAB
			Campbell	CA	95008	05/01/2026	\$ 4,479.50	REHAB
			Campbell	CA	95008	12/01/2016	\$ 23,617.95	REHAB
			Campbell	CA	95008	12/01/2027	\$ 53,225.17	REHAB
			Campbell	CA	95008	02/01/2022	\$ 17,909.43	REHAB
			Campbell	CA	95008	05/01/2022	\$ 7,156.19	REHAB
			Campbell	CA	95008	06/01/2026	\$ 11,183.73	REHAB
			Campbell	CA	95008	01/01/2025	\$ 14,215.74	REHAB
			San Jose	CA	95128	07/31/2018	\$ 3,314.08	REHAB
			Campbell	CA	95008	10/01/2018	\$ 8,948.32	REHAB
			Campbell	CA	95008	05/01/2026	\$ 5,002.29	REHAB
			Campbell	CA	95008	10/01/2024	\$ 14,708.86	REHAB
			Campbell	CA	95008	10/01/2022	\$ 27,380.46	REHAB
			Campbell	CA	95008	12/30/2999	\$ 267.50	REHAB
			Campbell	CA	95008	12/30/2999	\$ 15,740.00	REHAB
			Los Gatos	CA	95032	11/01/2042	\$ 40,000.00	HOME
			Los Gatos	CA	95032	12/01/2042	\$ 40,000.00	HOME
			Morgan Hill	CA	95037	11/01/2042	\$ 40,000.00	HOME
			Morgan Hill	CA	95037	01/01/2043	\$ 40,000.00	HOME
			Morgan Hill	CA	95037	01/01/2043	\$ 40,000.00	HOME
			San Jose	CA	95124	03/14/2043	\$ 100,000.00	REHAB
			Los Gatos	CA	95035	11/22/2033	\$ 10,000.00	REHAB
			Morgan Hill	CA	95037	09/02/2017	\$ 60,000.00	REHAB
			San Jose	CA	95127	06/01/1991	\$ 83.36	REHAB
			Campbell	CA	95008	01/14/2043	\$ 47,786.89	REHAB
			Campbell	CA	95008	01/14/2043	\$ 31,491.09	REHAB
			Morgan Hill	CA	95037	05/15/2044	\$ 40,000.00	HOME
			San Jose	CA	95127	06/01/2044	\$ 2,905.20	REHAB
			Los Gatos	CA	95032	07/24/2044	\$ 40,000.00	HOME
			Morgan Hill	CA	95037	11/10/2030	\$ 1,870.00	REHAB
			Morgan Hill	CA	95037	11/10/2030	\$ 1,870.00	REHAB
			Los Gatos	CA	95030	04/04/2020	\$ 24,000.00	REHAB
			San Jose	CA	95127	09/01/2016	\$ -	HOME
			Los Gatos	CA	95032	10/01/2034	\$ -	REHAB
			Campbell	CA	95008	10/01/2015	\$ -	REHAB
			Santa Clara	CA	95051	01/25/2016	\$ -	HOME
Total							\$ 8,379,466.45	WREF1

Housing Portfolio

Balances as of December 31, 2015

Fund	Investment	Percentage
BOND	\$ -	0.00%
CDBG	\$ 4,004.02	1.60%
FUND A	\$ 32,888.00	13.11%
FUND B	\$ -	0.00%
HOME	\$ 11,926.28	4.75%
Housing Preservation	\$ -	0.00%
REHAB	\$ 200,922.08	80.09%
Rental Rehab	\$ 1,120.76	0.45%
Total	\$ 250,861.14	



Housing Portfolio

Balances as of December 31, 2015

Date	Loan #	Payee	Check #	Type	Payment	Principal	Interest	Fee	Fund
11/09/15			8358	MF	\$ 1,269.30	\$ 677.11	\$ 592.19		CDBG
11/09/15			5222	MF	\$ 172.65	\$ 168.83	\$ 3.82		Rental Rehab
11/09/15			2296	MF	\$ 219.09	\$ 207.26	\$ 11.83		Rental Rehab
11/23/15			1573	MF	\$ 1,021.00		\$ 1,021.00		HOME
12/01/15			8369	MF	\$ 1,269.30	\$ 679.93	\$ 589.37		CDBG
12/09/15			8997	MF	\$ 9,344.26		\$ 9,344.26		HOME
12/09/15			1369	MF	\$ 32,888.00		\$ 32,888.00		FUND A
12/09/15			27455	MF	\$ 555.56	\$ 555.56			CDBG
12/09/15			34970	MF	\$ 421.60	\$ 311.67	\$ 109.93		CDBG
12/09/15			34971	MF	\$ 168.64	\$ 106.80	\$ 61.84		Rental Rehab
12/15/15			34794	MF	\$ 421.60	\$ 312.45	\$ 109.15		CDBG
12/15/15			34793	MF	\$ 168.64	\$ 107.07	\$ 61.57		Rental Rehab
12/15/15			5233	MF	\$ 172.65	\$ 169.25	\$ 3.40		Rental Rehab
12/15/15			2305	MF	\$ 219.09	\$ 207.78	\$ 11.31		Rental Rehab
Total					\$ 48,311.38	\$ 3,503.71	\$ 44,807.67	\$ -	

10/05/15			2026	SF	\$ 414.00	\$ 235.08	\$ 178.92		REHAB
10/05/15			220	SF	\$ 300.00	\$ 253.54	\$ 46.46		REHAB
10/05/15			5616	SF	\$ 88.09	\$ 72.20	\$ 15.89		REHAB
10/05/15			4631	SF	\$ 103.59	\$ 85.06	\$ 18.53		REHAB
10/05/15			586	SF	\$ 103.59	\$ 75.25	\$ 70.71		REHAB
10/06/15			8514	SF	\$ 127.79	\$ 123.97	\$ 3.82		HOME
10/07/15			9721	SF	\$ 173.05	\$ 37.11	\$ 135.94		REHAB
10/09/15			507	SF	\$ 47.09	\$ 34.50	\$ 12.59		REHAB
10/09/15			944909961	SF	\$ 160.00	\$ 123.53	\$ 36.47		REHAB
10/09/15			1057828	SF	\$ 22.22	\$ 16.87	\$ 5.35		CDBG
10/13/15			1008	SF	\$ 100.00	\$ 88.14	\$ 11.86		REHAB
10/16/15			570	SF	\$ 103.59	\$ 75.07	\$ 28.52		REHAB
10/21/15			91548361	SF	\$ 414.35	\$ 347.95	\$ 66.40		REHAB
10/28/15			5621	SF	\$ 88.09	\$ 72.38	\$ 15.71		REHAB
11/02/15			4634	SF	\$ 103.59	\$ 85.27	\$ 18.32		REHAB
11/09/15			1059228	SF	\$ 22.22	\$ 16.91	\$ 5.31		CDBG
11/09/15			1283	SF	\$ 371.37	\$ 301.41	\$ 69.96		REHAB
11/09/15			586	SF	\$ 103.59	\$ 75.25	\$ 28.34		REHAB
11/25/15			812902644	SF	\$ 160.00	\$ 123.84	\$ 36.16		REHAB
11/30/15			5626	SF	\$ 88.09	\$ 72.56	\$ 15.53		REHAB
11/30/15			1699623	SF	\$ 414.35	\$ 348.82	\$ 65.53		REHAB
12/01/15			4638	SF	\$ 103.59	\$ 85.49	\$ 18.10		REHAB
12/02/15			1284	SF	\$ 371.37	\$ 302.16	\$ 69.21		REHAB
12/09/15			944910873	SF	\$ 160.00	\$ 124.15	\$ 35.85		REHAB
12/09/15			1010	SF	\$ 100.00	\$ 88.36	\$ 11.64		REHAB
12/15/15			1060508	SF	\$ 22.22	\$ 16.96	\$ 5.26		CDBG
12/29/15			1011	SF	\$ 100.00	\$ 88.58	\$ 11.42		REHAB
12/29/15			1001	SF	\$ 122.69	\$ 113.26	\$ 9.43		REHAB
12/29/15			1002	SF	\$ 122.69	\$ 113.55	\$ 9.14		REHAB
12/29/15			1003	SF	\$ 122.69	\$ 113.83	\$ 8.86		REHAB
12/29/15			1004	SF	\$ 122.69	\$ 114.12	\$ 8.57		REHAB
12/29/15			5632	SF	\$ 88.09	\$ 72.75	\$ 15.34		REHAB
12/29/15			6009	SF	\$ 560.00	\$ 422.51	\$ 137.49		REHAB
12/31/15			611	SF	\$ 103.59	\$ 75.44	\$ 28.15		REHAB
Total					\$ 5,608.28	\$ 4,395.88	\$ 1,254.77	\$ -	

Loan Payoffs

Date	Loan #	Payee	Check #	Type	Payment	Principal	Interest	Fee	Fund
11/25/15			702	SF	\$ 2.43	\$ 2.43	\$ -		REHAB
12/09/15			8523	SF	\$ 1,433.23	\$ 1,402.05	\$ 8.18	\$ 23.00	HOME
12/23/15			4565868220	SF	\$ 195,505.82	\$ 153,626.10	\$ 41,879.72		REHAB
Total					\$ 196,941.48	\$ 155,030.58	\$ 41,887.90		

TOTAL	\$ 250,861.14	\$ 162,930.17	\$ 87,950.34	\$ -
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December 16, 2015

«Borrower_Name»
«Street»
«City», «State» «Zip_Code»

Reference: County Loan # «Account_Number» - Transfer of Loan Servicing

Dear Borrower:

The County of Santa Clara Office of Supportive Housing (County) has commissioned Housing Trust Silicon Valley (HTSV) to service your mortgage loan. The servicing of your loan is being transferred effective December 14, 2015. The terms of your loan documents will remain unchanged and if your loan requires payments, please continue to make your payments to the County of Santa Clara:

Office of Supportive Housing
3180 Newberry Drive, Suite 150
San Jose, CA 95118
Attn: Neena Batallones

As a reminder, your loan requires that you continue to occupy the property as your primary residence and provide hazard insurance coverage for the home. Please email a copy of your Hazard Insurance listing the "Office of Supportive Housing" as an Additional Insured and the attached Occupancy Certification to marianna@housingtrustsv.org by January 15, 2016:

If there are any questions regarding this transfer your payment terms, compliance requirements, loan balances & please contact us at:

Housing Trust Silicon Valley
Marianna Gonzales, Asset Management
95 S. Market Street, Suite 610
San Jose, CA 95113
(408) 436-3450 x 222 | marianna@housingtrustsv.org

Sincerely,

A handwritten signature in black ink that reads "Rosa Ly".

Rosa Ly
Asset Manager

Under Federal law, during the 60-day period following the effective date of the transfer of the loan servicing, a loan payment received by your old servicer on or before its due date may not be treated by the new servicer as late, and a late fee may not be imposed on you.

Section 6 of RESPA also provides for damages and costs for individuals or classes of individuals in circumstances where servicers are shown to have violated the requirements of that section. You should seek legal advice if you believe your rights have been violated.



OCCUPANCY AFFIDAVIT

Borrower: «Borrower_Name»

Address: «Street» «City», CA «Zip_Code»

County #: «Account_Number»

I/We, the borrower(s) named in the Promissory Note and Deed of Trust, evidencing a Loan made by Housing Trust Silicon Valley secured by the property, «Street» «City», CA «Zip_Code», certify that:

_____ The property is currently owner-occupied and my primary residence. I/we are the borrowers who executed the Note and Deed is occupying the property, and it shall remain the primary residence for the next 12 months. I/we have no present intention contrary to this representation.

_____ The property is owner-occupied and but not my primary residence. It is not and will not become an income producing property.

_____ The property is not owner-occupied. I/we are currently residing at:

Address: _____

City, Zip & State: _____

Phone Number: _____

LEGAL STATEMENT: The undersigned agrees and acknowledges that originated loan is reliant upon the owner-occupancy and the Lender reserves the rights to inspect owner occupants. Borrower(s) also understand that and any falsification, material omission or misrepresentation is punishable by law.

Borrower: «Borrower_Name»	Date	Email
Co-Borrower:	Date	Email



January 5, 2016

«Borrower»
«CoBorrower»
«Address»
«City», CA «Zip»

HT Loan #: «Loan»

Dear «Borrower»:

As a reminder, the “«Program»” loan we provided requires that you continue to occupy the property as your primary residence, maintain an escrow/impound account with the first lender and provide hazard insurance coverage for the home. We are obligated to collect this documentation from you as indicated in your promissory note.

Please email the following documents to jeanette@housingtrustsv.org by February 1, 2016:

1. Current utility bill (PG&E, water, gas & sewage)
2. Homeowner Insurance listing “Housing Trust Silicon Valley” as the additional insured
3. Completed Occupancy Certification (attached)

If you have already moved out, or if you are planning to move out, please contact us immediately to discuss repayment of your loan. Please contact Jeanette at (408) 436-3450, ext. 221, with any questions regarding this request.

Sincerely,

A handwritten signature in black ink that reads "Rosa Ly".

Rosa Ly
Asset Manager



OCCUPANCY AFFIDAVIT

«Program»

Borrower: «Borrower»
«CoBorrower»

Address: «Address», «City», CA «Zip»
HT Loan #: «Loan»

I/We, the borrower(s) named in the Promissory Note and Deed of Trust, evidencing a Loan made by Housing Trust Silicon Valley secured by the property, «Address», «City», CA «Zip», certify that:

_____ The property is currently owner-occupied and my primary residence. I/we are the borrowers who executed the Note and Deed is occupying the property, and it shall remain the primary residence for the next 12 months. I/we have no present intention contrary to this representation.

_____ The property is owner-occupied and but not my primary residence. It is not and will not become an income producing property.

_____ The property is not owner-occupied. I/we are currently residing at:

Address: _____

City, Zip & State: _____

Phone Number: _____

LEGAL STATEMENT: The undersigned agrees and acknowledges that originated loan is reliant upon the owner-occupancy and the Lender reserves the rights to inspect owner occupants. Borrower(s) also understand that and any falsification, material omission or misrepresentation is punishable by law.

Borrower: «Borrower»	Date	Email
Co-Borrower: «CoBorrower»	Date	Email

Attachment D

Sample Application Documents



**Housing Trust Silicon Valley
Homebuyer Assistance Programs
Eligibility Application and Checklist**

Thank you for your interest in the Housing Trust Silicon Valley (HTSV)'s Homebuyer Assistance Programs. To determine eligibility, interested applicants are required to complete the attached Eligibility Application and provide the required documentation. An application checklist is provided and located on the following page of this application for your convenience.

A complete Eligibility Application package must be submitted at least 14 days before entering into a purchase agreement. *Applicants should not enter into a purchase contract prior to receiving determination of Program Eligibility from the Housing Trust.* The eligibility application and all required documents **MUST** be delivered as a complete package to Housing Trust Silicon Valley. Incomplete applications may not be accepted. An applicant's Program Eligibility will be good for 90 days.

A \$50 non-refundable fee must accompany the application in the form of a cashier's check or money order made payable to: Housing Trust Silicon Valley.

Submit Applications in person and by appointment (hard copy):

Housing Trust Silicon Valley
95 S. Market Street, Suite 610
San Jose, CA 95113
Attn: Homeownership Programs
408.436.3450

NOTE: All Household members over the age of 18 are co-applicants. All co-applicants must meet all eligibility requirements of the Homebuyer Assistance Programs.

For any questions, please contact:

Hong at (408) 436-3450 ext. 303 or by email: homebuyer@housingtrustsv.org .

All information provided to establish eligibility for the Homebuyer Assistance Programs can and will be used for monitoring, auditing and establishing compliance with the Homebuyer Assistance Programs requirements; otherwise, this information is confidential. Housing Trust Silicon Valley reserves the right to decline a Homebuyer Assistance Programs Eligibility application at any time if the agency obtains information contradictory to that of the application provided by the applicants.

Any misrepresentations or falsifications on this application will result in disqualification from the this and future Housing Trust Silicon Valley Homebuyer Assistance Programs

Applicant understands that they are responsible in maintain Program Eligibility and updated required documentation with the Housing Trust.

To obtain Homebuyer Assistance Programs Guidelines, please visit:
www.housingtrustsv.org/programs/homebuyer-assistance



HTSV Homebuyer Assistance Programs Eligibility Application and Documentation Checklist	
Eligibility Application and Required Documents must be delivered as a package.	
<input type="checkbox"/>	Eligibility Application- signed/dated by all applicants and co-applicants over the age of 18
<input type="checkbox"/>	<i>\$50 non refundable fee(cashier's check or money order)made out to Housing Trust Silicon Valley</i>
<input type="checkbox"/>	Authorization to Release Information for all applicants and co-applicants over the age of 18
<input type="checkbox"/>	Written Verification of employment for each employed & recently unemployed household member over the age of 18 (signed/dated by applicants/co-applicants. Housing Trust will send to employer.)
<input type="checkbox"/>	Form 4506 T for each applicant and co-applicants over the age of 18 (signed/dated)
<input type="checkbox"/>	Form W-9 for each applicant and co-applicants over the age of 18 (signed/dated)
<input type="checkbox"/>	HTSV Privacy Policy signed/dated by all applicants and co-applicants over the age of 18
Income Documentation- REQUIRED for all Adult Household Members over the age of 18	
<input type="checkbox"/>	Copies of FOUR (4) most recent and consecutive paystubs for all employed household members over the age of 18.
<input type="checkbox"/>	Copies of last THREE (3) years Federal Tax returns with all W-2s, 1099s and Schedules (signed/dated) for all household members over the age of 18.
<input type="checkbox"/>	If Self Employed: Year-to-date Profit and Loss statement prepared and signed by a CPA/Tax Preparer on their letterhead and/or Applicant (at the Housing Trust's discretion)
<input type="checkbox"/>	If receiving Social Security/Disability/Unemployment- Provide documentation and verification
<input type="checkbox"/>	If receiving any dividends or interest: Copies of THREE (3) most recent investment statements
<input type="checkbox"/>	Recurring Contributions/Spousal/Child Support- Provide verifiable documentation
<input type="checkbox"/>	Affidavit of Zero Income Certification (must be filled out by any adult that does not receive income)
ASSETS- REQUIRED for all Adult Household Members over the age of 18	
<input type="checkbox"/>	Checking/Savings-Copies of THREE (3) most recent statements from all checking/savings accounts (NOTE: All non-direct payroll deposits must be identified and explained.)
<input type="checkbox"/>	Money Market Funds, Mutual Funds, or Certificates of Deposit (CD) and any other asset account- Copies of THREE (3) most recent statements
<input type="checkbox"/>	Stocks- Copies of the THREE(3) most recent account statements, copy of Certificate of Proof of Purchase, and documentation of current value
<input type="checkbox"/>	Bonds- A list of Bonds with Amount and Serial #
<input type="checkbox"/>	Retirement accounts (401 K, CalPERS, CalSTRS, 403B, TSP, IRA, or Profit Sharing Plan)- Copies of the THREE (3) most recent statements
OTHER REQUIRED DOCUMENTATION	
<input type="checkbox"/>	Preapproval letter from a certified loan officer/mortgage loan originator showing the maximum purchase price
<input type="checkbox"/>	Loan Information for Eligibility Determination page (15) of HTSV Eligibility Application
<input type="checkbox"/>	Copy of Credit Report with FICO score (pulled within 30 days by lender issuing preapproval letter) for applicant, co-borrowers, spouses (including non-borrowing spouse)
<input type="checkbox"/>	Copies of Driver's License or California Identification card from applicant and co-applicants
<input type="checkbox"/>	Copy of Certificate for HUD Approved 8-Hour First-Time Homebuyer Education Class from Project Sentinel or Neighborhood Housing Services Silicon Valley for all borrowers (including non-borrowing spouse).Certificate must be less than a year old. Class Registration Accepted if within 30 days.
<input type="checkbox"/>	Gift Letter (If Gift is provided) –Provide letter signed and dated along with proof of funds from donor
CITIZENSHIP- Provide proof of citizenship or legal residency for each household member	
<input type="checkbox"/>	Copy of U.S. Birth Certificate
<input type="checkbox"/>	Copy of Naturalization Certificate or Valid U.S. Passport
<input type="checkbox"/>	U.S. Permanent Resident Card (Green Card) USCIS Form I-551 or I-151
Applicants are responsible for the completeness of the Eligibility Application and submission of all required documents as a complete package. Missing information on the Eligibility Application or missing documentation may render the request ineligible and may not be accepted at the discretion of HTSV.	

APPLICANT (Head of Household)

NAME: Last, Middle Initial, First Name

MARITAL STATUS Married Single Divorced

If Married, Name of Spouse: _____

CONTACT PHONE NUMBER Home Cell Work

EMAIL: _____

(____) _____ - _____

DATE OF BIRTH (mm/dd/yyyy)

SOCIAL SECURITY NUMBER: _____

CALIFORNIA DL/ID # _____

PRESENT ADDRESS: _____ City, Zip: _____

 Own Rent Years/Months at Present Address: _____

List Previous Addresses if Residing at Present Address for LESS than THREE (3) Years:

FORMER ADDRESS	RESIDENCY		OWN/RENT
	BEGIN	END	
_____	_____	_____	<input type="checkbox"/> Own <input type="checkbox"/> Rent
_____	_____	_____	<input type="checkbox"/> Own <input type="checkbox"/> Rent
_____	_____	_____	<input type="checkbox"/> Own <input type="checkbox"/> Rent

APPLICANT EMPLOYMENT INFORMATION: Provide ALL Sources of IncomeName and Address of Employer: Self EmployedType of Employment (Check all that apply): Full Time Part Time
 Seasonal Salaried Hourly

Date of Employed: _____ (MM/DD/YYYY)

Gross Annual Income: \$ _____

Income from this employer is received (Select one):

 Weekly Every Other Week Twice a Month Other: _____

Position Held _____

Name and Address of Employer: Self EmployedType of Employment (Check all that apply): Full Time Part Time
 Seasonal Salaried Hourly

Date Employed: _____ (MM/DD/YYYY)

Gross Annual Income: \$ _____

Income from this employer is received (Select one):

 Weekly Every Other Week Twice a Month Other: _____

Position Held _____

Provide additional employment or sources of income you have: (Documentation Required)

If not employed, provide source of income: _____

II. HOUSEHOLD COMPOSITION (NUMBER OF MEMBERS IN HOUSEHOLD): _____

Full name, gender, date of birth, and relationship to Applicant of **ALL** other members in the household:

Name	Gender	Date of Birth	Relationship to Applicant

YOU MUST PROVIDE THE FOLLOWING INFORMATION FOR EACH HOUSEHOLD MEMBER OVER THE AGE OF 18.

CO-APPLICANT #1 INFORMATION

NAME: Last, Middle Initial, First Name _____		MARITAL STATUS <input type="checkbox"/> Married <input type="checkbox"/> Single <input type="checkbox"/> Divorced If Married, Name of Spouse: _____	
CONTACT PHONE NUMBER <input type="checkbox"/> Home <input type="checkbox"/> Cell <input type="checkbox"/> Work (____) _____ - _____		EMAIL: _____	
DATE OF BIRTH (mm/dd/yyyy) ____/____/____	SOCIAL SECURITY NUMBER: ____-____-____	CALIFORNIA DL/ID # _____	

PRESENT ADDRESS: _____ City, Zip: _____

Own Rent Years/Months at Present Address: _____

CO-APPLICANT #1 EMPLOYMENT INFORMATION: Provide ALL Sources of Income

Name and Address of Employer: <input type="checkbox"/> Self Employed _____ _____ _____ Employer Phone : (____) _____ - _____ Position Held : _____	Type of Employment (Check all that apply): <input type="checkbox"/> Full Time <input type="checkbox"/> Part Time <input type="checkbox"/> Seasonal <input type="checkbox"/> Salaried <input type="checkbox"/> Hourly Date of Employed: _____ (MM/DD/YYYY) Gross Annual Income: \$ _____ Income from this employer is received (Select one): <input type="checkbox"/> Weekly <input type="checkbox"/> Every Other Week <input type="checkbox"/> Twice a Month <input type="checkbox"/> Other: _____
--	--

Name and Address of Employer: <input type="checkbox"/> Self Employed _____ _____ _____ Employer Phone : (____) _____-_____ Position Held : _____	Type of Employment (Check all that apply): <input type="checkbox"/> Full Time <input type="checkbox"/> Part Time <input type="checkbox"/> Seasonal <input type="checkbox"/> Salaried <input type="checkbox"/> Hourly Date Employed: _____ (MM/DD/YYYY) Gross Annual Income: \$ _____ Income from this employer is received (Select one): <input type="checkbox"/> Weekly <input type="checkbox"/> Every Other Week <input type="checkbox"/> Twice a Month <input type="checkbox"/> Other: _____
---	---

Provide additional employment or sources of income you have: *(Documentation Required)*

If not employed, provide source of income:

GO-APPLICANT #2 INFORMATION

NAME: Last, Middle Initial, First Name _____	MARITAL STATUS <input type="checkbox"/> Married <input type="checkbox"/> Single <input type="checkbox"/> Divorced If Married, Name of Spouse: _____
---	--

CONTACT PHONE NUMBER <input type="checkbox"/> Home <input type="checkbox"/> Cell <input type="checkbox"/> Work (____) _____-_____ _____	EMAIL: _____ _____
---	-----------------------

DATE OF BIRTH (mm/dd/yyyy) ____/____/____	SOCIAL SECURITY NUMBER: ____-____-____	CALIFORNIA DL/ID # _____
--	---	-----------------------------

PRESENT ADDRESS: _____ City, Zip: _____

Own Rent Years/Months at Present Address: _____

CO-APPLICANT#2 EMPLOYMENT INFORMATION: Provide ALL Sources of Income

Name and Address of Employer: <input type="checkbox"/> Self Employed _____ _____ _____ Employer Phone : (____) _____-_____ Position Held : _____	Type of Employment (Check all that apply): <input type="checkbox"/> Full Time <input type="checkbox"/> Part Time <input type="checkbox"/> Seasonal <input type="checkbox"/> Salaried <input type="checkbox"/> Hourly Date of Employed: _____ (MM/DD/YYYY) Gross Annual Income: \$ _____ Income from this employer is received (Select one): <input type="checkbox"/> Weekly <input type="checkbox"/> Every Other Week <input type="checkbox"/> Twice a Month <input type="checkbox"/> Other: _____
---	--

Name and Address of Employer: <input type="checkbox"/> Self Employed _____ _____ _____ Employer Phone : (____) _____-_____ Position Held : _____	Type of Employment (Check all that apply): <input type="checkbox"/> Full Time <input type="checkbox"/> Part Time <input type="checkbox"/> Seasonal <input type="checkbox"/> Salaried <input type="checkbox"/> Hourly Date Employed: _____ (MM/DD/YYYY) Gross Annual Income: \$ _____ Income from this employer is received (Select one): <input type="checkbox"/> Weekly <input type="checkbox"/> Every Other Week <input type="checkbox"/> Twice a Month <input type="checkbox"/> Other: _____
---	---

Provide additional employment or sources of income you have: *(Documentation Required)*

If not employed, provide source of income:

CO-APPLICANT #3 INFORMATION		
NAME: Last, Middle Initial, First Name		MARITAL STATUS <input type="checkbox"/> Married <input type="checkbox"/> Single <input type="checkbox"/> Divorced If Married, Name of Spouse: _____
CONTACT PHONE NUMBER <input type="checkbox"/> Home <input type="checkbox"/> Cell <input type="checkbox"/> Work		EMAIL: _____
DATE OF BIRTH (mm/dd/yyyy)	SOCIAL SECURITY NUMBER:	CALIFORNIA DL/ID #
_____/_____/_____	_____-_____-_____	_____
PRESENT ADDRESS: _____ City, Zip: _____		
<input type="checkbox"/> Own <input type="checkbox"/> Rent Years/Months at Present Address: _____		
CO-APPLICANT#3 EMPLOYMENT INFORMATION: Provide ALL Sources of Income		
Name and Address of Employer: <input type="checkbox"/> Self Employed		Type of Employment (Check all that apply): <input type="checkbox"/> Full Time <input type="checkbox"/> Part Time <input type="checkbox"/> Seasonal <input type="checkbox"/> Salaried <input type="checkbox"/> Hourly
_____ _____ _____		Date of Employed: _____ (MM/DD/YYYY)
Employer Phone : (_____) _____ - _____		Gross Annual Income: \$ _____
Position Held : _____		Income from this employer is received (Select one): <input type="checkbox"/> Weekly <input type="checkbox"/> Every Other Week <input type="checkbox"/> Twice a Month
		<input type="checkbox"/> Other: _____
Name and Address of Employer: <input type="checkbox"/> Self Employed		Type of Employment (Check all that apply): <input type="checkbox"/> Full Time <input type="checkbox"/> Part Time <input type="checkbox"/> Seasonal <input type="checkbox"/> Salaried <input type="checkbox"/> Hourly
_____ _____ _____		Date Employed: _____ (MM/DD/YYYY)
Employer Phone : (_____) _____ - _____		Gross Annual Income: \$ _____
Position Held : _____		Income from this employer is received (Select one): <input type="checkbox"/> Weekly <input type="checkbox"/> Every Other Week <input type="checkbox"/> Twice a Month
		<input type="checkbox"/> Other: _____
Provide additional employment or sources of income you have: (Documentation Required)		
If not employed, provide source of income:		

**IF ADDITIONAL CO-APPLICANTS, PLEASE REQUEST ADDITIONAL PAGES
FROM HOUSING TRUST SILCION VALLEY**

III. INCOME-List the GROSS ANNUAL INCOME for ALL household members over the age of 18

INCOME SOURCE	APPLICANT	CO-APPLICANT #1	CO-APPLICANT #2	CO-APPLICANT #3	TOTAL
Wages, Salaries, Tips, etc.	\$	\$	\$	\$	\$
Business Income	\$	\$	\$	\$	\$
Unemployment & Disability	\$	\$	\$	\$	\$
Interest & Dividend Income	\$	\$	\$	\$	\$
Retirement & Insurance	\$	\$	\$	\$	\$
Alimony, Child Support	\$	\$	\$	\$	\$
Gift Income	\$	\$	\$	\$	\$
Welfare Assistance	\$	\$	\$	\$	\$
Armed Forces Income	\$	\$	\$	\$	\$
Other Income (such as regular monthly support from non-household member)	\$	\$	\$	\$	\$
TOTAL	\$	\$	\$	\$	\$

IV. ASSETS-List the CASH VALUE OF ALL LIQUID ASSETS for ALL household members over the age of 18

Applicant/Co- applicant Name	Name of Financial Institution	Describe Type of Account: <i>Checking, Savings, Money Market, Stocks, Stock Options, Bonds, Mutual Funds, Certificate of Deposits</i>	Account #: (Last FOUR digits only)	Balance
				\$
				\$
				\$
				\$
				\$
				\$
				\$
				\$
				\$
				\$
TOTAL CASH VALUE OF ALL LIQUID ASSETS				\$

V. ASSETS-List the VALUE OF ALL NON-LIQUID ASSETS for ALL household members over the age of 18				
Applicant/Co- applicant Name	Name of Financial Institution	Describe Type of Account: 401K, CalSTRS, CalPERS, 403b, Pension, IRA, Roth IRA, TSP, Profit Sharing Plan, etc.	Account #: (Last FOUR digits only)	Balance
				\$
				\$
				\$
				\$
				\$
				\$
TOTAL VALUE OF ALL NON-LIQUID ASSETS				\$

VI. DOWN PAYMENT & PURCHASE PRICE

HOW MUCH OF YOUR ASSETS WILL BE FOR THE DOWN PAYMENT: \$ _____

WHAT PURCHASE PRICE HAS THE LENDER QUALIFIED YOU FOR (from the Lender Pre-Approval letter):
\$ _____

VII. LIABILITIES – Attach additional pages as needed				
Applicant/Co-applicant Name	CREDITOR NAME & ADDRESS	TYPE OF ACCOUNT (Revolving or Installment)	MONTHLY PAYMENT	BALANCE DUE
			\$	
			# Payments _____	\$
			\$	
			# Payments _____	\$
			\$	
			# Payments _____	\$
			\$	
			# Payments _____	\$
			\$	
			# Payments _____	\$
			\$	
			# Payments _____	\$

VIII. Additional Expenses –List any additional liabilities and other regular expenses including but not limited to alimony, child support, judgments, child care, union dues, student loans, car loans, rent, personal loans or medical expenses on behalf of dependents.

Applicant/Co-applicant Name	TYPE OF EXPENSE	MONTHLY PAYMENT	BALANCE DUE
		\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$

PLEASE ANSWER THE FOLLOWING QUESTIONS

Have you or any member of the household ever filed for bankruptcy (Chapter 7 or Chapter 13)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, please state the date of discharge: _____	
Are there any outstanding judgments against you or any member of the household	<input type="checkbox"/> Yes <input type="checkbox"/> No
Have you or any member of your household have a past foreclosure, short sale, or deed in lieu of foreclosure?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Have you or any member of your household owned real property at any time within the last three (3) years?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Have you or any adult household member ever owned a home as a primary residence? Yes or No If yes:

Address _____ Date Purchased _____

City/State/Zip _____ Date Sold _____

Are you or any member of your household a senior citizen (62 years+)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Do Not Wish to Provide	<input type="checkbox"/> Applicant <input type="checkbox"/> Household Member
Are you or any member of your household disabled	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Do Not Wish to Provide	<input type="checkbox"/> Applicant <input type="checkbox"/> Household Member
Are you or any member of your household a Veteran	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Do Not Wish to Provide	<input type="checkbox"/> Applicant <input type="checkbox"/> Household Member

Publicity for our programs helps the Housing Trust Silicon Valley to solicit voluntary donations from local governments, employers and citizens. To assist us with our fundraising efforts, we wish to identify those FTHB Program recipients who are willing to share their home buying experience with others. I (we) am (are) willing to be contacted by Housing Trust staff and/or members of the media, to talk about how the Housing Trust's Homebuyer Program helped me (us) purchase my (our) home: (check one): Yes No

Where did you hear about the Housing Trust Homebuyer Assistance Program? (check all that apply):

Loan Officer Real Estate Agent Newspaper Housing Trust website

City Workshop/Class Other, please specify _____



You are not required to furnish the following information, but are encouraged to do so. For race, you may check more than one designation

1. Ethnicity	2. Race
<input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino	<input type="checkbox"/> American Indian & Alaskan Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or other Pacific Islander <input type="checkbox"/> White

IX. Statement of Non-Discrimination

The Housing Trust Silicon Valley (HTSV) is an equal opportunity lender. In accordance with applicable law, HTSV prohibits discrimination based on race, color, religion, creed, gender, sex, marital status, age, national origin or ancestry, physical or mental disability, medical condition, veteran status, sexual orientation, or the presence of children or any other consideration protected by federal, state or local laws. All such discrimination is unlawful. HTSV's commitment to equal opportunity applies to all persons involved in our operations and prohibits unlawful discrimination by any of HTSV's employees, including supervisors and coworkers.

X. CERTIFICATION- Initials are required for all household members over the age of 18

I/WE UNDERSTAND THAT:

____ / ____ Any and all information provided will be used to determine eligibility for the Housing Trust's Homebuyer Assistance Programs and all information contained in the records kept by Housing Trust Silicon Valley can and will be used for monitoring, auditing and establishing my/our eligibility for the Housing Trust's Homebuyer Assistance Programs; otherwise this information is confidential.

____ / ____ If my/ our application contains false statements, false or falsified documentation, or misrepresentations, I/we understand we will be ineligible for the Housing Trust's Homebuyer Assistance Programs.

____ / ____ If I/we obtain assistance for the Housing Trust's Homebuyer Assistance Programs, I/we will be required to certify at least annually that I/we comply with program requirements and that Housing Trust Silicon Valley will be continuously auditing and monitoring my/our compliance with the program.

____ / ____ The Homebuyer Assistance Loan is a secured loan which must be paid back either when the home is sold, upon expiration of the term, or upon the refinance of my (our) first loan.

____ / ____ A Housing Trust Deed of Trust will be recorded against property being purchased in conjunction with this loan and the Housing Trust Promissory Note must be executed by the borrower(s).

I/WE CERTIFY THE FOLLOWING:

____ / ____ That I/we have provided true, accurate and verifiable documentation to support the statements made herein prior to receive assistance from Housing Trust Silicon Valley for the purchase of a home and that the information provided in this eligibility application is true and correct.

____ / ____ That my/our combined household income and assets are below the required maximum household income for the programs I/We may be eligible for.

____ / ____ That I/we HAVE NOT owned a home as my (our) principal residence within the last three (3) years.

____ / ____ That I/we have funds needed for the down payment and closing costs.

____ / ____ That I/we will continuously occupy our home as primary residence for the duration of the Program term and WILL NOT be used as an investment property, vacation home, or recreational home.

____ / ____ That I/we will notify HTSV in writing if the residence ceases to be my (our) primary residence.

____ / ____ That I/we understand the program requirements and restrictions.

____ / ____ That I/we understand that there are consequences for failure to comply with program requirements before, during, and after purchasing a unit with assistance from Housing Trust Silicon Valley and I/we have been informed about those consequences.

____ / ____ That I/we understand that there is a non-refundable fifty dollar (\$50.00) eligibility application fee payable to the Housing Trust Silicon Valley.

PLEASE READ BEFORE SIGNING

I certify that the information given on this form is true and accurate to the best of my knowledge. I certify that I have no additional income or assets and there are no persons living in or contributing to my household other than those described here. I am aware that there are penalties for willfully and knowingly giving false information on an application for Federal, state or local funds. I understand that the information on this form is subject to verification.

Penalties for falsifying information may include denial to participate in the Housing Trust's Homebuyer Assistance Programs, or if made evident after loan funding, immediate repayment of all funds received, sale of below market rate home and/or prosecution under the law.

I/We declare under penalty of perjury of the laws of the State of California that the foregoing is true and correct and was executed in _____ (City), California.

APPLICANT

DATE

CO-APPLICANT #1

DATE

CO-APPLICANT #2

DATE

CO-APPLICANT #3

DATE



ACKNOWLEDGEMENT AND AUTHORIZATION TO RELEASE INFORMATION

I/We are hereby applying for assistance through Housing Trust Silicon Valley's Homebuyer Assistance Programs to help purchase a home. By submitting **my/our** application, I/we agree that Housing Trust Silicon Valley may verify information contained in **my/our** application and in any other documents required in connection with the purchase, either before or after the transaction has closed, in order to verify **my/our** eligibility for the program, whether to determine **my/our** eligibility, or to complete the processing, approval and underwriting of the loan program we are eligible for and to be applied towards the purchase of **my/our** home.

I/We authorize you to provide to Housing Trust Silicon Valley any and all information and documentation that the Housing Trust requests and further authorize the Housing Trust Silicon Valley to provide any such information and documentation to its designated employees. Such information includes, but is not limited to the following types of information for all members of **my/our** household:

- current place of employment and employment history;
- verification of all sources of income and compensation, including self-employment or business income, gifts, pensions, alimony, child support, regular gifts or support, or public benefits; and
- verification of assets and the value of such assets including real property, checking, savings, investment, and brokerage accounts; and
- mortgage or consumer loan status and payment history, credit history, credit card records;
- Driver's License and automobile registration records or other records of the Department of Motor Vehicles; and
- copies of federal and state income taxes, and other tax filings and records of the IRS, Franchise Tax Board, or any other state or local taxing entity; and
- Social Security statements or benefits; and
- unemployment or disability benefits statements.

Therefore, I/we authorize the release of any of the information described below and any other information related to determining **my/our** household income, assets, places of employment and primary residency, upon request of Housing Trust Silicon Valley.

Additionally, I/we give **my/our** consent to have Housing Trust Silicon Valley verify the full-time student status and disability status, and the primary residence address of each of the undersigned members of **my/our** household, and all state, federal and local tax records filed by any of the undersigned adults and/or any business entities they may own.

I/We understand that this information will be kept confidential and is being requested for the purpose of determining **my/our** eligibility for housing assistance from Housing Trust Silicon Valley, and that ALL household members 18 years or older must sign this consent form.



I/We acknowledge that this form expires 12 months after signed and a copy of this Authorization may be photocopied and accepted as an original.

I/We the undersigned and hereby authorize Housing Trust Silicon Valley to request copies of any and all information about **my/our** income, assets, employment, credit report, etc. for the purpose of verification of information provided on **my/our** Housing Trust Silicon Valley Homebuyer Assistance Programs Eligibility application.

Applicant Signature _____
Date

Print Full Name _____ _____
Contact Phone *Social Security #*

CA Driver License # _____ _____
Expiration Date *Date of Birth*

Current Address, City & Zip

Co-Applicant#1 Signature _____
Date

Print Full Name _____ _____
Contact Phone *Social Security #*

CA Driver License # _____ _____
Expiration Date *Date of Birth*

Current Address, City & Zip

Co-Applicant#2 Signature _____
Date

Print Full Name _____ _____
Contact Phone *Social Security #*

CA Driver License # _____ _____
Expiration Date *Date of Birth*

Current Address, City & Zip

Co-Applicant#3 Signature _____
Date

Print Full Name _____ _____
Contact Phone *Social Security #*

CA Driver License # _____ _____
Expiration Date *Date of Birth*

Current Address, City & Zip



HOUSING TRUST SILICON VALLEY PRIVACY POLICY AND DISCLOSURE

Housing Trust Silicon Valley (HTSV) is concerned about and respects the privacy of our customers' personal financial information. We understand that our customers furnish sensitive information to us in the course of daily business, and we are committed to treating such information responsibly. We know that our customers expect privacy and security for their personal and financial affairs.

We will take all the necessary steps to safeguard sensitive information that has been entrusted to us by our customers. The following privacy policy and disclosure outlines our practice regarding personally identifiable financial information for consumers and those consumers who become our customers.

TYPES OF INFORMATION HTSV COLLECTS:

Housing Trust Silicon Valley collects nonpublic personal information from many sources. We collect nonpublic personal information directly from consumers on various applications and forms, for example, loan applications, and requests for information about products and services.

We collect information as a result of transactions between us and our customers and as a result of providing a product or service to our customers. This includes transaction information from other loans our customers may be applying for.

We receive information directly from the first lender that they have collected from credit reporting agencies.

Nonpublic personal information does not include that which we obtain from government records, widely distributed media, or government-mandated disclosures.

TYPES OF INFORMATION HTSV DISCLOSES:

Housing Trust Silicon Valley does not disclose any nonpublic personal financial information about our current or former customers to nonaffiliated third parties except as permitted by law. We may disclose certain personally identifiable information without allowing consumers the right to opt out of our sharing agreements in the following circumstances;

To certain nonaffiliated third parties (under limited circumstances) to the extent permissible under law to service the account, report to credit bureaus, manage risk, and perform other financial services related activities.

- To disclose information that we receive on a customer's loan application such as the customer's assets, liabilities, income, and employment history in order to determine whether a loan made to the customer is salable in the secondary market, for example.
- To disclose information necessary to enforce our legal or contractual rights or the right of any other person who is engaged in the financial transaction.
- To disclose information required in the ordinary course of business, such as in the settlement of claims or benefits or the confirmation of information to the consumer or the consumer's agent.
- To provide information to agencies, persons that are assessing our compliance with industry standards, and our attorneys, accountants, and auditors.

- To the extent permissible under the Right to Financial Privacy Act.
- To a consumer reporting agency under the Fair Credit Reporting Act.
- To comply with federal, state, or local laws, rules, and other applicable legal requirements.

SAFEGUARDING CUSTOMER INFORMATION:

Housing Trust Silicon Valley protects consumer privacy by ensuring that only employees who have a business reason for knowing information have access to it. We have appointed our Chief Lending Officer as the financial privacy coordinator, who is responsible for maintaining internal procedures to ensure that our customers' information is protected. For example, information in Homebuyer Assistance Program files can only be accessed by employees who work in the Homeownership Program or Asset Management departments.

All employees have a copy of this policy and are trained at least annually regarding the importance of safeguarding customer information. Any employee who violates our privacy policy is subject to disciplinary action.

If we change our policy or practice by, for example, adding a category of information that will be disclosed to a third party, we will notify existing customers and give them an appropriate time period to opt out of the disclosure.

_____	_____
APPLICANT	DATE
_____	_____
CO-APPLICANT #1	DATE
_____	_____
CO-APPLICANT #2	DATE
_____	_____
CO-APPLICANT #3	DATE



Housing Trust Silicon Valley
Homebuyer Assistance Programs
Loan Information for Eligibility Determination
(To Be Filled Out by Loan Officer/Mortgage Loan Originator)

1. BORROWER INFORMATION (all boxes MUST be filled out)	
Borrower name	_____
Co-borrower name	_____
Current address	_____
2. BORROWER CONTRIBUTION (all boxes MUST be filled out)	
Borrower's down payment \$ _____	Gift Funds \$ _____

3. LOAN INFORMATION	
<input type="checkbox"/> 1st Loan- 30 Year Fixed Rate Mortgages Only <input type="checkbox"/> FHA <input type="checkbox"/> Conventional <input type="checkbox"/> PMI/MI \$ _____	
Loan Amount \$ _____	Interest Rate _____%
Lender :	Loan Type: MUST be 30 YEAR Fixed Rate
Monthly Payment (P&I only) \$ _____	LTV _____%
<input type="checkbox"/> 2nd Loan (HTSV Loans WILL be the Second Lien)	
Requested Loan Amount \$ _____	Loan Program: <u>To Be Determined by HTSV</u>
Estimated LTV _____% (Must be filled out)	

<input type="checkbox"/> 3rd Loan or Other Subordinate Financing Deferred <input type="checkbox"/> Amortizing <input type="checkbox"/>	
Loan Amount \$ _____	Interest Rate _____%
Lender	Loan Type:
Monthly Payment (P&I only) \$ _____	LTV _____%

4. LOAN OFFICER/MORTGAGE LOAN ORIGINATOR INFORMATION	
Name: _____	
Company: _____	
Phone: _____	Fax: _____
Email: _____	
Address: _____	

I certify that I have attended the Mandatory Lender Training and have a Lender Participation Agreement on file with the Housing Trust. _____ (Loan Officer/Mortgage Loan Originator initials)

EMPLOYMENT VERIFICATION

Please return this form to Housing Trust Silicon Valley within five business days. Fax to 408-436-3454 or mail to Housing Trust Silicon Valley, 95 S. Market St., Suite 610, San Jose, CA 95113 (408-436-3450)

THIS SECTION TO BE COMPLETED AND EXECUTED BY APPLICANT

TO: _____
 NAME OF EMPLOYER _____ NAME OF DEPT. AND PERSON TO CONTACT _____

RE: _____
 NAME OF APPLICANT _____ CONTACT NUMBER OF DEPT. OR PERSON TO CONTACT _____

I hereby authorize release of my employment information. _____
 FAX NUMBER OF DEPT. OR PERSON TO CONTACT _____

Signature of Applicant _____ Date _____

The individual named directly above is an applicant for a housing program that requires verification of income. The information provided will remain confidential to satisfaction of that stated purpose only. Your prompt response is crucial and greatly appreciated.

 Agent for Housing Trust Silicon Valley

THIS SECTION TO BE COMPLETED BY EMPLOYER

Employee Name: _____ Present Position: _____

Currently Employed: Yes Date First Employed _____ No Last Day of Employment _____

Current Wages/Salary: \$ _____ per (check one) hourly weekly bi-weekly semi-monthly monthly
 yearly other _____

If paid Hourly, Average hours per week: _____

If Overtime or Bonus is Applicable, is it Continuance Likely? Overtime Yes No Bonuses Yes No

Commissions Bonuses Tips Other: \$ _____ per (check) hourly weekly bi-weekly semi-weekly
 monthly yearly other _____

Gross Earnings

Type	Year to Date	Past Year _____	Past Year _____
Base Pay	\$ _____	\$ _____	\$ _____
Overtime	\$ _____	\$ _____	\$ _____
Commissions	\$ _____	\$ _____	\$ _____
Bonus	\$ _____	\$ _____	\$ _____
Total	\$ _____	\$ _____	\$ _____

List any changes in the employee's rate of pay: Date of last pay increase: _____ Amount of last pay increase: _____
 Date of next pay increase: _____ Amount of next pay increase: _____

If the employee's work is seasonal or sporadic, please indicate the layoff period(s): _____

Additional remarks: _____

Employer's Signature _____ Employer's Printed Name _____ Date _____

Employer's Name and Address _____

Phone # _____ Fax # _____ E-mail _____

NOTE: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful, false statements or misrepresentations to any Department or Agency of the United States Government as to any matter within its jurisdiction.

EMPLOYMENT VERIFICATION

Please return this form to **Housing Trust Silicon Valley** within **five business days**. Fax to 408-436-3454 or mail to Housing Trust Silicon Valley, 95 S. Market St., Suite 610, San Jose, CA 95113 (408-436-3450)

THIS SECTION TO BE COMPLETED AND EXECUTED BY APPLICANT

TO: _____
NAME OF EMPLOYER NAME OF DEPT. AND PERSON TO CONTACT

RE: _____
NAME OF APPLICANT CONTACT NUMBER OF DEPT. OR PERSON TO CONTACT

I hereby authorize release of my employment information. _____
FAX NUMBER OF DEPT. OR PERSON TO CONTACT

Signature of Applicant _____ Date _____

The individual named directly above is an applicant for a housing program that requires verification of income. The information provided will remain confidential to satisfaction of that stated purpose only. Your prompt response is crucial and greatly appreciated.

Agent for Housing Trust Silicon Valley _____

THIS SECTION TO BE COMPLETED BY EMPLOYER

Employee Name: _____ Present Position: _____

Currently Employed: Yes Date First Employed _____ No Last Day of Employment _____

Current Wages/Salary: \$ _____ per (check one) hourly weekly bi-weekly semi-monthly monthly
 yearly other _____

If paid Hourly, Average hours per week: _____

If Overtime or Bonus is Applicable, is it Continuance Likely? Overtime Yes No Bonuses Yes No

Commissions Bonuses Tips Other: \$ _____ per (check) hourly weekly bi-weekly semi-weekly
 monthly yearly other _____

Gross Earnings

Type	Year to Date	Past Year _____	Past Year _____
Base Pay	\$ _____	\$ _____	\$ _____
Overtime	\$ _____	\$ _____	\$ _____
Commissions	\$ _____	\$ _____	\$ _____
Bonus	\$ _____	\$ _____	\$ _____
Total	\$ _____	\$ _____	\$ _____

List any changes in the employee's rate of pay: Date of last pay increase: _____ Amount of last pay increase: _____
 Date of next pay increase: _____ Amount of next pay increase: _____

If the employee's work is seasonal or sporadic, please indicate the layoff period(s): _____

Additional remarks: _____

Employer's Signature _____ Employer's Printed Name _____ Date _____

Employer's Name and Address: _____

Phone # _____ Fax # _____ E-mail _____

NOTE: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful, false statements or misrepresentations to any Department or Agency of the United States Government as to any matter within its jurisdiction.



**HOUSING TRUST SILICON VALLEY
CERTIFICATION OF ZERO INCOME**

(To be completed by adult household members only, if appropriate.)

Household Name: _____

Address: _____

1. **I hereby certify that I do not individually receive income from any of the following sources:**
 - a. Wages from employment (including commissions, tips, bonuses, fees, etc.);
 - b. Income from operation of a business;
 - c. Rental income from real or personal property;
 - d. Interest or dividends from assets;
 - e. Social Security payments, annuities, insurance policies, retirement funds, pensions, or death benefits;
 - f. Unemployment or disability payments;
 - g. Public assistance payments;
 - h. Periodic allowances such as alimony, child support, or gifts received from persons not living in my household;
 - i. Sales from self-employed resources
 - j. Any other source not named above.

2. **I currently have no income of any kind and there is no imminent change expected in my financial status or employment status during the next 12 months.**

3. **I will be using the following sources of funds to pay for housing and other necessities: *(Please respond on the line below)***

Under penalty of perjury, I certify that the information presented in this certification is true and accurate to the best of my knowledge. The undersigned further understand(s) that providing false representations herein constitutes an act of fraud.

Signature of Co-Applicant

Date

Printed Name





Homebuyer Assistance Programs Loan Application and Checklist

Thank you for your interest in the Housing Trust's Homebuyer Assistance Programs. Please select the program you are applying for:

Select Only ONE Program:

- Gap Assistance Program** (No application fee)
- Closing Cost Assistance Program** (Requires \$300 non-refundable Loan Application fee to HTSV)
- Mortgage Assistance Program** (Requires \$300 non-refundable Loan Application fee to HTSV)

Please submit the following required documents to HTSV within 7 days when Applicant(s) are in contract:

- Completed **Eligibility Application** with **wet signatures (in blue ink)** of applicant(s) and required documents listed in the Eligibility Application checklist from applicant(s) (\$50 fee will apply for MAP/CCAP) – *Please note this is not required if applicant(s) completed an Eligibility Application and are currently Program Eligible.*
- Non-refundable application fee (in form of personal or cashier's check) payable to "Housing Trust Silicon Valley", if applicable
- Completed **Loan Application** with **original/wet signatures (in blue ink)** of applicant(s) and loan officer/mortgage loan originator
- Completed **Uniform Residential Loan Application** (Fannie Mae Form 1003) signed by borrowers and loan officer/ mortgage loan originator
- Uniform Underwriting and Transmittal Summary** (Fannie Mae 1008)
- Copy of the Loan Estimate Disclosure**
- Gift Letter**, signed and dated along with proof of funds from donor (if receiving gift funds)
- Copy of Automated Underwriting System/ Direct Underwriting (AUS/DU) approval**
- Lender's Loan Commitment letter**
- Lender's Borrower Release Authorization Form**
- Written VOE for all borrowers** (can be forwarded to HTSV upon receipt)
- Appraisal Report** (can be forwarded to HTSV upon receipt)
- Executed Purchase Contract and All Addendums/Counter Offers**
- Copy of Earnest Money Deposit Funds/Check**
- Copy of Title Company's receipt for the initial deposit**
- Preliminary Title Report including Wire Instructions**
- Copy of the Master Policy** if there is a HOA
- Copies of blank Below Market Rate Note, Deed of Trust, Resale Restrictions and Escrow Instructions** (if any)
- Copy of Certificate of Attendance** (less than a year) of HUD Approved 8-Hour First-Time Homebuyer Education Class from designated agency for all borrowers (including non-borrowing spouse).

Please submit **Completed Loan Application** package in **hard copy** (no email packages accepted) to:

Housing Trust Silicon Valley
95 S. Market Street, Suite 610, San Jose, CA 95113
Attn: Homeownership Programs Department
Phone: (408) 436-3450 ext. 303

Housing Trust Silicon Valley reserves the right to decline a Homebuyer Assistance Program application at any time prior to the close of escrow of the subject property if the agency obtains information contradictory to that of the application provided by the borrower or lender/broker. Any misrepresentations or falsifications on this application will result in disqualification from this and future Housing Trust programs.



**Housing Trust Silicon Valley
Homebuyer Assistance Programs
Loan Application**

HTSV Eligibility Application File# _____ Expiration date _____

(Please refer to file number of Applicant(s) HTSV Program Eligibility Letter)

(If Applicant(s) do not have an Eligibility Approval, applicant(s) are required to fill out an Eligibility Application and submit with required documents listed in the Eligibility Application checklist along with the Loan Application Package)

Select Only ONE Program

Gap Assistance Program Closing Cost Assistance Program Mortgage Assistance Program

1. BORROWER(S) INFORMATION	
Borrower name _____	
Co-borrower name _____	
Current address _____	
2. BORROWER(S) CONTRIBUTION (all boxes MUST be filled out)	
Borrower's down payment \$ _____	Gift Funds \$ _____

3. PROPERTY INFORMATION (all boxes MUST be filled out)	
Purchase Property Address _____	
City/State/Zip _____	County _____
Purchase Price: \$ _____	Close of Escrow: _____
Property Type: <input type="checkbox"/> SFR <input type="checkbox"/> TWNHM <input type="checkbox"/> CONDO	Loan Contingency Date: _____

I (We) certify that the information provided in the Eligibility Application dated _____ is the most current information as it relates to household size, household members, income, credit and assets. I/we understand that the Housing Trust may require an updated Eligibility Application to report any changes in household size, household members, income, credit and assets. I/we understand that we may also be required to provide updated documentation to the Housing Trust.

BORROWER	DATE
CO-BORROWER	DATE
CO-BORROWER	DATE

4. LOAN INFORMATION (all boxes MUST be filled out)	
<input type="checkbox"/> 1 st Loan- 30 Year Fixed Rate Mortgage Only <input type="checkbox"/> FHA <input type="checkbox"/> Conventional <input type="checkbox"/> PMI/MI \$ _____	
Loan Amount: \$	Interest Rate: %
Lender :	Loan Type:
Monthly Payment (P&I only) \$	LTV/CLTV:

<input type="checkbox"/> 2nd Loan (HTSV LOAN)	
Loan Amount: \$	Interest Rate: %
Lender	Loan Type: <input type="checkbox"/> Deferred <input type="checkbox"/> Amortizing
Monthly Payment (P&I only) \$	LTV/CLTV:

<input type="checkbox"/> 3 rd Loan	
Loan Amount: \$	Interest Rate: %
Lender:	Loan Type <input type="checkbox"/> Deferred <input type="checkbox"/> Amortizing
Monthly Payment (P&I only) \$	LTV/CLTV:

5. Loan Officer/ Mortgage Loan Originator Information (all boxes MUST be filled out)	
Name:	
Company:	
Address:	
Phone:	Fax:
Email:	

I certify that I have attended the Mandatory Lender Training and have a Lender Participation Agreement on file with the Housing Trust. _____ (Loan Officer/Mortgage Loan Originator initials)

6. Loan Officer/ Mortgage Loan Originator Certification

I, the loan officer/mortgage loan originator hereby certify that to the best of my knowledge and belief each of the foregoing statements is true and correct, and each is consistent with the information submitted by the borrower(s) in connection with his/her/their application for assistance. I, the loan officer /mortgage loan originator, agree that I will assist as necessary to certify that the applicant has satisfied all requirements of HTSV. I, the loan officer /mortgage loan originator, understand that any misrepresentations or falsifications on this application or related documents will result in denial of this application and my possible disqualification from offering any Housing Trust programs.

 LOAN OFFICER/ MORTGAGE LOAN ORGINATOR (Print Name)

 NMLS #

 LOAN OFFICER / MORTGAGE LOAN ORGINATOR SIGNATURE

 DATE

7. Title Company Information (all boxes MUST be filled out)	
Escrow Officer:	Phone:
Escrow Number:	Fax:
Company:	
Address:	
Email:	

IX. Statement of Non-Discrimination

The Housing Trust Silicon Valley (HTSV) is an equal opportunity lender. In accordance with applicable law, HTSV prohibits discrimination based on race, color, religion, creed, gender, sex, marital status, age, national origin or ancestry, physical or mental disability, medical condition, veteran status, sexual orientation, or the presence of children or any other consideration protected by federal, state or local laws. All such discrimination is unlawful. HTSV's commitment to equal opportunity applies to all persons involved in our operations and prohibits unlawful discrimination by any of HTSV's employees, including supervisors and coworkers.

8. Borrower(s) Certification

I (We) the undersigned borrower(s), as part of my (our) application for HTSV's Homebuyer Assistance Program, certify the following:

1. I (We) certify that the residence to be purchased **WILL NOT** be used as an investment property, vacation home, or recreational home. I (We) certify that I (we) will notify HTSV in writing if the residence ceases to be my (our) primary residence, and I (we) acknowledge that HTSV may send out periodic certifications to this fact for my (our) review and signature.
2. I (We) understand that the decision to make any other loan is completely within the discretion of the lender(s). HTSV plays no part in the decision to make those loans or in determining the amount of those loans.
3. I (We) understand that the decision to approve an applicant (s) for the Homebuyer Assistance Programs is completely within the discretion of HTSV.
4. I (We) authorize HTSV to verify any information contained in the Homebuyer Assistance Program application package.
5. I (We) certify that the information provided in this application is true and correct as of the date set forth opposite my (our) signature(s) on this application.
6. I (We) certify that my (our) current gross annual household income as stated in this application is true and correct and that it does not exceed the required County Area Median Income of designated program I/we are applying for (see program guidelines).
7. I (We) certify that I (we) **HAVE NOT** owned a home as my (our) principal residence within the last three (3) years.
8. I (We) understand that there is a non-refundable three hundred dollar (\$300.00) application fee payable to the Housing Trust for the MAP or CCAP loan programs.
9. I (We) understand that the FTHB loan is a secured loan which must be paid back either when the home is sold, upon expiration of the term, or upon the refinance of my (our) first loan.

10. I (We) understand that the Housing Trust Deed of Trust will be recorded against property being purchased in conjunction with this loan and the Housing Trust Promissory Note must be executed by the borrower(s).
11. I (We) are not related to, or have any personal relationship with the seller of the property identified in the purchase contract, nor do I/we have any financial relationship with the seller, written or unwritten, other than as stated in the terms of the home purchase contract which I/we have entered into as the buyer of the property.
12. I (We) certify that I (we) ARE NOT receiving any compensation, referral fee, or monies after the close of escrow from any and all parties involved in the transaction.
13. I (We) certify that the information provided in this application is true and correct as of the date set forth opposite my (our) signature(s) on this application.

_____	_____
BORROWER	DATE
_____	_____
CO-BORROWER	DATE
_____	_____
CO-BORROWER	DATE

NOTICE TO BORROWER(S): You may revoke your consent at any time by notifying the Housing Trust Silicon Valley or lender/broker in writing. This consent will remain in effect until it is revoked or modified. Housing Trust Silicon Valley will maintain a copy of this document. You are entitled to a copy of this document upon request. You may want to make a copy of this document for your records.



Sample Application Process

STEP 1: Complete a Pre-Qualification Intake Questionnaire with Housing Trust Silicon Valley staff

- Contact the Housing Trust to learn about BMR program eligibility requirements and the BMR buyer selection process.
- Housing Trust Silicon Valley will place you a general interest list for upcoming BMR homes in the City.
- HTSV staff will direct you on your possible next steps. Such as prequalification with a lender, eligibility application, etc.

STEP 2: Attend a HUD Approved 8-hour Homebuyer Education Class and Receive a Certification

- All applicants/co-applicants are required to attend an in-person HUD Approved 8-hour Homebuyer Education class prior to submitting an Eligibility Application.
 - Applicants/co-applicants is defined as household members who will be on title and/or non-borrowing spouses.
- The HUD Approved 8-hour Homebuyer Education Class must be through a BMR program approved HUD certified agency. Project Sentinel is the designated BMR approved agency.
- A Homebuyer Education Certificate from Project Sentinel or Neighborhood Housing Services Silicon Valley is valid for up to 2 years from its issuance at the date of accepted eligibility application.
- You can contact Project Sentinel by phone (408)720-9888 or email at sjworkshops@housing.org. Its website address is www.housing.org.

STEP 3: Attend a BMR Orientation Workshop held by the Housing Trust

Housing Trust Silicon Valley presents a two hour BMR Orientation Workshop to all interested applicants and provide information about the BMR Program including: Eligibility requirements, BMR program guidelines, review of the eligibility application, selection process, and purchase application process.

- All interested applicants are required to attend the BMR Orientation Workshop prior to submitting an eligibility application.
- Attendees will be asked to complete a registration form and sign an acknowledgment of attendance and established Eligibility Application deadline.

**It is recommended that interested applicants preview the development and model homes prior to considering applying for the program.*

Step 4: Preview the Available Properties and Development

- Interested Applicants should preview the development and its available homes and floor plans.
- Check the location of the available units within the development.

Step 5: Complete BMR Eligibility Application

- Applications are accepted only for the particular development that is advertised.
- Applicants must submit a BMR Program eligibility application to the Housing Trust by stated deadline for the development, if applicable.
- Applicants must make an appointment with Housing Trust staff to deliver the Eligibility Application and required documentation.
- Copies of all required documentation listed on the BMR program eligibility application must be single-sided copies.
- A completed eligibility application, required documents and a money order/cashier's check for the \$50 (non-refundable) application fee must be submitted as a complete package. Check must be made out to Housing Trust Silicon Valley.
- Incomplete eligibility applications and/or missing documentation will render the application ineligible and may not be accepted. If acceptable by HTSV staff, any missing documentation must be delivered to HTSV within 7 calendar days of notification.
- Applicants will be given a copy of the BMR documents to review, including the Promissory Note, Deed of Trust and Security Agreement, and the Covenants, Restrictions and Option to Purchase documents, and BMR guidelines.

Step 6: Housing Trust reviews application for preliminary eligibility

- The Housing Trust will review the Eligibility Application and determine if applicant meets the requirements of the BMR program.
 - Review of the eligibility application will include: household program qualifications, verification of employment, residency and the ability to afford to purchase a BMR home based on the examination of household size and income, assets, and available funds for down payment, closing costs, and reserves.
- The applicant's priority level will be determined as follows:
 - 1st Priority Level- At least one household member* who both lives within the City Limits of the City and operates a business or is employed by a business or a public or quasi-public agency in City.
 - 2nd Priority Level- Household lives with the City Limits of the City
 - 3rd Priority Level- At least one household member operates a business or is employed by a business or a public or quasi-public agency in the City
 - 4th Priority Level- Any other qualified applicant household without regard to residency or employment

**The qualifying household member must be the person or a dependent of a person whose name will appear on title and who will live in the unit as their primary residence*

- A BMR Program-Prequalified Eligibility Letter from Housing Trust Silicon Valley will be sent to all applicants delivered by mail and email notification.
- Applicants must obtain a pre-approval through one of the BMR program approved lenders within 7 calendar days of notification of BMR Program-Prequalified Eligibility.

- Eligible applicants must maintain their eligibility until a BMR home is available.
 - Income and asset information received at application are valid up to 90 days from the issue of the Eligibility letter.
 - After 90 days, income, asset and residency documentation will be outdated.
 - It is the applicants' responsibility to maintain their eligibility by submitting updated documentation.

Housing Trust Silicon Valley and/or the City may change program or selection process at their sole discretion at any time without notice. An Applicant submitting an eligibility application containing misrepresentations or falsifications will be subject to immediate disqualification from the Below Market Rate program for the City.

STEP 7: Pre-Approval and Mortgage Eligibility

- Applicants must obtain a pre-approval through one of the BMR program approved lenders within 7 calendar days of notification of BMR Program-Prequalified Eligibility.
 - The BMR program approved lenders have complied with reviewing and approving all the BMR program documents (promissory note, deed of trust and security agreement and the covenants, restrictions and option to purchase documents.)
- Prequalified Eligible applicants must submit a copy of the Prequalified Eligibility letter to the BMR program approved lender.
- Lender will determine if applicants qualify for a home mortgage and will issue a loan pre-approval letter for the maximum loan amount applicants can afford.
- Down payment assistance is not specifically available for new construction BMR homes in the City at this time.
- FHA loan guidelines are not compatible with the BMR program.
- Applicants with a pre-approval application from a non-approved lender cannot submit an Eligibility Application until the following requirements are met:
 - Applicants review and sign a Disclosure to Applicants about Non-approved Lenders.
 - Upon receipt of the BMR program documents (Promissory Note, Deed of Trust and Security Agreement and the Covenants, Restrictions and Option to Purchase documents, and BMR policies and procedures), Lender returns the Non-Approved Lender Instructions signed by its legal and underwriting department.
 - Lender submits a letter signed by its legal and underwriting department giving full loan approval of all BMR documents
 - The City and the Housing Trust will review lender's request and decide if lender will be approved.

Step 8: Final Program and Mortgage Eligibility Review

- Lender will forward to Housing Trust Silicon Valley a copy of the signed preapproval letter and credit report for the applicant to complete program and mortgage eligibility.
- Once review is complete, applicant will sent a Program Eligible letter via email and mail.

- Applicant will then be matched with a BMR home when it becomes available.

Step 9: Selection of BMR Home

As homes become available, they will be matched first to Program eligible applicant ranked in the Highest Priority Level and by Household Size per the number of bedrooms in the home as determined by the Occupancy Standards. *Builder upgrades to the home will not be permitted. The Builder will choose all exterior design features and homes are sold on an as-is-basis.*

- Eligible applicants selected from the highest priority level will have the first opportunity to purchase the assigned home.
- Selected applicants will be notified (through email or phone) by Housing Trust Silicon Valley staff and a BMR Home Selection Letter will be sent (mail and email).
- Selected applicant **must confirm within 72 hours** (email and phone) with Housing Trust Silicon Valley staff that notification was received. If confirmation is not received by Housing Trust Silicon Valley, the selected applicant will be sent a Notice of BMR Home Selection Suspended.
- The next highest ranking program eligible applicant will be notified and the confirmation process will apply.
- The Developer's sales staff and Eligible applicants' lender will also be notified by Housing Trust Silicon Valley staff.
- Selected eligible applicants are responsible for setting a viewing and purchase contract appointment **within 3-5 days of confirmation** with the Developer's sales staff.
- Selected eligible applicants must bring a copy of their preapproval letter from their lender and the BMR Program Eligibility letter from Housing Trust Silicon Valley to the purchase contract appointment.

Lottery Policy

- A lottery is held when more than one Eligible Household with the same Priority Level ranking exists.
- Eligible applicants will be notified a lottery for their priority level exists and given the date the lottery will be held.
- HTSV will privately conduct the lottery to select a homebuyer.
 - Several HTSV staff members and occasionally a representative from the City is present at the drawing
 - A drawing affidavit is signed by all witnesses to confirm homebuyer selection fairness and transparency.
 - Selected Eligible applicants will be notified by email or phone by Housing Trust Silicon Valley staff.
- Selected applicants will have the first option to view the unit and sign the purchase sales agreement for the home **within 3-5 days of notification** (through email or phone) by Housing Trust Silicon Valley staff.

- Selected applicants may pass only once on an assigned home within the selected development without losing their priority level ranking unless eligibility is not maintained.
- Any previously selected applicants choosing to pass on their second opportunity to purchase a home in the selected development will lose any priority level ranking and have their application moved to the end of the list of eligible applicants for this project.
- Upon exhaustion of the list of BMR eligible applicants, after the initial application deadline for the available homes in the selected development, homes will be available on a first come first served basis with adherence to applicant eligibility criteria and program guidelines.

Step 10: Purchase Contract and Sale Application

- Selected eligible applicants must bring a copy of their preapproval letter from their lender and the BMR Program Eligibility & BMR Home Selection letter from Housing Trust Silicon Valley to the purchase contract appointment.
- The Purchase contract, related disclosures and real estate documents for the home are signed with the Developer's sales staff.
- A deposit check for 3% of the purchase price will be collected from the applicant at the signing of the purchase contract.
- A BMR Purchase Application is completed by the selected eligible applicant and submitted to lender.
 - The lender will forward to the Housing Trust Silicon Valley the BMR Purchase Application and required documentation: copy of the purchase contract signed by both buyer and seller, first mortgage loan application (1003/1008), loan commitment letter, loan and settlement disclosures, preliminary title report, appraisal, and the signed Affirmative Buyer Disclosure & Acknowledgement.
 - A \$500 non-refundable purchase application fee from the applicant made payable to Housing Trust Silicon Valley will be due upon receipt of the BMR Purchase Application package from the lender.
 - Updated income and asset information for all household members over the age of 18 may be required if 90 days have lapsed from the submission date of the Eligibility Application and must be included along with the BMR Purchase Application.

Step 11: In Person Review of BMR Loan Documents, Disclosures and BMR Acknowledgment

- Buyers will meet one-on-one with Housing Trust Silicon Valley staff to review the BMR program.
- Buyers will also review and the BMR Promissory Note, Deed of Trust and Security Agreement, BMR Covenants, Restrictions and Option to Purchase, and BMR disclosures.
- Buyers are required to take a BMR test acknowledging their understanding of the BMR program.

Step 12: Loan Approval

- Lender will submit your complete loan application to their mortgage underwriter for final approval of your first home mortgage loan.

- Your lender may require supplying updated income and asset documentation from all borrowers in your household as necessary by deadline.
- If a designated applicant is unable to obtain financing at an affordable cost or is unable to meet the program requirement to purchase the BMR unit, the next highest ranked applicant will be offered the unit. In the event that the next applicant is unable to purchase the BMR unit, the second highest ranked applicant will be offered the unit.

STEP 13: City Review and Approval

- Upon receipt of loan approval, Housing Trust Silicon Valley will prepare and deliver a copy of the applicant's BMR file and the BMR loan documents for City approval.
- Title Company will pick up approved BMR loan documents upon signed City approval.

STEP 14: Close of Escrow

- The Escrow Officer for the Title Company will coordinate an appointment with you to sign the escrow and loan documents for the first mortgage and BMR program.
- You will deposit the funds needed for any remaining balance of the purchase of the home and any associated closing costs. All funds prior to close of escrow must be in the form of a cashier's check and or wire.
- After signing the loan documents, the documents are returned to the lender for review and funding approval.
- Upon verification of funding and recording, ownership of the home is transferred from D.R. Horton to the buyer(s).

Attachment E
Webpage Template and FAQs

Below Market Purchase Program

Housing Trust Silicon Valley is serving as the new program administrator for the City of Santa Clara's Below Market Purchase Program.



What is a BMP Program?

California cities establish home purchase programs, often called Below Market Purchase (BMP) programs to facilitate the inclusionary housing requirements mandating housing developers to make a percentage of housing units in new residential developments available to low- and moderate-income households.

The City of Santa Clara has operated a BMP Program since 1995, assisting low- and moderate-income families achieve the goal of homeownership and fulfill State mandates for the production of housing for all income levels.

What do I need to know before I consider applying to the City of Santa Clara's BMP Program?

- The BMP is for first time homebuyers
- Household income limits apply
- Provides affordable monthly payments
- Prospective applicants must obtain a pre-approval from an approved lender
- Homes must be owner occupied for the term of the agreement
- Homes must be resold to another BMP buyer for the recalculated BMP price during the first 5 program years
- From years 6 to 20, the home can be sold at market rate with an equity share to the City of Santa Clara. For additional information regarding the resale restrictions, please review [Other Information](#) below.

What are the First Steps?

I. Contact HTSV for additional information or inquiries.

Adria Quinones-Masur

Homeownership Program Manager

Housing Trust Silicon Valley

408.436.3450 x234

homebuyer@housingtrustsv.org

II. Complete a BMP Program Prequalification Intake.

Contact Housing Trust by phone to learn about the eligibility requirements and to be on the general interest list. You will receive new program updates, upcoming BMP orientation & application workshops, and available BMP homes.

BMP Program Eligibility Requirements

III. Sign up for a Homebuyer Education class.

Applicants are required to attend a HUD-approved 8 Hour Homebuyer Education Class. This class helps homebuyers understand the steps to homeownership. Please contact Project Sentinel to register for an upcoming class.

Project Sentinel

Phone: 408.720.9888

Website: www.housing.org

Email: sjworkshops@housing.org

IV. Attend a Below Market Purchase (BMP) Program Orientation and Application Workshop.

Applicants must attend the Orientation and Application workshop for the City of Santa Clara's BMP Program. The workshop will:

- a. Provide a description of the BMP program
- b. Discuss the eligibility requirements
- c. Review the Eligibility Application and the steps to apply for the program.

You can find the next workshop scheduled on the [Homebuyer Calendar](#) as City of Santa Clara's Below Market Purchase Program-Orientation & Application Workshop.

V. Complete and deliver BMP Eligibility Application and all required documentation to Housing Trust Silicon Valley before the deadline date.

Deadline for the available four homes in the Homes at Central Park development by D.R. Horton is pending.

Currently, we are accepting Eligibility Applications for first-time homebuyers who meet the Eligibility Requirements. Applications are accepted on a first-come, first serve basis. You must make an appointment to deliver the Eligibility application with following documents.

- [Eligibility Application](#)
- [4506-T](#)

- [W-9](#)

For upcoming deadline dates, please check the [Homebuyer Calendar](#)

For a list of the available homes, click [here](#). **Please note, new application deadlines are pending.**

VI. Once you have been notified by Housing Trust Silicon Valley of Program Pre-Eligibility for the BMP Program, you must obtain a pre-approval from the one of BMP Approved Lenders within 7 calendar days.

Your pre-approval letter from the BMP Lender and credit report will be required to finalize Program Eligibility.

For a list of Approved BMP lenders, click [here](#)

After determination of Program Eligibility, the Priority Level Criteria will be applied and you will be notified of your ranking and property availability.

Other Important Information

Year 1 through Year 5 of ownership

A BMP homeowner who decides to sell their home within this time period must sell to an eligible BMP-qualified, new buyer (a first-time buyer with an income not exceeding 110% of area median income) at a re-established restricted resale price. The principal amount of the City Loan is forgiven and a new principal amount of the City Loan is established for the new homeowner.

Year 6 through Year 20 of ownership

A BMP homeowner can resell their home to whomever they choose at the current, unrestricted fair-market price. The BMP homeowner will pay off the principal amount of the City Loan at the sale of the home. The BMP homeowner must also pay a share of the increase in equity in the home to the City

Year 21 and after of ownership

The BMP homeowner is required to pay back the principal of the City Loan and is able to realize all of the market-driven appreciation in the home above its Initial Market Value (IMV). Resale restrictions expire and the BMP homeowner is no longer required to pay the City a share in the increase in equity in the home

ATTACHMENT B

FEE SCHEDULE

Housing Trust Silicon Valley ("Contractor") will undertake responsibilities for administering the City of Campbell Below Market Rate Program (BMR Program) in accordance with all City and applicable federal and State regulations, and shall conform to the provisions of the BMR Program Policies and Procedures Manual, as amended and adopted by the City of Campbell.

HTSV maintains expertise in the areas of first-time homebuyer assistance, underwriting, marketing and outreach, and loan portfolio management, monitoring and compliance, as outlined below.

BMR Program Transfer and Setup		\$25,000
Task	Description	
BMR Program Policies and Procedures	Meet and review with City staff the program policies and procedures, inclusionary housing ordinance and other housing policies to ensure City requirements are considered in the program setup. Provide City with policy/procedure revision recommendations, as appropriate.	
Transfer Existing Client Data	Set up existing client files in Mortgage Office program for loan compliance. Perform an abbreviated title search on existing BMR units.	
Format electronic database	Format HOMEKEEPER program for application intake and processing to meet City requirements. Create internal file directories and file system	
BMR web page	Create dedicated web page on Contractor web site to announce City BMR activities, applications forms, and information.	
Forms and Reports	Develop and/or revise existing intake, pre-approval, and application forms, file checklists, and title documents. Develop reporting format as required and approved.	
Approved Lender, Broker and Realtor BMP Program Training	Review program with existing preferred lenders, outline program for preferred listing brokers, and referring realtors for new sales, including application and selection training.	
Legally Mandated Loan Service Transfer Notification	Letter notifying existing BMR homeowners of loan compliance servicing transfer to Contractor.	
Timeline	60 business days	
BMP Program Administration (On-Going)		\$8,000/Month with 5% annual increase
BMP Program Policies and Procedures	Review and update, as necessary. Requires City approval prior to implementation.	
BMR Portfolio Management, Monitoring and Compliance	Develop and implement an annual monitoring plan and report, as approved by the City. Report is bi-annually on or before January 31 st and July 31 st following the previous period ending December 31 st and June 30 th . Perform annual homeowner occupancy certifications. Perform BMR rental property monitoring to verify tenant eligibility. Work with City and/or rental Property Managers to chart a course of action for compliance.	

Other Loan Portfolio Administration	Provide on-going portfolio management services as outlined above for other City loan portfolios, including.
Database management	Maintain and update Mortgage Office and HOMEKEEPER programs to provide timely and accurate reports.
BMR Dedicated web page	Maintain and update web page. Post relevant BMR ownership housing and first-time homebuyer information and links to and from City's website.
Forms	Review and revise forms to meet program requirements, as necessary.
Lender Referrals	Refer BMR Program eligible applicants to City preferred lenders.
Interest and Program Eligibility List	Establish and maintain BMR interest and program eligibility lists. Annual update of interest and program eligibility list to remove prospective buyers no longer interested in the program, or prospect has moved and no longer able to contact, or prospect is no longer eligible for the program. Annually, provide updated waitlist to City.
Marketing Collateral	Develop project specific marketing collateral. All collateral must be approved by the City prior to distribution. Contractor will provide City with invoice for reimbursement for any City-approved costs including but not limited to printing and postage.
Homebuyer Education	Coordinate with local HUD-certified nonprofits that provide HUD-approved homebuyer education. Refer prospective buyers to partner agencies for attendance to the required 8-hour homebuyer education class.
Other Administrative Duties	Contractor will: <ul style="list-style-type: none"> • Schedule on-going monthly meetings with City staff • Annually provide updated list of agency organization chart including name, position and contact information • Post on website and marketing collateral BMR Program contact information, including name, title and contact information • Provide contract administration contacts, including contract manager, program manager and finance staff.
Timeline	On-going after program setup
BMR Program Transactions	
BMR Sale: All applicable transaction fees will be reimbursed after unit sale or refinance.	
Task	Fee
Marketing and Outreach per sold unit	\$5,000
Program Eligibility Determination New and Re-Sale	\$250 per Household (less \$50 Application Fee)
BMR Sale Application Coordination New or Re-Sale	\$1,000 per Household (less \$500 Application Fee)
BMR Documentation Preparation	\$500 per Unit
BMP Re-sale Coordination	\$2,000 per Re-Sale
BMP Ranking/Lottery Coordination	\$1,000 per Offering
BMP Refinance /Subordination	\$750 per Household (less \$500 fee paid by homeowner)
Special Projects	
Developer Agreements	\$200 per Hour
Housing Fund and Program Development	\$200 per Hour
Other Projects not part of this Scope	\$200 CLO \$150 COO \$100 Asset Manager \$100 Program Manager

**CITY OF SANTA CLARA
BELOW MARKET PRICE PROGRAM
ADMINISTRATION SERVICE PROPOSAL**

FEE SCHEDULE

Consultant shall provide a schedule of rates and fees which includes all billing amounts and costs as follows (if applicable), such as:

BMR Program One-Time Transfer and Set-up Fee At Contract Execution	\$25,000
Program Administration Fees: 5% increase in Year 2 of Contract	\$8,000/Month
Transaction Fees:	Monthly based on Activity
Special Project: Prior City approval required	Monthly based on Activity

AFFIRMATIVE BUYER DISCLOSURE
& ACKNOWLEDGEMENT OF
BELOW MARKET PURCHASE UNIT

RESALE, REFINANCING & AFFORDABILITY RESTRICTIONS
PRIOR TO PURCHASE

RECITALS

I/ We Michele Schripsema currently residing at 3363 Kuykendall Place, San Jose, CA 95148 the ("DESIGNATED BUYER(S)") who have been allowed an opportunity by the City of Santa Clara, ("CITY") to qualify to purchase the dwelling located at 2945 Via Roma Place #33, Santa Clara CA 95051 which has been designated by the CITY as a Below Market Purchase Unit (the "BMP UNIT").

I/We have been informed by the CITY and their non-profit administrator, Housing Trust Silicon Valley (HTSV) that the CITY has required the developer of the Homes at Central Park by D. R. Horton development project ("the DEVELOPER") to provide this dwelling (the BMP UNIT) at a sales price that is significantly lower than the other market rate units in the development.

I/We fully understand that without the CITY'S assistance, I/we would not otherwise have the ability to purchase this dwelling (the BMP UNIT) with the same favorable terms or at the Affordable Sales Price noted by the CITY.

I/We fully understand and have been informed by the CITY and Housing Trust Silicon Valley of the following facts related to the opportunity provided to purchase the dwelling (the BMP UNIT):

1. The unrestricted Initial Market Value (IMV) of the dwelling based on a recent appraisal is \$919,000.
2. I/We are being allowed the opportunity to qualify to purchase the dwelling (the BMP UNIT) at the reduced sales price of \$405,000 (the "Affordable Sales Price recorded as the official transaction price)
3. This represents a reduction of \$ 514,000 from the Initial Market Value;
4. I/We will sign a Promissory Note payable to the City for this amount (\$514,000) and it will become a separate subordinate loan obligation and must be paid to the CITY with interest, if the dwelling (the BMP UNIT) is sold for a price higher than an Affordable Sales Price after the five-year resale restriction period (discussed in Item 8 below) expires.

Attachment #6 (cont.)

5. The Appreciation Amount of the dwelling (the BMP UNIT) after 5 years of ownership is the difference of the Initial Market Value (IMV) appraised at \$919,000 and the future unrestricted market value determined at the time of resale.
6. The interest that must be paid to the City based on the City Promissory Note is the lesser of either 7% simple interest or a decreasing share of the Appreciation Amount due to the City calculated at a rate of -5% per year of ownership.

Example A: In addition to the Promissory Note Value of \$ 514,000 after 6 years the City could receive interest equal to 70% of the Appreciation Amount gained above the Unrestricted Initial Market Value [100% of the equity - (6 years X 5%/year) = 70%] or 7% simple interest \$ 215,880 , whichever is less.

Example B: After 20 years, the City would receive only the Promissory Note Value of \$ 514,000, because the equity share would be less than 7% simple interest. [100% of the equity - (20 years X 5%/year) = 0%]

7. I/We fully understand if I/we sell the dwelling (the BMP UNIT) during the first 5 years that I/we will not be able to sell the unit at a full market price because the Resale, Refinance, and Affordability Restrictions I/we will be signing give the City a right to buy the BMP UNIT (or designate another qualified buyer to buy the BMP UNIT) at a reduced purchase price that equals the Affordable Sales Price I/we paid adjusted over time in accordance with the City's BMP Procedures. If the City or another designated buyer purchases the unit at the Affordable Sales Price, the City will forgive the City Promissory Note and I/we will not have to pay the \$ 514,000 to the City.
8. I/ We fully understand that only improvements that are consistent with the City's BMP Procedures and of at least \$ 2,000 in value will be eligible to increase the Affordable Sales Price of dwelling (the BMP UNIT) during the first 5 years of ownership.
9. I/ We fully understand that the original primary mortgage loan of \$ 324,000 used to purchase this property may not be refinanced without prior written approval from the City and that it may only be replaced with a loan of equal or lesser value.
10. I/We fully understand that I/we must live in the dwelling (the BMP UNIT) until the end of the Resale, Refinancing, and Affordability Restrictions (i.e. 20 years from the date of purchase) or the property is sold, whichever comes first.



**Response to Request for Proposal:
Below Market Rate
Program Administration
City of Campbell**

February 9th, 2016

Presented by:

Palo Alto Housing

Georgina Mascarenhas, Program Director

(650) 321-9709

gmascarenhas@pah.community

February 9, 2016

City Council
City of Campbell
70 N. First Street
Campbell, CA 95008

Re: Proposal to Administer City of Campbell's Below Market Rate (BMR) Housing Program

Dear Mayor Baker & Councilmembers:

Thank you for the opportunity to respond to the Request for Proposal (RFP) to provide administrative services for the City's Below Market Rate (BMR) Program. It is a privilege to be considered.

Our goal via this proposal is two-fold: to express our great interest in helping the City of Campbell further their BMR program, and to highlight PAH's continued dedication and expertise in creating and protecting affordable housing in Silicon Valley.

Some key points of this proposal:

- PAH has been involved with affordable/below-market-rate housing program administration since 1970 - our experience in this field is unparalleled;
- We continue to expand our scope of services to include all aspects of affordable housing program administration and management;
- Our BMR team keeps city staff well-informed on any and all important issues pertaining to the program, including advocating for policy improvements, if needed.
- Our team members have extensive experience in all facets of for-profit and non-profit real estate services including real estate brokerage, real estate law, asset and program management.
- We believe in providing the best customer service and support to both our City partners and program participants.

We look forward to working with the City of Campbell on this very important program. Please contact us at (650) 321-9709 if you have any questions or need additional information.

Sincerely,



Candice Gonzalez
President & CEO

(2) Qualifications

Palo Alto Housing (PAH) was established in 1970 by a group of like-minded Palo Alto city council members and other civic leaders who saw the critical need for affordable housing in the community. PAH's mission includes developing, building, and managing affordable housing in Palo Alto and the Bay Area. Our services also include property management, on-site resident services, and administration of the Below Market Rate (BMR) programs for several cities, which currently include the City of Palo Alto and City of Mountain View.

PAH owns and operates over 700 rental units in Palo Alto, housing over 2,000 low-income residents. The properties have been acquired and rehabilitated or developed and built from the ground up. PAH also provides consultation services to other local non-profits, City entities, and market rate developers in the capacities of BMR rental lease-ups, BMR and first-time homebuyer program administration, property management, compliance, and initial waiting list lottery and management.

BMR Administration

Our extensive experience in affordable housing includes helping launch the City of Palo Alto's BMR ownership and rental programs. We have been the administrators of their programs for over 40 years. As such, we understand what policies and procedures work and, in an effort to optimize the City's BMR program, we have worked closely with City staff to recommend improvements/changes to policies, procedures and restrictions which do not. As of 2014, we have extended our services to the City of Mountain View to help with their relatively new and rapidly expanding BMR rental inventory. This involved consolidating various interest lists consisting of over 3000 names, sending update letters to each person on the list to confirm continued interest and thus establishing a waiting list and subsequently complete the lease up of BMR units in new developments & move-ins for unit turnovers at existing BMR units.

PAH provides a full spectrum of services to meet the needs of both ownership and rental BMR programs. Our experience includes working with City entities to finalize Developer Agreements. With an inventory of 237 ownership units, our administrative team has helped ensure the purchase process closes without any issues, from processing applications, certifying owners, working with lenders and escrow agents to delivering the respective contracts, restriction agreements, deeds of trusts, promissory notes, escrow instructions, etc. Owners are also frequently

refinancing to take advantage of lower interest rates, which require them to re-connect with our office via their lenders. We then re-review the program requirements and restrictions with all parties, provide and ensure subordination agreements are processed correctly, as well as make sure owners record another Request for Copy of Notice of Default and give our office copies of all recorded documents for the owner files.

Other regular administrative duties include:

- annual owner-occupancy certifications;
- initial certifications for ownership and rental units and annual re-certifications for rental units to ensure compliance with relevant Regulatory Agreements;
- working with owners to ensure ownership transfers adhere to program policy, provide certifications and new documents to be recorded as well as stay involved until the documents are recorded properly, i.e. include all necessary docs like the Restriction Agreement, a new Request for Copy of Notice of Default, etc.

Due to our consistent due diligence with annual owner occupancy certification, relationship with HOAs and private property management staff, non-compliance with program policy is not a common occurrence. Over the course of the past 40 years, we have dealt with a few non-compliance situations. None of the issues have been cut-and-dry. Our response to the most recent non-compliance problems highlights our approach to resolving the situation, for the most part, with minimal downtime and consequences.

One owner had been delinquent on HOA dues, not paying for almost 13 months. The HOA had recorded a Notice of Default with the County Recorder's Office as their last recourse. As soon as our office was made aware of the situation (the City/our office receives a copy of any Notice of Default), our first step was to get in contact with the owner. We first listened to her side of the story, getting a better understanding of her financial situation. We also let her know the consequence of losing her unit was real and legitimate. Our next step was to intervene on her behalf and contact the HOA. After we reached out, they were willing to have a meeting with the HOA board to offer a new payment plan for the owner. We also assured the HOA of program policy - that the City would cure the default and have the first option to purchase the unit if the owner did not adhere to catching up with her delinquent dues.

Once our office was able to explain that the HOA was not set to kick her out of her home, she was willing to meet with them and eventually agreed to the new payment plan. The owner has been paying the new monthly amount and knows now to be more communicative and ask for help.

(3) Program Administration

Our general model for effective BMR program administration is outlined below:



Understand BMR program policies, including goals and special needs of the clientele the program serves. Stay educated on the current real estate market and lending trends. Creating good relationship

Prioritize what aspects of the program need regular attention, i.e. customer service of walk-ins/phone calls/owner inquiries. Divide and chart administrative tasks in order of frequency (i.e. annual, semi-annual, quarterly, monthly, etc.)

Divide up all administrative tasks between BMR team members, calendar all tasks/projects to ensure deadlines are met. Execute responsibilities and work with team members to complete larger tasks, i.e. annual waiting list update, annual owner occupancy letters, etc.

Meet weekly to discuss any common issues/questions/improvements. Review recently completed projects (i.e. BMR sales, owner occupancy annual mail-out, etc.) to ensure program goals are met and processes are optimized. Identify and implement iterative improvements.

Our specific approach to the scope of services is as follows:

a. Program Administration

- **Screening all inquiries** – All questions and comments go through our office. Our full-time BMR assistant and Program Administrators are available to take phone calls, e-mails, and walk-ins, Monday – Friday, 8 am – 5 pm.
- **Waitlist Management** – All applicant information is inputted into Microsoft Access. Applicants are placed based on a first-come/first-serve policy with applicants and preference status and all pertinent information is inputted and updated as needed. An annual update is performed to ensure applicants are still interested and/or qualified for the program and to manage the size of the waiting lists.
- **Provide Homebuyer Education Workshop** – We work with a local HUD-approved housing agency to provide a bi-annual workshop covering topics ranging from program eligibility requirements to loan financing. The workshop is offered at no charge to the attendees. The buyer must have attended a workshop to be eligible to purchase a BMR home. The BMR

Administrator or BMR Program Assistant is present at every seminar to meet applicants and answer program questions.

- **Semi-Annual Reporting** - PAH would provide a narrative and data of all recently closed, and ongoing sales, new rental certifications, as well as other information, including loan activity and current resale values of ownership properties. The two-part report would be turned in no later than the 15th of the following month closing out the 6-month reporting period.

b. Compliance Monitoring

- **Annual Monitoring** – A letter and certification form is sent out annually to each owner. The certification form is to be filled out and signed and accompanied by the property tax bill (showing the homeowner tax exemption) and one other form of back-up documentation e.g. utility bill. Please see Attachment A for a sample of the certification form we use.

c. Existing Loan Administration

- **Database Maintenance** – PAH keeps one dedicated database on our shared drive in Microsoft Excel with all pertinent information. All digital files are backed up to a remote server nightly. We would be in contact with the City every month to keep the database current as monthly payments are received by the City. Our office would need to confirm which accounts are delinquent after the last day of the month in order to send out reminder notices to owners within the first week of the following month.

d. BMR Development Agreements

- **Preparation and Recording of Regulatory Agreements** – Once the City has approved the project, we meet with the City staff to go over the details of the project. We work with the City to finalize the Regulatory Agreement and complete a final review, confirming practical details like location and finishes of units, as well as income/rental limits, recertification details, rent increase calculations, etc. Depending on the project, the final recording is completed either by PAH or the City.

e. BMR Rental Housing

- **Program Marketing and Outreach** – Provide search-engine optimized program information on our website, post flyers/pamphlets at local community centers/libraries/affordable housing communities/local newspapers including PennySaver, as well as cultivate relationships with

local affordable housing providers and first-time homebuyer loan providers to get the word out about the programs we offer.

- **Monitor Housing Indexes and Rental Data** - annually when the new rent and income limits are released by HUD, Tax Credit & HCD in order to calculate new rents and income limits.
- **Application Approval** – Work closely with applicants who are next in line for BMR rental units to answer questions about the property and help gather all necessary documentation for income verification. Applications are approved once all verifications & background checks are in and income and asset calculations are complete and a determination is made regarding a household's eligibility. Applicants who do not meet the eligibility criteria are sent denial letters with an option to appeal within 14 days.
- **Annual Re-certifications** – Based on the requirements of the relevant regulatory agreement, PAH sends out all annual notices to tenants, schedules re-certifications, and determines continued eligibility via the process described above. Tenants who are deemed over income are notified that they have 90 days to either move to a market rate unit, if available, or move out of the property. We notify all site managers of the results of tenant re-certifications immediately following completion. We are working on decreasing paper waste by e-mailing annual notices, accepting scanned copies of tenant documentation and sending out final approval e-mails and copying property management (instead of sending 2 sets of hard copy letters).

f. BMR Home Sales

- **Program Marketing and Outreach** – In addition to what was mentioned under the Rental Housing section, our Site Staff and Service Coordinators are also encouraged to get the word out to residents of ours and other affordable housing communities. Due in part to these efforts, we have had several residents of our affordable housing communities qualify and purchase their first homes through the BMR program in Palo Alto.
- **Eligibility Verification** – We handle the income/asset verification process including background checks. Once the buyer is determined to be eligible, all purchase and BMR-specific documents are provided. The entire sales process is explained to both the buyer and seller via information packets and in-person meetings. We act as a liaison between the buyer and seller at the time of signing to answer any contract/miscellaneous questions.

- **Assist Buyers with Financing and Subsidy Layering** – We provide a list of primary lender contacts, serve as an intermediary between the buyer and lender to make sure the latter understands all costs and details associated with the loan, and if need be, point the buyer towards other subordinate loans to help with the purchase.
- **Provide Real Estate Documents and Coordinate Close of Escrow** – The most recent version of California Association of Realtors (CAR) purchase forms are used for each BMR sale. We coordinate with the escrow company to send over all signed documents, including the resale restriction agreement, deed of trust and promissory note, along with the escrow instructions. If the owner needs assistance, one of our staff will man the Open House for prospective buyers. To ensure the sale closes on time and all documents are recorded properly, we stay in contact with the escrow officer from when escrow is opened until the close date. After closing, copies of all closing documents are sent to our office and kept in respective owner files.

Please see Attachments A - E for Samples of monitoring documents, application forms and website resources.

- Attachments A1 and A2 – Sample Ownership Occupancy letter and certification form
- Attachment B1 and B2 – Sample Rental Certification/Recert Letter and application
- Attachment C – Sample Rental Program Lottery Letter
- Attachment D1 and D2 – Sample program resource web pages
- Attachment E – Proposed of Statement of Fees

(5) General Suggestions

As there is very limited information on the city's website and we are not familiar with the City of Campbell's BMR programs and the processes already in place, we will defer providing suggestions for changes/improvements until we have more information. We hope to have an opportunity to work with the City of Campbell to evaluate and if necessary, help hone program policies and procedures to benefit participants as well as optimize the BMR administrative process for City staff.

(6) Key Staff

- ***Georgina Mascarenhas, Program Director/VP, Property Management***

Georgina joined PAHC in 2006 as Vice President of Property Management. She is responsible for the overall management, asset management & supervision of PAH's portfolio consisting of over 700 units and growing. She has experience as an asset manager as well as managing properties ranging from single-family homes to large multi-family & special needs housing. She is knowledgeable in landlord/tenant law, fair housing, ADA, Section 504 and compliance issues related to affordable, mixed use and subsidized housing. She is also responsible for the oversight & administration of the BMR program for the City of Palo Alto and the City of Mountain View.

Prior to joining PAH, Mascarenhas worked with Eden Housing and Mid-Peninsula Housing and was responsible for the oversight of marketing & lease-up for over 2500 rental units for families, seniors and persons with special needs. Mascarenhas is an expert in compliance, marketing and lease up strategies. She has over 20 years of progressive experience in multi-family property management and asset management.

Mascarenhas has a Bachelor of Arts Degree in Psychology from Saint Lawrence's College, Karachi.

- ***Jaejean Kang, Program Manager, main point of contact***

Jaejean joined PAH in 2007 as Program Administrator for the City of Palo Alto's BMR rental and ownership programs. She concurrently worked with the City of Mountain View to help launch its Employee Homebuyer Program in 2010. Her role has expanded to include program management for Mountain View's BMR Rental Program.

Prior to joining PAH, she worked for 3 years as a retail broker and asset manager for a San Francisco-based retail shopping center management company. She is a licensed real estate broker.

Kang has a Bachelor of Arts degree in Economics and History from Stanford University.

- ***Lauren Bigelow, BMR Program Assistant***

A Bay Area transplant originally from Texas, Lauren Bigelow is an active member of the Silicon Valley progressive community. With over a decade of

marketing and community experience, she works closely with the President and CEO, Board of Directors, and VP of Property Management to assist on real estate and property management projects. She is also responsible for interfacing with BMR program clientele on a daily basis, educating them about program offerings and providing face-to-face, phone and e-mail customer service.

Lauren has a BA in Theater and Communications from Goucher College and a BS in Psychology and Social Action from Palo Alto University.

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The Charts below show day-to-day duties of our BMR staff. Tasks change depending on project due dates and issues that take priority. They are not all-inclusive.

Georgina Mascarenhas VP, Property Management	Jaejean Kang Program Manager	Lauren Bigelow Program Assistant
<ul style="list-style-type: none"> •Coordinating the lease up of new BMR rentals •Review income and asset calculations for rental and purchase applicants •Approve files •504 Coordinator for Reasonable Accommodation issues •Addressing overflow of BMR related questions from potential/current applicants and current residents and rental managers 	<ul style="list-style-type: none"> •Addressing all BMR program-related questions from potential and current waiting list applicants, BMR unit owners, BMR preferred lenders, escrow agents, appraiser, etc. via phone, e-mail, in-person meetings; •Calculating and distributing all price calculations of BMR units to owners and the Santa Clara County Assessor's Office (annually and as requested); •Performing initial income/asset certification to BMR buyer(s); •Helping manage the waiting list for BMR Ownership and BMR Rental programs; •Facilitating the BMR purchase process from the beginning stages through the close of escrow; •Preparing quarterly reports for City entities; •Maintaining BMR owner and tenant files. 	<ul style="list-style-type: none"> •Providing 5 days-a-week customer support for program inquiries, from callers, e-mails, and walk-ins; •Mails out the annual waiting list update letter to all BMR applicants; •Processes waiting list applications, assigns numbers, helps manage, maintain and update the waiting list; •Sends all annual and semi-annual notices to groups, i.e. BMR owner occupancy forms, BMR rental recertification letters, etc.; •Assists with annual recertifications for current BMR renters •Assists Program Manager with file maintenance and other administration tasks as needed.

(7) References

Eloiza Murillo-Garcia

Senior Planner

City of Palo Alto

250 Hamilton Avenue, Palo Alto

P: 650.329.2561 E: eloiza.murillogarcia@cityofpaloalto.org

Donna Hartman

Real Estate Analyst

City of Palo Alto

250 Hamilton Avenue, Palo Alto

P: 650.329.2677 E: donna.hartman@cityofpaloalto.org

Regina Adams

Senior Planner, Community Development Department

City of Mountain View

500 Castro Street, Mountain View

P: 650.903.6049 E: regina.adams@mountainview.gov

Linda Lauzze

Neighborhood Services Manager

City of Mountain View

500 Castro Street, Mountain View

P: 650.903.6462 E: linda.lauzze@mountainview.gov

(8) Insurance Coverage

PAHC meets the insurance requirements contained in "Attachment A - Insurance Requirements" of the Request for Proposal. Requested insurance coverage details are as follows:

Current carrier(s): Philadelphia Indemnity Insurance Company

Everest National Insurance Company

Evanston Insurance Company

Ratings:

A++XV

Types:

Commercial General, Automobile, Umbrella, Workers Comp., and Professional

Limits:

See **Attachment F**, Current Certificate of Liability Insurance

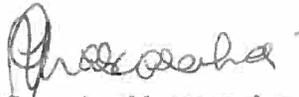
(9) Terminated Contracts/Litigation

N/A

Thank you for the opportunity to respond to your Request for Proposal for Below Market Rate Program Administration for the City of Campbell. If you have any questions regarding our proposal, please do not hesitate to contact us at (650) 321-9709.

We look forward to hearing from you!

Sincerely,



Georgina Mascarenhas
Program Director/ VP, Property Management



PAHC Housing Services LLC
725 Alma Street
Palo Alto, CA 94301
Tel 650 321 9709
Fax 650 321 4341
pah.community

January 28th, 2016

To: City of Palo Alto Below Market Rate (BMR) Homeowner
Re: Annual Owner Occupancy Certification

Dear BMR Homeowner,

Happy New Year to you! You are receiving this notice because you own a BMR home in the City of Palo Alto. In an effort to preserve the integrity of the program, we request that each owner return the attached Owner Occupancy Certification Form. Per the BMR Deed Restrictions that are recorded with your home, this is to verify that your BMR home is your principal place of residence. Please include copies of the following documentation along with your certification form:

- **A copy of your 2015-2016 Santa Clara County Secured Property Tax Bill showing the property address and homeowner's property tax exemption**
- **A copy of ONE of the following:**
 - a copy of your most recent City of Palo Alto Utilities statement **OR**,
 - a copy of all owners' valid Vehicle Registration, Driver's License or California Identification Card **OR**,
 - a copy/copies of most recent pay stub(s) of employed owners/co-owners **OR**,
 - if applicable, copies of all pages of mortgage statement for the home, showing balance owed.

PLEASE NOTE: The Owner Occupancy Certification form, property tax bill and one additional supporting document is **due in the office by 5:00 pm, Wednesday, February 17th, 2016.**

Please drop-off, mail or e-mail to: Attn: Lauren Bigelow, BMR Program Assistant
PAHC HOUSING SERVICES, LLC
725 Alma Street
Palo Alto, CA 94301

E-mail address is lbigelow@pah.community. Our office hours are Monday - Friday, 8:30 am - 5:00 pm. Please note: Our office will be closed Monday, February 15th in observance of President's Day.

Sincerely,

Jaejean Kang

Enclosure: Certification Form



PAHC Housing Services LLC
725 Alma Street
Palo Alto, CA 94301
Tel. 650 321 9709
Fax. 650 321 4341
pah.community

Owner Occupancy Certification Form

To: City of Palo Alto ("City")
From: _____ ("Owner")
E-mail Address: _____
Preferred Phone Number: _____
Development Name and Property Address: _____ ("Property")
Date: _____

By signature below, I/we _____ [insert name or names of Owner] hereby certify to the City under penalty of perjury that I/we occupy the Property located at _____ [insert address] (the "Property") as my/our principal place of residence and that I/we have lived in and physically occupied the Property for _____ [insert number] months of the calendar year 2015. Attached to this letter is a copy of my homeowners property tax bill/exemption showing my/our place of residence as well as a copy of one additional supporting document from the list.

The Owner hereby certifies that the above information is true and correct and this Owner Occupancy Certification is signed under penalty of perjury on _____, 2016.

By: _____
Owner Signature

By: _____
Owner Signature

Due Date: 5:00 pm, Wednesday, February 17th, 2016

Drop-off, Mail or E-mail to: Lauren Bigelow, BMR Program Assistant
PAHC Housing Services, LLC
725 Alma Street
Palo Alto, CA 94301
E-mail: lbigelow@pah.community
Office Hours: M - F, 8:30 am - 5:00 pm
(Office closed Monday, February 15th in observance of President's Day)

Include copy of property tax bill showing address of Property and copy of one additional supporting document.



PAHC Housing Services LLC
725 Alma Street
Palo Alto, CA 94301
Tel. 650 321 9709
Fax. 650 321 4341
pah.community

CITY OF MOUNTAIN BELOW MARKET RATE (BMR) RENTAL HOUSING PROGRAM
ANNUAL RECERTIFICATION

Date

Name

Address

Dear _____:

The Below Market Rate (BMR) Rental Guidelines require an annual review of income and family composition to determine continued eligibility under the BMR Housing Program. Please **call our office by 4:00 PM on February 12th, 2016 to schedule a recertification interview.** **Recertification interviews will be conducted Tuesday thru Thursday between 9:00 AM & 4:00 PM, on February 16th, 17th and 18th, 2016** and will take approximately 30-45 minutes. At the interview you will be required to provide all relevant documents per the enclosed documentation checklist. *(Please provide **copies** of all of the documents requested since we need to keep a set for our files. No originals!)* In addition to the documents listed on the checklist, please complete and bring with you the following (attached) documents to your recertification interview:

1. **Tenant Income Certification Questionnaire** form must be completed for **each** adult household member over the age of 18 years **(Attached)**.
2. A **Release of Information Form** signed by all adult members of your household **(Attached)**.
3. If applicable, copy of birth/adoption certificates for all children in household, added since your initial certification.
4. If applicable, copy of picture ID and Social Security Card of all adult household members added and/or turned 18 years of age since your initial certification.
5. If applicable, **Certification of Zero Income**, completed & signed, by all adult household members claiming zero income **(Attached)**.

Please note: All adult household members should attend the recertification interview & Income & Asset documentation must be submitted for all household members 18 years of age or older.

Thank you, in advance, for your assistance and cooperation. We look forward to seeing you!

Sincerely,

Lauren Bigelow
BMR Program Assistant

City of CAMPBELL

APPLICATION TO RENT A BMR UNIT

Completed applications should be returned no later than _____ to:
Palo Alto Housing, 725 Alma Street, Palo Alto, CA 94301

I. DOCUMENTATION CHECKLIST

PROVIDE THE REQUESTED DOCUMENTATION IN THE ORDER LISTED BELOW FOR APPLICANT, CO-APPLICANT (IF APPLICABLE) AND HOUSE HOLD MEMBERS 18 AND OLDER ("HH MEMBER")

	Applicant	Co-Appl	HH Member
INCOME			
➤ Copies of the most recent signed Tax Returns	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
➤ Copies of the last THREE (3) consecutive months' paycheck stubs (may be required to submit additional copies depending on pay structure)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
➤ Pension/VA/Retirement/Annuities Verification	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
➤ Social Security/SSI Verification Statement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
➤ Disability/Unemployment Verification	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
➤ Spousal/Child Support – Provide copies of Interlocutory Decree	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
➤ Dividends, Interest: Copies of THREE (3) recent statements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
➤ Recurring contributions/gifts/income from other sources verification	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ASSETS			
➤ Checking Accounts: SIX (6) most recent statements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
➤ Savings Accounts: TWO (2) most recent statements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
➤ Mutual Fund/Money Market Fund: TWO (2) most recent statements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
➤ Certificates of Deposit (COD): TWO (2) most recent statements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
➤ Stocks: Copy of Certificates of Proof of Purchase AND current statement AND any documentation of current value (online, newspaper, etc.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
➤ Bonds: Provide list of Bonds with Amount and Serial #	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
➤ Other assets TWO (2) most recent statements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
➤ Stock option verification	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

PRIORITY PREFERENCES – PREFERENCE CATEGORY AND THE ACCEPTED SUPPORTING DOCUMENTATION. MARK WITH A CHECK. IF NOT APPLICABLE, ENTER N/A (NOT APPLICABLE).			
1. City of Campbell Employee: (PRIORITY 1) <ul style="list-style-type: none"> ○ Copy of paycheck ○ Employment/Tenure Verification from HR 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Reside in City of Campbell (PRIORITY 2) Copies of current lease, utility bills, bills for land <ul style="list-style-type: none"> ○ Signed tax returns ○ Drivers License ○ Written statement from landlord or property manager indicating length of time at that address 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Work in City of Campbell (PRIORITY 3) <ul style="list-style-type: none"> ○ Copies of paycheck(s) ○ Tax Returns or 1099s ○ Employment Verification from HR/Employment 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

II. CONTACT INFORMATION

APPLICANT	CO-APPLICANT		
NAME: First, MI, Last	NAME: First, MI, Last		
() Married () Single	() Married () Single		
CONTACT PHONE: () _____ - _____	CONTACT PHONE: () _____ - _____		
TYPE (Circle One) Cell / Home / Work	TYPE (Circle One) Cell / Home / Work		
ALTERNATE PHONE: () _____ - _____	ALTERNATE PHONE: () _____ - _____		
EMAIL:	EMAIL:		
SOCIAL SECURITY NUMBER: - - -	SOCIAL SECURITY NUMBER: - - -		
PRESENT ADDRESS Street: City, Zip:	PRESENT ADDRESS Street: City, Zip:		
() Own () Rent () # Years at this address	() Own () Rent () # Years at this address		
IF RESIDING AT PRESENT ADDRESS FOR LESS THAN THREE (3) YEARS, LIST ALL PREVIOUS ADDRESS:			
FORMER ADDRESS	RESIDENCY		OWN / RENT
	Begin	End	
	-		() Own () Rent
	-		() Own () Rent

III. HOUSEHOLD INFORMATION

HOUSEHOLD SIZE: _____

LIST ALL HOUSEHOLD MEMBERS, INCLUDING APPLICANT AND CO-APPLICANT, LIVING IN THE HOME:

NAME	AGE / SEX	RELATIONSHIP
	/	<i>Applicant</i>
	/	
	/	
	/	

IV. EMPLOYMENT

APPLICANT		CO-APPLICANT	
Name and Address of Employer () Self Employed		Name and Address of Employer () Self Employed	
Employer Phone () -		Employer Phone () -	
Dates of Employment (from - To) / / - / / (mm/dd/yyyy)	Gross Annual Income \$	Dates of Employment (from - To) / / - / / (mm/dd/yyyy)	Gross Annual Income \$
Income from this source is received (select one): () Weekly () Every Other Week () Twice a Month () Other		Income from this source is received (select one): () Weekly () Every Other Week () Twice a Month () Other	

LIST ADDITIONAL EMPLOYMENT INFORMATION FOR APPLICANT, CO-APPLICANT AND ALL HOUSEHOLD MEMBER OVER THE AGE OF 18 YEARS OF AGE OR OLDER.

() APPLICANT () CO-APPLICANT () HH MEMBER		() APPLICANT () CO-APPLICANT () HH MEMBER	
Name and Address of Employer () Self Employed		Name and Address of Employer () Self Employed	
Employer Phone () -		Employer Phone () -	
Dates of Employment (from - To) / / - / / (mm/dd/yyyy)	Gross Annual Income \$	Dates of Employment (from - To) / / - / / (mm/dd/yyyy)	Gross Annual Income \$
Income from this source is received: _____		Income from this source is received: _____	

V. INCOME AND ASSETS

LIST THE GROSS ANNUAL INCOME OF ALL HOUSEHOLD MEMBERS 18 YEARS OF AGE AND OLDER.

INCOME SOURCE	APPLICANT	CO-APPLICANT	HH MEMBER	TOTAL
Wages, Salaries, Tips, etc.	\$	\$	\$	\$
Business Income	\$	\$	\$	\$
Interest & Dividend Income	\$	\$	\$	\$
Retirement & Insurance	\$	\$	\$	\$
Unemployment & Disability	\$	\$	\$	\$
Welfare Assistance	\$	\$	\$	\$
Alimony, Child Support &	\$	\$	\$	\$
Armed Forces Income	\$	\$	\$	\$
Other	\$	\$	\$	\$
TOTAL	\$	\$	\$	\$

ASSETS READILY AVAILABLE <i>Applicant (A) Co-applicant (CA) Household Member 18 years of age and older (HM)</i>						
A	CA	HM	Name of Bank	Type	Account #	Balance
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/> Checking <input type="checkbox"/> Savings		\$
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/> Checking <input type="checkbox"/> Savings		\$
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/> Checking <input type="checkbox"/> Savings		\$
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/> Checking <input type="checkbox"/> Savings		\$
CASH VALUE OF STOCKS/BONDS						
A	CA	HM	Name of Institution(s)	Account #	Value	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			\$	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			\$	
CASH VALUE OF MUTUAL FUNDS/MONEY MARKET ACCOUNTS						
A	CA	HM	Name of Institution(s)	Account #	Value	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			\$	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			\$	
CERTIFICATES OF DEPOSIT						
A	CA	HM				Value
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				\$
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				\$
CASH ON HAND/OR OTHER <i>Please Describe</i>						
A	C	HM				Value
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				\$
TOTAL OF ALL SOURCES LISTED ABOVE:						\$

1. Ethnicity	2. Race	
<input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino	<input type="checkbox"/> American Indian & Alaskan Native <input type="checkbox"/> American Indian/Alaskan Native & Black/African American <input type="checkbox"/> American Indian/Alaskan Native & White <input type="checkbox"/> Asian	<input type="checkbox"/> Asian & White <input type="checkbox"/> Black/African American <input type="checkbox"/> Black/African American & White <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> Other Multi-Racial <input type="checkbox"/> White

VI. CERTIFICATION OF APPLICANT(S)

Applicant(s) must initial each item:

1. (I/WE) UNDERSTAND THAT:

ANY AND ALL INFORMATION (I/WE) PROVIDE WILL BE USED TO DETERMINE (MY/OUR) ELIGIBILITY FOR SUBSTANTIAL PUBLIC BENEFITS AND ANY AND ALL INFORMATION CONTAINED IN THE RECORDS KEPT BY THE CITY OR AUTHORIZED AGENT CAN AND WILL BE USED FOR MONITORING, AUDITING AND ESTABLISHING (MY/OUR) ELIGIBILITY AND PRIORITY PREFERENCE FOR THE CITY OF CAMPBELL BELOW MARKET RATE (BMR) RENTAL PROGRAM; OTHERWISE THIS INFORMATION IS CONFIDENTIAL.

_____ (Applicant(s) Initials)

2. (I/WE CERTIFY THAT (I/WE):

HAVE PROVIDED INFORMATION HERIN THIS "APPLICATION TO THE BMR WAITING LIST" THAT IS TRUE AND CORRECT AND CAN PROVIDE VERIFIABLE DOCUMENTATION TO SUPPORT THE STATEMENTS MADE HERIN.

_____ (Applicant(s) Initials)

3. (I/WE) UNDERSTAND THAT: IF I/WE HAVE MADE FALSE STATEMENTS OR MISREPRESENTATIONS ON THIS APPLICATION, I/WE WILL RELINQUISH ALL RIGHTS TO PARTICIPATE IN THE BMR PURCHASE PROGRAM. MY/OUR COMINED HOUSEHOLD INCOME IS BELOW THE MAXIMUM HOUSEHOLD INCOME.

_____ (Applicant(s) Initials)

Applicant Signature

Date

Co-Applicant Signature

Date

Print Full Name

Print Full Name

(Signatures of all persons over the age of 18 years listed in Item 1 are required.)

Disclaimer: No household, or person, is guaranteed a unit by being accepted on the Waiting List. Since there are no pre-qualification requirements, staff will only be able to qualify, or disqualify, a household or person, after all verifications are completed and returned, along with credit, UD, Criminal background and landlord investigations. An applicant should review this "Tenant Selection Criteria" and determine for themselves if they may qualify and wish to apply.

Nondiscrimination: The City of Campbell is an equal housing provider. It does not discriminate on the basis of race, religion, color, creed, national origin, age, sex, disability, familial or marital status, source of income (e.g. TANF, SSI), or sexual orientation in the rental, lease, use or occupancy of the Project, or in connection with the employment or application for employment of persons for the operation and management of the Project. Requests for reasonable accommodations under Section 504 of the Rehabilitation Act of 1975 and/or the Fair Housing Act must be in writing and should be addressed to the City of Campbell or its designee.



PAHC Housing Services LLC
725 Alma Street
Palo Alto, CA 94301
Tel. 650 321 9709
Fax. 650 321 4341
pah.community

City of Campbell Below Market Rate (BMR) Housing Program

Date:

Dear:

We are pleased to inform you that the lottery to establish waiting list numbers for the City of Campbell BMR program was completed on _____. Names of all applicants who submitted complete pre-applications by the due date were entered in the lottery. **Your lottery number is ____.** The lottery number indicates your placement on the waiting list. Applicants will be screened and processed based on lottery number and preference status.

As Below Market Rate units become available, either due to vacancies at existing developments with BMR units or new developments, we will process applications based on lottery number and preference. Applicants with a higher ranked preference will be processed ahead of those with a lower ranked preference, e.g. City of Campbell employees who reside in Campbell will be processed ahead of households who live outside the city of Campbell limits and work in Campbell. Should your household situation change, such as your contact information, income or household composition, please inform our office by calling (650) 321-9709 or emailing lbigelow@pah.community and following up with written notification.

Thank you for your interest in the City of Campbell BMR Program. We look forward to working with you.

Sincerely,
PAHC HOUSING SERVICES, LLC

Jaejean Kang
BMR Program Manager

PALO ALTO BMR

RENTAL PROGRAM

PURCHASE PROGRAM

SENIOR LIVING ENTRY PROGRAM

HOMEOWNER INFORMATION

RESOURCES

GET IN TOUCH. GET INVOLVED.

If you have additional questions for PAH or want to learn how you can make a difference, contact us below.

[REQUEST MORE INFO](#) 



Rental Program

PAHC Housing Services, LLC administers the City of Palo Alto’s Below Market Rate (BMR) Housing Rental Program, a program that provides rental apartments in Palo Alto for low and moderate-income households. BMR rental units are leased at rates below prevailing market rents and rent increases are subject to certain limitations. BMR renters are selected from a Waiting List and must meet special income and other eligibility requirements.

The property managers at each project maintain separate Waiting Lists for their BMR units. **If you are interested in renting a BMR unit please contact the project property managers at the numbers shown for information about Waiting Lists, current rents, and vacancies.**

MAYFIELD APARTMENTS

12 BMR Units/1-3BD

345 Sheridan Avenue
Palo Alto, CA 94306
Main (650) 328-2300 / Fax (650) 328-2390



RESOURCES > AFFORDABLE 101 | PALO ALTO BMR | MOUNTAIN VIEW BMR

AFFORDABLE 101

OVERVIEW

COMMON PROGRAMS

RESOURCES

GET IN TOUCH. GET INVOLVED.

If you have additional questions for PAH or want to learn how you can make a difference, contact us below.

REQUEST MORE INFO >

We're here to help you navigate the process.

Hey, we get it! This stuff can get kind of confusing. HUD, CalHFA, Section 8, BMR.... What does it all mean? If you're here, chances are you have some questions. And although we can't promise to answer every question, hopefully these resources will be of assistance. If you still have questions, [get in touch](#).

- > HOW DO I FIND AFFORDABLE HOUSING?
- > INCOME ELIGIBILITY. DO I QUALIFY?
- > LOOKS LIKE I QUALIFY, NOW HOW DO I SIGN UP?
- > WAITLISTS. HOW DO I GET- AND STAY- ON ONE?

**PALO ALTO HOUSING
BELOW MARKET RATE PROGRAM ADMINISTRATION
FOR THE CITY OF CAMPBELL
2016-2017 PROPOSED STATEMENT OF FEES**

Program Component	Quantity	Type	Rate	Amount	Work Product
Monitoring -- Existing BMR Home Ownership	89	File	\$ 120	\$ 10,680	Certify existing units annually for owner occupancy, send annual update letters, requests for utility bills, waiting list updated, foreclosures, current on HOA dues & assessments etc. file.
Monitoring -- On-going (Website)	15	Hours	\$ 150	\$ 2,250	Maintain and update PAH website to include Campbell program information; insure information is current and consistent with City of Campbell' website. Bi-annually review City of Campbell website and coordinate with City staff to ensure information is current based on meetings and/or discussions with City staff.
Subordination/Refinancing	2	Unit	\$ 500	\$ 1,000	All necessary documents for BMR Restrictions are prepared timely and accurately including Notes, Deed of Trust, Subordination Agreements, etc. Recorded documents will be sent to the City Clerk. Cost per unit \$500 (5 hours @ \$100/hr). Assuming two refinances annually.
Sale & Resale	19	Unit	\$ 2,000	\$ 38,000	Work with City and Developer regarding marketing and outreach material. Conduct lottery to determine order in which applications will be reviewed. Provide an orientation workshop for potential buyers. Coordinate w/ the City's realtor and escrow company. Qualify potential buyers w/accurate and complete recording docs: Purchase Contract, Resale Restriction Agreement, Notes and Deed of Trust, etc. Based on the 19 new BMR homes for sale in 2016.
Existing Loan Administration	150	Hours	\$ 75	\$ 11,250	Update data base to include all housing loans, including all relevant borrower information, loan amounts, interest rates etc. and status of such loans. Follow up with delinquent borrowers and work with city on recording of all paid off loans. Work on loan subordinations and payoff transactions.
Rental Certifications & Recerts	293	Unit	\$ 350	\$ 102,550	Initial Certifications and Annual Recertifications of rental residents. Includes the initial certifications to ensure program eligibility and compliance for new move in's and annual recertifications for existing BMR residents
Subtotal				\$ 154,480	
Additional (Reimbursable) Costs (Not to Exceed \$10,000)				\$ 8,500	Additional costs would include liability, errors and omissions insurance, postage, advertising, conference and training, office supplies & outside services, except that if outside services or consultant and or legal fees exceed \$3,000.00, shall be pre-approved by the City.
Initial Set Up Fee	200	Hours	\$ 125	\$ 25,000	One time fee to review and organize files, enter information into data base, letter to existing applicants and residents regarding change in administration. Set up website.
TOTAL				\$ 187,980	ANNUAL BMR ADMINISTRATION (after initial year) FEE NOT TO EXCEED \$164,480



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

1/15/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Arthur J. Gallagher & Co. Insurance Brokers of CA, Inc. LIC# 0726293 1255 Battery Street #450 San Francisco CA 94111	CONTACT NAME: PHONE (A/C, No, Ext): FAX (A/C, No): E-MAIL ADDRESS: <table style="width: 100%; border: none;"> <tr> <td style="text-align: center; border: none;">INSURER(S) AFFORDING COVERAGE</td> <td style="text-align: center; border: none;">NAIC #</td> </tr> <tr> <td style="border: none;">INSURER A : Philadelphia Indemnity Insurance Co</td> <td style="border: none;">18058</td> </tr> <tr> <td style="border: none;">INSURER B : Everest National Insurance Company</td> <td style="border: none;">10120</td> </tr> <tr> <td style="border: none;">INSURER C : Evanston Insurance Company</td> <td style="border: none;">35378</td> </tr> <tr> <td style="border: none;">INSURER D :</td> <td style="border: none;"></td> </tr> <tr> <td style="border: none;">INSURER E :</td> <td style="border: none;"></td> </tr> <tr> <td style="border: none;">INSURER F :</td> <td style="border: none;"></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Philadelphia Indemnity Insurance Co	18058	INSURER B : Everest National Insurance Company	10120	INSURER C : Evanston Insurance Company	35378	INSURER D :		INSURER E :		INSURER F :	
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INSURER C : Evanston Insurance Company	35378														
INSURER D :															
INSURER E :															
INSURER F :															
INSURED PALOALT-03 Palo Alto Housing Corporation 725 Alma Street Palo Alto CA 94301															

COVERAGES	CERTIFICATE NUMBER: 698948096	REVISION NUMBER:
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.		

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:			PHPK1311593	4/1/2015	4/1/2016	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$300,000 MED EXP (Any one person) \$15,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			PHPK1311593	4/1/2015	4/1/2016	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$10,000			PHUB493936	4/1/2015	4/1/2016	EACH OCCURRENCE \$10,000,000 AGGREGATE \$10,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y/N N/A	CA10001196151	4/1/2015	4/1/2016	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000
C	Professional Liability			EO859645	4/1/2015	4/1/2016	Each Incident 1,000,000 Aggregate 2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

MUFG Union Bank, N.A., its successors and/or assigns are included as Additional insureds per the attached endorsement.

Colorado Park, 1031-1151 Colorado Avenue, Palo Alto, CA 94303.
 Named Insured Includes: Colorado Park L.P.

Sample

The Producer will endeavor to mail 30 days written notice to the Certificate Holder named in the certificate if any policy listed on the certificate See Attached...

CERTIFICATE HOLDER MUFG Union Bank, N.A. PO Box 30115 Los Angeles CA 90030-0115	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
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February 9th, 2016

Cindy McCormick, Senior Planner
City of Campbell
Community Development Department
70 North First Street
Campbell, CA 95008

RE: RFP to Provide Services to Manage the Below Market Rate Program for the City of Campbell

Dear Cindy McCormick;

We are pleased to submit our qualifications in response to the RFP referenced above. We believe that West Valley Community Services (WVCS) is uniquely positioned to fulfill the requirements of the RFP and to ensure the success of the City of Campbell's Below Market Rate (BMR) Program.

Founded in 1973, WVCS provides a continuum of basic needs, family support services and housing services including information and referrals, food pantry, clothing, transitional housing, affordable housing, financial assistance, family support and case management. We serve the West Valley communities of Cupertino, Saratoga, Los Gatos, Monte Sereno, West San Jose and the surrounding mountain region. Last year we provided services to over 8,000 individuals in these service areas.

WVCS has administered the Affordable Placement Program for the City of Cupertino for over 20 years. This program provides low- and very low-income individuals and families with the opportunity for placement on the waitlist for below market rate apartments in Cupertino. WVCS also screens prospective medium-and moderate-income families for homes sold or resold at below market rate.

We look forward to the opportunity to work with the City of Campbell and appreciate your consideration. Please let me know if you have any questions or require additional information.

Sincerely,



Josh Selo
Executive Director
West Valley Community Services
408-956-6113 (direct)

2. Qualifications

WVCS provides a variety of critical lifeline services to prevent hunger and homelessness and serves as the only safety-net agency in the West Valley for individuals and families facing these challenges.

Our core services are:

Health - Provides Food & Nutrition Services

Home - Provides Shelter & Affordable Housing

Heart - Provides Family Support & Emergency Assistance

West Valley Community Services (WVCS) currently administers the Affordable Placement Program for the City of Cupertino providing low-income individuals and families an opportunity for placement on the waitlist for below-market rate apartments in Cupertino. WVCS also screens prospective medium- and moderate-income families for homes sold or resold at below-market rate. The First-time Home Buyer Program is intended to provide those prospective first time home buyer households who could not otherwise afford to buy any home in Cupertino, and have demonstrated the ability to rent a bona fide rental dwelling unit and pay all household expenses independently for at least six months, and who may be facing significant rent increases threatening their ability to remain in Cupertino, with an opportunity to purchase a home in Cupertino for long-term occupancy.

The WVCS services and programs are designed to support the wide diversity of client population in communities we serve. WVCS staff and volunteers are bi-lingual and multicultural. The WVCS intake form is available in English, Chinese, and Spanish, Vietnamese, and Russian.

In FY 2014-2015, we served a total of 786 households through the wait-list, re-certification and certification process. 187 households were placed in BMR rental units or on the waitlist. Eight households purchased affordable units and became first time homeowners.

WVCS has a detailed scope of work, program policies and procedures, and an appeals process for the City of Cupertino BMR program and WVCS will work with City of Campbell to develop a similar process for the Campbell BMR program.

3. Program Administration

Current BMR experience

Since 1994, WVCS has successfully administered and managed the Affordable Housing Program for the City of Cupertino. The Affordable Placement Program is for apartment rentals and new and previously owned home purchases. WVCS owns 24 BMR units and manages the BMR sales and rental program for the City of Cupertino. WVCS collaborates with seven other rental properties in helping provide safe and affordable housing to 129 low and very low-income

households. Residents participating in the BMR program pay affordable rent as low as \$950 for a one bedroom and \$1,070 for a two bedroom. These rents are at least 45% less than the market-rate rents. Currently, WVCS is moving to convert its Transitional Housing Program to BMR, thus adding four more units to the current BMR inventory. These four units will house family sizes of four or more. This will help are extremely-low and very-low families live and work in Cupertino. Housing costs are a burden to many low-and moderate income (LMI) working families in the Cupertino community. The predominant issue is the dramatic rise in housing costs in recent years.

WVCS qualifies 138 apartments in the City of Cupertino designated as Below Market Rate (BMR) apartments and ensures these units are occupied by very-low and low-income residents, processes BMR Rental applications to place qualified applicants in the 138 BMR units, maintains an annually updated waitlist for future tenants, and re-qualifies all tenants annually to determine that they are eligible to continue to participate in the program. Through our annual recertification process, WVCS maintains an updated waitlist for future tenants and re-qualifies all tenants to determine their eligibility in the program.

Acting as an agent, WVCS qualifies and places median- and moderate-income first-time home buyers into BMR condominiums and townhomes throughout the City of Cupertino and maintains an annually updated waitlist for future sales opportunities through the BMR Sales Program. WVCS also administers any units resold in the program and finds appropriate, qualified buyers via the waitlist, conducts annual residency verification for current homeowners, and audits properties in the sales program to ensure the home maintains its BMR resale value.

The experience that we have with the Affordable Housing Program helps us to continue to provide services and assist our neighbors with affordable housing allowing residents to live and work in the Cupertino community. The goal of WVCS is to continue the Affordable Housing Program, so we can help more families gain access to the program.

Current Scope of Services for BMR Rental and Sales Program *(See attached Sample forms and brochure)*

A. Process for Rental and Sales

- a. Beginning of September; prepare BMR packets (Eligibility Forms and instructions to fill out application).
- b. Middle of September, contact Matt Wilson (mwilson@community-newspapers.com) to put article in Cupertino Courier for Eligibility Forms availability at WVCS online or Public Services.
- c. Prepare Eligibility Form Instructions and Eligibility Form packets to drop off at Public Services.

B. Eligibility Forms (October)

- a. Eligibility Forms are available the first business day of October and the last business day of October.
- b. Any modification or revision to the Eligibility Forms is allowed during the month of October only.
- c. All applicants must attach a copy of (3) most current paystubs (for proof of income), a copy of most current 1040 tax form (first page only) and a copy of PG&E bill or auto insurance (for proof of residency) in order to earn the priority points.
- d. WVCS reviews Eligibility Forms and separates them in ranking points.

C. Lottery Pool (November)

- a. Witnesses must include one board member, one volunteer and the BMR program manager.
- b. Witnesses will randomly pull numbers from a hat and assign them accordingly to the ranking group.
- c. After lottery pool is complete, mail letters to notify applicant(s) by the end of the same year if they have been denied or approved; if approved, provide their number on the waiting list.

BMR- Rentals

A. Vacant Units

- a. When a unit becomes available, the applicant on top of the waiting list who meets the specified income levels and household sizes will get a call to view the unit first, and so on until the unit has been occupied. Generally, there will be an applicant #1 and an applicant #2 as a backup household.
- b. Applicant #1 has 48 hours to view the vacant unit. If applicant #1 wants to rent the unit, then they need to submit a BMR application with all required documentation within 48 hours.

Required Documents:

- Copies of Rental Agreement or current utility bill
(The following documents must be turned in for each person 18 years or older)
- Copies of valid Photo ID
- Copies of three (3) most recent consecutive payroll stubs
- Copies for other income such as SSI, SS, pension, child support, spousal support, etc.
- Copies of W2 forms for the last two (2) years
- Copies of Federal Tax return papers for the last three (3) years (1040, 1040EZ, etc.)
- Copies of all bank statements (all pages) for the last two months (checking, savings, stocks, bonds, CD's, etc.)
- Copies of all asset statements (all pages), most recent statement (401K, Pension Accounts, Retirement Accounts, etc.)

- A non-refundable \$30.00 application fee for rental program in the form of check, money order, or cashiers' check payable to West Valley Community Services (WVCS).
 - A verification of employment letter from the personnel department if applying for Priority Placement on the waitlist based on employment in Cupertino
 - Social Security Card (for all people living in the household)
- c. Education class: WVCS needs to discuss the BMR process and household responsibilities for continued participation in the BMR program. For example, household must be recertified annually, if household members change then the applicant must notify WVCS, etc.
- d. After applicant is certified for the BMR program, they need an approval letter from WVCS. This is given to the property manager so they can start the application process on their end.
- e. When the applicant is approved with the apartment complex, the client will sign a 1 year lease with the apartment complex.

B. Enter application information into the system.

C. Clients need to be recertified annually if they want to continue living in the BMR unit.

- a. Requalification letter needs to be sent to the client 30 days prior to renewal lease.
- b. As a reminder to mail a requalification letter to client; client's information needs to be entered on the housing@wvcommunityservices.org calendar: Name and Address
- c. Documents for recertification:
- 3 current paystubs or income documentation
 - Current W2
 - Current federal tax return
 - 2 months current bank statements
 - 2 months current asset statements
- d. Results for recertification:
- Qualify- Letter given to client to continue in the program and sign another 1 year lease with apartment complex.
 - Disqualify- 90 Day Notice will be given to client to vacate the premises.
- e. Date entry in system
- BMR recertification status/ Recertify
 - Income for all household members

BMR- Sales

A. Unit is available

- a. WVCS notifies the first applicant from the waiting list and conducts a short phone interview:

- Have you been on title (own property) in the past 3 year?
 - Has your current income changed since you applied for the waiting list?
 - What is your net asset amount?
- b. If applicant meets the necessary criteria, we will provide the address to view the location of the unit.
- c. Applicant has 2 business days to inform WVCS of their decision to purchase the unit.
- d. If applicant chooses to purchase the unit, they have to see if their household qualifies for the BMR program. Applicant must submit BMR application and all necessary documentation.

Required Documents:

- Copies of Rental Agreement or current utility bill
(The following documents must be turned in for each person 18 years or older)
 - Copies of valid Photo ID
 - Copies of three (3) most recent consecutive payroll stubs
 - Copies for other income such as SSI, SS, pension, child support, spousal support, etc.
 - Copies of W2 forms for the last two (2) years
 - Copies of Federal Tax return papers for the last three (3) years (1040, 1040EZ, etc.)
 - Copies of all bank statements (all pages) for the last two months (checking, savings, stocks, bonds, CD's, etc.)
 - Copies of all asset statements (all pages), most recent statement (401K, Pension Accounts, Retirement Accounts, etc.)
 - A non-refundable \$50.00 application fee for sale program in the form of check, money order, or cashiers' check payable to West Valley Community Services (WVCS).
 - A verification of employment letter from the personnel department if applying for Priority Placement on the waitlist based on employment in Cupertino
 - Social Security Card (for all people living in the household)
- e. The applicant must meet the income limits per Housing & Community Development (HCD) Maximum Income Limits Per household size at the time of the application submitted and reviewed by WVCS.
- f. After documentation is turned into the office, there is a 5-business day turn around to review applicant(s) paperwork.
- Applicant(s) will receive a letter for certification in the BMR program if they qualify.
 - If applicant(s) qualify, they are now a client of the BMR program.

B. Client needs to work with lender and get preapproved for a loan. Give them preferred lender list.

C. Initial meeting before transaction of sale and discuss the purchase process.

- a. Give timeline for sales transaction.

D. Sales Transaction

- a. Client(s) is required to get loan preapproval and must provide WVCS documentation of the financing amount for their purchase. WVCS will conduct final certification and provide letter of approval notifying client(s) to proceed with purchase, once WVCS sees the loan amount.
 - Loan amount must not exceed the purchase price.
- b. Client(s) signs purchase contract with Seller and becomes Buyer.
- c. Buyer chooses formal loan for purchase and begins the process with Broker.
- d. WVCS opens escrow with Title Company (use preferred Title Company).
- e. Send buyers the City of Cupertino loan documents for their review.
- f. WVCS and Buyer needs to have an education class and discuss the City documents.
 1. Inform client's they need homeowners insurance
 2. Client pays \$350.00 administrative fee and signs agreement
 3. Remind clients, as BMR homeowners, if they want to refinance, capital improvements over \$2000, or sell the unit, they must get approval from the City or its agent.
- g. Buyer proceeds with loan and finalizes any documentation with the Broker.
- h. WVCS send City of Cupertino loan documents to the Title Company.
 - Escrow Instructions
 - Buyer's Disclosure
 - Note
 - Deed of Trust
 - Occupancy Resale Restriction Agreement
 - Request for Notice of Default
- i. Buyers and Sellers signs escrow papers with Title Company.
- j. Title Company sends city's loan documents for their counterparty signature. City returns original documents back to the Title Company for recording with the county.
- k. Lender sends loan funds to the Title Company and then closes escrow (documents record with County).
- l. Buyer becomes Homeowner and receives keys to new home.
- m. Discuss the responsibilities of owning a BMR unit.

E. Annual Tasks for BMR Homeowners

- a. Audit lot books to make sure units are not encumber
 - * Send letter to client if the property is in encumber
- b. Owner Occupancy Form

1. Send owner occupancy forms to clients at the beginning of February and give at least 2 weeks for return.

F. Resale Values for BMR Homes to the County Assessor

- a. Calculate value of BMR homes after the new CPI is posted at the beginning of each year website for CPI: <http://www.abag.ca.gov/planning/research/cpi.html>
 - * Homes purchased before October 2010 are based off the CPI
 - * Homes purchased after October 2010 are based off the AMI
- b. Send spreadsheet with Resale Value to County Tax Assessor, John Recchio:
email- john.recchio@asr.sccgov.org

Proposed Scope of Service

Upon execution of a contract with West Valley Community Services (WVCS), the program manager will meet with the City of Campbell housing staff to review the City’s procedures, ordinance(s), resolution(s), and implementation guidelines. WVCS will review current program collateral, design of and web site content and program summary; along with the City’s current application process, procedures and guidelines. We would use the current processes and scope of services and revise it to meet the needs and requirements of the City of Campbell BMR program.

We will visit the current BMR housing locations and review all current leases and evaluate the status of the current wait list using the following proof of eligibility: applicants most recent paycheck stubs, documentation of other income (SSI, pension, child support, etc.), current W2, Federal Tax Return for the previous year, bank statements for the last two months, copies of all asset statements for the last two months (stocks, bonds, etc.), Social Security Cards, photo ID, birth certificates for any child under the age of 18, and passports, and or permanent ID are also required.

The Program Manager Housing Christine Nguyen will oversee the administration of the program. Strategic direction will be provided by the Associate Director, Sujatha Venkatraman. *(See attached Organization Chart)*

4. COST- Total Cost for administering the program \$55,000

Ownership	
New Application Processing (20 X \$50)	\$ 1,000
New Certification Cost (19 X \$500)	\$ 9,500
Closing Cost (5 X 1,000)	\$ 5,000
Refinancing Cost (10 X \$250)	\$ 2,500
Total Ownership Cost for 89 Units	\$18,000
Rental	
New Application Processing (30 X \$60)	\$ 1,800

Annual Recertification (293 X \$ 30)	\$ 8,790
Auditing the 534 Senior units X \$30	\$16,020
Total Cost for 827 units	\$26,610
Publication Cost and Material	\$ 5,000
Unit Inspections	\$ 2,890
Travel Cost	\$ 2,500
TOTAL PROGRAM COST	\$55,000

5. Additional Information

WVCS has 12 years of experience in running the BMR program, and WVCS will be able to incorporate suggestions or improvements after we observes and evaluate the City of Campbell's BMR program.

6. Identification of Key Staff & Contact Information

Executive Director

Name: Josh Selo
Phone: 408-956-6113
Email: josh@wvcommunityservices.org

Associate Director Stability Support Services

Name: Sujatha Venkatraman
Phone: 408-342-0550
Email: sujathav@wvcommunityservices.org

Program Manager, Housing Services

Name: Christine Nguyen
Phone: 408-956-6112
Email: christinen@wvcommunityservices.org
(See attached resume)

7. References

City of Cupertino
Christopher "C.J." Valenzuela
Senior Housing Planner
10300 Torre Avenue
Cupertino, CA 95014
408.777.3251 (Phone)
christopherv@cupertino.org

County of Santa Clara
Hillary Barroga
Continuum of Care Quality Improvement Manager Office of Supportive Housing
County of Santa Clara
3180 Newberry Drive, Suite 150
San Jose, CA 95118
Hillary.Barroga@hhs.sccgov.org

City of Sunnyvale
Suzzane Ise, Housing Officer
456 W. Olive Ave
Sunnyvale, CA 94088
sise@sunnyvale.ca.gov
(408) 730-7250

8. Insurance Coverage
(See attached Insurance Coverage)

9. Terminated Contracts / Ligation

WVCS has had no contracts/agreement terminated or defaulted in the past three years.



HEALTH • HOME • HEART

West Valley Community Services

10104 Vista Drive
Cupertino, CA 95014

408-255-8033

Fax 408-366-6090

www.wvcommunityservices.org

Additional Documents Attached

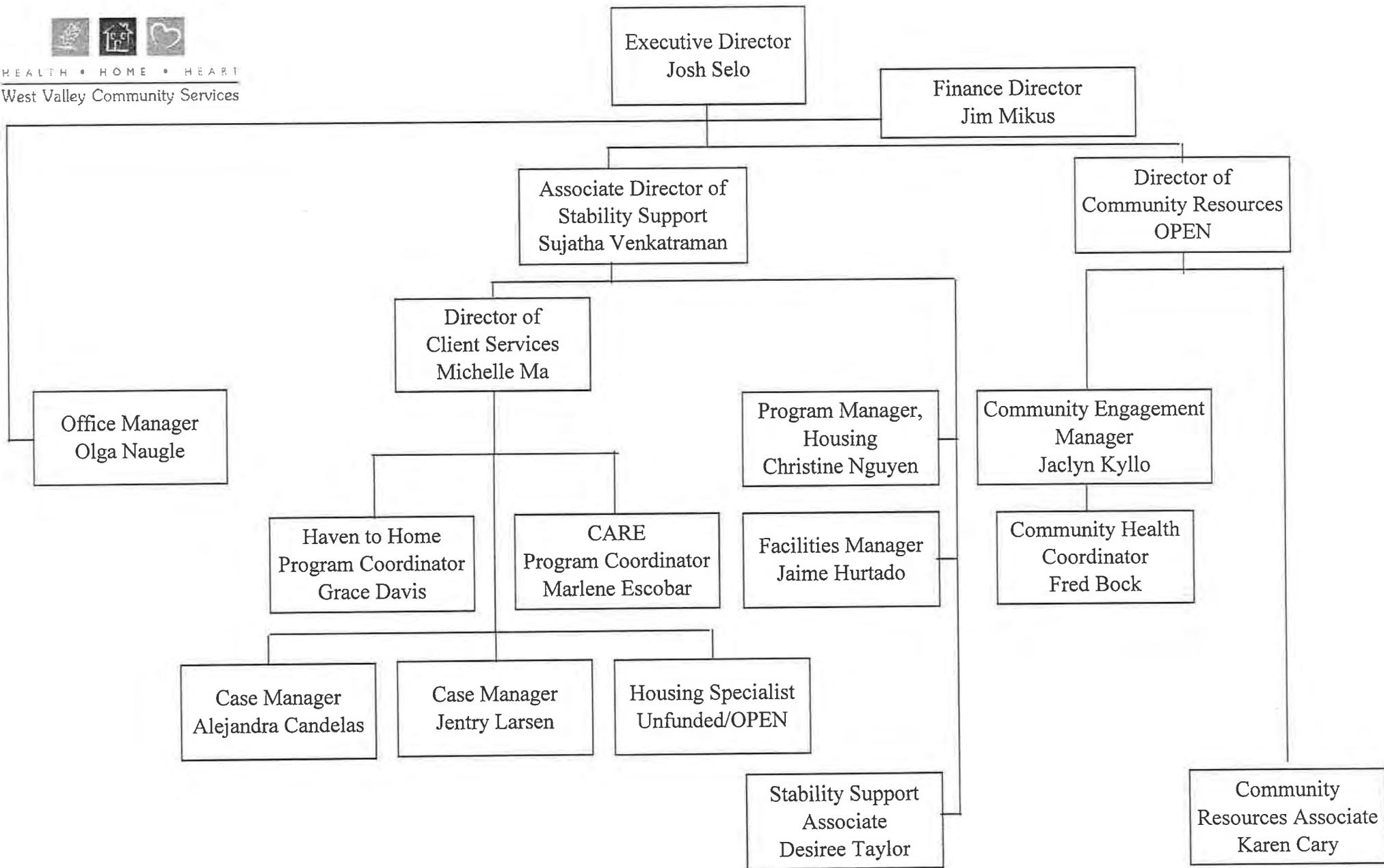
Section 3 – Organization Chart

Section 3-Sample Forms, Brochures, and FAQ

Section 6- Program Manager Resume

Section 8 -Agency General Liability Insurance

***Serving the Communities of Cupertino, Los Gatos, Monte Sereno, Saratoga,
West San Jose and the surrounding mountain regions.
Non-profit, community based 501 (c) (3) organization***



Total: 17 FTE

Lien (Christine) Ho Nguyen

1280 Hazlett Court, San Jose, CA 95131

(408) 518-2098 Cell

(408) 392-0589 Home

christine.ho517@gmail.com

OBJECTIVE

Secure a challenging and rewarding position where my knowledge, experience, and leadership skills can be effectively utilized.

SKILLS

- Excellent experience in developing, translating and presenting material
- Excellent knowledge of mortgage products and guidelines including down payment assistant and BMR programs
- Excellent knowledge of HUD regulations and policies
- Quick to learn new skills and techniques to achieve goals.
- Able to communicate effectively with all levels of management and customers.
- Dependable with on-time performance and consistency.
- Self-motivated, recognized as a results-oriented and solution-focused individual.
- Professional in building and maintaining customer relationships.
- Demonstrated ability to multi-task in a high pressure, high stress environment.
- Work well independently as well as in a collaborative team with minimal supervision.
- Maintaining confidentiality in all aspects on the firms dealing and working.
- Ability to resolve complex office problems.
- Ability to translate documents from English to Vietnamese
- Possess excellent written and verbal communication skills in English and Vietnamese.
- Microsoft Office: Excel, Word, Outlook, PowerPoint, Publisher
- Other office software: QuickBooks, AutoCAD 2000, Bond Tracker, and Home Counselor online
- Languages: Vietnamese & English

EXPERIENCE

West Valley Community Services

March 2015 - present

Program Manager of Housing

- Administer the Below Market Rate (BMR) Housing Program for the City of Cupertino
- Conduct BMR rental client intake and assessment to determine eligibility and annual recertification to determine continued eligibility
- Conduct annual BMR sales eligibility process and qualification of potential clients
- Ensure BMR rental and sales programs comply with program rules and regulations
- Provide information and referral for callers, walk-in assistance, and current clients in the areas of affordable housing options
- Administer rental properties owned by WVCS (24 BMR apartment units, 4 Transitional Housing Program units)
- Participate in monthly City of Cupertino Housing Committee meetings
- Complete quarterly reports and compile and maintain necessary statistical data
- Coordinate financial reporting and invoicing with accounting staff

Asian Inc., San Francisco, CA

June 2012 – March 2015

Housing Counselor

- Translate and deliver workshop material in Vietnamese for workshops
- Conduct and coordinate homebuyer and foreclosure education workshops
- Provide one-on-one counseling for pre-purchase and foreclosure prevention client
- Conduct and Analyze potential homebuyers eligibility for all DAPs and BMRs programs in Santa Clara County
- Build rapport with local Vietnamese Radio and TV Stations
- Work in collaboration with other non-profit agencies to assist the community at large

- Participate in community outreach and meetings with the City of San Jose
- Communicate with participants, lenders, funders, investors, and others as needed
- Contribute to grant reporting as needed
- Meet individually with clients to provide education, guidance, and referrals
- Maintain the database associated with housing counseling and homebuyer assistance
- Attend training and classes with NeighborWorks America Training Institute, Making Home Affordable, Counselor Corner, HUD, CFPB and RCAC
- Comply with all requirements of grant contracts and agreements
- Serve as initial point of contact for the program
- Follow-up with clients on collection of documents required for mortgage modification process
- Explain and simplify the complexities of mortgage modification process and programs
- Work to clarify and correct all problems
- Maintain communication between clients, lenders, and all other parties involved in the mortgage modification transaction
- Establish, maintain, and update files, databases, records, and /or other documents for recurring internal reports.
- Compile documents for customer files and enter intakes to Data Management System for processing and assessment
- Process the documents received for each file, verifying the accuracy and completeness of each document
- Assure that all clients files are complete and in compliance with regulatory agencies and internal policies
- Ensure customer privacy, security of files and appropriate access
- Counseled 150 foreclosure clients and 50 first time homebuyers clients
- Negotiated 140 loan modifications with five lenders/servicer including Wells Fargo, Bank of America, Chase, Ocwen, SPS, ASC, Suntrust, NationStar, PNC, US Bank, Citi Mortgage, Everhome Mortgage, Green Tree, etc.

Vu Bail Bonds, Inc. San Jose, CA

May 2006 – August 2011

Assistant Manager

- Possess extensive administrative and customer service skills.
- Obtained bail information for defendant from variety county correctional facilities.
- Negotiate contract conditions & provide accurate requirement information to a diverse group of cliental.
- Oversee and manage office flow & able to handle multiple tasks under high-pressure and fast paste environment.
- Familiar with multi-line phone system.
- Represented company with professionalism.
- Prepare monthly income & budget report to the CEO.
- Responsible for providing training sessions for the new employees.
- Set up work schedule for all employees
- Auditing time cards biweekly
- Collect and maintain record for all account receivable

Atlantic Bancorp, Inc., Milpitas, CA

June 2003 – September 2006

Mortgage Consultant

- Managed customer account information
- Intake application & provide reliable information to customers.
- Evaluate and negotiate interest rate with lender
- Explain to customers the different types of loans and credit options that are available, as well as the terms of those services.
- Order appraisal, credit report and credit supplement

- Open escrow with title company and review GFE
- Work with lender and underwriter through the process of loan approval
- Maintain pipeline report and notify management of status as needed
- Coordinated sign off
- Conflict resolution with client issues

MSI Consulting Engineer, Santa Clara, CA

June 1999 – June 2003

Executive Administrator/Book keeping

- Interact with clients and customers
- Answered multi-line phone system
- Collect and maintain record for all account receivable and Account payable.
- Drafting using Auto-Cad as needed
- Coordinate meetings and project deadline planning
- Assisting manager to Consult and Coordinate drawings with variety contractors

Quality Family Dentistry, Milpitas, CA

August 1996 – April 1999

Administrative/Dental Assistant

- Answered multi-line phone system
- Creating and maintaining office documents: billing, reports and making appointment
- Consult and assist clients the details with their dental benefit
- Contact and obtain dental benefit break-down with variety insurance companies
- Support and assist dentist as needed

EDUCATION

San Jose State University, San Jose, CA
Bachelor of Arts: Business Administration & Finance

De Anza College, Cupertino, CA
Associate of Arts: Business Administration & Accounting

CERTIFICATIONS

NCHEC Certification in Homeownership Counseling
NCHEC Certification in Pre-Purchase Homeownership Education
NCHEC Certification in Foreclosure Intervention and Default Counseling

OTHER PROFESSIONAL TRAININGS

City of San Jose DAP Programs
The Housing Trust of Silicon Valley DAP Programs
San Francisco Mayor's Office of Housing Down Payment Assistant Loan Program (DALP)
San Francisco Mayor's Office of Housing BMR Program
Counselor Corner-Credit Smart

VOLUNTEER ACTIVITIES

Participating member, Foreclosure HELPSCC	2013 - Present
Participating member, Homeownership SF	2013 - Present
Participating member, Vietnamese-American Roundtable	June 2014 – Present
Participating member, Silicon Valley Community Foundation	Sept. 2014 – Present

REFERENCES

Available upon request



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
1/12/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER NFP P & C Services, Inc. - San Jose Lic # 0F15715 160 W. Santa Clara St. Ste.575 San Jose CA 95113	CONTACT NAME: Valerie Dehus PHONE (A/C, No, Ext): (408) 792-5400 FAX (A/C, No): (408) 792-3670 E-MAIL ADDRESS: valerie.dehus@nfp.com													
	<table border="1"> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> <tr> <td>INSURER A: Philadelphia Indemnity Ins Co</td> <td>18058</td> </tr> <tr> <td>INSURER B: New York Marine & General Ins</td> <td>16608</td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Philadelphia Indemnity Ins Co	18058	INSURER B: New York Marine & General Ins	16608	INSURER C:		INSURER D:		INSURER E:		INSURER F:
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INSURER E:														
INSURER F:														
INSURED West Valley Community Services of Santa Clara 10104 Vista Drive Cupertino CA 95014														

COVERAGES **CERTIFICATE NUMBER:** 15/16 All Lns **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			PHPK1345308	6/1/2015	6/1/2016	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 1,000,000 Employee Benefits \$ 1,000,000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS			PHPK1345308	6/1/2015	6/1/2016	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Medical payments \$ 5,000
A	<input type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			PHPK1345308	6/1/2015	6/1/2016	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	WC201500007927	12/31/2015	12/31/2016	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

RE: Proof of Insurance
(Form CIR attached)

CERTIFICATE HOLDER**CANCELLATION**

EVIDENCE OF INSURANCE	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE M Velasquez/MVELAS 

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COMMENTS/REMARKS

CONTRACTUAL INSURANCE REQUIREMENTS

The attached Certificate of Insurance is provided as part of our service to our client, the Insured. If special endorsements have been provided, they also are indicated attached. You may find that these documents do not comply with all the terms and conditions of the underlying contract between the Certificate Holder and the Insured due to the insurance company's insuring conditions, limitations, exclusions and other terms. If you have any questions, please contact the undersigned.

THOITS INSURANCE SERVICE, INC.
CA LICENSE #0243213
160 WEST SANTA CLARA STREET, 12TH FLOOR
SAN JOSE, CA 95113
TELEPHONE: (408) 792-5400
FAX: (408) 792-3695

Eligibility Form Instructions

The City of Cupertino and their Agent, West Valley Community Services, is pleased to offer you the opportunity to apply to rent a Below Market-Rate (BMR) apartment or purchase a Below Market-Rate (BMR) home in Cupertino.

The City has contracted with West Valley Community Services (WVCS) to process eligibility forms, applications, verify information, determine eligibility, notify applicants of their eligibility, and maintain the rental and purchase waitlists.

ELIGIBILITY PROCESS:

- Please read these instructions completely, determine your eligibility and complete the enclosed BMR Eligibility Form. The completed form must be received at the WVCS office, 10104 Vista Drive, Cupertino, CA 95014. (WVCS is located behind the Stevens Creek Fire Station on Stevens Creek Boulevard, one block east of De Anza Boulevard).
- WVCS will review your eligibility form and determine your priority ranking (3, 2, 1, or 0) based on current Cupertino residency and current employment in the City of Cupertino. Please see page 2 for definitions of these terms.
- A drawing with the eligibility forms will determine the order of eligibility within each priority ranking (3, 2, 1, or 0).
- All candidates will be mailed results by the end of the year; if they have been denied or approved, and if approved, the applicant number on the waitlist. The first candidate on the waitlist will be notified to view the next available unit (rental or purchase) and begin the application process.

ELIGIBILITY FORM:

Please note that all information provided on the Eligibility Form will be verified when you are shown an available unit. Any information found to be false or inaccurate will immediately void your participation in the program. Candidates must keep WVCS updated throughout the year of any changes in information supplied. Incomplete and late Eligibility Forms will not be processed.

Rent or Purchase: Choose only one box.

Household Size: The total number of individual or family members who will be living in the unit.

Income Limits to Qualify for Purchasing a Home: See chart below. The amounts listed are gross (before taxes are taken out).

2015 Housing and Community Development (HCD) Income Limits BMR Purchase Program						
Size	1	2	3	4	5	6
Median	\$74,400	\$85,050	\$95,650	\$106,300	\$114,800	\$123,300
Moderate	\$89,300	\$102,050	\$114,800	\$127,550	\$137,750	\$147,950

Assets for Sale Program: Households with net assets over \$100,000 will not be eligible. Excluded from net assets are all non-accessible funds or any assets that generate a penalty when withdrawn, i.e., 401K, CALPERS, STRS, and other pension plans.

**City of Cupertino & West Valley Community Services
Below Market Rate (BMR) Program**



First-time Homebuyer: All of the applicants who will be on the property title must be a first-time homebuyer. Applicant(s) shall be considered a first-time homebuyer if they have not owned any residential real estate for at least three years. This definition applies to property owned in foreign countries as well as in the United States.

Available Cash for Down Payment, Closing Costs to Purchase: Households are required to have readily available assets for a minimum of 5% down of the purchase price, plus necessary closing costs.

2015 Housing and Community Development (HCD) Income Guidelines BMR Rental Program						
Household Size	1	2	3	4	5	6
Very Low-Income	\$37,250	\$42,550	\$47,850	\$53,150	\$57,450	\$61,700
Low-Income	\$59,400	\$67,900	\$76,400	\$84,900	\$91,650	\$98,450

VISTA VILLAGE 2015 Housing and Urban Development (HUD) Income Guidelines BMR Rental Program						
Household Size	1	2	3	4	5	6
Very Low-Income	\$37,250	\$42,550	\$47,850	\$53,150	\$57,450	\$61,700
Low-Income	\$52,850	\$60,400	\$67,950	\$75,500	\$81,550	\$87,600

Income Limits to Qualify for a Rental Unit. See chart above. The amounts listed are gross (before taxes are taken out).

- The minimum income the household must make is at least 2.5 times the monthly rent.
 - For Example: \$940.00 (in rent) x 2.5= \$2,350.00 (minimum household income, gross before taxes are taken out).

Assets for Rental Program: Households net assets, including and not limited to CD's, money market accounts and cash/funds, may not exceed the maximum gross income allowed for the appropriate household size.

Priority Points are based upon the following criteria:

- **One point:** At least one member of the household must currently reside at an address located within the City of Cupertino.
- **Two points:** At least one member of the household, must:
 - Work within the boundaries of the City of Cupertino; or
 - Own or operate a business in the City of Cupertino; or
 - Perform contract or commission work where the actual work is conducted at a Cupertino location.

If you have any questions, please contact, Program Manager, Housing Services at: housing@wvcommunityservices.org.

**PLEASE SUBMIT ONE ELIGIBILITY FORM PER HOUSEHOLD.
DUPLICATE FORMS WILL RESULT IN AN AUTOMATIC DISQUALIFICATION.
COPIES/ FAXES/ SCANS WILL NOT BE ACCEPTED**

Please return the completed form to the WVCS office, located at 10104 Vista Drive, Cupertino, CA. 95014.

This Program is not designed to aid emergency or immediate housing needs.



APPLICATION FOR BELOW MARKET RATE (BMR) HOUSING PROGRAM

INCOME, EARNINGS AND BENEFITS

All household members 18 years or older must complete the information below

Full Legal Name:	Current Employer Information:	Total Monthly Wages (gross amount before taxes are deducted)
Last Name, First Name:	Employer: Address: City, State, Zip Code: Contact Number: Job Title:	Gross Income:
Last Name, First Name:	Employer: Address: City, State, Zip Code: Contact Number: Job Title:	Gross Income:
Last Name, First Name:	Employer: Address: City, State, Zip Code: Contact Number: Job Title:	Gross Income:
Last Name, First Name:	Employer: Address: City, State, Zip Code: Contact Number: Job Title:	Gross Income:

BMR PRIORITY POINT QUESTIONNAIRE

The purpose of this page is to determine if your household qualifies for Priority Points. Carefully read each description below; then check all that apply. You must provide the listed documentation as proof before awarded any Priority Points.

<input type="checkbox"/>	I live in the City of Cupertino - 1 POINT
	<ul style="list-style-type: none"> Households applying under priority description RESIDENT shall provide proof of residency in Cupertino. A utility bill or a rental agreement shall be considered proof of residency.
<input type="checkbox"/>	I currently work in the City of Cupertino - 2 POINTS
	<ul style="list-style-type: none"> In order to qualify for this priority, the applicant shall provide proof of employment in the City of Cupertino.

**APPLICATION FOR BELOW MARKET RATE
(BMR) HOUSING PROGRAM**

READ, SIGN, AND DATE BELOW

By signing below, you certify that all the information on this form is true and complete to the best of your knowledge. If asked, you agree to give proof of the information, which may include a copy of your U.S. or state income tax form. You certify that all the information provided on household composition and income is true and accurate. You understand you are required to cooperate in supplying all information needed to determine eligibility, level of benefits or verify your true circumstances. Your participation includes attending scheduled meetings and completing and signing necessary forms. Failure or refusal to do so may result in delay of application for BMR rental or denial of program services.

CRIMINAL AND ADMINISTRATIVE ACTIONS FOR FALSE INFORMATION

You understand that knowingly supplying false, incomplete, or inaccurate information may constitute a Felony, punishable under Federal or State criminal law. Knowingly supplying **false, incomplete or inaccurate information is grounds for termination of the housing process.** You understand that the Housing Representative may perform a background check and/or verification of employment records.

Make sure that you have completed, dated, and signed this application. Make a copy of this application for your records and submit the original application to the West Valley Community Services' office. **MAKE SURE THAT YOU HAVE COMPLETED, DATED, AND SIGNED THIS APPLICATION.** WVCS will not process incomplete applications.

All individuals, 18 years or older, applying for the BMR program must sign below.

Print Full Legal Name	Signature	Date

OFFICE USE ONLY			
Received on:		Signature of Housing Representative:	
Notes:			



APPLICATION FOR BELOW MARKET RATE (BMR) HOUSING PROGRAM

Name:		
Gender: <input type="checkbox"/> Male <input type="checkbox"/> Female	E- Mail:	
Address (No P. O. Box):		
City:	State:	Zip:
Social Security:	Driver's License*: State: _____ Exp.: _____	
Date of Birth: / /	* If you do not have a driver's license write in "None"	
Phone:	Work Phone:	

Marital Status:		
<input type="checkbox"/> Married	<input type="checkbox"/> Unmarried	<input type="checkbox"/> Divorce/Separated

Household Composition (List all individuals who will be living in your home, listing head of household first)				
Full Legal Name	Social Security	Date of Birth	Age	Relationship to head of household (Self, son, friend)

Ethnicity (Check all that applies) (Per Department of Housing and Urban Development Guidelines)	
<input type="checkbox"/> Hispanic	
<input type="checkbox"/> Not Hispanic	
Race: <input type="checkbox"/> American Indian/Alaskan <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian/Other Pacific Islander <input type="checkbox"/> White <input type="checkbox"/> Asian and White <input type="checkbox"/> Hispanic <input type="checkbox"/> Other:	Citizenship: <input type="checkbox"/> US Citizen <input type="checkbox"/> Permanent Resident <input type="checkbox"/> Foreign Born

PLEASE ANSWER ALL OF THE QUESTIONS LISTED BELOW:



APPLICATION FOR BELOW MARKET RATE (BMR) HOUSING PROGRAM

What is your current housing status?				
Currently own a home:	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
Previously owned a home:	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
If yes, list the years:	From:		to:	
Renting:	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
Living with relatives/friends:	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
What is your monthly rent or housing costs?	\$			
How many bedrooms?				
What are your total monthly utilities? <small>(Include PG&E, water & garbage)</small>				
Circle the number of bedrooms you are requesting*	1	2	3	

*(This does not guarantee qualification for desired size)

****More than one application submitted for requesting different size unit must be accompanied with another \$30.00 application fee.****

Is any member of this household handicapped or disabled?	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
If yes, please list individual(s), explain the nature and extent of the handicap:				
Are there any special accommodations needed? Please explain:				



**CITY OF CUPERTINO HOUSING MITIGATION PROGRAM
BMR RENTER OCCUPANCY CERTIFICATION**

Property Name: _____

Property Owner: _____

Address of BMR Unit: _____

Tenant Name: _____

Phone: _____

Instructions to BMR Renter: Please complete this form and return to _____ (Property Owner) by _____, ____, 20__.

If you fail to submit this signed form within thirty (30) days of the written request, then your lease shall be automatically terminated and you must vacate the unit within thirty (30) days of written notice from the property owner/manager. If you fail to vacate the unit, the property owner will institute eviction proceedings.

HOUSEHOLD MEMBERS-List below all persons who live in the unit.		
HOUSEHOLD MEMBER	AGE	RELATIONSHIP TO HEAD OF OUSEHOLD

Criminal and Administrative Actions for False Information

You understand that knowingly supplying false, incomplete or inaccurate information may constitute a Felony, punishable under Federal or State criminal law. Knowingly supplying false, incomplete or inaccurate information is grounds for termination of your lease.

By signature below, I _____ [insert name] hereby certify to the City under penalty of eviction from my unit that I and all of the Household Members listed above occupy the rental unit located at _____

_____ [insert address]
as my/our principal place of residence and that I/we have occupied the Premises for
_____ () [insert number] months of the calendar year _____ [insert
previous calendar year]. I further certify that there are no additional occupants residing
in the unit.

Signature of Household Adults

Date

1. _____ / /
2. _____ / /
3. _____ / /
4. _____ / /

TO BE COMPLETED BY THE PROPERTY OWNER OR MANAGER

By signature below, I _____ [insert name] hereby certify to
the City that, to the best of my knowledge, the persons identified above do indeed live at
the address referenced above, and no additional persons live there.

Signature of Property Owner/Manager

Date

_____ / /

(Company Name)

FORM OF OWNER OCCUPANCY CERTIFICATION

To: West Valley Community Services
Attn: Christine Nguyen / Program Manager, Housing Services
10104 Vista Drive
Cupertino, CA 95014

From: _____ [name of owner(s)] ("Owner(s)")

Address of Premises: _____ ("Premises")

Date: _____

By signature below, I (or we) _____ [insert name or names of Owner] hereby certify to the City under penalty of perjury that I/we occupy the home located at 20628 Cleo Avenue, Cupertino, CA 95014 [insert address] (the "Premises") as my/our principal place of residence and that I/we have occupied the Premises for _____ () [insert number] months of the calendar year _____ [insert previous calendar year].

Please complete this letter and attached with following required documents:

- Most current property tax bill
- Most current mortgage statement
- Most current Homeowner's Insurance (Declaration Page) **OR** most current utility bills (PG&E, phone, or internet showing owner's name and mailing address).

This Owner Occupancy Certification is signed on _____, 2015, under penalty of perjury.

Owner Signature

[type name]

DUE DATE: MARCH 1, 2016

Original signed form and copy of all requested documents must be submitted to the following office:

**West Valley Community Services
Attn: Christine Nguyen / Program Manager, Housing Services
10104 Vista Drive,
Cupertino, CA 95014**

APPLICATION FOR BELOW MARKET RATE (BMR) HOUSING PROGRAM

- RENT
 PURCHASE

Thank you for your interest in the City of Cupertino's Below Market Rate (BMR) Rental & Ownership Housing Program. The City of Cupertino has contracted with West Valley Community Services (WVCS) to screen prospective residents for the rental & ownership of BMR housing units in the City of Cupertino. Below is information about the BMR housing program:

- ❖ ONLY households who qualify as low or very-low income are eligible to participate in this BMR rental program.
- ❖ Households who qualify as Median or Moderate income are eligible to participate in this BMR ownership program.

In order to determine if your household qualifies, please refer to the Income Eligibility Chart Below.

2015 State Department of Housing and Community Development (HCD) Income Guidelines per Household*					
Household Size	1 Person	2 People	3 People	4 People	5 People
Very Low-Income	\$37,250	\$42,550	\$47,850	\$53,150	\$57,450
Low-Income	\$59,400	\$67,900	\$76,400	\$84,900	\$91,650
Median	\$74,400	\$85,050	\$95,650	\$106,300	\$114,800
Moderate	\$89,300	\$102,050	\$114,800	\$127,550	\$137,750

*Based on Maximum Gross Income (Before taxes or any other deductions), HCD Income limits subject to change

VISTA VILLAGE 2015 Housing and Urban Development (HUD) Income Guidelines per Household*					
Household Size	1 Person	2 People	3 People	4 People	5 People
Very Low-Income	\$37,250	\$42,550	\$47,850	\$53,150	\$57,400
Tax Credit 60%	\$44,700	\$51,060	\$57,420	\$63,780	\$68,940
Low-Income	\$52,850	\$60,400	\$67,950	\$75,500	\$81,550

*Based on Maximum Gross Income (Before taxes or any other deductions), HUD Income limits subject to change

- ❖ The U.S. Department of Housing and Urban Development (HUD) and State Department of Housing and Community Development (HCD) revises the income limits annually.
- ❖ Assets for Rent Program: Household net assets cannot exceed the maximum income limit per income category and household size.

APPLICATION FOR BELOW MARKET RATE (BMR) HOUSING PROGRAM

- ❖ Assets for Sale Program: Households with net assets over \$100,000 will not be eligible. Excluded from net assets are non-accessible funds or any assets that generate a penalty when withdrawn, i.e., 401K, CALSPERS, STRS, and other pension plans.
- ❖ Applicants must not own a home for at least three years.
- ❖ Applicants who qualify to participate shall be placed on the appropriate waitlist according to:
 - (A) The priority point placement system developed by the City of Cupertino (more information on this system may be found on page 8)
 - (B) Date of completed application submission.
- ❖ WVCS will contact applicants on the waitlist as appropriate units become available for rent or purchase. Each year the BMR waitlist resets. All prospective candidates must apply annually in October event if the candidate was on the BMR waitlist the prior year.
- ❖ All applicants must continue to meet eligibility requirements to remain on the waitlist.
- ❖ **WVCS will not place incomplete applications on the waitlist.**
- ❖ **WVCS will only place fully completed and qualified applications with required documents on the waitlist.**

Frequently Asked Questions

- ❖ **What is involved in the application process?**
 - *The applicant must complete all sections of the application packet*
 - *The applicant must make copies of all required documentation – WVCS will not make copies*
 - *The applicant must submit the fully completed application, copies or all required documentation, and a check (see fees schedule below) payable to WVCS to 10104 Vista Drive, Cupertino, CA 95014.*
 - *\$30.00 for the BMR (Rental) Application Fee*
 - *\$50.00 for the BMR (Sales) Application Fee*
- ❖ **How much time does the BMR application process take?**
 - *You will receive a phone call and/or a qualification or disqualification letter within two weeks of submitting a completed application.*
- ❖ **Will I be able to choose the apartment complex?**
 - *No. You will not be able to choose your apartment complex. WVCS will notify you of possible placement in the next available unit when your name is next on the waitlist.*

APPLICATION FOR BELOW MARKET RATE (BMR) HOUSING PROGRAM

- ❖ ~~What if I don't want to live at that apartment, will I lose my place on the waiting list?~~
 - *You may decline two (2) BMR opportunities before WVCS moves you to the end of the waitlist.*

- ❖ **How long can I expect to be on the waiting list?**
 - *WVCS accept waitlist applicants annually. Each year the BMR waitlist resets. All prospective candidates must apply annually in October event if the candidate was on the BMR waitlist the prior year. The reason for this is that there are a fixed number of BMR units in the city, which means the only way for a person to move into a unit is if someone else moves out.*

- ❖ **In which school district are these apartments located?**
 - *Each complex is zoned for different school districts. For more information, contact your local school district.*

- ❖ **How much rent can I expect to pay?**
 - *Your income category determines your monthly rent. Use the chart on the previous page to figure out if you qualify for the low- or very low-income category, then use the chart below to determine your rental rate.*

2015 Cupertino BMR Rental Rates		
Number of Bedrooms	Very Low-Income	Low-Income
1	\$939	\$1,151
2	\$1,050	\$1,289
3	\$1,130	\$1,396

- **Which apartment complexes have BMR units?**

Apartment Complex	Address	BMR Manager	Phone Number
Arioso	19608 Pruneridge Avenue	WVCS	(408) 255-8033
Avaire	20451 Via Pavisio	Lyon Management*	(408)-257-4488
Forge Homestead	20691 Forge Way	Forge Homestead*	(408) 739-0870
Hamptons	19500 Pruneridge Avenue	WVCS	(408) 255-8033
Lake Biltmore	10159 South Blaney Avenue	WVCS	(408) 255-8033
Markham	20800 Homestead Road	WVCS	(408) 255-8033
Park Center	20380 Stevens Creek Blvd	WVCS	(408) 255-8033
Vista Village	10114 Vista Drive	WVCS	(408) 255-8033

*Forge Homestead and Aviare maintain their own BMR waitlist

APPLICATION FOR BELOW MARKET RATE (BMR) HOUSING PROGRAM

ANNUAL RECERTIFICATION

On an annual basis, WVCS re-qualifies current tenants also known as “re-certification” to verify eligibility to remain in a BMR rental unit. WVCS bases certification on the tenant’s income, as determined by the most recent pay stubs, tax forms, assets and household size. If the resident is no longer eligible for the BMR unit, the tenant either finds alternative housing or vacates the BMR unit.

Should an additional occupant (roommate, family member, etc.) move into the unit, he/she is considered part of the existing household. In such cases, the BMR tenant must notify WVCS prior to move in. Furthermore, WVCS will reevaluate the entire household (including the new occupant) to determine eligibility, including new household income requirements.

REQUIRED DOCUMENTATION

Please review the following checklist to ensure your application is complete. If you are unable to provide copies of the documents listed below, you must submit a written and signed statement to WVCS explaining the reasons for the missing documents.

Household Documents:

- Copies of Rental Agreement or current utility bill

The following documents must be turned in for each person 18 years or older:

- Copies of valid Photo ID
- Copies of three (3) most recent consecutive payroll stubs
- Copies for other income such as SSI, SS, pension, child support, spousal support, etc.
- Copies of W2 forms for the last two (2) years
- Copies of Federal Tax return papers for the last three (3) years (1040, 1040EZ, etc.)
- Copies of all bank statements (all pages) for the last two months (checking, savings, stocks, bonds, CD’s, etc.)
- Copies of all asset statements (all pages), most recent statement (401K, Pension Accounts, Retirement Accounts, etc.)
- A non-refundable \$30.00 application fee for rental program and \$50.00 for purchase program in the form of check, money order, or cashiers’ check payable to West Valley Community Services (WVCS).
- A verification of employment letter from the personnel department if applying for Priority Placement on the waitlist based on employment in Cupertino

WVCS will not return any submitted documents or make copies of submitted documents. Please provide copies.

**WEST VALLEY COMMUNITY SERVICES
APPLICATION FOR BELOW-MARKET-RATE HOUSING
Please print clearly**



HEALTH • HOME • HEART

West Valley Community Services

June 1, 2015

Name
Address
City

Subject: **Annual Owner Occupancy Certification**

Dear Name:

It is that time of year again for the annual BMR Owner Occupancy Certification. Please fill out the form enclosed and submit with a copy of the following documents:

- A copy of most recent property tax bill
- A copy of most recent mortgage statement
- A copy of most recent Homeowner's Insurance policy (Declaration Page)
OR a copy of most recent utility bills (PG&E, phone, cable or internet showing owner's name and mailing address).

Please submit the **OWNER OCCUPANCY CERTIFICATION FORM** attached along with all the requested documents listed above is **DUE BY June 30, 2015**. Attn: CHRISTINE NGUYEN and drop it off at the front desk.

***Just a reminder, if you want to refinance, make capital improvements, or sell your BMR unit, please get approval with the City of Cupertino.*

We appreciate your cooperation in following the City procedures for owning a BMR unit. Please feel free to contact me with any questions you may have at 408-255-8033 ext. 201.

Sincerely,

Christine Nguyen
Program Manager, Housing Services
West Valley Community Services



March 16, 2015

Name
Address
City

Subject: Requalification for the Below Market Rate Program

Dear Name,

Each participant in the West Valley Community Services Below Market Rate Housing Program must undergo an annual re-certification process. It has been brought to my attention that it is approaching your evaluation for continued subsidized housing.

In order to ensure your eligibility to sign a new lease, please send me the following documents for each person 18 years old or older included in the household:

- Copies of three (3) consecutive payroll stubs
- Copies of Documents for all other income (SSI, pension, child support, etc)
- Copies of your latest W2
- Copies of Federal Tax return papers for latest year
- Copies of all bank statements for the last 2 months (checking, savings, stocks, CD's, etc.)
- Copies of all assets for the last 2 months (401K, retirement, pension, etc.)
- Additional documents may be required for verification:
 1. Current utility bills (PG&E, phone or cable)
 2. Updated lease agreement as soon as it becomes available

Please make sure to turn in copies and put them in an envelope, Attn: CHRISTINE NGUYEN and drop it off at the front desk.

Please be advised that it is imperative that the above documents be submitted to my office in an efficient and timely manner. Failure to respond within **thirty days (April 16, 2015)** will result in a notification of non-certification, which will affect your participation in the BMR Housing Program. You will be unable to resign your lease with the management company until this process has been completed.

Income HUD guidelines change annually and can be found at <http://www.hcd.ca.gov/>

Please feel free to contact me with any questions you may have at 408-255-8033 ext. 201. Thank you in advance for your cooperation.

Sincerely,

Christine Nguyen
Program Manager, Housing Services

BELOW MARKET RATE (BMR) OWNERSHIP PROGRAM

A limited number of Below Market Rate (BMR) ownership units are located throughout the City of Cupertino. These BMR units are made available to qualified median and moderate-income households who are first-time homebuyers. Maximum gross annual household income must not exceed the following published State Housing and Community Development (HCD) income limits per household size below.

FREQUENTLY ASKED QUESTIONS

Who is eligible?

First-time homebuyers who meet all of the BMR ownership requirements.

Are the income levels based on gross or net income?

Income is based on gross income per household size as shown below.

2015 Housing and Community Development (HCD) Maximum Income Limits Per Household Size

Size	1	2	3	4	5	6
Median	\$74,400	\$85,050	\$95,650	\$106,300	\$114,800	\$123,300
Moderate	\$89,300	\$102,050	\$114,800	\$127,550	\$137,750	\$147,950

Are there any geographical restrictions on who can apply for this program?

No, anyone can apply for this program.

How do I get on the BMR interest/waiting list?

You can e-mail housing@wvcommunityservices.org with your name and e-mail address.

When are eligibility forms available?

Eligibility forms are available annually in October. Eligibility forms are due by the last business day of October.



CONDITIONS/RESTRICTIONS FOR THE BMR OWNERSHIP PROGRAM

The following is a **PARTIAL** list of the restrictions and conditions of the BMR for-sale program.

1. Households must meet the BMR ownership income limits per household size.
2. Households must have at least 5.0% of the BMR purchase price for down payment plus additional funds necessary to cover closing costs.
3. Households are required to be pre-approved and must obtain primary first mortgage financing by a lender that approves the BMR program.
4. There will be a Resale Restriction Agreement recorded against the BMR property.
5. There is a non-refundable \$50.00 application fee due at the time when a unit becomes available for your household.

The City of Cupertino contracts with West Valley Community Services (WVCS) to help administer the City's Below Market Rate (BMR) ownership and rental program. WVCS manages the intake process and maintains a waitlist of BMR units. The BMR waitlist is updated annually and prioritized based on the City's priority point system. For more information please contact WVCS.



10104 Vista Drive
Cupertino, Ca 95014

Phone: 408.255.8033

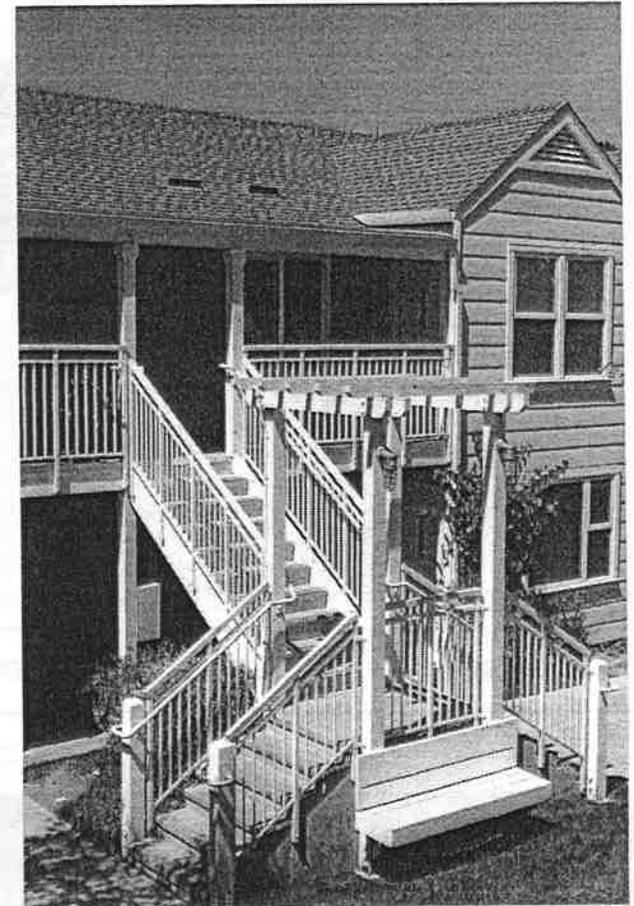
E-mail: housing@wvcommunityservices.org

Web: www.wvcommunityservices.org



CUPERTINO

The City of Cupertino Below Market-Rate (BMR) Program



2015 Housing and Community Development (HCD) Maximum Income Limits Per Household Size

Household Size	1	2	3	4	5	6
Very Low-Income	\$37,250	\$42,550	\$47,850	\$53,150	\$57,450	\$61,700
Low-Income	\$59,400	\$67,900	\$76,400	\$84,900	\$91,650	\$98,450

ABOUT THE BELOW MARKET-RATE (BMR) RENTAL PROGRAM

The City of Cupertino's BMR rental program was established to provide very low and low-income households access to quality rental housing at an affordable rate.

WHO CAN APPLY?

Anyone can apply; however, the City of Cupertino has established a priority point placement system that reflects the City's priorities regarding placement of households into the limited number of BMR rental units. The priority point placement system point scale is listed below. Applicants can receive up to a maximum of three points based on the following criteria below:

- 1 point: Cupertino resident
- 2 points: Employment in Cupertino

INTERESTED?

Eligibility Forms are accepted in the month of October annually. Eligibility forms are due on the last business day of October. If you would like to inquire about the BMR rental program, please contact the Housing Programs Manager at: housing@wvcommunityservices.org. Please include your name and e-mail address.



INCOME GUIDELINES

The maximum income limits for the BMR rental program is based on the State Housing and Community Development (HCD) annually published income limits as shown above.

Note: Specifically for the Vista Village complex, income is based upon HUD's Santa Clara County income standards, per household size as shown below.

VISTA VILLAGE 2015 Housing and Urban Development (HUD) Income Guidelines per Household Size				
Household Size	1	2	3	4
Very Low	\$37,250	\$42,550	\$47,850	\$53,150
Low	\$52,850	\$60,400	\$67,950	\$75,500

BMR RENTAL REQUIREMENTS (PARTIAL LIST BELOW)

1. The gross annual incomes of all household members age 18 or older are considered when determining eligibility.
2. Candidates must not have ownership of alternative housing.
3. Candidate's assets, including and not limited to CD's, money market accounts and funds, may not exceed the maximum income limit per the household size.
4. Total household income must be at least 2.5 times the monthly BMR rent.

FREQUENTLY ASKED QUESTIONS?

Can I use my Section 8 voucher for this Program?
Acceptance of the Section 8 voucher is at the discretion of the individual apartment complex.

Are the Income levels based on gross or take home income?
Income is based on gross income.

What happens if I move while I am on the waiting list? How will WVCS contact me?
Candidates currently on the BMR rent wait list are responsible for updating contact information to WVCS. In order to remain on the waitlist, the household must submit a new eligibility form during the annual open waitlist period in October.

How long do I have to wait until I get a BMR rental unit?
Candidates are not guaranteed a BMR rental unit. The waitlist is updated annually and your position on the waitlist may be higher or lower, depending upon priority based upon criteria set by the City of Cupertino and results of the subsequent lottery.

Is there a fee to apply for the BMR program?
There is a non-refundable \$30.00 application fee due at the time when a unit becomes available for your household.

MEMORANDUM**City of Campbell****Community Development Department**

From: Cindy McCormick, Senior Planner **Date:** March 21, 2016

To: BMR Administrator Subcommittee Members **Amended** 3/24/16
Vice Mayor Gibbons & Council Member Resnikoff

Copy: Mark Linder, City Manager
Paul Kermoyan, Community Development Director
Jesse Takahashi, Finance Director

Subject: BMR Administrator Proposal Discussion

DISCUSSION

On February 10th 2016, staff distributed to the Subcommittee five (5) proposals to administer the City's Below Market Rate (BMR) housing program. Proposals were received from: Hello Housing, House Keys, the Housing Trust Silicon Valley (HTSV), Palo Alto Housing Corporation (PAHC), and West Valley Community Services (WVCS).

This memorandum includes a brief discussion of the scope of services and proposed costs associated with each service. In addition to a one-time set-up fee, the tasks are broken down into a general scope of services and an expanded scope of services. The general scope of services includes general administration (ongoing); preparation and recordation of new development agreements (as needed), and overall administration of the sale and rental of BMR units (as needed). The expanded scope of services includes BMR compliance monitoring and loan monitoring. Considerations for moving forward with each of the tasks have been provided in addition to estimates for the amount of time needed for tasks that could be excluded from the scope of services.

BMR PROGRAM SETUP

This task includes: integrating the City's existing BMR interest list into a database administered by the consultant; organizing existing BMR files and loan files; providing protocols for BMR administration; and setting up a dedicated webpage for the BMR program with FAQs, forms, and other information. The proposed start-up fees range from \$1,400 for WVCS¹, \$25,000 for HTSV and PAHC, \$25,900 for Hello Housing, and \$30,000 for House Keys.

¹ Based on follow-up info from WVCS

Staff Considerations: Prior to program setup by the consultant, a staff person or trustworthy intern should gather and organize all of the relevant affordable housing and loan files. The files date back to the 1990's and each includes multiple documents (deeds, notes, restriction agreements, disclosures, exhibits, HUD statements, etc.). The lack of consistent organization of these files will make it difficult (and subsequently costly) for a consultant to initially review and adequately manage the files. Staff estimates that it would take approximately 120 hours to uniformly organize and digitize these files (approximately one hour per file).

GENERAL SCOPE OF SERVICES

General Administration: General administration includes: correspondence with individuals interested in the BMR program; management of an eligibility list of qualified buyers and renters; website maintenance; and semi-annual reports on program activity (inquiries, loan activity, etc.).

The RFP separated the tasks for general administration, compliance monitoring, and loan monitoring. Accordingly, Hello Housing is charging a \$15,000 general admin fee, PAHC is charging \$16,000, and WVCS would charge \$15,000². On the other hand, House Keys included rental and ownership monitoring in their \$137,200 admin fee, while HTSV included ownership monitoring (and rental oversight) in their \$96,000 admin fee. In order to better compare costs between all five candidates, staff contacted House Keys and HTSV for more information. Based on these follow-up conversations, the general administration fee (without monitoring) would be approximately \$65,000 for HTSV and approximately \$79,000 for House Keys. While these revised numbers may seem out of context in comparison to the other candidates, it may not be a fair comparison since House Keys and HTSV's original proposals were not set up this way.

Staff Considerations: If the Council decides to include the expanded services in the BMR Administrator contract, there may be a cost savings associated with including compliance and loan monitoring in the general administration fee. However, staff recommends that the general administration fee be separate from the monitoring fees to allow for flexibility in the final contract and scope of services. For example, the City Council may decide to monitor only a limited number of BMR units per year.

Processing New Housing Agreements: Each Affordable Housing Developer Agreement includes covenants and restrictions governing the specific limitations on a particular development. The Agreement includes: the type of agreement (Inclusionary, Density Bonus, or combination); definitions; project description (BMR unit quantity, location, design, income category, construction schedule); allocation process (marketing, eligibility, required documents, sales price determination) and standard language regarding default and remedies. Rental development agreements also include reporting requirements and property maintenance standards. Most of the RFP candidates charge an hourly rate to prepare or review and record Housing Agreements.

² Based on a follow-up conversation with WVCS

This task would involve significant coordination with City staff and the City Attorney because each Housing Agreement is unique with regard to the quantity, size, income type, and other special arrangements that have been negotiated between the Developer and the City. While a standard Agreement may take staff four to six hours to prepare, most developments require a more complex Agreement due to construction phasing, temporary rental of ownership units, anomalous pricing structures (e.g., pricing a 4BR home at a 3BR price), etc. These more complex agreements can easily take six to ten hours to prepare and coordinate with the Developer, not including the time and costs associated with the City Attorney's review and approval.

Staff Considerations: Given the hourly rate that would be charged to prepare each Housing Agreement, it may be more cost effective for City staff to prepare the Agreements. Currently, the Developer records the Agreement (and pays the recordation fees) after the Agreement has been signed by the Developer and the City. To avoid any potential conflict of interest, it is recommended that the Developer pay a recordation fee for the BMR Administrator to record the Housing Agreement. Staff estimates that it will take the BMR Administrator approximately 3-6 hours to record the Agreement at the Santa Clara County Recorder's office depending on travel time from the BMR administrator's headquarters.

Administration of BMR Sales, Resales and Rentals: This task includes: preparing marketing materials; sending out information to interested households; calculating the sales price and rental rate; educating households about program requirements; answering calls and emails from the public; screening applications for program eligibility and priority; coordination with the developer, lender, and Title Company; preparation of homebuyer documents including restrictions, promissory notes, and deeds of trust; and follow-up with the Title Company to ensure that all documents were notarized and recorded at the County.

The amount of time needed to administer the allocation of new BMR units changes each year depending on the number of new entitlements, resales, or rental vacancies. Therefore, transaction fees are charged on an as-needed basis to adjust for this fluctuation. The amount of work that goes into administering new (or vacant) units is significant. Therefore it is not surprising that consultant fees to process each new ownership unit ranges from approximately \$2,000 per unit for PAHC, \$5,500 per unit for Hello Housing, \$6,500³ per unit for HTSV and \$7,500 to ~\$14,000 per unit for House Keys. The proposed fees to pre-qualify rental tenants range from \$250 per unit for Hello Housing and \$350 per unit for PAHC. House Keys and HTSV have included pre-qualification of rental tenants in their general administration fees. In addition to these fees, some of the consultants charge fees for each lottery or workshop associated with a new development (rental or ownership).

Staff Considerations: The administration and allocation of new BMR units is probably the most crucial task in the requested scope of services. It is also the most variable in terms of cost and perhaps the most contentious in terms of charging the developer a

³ Fee based on adding up all associated cost broken down in proposal

fee as opposed to allowing the Developer to perform the tasks. Currently, the City relies on the Developer's lender or property manager to pre-qualify applicants but this has proved to be very inefficient. There is also a potential conflict of interest using this approach because both the lender and developer are motivated to sell the home (or rent the unit) as quickly as possible. Additionally, the task of qualifying households for the City's BMR program is the most susceptible to fraud and abuse. Thus, staff believes it is in the best interest of the City and the longevity of the BMR program to have a third party handle all tasks associated with BMR unit administration (pre-qualification, etc.).

EXPANDED SCOPE OF SERVICES

BMR Compliance Monitoring: Each year, existing BMR homeowners are required to submit documentation to the City verifying that they continue to live in their BMR home (are not renting it out) and maintain sufficient homeowners insurance on the property. While BMR homeowners do not need to recertify their income each year, BMR renters do. Both homeowners and renters need to be reminded each year to provide the requested information. Currently, the City relies on the property manager from each apartment complex to annually collect income data for each of the 280+ BMR tenants.

The proposed fee for monitoring BMR rental units is \$250 per unit for Hello Housing and \$350 per unit for PAHC. The proposed fee for monitoring ownership units is \$120 per unit for PAHC and \$150 per unit for Hello Housing. Based on follow-up conversations, the estimated fee for WVCS to monitor ownership units is \$80 per unit and the estimated fee for monitoring rental units is \$160 per unit⁴. As previously discussed, compliance monitoring for both rental and ownership units was included in House Keys admin fee. HTSV included ownership monitoring in their admin fee, but would work with the property manager of each rental unit, as opposed to monitoring the units themselves. Based on follow-up information from House Keys and HTSV, the rental monitoring fee would range from approximately \$101 per unit for HTSV to \$163 per unit for House Keys, while the ownership monitoring fee would range from approximately \$105 per unit for HTSV to \$184 per unit for House Keys. Again, it should be noted that House Keys and HTSV's original proposals were not set up this way, so these fees are only provided for a rough comparison.

Staff Considerations: The staff resources needed to contact, review, and follow-up with 70+ BMR homeowners each year is beyond the capacity of the Planning Department. Likewise, the City does not have adequate resources to review 280+ tenant files to confirm that property managers are accurately verifying income each year. One potential option for limiting the cost of monitoring the 280+ rental units would be to audit a limited number of units each year with a goal to audit all of the units over a specified number of years. The proposed fees to verify homeowner occupancy and insurance requirements are less than the fees to verify tenant income, but the City could see a cost savings from limiting the number of ownership units monitored each year, as well.

⁴ Not part of original proposal, provided for comparison.

Loan Administration: This task includes annual compliance monitoring to ensure that borrowers reside in their home and maintain current homeowners insurance. This task also includes processing requests for subordination (refinance) and payoff of existing loans. HTSV has included loan administration (monitoring, payoffs, and subordinations) in their administrative fee. House Keys has included loan monitoring in their administrative fee but charges \$1,250 per payoff or subordination transaction. PAHC has provided a single cost (\$11,250) to monitor existing loans and process payoffs and subordinations. WVCS would charge \$250 per subordination or payoff transaction but did not include a fee for loan monitoring. Hello Housing charges a monitoring fee of \$150 per loan, \$750 per payoff transaction, and \$650 per subordination transaction.

Staff estimates that it takes approximately three to four hours to process a request which includes: coordination with lenders and appraisers; review of loan files (refinance restrictions and loan interest rates vary); calculation of payoff and refinance amounts; coordination with the City Finance Department who must approve the calculations; preparation of the required paperwork; and update/close out of the loan file.

Staff Considerations: Similar to the recommendation regarding preparation of Housing Agreements, it may be more cost effective for city staff to process loan subordinations and payoffs given the amount of coordination with city staff that would be needed for this task. While it is recommended that staff process the request for subordination or payoff, the BMR Administrator could record the legal documents associated with a refinance or payoff (e.g., deed of trust) and charge the homeowner a fee for this service. The City may also want to consider charging the homeowner a fee for staff time to process the request, as was suggested by a few of the RFP candidates.

BMR ADMINISTRATOR PROPOSALS

Staff has reviewed each of the proposals and created a matrix comparing and contrasting the proposals including: a brief summary of each candidate's relevant experience (e.g., performing similar services for another city); proposed staffing levels; general impressions of each candidate based on a review of their proposal and web presence; and the costs associated with each of the proposals (**Attachment 1**).

- Hello Housing is well qualified to manage all aspects of BMR program, including the expanded scope. The full cost of the program is transparent and includes transaction costs for 19 new BMR homes and 9 new BMR rentals (as currently entitled). When taking all of these costs into account, the total budget is higher than WVCS, HTSV, and PAHC, and lower than House Keys.
- House Keys is well qualified to manage all aspects of the BMR program including the expanded scope. The full cost of their services is higher than the other proposals and charges the developer 3% of the sales price of each BMR home, but would include a complete overhaul of Campbell's BMR program.

- The Housing Trust Silicon Valley is well qualified to manage the City's loan portfolio, but has limited experience managing a BMR program. After adding in additional fees and transaction costs for 19 new BMR homes and 9 new BMR rentals, the budget is higher than WVCS and PAHC and lower than Hello Housing and House Keys.
- Palo Alto Housing Corporation is well qualified to manage the BMR program, but has limited loan administration experience. The full cost of the program is transparent and includes transaction costs for 19 new BMR homes and 9 new BMR rentals. When taking all of these costs into account, the total budget is higher than WVCS and lower than Hello Housing, House Keys, and HTSV.
- West Valley Community Services has been managing Cupertino's BMR program for 20+ years, but has limited loan admin experience. The original proposal did not appear to take into account the full range of service requested in the RFP. Follow-up conversations with WVCS reveal the actual costs would be closer to \$116,400 which is the lowest of the five proposals.

Staff believes that hiring a third-party for qualifying households for BMR developments (ownership and rental) is the most critical task associated with the RFP. The BMR Administrator will likely have more experience recognizing fraud than staff would. Likewise, a BMR Administrator will have more compliance monitoring experience to determine when a homeowner is in default. Cost savings can be achieved by only monitoring a limited number of households each year, with the goal to monitor all households within a specified timeframe (e.g., 3 to 5 years). Given the oversight and coordination that would be needed between the consultant, city staff, and/or the City Attorney, it is recommended that City staff continue to prepare affordable housing agreements as well as process loan subordinations and payoffs and that these services be excluded from a consultant contract.

NEXT STEPS

The subcommittee should provide staff with feedback regarding the proposals. The City Council has asked to review all of the proposals prior to scheduling any interviews. Initial recommendations of the subcommittee will be provided to the Council. Staff is tentatively scheduling City Council review of the proposals on April 19, 2016. If the proposals do not meet the expectations of the Council and/or the costs are too high, the Council may want to consider an alternative to hiring a BMR Administrator (e.g., hiring an in-house staff housing coordinator). Following initial review and recommendation by the City Council, one or more candidates will be scheduled for a formal interview with the Subcommittee. Following interviews, the subcommittee should rank the candidates and determine which candidate (if any) to move forward with negotiating a contract. Upon completion of negotiations, the agreement must be approved by the City Council in order to formally award the contract.

Attachments:

1. Proposal Comparison Matrix

BMR ADMINISTRATOR PROPOSAL COMPARISON MATRIX

	Hello Housing	House Keys	Housing Trust	Palo Alto Housing Corp	West Valley Community Services
Qualifications / Relevant Experience	<ul style="list-style-type: none"> • BMR / Loan Administrator (2015) for Los Gatos, Alameda, Concord, Livermore, Menlo Park, Novato, Pleasanton • Manages BMR sales for Lennar, Tri-Point Homes • Manages loan program for BRIDGE Housing • Housing Development • Property Management 	<ul style="list-style-type: none"> • BMR / Loan Administrator for Morgan Hill (2015) • Staff experience from NHSSV • In-house staff: real estate, asset management, finance 	<ul style="list-style-type: none"> • BMR / Loan Administrator for City of Santa Clara (2015) • Loan portfolio management for County of Santa Clara • Provides loans to FTHBs • In-house staff: loans, asset management, finance 	<ul style="list-style-type: none"> • BMR Administrator for Palo Alto (40+ years) and Mountain View (2014) • Housing Development • Property Management 	<ul style="list-style-type: none"> • BMR Administrator for Cupertino (20+ years)
Candidate's Proposed Staffing	<ul style="list-style-type: none"> • Program Manager 44% • Program Associate 35% • Program Director 13% • In-House Broker 4% • Executive Director 3% • Software Consultant 1% 	<ul style="list-style-type: none"> • Program Specialist 28% • Program Analyst/Specialist 14% • Processor 9% • Manager/Consultant 7% • Asset Manager 7% • Underwriter 7% • Communications Consultant 7% • Real Estate Project Manager 7% • Software Developer 7% • Real Estate Attorney 7% 	<ul style="list-style-type: none"> • Compliance Specialist 37% • Asset Manager 32% • Program Manager 13% • Chief Operating Officer 5% • Finance Team 4% • Underwriter 3% • Development Assistant 3% • Chief Lending Officer 3% 	<ul style="list-style-type: none"> • Program Assistant 51% • Program Manager 46% • Program Director 3% 	<ul style="list-style-type: none"> • Program Assistant 59% • Program Manager 41%
Staff's General Impressions (pros/cons)	<ul style="list-style-type: none"> • Well qualified to manage all aspects of BMR program <u>and</u> loan portfolio • Well-organized proposal • Transaction costs are transparent • Thorough recertification process • Comprehensive documents • Organized/friendly web presence • Office in San Francisco 	<ul style="list-style-type: none"> • Well qualified to manage all aspects of BMR program <u>and</u> loan portfolio • Service includes comprehensive look at our entire BMR program / loan portfolio which comes at a higher cost than simple program maintenance • Program admin fee includes annual monitoring of owners/renters/loans • Year 1 cost reduced until fees in place • Future cost recovery would depend on contentious developer fee (3% sale\$) • Comprehensive web presence • Office in Campbell (1 FTE - contract) • Office in Morgan Hill (headquarters). 	<ul style="list-style-type: none"> • Well qualified to manage the City's loan portfolio. • Limited BMR management • Organization primary focus is on loans/ homelessness, not BMR • Program set-up well defined • Program admin fee includes annual monitoring of ownership units and loans • Has provided Campbell residents w/ FTHB loans (e.g., Maravilla) • BMR program buried in website • Office in San Jose 	<ul style="list-style-type: none"> • Well qualified to manage the City's BMR program • Limited loan admin experience • Straight-forward proposal • Transaction costs are transparent • Thorough recertification process • Straight-forward documents • Friendly web presence • Office in Palo Alto 	<ul style="list-style-type: none"> • Organization primary focus is on community services, not BMR • Cost savings are achieved by only qualifying participants once per year, but would exclude late applicants for up to 12 months • Original budget did not include full accounting: required follow-up conversation for clarification, coming in at higher cost • BMR program buried in website • Office in Cupertino

BMR ADMINISTRATOR PROPOSAL COMPARISON MATRIX

	Hello Housing		House Keys		Housing Trust		Palo Alto Housing Corp		West Valley Community Services	
Candidate's Program Suggestions	<ul style="list-style-type: none"> Negotiate w/ Developer to pay for management of new BMR sales¹ Implement subordination fee for refinance requests (\$300-\$550) Implement fee for re-sale² 		<ul style="list-style-type: none"> Limit lottery to buyer/renter that fit the targeted household type for each property (not a "wait list") Review all legal docs and Ordinances Conduct Orientation/Certification for developers, households, practitioners Charge developers³, homeowners and applicants transaction fees to offset costs 		<ul style="list-style-type: none"> Prop manager to maintain waitlist to save costs. HTSV will oversee Codify procedure for management of rental units Review MFH⁴ loans, cash flow, residual receipts Impose admin fee on MF units Develop transaction fees Negotiate w/ developer to cover costs associated w/ marketing, etc 		<ul style="list-style-type: none"> PAHC will make suggestions after getting more info from staff 		<ul style="list-style-type: none"> WVCS will make suggestions after observing/evaluating 	
Cost Breakdown (rounded) Based on proposal and follow-up questions	Program Setup Program Admin Owner Recertify Renter Recertify Loan Monitoring Loan Refinance Loan Payoff Dev Agreements New Home Sales Resales New Renter Cert	\$25,900 \$15,000 \$150 each \$250 each \$150 each \$650 each \$750 each Hr (~\$1100) \$5,500 each \$7,500 each \$150 each	Program Setup Program Admin Owner Recertify Renter Recertify Loan Monitoring Loan Refinance Loan Payoff Dev Agg New Home Sales Resales New Renter Cert	\$30,000 \$137,200 Included Included Included \$1,250 paid by owner Included below 3% of price 6% of price Included?	Program Setup Program Admin Owner Recertify Renter Recertify Loan Monitoring Refinance / Payoff (split w/ owner) Dev Agreements New Home Sales Resales New Renter Cert	\$25,000 \$96,000 Included # Prop. Mngr. Included \$500 Owner \$250 City \$200/hour *\$6,500 each \$2,000 each # Prop. Mngr.	Program Setup Program Admin Owner Recertify Renter Recertify Loan Monitoring Loan Refinance Loan Payoff Dev Agreements New Home Sales Resales New Renter Cert	\$25,000 \$16,000 \$120 each \$350 each \$11,250 total \$500 each \$500 each \$2,000 each \$2,000 each \$2,000 each \$350 each	Program Set-up** Program Admin** Owner Recertify** Renter Recertify** Loan Monitoring Loan Refinance Loan Payoff Dev Agreement New Home Sales** Resales** New Renter Cert**	\$1,400 \$15,000 \$80 each \$160 each Included \$250 each \$250 each Not incl. \$1,600 each \$1,600 each \$160 each
Total Cost	\$25,900 (set-up fee) \$113,600 (annual fixed costs) \$225,200 (includes transactions)		\$30,000 (set-up fee) \$107,200 (admin fee only) \$371,200 (captures dev fees in future)		\$25,000 (set-up fee) \$96,000 (admin fee only) \$191,000 (with sale of 19 homes)		\$25,000 (set-up fee) \$162,900 (includes transactions)		\$1,400 (based on follow-up info) \$115,000 (based on follow-up info)	

will work w/ prop manager. *sum of fees

** based on follow-up info

¹ HH: Additional developer fees would need to be collected. The City currently only charges a nominal fee to prepare the BMR Agreement (~\$1,250)

² HH: The City of Campbell's Resale Restriction Agreement currently imposes a fee if a BMR home is sold to a city designated purchaser; however it is not verified if all previously signed agreements included this fee.

³ HK: Developer fees (3% of sales price) would need to be incorporated into the Inclusionary Agreement.

⁴ MFH = multi-family housing

REVISED ESTIMATES (FOR REFERENCE ONLY)

PROGRAM SETUP		Hello Housing		HouseKeys		Palo Alto Housing Corp		Average	Average	
One-time Set-up Fee		Cost		Cost		Cost		Fee	Cost	
		\$25,900		\$30,000		n/a	\$25,000		\$26,967	
GENERAL ADMINISTRATION		Hello Housing		HouseKeys		HouseKeys ## (estimated using HH as benchmark)	Palo Alto Housing Corp		Average	Average
#		Fee / unit	Cost	Fee / unit	Cost (original)		Fee / unit	Cost	Fee	Cost
Program Administration		--	\$15,000	--	\$122,200	\$34,625	--	\$16,000		\$21,875
Infrastructure & Overhead		--	--	--	\$15,000	\$15,000	--	--		
Total			\$15,000		\$137,200	\$49,625		\$16,000		\$21,875
ANNUAL MONITORING		Hello Housing		HouseKeys		HouseKeys ## (estimated using HH as benchmark)	Palo Alto Housing Corp		Average	Average
#		Fee / unit	Cost	Fee / unit	Cost (original)		Fee / unit	Cost	Fee	Cost
Homeowner Certification		70	\$150	\$10,500	included in admin fee	<i>HH \$10,500</i>	\$120	\$8,400	\$135	\$9,450
Renter Certification		284	\$250	\$71,000	included in admin fee	<i>HH \$71,000</i>	\$350	\$99,400	\$300	\$85,200
Total			\$81,500		\$0	\$81,500		\$107,800		\$94,650
LOAN ADMINISTRATION		Hello Housing		HouseKeys		HouseKeys ## (estimated using HH as benchmark)	Palo Alto Housing Corp		Average	Average
#		Fee / unit	Cost	Fee / unit	Cost (original)		Fee / unit	Cost	Fee	Cost
Loan Monitoring		30	\$150	\$4,500	included in admin fee	<i>HH \$4,500</i>	--	\$11,250		\$7,875
Subordinations		5	\$650	\$3,250	\$1,250	\$6,250	\$500	\$2,500	\$800	\$4,000
Pay-offs		3	\$750	\$2,250	\$1,250	\$3,750	\$500	\$1,500	\$833	\$2,500
Total			\$10,000		\$10,000	\$14,500		\$15,250		\$14,375
NEW DEVELOPMENT RESALES / VACANCIES		Hello Housing		HouseKeys		HouseKeys ## (estimated using HH as benchmark)	Palo Alto Housing Corp		Average	Average
#		Fee / unit	Cost	Fee / unit	Cost (original)		Fee / unit	Cost	Fee	Cost
New Home		19	\$5,500	\$104,500	3% sales\$ ** \$222,798		\$2,000	\$38,000	\$3,750	\$121,766
Resale of Home		1	\$7,575	\$7,575	6% sales\$ * \$28,829		\$2,000	\$2,000	\$4,788	\$12,801
New Rental Unit		9	\$175	\$1,575	included in admin fee	<i>HH \$1,575</i>	\$350	\$3,150	\$263	\$2,363
Workshop		2	\$750	\$1,500	--	--	-	-		
Total			\$115,150		\$251,625			\$43,150		\$136,930
TOTAL COST (not including setup)			\$221,650		\$398,825			\$182,200		\$267,830

Housekeys included compliance monitoring and loan administration in their general administration fee. In order to cross-compare the three proposals, staff estimated Housekeys fees for monitoring and loan admin using Hello Housing fees as a benchmark. *The revised estimate is shown in italics.*

** Staff has estimated the sales price of the 19 BMR homes and multiplied that figure by 3% to calculate this cost

* Staff has assumed a 3BR moderate unit, priced at \$480,469, for this estimate



City Council Report

Item: 15.
Category: New Business
Date: April 5, 2016

TITLE **Authorize City Manager to Award and Execute Contract for Pre-Ballot Polling Services (RESOLUTION/ROLL CALL VOTE)**

RECOMMENDATION

It is recommended that the City Council approve the attached resolution authorizing the City Manager to award and execute an agreement with Godbe Research for pre-ballot polling services.

DISCUSSION

At the conclusion of the City Council Study Session on March 1, 2016 wherein the Council convened to discuss the Civic Center Master Plan, direction was provided to staff to prepare and conduct a split opinion survey for testing voter propensity for either a potential parcel tax or general obligation bond. The results would help the City evaluate funding options to support the construction of Phase I of the Civic Center Master Plan facility. To this end, the City is considering the placement of a revenue ballot measure for the November 2016 General Election.

After Council approval last fall, the City Manager's Office engaged the services of The Lew Edwards Group to advise the City on placing a local revenue measure on the November, 2016 General Election ballot. Staff believes there is a need for a new, ongoing and significant revenue source in order to address the City's unmet capital needs.

Godbe Research recently completed a Community Satisfaction Survey for the City which showed that constituents are highly satisfied with their quality of life and the services the City provides. Ninety-five percent of respondents were satisfied with the quality of life in Campbell, and ninety-two percent of respondents were satisfied with the job the City is doing to provide City services. Among other findings, the survey also indicated that likely voters for the November 2016 election support a measure to provide funding for City services and facilities.

Godbe Research is a qualified polling firm which the City has used in prior Community Satisfaction Surveys from 1997 to 2015 for the purpose of measuring residents' levels of satisfaction with the City's services and programs.

In anticipation of the 2007 Community Satisfaction Survey, the City issued a Request For Proposal (RFP) in early 2007 and, in response to the RFP, received proposals from nine polling firms. Based on factors that included firm experience, references and pricing, the City selected Godbe Research for that year.

The firm is quite familiar with the context in which the City seeks a new and ongoing revenue source, and provided polling and tracking services for the City's successful Measure O Sales Tax in 2008, and again for Measures M and N in 2010 for the voter-required restructuring of the City's Business License Tax and Transient Occupancy Tax. In preparation for these revenue measures, Godbe Research has developed customized hybrid surveys that included both residential satisfaction questions pertaining to City services and programs, and questions targeted at registered voters on potential revenue measures.

Campbell's Municipal Code §3.20.091 (Request For Proposals) provides that the City Council approve, and award a contract for, the purchase of supplies and services that are technical in nature whose value exceeds \$15,000. Additionally, §3.20.091 (3)(B) provides, in part, that the City may dispense with the formal bid process upon determination by the City that the use of competitive bidding is not practical or advantageous because quality, availability or capability is overriding in relation to price in procurement of technical services.

As referenced above, Godbe Research was initially selected in 2007 through a competitive RFP process. Based on their history of successful work with the City, their familiarity and recent experience with Campbell, and considering that The Lew Edwards Group has worked collaboratively with them in other communities, and that time is of the essence, staff believes the contract should be executed with Godbe Research.

Godbe Research proposes to conduct a baseline survey of likely voters in Campbell to ask questions on specific areas of revenue options. The survey will be 18 minutes in length and contain a sample size of 500. In terms of timing, Godbe Research recommends conducting the baseline survey as soon as possible.

To test and monitor the effectiveness of the City's public education campaign and/or to make adjustments in the communications strategies, a second tracking survey is recommended no later than July 2016. This survey would be only 8 minutes in length and have a sample size of 300.

FISCAL IMPACT

The total estimated cost by Godbe Research for both the customized baseline survey and the recommended tracking survey will not exceed \$50,000.

In anticipation of this polling, the Civic Center Master Plan Reserve has sufficient funds in the current FY 2016 budget to support for this project.

Prepared by:



Al Bito, Deputy City Manager

Reviewed by:



Todd Capurso, Public Works Director

Reviewed by:



Jesse Takahashi, Finance Director

Approved by:



Mark Linder, City Manager

Attachment:

1. Resolution

RESOLUTION NO. _____

**BEING A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAMPBELL
AUTHORIZING THE CITY MANAGER TO AWARD AND EXECUTE CONTRACT FOR PRE-
BALLOT POLLING SERVICES WITH GODBE RESEARCH**

WHEREAS, the City is exploring new revenue options as it evaluates funding options to support Phase I of the Civic Center Master Plan and has hired The Lew Edwards Group to advise the City in placing a local revenue measure on the November 2016 General election ballot; and

WHEREAS, Campbell's Municipal Code §3.20.091 (Request For Proposals) provides that the City Council may approve, and award a contract for, the purchase of supplies and services that are technical in nature whose value exceeds \$15,000 and additionally, §3.20.091 (3)(B) provides, in part, that the City may dispense with the formal bid process upon determination by the City that the use of competitive bidding is not practical or advantageous because quality, availability or capability is overriding in relation to price in procurement of technical services; and

WHEREAS, time is of the essence; and

WHEREAS, Godbe Research is a qualified polling firm which was selected by the City last year to conduct its 2015 Community Satisfaction Survey and successfully conducted the City's prior Community Satisfaction Surveys from 1997 to 2015.

NOW, THEREFORE, BE IT RESOLVED; that the City Council of the City of Campbell hereby authorizes the City Manager to award and execute a contract not to exceed \$50,000 for pre-ballot polling services with Godbe Research for the purpose of conducting pre-ballot polling and tracking services.

PASSED AND ADOPTED, this _____ day of _____, 2016 by the following roll call vote:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSTAIN: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

APPROVED: _____
Jason T. Baker, Mayor

ATTEST: _____
Wendy Wood, City Clerk



City Council Report

Item: 16.
Category: New Business
Date: April 5, 2016

**TITLE: LEW EDWARDS GROUP CONSULTANT SERVICES
(RESOLUTION / ROLL CALL VOTE)**

RECOMMENDATIONS

It is recommended that the City Council adopt the attached resolution that will:

1. Release The Lew Edwards Group from its current consultant services contract; and
2. Authorize the City Manager to negotiate, award and execute a new contract for pre-electoral consulting services.

BACKGROUND

The Civic Center Master Plan project was adopted as a City Council priority. Last year, Council directed staff to move forward with exploring and identifying financing options to support the design and construction of one of three selected Master Plan alternatives to be considered and ultimately selected for adoption in the near future.

Since November of 2015 when the City's consultant services contract was initially executed by the parties, Catherine Lew, Principal, and her Associate, Emily Salgado, have conducted several strategy meetings with staff in person and by teleconference. In preparation for these strategy meetings, the firm has drafted and furnished agendas to make the meetings productive and efficient. The firm has also produced for the City an 8-page "Speaker Orientation Guide – Envision Campbell" as well as a 12-month project schedule timeline which is periodically updated, used and referenced at each meeting with City staff. The Lew Edwards team also met with most of the members of the City Council prior to the annual priority setting workshop held on January 29, 2016.

At present, The Lew Edwards Group is in the process of assisting the City in designing, producing and mailing a non-advocacy informational flyer for Campbell residents to be delivered in the latter part of April.

Just before adjournment of the March 15, 2016 Council meeting, a motion was made to place an item on the next City Council meeting agenda to discuss the existing Lew Edwards contract. The motion was seconded and approved by a 3 to 2 vote of the Council. Therefore, staff has agendized this matter for the April 5, 2016 Council meeting as directed.

On March 25, 2016, the City received a letter from The Lew Edwards Group formally requesting to be released from its current contract (Attachment C).

DISCUSSION

When the City of Campbell was facing serious fiscal challenges several years ago, the Lew Edwards Group worked successfully to assist and advise the City in developing and placing key ballot Measure O in 2008, and Measures M and N in 2010.

Public agencies may attempt to develop revenue measure campaigns alone, but this approach is much more difficult to pursue without the expertise of an expert who has assisted numerous ballot measures and who provides professional insight, strategies and critical knowledge.

Should the City Council elect to release The Lew Edwards Group from its current contract, then staff recommends that the City Council authorize the City Manager to communicate its assent in writing and, by adopting the attached resolution, direct the City Manager to solicit, negotiate and award a new contract for revenue ballot consultant services in an amount not to exceed \$25,000. At the time this Council Report was drafted, staff made an initial contact with a qualified and experienced California firm that has expressed interest and availability to assist the City moving forward, should this be Council's directive at the April 5, 2016 Council meeting.

It should be noted that time is of the essence if the City seeks to place a revenue measure on the upcoming Santa Clara County November, 2016 General Election.

FISCAL IMPACTS

The existing consulting services fee with the Lew Edwards Group is \$5,000 per month and is being supported by the adopted Civic Center Master Plan budget.

Since the Lew Edwards contract was executed on November 1, 2015, \$20,000 in fees has been expended by the City.

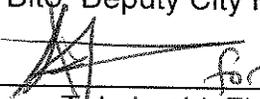
OPTIONS FOR THE CITY COUNCIL

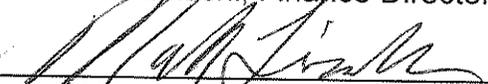
1. **Cancel the existing Lew Edwards Group consulting services contract**, as requested by the consultant, and direct the City Manager to solicit, negotiate, and enter into, a new consultant services agreement to take effect as soon as possible, and terminate no later than November 8, 2016, the date of the next

General Election. A resolution consistent with this Option #1 is attached to this Council Report for the Council's consideration.

2. **Take no action at this time** which will have the effect of enforcing the existing Lew Edwards Group agreement, effectively declining the consultant's request to be released from its obligations to perform through October 30, 2016.

Prepared by: 
Al Bito, Deputy City Manager

Reviewed by:  for
Jesse Takahashi, Finance Director

Approved by: 
Mark Linder, City Manager

ATTACHMENTS:

- A. Current Lew Edwards Group contract
- B. 2015 City Council Report re: Lew Edwards Group (w/o attachments)
- C. March 25, 2016 Lew Edwards Group letter of request to be released
- D. Draft resolution releasing The Lew Edwards Group from November 1, 2015 agreement and authorizing City Manager to negotiate and enter into new agreement with alternate qualified consulting firm for similar revenue measure consulting services

CONSULTANT SERVICES AGREEMENT

This Agreement is entered into at Campbell, California on the 1st day of November 2015, by and between the **CITY OF CAMPBELL** (hereinafter referred to as "City") and The Lew Edwards Group (hereinafter referred to as "Consultant").

WHEREAS, City desires to obtain consulting services for the purpose of Fiscal Sustainability, budget and revenue planning needs; and

WHEREAS, Consultant represents that it has the expertise, means, and ability to perform said professional strategic consulting and communications services;

NOW, THEREFORE, in consideration of each other's mutual promises, Consultant and City agree as follows:

1. DUTIES OF CONSULTANT

1.1 Consultant agrees to perform services as set forth in Exhibit A - Scope of Services, attached hereto and incorporated herein by reference.

1.2 Consultant's project manager will meet with the City's project coordinator prior to commencement of the project to establish a clear understanding of the working relationships, authorities, and management philosophy of City as it relates to this Agreement.

1.3 Consultant, working with the City, will gather available existing information concerning the project, and shall review documents as necessary to ensure compliance with the project's objectives.

1.4 In performance of this Agreement by Consultant, time will be of the essence and the services to be rendered by the Consultant shall be performed in accordance with the working schedule indicated in Exhibit B. This schedule is subject to revision, by mutual consent of the parties based on project needs and the collaboration of the parties.

Deviations from the time frames listed, and time frames for work not listed, shall be agreed upon between the City and the Consultant.

1.5 Notwithstanding Section 1.4, Consultant shall not be responsible for delay caused by activities or factors beyond Consultant's reasonable control, including delays or by reason of strikes, work slow-downs or stoppages, or acts of God.

1.6 Consultant agrees to perform this Agreement in accordance with the highest degree of skill and expertise generally exercised by local members of Consultant's profession.

1.7 Consultant shall cooperate in good faith with City in all aspects of the performance

of this Agreement.

1.8 In the course of the performance of this Agreement, Consultant shall act in the City's best interest as it relates to the project.

1.9 The designated project manager/s for Consultant shall be Catherine Lew or Bonnie Jean von Krogh. The Consultant project manager/s shall have all the necessary authority to direct technical and professional work within the scope of the Agreement and shall serve as the principal point of contact with the City and the City's project coordinator. The authorized principal of Consultant executing this Agreement for the Consultant shall have authority to make decisions regarding changes in services, termination and other constructional matters on behalf of Consultant.

2. DUTIES OF CITY

2.1 City shall furnish to Consultant all available and pertinent data and information requested by Consultant to facilitate the preparation of the documents called for in this Agreement.

2.2 City shall provide contract administration services. City shall notify Consultant of required administrative procedures and shall name representatives, if any, authorized to act in its behalf.

2.3 City shall review documents submitted by Consultant and shall render decisions pertaining thereto as promptly as reasonably possible.

3. COMPENSATION

3.1 City agrees to compensate Consultant for all professional services associated with the performance of the project in an amount not to exceed Five Thousand Dollars (\$5,000) per month for the term of the Agreement, as follows:

Once each month, Consultant shall submit for payment by City, an invoice describing services performed during the previous billing period. City shall pay Consultant for services rendered and approved by the City within 30 days from the date the invoice is received by the City.

Consultant's professional services fee does not include direct expenses such as printing, reproduction, and delivery charges. Should direct mail production services be desired by the City, such costs shall be in addition to Consultant's professional fees. Consultant shall recommend a budget for these direct expenses for the approval of the City.

3.2 If Consultant incurs other costs which are not specifically covered by the terms of this Agreement, but which are necessary for performance of Consultant's duties, City may approve payment for said costs if authorized in writing by the City in advance.

3.3 City may order changes in the scope or character of services in writing, including decreasing the amount of Consultant's services. In the event that the work is decreased, Consultant is entitled to full compensation for all services performed and expenses incurred prior

to receipt of notice of change.

4. SUBCONSULTANTS

4.1 Consultant may not subcontract any services required under this Agreement without the prior written consent of the City.

4.2 Prior to authorizing any subconsultant to work under this Agreement, Consultant shall submit to City evidence that the subconsultant agrees to indemnify, defend and hold City, its agents, officers, attorneys, employees, officials and volunteers harmless from any and all claims, causes of action, injuries or damages arising out of any negligent acts, errors and omissions or intentional misconduct on the part of subconsultant, its agents, officers, employees, or anyone rendering costs and attorney's fees incurred in defending any action covered by this provision.

4.3 Consultant shall be responsible to City for the performance of any and all subconsultants who perform work under this contract, and any acts of negligence on their part. Consultant is solely responsible for all payments due to subconsultants.

5. OWNERSHIP OF DOCUMENTS AND MATERIALS

All Final work products prepared by the Consultant or its subconsultants in the performance of the services encompassed in this Agreement shall be the property of the City and may be used without the consent of the Consultant or its subcontractors. Consultant shall maintain ownership of its own working notes and preliminary drafts. City acknowledges that such drawings, documents, and other items are instruments of professional services intended for use only on the subject project. In the event the City uses the instruments for other purposes, the City agrees to hold harmless and indemnify Consultant against any claims, losses and damages arising out of such use.

6. TERMINATION

Notwithstanding any other provision of this Agreement, City may terminate this Agreement at any time, with or without cause, in its sole discretion, by giving notice in writing to Consultant of such termination. In the event of such termination, Consultant shall have the right and obligation to immediately assemble the work then in progress for the purpose of completing the work and turning over all materials and documents to City. In the event of such termination, Consultant shall be compensated for all work and services performed to the point of termination in accordance with the payment provisions set forth in Section 3.1, unless the termination is for cause, in which event Consultant need be compensated only to the extent required by law.

7. AUDIT AND INSPECTION

Consultant shall permit authorized representatives of City to inspect and audit all data and records relating to its performance under this Agreement for a period of three years following acceptance of the final study.

8. EQUAL EMPLOYMENT OPPORTUNITY

Consultant agrees to refrain from discriminatory employment practices on the basis of race, religious creed, color, sex, national origin, handicap, sexual orientation, or ancestry of any employee of, or applicant for employment with, such Consultant or subcontractor.

9. INSURANCE AND INDEMNIFICATION

9.1 **Hold Harmless:** Consultant agrees to indemnify, defend and hold harmless the CITY, its officers, agents and employees from any and all claims, actions, causes of action, losses, damages, costs and liabilities of every nature, including all costs of defending any claim, caused by or arising out of, or alleged to have been caused by or arise out of the performance of this Agreement, except for any claims, actions, causes of action, losses, damages, costs or liabilities proximately caused by the sole negligence or willful misconduct of CITY. CITY shall not be liable for acts of Consultant in performing services described herein.

The foregoing indemnity provisions are intended to fully allocate all risk of third-party liability between the parties. No other rights of indemnity or contribution shall exist between the parties in law or equity. The provisions set forth in this section shall survive termination of this Agreement.

9.2 Consultant shall maintain insurance conforming to the following specifications:

A. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. Insurance Services Office (ISO) CGL Form 00 01 11 85; and
2. ISO CA 00 01 06 92 including symbol 1(any auto); and
3. Workers' Compensation insurance as required by the Labor Code of the State of California and Employer's Liability insurance; and
4. Professional Liability and/or Errors and Omissions insurance covering all risk of loss to City arising out of any negligence or other malfeasance committed by or on behalf of Consultant in rendering services to City.

B. Minimum Limits of Insurance

Consultant shall maintain limits no less than:

1. General Liability: \$1,000,000 combined single limit per occurrence for bodily, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: \$1,000,000 combined single limit per accident for

bodily injury and property damage.

3. **Workers' Compensation and Employer's Liability:** Workers' Compensation limits as required by the Labor Code of the State of California and Employer's Liability limits of \$1,000,000 per accident.

4. **Professional Liability and/or Errors and Omissions:** \$1,000,000 per claim and \$2,000,000 in the annual aggregate.

5. It is a requirement of this Agreement that any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements and/or limits set forth in this Agreement shall be available to the City when the City is named as an additional insured pursuant to this Agreement. Furthermore, the requirements for coverage and limits shall be (1) the minimum coverage limits specified in this Agreement, or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured, whichever affords greater coverage.

C. Deductible and Self-Insured Retention

Any deductibles or self-insured retention must be declared to and approved by the City. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the City, its agents, officers, attorneys, employees, officials and volunteers; or the Consultant shall procure a bond guaranteeing payment of losses related to investigations, claim administration, and defense expenses.

D. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability and Automobile Liability Coverage:

a. The City, its agents, officers, attorneys, employees, officials and volunteers are to be covered as additional insureds as respects: liability arising out of activities related solely to this Agreement performed by or on behalf of the Consultant, products and completed operations of the Consultant, premises owned, occupied or used by the Consultant, or automobiles owned, leased, hired or borrowed by the Consultant.

b. The Consultant's insurance coverage shall be primary insurance as respects the City, its agents, officers, attorneys, employees, officials and volunteers. Any insurance or self-insurance maintained by the City, its agents, officers, attorneys, employees, officials and volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its agents, officers, attorneys, employees, officials, and volunteers.

d. The Consultant's insurance shall apply separately to each insured

against whom claim is made or suit is brought except with respect to the limits of the insurer's liability.

2. **Workers' Compensation and Employer's Liability Coverage:** The insurer shall agree to waive all rights of subrogation against the City, its agents, officers, attorneys, employees, officials, and volunteers for losses arising from work performed by the Consultant for the City.
3. **All Coverages:** Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

E. Acceptability of Insurers

Without limiting Consultant's indemnification provided hereunder, Consultant shall take out and maintain at all times during the life of this contract, up to the date of acceptance of the work by the City, the policies of insurance listed in Article 9.2 of this Agreement. Insurance is to be issued by an issuer with a current A.M. Best Rating of A:VII and be authorized to transact business in the State of California, unless otherwise approved by the City.

F. Verification of Coverage

Consultant shall furnish the City with certificates of insurance evidencing coverage required by this clause. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. Where by statute, the City Workers' Compensation related forms cannot be used, equivalent forms approved by the Insurance Commissioner are to be substituted. All certificates are to be received and approved by the City before work commences.

G. Subconsultants

Consultant shall include all subconsultants as insured under its policies or shall furnish separate certificates by each subcontractor. All coverage shall be subject to all of the requirements stated herein.

10. MISCELLANEOUS

10.1 This Agreement shall be binding on the heirs, executors, assigns and successors of Consultant.

10.2 Consultant may not assign this Agreement, or any portion hereof, without the prior written consent of City.

10.3 This Agreement shall not be construed to alter, affect, or waive any lien or stop notice rights, which Consultant may have for the performance of services pursuant to this

Agreement.

10.4 City's waiver of any term, condition or covenant, or breach of any term, condition or covenant shall not be construed as the waiver of any other term, condition or covenant or waiver of the breach of any other term, condition or covenant.

10.5 This Agreement contains the entire Agreement between City and Consultant relating to the project and the provision of services to the project. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force or effect. Subsequent modifications to this Agreement shall be in writing and signed by both City and Consultant.

10.6 If any term, condition or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this Agreement shall be valid and binding on City and Consultant.

10.7 This Agreement shall be governed and construed in accordance with the laws of the State of California.

10.8 This Agreement may be executed in counterparts and will be binding as executed.

10.9 All changes or amendments to this Agreement must be in writing and approved by all parties.

10.10 The term of this Agreement shall commence upon execution of the Agreement and terminate one year thereafter. Any extension of the Agreement shall be mutually agreed upon in writing and shall require an amendment to the Agreement signed by both parties.

11. **NOTICES**

Notices required under this Agreement may be delivered by first class mail addressed to the appropriate party at one of the following addresses:

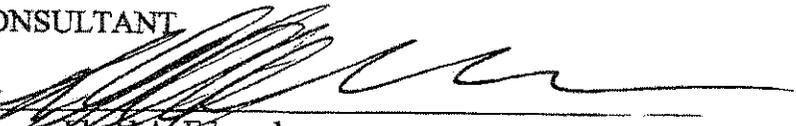
CITY: **City of Campbell**
Attention: Al Bito, Deputy City Manager
70 North First Street
Campbell, CA 95008

CONSULTANT: **The Lew Edwards Group**
Attention: Lloyd A. Edwards, Secretary-Treasurer
5454 Broadway, Oakland, CA 94618

Having read and understood the foregoing Agreement, the undersigned parties agree to be bound hereby:

CONSULTANT

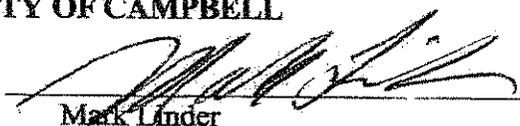
By


Lloyd A. Edwards

Title: Secretary-Treasurer

CITY OF CAMPBELL

By


Mark Linder

Title: City Manager

Exhibit A - Scope of Services and Compensation

EXHIBIT A – SCOPE OF SERVICES AND COMPENSATION

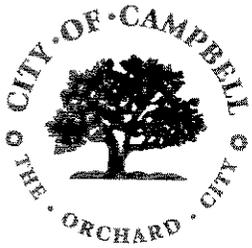
The Low Edwards Group (“Consultant”) will provide the following Fiscal Sustainability and Strategic consulting services to the City of Campbell:

- Evaluate City’s current opinion research and assist in the development of future research;
- Identify potential risks/problems, opportunities, community themes and messaging, and other issues relevant to the potential feasibility of a 2016 Fiscal Sustainability and Community Service Measure;
- Project-facilitate a coordinated strategy and timeline for City staff and other professionals/consultants assigned to the Project;
- Develop an informational Strategic Communications and Outreach Plan to expand community awareness of city service, infrastructure and revenue needs, solicit community input, or respond to questions through informational (non-advocacy) materials and activities;
- Conceive and produce informational communications materials, such as brochures, letters, or mailers;
- Work with the City to continuously update a timeline, and finalize a project budget for the duration of the project;
- Provide strategic input to the City Attorney on the ballot question and other submittals, to ensure that effective communication as well as legal requirements are met (note that the City Attorney has final review and responsibility for all legal requirements); and
- Train City staff on nonpartisan, information-only community outreach activities.

The parties expressly acknowledge and agree that legal services or advice are not within Consultant’s scope of services. If providing direct mail services, Consultant will facilitate delivery to the US Postal Service, but cannot assume responsibility for delivery once mail is within the control of USPS.

The Agreement is effective through October 31, 2016, unless terminated earlier by the City.

Consultant’s professional services fee is Five Thousand Dollars (\$5,000) per month. Without exception, Consultant does not invoice or track work on an hourly or time/materials basis. This is for professional services only, and does not include project expenses such as opinion research, direct mail production, or duplication.



City Council Report

ATTACHMENT B

Item: 17.
Category: New Business
Date: October 6, 2015

TITLE: AUTHORIZE THE CITY MANAGER TO EXECUTE A CONTRACT FOR CONSULTANT SERVICES WITH THE LEW EDWARDS GROUP (Resolution/Roll Call Vote)

RECOMMENDATION

It is recommended that the City Council:

1. Adopt the attached Resolution authorizing the City Manager to execute a consultant services agreement with the Lew Edwards Group; and
2. Authorize associated budget adjustment

BACKGROUND

The Civic Center Master Plan project was adopted as a City Council priority. Earlier this year, Council directed staff to move forward with exploring and identifying financing options to support the design and construction of one of three selected Master Plan alternatives to be considered and ultimately selected for adoption by the City Council in the near future in collaboration with Anderson Brule Architects (ABA), which has been providing master planning services on this project for the City. The Civic Center complex is defined as the entire City block bounded by North First Street, Civic Center Drive, Harrison Street, and Grant Street; and encompasses City Hall, Police Department, Library, Orchard City Green, the Ainsley House, and the Historical Museum. As progress is made towards a master plan, Council should consider the magnitude of the design and construction costs required, and explore the option of placing a new revenue measure on an electoral ballot.

A competitive Request for Qualifications (RFQ) selection process took place in January 2008, involving five firms. The City then entered into an agreement with the Lew Edwards Group for consulting services in connection with the City's public education and exploration of a possible revenue source. The scope of work in the original agreement included providing the City with technical assistance in developing an education and outreach program to communicate the City's financial situation to residents and get public input on service priorities. The consultant assisted with a Budget Task Force, coordination of polling services, and other outreach initiatives. The consultants' agreement expired on July 31, 2008 and then extended by the parties through October 31, 2008.

DISCUSSION

The various design scenarios developed by ABA all include some form of construction and/or modification of existing facilities. To fund the Civic Center Master Plan, a variety, and most likely a combination of funding sources will be utilized. A conceptual cost model developed by ABA in July 2015 showed estimated implementation costs ranging from \$151 - \$164 million dollars. Although the cost model data provides budgetary numbers and is not intended to serve as a construction cost estimate, staff realizes that in order to fund a project of this scope, a variety, and most likely a combination of funding sources will be utilized. Amongst those financing tools, staff would like to consider placing a new revenue measure on an electoral ballot.

Recognizing that our current fiscal and personnel resources are stretched to provide our community with the level of service we desire to deliver, a revenue measure could also provide the City with funding to support ongoing needs in our community, without placing further burden on the General Fund. Such services could include street maintenance, public safety, and recreation programming.

The next viable opportunity to place a revenue measure on a ballot would be during the November 2016 General Election. To this end, the City would need to prepare strategies, conduct outreach, prepare ballot language, conduct impartial legal analyses, and produce informational materials, as soon as possible. Because the City has successfully used the consultant services of the Lew Edwards Group in the past for a critical ¼-cent Sales and Use Tax, Measure O, staff is recommending this firm to assist again with research, strategic planning, identifying risks and opportunities, and public messaging. The proposed Scope of Services and Compensation is attached to this Report for reference.

In accordance with Campbell Municipal Code Sections 3.20.091(1) and 3.20.091(3), Council must approve consultant services in excess of \$15,000 upon determination that the use competitive bidding is not practical or advantageous, where price is not a primary consideration, or where quality, availability or capability are overriding in relation to pricing in procurement of technical services.

FISCAL IMPACTS

The fee consulting services with the Lew Edwards Group for this project is \$5,000 per month and would be supported by the adopted Civic Center Master Plan budget. If approved by Council, staff anticipates utilizing the firm's expertise immediately through October 31, 2016 prior to the November 2016 General Election. The total fees then would be \$60,000 over the term of 12 months. Staff regards this project cost to be reasonable given the firm's expertise, reputation, and success rate with recent elections for similar revenue measures. As referenced in Exhibit B, the City has the option to terminate the consultant's services prior to October 2016.

Staff has prepared an accompanying budget adjustment to appropriate the required funds from the Council Priority Reserve, established with the adoption of the FY 15-16 budget, and increase funding allocated to City Manager's Office (Attachment C).

ALTERNATIVES

1. Do not authorize the City Manager to execute a consulting services contract with the Lew Edwards Group.
2. Direct staff to procure additional quotes from comparable firms performing similar services.

Prepared by: Margarita J. Mendoza
Margarita Mendoza, Administrative Analyst

Reviewed by: Al Bito
Al Bito, Deputy City Manager

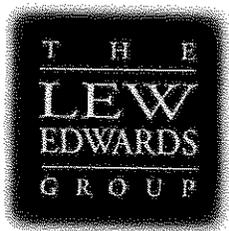
Reviewed by: Todd Capurso
Todd Capurso, Public Works Director

Reviewed by: Jesse Takahashi
Jesse Takahashi, Finance Director

Approved by: Mark Linder
Mark Linder, City Manager

Attachments:

- A. Resolution
- B. Lew Edwards Group Proposal
- C. Budget Adjustment



To: Mark Linder, City Manager
Al Bitto, Deputy City Manager

From: Catherine Lew, President/CEO
The Lew Edwards Group

Date: March 25, 2016

Re: Requested Release from Contract

VIA EMAIL TRANSMISSION

City Manager Linder and Deputy City Manager Bitto—

It has come to my attention that the Campbell City Council has agendaized LEG's agreement with the City for discussion and that this issue came up at the City Council meeting of March 15th. We have reviewed the tape where the matter was discussed and subsequently, I am respectfully requesting that the City release our firm from our November 2015 Agreement with the City.

I would like to provide a final invoice for services rendered through the month, on March 31st.

Our firm and I have valued our collaboration with the City, which spans several years and resulted in successful collaborations on Measures O and M in 2008 and 2010. The Lew Edwards Group has the utmost respect for both of you, other City staff, and the entire Campbell City Council. As you know, I have extended my availability to all members of the City Council to provide updates and perspectives on our approach and how LEG can best assist the City's effort to improve city services and facilities.

However, as both of you are also aware, our firm's services are in significant demand this year. Among scores of other public agencies, LEG is representing a number of clients in Santa Clara County who recognize the value of the services LEG provides, are actively assessing all local funding options available to them, and are engaging their constituencies in this planning with LEG's assistance in a highly focused and permissible manner.

As such, our organization simply does not have the time or interest in being the subject of debate about whether our services are desired at this time by any client. Thank you for your consideration of this request.

RESOLUTION NO. _____

BEING A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAMPBELL RELEASING THE LEW EDWARDS GROUP FROM ITS CONTRACT AND AUTHORIZING THE CITY MANAGER TO NEGOTIATE, AWARD AND EXECUTE A NEW CONTRACT FOR PRE-ELECTORAL CONSULTING SERVICES

WHEREAS, the City is exploring new revenue options as it evaluates funding options to support Phase I of the Civic Center Master Plan and executed a contract on November 1, 2015, with The Lew Edwards Group to advise the City in placing a local revenue measure on the November 2016 General election ballot; and

WHEREAS, on March 25, 2016, The Lew Edwards Group transmitted a letter addressed to the Campbell City Manager that it is requesting to be released from its current contract after March 31, 2016; and

WHEREAS, assuming City staff can obtain comparable consultant services from April 1, 2016 through October 31, 2016; and

WHEREAS, the City Council now hereby grants the request of The Lew Edwards Group to be released from its contract which began on November 1, 2015 and is referenced as Attachment A in the accompanying Council Report for this April 5, 2016 Council agenda item; and

WHEREAS, time is of the essence.

NOW, THEREFORE, BE IT RESOLVED; that the City Council of the City of Campbell hereby authorizes the City Manager to release The Lew Edwards Group from its current consultant services contract which was executed on November 1, 2015 and authorizes the City Manager to negotiate, award and execute a new pre-electoral consultant services contract in an amount not to exceed \$25,000.

PASSED AND ADOPTED, this _____ day of _____, 2016 by the following roll call vote:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSTAIN: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

APPROVED: _____
Jason T. Baker, Mayor

ATTEST: _____
Wendy Wood, City Clerk

MEMORANDUM



**City of Campbell
City Clerk's Office**

To: Honorable Mayor and City Council

Date: April 5, 2016

From: Wendy Wood, City Clerk

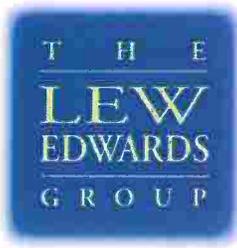
Handwritten signature of Wendy Wood in black ink.

Via: Mark Linder, City Manager

Handwritten signature of Mark Linder in blue ink.

Subject: Desk Item 16 – Additional Information

Attached are documents providing additional information on the deliverables from the Lew Edwards Group to be included as a public record.



SAMPLE PROJECT SCHEDULE

This timeline is adapted from planning for other 11/16 cities

NOVEMBER 2015	<p>PHASE ONE: CONDUCT ASSESSMENT, DEVELOP STRATEGIC PLAN</p> <ul style="list-style-type: none"> <input type="checkbox"/> Review City’s Archival Election Results and current demographics, policies and media information <input type="checkbox"/> Convene Team Kick Off Planning Meeting <ul style="list-style-type: none"> o Assist in finalizing Resident Satisfaction Survey o Independently Analyze Results
DECEMBER - JANUARY 2016	<p>PREPARE TO ENGAGE THE COMMUNITY</p> <ul style="list-style-type: none"> <input type="checkbox"/> Present results to City staff, reach consensus on approach <input type="checkbox"/> Present results to City Council <input type="checkbox"/> Develop Recommended Communications/Engagement Plan <input type="checkbox"/> Develop and recommend Communications/Engagement Collaterals <ul style="list-style-type: none"> o Draft Initial Information Documents/Engagement Tools for use in routine City communications vehicles, such as Bill Stuffers, City newsletter, City website, and social media o Develop Informational Speakers’ Bureau Toolkit o Conduct Informational Message Training for City Staff o Contact Community Groups for presentations (City) o Refine/update Opinion Leader database (City)
FEBRUARY – MAY 2016	<p>LAUNCH COMMUNITY ENGAGEMENT (City-LEG)</p> <ul style="list-style-type: none"> <input type="checkbox"/> Implement community presentations (City) <input type="checkbox"/> Copy write Opinion Leader updates and information for such sources as Earned Media/New Media/Social Media <input type="checkbox"/> Update City website and other communications vehicles (City) with informational message points developed by LEG <input type="checkbox"/> Develop answers for community questions, continue to update communications/engagement materials <input type="checkbox"/> Conceive and produce informational mailing/s to solicit input and report back to the community <input type="checkbox"/> Assess community responses
JUNE 2016	<p>ASSESS INPUT, ASSESS VIABILITY, DEVELOP BALLOT MEASURE (City-LEG)</p> <ul style="list-style-type: none"> <input type="checkbox"/> Conceive/produce 2nd or 3rd informational mailing <input type="checkbox"/> Provide strategic input to follow-up Tracking Survey efforts <input type="checkbox"/> Independently analyze survey results <input type="checkbox"/> Brief City on strategic recommendations
JULY –AUGUST 2016	<p>PREPARE FOR MEASURE PLACEMENT</p> <ul style="list-style-type: none"> <input type="checkbox"/> If viable to proceed, assist with staff reports and measure

	<p>preparation/s</p> <ul style="list-style-type: none"> <input type="checkbox"/> Advise on Media Strategy <input type="checkbox"/> Assist in preparing for Council adoption vote <ul style="list-style-type: none"> o Media updates o Community participation <input type="checkbox"/> City Council acts to place measure on the ballot in July <ul style="list-style-type: none"> o Measure materials are submitted to County Elections Office <p>POST-ADOPTION ACTIVITIES</p> <ul style="list-style-type: none"> <input type="checkbox"/> Update City's website and all communications vehicles with updated Measure information prepared by LEG <input type="checkbox"/> Issue Opinion Leader Update announcing placement of the measure on the ballot <input type="checkbox"/> Address Rapid Response Needs as necessary <p><i>The City of Campbell can continue its factual, informational efforts following placement of a measure on the ballot, but cannot engage in any partisan activities. All advocacy efforts are implemented by a separate committee.</i></p>
<p>SEPTEMBER – NOVEMBER 2016</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Continue 2nd round of informational Speakers' Bureau presentations (City) <input type="checkbox"/> Implement Earned Media/Internet Communications <input type="checkbox"/> Issue two-three informational mailings <input type="checkbox"/> Address rapid response needs <input type="checkbox"/> Provide two-way media comments <input type="checkbox"/> Thank the community for participating in the election (City)



Agenda
City of Campbell
Friday, February 26; 3 PM

- I. Additions to the Agenda, if any**
- II. Updates from City**
- III. Review Project Timeline**
- IV. Review Communications Collaterals/Discuss Action Items**
 - Key Messages
 - FAQs
 - Community Presentation
 - Feedback Form
- V. Housekeeping/Discussion Items**
 - Action Items: Designate City Messengers, schedule Speaker's Bureau training
 - Outreach: City Events and Communications Vehicles
 - Opinion Leaders Data base update
 - Scheduling Speakers Bureau community presentations
- VI. Additional Items to the Agenda, if any**
- VII. Adjourn**

Send and link to in City newsletter/s; place on City website "Envision Campbell" dedicated page that should be linked from home page left-side table of contents; bring to community updates (Speaker's Bureau), events, etc.) The City should set up a Survey Monkey and email to push the Feedback Form out electronically. See mock links below.



Envision Campbell: Join the Conversation!

The City of Campbell recently launched the Envision Campbell initiative to increase community input and engagement as we work to maintain our high quality of life, safety and other critical services for our community.

We'd like to hear you from you! Please join the conversation and let us know what your community priorities are for Campbell.

Please rank your priorities by circling a number below, with 5 being the most important to you. Your views are important to us. Thanks for your help!

- Maintaining 9-1-1 response times..... 1 2 3 4 5
- Maintaining police patrols, neighborhood watch, and crime prevention programs..... 1 2 3 4 5
- Maintaining fire prevention and protection services..... 1 2 3 4 5
- A safe library space for seniors and after-school homework programs..... 1 2 3 4 5
- Streets and pothole repair..... 1 2 3 4 5
- A seismically-safe police operations center..... 1 2 3 4 5
- Street Lighting..... 1 2 3 4 5

Others and/or Comments:

Questions:

Contact Information

- Keep me informed
- I would like to request a community presentation for a local community organization

Name: _____

Organization Affiliation (If any): _____

Address: _____ City/State/Zip _____

Phone: _____ Email: _____

You can also complete this survey electronically by going to www.surveymonkey.com/EnvisionCampbell

Please return completed feedback to any City of Campbell public building or by:

Fax: xxx-xxx-xxx

Email: CityInfo@cityofcampbell.com

U.S Post: The City of Campbell • 70 N. First St. • Campbell, CA 95008



CITY OF CAMPBELL

Kick-Off Meeting

Monday, November 9, 2015

3:00 PM

- I. Re-Introductions/Additions to Agenda, if any** (5 minutes)
 - Meeting Objectives
 - Team Roles

- II. Debrief: City Council meeting 10/6** (30 minutes)
 - Overall County ballot measure dynamics

- III. Update on Resident Satisfaction Study progress** (15 minutes)

- IV. Sample project planning timeline for November 2016** (5 minutes)

- V. Housekeeping** (5 minutes)

- VI. Other Items/Adjournment**

FAQ's to be placed on city letterhead, and used as a leave behind at community events and public buildings w/ the Community Feedback Form.

Frequently Asked Questions

Envision Campbell: Join the Conversation!

Q: What is Envision Campbell?

A: The City of Campbell recently launched the Envision Campbell initiative to increase community input and engagement as we work to maintain our high quality of life, safety and other critical services for our community.

Q: Did you know?

A: Campbell prides itself on our excellent quality of life, fiscal accountability and high level of service delivery –and we need to keep it that way. A recent community survey shows that 95% of residents are satisfied with the quality of life in Campbell. In fact, Campbell was just recently named one of the top five communities in the West by the renowned *Sunset Magazine!*

Q: Why is this important to me?

A: The City of Campbell wants to hear from you about your priorities for Campbell to maintain our quality of life, safety and other critical services. Please Join the Conversation!

Q: What City services need to be maintained?

A: City priorities recently identified by the City Council and the community include:

- Maintaining 9-1-1 response times
- Providing police patrols, neighborhood watch, and crime prevention programs
- Maintaining fire prevention and protection services
- Safe library space for seniors and after-school homework programs
- A seismically safe police operation center

Q: How do I Join the Conversation?

A: We'd like to hear you from you! Please join the conversation by completing a [community feedback form](#) today to share your views and let us know what community priorities you want the City to maintain. (*note: create direct link from Envision Campbell FAQs webpage to Community Feedback Form. Use FAQs as a hard copy leave behind at events, in letters, etc. along with Feedback Form*)

Q: Where can I get more information?

A: The City will be updating the community and getting input over the coming months. For more information, visit www.cityofcampbell.com. If you have any specific questions feel free to contact City Manager Mark Linder at xxx-xxx-xxxx or XXXX@cityofcampbell.com.



Agenda

City of Campbell

Friday, March 25; 3 PM

Dial-in: 1-712-832-8300

Access Code: 610314#

- I. Additions to the Agenda, if any**
- II. Updates from City**
- III. Materials Review**
 - Internal Working Draft QAs
- IV. Discussion Items**
 - Speaker's Bureau Scheduling Status
 - Speaker's Bureau Training
 - Outreach/Community Feedback Communication Vehicles
 - Photo needs
- V. Additional Items to the Agenda, if any**
- VI. Adjourn**



To: Honorable Jason Baker and City Council Members
City of Campbell

From: The Lew Edwards Group
with Godbe Research

Date: December 9, 2014

Re: Community Survey Fielding and Protocols

With the assistance of City of Campbell staff and the City Attorney's Office, LEG and Godbe Research (GR) have drafted a Resident Satisfaction Survey to assess resident satisfaction and service priorities for the City of Campbell. The survey will provide the City with updated information about community satisfaction with City government and city services, as well as interest in providing additional funding for quality of life services.

In implementing this survey for the City, we will not only be assessing community priorities and satisfaction based on the City's unique circumstances, but also drawing from our "best practices" from the previous public opinion research work that Godbe Research has provided for the City and other survey results.

We are currently initiating interviews this week of December 7 and anticipate interviews to take approximately 11-13 days.

Confidentiality of the Survey Prior to Completion of Interviews

Certain protocols are vital to ensuring the integrity and independence of the survey, to arrive at an unbiased result. It is essential that you do not discuss, email, blog, or otherwise communicate publicly about the survey prior to our completion of all interviews, as any media or e-discussion ***will potentially "taint the pool" of potential participants and likely bias responses and results.***

Our goal is to provide the City with accurate information about your community's service priorities and satisfaction. Our consulting team has made no presumptions

about these issues, but will simply gather and analyze the data directly provided by your constituents. As part of this analysis, our team will assess the importance of a variety of services to your constituents, gauge satisfaction with services the City of Campbell provides and any interest in a potential revenue measure.

For this reason, GR follows standard protocols to avoid potential survey respondents being aware of the survey or questions in advance of interviews. It is essential that the survey questions be kept confidential while the survey is being conducted. *This also includes refraining from any discussion of the issues in this memorandum, which is not for public circulation – it is for your reference only.*

Timing of the Survey and Other Issues

The survey is approximately 21 minutes in length, meaning each person who completes the entire survey spends this amount of time on the phone or online. This time was specifically chosen to stay within our budget and to help ensure we are able to achieve 600 completed interviews. Interviewers will be calling daily including weekends, when people are most likely home. This means that the majority of the interviews will be conducted between 5:00 and 9:00 p.m. on weekdays. Saturday and Sunday calls will be conducted during the day, with Sunday calls taking place into the evening as well. Online survey participants will receive the survey via email with a notification of the survey deadline, when it will longer be accessible to them.

With regard to the structure of the survey instrument, we begin with a couple of icebreaker questions. To get a balanced, accurate assessment on current community priorities and satisfaction, it is important to ask a variety of questions. These questions range from the general to the specific regarding City services and community satisfaction and priorities.

It is not uncommon for the City and/or individual Councilmembers to receive calls from constituents complaining about the survey in general or particular questions. Unfortunately, some mispronunciation of names is normal and also might be cause for a complaint. This is completely normal and should not cause alarm.

In the event that a Councilmember or the City receives an angry or complaining call from a constituent, please have them collect the name and phone number of the constituent. We ask that a name and phone number be collected as there are many similarly spelled names (ex. Bob/Rob/Robert/Bob Smith) and a phone number will help identify the particular person and where a problem may have occurred. This information should then be forwarded to Bryan Godbe at wbgodbe@godberesearch.com

or (650) 479-1127, so that Godbe Research can monitor for quality control and address any concerns about polling questions and process.

In responding to any constituent or media inquiries, simply explain that the City is in the process of determining community priorities, satisfaction and important issues facing the City of Campbell, and responses from residents are greatly appreciated. It is important not to have any prolonged public conversations regarding the survey until interviews are completed, as we want to ensure 'gut' reactions and responses from those interviewed, not responses they have developed over time after hearing the city is conducting a community survey.

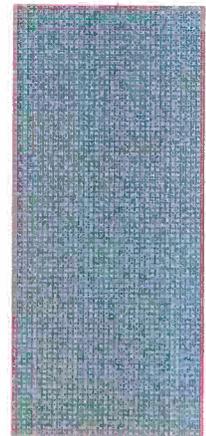


CITY OF CAMPBELL

ENVISION CAMPBELL

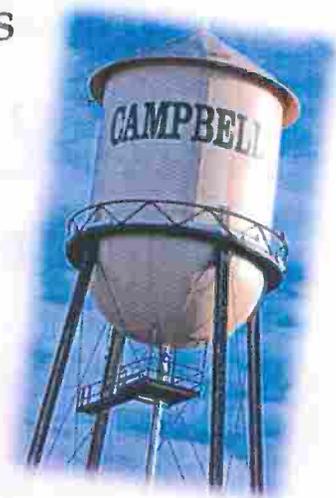
A COMMUNITY CONVERSATION
ON LOCAL NEEDS

SPRING/SUMMER 2016



WHAT IS ENVISION CAMPBELL?

- The City of Campbell recently launched the Envision Campbell initiative to increase community input and engagement.
- The City is continuing to identify the community's priorities for critical local services.
- We want to get as many community perspectives as possible in our effort to maintain your quality of life
- What local services do YOU value?
- Our Goal: To hear YOUR priorities for Campbell



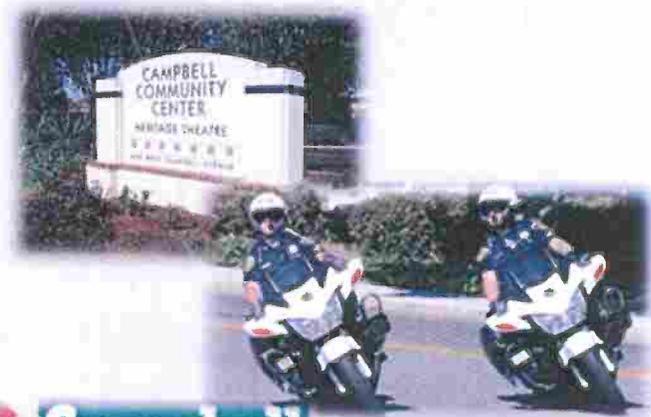
DID YOU KNOW?

- Campbell prides itself on our excellent quality of life, fiscal accountability and high level of service delivery — and we need to keep it that way:
 - A recent community survey shows that *95% of residents* are satisfied with the quality of life in Campbell.
 - Campbell was just recently named one of the top five communities in the West by the renowned *Sunset Magazine!*



WHY IS THIS IMPORTANT?

- The City of Campbell wants to hear from you about your priorities for Campbell to:
 - Maintain our quality of life
 - Maintain our safety
 - Maintain critical services
- Join the Conversation!
 - Fill out a Community Feedback Form today



WHAT ARE THE CITY'S PRIORITIES?

- **Critical services already identified by the community and City Council include:**
 - Maintaining 9-1-1 response times
 - Providing police patrols, neighborhood watch, and crime prevention programs
 - Maintaining fire prevention and protection services
 - Safe library space for seniors and after-school homework programs
 - Providing a seismically safe police operations center



JOIN THE CONVERSATION

- We are reaching out to the community to better understand your priorities for City services – here are ways to get involved:
- ✓ Take our Community Feedback Survey and let us know your priorities – we'd like to hear from YOU!
- ✓ Do you belong to other organizations that needs this information? Let us know! Email xxxx@xxxx.org
- ✓ Help set up a neighborhood coffee.



Public Speakers' Guidelines & Presentation Steps

Public Outreach & Speakers' Bureau Goals

We are asking the Outreach team to build on the work the City has already been doing under the "Envision Campbell" initiative to engage the community and contact/speak to as many local organizations and residents as possible and to collect feedback forms. Presentations should be given to the City's Committees and Commissions, service clubs, homeowners associations, PTA's, neighborhood watch groups, business associations, senior organizations, etc. Let us know about groups, organizations or individuals to add to the outreach list.



Goals of the Speakers' Bureau/Community Outreach effort:

1. Educate groups and/or individuals about City funding needs - specifically, the need to maintain public safety, Campbell's quality of life and other essential services.
2. Build a database of informed, interested stakeholders.
3. Obtain "yield" or input from every speaking engagement by collection completed Community Feedback Forms.

Remember, we are explaining and informing about service needs and getting feedback from residents. We are NOT talking about a potential measure on the ballot at this juncture.

SPEAKER ORIENTATION GUIDE

ENVISION CAMPBELL



Thank you for agreeing to help engage the community about the City of Campbell's local needs to maintain Campbell's quality of life, public safety and other essential services. One of the most effective and important communication techniques is public speaking opportunities with local audiences. Soliciting community feedback and getting focused information to local residents and community groups is extremely important.

The goal of the Speakers' Bureau and Community Outreach effort – and every individual speaking opportunity – is to convey information that increases awareness about Campbell's local services needs and provides a forum for valuable community feedback and input.

In this packet, you will receive the following tools:

1. *Public Speaking Guidelines, containing helpful tips to empower you as an effective presenter (not for public distribution).*
 - Speakers' Guidelines
 - Speaking and Presentation Tips
 - Fielding Questions
 - Do's and Don'ts
 - Key Messages
 - Presenter Q/A's
2. *Communications Outreach and Presentation Materials that have been carefully crafted based on community perspectives reflected in recent public opinion research.*
 - "Envision Campbell: A Community Conversation on Local Needs" presentation (*hardcopy of PowerPoint*)
 - Public FAQ
 - Community Feedback Form

Message Guidelines

IMPORTANT: The Public FAQ and Community PowerPoint presentation reflect the key public messages to which the team should adhere, as community polling indicates that *these specific issues and information are of the greatest interest and concern to local residents*. Please emphasize these talking points in your remarks.

CAUTION: Avoid speaking about too many needs, as this will be far too much information for the average person. Please focus specifically on the following information that has been determined to be of the most interest to the community:

Maintain Quality of Life: A recent community survey shows that 95% of residents are satisfied with the quality of life in Campbell. In fact, Campbell was just recently named one of the top five communities in the West by the renowned *Sunset Magazine*. Campbell prides itself on our excellent quality of life, fiscal accountability and high level of service delivery – we need to keep it that way.

Maintain Public Safety: Campbell is a safe community, with serious crime down 8%. Maintaining 9-1-1 response times, police patrols and neighborhood watch programs, as well as fire protection and prevention services in a seismically safe police operation center will keep Campbell safe and maintain our high quality of life.

Keep Kids and Seniors Safe: A recent community survey shows that 90% of our residents think our local Library is an important service. We must maintain our local, aging Library as a safe space for senior and after-school programs that help maintain public safety and our quality of life.

Helpful Action Steps to a Successful Presentation

1. All presentations will be scheduled and coordinated by the City. Community groups should be asked if City officials can give a 10-15 minute update at their next meeting about the City of Campbell's Envision Campbell initiative - and that we are soliciting community feedback on local priorities. To broaden the City's outreach, community members/leaders should also be contacted about hosting neighborhood "Join the Conversation" coffees regarding these issues.
2. Bring enough FAQ Brochures to hand out to all meeting attendees.
3. Make your remarks. Please review and think about your remarks *before* the meeting. Our suggested outline takes about 10-15 minutes:
 - ✓ Introduce yourself.
 - ✓ Offer short personal story/connection about why you are speaking about Campbell's local quality of life, public safety and essential services public needs.
 - ✓ Go through the PowerPoint presentation, focusing on key messages.
 - ✓ Field questions (stay "on message").
4. Obtain "yield" and track results. Pass out Community Feedback Surveys to every audience member after your presentation and have them complete and return the forms before leaving the meeting

Obtaining the "Yield": Tracking Results from Outreach Efforts

Receiving Community Feedback Surveys: *Try to collect at least 10 forms per speaking engagement.* Please ask that forms be completed and turned in while you are at the event. Once you leave, the chances of obtaining the completed forms via the mail, fax or online drop significantly. Please give all completed forms to [City Designee TBD] as soon as possible after your talk.



6 Sensational Speaking Tips

In our judgment, the most effective speakers are those who speak from their own experience – from the heart, personally – about why you are speaking out about the City of Campbell's needs. Please feel free to provide a 1-2 minute personal introduction on your connection to the City and why you are engaging in this effort. The following tips will empower you to make more effective and credible presentations.

1. ***Be Prepared.*** A prepared speaker is always the best. Know your material, practice, stick to the key points and know your audience.
2. ***Keep It Simple.*** Use plain English. Jargon, technical talk and acronyms confuse the audience and distance you from them.
3. ***Stay "On Message."*** Message discipline is critical to helping people understand the most important issues and key facts.
4. ***Don't be afraid to repeat your message.*** ***Don't be afraid to repeat your message. Don't be afraid to repeat your message (get it?).*** To reinforce your message, use expressions like:
 - *Let me emphasize again...*
 - *As I mentioned...*
 - *Don't lose sight of the fact...*
5. ***Avoid speaking about issues or items that are not appealing*** to the average person. Focus on the facts contained in your materials.
6. ***Use questions to communicate messages.*** Don't get stumped by the basic questions. These should be the "jumping-off points" for the message. You should be able to answer almost any "basic" question with an informational message point. Even if the question is about something totally different, find every opportunity to link back to the key facts. Touch on the issue raised, but underscore *your* message with a phrase like:
 - *That's a good point, but the key thing to remember is ...*



6 **Practiced** Presentation Tips

1. *Be Yourself.* Speak from your own personal experience. It is easier to engage people if you are speaking from experience.
2. *Be Convincing.* Show your concern and commitment to the issue through your voice, face and body language.
3. *Speak in short, concise sentences.* Speak at a conversational normal pace, not too fast or too slow. Don't run sentences together; make sure to pause briefly.
4. *Honesty is the Best Policy.* Speak about what you know. If you don't know the answer to something or are unsure, SAY SO. The audience will respect you for an honest response; you aren't supposed to be a professional in every area of City government.
5. *Laugh a Little.* Smile and get involved with the audience. Remember that laughter is a universal language; don't be afraid to try a little appropriate humor to promote a friendly, confident image. If you get tongue-tied – laugh it off and move on.
6. *Stay Cool.* Don't lose your temper or overreact to argumentative questions. Your credibility depends on control. When someone is rude, take the high road and don't respond directly.

Fielding Questions

Fielding questions is a great way to reinforce your core messages. Undoubtedly there will be times when you will be asked some very tough questions and will hear some harsh comments from the audience. But even these can be turned into opportunities for reframing and reinforcing the key facts. Here are some helpful tips.

- *Give the question your full attention and answer it directly.*
- *Reshape questions and answer with an appropriate message point. Don't get stumped by the basic questions – these should be jumping off points for the message. You should be able to answer almost any “basic” question with one of the informational message points.*
- *If a question catches you off-guard and you need time to collect your thoughts, repeat the question out loud to the audience. Repeating the question not only buys you time, but it gives you the opportunity to re-focus the thrust of the question.*
- *If you don't know the answer to a question, DON'T GUESS . . . SAY YOU DON'T KNOW! Simply say, “I don't have an answer for that at the moment, but I would happy to look into it for you. Please leave me your contact information and I or someone will get back to you with more information.”*
- *Don't get into a one-on-one debate with a single member of the audience. If someone in the audience disagrees with you, calmly explain your point and move on to the next question. If he/she persists, you might try saying, “I believe that I have addressed that, and I would like to have time for a few more questions. Let's talk further about your specific concerns after the presentation.”*
- *Bring the discussion back to the issues at hand and address wild accusations with simple message points. For example, “No, I have to disagree. We are engaging in community outreach to get feedback from residents on their priorities for services and provide information on the City's needs.”*

Message Discipline

It is absolutely essential that all speakers develop the discipline of staying on message to deliver a focused message. Keep the following do's and don'ts in mind when speaking to groups and fielding questions.

DO: Discuss City public safety and other essential service needs with appropriate urgency, consistent with the Key Messages.

AVOID: Overload Messaging – discussing so many messages that it dilutes the efficacy of the Key Messages.

DO: Get familiar with the messages provided, in the manner stated. Remember, the turn of a simple phrase can make a difference.

AVOID: Getting too technical or discussing issues that may not appeal to the average resident.

DO: Emphasize NEEDS; and explain the situation in the context of needs.

AVOID: Discussing a specific funding measure at this stage, as we are still getting feedback from the community.

DO: Highlight that the City is getting input from residents on their priorities for services.

AVOID: Discussing any potential measure, as a funding measure has not been decided by the City Council.

DO: Use only the informational materials provided with this training packet.



City Council Report

Item: 17.
Category: New Business
Date: April 5, 2016

TITLE: APPROPRIATE UP TO \$231,000 FROM THE CIVIC CENTER MASTER PLAN RESERVE TO FUND EXPENDITURES RELATED TO PLACING A MEASURE ON THE 2016 GENERAL ELECTION BALLOT (RESOLUTION/ROLL CALL VOTE)

RECOMMENDATION

Adopt a resolution to appropriate up to \$231,000 from the Civic Center Master Plan Reserve to fund expenditures related to placing a measure on the 2016 General Election ballot.

BACKGROUND

The approval of the FY 2015-16 Operating Budget included a \$500,000 reserve to use for expenditures related to the Civic Center Master Plan (CCMP). To date, approximately \$28,000 was appropriated to pay for Biggs Cardosa for the City Hall Tier I assessment.

At the 2016 Council Priority Setting Session held on January 29, 2016, the City Council directed staff to explore the possibility of placing a revenue measure on the November 2016 general election ballot to finance implementation of the CCMP.

DISCUSSION

Staff is seeking Council appropriation of up to \$231,000 from the Civic Center Master Plan reserve in order to complete a series of necessary tasks related to the exploration of placing a revenue measure on the November General Election ballot. As discussed by the City Council at prior Council meetings, the revenue from the proposed ballot measure could be used to finance construction of various aspects of the CCMP such as renovated or new facilities to house the Library, Police Department or City Hall operations. The current or projected expenditures are as follows:

VENDOR	SERVICE	ESTIMATED COST
Godbe Research	Polling Services <ul style="list-style-type: none">• April: Baseline• July: Tracking	\$50,000
Lew Edwards Group	Strategic consulting services November 2015 – March 2016	\$25,000

Appropriating funds from Civic Center Master Plan Reserve
to fund expenditures related to placing a measure on the November
2016 General Election ballot
April 5, 2016

VENDOR	SERVICE	ESTIMATED COST
New strategic consultant	Services beginning April 2016 – October 2016	\$25,000
TBD (Informational Mailers)	Three information only mailers between April and August 2016	\$27,000
Biggs Cardosa	Essential Facility – Immediate Occupancy level assessment of Police Department wing of City Hall	\$45,000
NHA Advisors	Split roll parcel tax research and report on options	\$10,000
Santa Clara County Registrar of Voters	Cost of placing a measure on the November 2016 General Election ballot (six page measure)	\$49,000
TOTAL		\$231,000

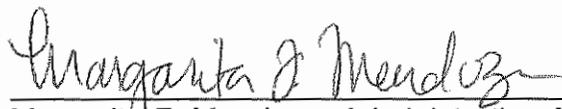
FISCAL IMPACT

The City Council created a \$500,000 reserve fund for expenses related to the CCMP. Approximately \$28,000 has been appropriated from this reserve to pay for the City Hall Tier I assessment, leaving a balance of \$472,000. The expenses stated above are all consistent with implementing actions identified in the CCMP and within the currently allocated amount in the reserve.

ALTERNATIVES

1. Do not approve these expenditures
2. Approve expenditures from a different funding source
3. Do not proceed with consideration of a ballot measure

Prepared by:



Margarita F. Mendoza, Administrative Analyst

Reviewed and
Approved by:



Mark Linder, City Manager

RESOLUTION NO. _____

**BEING A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAMPBELL
AUTHORIZING THE APPROPRIATION OF UP TO \$231,000 FROM THE CIVIC CENTER
MASER PLAN RESERVE TO FUND EXPENDITURES RELATED TO PLACING A MEASURE
ON THE 2016 GENERAL ELECTION BALLOT**

WHEREAS, the approval of the FY 2015-16 Operating Budget included a \$500,000 reserve to use for expenditures related to the Civic Center Master Plan (CCMP); and

WHEREAS, the 2016 Council Priorities Setting Session held on January 29, 2016, the City Council directed staff to explore the possibility of placing a revenue measure on the November 2016 General Election ballot to finance implementation of the CCMP; and

WHEREAS, the City Council created a \$500,000 reserve fund for expenses related to the CCMP and approximately \$28,000 has been appropriated from this reserve to pay for the City Hall Tier I assessment, leaving a balance of \$472,000; and

WHEREAS, the estimated expenditures related to placing a measure in the 2016 General Election ballot is \$231,000; and

NOW, THEREFORE, BE IT RESOLVED; that the City Council of the City of Campbell hereby authorizes the appropriation of funds up to \$231,000 from the Civic Center Master Plan Reserve to fund expenditures related to placing a measure on the 2016 General Election ballot.

PASSED AND ADOPTED, this 5th day of April, 2016 by the following roll:

AYES: COUNCILMEMBERS:

NOYES COUNCILMEMBERS:

ABSTAIN: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

APPROVED: _____
Jason T. Baker, Mayor

ATTEST: _____
Wendy Wood, City Clerk



City Council Report

Item: 18.
Category: Council Committee Reports
Meeting Date: April 5, 2016

DISCUSSION

This is the section of the City Council Agenda that allows the City Councilmembers to report on items of interest and the work of City Council Committees.

MAYOR BAKER

Cities Association of Santa Clara County:
Board of Directors
Selection Committee
City Atty. Performance/Comp. Subcommittee
City Clerk Performance/Comp. Subcommittee
City Mgr. Performance/Comp. Subcommittee
County Expressway Policy Advisory Board
County Library District JPA Board of Dir.
*Metropolitan Transportation Commission***
Bay Area Toll Authority
Santa Clara County Operational Area
*Council (Chair)***
*VTA Board of Directors***
West Valley Cities Representative to Silicon
*Valley Interoperability Authority ***
West Valley Mayors and Managers

VICE MAYOR GIBBONS:

Advisory Commissioner Appointment Interview Subcommittee
Campbell Historical Museum & Ainsley House Foundation Liaison
City Atty. Performance/Comp. Subcommittee
City Clerk Performance/Comp. Subcommittee
City Mgr. Performance/Comp. Subcommittee
CDBG Program Committee (County) (Alt.)
Cities Association of Santa Clara County:
Board of Directors (Alt.)
Selection Committee (Alt.)
County Expressway Policy Adv. Board (Alt.)
County Library District JPA Board of Dir. (Alt.)
Downtown Subcommittee
Education Liaison Subcommittee
Finance Subcommittee
Friends of the Heritage Theatre Liaison (Alt.)
Housing Rehabilitation Loan Committee
Legislative Subcommittee
State Route (SR) 85 Corridor Policy Advisory Board (Alt.)
Santa Clara Valley Water District:
County Water Commission (Alt.)
20% Housing Committee (Successor Agency)
West Valley Mayors and Managers (Alt.)

COUNCILMEMBER CRISTINA:

Assn. of Bay Area Governments
Cities Association of Santa Clara County:
ABAG Representative (Alternate)
Economic Development Subcommittee
Santa Clara Valley Water District:
County Water Commission

COUNCILMEMBER KOTOWSKI:

Assn. of Bay Area Governments (Alt.)
CDBG Program Committee (County)
Education Liaison Subcommittee
Friends of the Heritage Theatre Liaison
Housing Rehab Loan Committee (Alt.)
*Recycling Waste Reduction Commission***
Legislative Subcommittee
Silicon Valley Animal Control Authority Board (SVACA) (Alt.)
Valley Transportation Authority Policy Advisory Committee (Alt.)
West Valley Sanitation District
West Valley Solid Waste Authority JPA (Alt.)

COUNCILMEMBER RESNIKOFF:

Advisory Commissioner Appointment Interview Subcommittee
Campbell Historical Museum & Ainsley House Foundation Liaison (Alt.)
Downtown Subcommittee
Economic Development Subcommittee
Education Subcommittee (Alt.)
Finance Subcommittee
State Route (SR) 85 Corridor Policy Advisory Board
Silicon Valley Animal Control Authority Board (SVACA)
20% Housing Committee (Successor Agency)
Valley Transportation Authority Policy Advisory Committee
West Valley Sanitation District (Alt.)
West Valley Solid Waste Authority JPA