



AGENDA

REGULAR MEETING

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CLAYTON CITY COUNCIL

* * *

TUESDAY, August 15, 2023

7:00 P.M.

***** NOTICE *****

*Members of the public will be able to participate either in-person at
Hoyer Hall, Clayton Community Library
6125 Clayton Road, Clayton, CA 94517
or
remotely via Zoom.*

Mayor: Jeff Wan
Vice Mayor: Jim Diaz

Council Members
Peter Cloven
Holly Tillman
Kim Trupiano

- A complete packet of information containing staff reports and exhibits related to each public item is available for public review in City Hall located at 6000 Heritage Trail and on the City's website at www.claytonca.gov
- Agendas are posted at: 1) City Hall, 6000 Heritage Trail; 2) Library, 6125 Clayton Road; 3) Ohm's Bulletin Board, 1028 Diablo Street, Clayton; and 4) City Website at www.claytonca.gov
- Any writings or documents provided to a majority of the City Council after distribution of the Agenda Packet and regarding any public item on this Agenda will be made available for public inspection in the City Clerk's office located at 6000 Heritage Trail during normal business hours and is available for review on the City's website at www.claytonca.gov
- If you have a physical impairment that requires special accommodation to participate, please call the City Clerk's office at least 72 hours in advance of the meeting at (925) 673-7300.

Instructions for Virtual City Council Meeting – August 15, 2023

Tonight's meeting will be available to the public both in-person and remotely via Zoom. As a courtesy, and technology permitting, members of the public may continue to provide live remote oral comment via the Zoom video conferencing platform. However, the City cannot guarantee that the public's access to teleconferencing technology will be uninterrupted, and technical difficulties may occur from time to time.

To follow or participate in the meeting:

1. **Videoconference:** to follow the meeting on-line, click here to register: https://us02web.zoom.us/webinar/register/WN_suxMeIgbQNWPGzIqaBNXFw
After clicking on the URL, please take a few seconds to submit your first and last name, and e-mail address then click "Register", which will approve your registration, and a new URL to join the meeting will appear.
2. **Phone-in:** Register for the meeting using the URL in the paragraph above. Once registered, you will receive an e-mail with instructions to join the meeting telephonically, and then dial toll-free 877-853-5257 and use the Webinar ID and Password found in the e-mail.
3. **E-mail Public Comments:** If preferred, please e-mail public comments to the City Clerk, Ms. Calderon at janetc@claytonca.gov by 5:00 p.m. on the day of the City Council meeting. All e-mailed public comments will be forwarded to the entire City Council.

Each person attending the meeting via video conferencing or telephone and who wishes to speak on an agendized or non-agendized matter shall have a set amount of time to speak as determined by the Mayor.

*** CITY COUNCIL ***

August 15, 2023

1. **CALL TO ORDER AND ROLL CALL** – Mayor Wan.

2. **PLEDGE OF ALLEGIANCE** – Led by Mayor Wan.

3. **PUBLIC COMMENT ON NON - AGENDA ITEMS**

Members of the public may address the City Council on items within the Council's jurisdiction (which are not on the agenda) at this time. To assure an orderly meeting and an equal opportunity for everyone, each speaker is limited to 3 minutes, enforced at the Mayor's discretion. In accordance with State Law, no action may take place on any item not appearing on the posted agenda. The Council may respond to statements made or questions asked or may at its discretion request Staff to report back at a future meeting concerning the matter.

Public comment and input on Public Hearing, Action Items and other Agenda Items will be allowed when each item is considered by the City Council.

4. **CONSENT CALENDAR**

Consent Calendar items are typically routine in nature and are considered for approval by one single motion of the City Council. Members of the Council, Audience, or Staff wishing an item removed from the Consent Calendar for purpose of public comment, question, discussion or alternative action may request so through the Mayor.

(a) Approve the minutes of the City Council's regular meeting of July 18, 2023.
(City Clerk) ([View here](#))

(b) Approve by Minute Order the City of Clayton's Response to Contra Costa Civil Grand Jury Report No. 2306, Authorize the Mayor to Sign the Transmittal Cover Letter to the Response, and Direct the City Manager to Submit the Response to the Grand Jury. (City Manager) ([View here](#))

(c) Resolution of the City Council of the City of Clayton Appointing CalPERS Retired Annuitant Richard Sanders to the Position of "Extra Help" and Approving an Employment contract Pursuant to California Government Code Section 21224. (Finance Director) ([View here](#))

5. **RECOGNITIONS AND PRESENTATIONS**

(a) Contra Costa Mosquito and Vector Control District Presentation. (Nola Woods)
([View here](#))

6. REPORTS

- (a) City Manager/Staff

7. ACTION ITEMS

- (a) Quarterly Financial Reports On The City's Investment Portfolio For The Period Ending June 30, 2023. (Finance Director) ([View here](#))

8. PUBLIC HEARINGS

- (a) FY24 Master Fee Schedule for Certain User-Benefit, Regulatory, and Rental City Services and Activities. (Finance Consultant) ([View here](#))

7. ACTION ITEMS - Continued

- (b) Provide Staff Direction on Utilizing both ClearGov Transparency and Continuing to Post Accounts Payable Information Every Two Weeks on the Agenda. (City Manager) ([View here](#))
- (c) Designation of Voting Delegate and Alternate Delegate for League of California Cities 2023 Annual Conference being held September 20 through 22, in Sacramento. (City Clerk) ([View here](#))

9. COUNCIL ITEMS – limited to Council requests and directives for future meetings.

10. COUNCIL REPORTS

- (a) City Council - Reports from Council liaisons to Regional Committees, Commissions and Boards.

11. ADJOURNMENT

The next regularly scheduled meeting of the City Council will be September 19, 2023.

#

**MINUTES
OF THE
REGULAR MEETING
CLAYTON CITY COUNCIL**

TUESDAY, July 18, 2023

1. **CALL TO ORDER AND ROLL CALL** – The meeting was called to order at 7:00 p.m. by Mayor Wan held via a hybrid meeting format live in-person and Zoom videoconference and broadcast from Hoyer Hall, Clayton Community Library, 6125 Clayton Road, Clayton, California. Councilmembers present: Mayor Wan, Vice Mayor Diaz, and Councilmembers Cloven, Tillman and Trupiano. Councilmembers absent: None. Staff present: City Manager Bret Prebula, City Attorney Mala Subramanian, Executive Assistant to the City Manager/HR Manager Amy Walcker, Finance Director Prapti Aryal, Community Development Director Dana Ayers, City Engineer Larry Theis, and City Clerk Janet Calderon.

2. **PLEDGE OF ALLEGIANCE** – Led by Mayor Wan.

3. **PUBLIC COMMENT ON NON - AGENDA ITEMS**

Ann Stanaway expressed her dissatisfaction with the City Manager newsletter and the City Manager conversation on July 13.

Bill Walcutt requested the City Council consider a parking permit program for the area of Lower Easley, Upper Easley, Stranahan, Diablo Village, Center Street, and parts of downtown due to The Olivia project.

Gary Hood supported Mr. Walcutt's request in the City Council consider a parking permit program with representation from each neighborhood due to The Olivia project.

Mayor Wan closed public comment.

4. **CONSENT CALENDAR**

It was moved by Vice Mayor Diaz, seconded by Councilmember Tillman, to approve the Consent Calendar items 4(a) – 4(e) as submitted. (Passed 5-0).

 - (a) Approved the minutes of the City Council's regular meeting of June 20, 2023.
(City Clerk)
 - (b) Approved the Financial Demands and Obligations of the City. (Finance Director)
 - (c) Adopted Resolution No. 41-2023 of the City Council of the City of Clayton Adopting the City of Clayton's Salary Schedule Effective July 1, 2023 in Conformance with CalPERS Requirements to Provide a Publicly Available Salary Schedule.
(Executive Assistant to City Manager/HR Manager)

- (d) Adopted Resolution No. 42-2023 Accepting the Clayton Community Park Play Structure Replacement Project (Capital Improvement Project No. 10454) Performed by Specified Equipment Company (SPEC) as Complete, Approving the Notice of Completion, Directing the City Clerk to Record Same with the County Recorder, and Authorizing the Payment of All Retained Funds to SPEC 35 Days After Recording the Notice of Completion. (Community Development Director)
- (e) Multi-Year Agreement with Konica Minolta Business Solutions (Konica Minolta) for a Konica Minolta Bizhub C650i Copier Lease with Maintenance Agreement. (City Clerk)

5. RECOGNITIONS AND PRESENTATIONS

- (a) Save Mount Diablo Presentation. (Councilmember Trupiano)

Ted Clement, Executive Director Save Mount Diablo presented a PowerPoint presentation providing a brief overview of the efforts of Save Mount Diablo.

6. REPORTS

- (a) City Manager Bret Prebula introduced new employees Finance Director Prapti Aryal and Executive Assistant to the City Manager/HR Manager Amy Walcker.

7. PUBLIC HEARINGS

- (a) Public Hearing on Proposed Real Property Assessments for the Diablo Estates at Clayton Benefit Assessment District (BAD); Ordering Improvements and Levying Annual Assessments in Fiscal Year 2023/24. (City Engineer)

City Engineer Larry Theis presented the report.

Following discussion by the City Council, Mayor Wan opened the item to public comments; no comments were offered.

It was moved by Councilmember Tillman, seconded by Councilmember Trupiano, to Adopt Resolution No. 43-2023 Confirming Assessments for the Operation and Maintenance of Improvements Within the Diablo Estates at Clayton Benefit Assessment District for Fiscal Year 2023/24. (Passed; 5-0).

- (b) Resolution Adopting the 2022 East Contra Costa County Habitat Conservation Plan/Natural Community Conservation Plan (HCP/NCCP) Mitigation Fee Audit and Nexus Study and Update of the East Contra Costa County HCP/NCCP Mitigation Fees, and Finding the Action to be Exempt from the California Environmental Quality Act. (Community Development Director)

Community Development Director Dana Ayers presented the report.

Following discussion by the City Council, Mayor Wan opened the item to public comments; no comments were offered.

It was moved by Councilmember Trupiano, seconded by Vice Mayor Diaz, to Adopt Resolution No. 44-2023 the 2022 East Contra Costa County Habitat Conservation Plan/Natural Community Conservation Plan (HCP/NCCP) Mitigation Fee Audit and Nexus Study and Updating the East Contra Costa County HCP/NCCP Mitigation Fees, and Finding the Action to be Exempt from the California Environmental Quality Act. (Passed; 5-0).

8. ACTION ITEMS

- (a) Adopt a resolution approving a Franchise Agreement with Allied Waste Systems, Inc. (Republic Services) for garbage, recyclable materials and organic waste collection services and revising the maximum limit for rates for such services starting on January 1, 2024. (City Manager)

City Manager Bret Prebula presented the report.

Following discussion by the City Council, Mayor Wan opened the item to public comments.

J Smyth expressed concern in the presentation chart city over city, he felt Republic Services ask of 25.51% increase is excessive with 19% also excessive, and felt the notices of violation and penalties should also include Republic Services when garage falls on the street and not picked up.

David had questions on the cost for the replacement of the containers.

Cassie Bartholomew expressed support of food scrap recycling and compost giveaways.

It was moved by Councilmember Cloven, seconded by Councilmember Tillman, to Adopt Resolution No. 45-2023 Approving an Agreement with Allied Waste Systems, Inc. and Approving the new Solid Waste Collection Rates Effective January 1, 2024. (Passed; 5-0).

- (b) Approve Funding Agreement between Contra Costa Transportation Authority and City of Clayton for Cost Sharing Commitments to Design and Construct the Countywide Smart Signals Project. (City Engineer)

City Engineer Larry Theis presented the report.

Joy Bhattacharya, Vice President Advance Mobility Group, clarified some questions of the City Council.

John Wong, Planning Director Contra Costa Transportation Authority, also clarified some questions of the City Council.

Following discussion by the City Council, Mayor Wan opened the item to public comments; no comments were offered.

It was moved by Councilmember Tillman, seconded by Councilmember Cloven, to Approve Funding Agreement between Contra Costa Transportation Authority and

City of Clayton for Cost Sharing Commitments to Design and Construct the Countywide Smart Signals Project as modified to June 30, 2024. (Passed; 5-0).

- (c) Provide Direction To Staff On Pursuing Opportunities For Cell Tower Leases.
(City Manager)

City Manager Bret Prebula presented the report.

Following discussion by the City Council, Mayor Wan opened the item to public comments; no comments were offered.

Direction provided to staff.

- (d) Approve On-call Citywide Service Contract with Waraner Brothers Tree Service.
(Maintenance Supervisor)

City Manager Bret Prebula presented the report.

Following discussion by the City Council, Mayor Wan opened the item to public comments; no comments were offered.

It was moved by Councilmember Cloven, seconded by Councilmember Tillman, to Adopt Resolution No. 46-2023 Awarding a Contract for On-call Tree Service. (Passed; 5-0).

- (e) Adopt a Resolution Authorizing the City Manager to Sign All Documents Related to Obtaining and Implementing Granicus Agenda Management Software and Any Necessary Budget Amendments. (City Manager)

City Manager Bret Prebula presented the report and introduced Emery Hensel to present a PowerPoint.

Following discussion by the City Council, Mayor Wan opened the item to public comments; no comments were offered.

It was moved by Councilmember Cloven, seconded by Councilmember Trupiano, to Adopt Resolution No. 47-2023 Authorizing the City manager to Sign Any and All Documents Related to the Implementation of the Granicus Agenda Management Software and Approval of Any Necessary Budget Amendments. (Passed; 5-0).

9. COUNCIL ITEMS

Vice Mayor Diaz requested a future agenda item to include a consideration a parking permit program for the area of Lower Easley, Upper Easley, Stranahan, Diablo Village, Center Street, and parts of downtown.

10. COUNCIL REPORTS

- (a) City Council - Reports from Council liaisons to Regional Committees, Commissions and Boards.

Councilmember Cloven spoke with constituents regarding the Master Fee Schedule specially the event fees, announced the VFW will be hosting a 9/11 event, and advised he will be organizing another service day prior to the 9/11 event.

Councilmember Tillman attended the Cal Cities Community Services Policy Committee meeting, attended the Juneteenth celebration in Concord, attended the Clayton City Council Special meeting, spoke with constituents regarding various concerns, attended the Citpac Bocce Ball event, attended the Clayton 4th of July Parade, met with the Clayton Pride committee, and met with the City Manager.

Councilmember Trupiano attended the Clayton 4th of July Parade, met with the Contra Costa Library Foundation President, attended the Contra Costa Mayors' Conference, attended the Concerts in The Grove, and met with Sonja Wilkin from Clayton Valley Village.

Vice Mayor Diaz attended the Clayton 4th of July Parade, attended the County Connection Finance and Administrative Board meeting, attended the Contra Costa County Mayors' Conference, attended the Concerts in The Grove, attended the Contra Costa Mineral and Gem Society meeting, attended the Clayton Classic Car Show, and requested this evening's meeting be adjourned in memory of Allen "Bud" Krohn, David Skuba, and Karen Ann Mangini who recently passed away.

Mayor Wan attended the Clayton 4th of July Parade, and attended the Contra Costa Mayors' Conference.

- 11. ADJOURNMENT** - on call by Mayor Wan, the City Council adjourned its meeting at 10:40 p.m. in memory of Allen "Bud" Krohn, Dave Skuba, and Karen Ann Mangini who recently passed away.

#

Respectfully submitted,

Janet Calderon, City Clerk

APPROVED BY THE CLAYTON CITY COUNCIL

Jeff Wan, Mayor



STAFF REPORT

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: Bret Prebula, City Manager

DATE: August 15, 2023

SUBJECT: Approve by Minute Order the City of Clayton's Response to Contra Costa Civil Grand Jury Report No. 2306, Authorize the Mayor to Sign the Transmittal Cover Letter to the Response, and Direct the City Manager to Submit the Response to the Grand Jury

RECOMMENDATION

It is recommended the City Council consider the prepared City of Clayton's response regarding Civil Grand Jury Report No. 2306, "Affordable Housing; A Plan Without a Home", and subject to any Council modifications to the proposed response, by Consent Calendar minutes motion, approve the Exhibit as the City's official response and authorize the Mayor to sign the official cover letter.

BACKGROUND

A Civil Grand Jury is commissioned annually in Contra Costa County to investigate city and county governments, special districts and certain non-profit corporations to ensure functions are performed in a lawful, economical and efficient manner. Pursuant to California Government Code Section 933.5(a), whenever a civil grand jury issues a report that involves matters within a particular municipality's jurisdiction or area of responsibility, the respective city is required to respond in writing and in accord with a specific response format.

On June 14, 2023, the Fiscal Year 2022-23 Civil Grand Jury of Contra Costa County released a Report directed to all nineteen cities and the County. Report No. 2306 investigated factors affecting affordable housing throughout the county.

Since affordable housing is a countywide issue, Chief Executives from all Contra Costa cities and the County agreed to approach the responses in a united manner. This does not preclude the City Councils or Board of Supervisors from making changes to their respective

Subject: Approve by Minute Order the City of Clayton's Response to Contra Costa Civil Grand Jury Report No. 2306, Authorize the Mayor to Sign the Transmittal Cover Letter to the Response, and Direct the City Manager to Submit the Response to the Grand Jury

Date: August 15, 2023

Page: 2 of 2

sections, but staff are attempting to use the singular response with tailoring to our specific jurisdiction.

FISCAL IMPACTS

None

ATTACHMENTS

Exhibit A: Proposed City Response and Cover Letter

Exhibit B: Civil Grand Jury Report No. 2306, with accompanying Cover Letter



COMMUNITY DEVELOPMENT:
(925) 673-7340

ENGINEERING:
(925) 673-7300

6000 HERITAGE TRAIL
CLAYTON, CALIFORNIA 94517-1250
TELEPHONE: (925) 673-7300
FAX: (925) 672-4917

CITY COUNCIL
Jeff Wan, Mayor
Jim Diaz, Vice Mayor
Peter Cloven, Councilmember
Holly Tillman, Councilmember
Kim Trupiano, Councilmember

August 15, 2023

Via U.S. First Class Mail and Requested Electronic Mail to:

Contra Costa County Civil Grand Jury
P.O. Box 431
Martinez, CA 94553

ctadmin@contracosta.courts.ca.gov

**Re: City of Clayton Response to Findings and Recommendations of Grand Jury Report
No. 2306, "Affordable Housing: A Plan Without a Home"**

Dear Grand Jury Foreperson,

Thank you for your letter and the accompanying Grand Jury Report No. 2306, in which you highlighted several findings that align with the prevailing trends and challenges in our jurisdiction.

As part of our review process, we carefully considered your concerns, and we acknowledge that some findings may lack context. As you highlighted in your letter and report, one significant challenge is the lack of funding for affordable housing initiatives. Additionally, even when funding is available, the competition for these dollars often discourages developers from pursuing projects with a lower probability of receiving funding. However essential it is to emphasize that local jurisdictions play a pivotal role in fostering housing development, including affordable housing options, development activity will often follow the path of least resistance.

Your letter and report indicate that all findings and recommendations uniformly apply to Contra Costa County and the 19 incorporated towns/cities. We recognize the challenges, and associated solutions, for Contra Costa County are different, based on geography/location, demographics, market conditions, land availability and associated costs, and land use/transportation options. Individual jurisdictions may also face unique constraints, especially environmental constraints, which may compromise a jurisdiction's ability to address housing needs.

Finally, among the key points from our review and your findings, unfunded mandates from the State that add to the administrative burden continue to impact local jurisdictions and their ability to take proactive steps to increasing housing production. On January 1, 2023, additional housing laws went into effect, including changes to the State Density Bonus law and the Accessory Dwelling Unit (ADU) law. On July 1, 2023, two additional laws came into effect, requiring local jurisdiction staff to create handouts and checklists and re-prioritize workloads to process housing applications on commercial corridors. Before January 1, 2024, local building and public works departments need to develop specific submittal requirements for post-entitlement permit applications, and all such applications, such as building and grading permits, will be subject to a “shot clock” to review and approve permits. The expectations and costs to local jurisdictions and their staff are significant and, without adequate funding and resources, impact local jurisdictions’ ability to focus their resources on implementation of various housing policies and goals.

The lack of accessible housing options has particularly impacted vulnerable populations, including low-income households, seniors, disabled, and individuals experiencing homelessness. As local jurisdictions endeavor to tackle this crisis, they are confronted with the daunting challenge of vying for limited resources and funding. The competition among jurisdictions with diverse capacities and needs often accentuates the difficulty of implementing comprehensive and equitable housing solutions.

Your report has shed some light on critical aspects of the housing crisis we face today and affirmed that we are not alone as a jurisdiction in facing these challenges. Despite potential areas of partial disagreement, we acknowledge the factual basis of your findings and recognize the interconnectedness of the underlying conditions that have given rise to the current challenges.

By working collaboratively and understanding the broader context of the housing crisis, we strive to develop more effective strategies and policies to address this pressing issue and create a more inclusive and sustainable housing landscape for all members of our community.

The response was reviewed and authorized by the Clayton City Council at its public meeting held on August 15, 2023.

Sincerely,

Jeff Wan
Mayor

Attachment:

City of Clayton Response to Findings and Recommendations of Grand Jury Report
No. 2306, “Affordable Housing: A Plan Without a Home”

cc: Honorable Clayton City Council Members



City of Clayton Response to Findings and Recommendations of Grand Jury Report No. 2306, “Affordable Housing: A Plan Without a Home”

Grand Jury Findings

F1. Within existing city or County infrastructure, there is no clear owner who is responsible for achieving RHNA permitting targets.

Partially Disagree. The City of Clayton partially disagrees with Finding 1. While a single entity is responsible for reporting on regional housing needs allocation (RHNA) permitting targets, implementing policies and measures to streamline the permitting process for housing, and ensuring the efficient processing of permits and approvals, the City of Clayton like other local jurisdictions is not a “developer” of housing projects. State Housing Law only requires that jurisdictions plan to address barriers to development through land use actions and policy, accommodate all types of housing based on the RHNA allocations, and report their progress towards RHNA. The Community Development/Planning Department is responsible for processing permits and preparing the Annual Progress Report (APR) as required by State Housing Law. These reports are presented before the City Council early in the calendar year, prior to submission to the State Department of Housing and Community Development (HCD) and the Governor’s Office of Planning and Research (OPR). Furthermore, the City of Clayton’s Housing Element does specifically identify that the Community Development Department is responsible for carrying out the Housing Element’s Plans and Programs.

F2. City and County officials see no direct path to meet state-mandated regional housing (RHNA) targets.

Partially Disagree. The City of Clayton partially disagrees with Finding 2. While City officials recognize the challenges ahead, our Housing Element identifies a clear path to accommodate the RHNA targets, and we are actively exploring and implementing strategies to work towards meeting those targets. Despite acknowledging the complexity of the task, we at the local level are committed to finding viable solutions and collaborating with stakeholders to address the housing needs of the region. Through ongoing assessments and adaptive planning, we aim to identify feasible pathways to make progress toward meeting RHNA targets. While it may be a challenging endeavor, the dedication and proactive approach of City officials, with assistance from the County, demonstrates our commitment to addressing the housing crisis and fulfilling our obligations in accordance with state mandates. However, the City of Clayton, like other local jurisdictions, is not a housing developer and does not physically construct the units.

F3. There are currently no measurable penalties if a city or a County does not achieve RHNA targets in an approved housing element plan.

Partially Disagree. The City of Clayton partially disagrees with Finding 3. While there are no legal or financial penalties if cities and counties do not achieve their RHNA targets, there are penalties for not accommodating RHNA in a Housing Element and the consequences for not issuing adequate permits can be considered punitive.

In addition, jurisdictions are subject to penalties if they do not adopt a Housing Element that is certified by the State, including designating adequate sites to accommodate the RHNA targets. For example, cities and counties may be subject to litigation from individuals, housing rights organizations, developers, and/or HCD in connection with deficient Housing Elements. Depending on court and administrative decisions, local control may further diminish, beyond that prescribed in State law, including, for example, suspending local agencies' authority to issue building permits or approve certain land use permits. Local agencies may also be subject to court-issued fines, court receivership, and streamlined approval processes that remove local discretion.

Regardless of the reasons for lack of building permit activities, if local agencies do not issue building permits that meet the RHNA targets, developers may choose to use a ministerial process for housing projects that meet specified criteria (e.g., Senate Bill [SB] 35). In addition, a developer could choose to construct housing on certain sites that the city has not designated for housing.

F4. Data published by ABAG shows that Contra Costa County and most of its cities have missed their current RHNA targets for very low- and low-income housing allocations. The allocation requirements continue to increase (16x for very low-income and 4x for low-income residents).

Partially Disagree. It is true that many cities and the County as a whole missed their RHNA targets for very low and low-income housing, and that RHNA Allocation for very low- and low-income housing has continued to increase. However, the increase in RHNA allocation is not to the extent mentioned in this report. RHNA numbers from the past 3 cycles indicate that the current (6th) cycle has had the largest increase of 2.5x from the previous cycle in very low- and low-income housing requirements.

Cycle	Very Low	% permitted	Low	% permitted	Source
1999 - 2006	6,481	44%	3,741	48%	link
2007 - 2014	6,512	21%	4,325	24%	link
2015 - 2020	5,264	16%	3,086	55%	link
2023 - 2031	13,346	n/a	7,685	n/a	link

F5. Many obstacles hinder the development of AH [affordable housing] at the local level, specifically for very low and low-income housing, including:

- Limited availability of land;*
- Restrictive zoning policies specific to AH development;*

- c. Limited developer interest to bring projects forward;*
- d. Limited available funding;*
- e. Lack of community support;*
- f. NIMBY [Not in My Backyard] opposition & city council response to NIMBY opposition.*

Partially Disagree. Though the above list of obstacles can hinder the development of affordable housing, the City of Clayton has addressed each item in our adopted Housing Element programs, policies, and actions to the extent feasible and considered acceptable to HCD.

- a. Limited availability of land;*
 - Policy 2.4: Recognize urban lot splits, as defined and allowed by State law, as a viable means to create new housing.
 - Policy 2.5: Promote mixed-use development in Downtown Clayton.
 - Policy 2.6: Create land use regulations that encourage the development of housing, particularly below market-rate housing on properties owned by religious institutions.
 - Program C: Comply with the surplus land act (SLA) and No Net Loss requirement.
 - Program K: Adopt a replacement housing policy when a proposed housing development involves the demolition or removal of existing residential units.
- b. Restrictive zoning policies specific to AH development;*
 - Policy 4.2: Review and adjust residential development standards, regulations, ordinances, departmental processing procedures, and residential fees related to rehabilitation and construction that are determined to constrain housing development.
 - Policy 4.3: Identify, assess, and, when appropriate, amend ordinances and policies that adversely affect housing cost.
 - Program D-2: Amend the zoning code to rezone properties required to meet RHNA, revised development standards, and remove potential constraints to development.
- c. Limited developer interest to bring projects forward;*
 - Program B3: Encourage development by developing process that prioritizes the processing of affordable housing applications, encourage the use of density bonus provisions through technical assistance and information dissemination, etc.
- d. Limited available funding;*
 - Program H1: Seek funding under the Federal Housing Opportunities for special needs households such as seniors, persons with disabilities, and persons at risk for homelessness; City will continue to work with developers who cater to disable and other special needs populations to develop a housing project in Clayton.
- e. Lack of community support;*
 - Program E: Educate community of homebuying opportunities by referring interested persons to information on mortgage and downpayment programs.

f. NIMBY [Not in My Backyard] opposition & city council response to NIMBY opposition.

The City of Clayton has a long history of retaining and enhancing its small-town character, taking pride in its residential nature, and working hard to protect its historic downtown. The City recognizes that while pressures to meet housing allocations have continued, resident opposition to new development and the construction of denser, more affordable housing units has remained consistent for many residents. With this awareness, the City Council has committed to the following Meaningful Actions in its current Housing Element adopted January 2023:

- Prioritize alternate and affordable housing types like such as affordable multifamily and accessory dwelling units, transitional housing, and supportive housing for individuals unable to afford the high cost of rent and home prices, by streamlining zoning and fees and offering incentives for these housing types. This will also contribute to more diverse individuals being able to move into the City and may encourage younger families to establish roots.
- Prioritize capital improvement projects to bring greater alternative mobility connectivity into, out of, and within Clayton (transit, bicycle infrastructure, sidewalks). This can help to provide more economic opportunities in Clayton by attracting more businesses and allow lower-income families without personal vehicles to live in the City.

A multitude of policies and programs in the Housing Element prescribe the steps that the City has committed to taking toward achieving these meaningful actions. These include the policies and programs listed above, as well as programs that commit the City to amending its land use and zoning regulations to increase residential density ranges to foster greater diversity in multifamily housing types (Program D1); remove discretionary land use permits for residential developments that meet a standard of 20 percent low-income affordability (Program D2); and amending land use regulations in its Town Center to allow for and encourage compact housing types including live-work, efficiency apartments and co-housing (Program B2).

F6. Zoning changes are generally addressed only when a project is presented for development.

Zoning obstacles include:

- a. Housing element plans that offer poor land choices for AH development;*
- b. Restrictive height and high-density zoning policies;*
- c. Lack of inclusionary housing ordinance(s) in many cities.*

Partially Disagree. Assembly Bill (AB) 1397 set forth strict criteria for adequate sites. These criteria are somewhat arbitrary (e.g., not smaller than 0.5 acre and not larger than 10 acres). The requirement to demonstrate substantial evidence that existing uses do not impede redevelopment also tends to steer sites selection to properties with declining uses and low building-to-land-value ratios.

Most jurisdictions consider amending/changing the zoning while reviewing their Housing Element and/or updating the General Plan, not just when a project is proposed for development.

- a. Pursuant to Government Code Section 65583.2(b), Housing Element sites must include information on the number of dwelling units that a site can realistically accommodate, the RHNA income category the parcel is anticipated to accommodate, whether the parcel has available or planned and accessible infrastructure, and the existing use of the site, amongst other details. When selecting sites to accommodate the lower income RHNA, HCD provides jurisdictions with best practices to consider factors such as:
 - (1) Proximity to transit
 - (2) Access to high performing schools and jobs
 - (3) Access to amenities, such as parks and services
 - (4) Access to health care facilities and grocery stores
 - (5) Locational scoring criteria for Low-Income Housing Tax Credit (TCAC) Program funding
 - (6) Proximity to available infrastructure and utilities
 - (7) Sites that do not require environmental mitigation
 - (8) Presence of development streamlining processes, environmental exemptions, and other development incentives

However, sites that meet these locational criteria do not always meet the other existing use criteria needed to demonstrate substantial evidence for existing uses to discontinue within the planning period. These other criteria include high vacancies, deteriorating conditions, marginally operating businesses, underutilization of sites, etc. These conditions are often directly contrary to access to high performing schools and jobs, amenities, adequate infrastructure, and clear of environmental hazards.

In addition to the above requirements and pursuant to AB 686 (Government Code Section 65583(c)(10)), for Housing Elements due on or after January 1, 2021, sites must be identified throughout the community in a manner that affirmatively furthers fair housing (AFFH). AFFH means taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics.

Very often the approach to sites selection is to target declining areas for redevelopment. Without tax increment financing as a reinvestment tool, jurisdictions must rely on private investments as catalyst to induce redevelopment in declining neighborhoods. Housing is the best catalyst. For jurisdictions that take a neighborhood revitalization approach to accommodating the RHNA, place-based strategies that focus on public improvements, economic development, prioritization of funding, and targeted outreach are used to complement the sites inventory strategies.

As such, Housing Element plans provide an inventory of land that addresses the unique conditions of each jurisdiction.

- b. According to State Density Bonus Law (SDBL), local agencies are required to allow increased density, reduced standards, and development incentives based on the number and type of affordable housing units proposed in a project. The SDBL applies to housing

projects, including mixed-use developments, new subdivisions, or common-interest developments. Developers may request incentives and concessions from the jurisdiction's regulatory or development standards that result in actual and identifiable cost reductions to provide for affordable housing costs or rents. The number of required incentives is based on the percentage of affordable units provided in the qualifying project. For example, developers may ask for increased height above that allowed by the zoning regulations. As such, height and density do not represent a restriction to development. Furthermore, many sites are located in transit-oriented neighborhoods where recent State laws have preempted restrictions on height and density.

The City of Clayton in the previous and current housing cycles has demonstrated flexibility in high-density zoning policies and implementation of regulations. During the previous (5th) housing cycle, the City of Clayton approved a residential development with very low-income units and an increase in allowed density from 20 to 27 units in accordance with SDBL. For the current (6th) housing cycle, the City of Clayton adopted programs to increase permitted density ranges from maximums of 20 units per acre to maximums of 30 units per acre, and as high as 40 units per acre for 100 percent affordable housing developments. The General Plan Land Use Element amendments establishing these expanded density ranges were adopted in January 2023, concurrently with the update of the Housing Element for the current 6th cycle.

- c. The City of Clayton adopted an inclusionary housing ordinance, codified as Chapter 17.92 of Clayton Municipal Code, in August 2016. While the initial iteration of the ordinance applied only to ownership housing, the ordinance was subsequently amended in January 2019 to reflect changes in the law that allowed inclusionary requirements to apply to rental housing developments, as well. The ordinance applies to any residential development of 10 or more units and requires that at least 10 percent of all newly constructed dwelling units be developed, offered to and sold or rented to very low, low and moderate income households. To meet the inclusionary requirements of new development, developers have the option to incorporate the inclusionary units into the proposed development; to build inclusionary units off-site; to pay a fee in lieu of building affordable units (with those in lieu fees to be used to fund affordable units elsewhere in the City); or to dedicate land for construction of affordable units, where the land value is equal to or greater than the in lieu fee amount.

Program G-1 in the City of Clayton Housing Element for the 6th cycle commits the City to reviewing its current inclusionary ordinance in the next three years to evaluate more of options for compliance, such as purchase of affordability covenants of existing units, rehabilitation of substandard existing units, and funding ADU production on other properties. The City will also re-evaluate the in lieu fee option to ensure that funds collected do not fall short of the funds required to construct the affordable unit(s) required by the market rate development.

F7. Penalties directed at cities and the County (financial, loss of control over local planning) are tied to not meeting state deadlines for Housing Element plan approval.

Partially Disagree. The City of Clayton agrees that there are penalties that are directly related to not meeting statutory deadline of the Housing Element.

The City partially disagrees with Finding 7, however, because there are other penalties that are not directly tied to the statutory deadline. There are penalties associated with lawsuits, which are rarely brought forward for simply missing the statutory deadline, but more due to a perception of continued inactions. Penalties can also include ineligibility for funding.

As stated in the response to Finding 3, local agencies may also be subject to litigation from individuals, housing rights organizations, developers, and/or HCD. Depending on court and administrative decisions, local agencies may lose additional local control, such as suspension of authority to issue building permits or approve certain land use permits; and/or local agencies may be subject to court-issued fines, court receivership, and streamlined approval processes that remove local discretion.

In addition, depending on specific programs, eligibility for some state funds requires a certified Housing Element (such as PLHA and State HOME funds). Finally, loss of local control is not limited to jurisdictions that do not meet specified timeframes for a certified housing element. For example, SB 35, the Housing Accountability Act, the No Net Loss Act, SDBL, and AB 2011/SB 6 specify what types of projects local jurisdictions must approve and where such projects must be approved, regardless of whether jurisdictions meet state deadlines for Housing Elements. More information on HCD's accountability efforts and enforcement authority can be found on their website: <https://www.hcd.ca.gov/planning-and-community-development/accountability-and-enforcement>

F8. Builder's Remedy and SB35 projects do not address ingrained local obstacles identified in this report that prevent the completion of approved AH projects.

Partially Disagree. While Builder's Remedy and SB35 projects are valuable tools that can expedite affordable housing development, they may not comprehensively address all the ingrained local obstacles identified in the report that hinder the completion of approved AH projects. The effectiveness of these streamlined processes can vary from jurisdiction to jurisdiction, and while they can help overcome certain barriers like restrictive zoning policies and prolonged approval timelines, other challenges mentioned in the report, such as limited available funding, community support, and NIMBY opposition, may continue to persist in diverse degrees in different locations. To achieve the successful completion of approved AH projects and effectively address these obstacles, a multifaceted and jurisdiction-specific approach is required, taking into account the unique circumstances and complexities faced by each locality.

Completion of AH projects is further affected by a variety of non-regulatory factors. Market conditions, capital costs, availability of financing, supply chain disruptions, and labor market constraints may affect the construction and completion of approved affordable housing projects. These factors are rarely associated with local obstacles and are beyond a jurisdiction's purview. Thus, a jurisdiction that entitles development pursuant to Builder's Remedy or SB 35 may still not see that development built if these other non-regulatory factors are not favorable to construction of the project following entitlement.

F9. When local Redevelopment Agencies (RDA's) were discontinued by the state in 2012, the County and cities, did not address the loss of funding for affordable housing or find alternative funding to support affordable housing projects until voters passed Measure X in November 2020. Projects that target very low- and low-income residents were particularly impacted.

Partially Disagree. As noted in response to Finding F6, Clayton's inclusionary housing ordinance allows market rate housing developers to elect to meet their developments' inclusionary housing requirements through payment of fees. However, developers of housing projects that have been subject to the ordinance have so far found it more economically viable to build their requisite affordable units within their market-rate developments, and the City has not received in lieu funds from this alternative approach to meeting the inclusionary requirements. While the City of Clayton did not create or find substantial new sources of funds for affordable housing after the State discontinued 452 RDAs, including Clayton's RDA, State law limits local jurisdictions' ability to create other new funding sources.

While Measure X, the Contra Costa countywide 20-year ½ cent sales tax, was approved in November 2020, Measure X is projected to provide *up to* \$12 million annually for "housing and related services" for the entire County (emphasis added). Measure X Affordable Housing funds will be distributed through a Notice of Funding Availability (NOFA) process, a competitive process.

F10. Measure X housing funds are not fully dedicated to building AH for very low- and low-income residents.

Agree.

F11. Local funding provided by bonds like Measure X Housing Fund is a critical component of a developer's overall ability to raise funds for an AH development.

Partially Disagree. Depending on the timing (economic conditions and bond measures for other competing interests), bond financing has not been the most significant source of affordable housing financing. While local funding provided by bonds like Measure X Housing Fund in Contra Costa County are a beneficial component to help fund affordable housing construction, the amount of funding available from Measure X is not high enough to be a critical factor in a developer's overall ability to raise funds for an affordable housing development. Under the Measure X Program Allocation Summary, only \$10 million dollars (about 13 percent of Fiscal Year [FY] 2022-23 funding and about 4.5 percent of total funding) were allocated to a Local Housing Trust Fund; for FY 2023-24, \$12 million dollars were allocated. The Measure X Housing Funds are to be dispersed by the County Department of Conservation and Development (DCD), the Health Services' Health, Housing and Homeless (HSD-H3) Services, and the Housing Authority of the County of Contra Costa. While a contributing factor, Measure X dollars allocated to housing production is not critical to the overall ability of the jurisdictions to meet their RHNA requirements for affordable housing.

F12. Cities that proactively engage citizens, address zoning obstacles, make reasonable zoning concessions, work collaboratively with developers, provide local funding support, and are united in addressing NIMBY opposition, have been successful in attracting AH projects.

Partially Disagree. The City of Clayton agrees that proactive strategies can help attract affordable housing developers and mitigate the barriers to housing production; however, proactive strategies alone do not result in affordable housing projects being constructed. For example, the City of Clayton staff and officials strive to proactively engage citizens through in-person meetings and virtually through social media; to work collaboratively with potential developers of both affordable and market rate housing developments in predevelopment meetings; and have committed in the City's current Housing Element to address and remove regulatory obstacles in its zoning regulations to foster a broader variety of housing types in the City. Even with all of these efforts, a variety of other obstacles towards affordable housing development exist beyond the City's control. These obstacles include: the gap in financing between constructing market-rate versus affordable housing; land costs; the land-to-building ratio when a property contains an underutilized building; the cost to upgrade or renovate an existing nonresidential building to accommodate housing; infrastructure costs (on- and off-site); and fees for public utilities (particularly for non-municipal utilities), among others.

F13. The latest RHNA targets for cities and unincorporated Contra Costa County show a significant increase in the number of units that are expected to be permitted for very low and low-income housing.

Partially Disagree. It is true that the RHNA for very low- and low-income housing has continued to increase. However, the increase in the RHNA is not to the extent mentioned in this report. RHNA numbers from the past 3 cycles indicate that the current (6th) cycle has had the largest increase of 2.5x from the previous cycle in very low- and low-income housing requirements. Please see the response to Finding 4 for detailed RHNA numbers from previous Housing Element cycles.

Grand Jury Recommendations

R1. Each city and the County should consider assigning a staff position with clear leadership, ownership and accountability to achieve allocated RHNA targets. The individual in this position would be responsible for establishing and promoting an operational plan to achieve the RHNA goals set forth in the housing element plan.

The recommendation has been implemented. California's Housing Element Law acknowledges that, in order for the private market to adequately address the housing needs and demands of Californians, local governments must adopt plans and regulatory systems that provide opportunities for (and do not unduly constrain) housing development. Cities and Counties are not responsible for the development and construction of housing to achieve the allocated RHNA targets. Instead, they are responsible for the effective implementation of their housing elements and associated programs to address any existing constraints to housing and for tracking and reporting the jurisdiction's progress toward achieving their RHNA. The Community Development Department of Clayton is assigned with the responsibility of the above tasks.

R2. Each city and the County should report AH progress and lack of progress using data across all four measured income groups. Special attention should be paid to tracking the housing needs of residents categorized as very low- and low-income. Cities and the County should communicate their progress biannually, against RHNA targets at council and supervisor Meetings.

The recommendation has been implemented. The City of Clayton has complied with State Law (Government Code §65400) that requires each jurisdiction (city council or board of supervisors) to prepare an APR on the jurisdiction's status and progress in implementing its housing element (HE) using forms and definitions adopted by HCD.

The HE APR allows HCD to track the progress of the implementation of a jurisdiction's HE and requires its submission as a threshold requirement for several State housing funding programs ([source](#)).

Through the forms and tables provided by HCD ([link](#)), jurisdictions must report annual data on housing in the APR, including the following:

- Housing development applications received (including proposed number of units, types of tenancy, and affordability levels)
- Building/construction activity
- Progress towards the RHNA
- Sites identified or rezoned to accommodate a shortfall in housing need
- Program implementation status
- Local efforts to remove governmental constraints to the development of housing
- Projects with a commercial development bonus
- Units rehabilitated or preserved
- Locally owned lands included in the sites inventory that have been sold
- Locally owned surplus sites

Government Code §65400 requires the planning agency to provide this report to the legislative body (i.e., local Council or Board), HCD, and OPR by April 1 of each year (covering the previous calendar year). APRs are presented to the local legislative body for its review and acceptance, usually as a consent or discussion on a regular meeting agenda.

The statute does not specify in which order report should be provided to the legislative body, HCD, or OPR, and HCD does not require the report to be submitted to the legislative body prior to submitting it to HCD. However, HCD recommends that planning departments provide the report to the local legislative body prior to sending it to HCD and OPR ([source](#)). Biannual reporting would divert staff time from other housing programs.

R3. Each city and the County should consider creating a dedicated AH commission comprised of a multi-disciplinary team of diverse citizens and led by a current, nonelected, city expert in planning. Each commission would be charged with providing a community voice in the process and helping to identify and address obstacles that hinder the development of affordable housing projects in their community.

The recommendation will not be implemented. The City of Clayton appreciates the thoughtful recommendation to create a dedicated AH commission comprised of a multi-disciplinary team of diverse citizens, led by a current, non-elected, city expert in planning. While we acknowledge the potential benefits of such a commission, after careful consideration, we have decided not to pursue its implementation due to the following reasons:

Existing Planning Mechanisms: The City of Clayton already has established planning mechanisms and committees responsible for addressing affordable housing issues. These existing structures provide platforms for community engagement and collaboration, making the formation of a separate commission redundant and potentially duplicative of efforts.

Resource Constraints: Establishing and maintaining a dedicated AH commission would require additional financial and administrative resources, including assignment of a City staff member to support the commission in creation of agendas, minutes, reports and noticing. At present, the City of Clayton is already allocating its limited staff resources to multiple initiatives aimed at addressing affordable housing needs, including technology enhancements in land use and infrastructure mapping; a program to promote private construction of accessory dwelling units; and zoning amendments to implement adopted Housing Element policies pertaining to increased density, greater flexibility in residential development regulations, and more streamlined permitting processes. Adding another commission would spread resources too thin and hinder the efficiency of current efforts to facilitate construction of affordable housing in the City.

Efficient Decision-Making: The City of Clayton has a Planning Commission comprised of five appointed residents that are empowered to review and approve development projects; provide a platform for public comment and sharing of community voices; and provide recommendations on policy changes and changes to zoning regulations that can lead to a reduced number of obstacles to development. The Planning Commission is supported by

the Community Development Director, a professional land use and environmental planner. By involving a diverse range of citizens and experts in the City's existing planning committee, we maintain a balanced and inclusive approach. This integration ensures streamlined decision-making processes and comprehensive representation of community interests without creating an additional layer of bureaucracy that would detract from the process of entitling housing projects.

Alternative Approaches: Instead of forming a separate AH commission, we are committed to strengthening the involvement of community members and experts in our existing planning and housing committees. Enhancing public outreach, conducting regular town hall meetings, and encouraging community feedback will remain focal points in our efforts to address obstacles hindering affordable housing development.

While we do not intend to pursue the recommended dedicated AH commission, we value the underlying principle of community engagement and recognize the importance of community input in the decision-making process. We will continue to explore alternative strategies that promote transparency, inclusivity, and community-driven solutions for affordable housing development in our city and County.

We remain committed to finding the most effective and sustainable approaches to address affordable housing challenges, working in collaboration with stakeholders and community members to achieve our shared goals.

R4. Each city and the County should consider reviewing existing processes and identifying changes that would address or resolve the specific obstacles identified in this report that hinder achieving RHNA allocation targets for very low- and low-income housing in their Community.

The recommendation has been implemented.

Comprehensive Process Review: As required by State Law, the City of Clayton has reviewed existing processes and identified programs to address any potential constraints to development through the Housing Element's Constraints section.

The City of Clayton has conducted a thorough review of existing processes related to affordable housing development, permitting, and zoning regulations. This review aimed to identify any inefficiencies or barriers ("constraints") that may have contributed to the challenges in meeting RHNA allocation targets.

Stakeholder Engagement: To ensure a comprehensive and inclusive approach, stakeholders, including community members, developers, housing advocates, and relevant government agencies, were actively engaged throughout the process. Feedback and input from these stakeholders played a pivotal role in shaping the subsequent actions.

Identifying Key Obstacles: Based on the review and stakeholder input, specific constraints hindering the achievement of RHNA allocation targets were identified. These included issues

related to zoning restrictions, lengthy permitting processes, funding constraints, and limited community support.

Development of a Housing Plan: With a clear understanding of the obstacles, the City of Clayton developed tailored action plans to address the identified challenges. These action plans outlined concrete steps, timelines, and responsible parties for implementation.

Policy and Regulatory Reforms: To streamline affordable housing development, policy and regulatory reforms were introduced to the broader community at both the Planning Commission and City Council levels and noticed public hearings. These reforms aimed to remove unnecessary barriers, expedite permitting processes, and incentivize the construction of affordable housing.

Community Outreach and Education: Recognizing the importance of community support, extensive outreach and education efforts were undertaken to inform residents about the benefits of affordable housing and dispel common misconceptions.

Outcomes Achieved: As a result of these actions, tangible progress can be made towards meeting RHNA allocation targets for very low- and low-income housing in each community. The review and reforms will lead to a more efficient and supportive environment for affordable housing development.

While challenges persist, the City's ongoing commitment to address the obstacles identified in the report demonstrates significant strides in advancing affordable housing goals. Continued efforts and collaboration will be crucial in achieving sustained progress and ensuring housing accessibility for all members of our communities.

R5. Each city and the County should consider developing a public dashboard to report progress against RHNA targets.

The recommendation has been implemented. The City of Clayton has complied with State Law (Government Code §65400) that requires each jurisdiction (city council or board of supervisors) to prepare an APR on the jurisdiction's status and progress in implementing its housing element using forms and definitions adopted by HCD. Each jurisdiction's APR must be submitted to HCD and OPR by April 1 of each year (covering the previous calendar year). HCD compiles and showcases all APRs through their interactive digital data dashboard with downloadable data sets. ([link](#))

In addition, all jurisdictions are subject to Government Code Section 65863 (No Net Loss Law), which was amended in 2017 with SB 166, and requires jurisdictions to maintain adequate sites to accommodate remaining unmet RHNA at each income level throughout the life of an adopted Housing Element. The No Net Loss Law restricts local agencies from approving a housing project at a lower density, or with fewer units than identified in the Housing Element unless a corresponding number of units are accommodated and identified elsewhere in the local jurisdiction. To assist with the monitoring, the City of Clayton along with other jurisdictions in Contra Costa County are developing standard language to include in staff reports when housing

projects come forward to decision-makers for approval and are exploring a No Net Loss Tool to help monitor RHNA progress.

R6. Each city and the County should consider, in their individual Housing Element plans, putting forth land zoned "suitable for residential use," without development obstacles, and located strategically close to existing services, for AH purposes.

The recommendation has been implemented. As required by State Law, jurisdictions are required to prepare a site inventory identifying land suitable and available for residential development to meet the locality's regional housing needs by income level. Please see the response to Finding 6(a) for details. Further, in addressing HCD's Affirmatively Furthering Fair Housing (AFFH) requirements, there is a thorough review of the site selection via the Tax Credit Allocation's Committee (TCAC) Resource Map that designates areas of low-, moderate-, high-, and highest-resource within a jurisdiction and requires specific justification for placing affordable housing projects within low-resources areas.

R7. Each city and the County should consider reviewing their zoning policies to identify restrictive zoning policies unique to their jurisdiction that impede AH projects and consider making zoning changes in light of that review that will support AH in their community.

The recommendation has been implemented. Through the Housing Element process, the City of Clayton has reviewed our zoning policies and identified potential barriers to affordable housing development in our codes and regulations. The Housing Element – Housing Plan section outlines forthcoming changes to the City's zoning policies with specified timeframes to address the identified constraints.

R8. Cities should consider adopting an inclusionary housing ordinance as part of their standard development policy by the end of 2023 (if not already in place).

The recommendation has been implemented. As stated in response to Finding F6.c, the City of Clayton adopted an inclusionary housing ordinance, codified as Chapter 17.92 of Clayton Municipal Code in 2016 (as amended in 2019), and has committed to re-evaluating certain provisions of its ordinance during this current housing cycle to ensure ongoing success of the intent of the regulation to provide affordable housing in the City.

R9. Each city and the County should consider how to prioritize the implementation of housing projects that promote development of very low- and low-income housing.

The recommendation has been implemented. The City of Clayton processes development projects in the sequence they are received and deemed complete in accordance with statutory timelines. The City has, in its current Housing Element, committed to implementing programs that prioritize housing opportunities that would meet housing needs for low and moderate income households and special needs groups:

- Policy 3.2: Assistance and Incentives. Facilitate the development of lower- and moderate-income housing by offering developers incentives such as density bonuses, streamlined

entitlement and permitting processes, City participation in on- and off-site public improvements, and flexible development standards.

- Program B3: Encourage development by developing process that prioritizes the processing of affordable housing applications, encourage the use of density bonus provisions through technical assistance and information dissemination, etc.
- Program H4: Expedited Processing Give priority to development projects that include a component for special needs groups (including the elderly, disabled, large families, the homeless, students, and transitional foster youth) in addition to other lower-income households. Priority will consist of advancing applications for review ahead of development applications not addressing special needs households. Implement priority based on community needs to ensure adequate housing for all residents within special needs groups.

Our City staff also supports and fosters collaborative efforts between and among public entities, religious institutions and private developers to maximize available resources and expertise. Through these partnerships, the City strives to leverage private sector investments to create a greater number of affordable housing units.

Further, the preservation and promotion of naturally occurring affordable housing (NOAH) is also part of our affordable housing strategy. While developing housing that is affordable to lower income households is important and a key strategy, preservation of affordable units is equally important and requires additional resources. It may, in some cases, be more cost effective to preserve existing units. Additionally, the promotion of Accessory Dwelling Units, as NOAH, is a key strategy identified in Clayton's Housing Plan.

R10. Each city and the County should consider prioritizing Measure X funding requests that support projects that address RHNA targets for very low- and low-income residents. Each city and County should consider reporting regularly to their residents on the use of Measure X funds for such purposes.

The recommendation will not be implemented. Measure X is a countywide 20-year, ½ cent sales tax approved by Contra Costa County voters on November 3, 2020 “to keep Contra Costa’s regional hospital open and staffed; fund community health centers, emergency response; support crucial safety-net services; invest in early childhood services; protect vulnerable populations; and for other essential county services.” Under the Measure X Program Allocation Summary, only \$10 million dollars (about 13 percent of FY 2022-23 funding and about 4.5 percent of total funding) were allocated to a Local Housing Trust Fund; for FY 2023-24, \$12 million dollars were allocated. The Measure X Housing Funds are to be dispersed by the County DCD, the Health Services’ Health, Housing and Homeless (HSD-H3) Services, and the Housing Authority of the County of Contra Costa. The use of Measure X funds for housing are reported by the County here: <https://www.contracosta.ca.gov/8530/Measure-X>

The jurisdiction has identified local funding sources for each of their Program Actions in their Housing Element to support affordable housing projects that address RHNA targets for very low- and low-income residents.



June 22, 2023

Clayton City Council
600 Heritage Trail
Clayton, CA 94517

RE: Revised due date.

Dear Clayton City Council:

Attached is a copy of Grand Jury Report No. 2306, Affordable Housing: "A Plan Without a Home" prepared by the 2022-2023 Contra Costa County Civil Grand Jury.

In accordance with California Penal Code Section 933 et seq., we are submitting this report to you as the officer, agency, or department responsible for responding to the report. Please respond to the Findings and Recommendations as they apply to your agency. Please also confirm in writing that the person responding to the report is authorized to do so. As the responding person or person responding on behalf of an entity, please indicate one of the following actions with respect to each finding:

- (1) You agree with the finding.
- (2) You disagree with the finding.
- (3) You partially disagree with the finding.

(Pen. Code, § 933.05(a).) In the cases of both (2) and (3) above, please specify the portion of the finding that is disputed and include an explanation of the reasons therefor.

In addition, Section 933.05(b) requires you to reply to each recommendation by stating one of the following actions:

- 1. The recommendation has been implemented, with a summary describing the implemented action.
- 2. The recommendation has not yet been implemented, but will be implemented in the future, with a time frame for implementation.
- 3. The recommendation requires further analysis. This response should explain the scope and parameters of the analysis or study, and a time frame for the matter to be prepared for discussion. This time frame shall not exceed six months from the date of the publication of the Grand Jury Report.

4. The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation thereof.

The Penal Code also prescribes the obligations of a governing board or elected county official with regard to responding to the grand jury's findings and recommendations. Specifically, if the report contains one or more recommendations directed to you as an elected county official, or to the governing board of which you are a member, you must respond to these recommendations and to the supporting findings, as directed in the report.

After reviewing the response to ensure that it includes the above-noted mandated items, please send (1) a hard copy of the response to the Grand Jury at P.O. Box 431, Martinez, CA 94553; and (2) an electronic copy by e-mail to ctadmin@contracosta.courts.ca.gov. The response must be submitted to the Grand Jury no later than **September 13, 2023**.

Finally, please note that this report is provided at least two working days before it is released publicly. Section 933.05 specifies that no officer, agency, department, or governing body of a public agency shall disclose any contents of the report prior to its public release.

Please immediately confirm receipt of this letter and the attached report by responding via e-mail to ctadmin@contracosta.courts.ca.gov.

Sincerely,



Cynthia Roberts, Foreperson
2022-2023 Contra Costa County Civil Grand Jury

cc: Bret Prebula, City Manager

Grand Jury

Contra Costa County

725 Court Street
P.O. Box 431
Martinez, CA 94553-0091



June 16, 2023

Clayton City Council
600 Heritage Trail
Clayton, CA 94517

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Sincerely,

A handwritten signature in dark ink, appearing to read 'CR', with a horizontal line extending to the right.

Cynthia Roberts, Foreperson
2022-2023 Contra Costa County Civil Grand Jury

cc: Bret Prebula, City Manager

Affordable Housing

A Plan Without a Home



2022-2023
Contra Costa County
Civil Grand Jury
Report 2306
June 14, 2023

A REPORT BY
THE 2022-2023 CONTRA COSTA COUNTY CIVIL GRAND JURY
725 Court Street
Martinez, California 94553

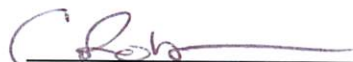
Report 2306

Affordable Housing

A Plan Without a Home

APPROVED BY THE GRAND JURY

Date 6-14-2023



CYNTHIA ROBERTS
GRAND JURY FOREPERSON

ACCEPTED FOR FILING

Date 6-14-2023



Hon. JILL C. FANNIN
JUDGE OF THE SUPERIOR COURT

Contact: Cynthia Roberts
Foreperson
(925) 608-2621

Contra Costa County Grand Jury Report 2306

Affordable Housing

A Plan Without a Home

TO:
Contra Costa County Board of Supervisors
City Councils for All Cities in Contra Costa County

Affordable Housing A Plan Without a Home

Table of Contents

GLOSSARY AND ABBREVIATIONS	1
SUMMARY	2
METHODOLOGY	3
<i>DOCUMENTS</i>	3
<i>INTERVIEWS</i>	3
BACKGROUND	4
DISCUSSION	12
<i>RHNA TARGETS AND CITY AND COUNTY RESPONSIBILITY</i>	12
<i>ADDITIONAL OBSTACLES THAT HINDER THE DEVELOPMENT OF AH</i>	13
Limited Availability of Land	13
Restrictive Zoning Policies Specific to AH Development	13
Developer Interest to Bring Projects Forward	14
Limited Funding	14
Lack of Community Support	14
NIMBY Opposition & City Council response to NIMBY opposition	14
<i>CITIES AND THEIR RELATIONSHIP WITH THE STATE OF CALIFORNIA</i>	15
FINDINGS AND RECOMMENDATIONS	16
<i>FINDINGS:</i>	16
<i>RECOMMENDATIONS:</i>	17
REQUIRED RESPONSES	19
REFERENCES:	20
<i>BIBLIOGRAPHY:</i>	20
APPENDICES	
A-1. <i>CONTRA COSTA COUNTY AVERAGE MEDIAN INCOME 2022</i>	21
A-2. <i>2022 CCC WAGES, RENT TO INCOME, AMI STATUS</i>	22
A-3. <i>BAY AREA RHNA ALLOCATIONS AND PROGRESS</i>	23
A-4. <i>SB 35 VERY LOW-INCOME AND LOW-INCOME DETERMINATION SUMMARIES</i> ..	27
A-5. <i>NEWS ARTICLES REGARDING AFFORDABLE HOUSING</i>	34

Affordable Housing A Plan Without a Home

GLOSSARY AND ABBREVIATIONS

ABAG	Association of Bay Area Governments
AH	Affordable Housing
Allocations	State-issued housing goals by income category that must be planned for and included in each County and city housing element plan
AMI	Area Median Income – Refer to Table 1
Builder’s Remedy	A provision found in California’s Housing Accountability Act (HAA) that allows developers of affordable housing projects to bypass the zoning code and general plan of cities that are out of compliance with the Housing Element Law.
Extremely Low Income	30% or less of area AMI
HEP	Housing Element Plans
HCD	The State Department of Housing and Community Development
Inclusionary Housing Ordinance	Regulation, when adopted by a city or the County, requires new residential developments to include a minimum percentage of very low-, low-, and moderate-income households into residential developments of five units or more (generally 15%)
Low Income (LI)	50- 80% or less of area AMI.
RDA	Redevelopment Agency - dedicated to urban renewal.
RHNA	Regional Housing Needs Allocation
Measure X Housing Fund	Contra Costa County’s 20-year, \$12 million annual share of Measure X ½ cent sales tax to be used for housing & services.
NIMBY	Not in my back yard
SB 35	California Senate Bill 35 streamlines the housing construction process for cities and counties that fail to build enough housing to meet state-mandated requirements for very low- and low-income households.
Very Low Income (VLI)	30-50% of area AMI. Qualifications for this designation are based on the collective income of all the persons in a household (total household income).

Affordable Housing A Plan Without a Home

SUMMARY

The civil grand jury began this investigation to understand how Contra Costa County is addressing the need for affordable housing. We started by reviewing California Housing and Community reports titled Regional Housing Needs Allocation (RHNA) results for the County. These reports, issued at the end of each Housing Element cycle, show housing permits issued for various resident income classification groups against state mandated targets. Each city plus unincorporated County areas of responsibility results are listed. Appendix 3 comprises results for the past 3 Housing Element cycles plus targets for the latest cycle 2023-2031.

After reviewing these reports, we realized that most cities and our County were not providing the required number of housing permits primarily for very low- and low-income resident housing. Close examination of these reports reveals the scale and accelerated progression of missed targets. Additionally, these reports show that the very low- and low-income resident categories reflect the largest percentage of missed RHNA and plan targets over the past 20 years.

Based on these initial findings, we focused our efforts on housing for residents classified as very low or low income. We wanted to understand who in local government is responsible for implementation of approved housing plans and why were those plans failing to address permit targets for very low- and low-income residents. What are the drivers/obstacles behind these missed targets, and what actions were being taken to increase the availability of affordable housing for these residents throughout our County.

What we found was that although there is ownership for the creation and approval of Housing Elements that address affordable housing targets, we could not find clear assigned responsibility inside local government to implement plans after approval. This problem, combined with the myriad of challenging obstacles outlined in this report has translated into years of missed targets for residents classified as very low or low income. Without significant changes to how local governments address affordable housing, cities and the County risk the imposition of State mandated solutions that bypass local development protocols. This report is a summation of our work, findings and recommendations for improvement.

Affordable Housing A Plan Without a Home

METHODOLOGY

Documents

The grand jury reviewed numerous documents from local, County, regional, and State agencies. For a comprehensive list see the References section of this document.

Interviews

The grand jury conducted interviews with city and County leaders knowledgeable about the housing development process in the west, central and east County cities. We also interviewed:

- developers that specialize in affordable housing construction projects
- leaders with experience in addressing housing development issues
- various staff members with housing responsibilities

Affordable Housing A Plan Without a Home

BACKGROUND

The housing element cycle was introduced in 1969, when the California State Legislature passed laws requiring that all cities and counties adequately plan to meet the housing needs of people at all income levels in the community. California's local governments meet this requirement by adopting housing plans as part of their "general plan" (also required by the state).

The process involves significant planning from experts in local government, and citizens are asked proactively for input on these proposed plans before being submitted to the State for approval. The Department of Housing and Community Development (HCD) approves all HEPs. The role of the state, besides approval of each HEP, is to identify the total number of homes required by resident income classification so that cities and counties can include these numbers in their HEPs. These numbers are required to be included in each city and County HEP. Determining individual income classifications is a County-specific exercise. It starts with a determination of County Area Median Income (AMI). As noted in Table 1 below, the state defines for each County, which is then extrapolated into specific resident income classifications.

After development of housing allocation numbers by HCD, the data is passed down to the regional authority, the Association of Bay Area Governments, (ABAG), as a Regional Housing Need Determination (RHND). This is the first step in California's process to plan for the housing needs in each region of the state. It is RHND's responsibility to also track permits issued against allocation targets in each Housing Element Plan (HEP). This tracking of progress against targets is communicated through ABAG issued reports (Appendix 3).

The next step, allocation, is also the role of the regional authority, ABAG. It is their responsibility to allocate a share of the RHND housing numbers to each city and County as a Regional Housing Need Allocation (RHNA). These numbers are broken out by resident income, classified as very low income, low income, moderate income and above moderate income.

The next two tables reflect Contra Costa County's average median income, occupation, and wages of some of the County residents. We wanted to understand who in our community is part of the very low- and low-income groups. We realized that we all probably know someone who may be impacted by the shortage of affordable housing in the County.

Affordable Housing A Plan Without a Home

Table 1 below, from the California Department of Housing and Community Development website, shows the state definition of income limits for residents in Contra Costa County based on the calculation of the average median income (AMI). AMI is based on the collective income of all the persons in a household (total household income).

Table 1: 2022 State Income Limits by Household

2022 State Income Limits						
Contra Costa County						
Income Limits by Household Size - Effective May 13, 2022						
Median Family Income - \$142,800						
Persons per Household	Acutely Low Income 15% AMI	Extremely Low Income 30% AMI	Very Low Income 50% AMI	Low Income 80% AMI	Median Income	Moderate Income 120% AMI
1	\$15,000	\$30,000	\$50,000	\$76,750	\$99,950	\$119,950
2	\$17,100	\$34,300	\$57,150	\$87,700	\$114,250	\$137,100
3	\$19,250	\$38,600	\$64,300	\$98,650	\$128,500	\$154,200
4	\$21,400	\$42,850	\$71,400	\$109,600	\$142,800	\$171,350
5	\$23,100	\$46,300	\$77,150	\$118,400	\$154,200	\$185,050
6	\$24,800	\$49,750	\$82,850	\$127,150	\$165,650	\$198,750
7	\$26,550	\$53,150	\$88,550	\$135,950	\$177,050	\$212,450
8	\$28,250	\$56,600	\$94,250	\$144,700	\$188,500	\$226,200

For Inclusionary Housing, Density Bonus, and calculating rents and for-sale prices

Income Limits from 2022 State Income Limits from the Department of Housing and Community Development

State Income Limits apply to designated programs, are used to determine applicant eligibility (based on the level of household income) and may be used to calculate affordable housing costs for applicable housing assistance programs. Use of State Income Limits are subject to a particular program's definition of income, family, family size, effective dates and other factors. In addition, definitions applicable to income categories, criteria, and geographic areas sometimes differ depending on the funding source and program, resulting in some programs using other income limits.

Affordable Housing A Plan Without a Home

Table 2 below contains data from govsalaries.com. It identifies by occupation some of the County occupations that fall into the very low- and low-income classifications as well as a few occupations that are just over the threshold, falling into the median income group.

Table 2: 2022 CCC Wages, Rent to Income, AMI Status

Occupation	Mean Annual Wage (2022)	% of Monthly Income Needed for a 2-Bedroom Unit	% of Monthly Income Needed for a 3-bedroom Unit	Income Status - % of AMI *
Food Service Worker	\$36,488	87%	113%	Extremely Low (<30% AMI)
Dishwasher	\$38,853	82%	107%	Extremely Low
Hairdressers	\$42,203	75%	98%	Extremely Low
Retail Salespersons	\$43,018	74%	97%	Very Low (50% AMI)
Security Guards	\$45,998	69%	90%	Very Low
Receptionists and Information Clerks	\$46,833	68%	89%	Very Low
Preschool Teachers	\$46,103	69%	90%	Very Low
Medical Assistants	\$59,313	54%	70%	Very Low
Education and Childcare Administrators	\$66,492	48%	62%	Very Low
Licensed Practical and Licensed Vocational Nurses	\$78,255	41%	53%	Low (80% AMI)
Education Teachers, Postsecondary	\$91,041	34%	46%	Low
Police and Sheriff's Patrol Officers	\$126,289	25%	33%	Median
Computer and Mathematical Occupations	\$132,023	24%	32%	Median

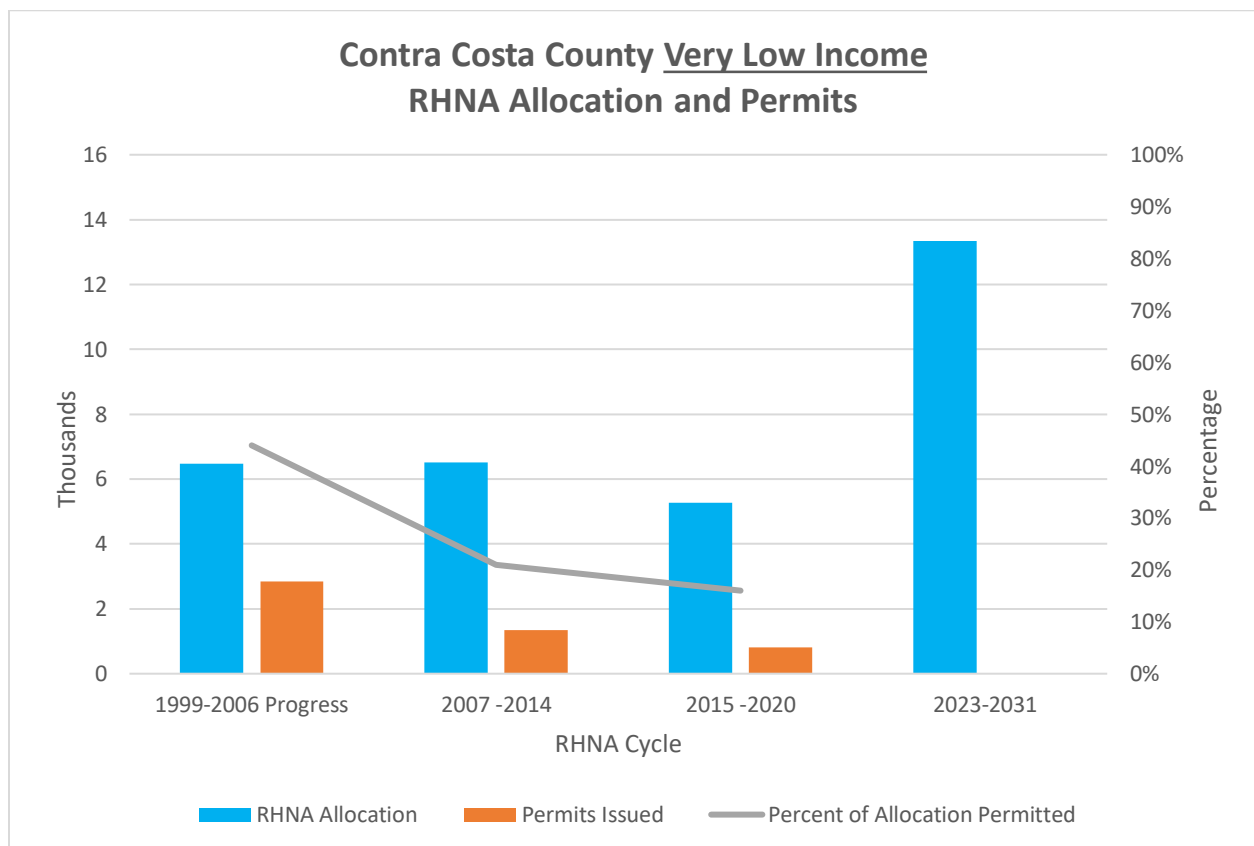
In addition to residents in these occupational categories, a lack of very low- and low-income affordable housing impacts senior County residents (over the age of 65). Seniors are one of the fastest growing population segments in the County. The most recent US Census for the County indicates that 6.7 percent of the total population, over 200,000 residents, is over the age of 65, an increase of 12.5 percent since 2010. The California Department of Aging projects that this group of residents will grow by over 150 percent by 2060.

Affordable Housing A Plan Without a Home

The next two charts contain data extracted from published ABAG housing reports (Appendix 3). They highlight the disappointing results in housing permits issued against mandated allocations for very low- and low-income residents.

Chart 1 shows a 21-year decline in the percentage of permits issued for very low-income residents, even as allocation targets stayed relatively flat. For the upcoming 2023-2031 allocation cycle for very low-income housing, allocations have tripled.

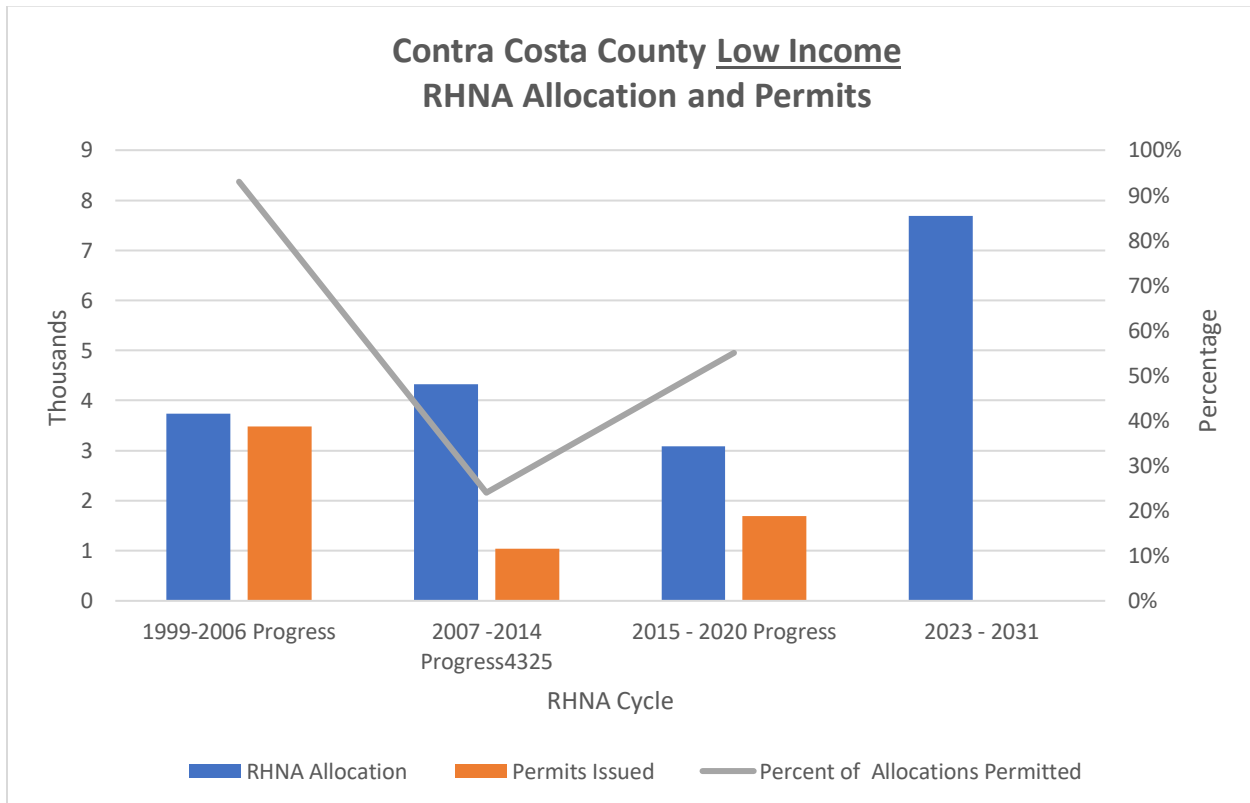
Chart 1: Very-low Income Housing Allocations and Permits for CCC



Affordable Housing A Plan Without a Home

Chart 2 shows a 15-year decline in low-income housing permits, with an uplift in the most recent allocation cycle. However, the County still only issued permits for about half of the allocations mandated by the state for this same period. And again, the upcoming allocation cycle for 2023-2031 has a significant bump in the mandated allocation for low-income housing.

Chart 2: Low Income Housing Allocations and Permits for CCC



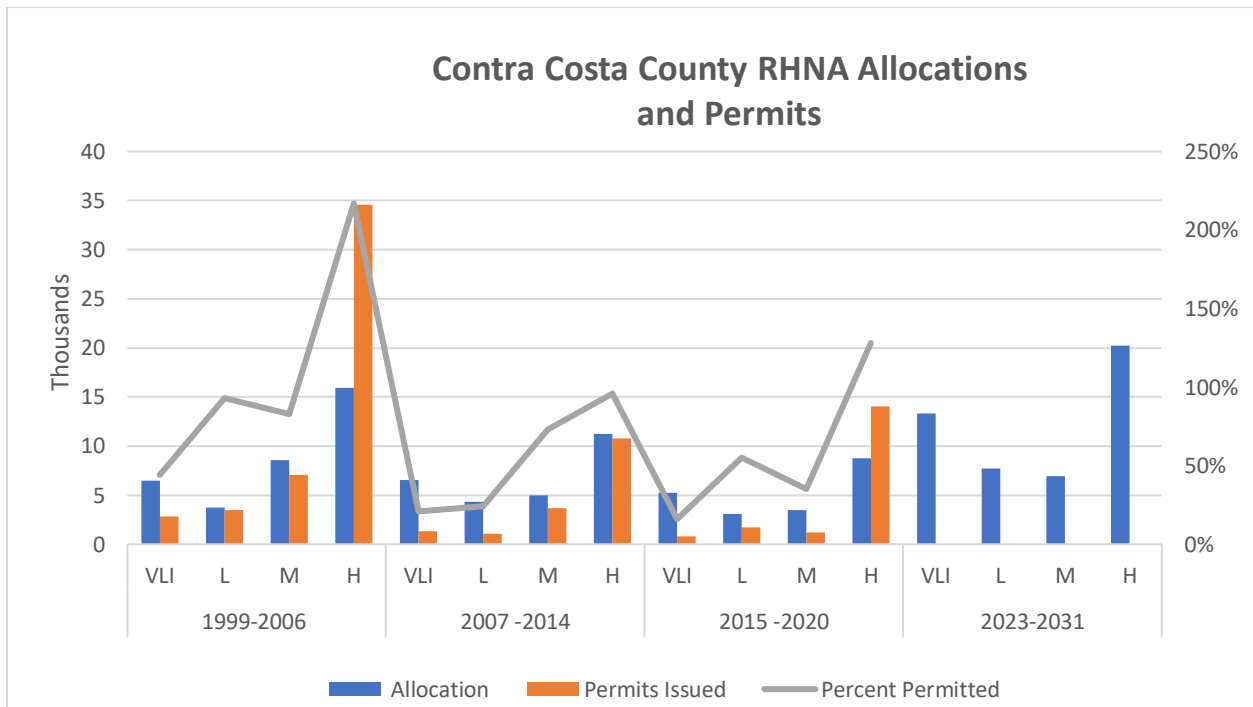
The data published in charts 1 & 2 above illustrates that over the period 1999-2020 the County has failed to provide the number of housing units mandated by the State of California and as they have planned for in their individual city and County element plans for very low- and low-income residents.

To understand the allocation targets and whether all income groups were equally impacted, the grand jury again looked at whether there had been any progress made against RHNA targets within any of the other income groups. What we found was that housing permits for high income housing had outpaced other income groups, with high income permits more than double all other income group housing permits combined. Close examination of the details published in the reports found in Appendix 3 validates this reality. The next 2 charts again use graphic descriptions of this published data to reinforce the magnitude of the problem.

Affordable Housing A Plan Without a Home

Chart 3 looks at the past three Housing Element cycles results against allocations for the four income categories measured by RHNA reports for Contra Costa County. It also identifies new allocations for the current 2023-2031 Housing Element cycle. The income categories are VLI (very low), L (low), M (moderate), and H- (above moderate), which align with income categories measured in RHNA published progress reports. This chart also shows what percentage of the planned permits (allocation) resulted in a corresponding permit (Permits Issued) being issued for each income group as a percentage (Percent Permitted).

**Chart 3: Contra Costa County
RHNA Allocations and Permits by Income Group**



Affordable Housing A Plan Without a Home

Chart 4 below takes a representative sample of cities in the County and shows the percentage of housing permits issued for very low- and low-income residents measured against all housing permits issued for the time period 1999-2020. Most of the cities identified fell short of their allocation goals.

Chart 4: Very Low and Low-Income Housing Permits as a % of All Permits by City

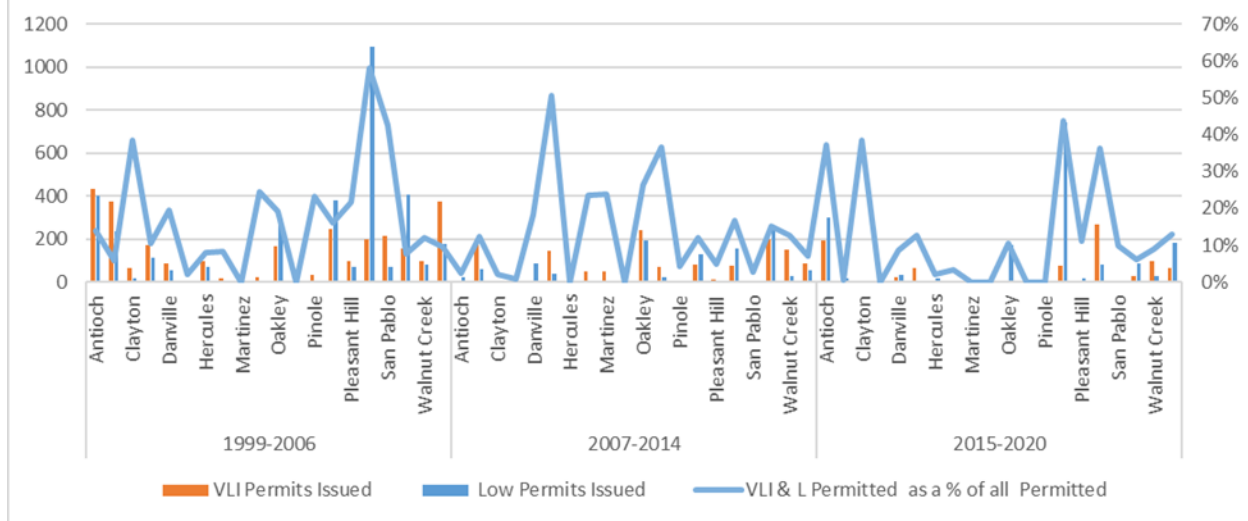
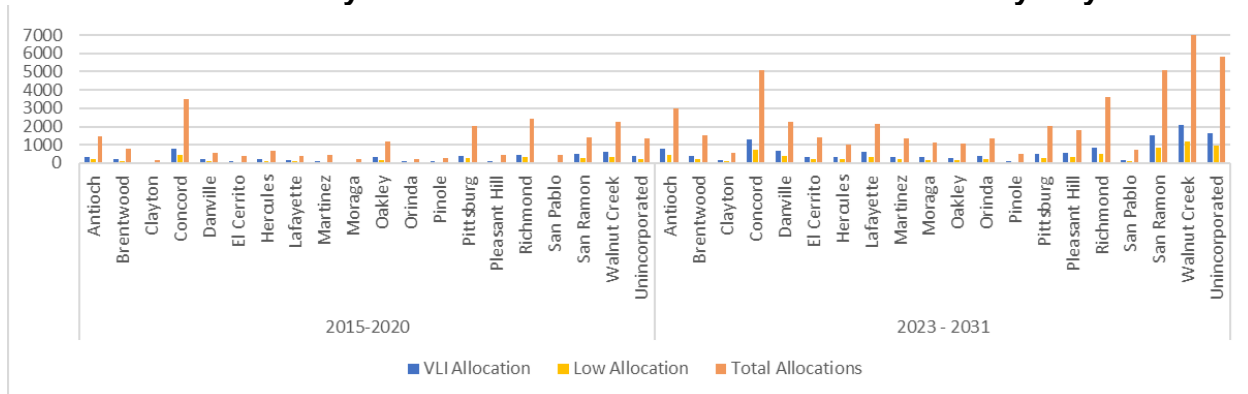


Chart 5 is a listing of all 19 cities in the County, showing how much housing was permitted for very low- and low-income residents in the last Housing Element cycle 2015-2020 and what is expected to be accomplished in 2023-2031. As the chart shows, the State of California has increased the mandatory allocation for very low- and low-income housing for many Contra Costa County cities and for the County itself.

Chart 5: Very Low and Low-Income Permit Allocations by City



Affordable Housing A Plan Without a Home

Whether reviewing individual city details in Appendix 3 or reviewing the County results overall, the track record regarding very low- and low-income permitted units for affordable housing over the past 20 years is dismal. How will each city and the County meet more challenging targets (Appendix 5) for very low- and low-income housing in the next Housing Element cycle and what might enable attainment in the future?

Affordable Housing A Plan Without a Home

DISCUSSION

In every interview the grand jury conducted with city and County officials, all communicated that they care deeply about the affordable housing issue in their communities. However, none of those interviewed acknowledged or identified themselves, their department or any other agency as having responsibility for the actual attainment of RHNA housing targets. Although we found the Housing Element Plans on the various city and the County entities, we did not find any language or group description that identified an owning entity that is either accountable or responsible for the execution of the Housing Element Plan, identifying and addressing obstacles, or attaining state mandated targets. The grand jury was unable to find any owner for the actual achievement of state mandated housing targets. Meaning that once a Housing Element plan containing the mandated housing targets for each income group was approved, no individual or department was responsible for implementing the approved Housing Element plan or accountable for the progress/results against the established targets within the plan.

Our investigation looked at three specific areas that should enable affordable housing. First, the RHNA targets identified in housing element plans and who in local government takes ownership to implement approved HEPs. Second, what control do our cities and the County have in the affordable housing development process? Finally, the state's relationship with our cities and the County: how decisions by the state impact affordable housing development in our County.

RHNA Targets and City and County Responsibility

Each city is required by the State of California to provide an updated housing element plan for approval every eight years. The Association of Bay Area Governments (ABAG), a Bay Area local government consortium whose mission is to strengthen cooperation and collaboration across local governments in order to build healthier and stronger communities, receives the affordable housing target data from the state. This data outlines how much housing will be needed, by income category, for the next reporting cycle. ABAG distributes the individual targets for each city and the County for the current cycle. ABAG then provides a report, before the next housing element cycle, which documents each city and the County results against targets.

Contra Costa County city and County performance in issuing housing permits for very low- and low-income residents for the last three housing element cycles, 1999-2006, 2007-2014 and 2015-2020, showed significant misses of actual permits issued against the targets.

The charts in Appendix 3 reflect the number of permits issued by city, against RHNA allocation targets for each housing element. Appendix 5 is the final RHNA allocation for 2023-2031. All data presented in appendices 3 and 5 reflect that our cities and County are permitting housing, primarily for residents in the 120 percent of median or higher income classification.

City and County officials are primarily focused on getting HCD to approve an individual housing element plan. In multiple interviews with various city officials, after HEP approval we did not find examples of consistent communication of progress to meeting targets for very low- and low-income residents. In these same interviews, RHNA targets were described as “aspirational, not

Affordable Housing

A Plan Without a Home

realistic, or not attainable.” Interviewees used different words, but overall, RHNA targets were considered mostly an academic exercise that no one takes seriously. Furthermore, we did not find a specific owner for attainment of the housing element plan allocations, leading us to believe that this could well be one of the key reasons for our County’s failure to realize (permit and build) affordable housing for very low- and low-income residents.

Additional Obstacles that Hinder the Development of AH

Six additional obstacles to the development of AH for residents identified as very low- and low-income are:

- limited availability of land;
- restrictive zoning policies specific to AH development;
- limited developer interest to bring projects forward;
- limited funding;
- lack of community support;
- NIMBY – an industry term that denotes opposition to development in a neighborhood, community, or city.

These obstacles are not uniform or constant across the County. Rather, some are more pronounced in one area or at one time.

Limited Availability of Land

Cities with less available land, but access to mass transit hubs, benefit from incentives to build AH close to transit centers. West County cities have benefitted the most from these projects. East County cities with large tracts of undeveloped land have had recent success in building AH projects for very low- and low-income residents. The Antioch Family and Senior Apartments project, completed in 2022, is an example of a successful AH project, in that it was submitted, approved, and completed in a relatively short time period with minimal roadblocks (References/ Bibliography East Bay Times October 22, 2022). Central County cities must balance extremely high land costs against AH development needs.

Restrictive Zoning Policies Specific to AH Development

City zoning ordinances vary greatly throughout the County but in many instances are not conducive to the development of AH. For instance, we conducted a limited proactive review of existing zoning policies to see if there were any subtle changes to local building codes that could be made to ease the approval of AH projects. Some cities zone land for AH development, but land that is far from basic services, in very expensive-to-develop areas, or in environmentally sensitive locations. Some cities have restrictive height zoning ordinances. Many cities do not have an inclusionary housing ordinance. (An inclusionary housing ordinance requires developers to set aside select units for very low- and low-income residents when proposing projects or to pay cities for the exclusion creating a local funding opportunity.)

Affordable Housing

A Plan Without a Home

Developer Interest to Bring Projects Forward

Actions by local city councils greatly influence how developers view their ability to successfully create an AH development. In our interviews with city officials and developers, it was determined that city councils that work openly to mitigate community concerns, don't flip flop after a project has been properly vetted, and are willing to team with developers as partners throughout the long approval and development process are viewed as fostering conducive and supportive environments for AH development. Failure to team with a developer or to actively address obstacles during the approval and development process often results in failing to meet AH targets.

Limited Funding

The lack of funding and the complexity associated with getting funding support for AH projects are obstacles. The state prioritizes AH projects that provide some local funding support. Developers who rely on tax incentives to help secure project funding get a better place in line to have their projects approved if there is demonstrated local funding support. City officials attribute the elimination of redevelopment agencies as a local funding source in 2012 as a key reason local funding has been so difficult to obtain. The County has been slow to provide alternative funding sources. Voters passed Measure X in 2020, and housing funds will finally be available in 2023. Other Bay Area counties took a more assertive role in providing alternative funding support for their cities.

In 2016, Alameda County passed measure A1, which dedicated \$580 million for AH. In 2016, Santa Clara County passed Measure A, which allocated \$950 million for AH. In Contra Costa County, Measure X carved out \$240 million as a dedicated housing fund, with a stipulation that only \$12 million annually for 20 years will be allocated to support housing. No funds are dedicated specifically to building housing for very low- and low-income residents, and there is no direct link of fund requests to achieving RHNA targets.

Lack of Community Support

Cities across the County have a wide range of policies around outreach and education about AH. The effort to educate communities as to why this housing issue is so important is broadly different across the County. In reviewing successful AH projects completed in the County citizen involvement and participation has shown to lessen local opposition to AH.

NIMBY Opposition and City Council response to NIMBY Opposition

NIMBY opposition was frequently cited by the developers that we interviewed as a primary cause of wasted resources and unnecessary project delays. Communities where projects get tied up in extensive local battles with non-supportive citizens or with city councils that reverse earlier decisions made through the normal local development process were cited by developers as influencing whether they would consider proposing AH projects in these communities.

Affordable Housing A Plan Without a Home

Cities and Their Relationship with the State of California

The state grants cities and counties broad independence to do what is best for their community regarding housing development. But the state retains the ability to override local city jurisdiction.

The Builder's Remedy provision in California's Housing Accountability Act has been in place since 1990. It grants developers the authority to bypass any local zoning or approval process and move projects forward if a local government entity is not in compliance with its current Housing Element plans. Compliance has meant meeting the requirement to have an approved HEP. While in place for many years, the state, until recently, has rarely enforced this provision. City and County officials who were interviewed recognize that there is now a more intense state oversight process to plan submissions, and there are potential penalties for poor content plans or plans that do not get approved by state deadlines. This renewed intensity of focus has forced cities and counties to improve the quality of their Housing Element plans. The Builder's Remedy is the draconian solution that the state may enforce if cities insist on proposing Housing Element plans that are not implementable. The city and County officials interviewed for this investigation expect to get their housing element plans approved. But again, plan approval does not equal plan implementation.

Senate Bill 35 allows qualifying development projects with certain minimum affordable housing guarantees to move more quickly through the local government review process. The bill amended the Government Code to restrict the ability of local governments to reject these projects. A project approved under SB 35 cannot be challenged under the California Environmental Quality Act (CEQA). This is an important feature of projects developed under SB35 as much has been discussed publicly about how CEQA lawsuits have been used to slow or stop the development of AH projects. Appendix 4 identifies individual cities and counties that have met their prorated very low- and low-income RHNA goals for the latest reporting period. It's a small list. In this County, only El Cerrito qualified for exemption from SB 35. We did not find examples of projects being developed in this County that have been or could be streamlined under SB 35.

Cities in this County that propose Housing Element plans, implement their approved plans, and meet RHNA targets for very low- and low-income residents will not run the risk of losing local development control through either Builder's Remedy or SB35.

Affordable Housing A Plan Without a Home

Findings and Recommendations

Findings:

- F1. Within existing city or County infrastructure there is no clear owner who is responsible for achieving RHNA permitting targets.
- F2. City and County officials see no direct path to meet state-mandated regional housing (RHNA) targets.
- F3. There are currently no measurable penalties if a city or a County does not achieve RHNA targets in an approved housing element plan.
- F4. Data published by ABAG shows that Contra Costa County and most of its cities have missed their current RHNA targets for very low- and low-income housing allocations. The allocation requirements continue to increase (16x for very low-income and 4x for low-income residents).
- F5. Many obstacles hinder the development of AH at the local level, specifically for very low- and low-income housing, including:
 - a. Limited availability of land;
 - b. Restrictive zoning policies specific to AH development;
 - c. Limited developer interest to bring projects forward;
 - d. Limited available funding;
 - e. Lack of community support;
 - f. NIMBY opposition & city council response to NIMBY opposition.
- F6. Zoning changes are generally addressed only when a project is presented for development. Zoning obstacles include:
 - a. Housing element plans that offer poor land choices for AH development;
 - b. Restrictive height and high-density zoning policies;
 - c. Lack of inclusionary housing ordinance(s) in many cities.
- F7. Penalties directed at cities and the County (financial, loss of control over local planning) are tied to not meeting state deadlines for Housing Element plan approval
- F8. Builder's Remedy and SB35 projects do not address ingrained local obstacles identified in this report that prevent the completion of approved AH projects.
- F9. When local Redevelopment Agencies (RDA's) were discontinued by the state in 2012, the County and cities did not address the loss of funding for affordable housing or find alternative funding to support affordable housing projects until voters passed Measure X in November 2020. Projects that target very low- and low-income residents were particularly impacted.

Affordable Housing

A Plan Without a Home

- F10. Measure X housing funds are not fully dedicated to building AH for very low- and low-income residents.
- F11. Local funding provided by bonds like Measure X Housing Fund is a critical component of a developer's overall ability to raise funds for an AH development.
- F12. Cities that proactively engage citizens, address zoning obstacles, make reasonable zoning concessions, work collaboratively with developers, provide local funding support, and are united in addressing NIMBY opposition, have been successful in attracting AH projects.
- F13. The latest RHNA targets for cities and unincorporated Contra Costa County show a significant increase in the number of units that are expected to be permitted for very low- and low-income housing.

Recommendations:

- R1. Each city and the County should consider assigning a staff position with clear leadership, ownership and accountability to achieve allocated RHNA targets. The individual in this position would be responsible for establishing and promoting an operational plan to achieve the RHNA goals set forth in the housing element plan.
- R2. Each city and the County should report AH progress and lack of progress using data across all four measured income groups. Special attention should be paid to tracking the housing needs of residents categorized as very low- and low-income. Cities and the County should communicate their progress, biannually, against RHNA targets at council and supervisor meetings.
- R3. Each city and the County should consider creating a dedicated AH commission comprised of a multi-disciplinary team of diverse citizens and led by a current, nonelected, city expert in planning. Each commission would be charged with providing a community voice in the process and helping to identify and address obstacles that hinder the development of affordable housing projects in their community.
- R4. Each city and the County should consider reviewing existing processes and identifying changes that would address or resolve the specific obstacles identified in this report that hinder achieving RHNA allocation targets for very low- and low-income housing in their community.
- R5. Each city and the County should consider developing a public dashboard to report progress against RHNA targets.
- R6. Each city and the County should consider, in their individual Housing Element plans, putting forth land zoned "suitable for residential use," without development obstacles, and located strategically close to existing services, for AH purposes.

Affordable Housing A Plan Without a Home

- R7. Each city and the County should consider reviewing their zoning policies to identify restrictive zoning policies unique to their jurisdiction that impede AH projects and consider making zoning changes in light of that review that will support AH in their community.
- R8. Cities should consider adopting an inclusionary housing ordinance as part of their standard development policy by the end of 2023 (if not already in place).
- R9. Each city and the County should consider how to prioritize the implementation of housing projects that promote development of very low- and low-income housing.
- R10. Each city and the County should consider prioritizing Measure X funding requests that support projects that address RHNA targets for very low- and low-income residents. Each city and County should consider reporting regularly to their residents on the use of Measure X funds for such purposes.

Affordable Housing A Plan Without a Home

REQUIRED RESPONSES

As required by California Penal Code sections 933(b) and 933.05, the 2022-2023 Contra Costa County civil grand jury requires responses from the following governing bodies:

Responding Agency	Findings	Recommendations
Contra Costa County Board of Supervisors	F1--F13	R1-R7 & R9-R10
Antioch City Council	F1-F13	R1-R10
Brentwood City Council	F1-F13	R1-R10
Clayton City Council	F1-F13	R1-R10
Concord City Council	F1-F13	R1-R10
Danville City Council	F1-F13	R1-R10
El Cerrito City Council	F1-F13	R1-R10
Hercules City Council	F1-F13	R1-R10
Lafayette City Council	F1-F13	R1-R10
Martinez City Council	F1-F13	R1-R10
Moraga City Council	F1-F13	R1-R10
Oakley City Council	F1-F13	R1-R10
Orinda City Council	F1-F13	R1-R10
Pinole City Council	F1-F13	R1-R10
Pittsburg City Council	F1-F13	R1-R10
Pleasant Hill City Council	F1-F13	R1-R10
Richmond City Council	F1-F13	R1-R10
San Pablo City Council	F1-F13	R1-R10
San Ramon City Council	F1-F13	R1-R10
Walnut Creek City Council	F1-F13	R1-R10

These responses must be provided in the format and by the date set forth in the cover letter that accompanies this report. An electronic copy of these responses in the form of a Word document should be sent by e-mail to ctadmin@contracosta.courts.ca.gov and a hard (paper) copy should be sent to:

Civil Grand Jury – Foreperson
725 Court Street
P.O. Box 431
Martinez, CA 94553-0091

Affordable Housing A Plan Without a Home

REFERENCES:

Bibliography:

- Association of Bay Area Governments:
 - [RHNA 1999-2006 Final Report](#)
 - [RHNA San Francisco Bay Area Progress in Meeting 2007-2014](#)
 - [RHNA 2015 - 2020 Bay Area Building Permit Activity Report](#)
 - [RHNA Final Regional Housing Needs Allocation Plan: San Francisco Bay Area, 2023-2031](#)
 - [RHNA - Regional Housing Needs Allocation](#)
 - [RHNA: Housing Element Law Changes from 1969 to 2020](#)
- [U.S. Census Quick Facts / Contra Costa County, CA](#)
- [Fannie Mae Area Median Income Lookup Tool / Contra Costa County, CA](#)
- [CEQA: The California Environmental Quality Act](#)
- [SB35 Affordable Housing: Streamlined Approval Process](#)
- Housing Accountability Act (Government Code Section 65589.51): [Builder's Remedy and Housing Elements](#)
- Mercury News, February 13, 2023: [New bill would extend controversial California housing law](#)
- Mercury News, October 20, 2022: [Antioch unveils its newest and largest affordable income apartment complex](#)
- Contra Costa County Civil Grand Jury, 2015-2016, Report 1614: [Where Will We Live? The Affordable Housing Waiting List is Closed](#)
- Contra Costa Conservation and Development: [Measure X Housing Fund](#)
- Santa Clara County Office of Supportive Housing: [2016 Measure A - Affordable Housing Bond](#)
- Alameda County HCD: [Measure A1 Implementation Policies - Rental Housing Development Fund & Innovation and Opportunity Fund](#)

Affordable Housing A Plan Without a Home

Appendices

A-1. Contra Costa County Average Median Income 2022

2022 State Income Limits

Contra Costa County

Income Limits by Household Size - Effective May 13, 2022

Median Family Income - \$142,800

Persons per Household	Acutely Low Income 15% AMI	Extremely Low Income 30% AMI	Very Low Income 50% AMI	Low Income 80% AMI	Median Income	Moderate Income 120% AMI
1	\$15,000	\$30,000	\$50,000	\$76,750	\$99,950	\$119,950
2	\$17,100	\$34,300	\$57,150	\$87,700	\$114,250	\$137,100
3	\$19,250	\$38,600	\$64,300	\$98,650	\$128,500	\$154,200
4	\$21,400	\$42,850	\$71,400	\$109,600	\$142,800	\$171,350
5	\$23,100	\$46,300	\$77,150	\$118,400	\$154,200	\$185,050
6	\$24,800	\$49,750	\$82,850	\$127,150	\$165,650	\$198,750
7	\$26,550	\$53,150	\$88,550	\$135,950	\$177,050	\$212,450
8	\$28,250	\$56,600	\$94,250	\$144,700	\$188,500	\$226,200

For Inclusionary Housing, Density Bonus, and calculating rents and for-sale prices

Income Limits from 2022 State Income Limits from the Department of Housing and Community Development

State Income Limits apply to designated programs, are used to determine applicant eligibility (based on the level of household income) and may be used to calculate affordable housing costs for applicable housing assistance programs. Use of State Income Limits are subject to a particular program's definition of income, family, family size, effective dates and other factors. In addition, definitions applicable to income categories, criteria, and geographic areas sometimes differ depending on the funding source and program, resulting in some programs using other income limits.

Affordable Housing A Plan Without a Home

A-2. 2022 CCC Wages, Rent to Income, AMI Status

Occupation	Mean Annual Wage (2022)	% of Monthly Income Needed for a 2-Bedroom Unit	% of Monthly Income Needed for a 3-bedroom Unit	Income Status - % of AMI *
Food Service Worker	\$36,488	87%	113%	Extremely Low (<30% AMI)
Dishwasher	\$38,853	82%	107%	Extremely Low
Hairdressers	\$42,203	75%	98%	Extremely Low
Retail Salespersons	\$43,018	74%	97%	Very Low (50% AMI)
Security Guards	\$45,998	69%	90%	Very Low
Receptionists and Information Clerks	\$46,833	68%	89%	Very Low
Preschool Teachers	\$46,103	69%	90%	Very Low
Medical Assistants	\$59,313	54%	70%	Very Low
Education and Childcare Administrators	\$66,492	48%	62%	Very Low
Licensed Practical and Licensed Vocational Nurses	\$78,255	41%	53%	Low (80% AMI)
Education Teachers, Postsecondary	\$91,041	34%	46%	Low
Police and Sheriff's Patrol Officers	\$126,289	25%	33%	Median
Computer and Mathematical Occupations	\$132,023	24%	32%	Median

Affordable Housing A Plan Without a Home

A-3. Bay Area RHNA Allocations and Progress

CCC Progress in Meeting 1999-2006 Regional Housing Need Allocation

	Very Low			Low			Moderate			Above Moderate			
	RHNA Allocation	Permits Issued	Percent of Allocation Permitted	RHNA Allocation	Permits Issued	Percent of Allocation Permitted	RHNA Allocation	Permits Issued	Percent of Allocation Permitted	RHNA Allocation	Permits Issued	Percent of Allocation Permitted	Total Permits Issued
Contra Costa County													
Antioch ^a	921	435	47%	509	403	79%	1,156	1,923	166%	1,873	3,213	172%	5,974
Brentwood ^a	906	376	42%	476	238	50%	958	2,166	226%	1,733	7,687	444%	10,467
Clayton ^a	55	67	122%	33	17	52%	84	16	19%	274	119	43%	219
Concord ^a	453	171	38%	273	115	42%	606	76	13%	987	2,411	244%	2,773
Danville ^c	140	85	61%	88	56	64%	216	84	39%	666	496	74%	721
El Cerrito ^a	37	0	0%	23	5	22%	48	19	40%	77	210	273%	234
Hercules ^a	101	96	95%	62	68	110%	195	93	48%	434	1,818	419%	2,075
Lafayette ^a	30	15	50%	17	2	12%	42	0	0%	105	186	177%	203
Martinez ^b	248	0	0%	139	0	0%	341	0	0%	613	424	69%	424
Moraga ^a	32	21	66%	17	0	0%	45	0	0%	120	65	54%	86
Oakley ^a	209	168	80%	125	293	234%	321	51	16%	553	1,888	341%	2,400
Orinda ^b	31	0	0%	18	0	0%	43	0	0%	129	157	122%	157
Pinole ^a	48	34	71%	35	6	17%	74	80	108%	131	52	40%	172
Pittsburg ^a	534	247	46%	296	381	129%	696	800	115%	987	2,477	251%	3,905
Pleasant Hill ^a	129	95	74%	79	69	87%	175	226	129%	331	362	109%	752
Richmond ^a	471	200	42%	273	1,093	400%	625	131	21%	1,234	805	65%	2,229
San Pablo ^a	147	214	146%	69	70	101%	123	16	13%	155	366	236%	666
San Ramon ^a	599	157	26%	372	407	109%	984	1,143	116%	2,492	5,538	222%	7,245
Walnut Creek ^a	289	99	34%	195	80	41%	418	175	42%	751	1,123	150%	1,477
Unincorporated ^a	1,101	372	34%	642	177	28%	1,401	77	5%	2,292	5,151	225%	5,777
Total	6,481	2,852	44%	3,741	3,480	93%	8,551	7,076	83%	15,937	34,548	217%	47,956

Affordable Housing A Plan Without a Home

CCC Progress in Meeting 2007-2014 Regional Housing Need Allocation

CONTRA COSTA COUNTY	Very Low (0-50% AMI)			Low (50-80% AMI)			Moderate (80-120% AMI)			Above Moderate (120%+ AMI)			Total		
	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met
Antioch	516	8	2%	339	20	6%	381	834	219%	1,046	381	36%	2,282	1,243	54%
Brentwood	717	192	27%	435	58	13%	480	175	36%	1,073	1,608	150%	2,705	2,033	75%
Clayton	49	-	0%	35	1	3%	33	2	6%	34	46	135%	151	49	32%
Concord*	639	2	0%	426	-	0%	498	8	2%	1,480	216	15%	3,043	226	7%
Danville ²	196	2	1%	130	84	65%	146	101	69%	111	287	259%	583	474	81%
El Cerrito	93	142	153%	59	38	64%	80	13	16%	199	163	82%	431	356	83%
Hercules ³	143	-	0%	74	-	0%	73	-	0%	163	153	94%	453	153	34%
Lafayette ²	113	47	42%	77	8	10%	80	8	10%	91	170	187%	361	233	65%
Martinez	261	48	18%	166	-	0%	179	4	2%	454	148	33%	1,060	200	19%
Moraga	73	-	0%	47	-	0%	52	-	0%	62	9	15%	234	9	4%
Oakley*	219	242	111%	120	191	159%	88	874	993%	348	331	95%	775	1,638	211%
Orinda	70	72	103%	48	20	42%	55	22	40%	45	137	304%	218	251	115%
Pinole	83	2	2%	49	1	2%	48	10	21%	143	59	41%	323	72	22%
Pittsburg	322	79	25%	223	126	57%	296	666	225%	931	839	90%	1,772	1,710	97%
Pleasant Hill	160	9	6%	105	1	1%	106	8	8%	257	194	75%	628	212	34%
Richmond	391	74	19%	339	153	45%	540	243	45%	1,556	892	57%	2,826	1,362	48%
San Pablo	22	-	0%	38	1	3%	60	35	58%	178	-	0%	298	36	12%
San Ramon	1,174	196	17%	715	255	36%	740	302	41%	834	2,247	269%	3,463	3,000	87%
Walnut Creek	456	150	33%	302	25	8%	374	19	5%	826	1,206	146%	1,958	1,400	72%
Contra Costa County*	815	88	11%	598	53	9%	687	330	48%	1,408	1,672	119%	3,508	2,143	61%
County Totals	6,512	1,353	21%	4,325	1,035	24%	4,996	3,654	73%	11,239	10,758	96%	27,072	16,800	62%

CCC Progress in Meeting 2015 - 2020 Regional Housing Need Allocation

	Very Low Income					Low Income					Moderate Income					Above Moderate Income		
Jurisdiction	RHNA	Permits Issued			% RHNA Met	RHNA	Permits Issued			% RHNA Met	RHNA	Permits Issued			% RHNA Met	RHNA	permits issued	% RHNA Met
		Deed-Restricted	Non-Deed-Restricted	Total			Deed-Restricted	Non-Deed-Restricted	Total			Deed-Restricted	Non-Deed-Restricted	Total				
Contra Costa County	5,264	798	19	817	16%	3,086	1,580	116	1,696	55%	3,496	260	953	1,213	35%	8,784	14,020	128%
Antioch	349	175	18	193	55%	205	299	1	300	146%	214	0	34	34	16%	680	795	117%
Brentwood	234	2	0	2	1%	124	6	10	16	13%	123	0	85	85	69%	279	3,192	1144%
Clayton	51	0	0	0	0%	25	0	5	5	20%	31	0	0	0	0%	34	8	24%
Concord	798	0	0	0	0%	444	0	0	0	0%	559	5	5	10	2%	1,677	501	30%
Danville	196	20	0	20	10%	111	3	27	30	27%	124	2	38	40	32%	126	484	384%
El Cerrito	100	62	0	62	62%	63	6	0	6	10%	69	0	13	13	19%	166	459	277%
Hercules	220	0	0	0	0%	118	0	16	16	14%	100	0	217	217	217%	244	509	209%
Lafayette	138	7	0	7	5%	78	6	0	6	8%	85	24	40	64	75%	99	319	322%
Martinez	124	0	0	0	0%	72	0	0	0	0%	78	0	0	0	0%	195	88	45%
Moraga	75	0	0	0	0%	44	0	0	0	0%	50	0	6	6	12%	60	86	143%
Oakley	317	8	0	8	3%	174	170	0	170	98%	175	26	208	234	134%	502	1,273	254%
Orinda	84	0	0	0	0%	47	0	0	0	0%	54	0	30	30	56%	42	254	605%
Pinole	80	0	0	0	0%	48	0	0	0	0%	43	0	1	1	2%	126	25	20%
Pittsburg	392	75	0	75	19%	254	708	34	742	292%	316	0	71	71	22%	1,063	976	92%
Pleasant Hill	118	0	0	0	0%	69	19	0	19	28%	84	0	41	41	49%	177	112	63%
Richmond	438	266	0	266	61%	305	81	0	81	27%	410	0	0	0	0%	1,282	612	48%
San Pablo	56	0	0	0	0%	53	3	4	7	13%	75	8	21	29	39%	265	36	14%
San Ramon	516	25	0	25	5%	279	87	0	87	31%	282	164	0	164	58%	340	1,547	455%
Walnut Creek	604	96	0	96	16%	355	18	10	28	8%	381	0	44	44	12%	895	1,210	135%
Contra Costa Unincorporated	374	62	1	63	17%	218	174	9	183	84%	243	31	99	130	53%	532	1,534	288%

Affordable Housing A Plan Without a Home

	Very Low Income					Low Income					Moderate Income					Above Moderate Income		
Jurisdiction	RHNA	Permits Issued			% RHNA Met	RHNA	Permits Issued			% RHNA Met	RHNA	Permits Issued			% RHNA Met	RHNA	Permits Issued	% RHNA Met
		Deed Restricted	Non-Deed Restricted	Total			Deed Restricted	Non-Deed Restricted	Total			Deed Restricted	Non-Deed Restricted	Total				
Contra Costa County	5,264	798	19	817	16%	3,086	1,580	116	1,696	55%	3,496	260	953	1,213	35%	8,784	14,020	128%
Antioch	349	175	18	193	55%	205	299	1	300	146%	214	0	34	34	16%	680	795	117%
Brentwood	234	2	0	2	1%	124	6	10	16	13%	123	0	85	85	69%	279	3,192	1144%
Clayton	51	0	0	0	0%	25	0	5	5	20%	31	0	0	0	0%	34	8	24%
Concord	798	0	0	0	0%	444	0	0	0	0%	559	5	5	10	2%	1,677	501	30%
Danville	196	20	0	20	10%	111	3	27	30	27%	124	2	38	40	32%	126	484	384%
El Cerrito	100	62	0	62	62%	63	6	0	6	10%	69	0	13	13	19%	166	459	277%
Hercules	220	0	0	0	0%	118	0	16	16	14%	100	0	217	217	217%	244	509	209%
Lafayette	138	7	0	7	5%	78	6	0	6	8%	85	24	40	64	75%	99	319	322%
Martinez	124	0	0	0	0%	72	0	0	0	0%	78	0	0	0	0%	195	88	45%
Moraga	75	0	0	0	0%	44	0	0	0	0%	50	0	6	6	12%	60	86	143%
Oakley	317	8	0	8	3%	174	170	0	170	98%	175	26	208	234	134%	502	1,273	254%
Orinda	84	0	0	0	0%	47	0	0	0	0%	54	0	30	30	56%	42	254	605%
Pinole	80	0	0	0	0%	48	0	0	0	0%	43	0	1	1	2%	126	25	20%
Pittsburg	392	75	0	75	19%	254	708	34	742	292%	316	0	71	71	22%	1,063	976	92%
Pleasant Hill	118	0	0	0	0%	69	19	0	19	28%	84	0	41	41	49%	177	112	63%
Richmond	438	266	0	266	61%	305	81	0	81	27%	410	0	0	0	0%	1,282	612	48%
San Pablo	56	0	0	0	0%	53	3	4	7	13%	75	8	21	29	39%	265	36	14%
San Ramon	516	25	0	25	5%	279	87	0	87	31%	282	164	0	164	58%	340	1,547	455%
Walnut Creek	604	96	0	96	16%	355	18	10	28	8%	381	0	44	44	12%	895	1,210	135%
Contra Costa Unincorporated	374	62	1	63	17%	218	174	9	183	84%	243	31	99	130	53%	532	1,534	288%

RHNA: Regional Housing Needs Allocation

%RHMA Met >100

75> %RHNA Met >100

%RHN Met <75

Affordable Housing A Plan Without a Home

Final RHNA Allocations for 2023-2031

Jurisdiction	VERY LOW INCOME (<50% of Area Median Income)	LOW INCOME (50-80% of Area Median Income)	MODERATE INCOME (80-120% of Area Median Income)	ABOVE MODERATE INCOME (>120% of Area Median Income)	TOTAL
CONTRA COSTA COUNTY					
Antioch	792	456	493	1,275	3,016
Brentwood	402	232	247	641	1,522
Clayton	170	97	84	219	570
Concord	1,292	744	847	2,190	5,073
Danville	652	376	338	875	2,241
El Cerrito	334	192	241	624	1,391
Hercules	344	198	126	327	995
Lafayette	599	344	326	845	2,114
Martinez	350	201	221	573	1,345
Moraga	318	183	172	445	1,118
Oakley	279	161	172	446	1,058
Orinda	372	215	215	557	1,359
Pinole	121	69	87	223	500
Pittsburg	516	296	346	894	2,052
Pleasant Hill	566	326	254	657	1,803
Richmond	840	485	638	1,651	3,614
San Pablo	173	100	132	341	746
San Ramon	1,497	862	767	1,985	5,111
Unincorporated Contra Costa	2,072	1,194	1,211	3,133	7,610
Walnut Creek	1,657	954	890	2,304	5,805

Affordable Housing A Plan Without a Home

A-4. SB 35 Very Low Income and Low-Income Determination Summaries

Cities and Counties Not Currently Subject to SB 35 Streamlining Provisions

This determination represents Housing Element Annual Progress Report (APR) data received as of June 1, 2022. **The following 38 jurisdictions have met their prorated Lower (Very-Low and Low) and Above-Moderate Income Regional Housing Needs Assessment (RHNA) for the Reporting Period and submitted their latest APR (2021).**

These jurisdictions are not currently subject to the streamlined ministerial approval process (SB 35 (Chapter 366, Statutes of 2017) streamlining), but the jurisdictions are still encouraged to promote streamlining. All other cities and counties beyond these 38 are subject to at least some form of SB 35 streamlining, as indicated on the following pages.

For more detail on the proration methodology or background data see the SB 35 Determination Methodology.

JURISDICTION	JURISDICTION
1 ATHERTON	20 MILL VALLEY
2 BELL	21 MONTE SERENO
3 BELLFLOWER	22 NEWPORT BEACH
4 BEVERLY HILLS	23 NORWALK
5 BUENA PARK	24 PLUMAS CO.
6 CALISTOGA	25 ROHNERT PARK
7 CARPINTERIA	26 ROLLING HILLS ESTATES
8 CORTE MADERA	27 SAINT HELENA
9 EL CERRITO	28 SAN BERNARDINO CO.
10 FOSTER CITY	29 SANTA ANA
11 FOUNTAIN VALLEY	30 SANTA CLARA CO.
12 GUADALUPE	31 SANTA MONICA
13 HILLSBOROUGH	32 SIERRA CO.
14 INDUSTRY	33 SOLVANG
15 LA HABRA	34 SONOMA CO.
16 LA QUINTA	35 UKIAH
17 LAGUNA NIGUEL	36 VILLA PARK
18 MENDOCINO CO.	37 WESTMINSTER
19 MENLO PARK	38 WOODSIDE

Affordable Housing A Plan Without a Home

Cities and Counties Subject to SB 35 Streamlining Provisions
When Proposed Developments Include $\geq 10\%$ Affordability

These 263 jurisdictions have insufficient progress toward their Above Moderate income RHNA and/or have not submitted the latest Housing Element Annual Progress Report (APR) (2021) and therefore **are subject to the streamlined ministerial approval process** (SB 35 (Chapter 366, Statutes of 2017) streamlining) **for proposed developments with at least 10% affordability.**

JURISDICTION	JURISDICTION	JURISDICTION
1 ADELANTO	28 BURBANK	55 DEL REY OAKS
2 ALAMEDA CO.	29 BUTTE CO.	56 DELANO
3 ALISO VIEJO	30 CALAVERAS CO.	57 DESERT HOT SPRINGS
4 ALTURAS	31 CALEXICO	58 DIAMOND BAR
5 AMADOR	32 CALIFORNIA CITY	59 DORRIS
6 AMADOR CO.	33 CALIPATRIA	60 DOS PALOS
7 APPLE VALLEY	34 CARSON	61 DUNSMUIR
8 ARCADIA	35 CERES	62 EAST PALO ALTO
9 ARCATA	36 CHOWCHILLA	63 EL CAJON
10 ARROYO GRANDE	37 CITRUS HEIGHTS	64 EL CENTRO
11 ARVIN 47	38 CLAYTON	65 EL MONTE
12 AUBURN	39 CLEARLAKE	66 ESCALON
13 AVALON	40 CLOVERDALE	67 ESCONDIDO
14 AVENAL	41 COACHELLA	68 ETNA
15 AZUSA	42 COLMA	69 EUREKA
16 BAKERSFIELD	43 COLTON	70 EXETER
17 BANNING	44 COLUSA	71 FAIRFAX 107
18 BARSTOW	45 COLUSA CO.	72 FARMERSVILLE
19 BEAUMONT	46 COMMERCE	73 FERNDALE
20 BELVEDERE	47 COMPTON	74 FILLMORE
21 BENICIA	48 CONCORD	75 FIREBAUGH
22 BIGGS	49 CORCORAN	76 FORT JONES
23 BISHOP	50 CORNING	77 FORTUNA
24 BLUE LAKE	51 COSTA MESA	78 FRESNO CO.
25 BLYTHE	52 CRESCENT CITY	79 GLENN CO.
26 BRADBURY	53 CUDAHY	80 GONZALES
27 BRAWLEY	54 DEL NORTE CO.	81 GRASS VALLEY

Affordable Housing A Plan Without a Home

JURISDICTION	JURISDICTION	JURISDICTION
82 GREENFIELD	117 LEMON GROVE	152 NOVATO
83 GRIDLEY	118 LEMOORE	153 OCEANSIDE
84 GUSTINE	119 LINCOLN	154 OJAI
85 HALF MOON BAY	120 LINDSAY	155 ORANGE COVE
86 HANFORD	121 LIVINGSTON	156 ORLAND
87 HAWAIIAN GARDENS	122 LOMA LINDA	157 OROVILLE
88 HAYWARD	123 LOMPOC	158 OXNARD
89 HESPERIA	124 LOOMIS	159 PACIFICA
90 HIGHLAND	125 LOS ANGELES CO.	160 PALMDALE
91 HOLTVILLE	126 LOS GATOS	161 PARLIER
92 HUGHSON	127 LYNWOOD	162 PASO ROBLES
93 HUMBOLDT CO.	128 MADERA	163 PATTERSON
94 HUNTINGTON BEACH	129 MADERA CO.	164 PERRIS
95 HUNTINGTON PARK	130 MARICOPA	165 PICO RIVERA
96 HURON	131 MARTINEZ	166 PINOLE
97 IMPERIAL	132 MARYSVILLE	167 PLACERVILLE
98 IMPERIAL CO.	133 MAYWOOD	168 PLEASANT HILL
99 INGLEWOOD	134 MCFARLAND	169 POMONA
100 INYO CO.	135 MENDOTA	170 PORTERVILLE
101 IRWINDALE	136 MERCED CO.	171 PORTOLA
102 ISLETON	137 MILLBRAE	172 POWAY
103 KERMAN	138 MODESTO	173 RANCHO CORDOVA
104 KERN CO.	139 MONTAGUE	174 RED BLUFF
105 KINGS CO.	140 MONTEBELLO	175 REDLANDS
106 KINGSBURG	141 MONTEREY	176 REDONDO BEACH
107 LA HABRA HEIGHTS	142 MONTEREY PARK	177 REEDLEY
108 LA MIRADA	143 MORENO VALLEY	178 RIALTO
109 LA PUENTE	144 MORRO BAY	179 RICHMOND
110 LAKE CO.	145 MOUNT SHASTA	180 RIDGECREST
111 LAKE ELSINORE	146 NATIONAL CITY	181 RIO DELL
112 LAKEPORT	147 NEEDLES	182 RIPON
113 LAKEWOOD	148 NEVADA CITY	183 RIVERBANK
114 LANCASTER	149 NEVADA CO.	184 RIVERSIDE

Affordable Housing A Plan Without a Home

JURISDICTION	JURISDICTION	JURISDICTION
115 LASSEN CO.	150 NEWMAN	185 RIVERSIDE CO.
116 LAWDALE	151 NORCO	186 ROLLING HILLS
187 ROSS	213 SANTEE	239 TUOLUMNE CO.
188 SACRAMENTO	214 SARATOGA	240 TURLOCK
189 SACRAMENTO CO.	215 SAUSALITO	241 TWENTYNINE PALMS
190 SALINAS	216 SEASIDE	242 VALLEJO
191 SAN BERNARDINO	217 SEBASTOPOL	243 VENTURA CO.
192 SAN BRUNO	218 SELMA	244 VICTORVILLE
193 SAN DIEGO CO.	219 SHAFTER	245 VISALIA
194 SAN DIMAS	220 SHASTA CO.	246 WATERFORD
195 SAN FERNANDO	221 SHASTA LAKE	247 WEED
196 SAN GABRIEL	222 SIGNAL HILL	248 WEST HOLLYWOOD
197 SAN JACINTO	223 SISKIYOU CO.	249 WEST SACRAMENTO
198 SAN JOAQUIN	224 SOLANA BEACH	250 WESTLAKE VILLAGE
199 SAN JOAQUIN CO.	225 SONORA 260	251 WESTMORLAND
200 SAN JUAN BAUTISTA	226 SOUTH GATE	252 WHEATLAND
201 SAN LEANDRO	227 SOUTH LAKE TAHOE	253 WILDOMAR
202 SAN MARINO	228 STANISLAUS CO.	254 WILLIAMS
203 SAN MATEO CO.	229 STOCKTON	255 WILLITS
204 SAN PABLO	230 SUISUN CITY	256 WILLOWS
205 SAN RAFAEL	231 SUTTER CO.	257 WINDSOR
206 SAND CITY	232 TAFT	258 WOODLAKE
207 SANGER	233 TEHACHAPI	259 YOLO CO.
208 SANTA CLARITA	234 TEHAMA	260 YREKA
209 SANTA CRUZ CO.	235 TEHAMA CO.	261 YUBA CITY
210 SANTA MARIA	236 TORRANCE	262 YUCAIPA
211 SANTA PAULA	237 TULARE CO.	263 YUCCA VALLEY
212 SANTA ROSA	238 TULELAKE	

Affordable Housing A Plan Without a Home

Cities and Counties Subject to SB 35 Streamlining Provisions When Proposed Developments Include ≥ 50 Percent Affordability

These 238 jurisdictions have insufficient progress toward their Lower income RHNA (Very low- and low-income) and **are therefore subject to the streamlined ministerial approval process** (SB 35 (Chapter 366, Statutes of 2017) streamlining) **for proposed developments with at least 50% affordability. If the jurisdiction also has insufficient progress toward their Above Moderate income RHNA, then they are subject to the more inclusive streamlining for developments with at least 50% affordability.**

JURISDICTION	JURISDICTION	JURISDICTION
1 AGOURA HILLS	28 CANYON LAKE	55 DINUBA
2 ALAMEDA	29 CAPITOLA	56 DIXON
3 ALBANY	30 CARLSBAD	57 DOWNEY
4 ALHAMBRA	31 CARMEL	58 DUARTE
5 ALPINE CO.	32 CATHEDRAL	59 DUBLIN
6 AMERICAN CANYON	33 CERRITOS	60 EASTVALE
7 ANAHEIM	34 CHICO	61 EL DORADO CO.
8 ANDERSON	35 CHINO	62 EL SEGUNDO
9 ANGELS CAMP	36 CHINO HILLS	63 ELK GROVE
10 ANTIOCH	37 CHULA VISTA	64 EMERYVILLE
11 ARTESIA	38 CLAREMONT	65 ENCINITAS
12 ATASCADERO	39 CLOVIS	66 FAIRFIELD
13 ATWATER	40 COALINGA	67 FOLSOM
14 BALDWIN PARK	41 COLFAX	68 FONTANA
15 BELL GARDENS	42 CONTRA COSTA CO.	69 FORT BRAGG
16 BELMONT	43 CORONA	70 FOWLER
17 BERKELEY	44 CORONADO	71 FREMONT
18 BIG BEAR LAKE	45 COTATI	72 FRESNO
19 BREA	46 COVINA	73 FULLERTON
20 BRENTWOOD	47 CULVER CITY	74 GALT
21 BRISBANE	48 CUPERTINO	75 GARDEN GROVE
22 BUELLTON	49 CYPRESS	76 GARDENA
23 BURLINGAME	50 DALY CITY	77 GILROY
24 CALABASAS	51 DANA POINT	78 GLENDALE
25 CALIMESA	52 DANVILLE	79 GLENDORA
26 CAMARILLO	53 DAVIS	80 GOLETA
27 CAMPBELL	54 DEL MAR	81 GRAND TERRACE
82 GROVER BEACH	114 LOS ALAMITOS	146 OAKLEY

Affordable Housing A Plan Without a Home

JURISDICTION	JURISDICTION	JURISDICTION
83 HAWTHORNE	115 LOS ALTOS	147 ONTARIO
84 HEALDSBURG	116 LOS ALTOS HILLS	148 ORANGE
85 HEMET	117 LOS ANGELES	149 ORANGE CO.
86 HERCULES	118 LOS BANOS	150 ORINDA
87 HERMOSA BEACH	119 LOYALTON	151 PACIFIC GROVE
88 HIDDEN HILLS	120 MALIBU	152 PALM DESERT
89 HOLLISTER	121 MAMMOTH LAKES	153 PALM SPRINGS
90 IMPERIAL BEACH	122 MANHATTAN BEACH	154 PALO ALTO
91 INDIAN WELLS	123 MANTECA	155 PALOS VERDES ESTATES
92 INDIO	124 MARIN CO.	156 PARADISE
93 IONE	125 MARINA	157 PARAMOUNT
94 IRVINE	126 MARIPOSA CO.	158 PASADENA
95 JACKSON	127 MENIFEE	159 PETALUMA
96 JURUPA VALLEY	128 MERCED	160 PIEDMONT
97 KING CITY	129 MILPITAS	161 PISMO BEACH
98 LA CANADA FLINTRIDGE	130 MISSION VIEJO	162 PITTSBURG
99 LA MESA	131 MODOC CO.	163 PLACENTIA
100 LA PALMA	132 MONO CO.	164 PLACER CO.
101 LA VERNE	133 MONROVIA	165 PLEASANTON
102 LAFAYETTE	134 MONTCLAIR	166 PLYMOUTH
103 LAGUNA BEACH	135 MONTEREY CO.	167 POINT ARENA
104 LAGUNA HILLS	136 MOORPARK	168 PORT HUENEME
105 LAGUNA WOODS	137 MORAGA	169 PORTOLA VALLEY
106 LAKE FOREST	138 MORGAN HILL	170 RANCHO CUCAMONGA
107 LARKSPUR	139 MOUNTAIN VIEW	171 RANCHO MIRAGE
108 LATHROP	140 MURRIETA	172 RANCHO PALOS VERDES
109 LIVE OAK	141 NAPA	173 RANCHO SANTA MARGARITA
110 LIVERMORE	142 NAPA CO.	174 REDDING
111 LODI	143 NEWARK	175 REDWOOD CITY
112 LOMITA	144 OAKDALE	176 RIO VISTA
113 LONG BEACH	145 OAKLAND	177 ROCKLIN

Affordable Housing A Plan Without a Home

JURISDICTION	JURISDICTION	JURISDICTION
178 ROSEMEAD	199 SEAL BEACH	220 TULARE
179 ROSEVILLE	200 SIERRA MADRE	221 TUSTIN
180 SAN ANSELMO	201 SIMI VALLEY	222 UNION CITY
181 SAN BENITO CO.	202 SOLANO CO.	223 UPLAND
182 SAN CARLOS	203 SOLEDAD	224 VACAVILLE
183 SAN CLEMENTE	204 SONOMA	225 VENTURA
184 SAN DIEGO	205 SOUTH EL MONTE	226 VERNON
185 SAN FRANCISCO	206 SOUTH PASADENA	227 VISTA
186 SAN JOSE	207 SOUTH SAN FRANCISCO	228 WALNUT
187 SAN JUAN CAPISTRANO	208 STANTON	229 WALNUT CREEK
188 SAN LUIS OBISPO	209 SUNNYVALE	230 WASCO
189 SAN LUIS OBISPO CO.	210 SUSANVILLE	231 WATSONVILLE
190 SAN MARCOS	211 SUTTER CREEK	232 WEST COVINA
191 SAN MATEO	212 TEMECULA	233 WHITTIER
192 SAN RAMON	213 TEMPLE CITY	234 WINTERS
193 SANTA BARBARA	214 THOUSAND OAKS	235 WOODLAND
194 SANTA BARBARA CO.	215 TIBURON	236 YORBA LINDA
195 SANTA CLARA	216 TRACY	237 YOUNTVILLE
196 SANTA CRUZ	217 TRINIDAD	238 YUBA CO.
197 SANTA FE SPRINGS	218 TRINITY CO.	
198 SCOTTS VALLEY	219 TRUCKEE	

Affordable Housing A Plan Without a Home

A-5. News Articles Regarding Affordable Housing

Bay Area News Group article



Affordable Housing A Plan Without a Home

the 15 Bay Area municipalities it had reviewed so far — with Alameda the lone success.

The agency told San Francisco, Oakland, Sunnyvale, Mountain View, Redwood City, Antioch and others to rewrite their drafts to provide proof the sites identified for future homes have a realistic chance of development, and to offer the possibility of rezoning certain neighborhoods for denser housing, among various other instructions.

Public officials and housing experts say the denials weren't a surprise given the state's high planning expectations. They anticipate many more rejection letters are on the way.

But HCD's hard line is raising questions about whether Bay Area cities and counties can meet the fast-approaching housing plan deadline at the end of January. Failing to do so risks missing out on affordable housing and infrastructure funding and could put jurisdictions in jeopardy of lawsuits, fines and the loss of local control over land-use decisions.

"I don't know if we're going to meet the deadline," said Mountain View Mayor Lucas Ramirez. "We're going to do the best we can. It may very well be that HCD says this is a strong start, but you have to do even more."

Judging by how the housing element process has gone in other parts of the state, that result seems possible for much of the Bay Area. In Southern California, just 48 of 196 local governments in the region have submitted housing elements after most blew their October 2021 deadline.



A view of a sitting area at Rosefield Village apartments during the grand opening celebration in Alameda last month. Alameda is the only Bay Area city whose housing element plan has been approved by the state.

JOSE CARLOS FAJARDO — STAFF PHOTOGRAPHER

Mathew Reed, director of policy for the Silicon Valley affordable housing advocacy group SV@Home, said the state is demanding far more than during prior planning periods. For example, cities and counties are now expected to address housing equity and discrimination issues in their plans proactively. But Reed said Bay Area jurisdictions shouldn't use that increased burden as an excuse.

"It's been apparent that if you don't reach the bar (set by the state), you'll have more work," he said. "I'm not sure the public or elected officials have been as conscious of that fact."

Officials in Alameda spent years preparing their 228-page housing plan, which the state approved in August. Planning Director

Andrew Thomas said while some residents protested the small island city's plans to accommodate more than 5,800 new homes, it was important to finalize the draft so the City Council could adopt it before the election in November.

"This is the City Council that's been involved in the preparation of this document for the last three years, and we decided this should be the City Council that makes the final decision," Thomas said.

Gov. Gavin Newsom, at a bill signing event last month in San Francisco, made clear that unlike in years past, state officials aren't going to look the other way if cities and counties ignore their housing responsibilities. In addition to withholding grant

mandatory rezoning timelines, the state is threatening to sue noncompliant jurisdictions to compel a judge to take over the process for approving and permitting new homes.

"At the end of the day we need to see local accountability," Newsom said. "We're going to celebrate success, but we're going to call out failure."

At the event, Newsom highlighted a first-ever state investigation by HCD into San Francisco's restrictive housing policies. He also singled out the town of Atherton, the wealthy San Mateo County enclave that gained national attention earlier this year when it scrubbed its housing element draft of town homes after tech industry residents — including billion-

Andreesen — vehemently objected to adding multifamily housing.

In an interview last month, Atherton Mayor Rick DeGolia said building multifamily homes considered affordable by state standards isn't practical because the cost of land in the town is around \$8 million per acre, and there is little publicly owned land to develop. Instead, Atherton's housing element draft focuses on a program to help homeowners create new in-law units for rent.

"If (state officials) refuse, we're going to be in a fight with them," DeGolia said. Judging by Southern California's example, he expects to have until the end of 2023 to come to "some settlement with the state."

Reed with SV@Home

hard," he said. "The expectation is to say, 'What can you do to address some of the things that are making it hard?' And the expectation is high."

In Oakland, meanwhile, residents of the largely suburban Rockridge neighborhood are asking the city to plan for more apartments and town homes in their community. In their rejection of Oakland's housing element, state officials directed the city to examine recommendations made by the Rockridge Community Planning Council.

"We believe that welcoming significant numbers of new residents to Rockridge would be entirely consistent with our values and the cherished historically diverse character of our neighborhood," the group wrote in a letter to city planning staff.

As the certification deadline approaches, housing advocates are warning cities of another, relatively little-known consequence of failing to finish their housing elements in time: the "builders' remedy." The three-decade-old law forces noncompliant cities to accept large housing projects with affordable units, even when the developments far exceed local zoning limits.

Chris Elmendorf, a law professor at UC Davis, said that while there are few known instances of the builders' remedy coming into play, developers have in recent years become emboldened to take advantage of other state housing laws that bypass local control.

"We're seeing the emergence of developers who are not relying on their relationships with city councils and instead on their rights under state law," he

Affordable Housing A Plan Without a Home

East Bay Times article

AST BAY TIMES » SATURDAY, OCTOBER 22, 2022

Local News

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000 SECTION 8

ARGEST IN EASTERN CONTRA COSTA COUNTY

Antioch unveils affordable housing complex

The 394-unit development sits on 14.85 acres in northeast section of the city

by Judith Prieve
jprieve@bayareanewsgroup.com

The largest affordable-income family and senior apartment complex ever in east Contra Costa county has opened in the northeast area of Antioch.

The new 394-unit complex, which was celebrated at a ribbon-cutting Thursday, is expected to lessen the shortage of affordable housing in the city and breathe

new life into the Bridgehead area, which lost major retailer Kmart and has not seen much development in recent years. The apartments were developed by AMCAL, a Southern California developer that has been constructing affordable housing since the 1990s.

Located southwest of East 18th Street and Holub Lane just west of Highway 160, the AMCAL Family and Senior Apartments include 11 three-story buildings on 14.85

acres between two residential neighborhoods. Of the 390 affordable apartments in the gated complex, 214 are designed for families and 180 for tenants 55 and older. Four will be manager apartments.

"We're excited; tenants are starting to move in," said Alex Pratt, AMCAL vice president of development. "This is an intergenerational project, and there are 394 units and 100%

Developer AMCAL unveiled its newly opened affordable housing complex, the Antioch Family and Senior Apartments, in northeastern Antioch on Thursday. JUDITH PRIEVE STAFF



HOUSING » PAGE 2

Affordable Housing A Plan Without a Home

Builder's Remedy Article - The Fix

The 'fix' almost nobody wants

The 'builder's remedy' could OK projects in cities behind on their state-mandated housing plans

By Ethan Varian
evarian@bayareanewsgroup.com

It's a NIMBY's worst nightmare: high-rise apartment buildings going up in suburban neighborhoods — and local officials helpless to halt construction.

That scenario could soon become a possibility for Bay Area cities large and small should they fail to convince the state they're doing enough to help solve a deepening housing crisis.

It's all thanks to a little-used section of state housing law known as the "builder's remedy." Uncertainties remain, but the three-decade-old provision could enable developers to push through projects of virtually any size almost anywhere they please, as long as a portion of the building includes affordable units.

The builder's remedy would only apply to Bay Area cities without a state-approved plan to meet their upcoming homebuilding goals, which are updated every eight years. The penalty doesn't kick in until early next year, but many jurisdictions appear unlikely to have plans ready in time.

Housing experts and advocates say that means a surge of proposals may be on the horizon, especially in wealthier areas that have made it challenging to build denser housing, but where developers stand to see higher profits if they can build.

"If you're not going to tell developers where they can build multifamily housing, the state is saying they don't have to follow your rules," said San Francisco real estate attorney Daniel Golub,

BUILDERS » PAGE 8

Affordable Housing A Plan Without a Home

Builders

FROM PAGE 1

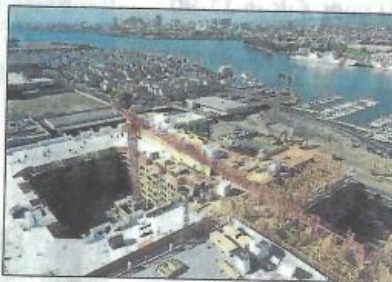
adding he's received "very substantial interest" about the builder's remedy in recent months.

It's already starting in Southern California — where over a hundred cities are behind on their housing plans due last year and developers have blitzed a handful of affluent enclaves with builder's remedy proposals in recent months. That includes more than a dozen high-rise projects in Santa Monica and a 2,300-unit oceanside complex in Redondo Beach.

In the Bay Area, cities have until Jan. 31 to get their housing plans certified and stave off a similar outcome. But so far, just two — Alameda and Emeryville — have approvals. However, the growing interest in the builder's remedy is adding pressure to meet the fast-approaching deadline.

A big part of why developers see the provision as a viable option now, despite it being on the books since 1990, appears to be that new state laws and policies have added teeth to the planning process for housing.

Homebuilding targets set



JANE TYSKA — STAFF PHOTOGRAPHER

A drone photographs development along Clement Avenue in Alameda, one of only two Bay Area cities that have had their housing plans approved by the state.

by the state have doubled or even tripled for many cities. As a whole, the Bay Area is on the hook for approving more than 441,000 units for all income levels over the next decade, representing a 15% increase in the region's total homes.

For the current expiring eight-year cycle, the Bay Area permitted only about 190,000 units, according to state housing data. Of that amount, just 44,000 are for low- or middle-income residents, well under half the combined goal for those income levels.

This time around, state officials, including Gov. Gavin Newsom, have made

clear they won't simply rubber-stamp cities' housing plans, and intend to hold jurisdictions accountable for actually meeting their new goals. The state is threatening fines, withholding affordable housing funding and loss of permitting authority for cities that skirt their housing responsibilities.

Paul Campos, a senior vice president with the Bay Area Building Industry Association, said despite the rush of builder's remedy proposals in Southern California, the provision's requirement that 20% of units be affordable makes it challenging for projects

to actually "pencil out," — developer-speak for "turn enough of a profit to get built."

In part because of that financial reality, Campos said it's unlikely the Bay Area will see many projects that are drastically larger than what local zoning laws already allow. Instead, he views the provision as a way to "soften or eliminate some heavy-handed local regulations." For example, developers could add a few stories onto apartment projects to offset city development fees.

The type of city where the builder's remedy makes the most sense, Campos and other experts said, is one where rents are high and developers have often struggled to get large projects across the finish line.

Palo Alto, which has a population and median rent level roughly similar to that in Santa Monica, could fit the bill.

"(Santa Monica is) encountering now what we very possibly will be in three months," said Palo Alto Mayor Pat Burt.

Burt said Palo Alto is "racing" to finalize its plan for where new housing should be built, but he doesn't expect to meet the state's Jan. 31 deadline.

It's unclear what the upscale Silicon Valley suburb, home to Stanford University, would do if faced with a flurry of builder's remedy applications. Burt expects an eventual court ruling on the Southern California proposals will determine whether Palo Alto would need to approve them.

Sonja Trauss, founder of the San Francisco-based housing advocacy group YIMBY Law, which launched an online workshop to help take advantage of the builder's remedy, acknowledged the scheme has not been legally tested. Potential sticking points include how the state's strict environmental laws apply and whether a city can deny proposals by essentially self-certifying its housing plan.

Another question is whether a builder's remedy proposal would still be valid if a noncompliant city gets its housing plan certified after the planning and permitting process for the project has already begun. The state housing department has said such projects must go through.

Still, Trauss said cities planning on challenging the provision shouldn't expect an easy victory.

"They may go to court, and they could prevail, but

it's definitely going to be a fight," she said.

For some local officials, a brewing clash over the builder's remedy is only the latest result of what they say are punitive state laws and policies that are wresting away local control and threatening to destroy the character of their cities. The looming specter of largely unrestricted development is creating a sense of urgency to push back.

"It's the responsibility of the state Legislature to step in and ensure we don't witness a drastic overreach," Burt said.

State Sen. Scott Wiener, a Democrat from San Francisco and one of the principal backers of recent laws that have cleared the way for the builder's remedy, said he has no such intent.

"It's time to actually have enforceable standards," Wiener said. "What's more important, local control or having enough housing for everyone?"

For now, he said the builder's remedy appears to be serving its primary purpose by convincing cities to get their housing plans in order sooner rather than later.

"The goal is not to ever have to invoke the builder's remedy," he said.



AGENDA REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

**FROM: BRET PREBULA, CITY MANAGER
PRAPTI ARYAL, FINANCE DIRECTOR**

DATE: August 15, 2023

**SUBJECT: RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLAYTON
APPOINTING CALPERS RETIRED ANNUITANT RICHARD SANDERS TO
THE POSITION OF "EXTRA HELP" AND APPROVING AN EMPLOYMENT
CONTRACT PURSUANT TO CALIFORNIA GOVERNMENT CODE
SECTION 21224**

RECOMMENDATION

It is recommended the City Council adopt the attached Resolution appointing CalPERS retired annuitant Richard Sanders to the position of Extra Help and approving an employment contract pursuant to California Government Code Section 21224.

BACKGROUND

As has been previously reported, the City has faced significant turnover in the Finance Director role over several years.

To assist with FY2022/23 audit and various other finance and accounting projects, Richard Sanders, a retired annuitant will be helping the staff. Richard Sanders has helped the City last fiscal year with year-end close and various projects within Finance Department. Richard Sanders has over 25 years of government accounting experience and has direct experience with the accounting software the City uses, which will help to ensure that the City is able to close the FY2022/23 in a timely manner and complete special project work that is critically needed.

DISCUSSION

The Public Employee's Retirement Law (PERL) generally prohibits CalPERS employers from hiring retirees unless they are first reinstated from retirement; however, an exception to this rule allows local agencies to hire retired annuitants pursuant to Government Code

Under this Government Code provision, a retiree may serve without reinstatement when the services of a retiree possessing specialized skills to work as “extra help” in order to eliminate backlog or work on special projects. Specifically, the temporary employment under Government Code section 21224 requires the following conditions and limitations be met:

- the interim appointment is for a “limited duration” and requires “specialized skills” in the area of finance and accounting;
- the annuitant’s employment will not exceed 960 hours in a fiscal year (July 1 through June 30) for employment with all CalPERS employers combined;
- the annuitant’s pay rate will not exceed the maximum monthly paid to other employees performing comparable duties as listed on a publicly available pay schedule for the vacant position;
- the annuitant will not receive any benefit, incentive, compensation in lieu of benefits, or other form of compensation in addition to the hourly pay rate; and
- the retired annuitant will certify that they have not received unemployment insurance payments for prior retired annuitant work for any CalPERS employer within 12 months prior to the appointment date.

The annuitant will be compensated \$70.00 per hour for approximately 20 hours per week (\$5,600 monthly) beginning on or about August 21, 2023 ending no later than June 30, 2024, and will receive no other benefit, incentive, compensation in lieu of benefits, or other form of compensation in addition to the hourly pay rate

Attachments:

1. Resolution
2. "Exhibit A", Employment Agreement
3. "Exhibit B", Richard Sanders Resume

RESOLUTION XX-2023

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLAYTON APPOINTING CALPERS RETIRED ANNUITANT RICHARD SANDERS TO THE POSITION OF “EXTRA HELP” FOR THE CITY OF CLAYTON, CA AND APPROVING AN EMPLOYMENT CONTRACT PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 21224

WHEREAS, this is not a project as defined by CEQA;

WHEREAS, there is a backlog of accounting and finance work to be performed;

WHEREAS, there are multiple special projects in the Finance Department to be completed.

WHEREAS, the City Manager seeks to execute a contract with Richard Sanders to serve as “extra help” in the Finance Department for the City of Clayton, consistent with the Public Employees’ Pension Reform Act (California Government Code Section 21224);

WHEREAS, the Public Employee’s Retirement Law (PERL) generally prohibits CalPERS employers from hiring retirees unless they are first reinstated from retirement; however, an exception to this rule allows local agencies to hire retired annuitants pursuant to Government Code section 21224, subject to certain key eligibility requirements;

WHEREAS, under the Government Code, a retiree may serve without reinstatement when the services of a retiree possessing specialized skills to work as “extra help” in order to eliminate backlog or work on special projects. Specifically, the temporary employment under Government Code section 21224;

WHEREAS, Mr. Sanders is a highly qualified and experienced government accountant with over 25 years of experience and retired government Accounting Manager who possesses the critically needed skills and experience to assist on clearing the backlog of work and completing special projects;

WHEREAS, this temporary employment assignment under Government Code section 21221(h) requires the following conditions and limitations be met:

- the candidate is deemed to possess specialized skills;
- Mr. Sander’s appointment is for a “limited duration” and requires “specialized skills” in the area of finance and accounting; the contract term is from August 15, 2023 - June 30, 2024.
- the annuitant’s employment will not exceed 960 hours in a fiscal year (July 1 through June 30) for employment with all CalPERS employers combined;

- the annuitant's pay rate will not exceed the maximum monthly paid to other employees performing comparable duties as listed on a publicly available pay schedule for the vacant position;
- the annuitant will not receive any benefit, incentive, compensation in lieu of benefits, or other form of compensation in addition to the hourly pay rate; and
- the retired annuitant will certify that they have not received unemployment insurance payments for prior retired annuitant work for any CalPERS employer within 12 months prior to the appointment date;

WHEREAS, the annuitant will be compensated at the maximum salary permissible for this position of \$70.00 per hour (\$5,600 monthly salary/80.00 hours per month) and will receive no other benefit, incentive, compensation in lieu of benefits, or other form of compensation in addition to the hourly pay rate;

WHEREAS no additional budget resources are requested.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Clayton hereby authorizes the City Manager to execute the attached contract (Exhibit 1) to appoint Richard Sanders to serve as "Extra Help".

* * * * *

ADOPTED ON the 15th day of August, 2023 by the City Council of the City of Clayton by the following vote count:

AYES:

NOES:

ABSENT:

ABSTAIN

THE CITY COUNCIL OF CLAYTON, CA

Jeff Wan, Mayor

ATTEST

Janet Calderon, City Clerk



COMMUNITY
DEVELOPMENT (925) 673-7340
ENGINEERING (925) 673-7300

6000 HERITAGE TRAIL • CLAYTON, CALIFORNIA 94517-1250
TELEPHONE (925) 673-7300 FAX (925) 672-4917

City Council
JEFF WAN, MAYOR
JIM DIAZ, VICE MAYOR
PETER CLOVEN, COUNCILMEMBER
HOLLY TILLMAN, COUNCILMEMBER
KIM TRUPIANO, COUNCILMEMBER

RE: RETIRED ANNUITANT CONTRACT- Extra Help

Dear Mr. Sanders,

I am pleased to offer you, as a CalPERS retired annuitant, a limited duration opportunity with the City of Clayton's Finance Department, you will be classified as "extra help". Beginning on or about August 21, 2023, your appointment is made pursuant to Government Code Sections 7522.56, 21224, 21227 and 21229. Due to the high turnover in the Finance Department over the last four consecutive years there is some backlog and special project work to be done that is in excess of what regular staff can perform on their own.

For your information, CalPERS has established specific rules relating to temporary employment after retirement. Please see CalPERS publication titled Employment After Retirement (<https://www.calpers.ca.gov/docs/forms-publications/employment-after-retirement.pdf>), which outlines the conditions and limitations of service after retirement and sets forth the following retired annuitant employment requirements:

- ❖ You possess specialized skills needed to perform the work.
- ❖ Your temporary employment will not exceed 960 hours in a fiscal year (July 1st through June 30th) for employment with all CalPERS employers combined.
- ❖ The pay rate you receive is not less than the minimum nor exceeds the maximum monthly paid to other employees performing comparable duties.
- ❖ Retired annuitants cannot receive any benefit, incentive, compensation in lieu of benefits, or other form of compensation in addition to the hourly pay rate.
- ❖ You cannot be appointed as a retired annuitant if you received unemployment insurance payments for prior retired annuitant work for any CalPERS employer within 12 months prior to the appointment date. Upon accepting employment, you must certify in writing to the employer (City of Clayton) that you comply with this requirement.

Compensation

The City of Clayton is offering to compensate you at \$70.00 per hour beginning on August 21, 2023. You will not receive any benefit, incentive, compensation in lieu of benefits or other form of compensation in addition to the hourly rate.

Your work hours shall not exceed the 960 hours per fiscal year allowed by statute. Work hours will be tracked via the City's payroll system.

Do The Right Thing
Integrity - Responsibility - Inclusion - Courage - Kindness - Self-Discipline - Respect
Because It's The Right Thing To Do!

Duties

Your duties will include the following:

- ❖ Assist in all activities required to close Fiscal Year 2022/23.
- ❖ Complete special accounting projects and other accounting related duties.
- ❖ Assist in developing policies and procedures to support more efficient and effective accounting practices.

Retired Annuitant Status and Indemnification

If you have questions relating to employment after retirement, you should consult with Cal PERS directly at 888- 225-7377 or www.calpers.ca.gov The CalPERS publication titled Employment After Retirement outlines the conditions and limitations of service after retirement and can be found on the CalPERS website.

Certification of No Unemployment Benefits and Reporting of Any Other Public Agency Work

By signing this letter, you are certifying that you have not received unemployment benefits related to retired annuitant employment with any public employer in the last twelve (12) months.

By signing this letter, you are also certifying that you have not worked for another Cal PERS public agency during the fiscal year or if you have or plan to that you agree to reporting to the City on a monthly basis the number of hours worked for the other agency.

Execution of Agreement

Term: Limited duration from August 21, 2023 – June 30, 2024

If the terms of this temporary assignment are in accordance with your understanding of the job, please sign two copies and return both originals.

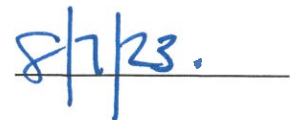
We are extremely pleased you have chosen to work for the City of Clayton after retirement. We have every reason to believe that you will have a rewarding and gratifying experience serving our community in your new capacity.

Approved:



Bret Prebula, City Manager

Date



Acknowledgement and Certification

I hereby accept and certify that I will abide by all terms and conditions set forth in this contract as a CalPERS annuitant working for the City of Clayton.

Richard Sanders

Date

RICHARD SANDERS, CPA (inactive status)

NOTABLES

- Complete responsibility for general ledgers; annual budgets; cash flow projections; management reports; complex reconciliations; and special projects.
- Improve decision-making by providing more relevant information.
- Dramatically increased collections and cash flows by automating and improving developer project billing functions.
- Researched and corrected prior years (5-10 years) general ledger balances resulting in major changes to previously issued audited financial statements. Received acknowledgement from upper management and governing boards.
- Substantially increased annual indirect cost recovery rate by developing a comprehensive cost template accepted by federal agency (DHHS).
- Streamlined accounting operations while maintaining productivity during periods of economic downsizing.
- Substantially reduced year-end audit adjustments thereby improving the quality of interim financial reports.
- Proficient with accounting software and a strong understanding of features common among popular systems. Specific knowledge with Financial Edge, Eden, AS400, Superion, Pentamotion, Sage and QuickBooks systems.
- Passed all four parts of CPA exam in first attempt.

SKILLS

Bookkeeping; accounting; budgeting; forecasting; reporting; GAAP; CAFR; problem-solving; strong analytical skills; Excel; Word; Financial Edge software; Eden software; AS400 software; QuickBooks; team building; work well with others at all levels; **forensic accounting**; project accounting; fixed assets; cash flow projections; water rate analyses; creative ideas; complex reconciliations; experience in private, government and nonprofits.

PROFESSIONAL EXPERIENCE

Summary:

CPA since 1976

5 years Auditor in public accounting (GAAP)

10 years Controller in private industry and nonprofits \$10M to \$125M (GAAP)

20+ years Accounting Manager in government (fund accounting and GAAP)

12 Years working for cities (subject to PERS limitations), non-for-profits and a fire district

EDUCATION

- 1970 St. Olaf College, BA Economics
- 1975-1976 University of Minnesota - Accounting, Legal and IT courses required to sit for CPA exam

Contra Costa Mosquito and Vector Control District

Nola Woods

Public Affairs Director



CONTRA COSTA
**MOSQUITO
& VECTOR
CONTROL**
DISTRICT

The District

protecting public health since 1927

The Contra Costa Mosquito & Vector Control District is a public health agency dedicated to protecting the community from mosquitoes and other vectors of disease.

County citizens voted to create District in 1926 and we opened our doors in 1927.



The District

protecting public health since 1927

In 1993, Contra Costa County transferred its rat and rabies risk reduction programs to us, and that's when we changed our name to Contra Costa Mosquito and Vector Control District (District).



CONTRA COSTA
**MOSQUITO
& VECTOR
CONTROL**
DISTRICT



District Services

protecting public health since 1927

Mosquitoes

Rats/mice

Skunks

Ticks

Yellowjackets

Bees



Special District

protecting public health since 1927

Funding

Property taxes

Benefit Assessments



District Facts

protecting public health since 1927

Board of Trustees: 22 Trustees representing cities and County at Large



2019 Trustee Photo



District Trustees

Board of Trustees

Represent the best interests of your community, ensure the delivery of essential local services and infrastructure, and faithfully serve the public good while upholding the law.

Source: CSDA Board Member Handbook



Latest Vector-related Issues in Clayton

protecting public health since 1927

Requests for Service so far in 2023:

Mosquitoes: 8

Mosquitofish: 16

Neglected Swimming Pool: 8

Rats & Mice: 5

Skunk: 1

Tick ID: 0

Bees: 1

Ground-nesting Yellowjackets: 4



Latest Vector-related Issues in Clayton

protecting public health since 1927

District employees also inspect and treat these areas as needed:

Public waterways

Pastures

Parks

Other agricultural areas where mosquitoes and other vectors of disease or harm can cause issues for neighboring residents.



Latest Vector-related Issues in Contra Costa County

protecting public health since 1927

West Nile virus Returns

2 Groups of Mosquitoes WNV+

1 Dead Bird from Brentwood WNV+

1 Dead Bird from Martinez WNV+

Take Precautions

Dump and Scrub Containers

Wear Insect Repellent

Request Mosquito Service



Latest Vector-related Issues in Contra Costa County

protecting public health since 1927

Non-native, Invasive *Aedes aegypti*

Zika, Dengue fever, Yellow fever risk

Lay individual sticky eggs that remain viable for 6 months or longer

Dump and scrub

Report day-biting mosquitoes



Contra Costa Mosquito & Vector Control District



155 Mason Circle, Concord
www.ContraCostaMosquito.com





STAFF REPORT

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: Prapti Aryal, Finance Director

DATE: August 15, 2023

SUBJECT: Quarterly Financial Reports On The City's Investment Portfolio For The Period Ending June 30, 2023.

RECOMMENDATION

Staff respectfully recommends that the Committee receive and file the Treasurer's Quarterly Financial Reports on the City's investment portfolio for the periods ending June 30, 2023.

BACKGROUND

All local agencies are required to file regular financial reports with their legislative body on the status of their investment portfolio. One of the roles of the City's Finance Department is to manage investments of the City Funds to ensure that cash flow needs are met.

This report includes:

1. The type of investment, issuer, date of maturity, and par and dollar amount invested on all securities, investments and funds held by the City;
2. A current market value as of the date of the report;
3. A stated compliance of the portfolio to the statement of the City's adopted investment policy, or manner in which the portfolio is not in compliance; and
4. A statement denoting the ability of the local agency to meet its pool's expenditure requirements for the next six months, or provide an explanation as to why sufficient money shall or may not be available.

The attached quarterly reports were prepared by UBS Financial Services, with a revised format that provides enhanced reporting with more analysis, better graphics, and an expanded analysis of the City's Investment Portfolio. UBS Financial Services is a Warren, New Jersey based firm with municipal clients throughout California and the United States.

DISCUSSION

The attached quarterly financial reports summarize the status of pooled treasury investments as of June 30, 2023. The City received a total of \$238,294 in investment earnings for the entire cash and investment pool for the Fiscal Year 2023. The total investment earnings of \$238,294 exceeded budget by \$119,684. Increase is primarily due to the City re-investing the proceeds in a shorter term with a higher rate investment. For the most recent quarter, the City-held treasury investments consisted of investments with a book value of \$11.3 million. The largest amount of the City's portfolio continues to be invested in CDs as well as in 100% liquid investments, including money markets, and pooled investment funds. However, because of a diversification strategy, the portfolio now also includes certificates of deposit, federal agencies, medium term notes, and municipal bonds.

The City's investments are held in the Local Agency Investment Fund (LAIF) and the California Asset Management Program (CAMP) and Financial broker firm UBS. The concentration in 100% liquid investments and is 12.12% of the total portfolio in LAIF and CAMP. The current yield for LAIF as of June 2023 was reported at 3.17% while the CAMP yield was 5.24%. Portion of LAIF fund has been invested in higher yield US Treasury Notes. Staff continues to seek to increase portfolio returns through other higher-yielding investments in compliance with the City's adopted Investment Policy.

The following is a summary of performance by investment type managed by UBS.

Current Yield is 1.99%, this is up 0.11% from 3 months ago, the average duration is 1.94 years, this is 0.07 years shorter than 3 months ago. The Portfolio consists of \$7.6 millions of Insured CDs, \$2.4 million of US Treasuries and \$704,000 of US Federal Agency Bonds. Expected Annual Cash Flow is \$187,395, this is \$28,703 higher than last quarter, should be expected to move higher as lower investment rates mature and funds are reinvested into higher yielding investments.

It should be noted that the gain or loss within a given quarter is not an issue since the City intends to hold the securities to maturity. The "Book Value" represents what the City paid for the security whereas "Market Value" is a constantly changing amount based on the current value. Market values fluctuate with changes in interest rates, and price has an inverse relationship to interest rates. Thus, while the City is required to calculate market values on an ongoing basis, at maturity the investment will achieve the stated "Yield to Maturity" based on the Book Value, or what the City paid for the security. As of June 2023, the market value of the portfolio exceeds the book value by \$627,756. Increasing interest rates decreases the value of the portfolio, and loss would not be realized unless assets were to be sold prior to the maturity date.

In the current quarter, staff will continue to evaluate liquidity needs and, where possible, continue the investment in higher yielding securities. At the same time, the fixed income market is experiencing significant instability and sharply rising yields. This will likely be reflected in lower market values to be reported in the next quarterly report.

FISCAL IMPACTS

The investment portfolio, as a whole, earned returns at least consistent with the revenue estimates contained in the budget, and the steady increase in portfolio yield during the last 6 months and expect to increase continuously as staff is reinvesting the lower yielding investments and reinvesting the fund into higher yielding options.

ATTACHMENTS

1. Investment Portfolio Review from UBS
2. Consolidated Investment Summary through June 30, 2023
3. Quarterly Investment Report as of June 30, 2023



July 12, 2023

Investment Portfolio Review

Prepared for:
City of Clayton

Market Overview – Financial markets have traded higher over the past month, led by large cap US stocks. The S&P 500 hit a one-year high, while treasury yields also rose. Persistent inflation, high rates, falling growth estimates, and heightened financial stress make the short-term risk-reward for markets unfavorable. We think a more constructive environment for risky assets will emerge later in 2023, and we see the longer-term return outlook for diversified investors as relatively good. We therefore focus on mitigating near-term downside risks, while maintaining upside exposure for the long-term.

In our global asset allocation, we keep global equities at least preferred while fixed income is most preferred. At this stage of the cycle, we think bonds offer better value and lower volatility than equities. Aggressive rate hikes by the Federal Reserve combined with bank failures earlier this year have caused credit conditions to tighten, although relatively few companies have completely lost access to financing. The pace of economic growth is likely to continue to slow, and recession risks are high. Balance sheets are unusually strong for this stage of the business cycle, which should help to prevent a severe downturn.

Resilient growth has made it more difficult for the Fed to get inflation down toward its 2% target. While clearly down from its peak, the Fed needs to see more progress before it ends the rate hiking cycle. Supply chain issues have mostly been resolved, reducing inflationary pressure at the producer level, which should help retail price inflation.

While many market participants believed the Fed to be done hiking after their pause, inflation remains elevated. The Fed's most recent dot plot suggests one or even two more hikes are likely this year. At the time of writing, markets are pricing in a total of one more rate hike in 2023 with cuts beginning in the first quarter of 2024.

Current Portfolio Observations - Current Yield is 1.99%, this is up 0.11% from 3 months ago, the average duration is 1.94 years, this is 0.07 years shorter than 3 months ago. The Portfolio consists of \$7.6 million of Insured CDs, \$2.4 million of US Treasuries and \$704,000 of US Federal Agency Bonds. Expected Annual Cash Flow is \$187,395 this is \$28,703 higher than last quarter, should be expected to move higher as lower investment rates mature and funds are reinvested into higher yielding investments.

Portfolio Considerations

1. Breakeven Analysis on selling some lower yielding investments and reinvesting the funds into higher yielding options. Thus far losses have been too high to breakeven.
2. Based on Investment Policy, consider High Grade Corporate Bonds, yields are +5.50% and spreads are attractive based on historical averages.
3. Bank and Credit Unions CDs in the 2yr-5yr range are also attractive options for excess liquidity, yields range from 5.00% to 5.40%.

Investment Account	Investment Type	Institution	Cost Basis	Rate	Current Yield	Market Value	Percentage of Portfolio
CAMP	Local Agency Pool	California Asset Management Program	\$ 928,920.99	5.24%	5.24%	\$ 928,920.99	5.73%
LAIF	Local Agency Pool	Local Agency Investment Fund	\$ 1,033,738.30	3.17%	3.17%	\$ 1,033,738.30	6.38%
UBS Financial Services Inc.	Cash	UBS Cash Holding	* \$ 533,751.07	n/a	n/a	* \$ 533,751.07	
	Fixed Income	UBS - Certificates of Deposit	* \$ 8,138,817.50	varies by holding	varies by holding	* \$ 7,614,614.30	
	Fixed Income	UBS - Government Securities	* \$ 3,223,415.50	varies by holding	varies by holding	* \$ 3,102,692.88	
	Fixed Income	UBS- Accrued Interest @ 6/30/2023	* \$			* \$ 17,336.70	
		Total UBS Financial Services	\$ 11,895,984.07			\$ 11,268,394.95	69.56%
<i>* The figures in the consolidated report are based off the numbers from the monthly statement. The performance report market values are calculated slightly different.</i>							
Bank of America	Checking	(General Ledger - book value)	2,967,792.97	0.00%	0.00%	2,967,792.97	18.32%
Total Investment Portfolio			16,826,436.33			16,198,847.21	

Budget to Actual Analysis of Interest Revenue
7/1/2022 to 6/30/2023

	Budgeted	Actual	Actual
	Fiscal Year 2023	through 3/31/23	through 6/30/23
General Fund	\$ 86,000	\$ 92,047	\$ 172,779
All Other Funds	\$ 32,610	\$ 46,073	\$ 65,515
Total	\$ 118,610	\$ 138,120	\$ 238,294



Branch office:
184 Liberty Corner Road
Suite 101
Warren, NJ 070596868

Financial Advisor:

James Dill
908-4706-200

UBS Client Review

as of June 30, 2023

Prepared for

City of Clayton

Accounts included in this review

Account	Name	Type
EX XX244	• City of Clayton	• Business Service Account
Risk profile:	Conservative	
Return Objective:	Current Income and Capital Appreciation	

What's inside

Bond summary.....	2
Bond holdings.....	4
Expected cash flow.....	10
House View - Executive Summary.....	15
Important information about this report.....	16



Bond summary

as of June 30, 2023

Bond overview

Total quantity	11,393,000
Total market value	\$10,717,307.18
Total accrued interest	\$17,169.79
Total market value plus accrued interest	\$10,734,476.97
Total estimated annual bond interest	\$213,514.50
Average coupon	2.00%
Average current yield	1.99%
Average yield to maturity	5.26%
Average yield to worst	5.26%
Average modified duration	1.94
Average effective maturity	2.02

Credit quality of bond holdings

Effective credit rating	Issues	Value on 06/30/2023 (\$)	% of port.
A Aaa/AAA/AAA	13	3,106,976.92	28.95
B Aa/AA/AA	0	0.00	0.00
C A/A/A	0	0.00	0.00
D Baa/BBB/BBB	0	0.00	0.00
E Non-investment grade	0	0.00	0.00
F Certificate of deposit	41	7,627,500.04	71.05
G Not rated	0	0.00	0.00
Total	54	\$10,734,476.97	100%

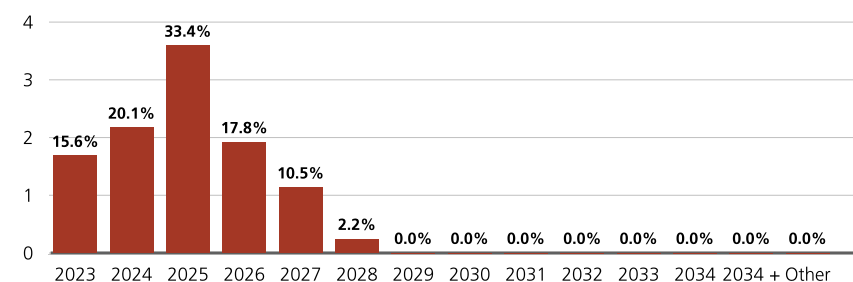


Investment type allocation

Investment type	Taxable (\$)	Tax-exempt / deferred (\$)	Total (\$)	% of bond port.
Certificates of deposit	7,627,500.04	0.00	7,627,500.04	71.06
U.S. federal agencies	704,198.69	0.00	704,198.69	6.56
U.S. treasuries	2,402,778.23	0.00	2,402,778.23	22.38
Total	\$10,734,476.96	\$0.00	\$10,734,476.96	100%

Bond maturity schedule

\$ Millions

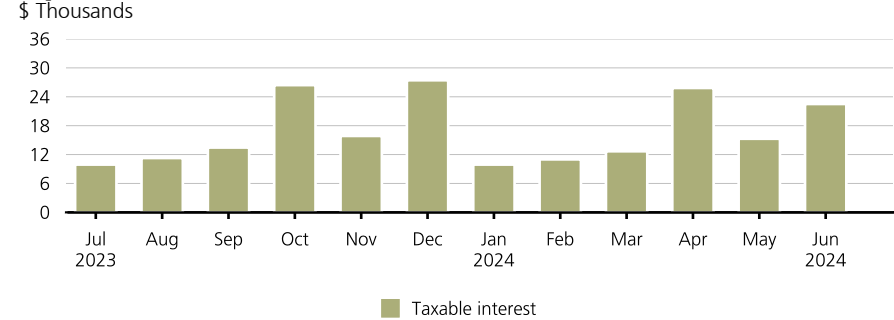


■ Effective maturity schedule

Cash, mutual funds and some preferred securities are not included.

Bond summary - as of June 30, 2023 (continued)

Expected bond cash flow



Total taxable income: \$204,120.73
Total expected bond cash flow: \$204,120.73
Cash flows displayed account for known events such as maturities and mandatory puts.



Bond holdings

as of June 30, 2023

Summary of bond holdings

Maturity Year	Issues	Quantity	Est. annual income (\$)	Current yield (%)	Yield to maturity (%)	Yield to worst (%)	Modified duration	Adjusted cost basis (\$)	Unrealized gain/loss (\$)	Mkt. value (\$)	% of bond portfolio maturing
2023	6	1,700,000	13,575.00	0.81%	5.18 %	5.18 %	0.41	1,688,225	-7,672.00	1,680,987.92	15.68%
2024	12	2,242,000	48,581.00	2.24%	5.45 %	5.45 %	1.09	2,235,977.2	-71,936.97	2,169,442.04	20.19%
2025	18	3,837,000	74,664.00	2.08%	5.23 %	5.23 %	1.97	3,826,730.8	-243,821.54	3,590,106.92	33.43%
2026	11	2,137,000	30,759.50	1.61%	5.22 %	5.22 %	2.90	2,134,300	-217,949.64	1,918,097.21	17.88%
2027	6	1,227,000	34,560.00	3.06%	5.11 %	5.11 %	3.57	1,227,000	-95,798.17	1,133,528.05	10.55%
2028	1	250,000	11,375.00	4.70%	5.28 %	5.28 %	4.31	250,000	-7,747.50	242,314.83	2.26%
2029	0	0			NA	NA	NA				
2030	0	0			NA	NA	NA				
2031	0	0			NA	NA	NA				
2032	0	0			NA	NA	NA				
2033	0	0			NA	NA	NA				
2034	0	0			NA	NA	NA				
2035	0	0			NA	NA	NA				
2036	0	0			NA	NA	NA				
2037	0	0			NA	NA	NA				
2038	0	0			NA	NA	NA				
2039	0	0			NA	NA	NA				
2040	0	0			NA	NA	NA				
2041	0	0			NA	NA	NA				
2042	0	0			NA	NA	NA				
2043	0	0			NA	NA	NA				
2044	0	0			NA	NA	NA				
2045	0	0			NA	NA	NA				
2046	0	0			NA	NA	NA				
2047	0	0			NA	NA	NA				
2048	0	0			NA	NA	NA				
2049	0	0			NA	NA	NA				
2050	0	0			NA	NA	NA				
2051	0	0			NA	NA	NA				
2052	0	0			NA	NA	NA				
2052 +	0	0			NA	NA	NA				
Other	0	0			NA	NA	NA				
Total	54	11,393,000	\$213,514.50	1.99%	5.26 %	5.26 %	1.94	\$11,362,233.00	\$-644,925.82	\$10,734,476.97	

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities.



Bond holdings - as of June 30, 2023 (continued)

Details of bond holdings

	Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%) / YTW (%)	Modified duration	Adjusted cost basis (\$)/ Unreal. g/l (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Total Bond Portfolio		11,393,000	2.00%	07/05/2025	NA	\$213,514.50 1.99%	5.26% 5.26%	1.94	\$11,362,233.0 \$-644,925.82	NA	\$10,717,307.18 \$17,169.79 \$10,734,476.97	100%

	Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%) / YTW (%)	Modified duration	Adjusted cost basis (\$)/ Unreal. g/l (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Maturing 2023												
ENERBANK UT US RT 03.2000% MAT 07/31/23 FIXED RATE CD /UT	CD	100,000	3.20%	07/31/2023		3,200.00 3.21%	NA NA	NA	100,000.00 -172.00	99.828	99,828.00 0.00	0.93%
THIRD FED S&L ASSN OH US RT 00.2500% MAT 08/21/23 FIXED RATE CD /OH	CD	200,000	0.25%	08/21/2023		500.00 0.25%	5.27% 5.27%	0.14	200,000.00 -1,422.00	99.289	198,578.00 179.45	1.85%
UNITED STATES TREAS BILL DUE 09/28/23	Aaa/NR/AA+ NR/NR/NR	500,000		09/28/2023			5.06% 5.06%	0.25	489,000.00 4,755.00	98.751	493,755.00 0.00	4.61%
US TSY NOTE 00.125 % DUE 10/15/23 DTD 10/15/20 FC 04/15/21	Aaa/AAA/NR NR/NR/NR	500,000	0.13%	10/15/2023		625.00 0.13%	5.14% 5.14%	0.68	499,225.00 -6,450.00	98.555	492,775.00 129.78	4.60%
NEW YORK CMNTY BK NY US RT 00.2500% MAT 10/16/23 FIXED RATE CD /NY	CD	150,000	0.25%	10/16/2023		375.00 0.25%	5.38% 5.38%	0.29	150,000.00 -2,238.00	98.508	147,762.00 77.05	1.38%
BANK OF BARODA NY US RT 03.5500% MAT 12/28/23 FIXED RATE CD /NY	CD	250,000	3.55%	12/28/2023		8,875.00 3.58%	5.33% 5.33%	0.48	250,000.00 -2,145.00	99.142	247,855.00 48.63	2.31%
Total 2023		1,700,000	1.14%	10/10/2023		\$13,575.00 0.81%	5.18% 5.18%	0.41	\$1,688,225.00 \$-7,672.00		\$1,680,553.00 \$434.92	15.68%

	Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%) / YTW (%)	Modified duration	Adjusted cost basis (\$)/ Unreal. g/l (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Maturing 2024												
CITY & CNTY CREDIT MN US RT 03.2500% MAT 02/26/24 CREDIT UNION SHARE CERT /MN	CD	115,000	3.25%	02/26/2024		3,737.50 3.29%	5.33% 5.33%	0.65	115,000.00 -1,541.00	98.660	113,459.00 40.96	1.06%
US TSY NOTE 02.500 % DUE 04/30/24 DTD 04/30/22 FC 10/31/22	Aaa/AAA/NR NR/NR/NR	120,000	2.50%	04/30/2024		3,000.00 2.56%	5.48% 5.48%	0.81	116,509.20 613.20	97.602	117,122.40 497.28	1.09%
WELLS FARGO BK NA SD US RT 02.7500% MAT 05/03/24 FIXED RATE CD /SD	CD	197,000	2.75%	05/03/2024		5,417.50 2.81%	5.40% 5.40%	0.83	197,000.00 -4,288.69	97.823	192,711.31 400.75	1.80%

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities.

Bond holdings - as of June 30, 2023 (continued)

	Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%) / YTW (%)	Modified duration	Adjusted cost basis (\$)/ Unreal. g/l (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Maturing 2024												
BMW BANK NORTH AME UT US RT 00.2500% MAT 06/11/24 FIXED RATE CD /UT	CD	198,000	0.25%	06/11/2024		495.00 0.26%	5.49% 5.49%	0.92	198,000.00 -9,472.32	95.216	188,527.68 25.77	1.76%
BMO HARRIS BK NA IL US RT 00.5500% MAT 07/29/24 FIXED RATE CD /IL	CD	250,000	0.55%	07/29/2024	07/29/2023 100.00	1,375.00 0.58%	5.58% 5.58%	1.06	250,000.00 -13,092.50	94.763	236,907.50 233.56	2.21%
TOYOTA FINL SVGS B NV US RT 00.6000% MAT 08/12/24 FIXED RATE CD /NV	CD	250,000	0.60%	08/12/2024		1,500.00 0.63%	5.48% 5.48%	1.09	250,000.00 -13,065.00	94.774	236,935.00 567.12	2.21%
UBS BANK UT US RT 00.5500% MAT 08/12/24 FIXED RATE CD /UT	CD	250,000	0.55%	08/12/2024		1,375.00 0.58%	5.47% 5.47%	1.11	250,000.00 -13,310.00	94.676	236,690.00 71.58	2.21%
US TSY NOTE 04.250 % DUE 09/30/24 DTD 09/30/22 FC 03/31/23	Aaa/AAA/AA+ NR/NR/NR	120,000	4.25%	09/30/2024		5,100.00 4.31%	5.36% 5.36%	1.19	118,621.20 -224.40	98.664	118,396.80 1,268.03	1.10%
FREEDOM FIRST FED VA US RT 04.9000% MAT 10/28/24 LICU SHARE CERTIFICATE /VA	CD	250,000	4.90%	10/28/2024		12,250.00 4.94%	5.46% 5.46%	1.28	250,000.00 -1,797.50	99.281	248,202.50 67.12	2.32%
US TSY NOTE 04.375 % DUE 10/31/24 DTD 10/31/22 FC 04/30/23	Aaa/AAA/AA+ NR/NR/NR	120,000	4.38%	10/31/2024		5,250.00 4.43%	5.33% 5.33%	1.27	118,846.80 -309.60	98.781	118,537.20 870.24	1.11%
AMERICAN EXP NATL UT US RT 04.6500% MAT 11/04/24 FIXED RATE CD /UT	CD	174,000	4.65%	11/04/2024		8,091.00 4.70%	5.46% 5.46%	1.28	174,000.00 -1,828.74	98.949	172,171.26 1,307.86	1.61%
TEXAS EXCHANGE BK TX US RT 00.5000% MAT 12/11/24 FIXED RATE CD /TX	CD	198,000	0.50%	12/11/2024	07/11/2023 100.00	990.00 0.54%	5.44% 5.44%	1.44	198,000.00 -13,620.42	93.121	184,379.58 51.53	1.72%
Total 2024		2,242,000	2.21%	08/15/2024		\$48,581.00 2.24%	5.45% 5.45%	1.09	\$2,235,977.20 \$-71,936.97		\$2,164,040.23 \$5,401.81	20.19%
Maturing 2025												
TECHNOLOGY CREDIT CA US RT 05.0000% MAT 01/21/25 CREDIT UNION SHARE CERT /CA	CD	248,000	5.00%	01/21/2025		12,400.00 5.03%	5.45% 5.45%	1.50	248,000.00 -1,656.64	99.332	246,343.36 373.70	2.30%
MOUNTAIN AMERICA C UT US RT 03.4500% MAT 02/28/25 LICU SHARE CERTIFICATE /UT	CD	250,000	3.45%	02/28/2025		8,625.00 3.56%	5.43% 5.43%	1.61	250,000.00 -7,890.00	96.844	242,110.00 685.27	2.26%
US TSY NOTE 02.625 % DUE 03/31/25 DTD 03/31/18 FC 09/30/18	Aaa/AAA/NR NR/NR/NR	110,000	2.63%	03/31/2025		2,887.50 2.74%	5.06% 5.06%	1.67	105,374.50 187.00	95.965	105,561.50 717.93	0.98%

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities.



Bond holdings - as of June 30, 2023 (continued)

	Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%) / YTW (%)	Modified duration	Adjusted cost basis (\$)/ Unreal. g/l (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Maturing 2025												
CPTL ONE NATL ASSN VA US RT 01.4500% MAT 04/22/25 FIXED RATE CD /VA	CD	250,000	1.45%	04/22/2025		3,625.00 1.56%	5.44% 5.44%	1.74	259,817.50 -26,825.00	93.197	232,992.50 685.27	2.17%
MORGAN STANLEY PRV NY US RT 04.7000% MAT 04/28/25 FIXED RATE CD /NY	CD	236,000	4.70%	04/28/2025		11,092.00 4.76%	5.43% 5.43%	1.72	236,000.00 -2,990.12	98.733	233,009.88 1,944.90	2.17%
FLAGSTAR BANK, FSB MI US RT 01.1500% MAT 04/29/25 FIXED RATE CD /MI	CD	250,000	1.15%	04/29/2025		2,875.00 1.24%	5.44% 5.44%	1.77	250,000.00 -18,470.00	92.612	231,530.00 488.36	2.16%
US TSY NOTE 02.750 % DUE 05/15/25 DTD 05/15/22 FC 11/15/22	Aaa/AAA/NR NR/NR/NR	100,000	2.75%	05/15/2025		2,750.00 2.86%	4.99% 4.99%	1.79	95,835.00 200.00	96.035	96,035.00 343.75	0.90%
US TSY NOTE 02.875 % DUE 06/15/25 DTD 06/15/22 FC 12/15/22	Aaa/AAA/AA+ NR/NR/NR	100,000	2.88%	06/15/2025		2,875.00 2.99%	4.94% 4.94%	1.87	96,075.00 105.00	96.180	96,180.00 117.83	0.90%
DELTA NATL B&T CO NY US RT 00.5500% MAT 07/21/25 FIXED RATE CD /NY	CD	250,000	0.55%	07/21/2025		1,375.00 0.61%	5.42% 5.42%	1.99	250,000.00 -23,440.00	90.624	226,560.00 565.07	2.11%
LIVE OAK BKG CO NC US RT 00.6000% MAT 08/13/25 FIXED RATE CD /NC	CD	150,000	0.60%	08/13/2025		900.00 0.66%	5.41% 5.41%	2.10	150,000.00 -14,439.00	90.374	135,561.00 71.51	1.26%
CONNEXUS CREDIT UN WI US RT 03.4000% MAT 08/15/25 LICU SHARE CERTIFICATE /WI	CD	250,000	3.40%	08/15/2025		8,500.00 3.54%	NA NA	NA	250,000.00 -10,115.00	95.954	239,885.00 0.00	2.24%
USALLIANCE FED CRE NY US RT 00.5500% MAT 08/28/25 FIXED RATE CD /NY	CD	149,000	0.55%	08/28/2025	08/28/2023 100.00	819.50 0.61%	5.41% 5.41%	2.14	149,000.00 -14,756.96	90.096	134,243.04 4.49	1.25%
KEMBA FINL CREDIT OH US RT 04.0000% MAT 09/22/25 FIXED RATE CD /OH	CD	250,000	4.00%	09/22/2025	07/21/2023 100.00	10,000.00 4.12%	5.41% 5.41%	2.12	250,000.00 -7,410.00	97.036	242,590.00 794.52	2.26%
STATE BK IL US RT 00.5000% MAT 09/22/25 FIXED RATE CD /IL	CD	200,000	0.50%	09/22/2025		1,000.00 0.56%	5.42% 5.42%	2.16	200,000.00 -20,422.00	89.789	179,578.00 273.97	1.68%
JPMORGAN CHASE BK DE US RT 00.4000% MAT 10/30/25 STEP RATE CD /DE	CD	250,000	0.40%	10/30/2025	10/30/2023 100.00	1,000.00 0.45%	NA NA	NA	250,000.00 -25,400.00	89.840	224,600.00 0.00	2.10%
FFCB BOND 00.600 % DUE 112425 DTD 112420 FC 05242021	Aaa/AAA/AA+ NR/NR/NR	150,000	0.60%	11/24/2025		900.00 0.66%	4.78% 4.78%	2.33	150,000.00 -14,047.50	90.635	135,952.50 90.00	1.27%
BARCLAYS BK DE US RT 01.0000% MAT 12/15/25 FIXED RATE CD /DE	CD	100,000	1.00%	12/15/2025		1,000.00 1.11%	5.42% 5.42%	2.37	100,000.00 -10,059.00	89.941	89,941.00 41.10	0.84%
US TSY NOTE 00.375 % DUE 12/31/25 DTD 12/31/20 FC 06/30/21	Aaa/AAA/NR NR/NR/NR	544,000	0.38%	12/31/2025		2,040.00 0.42%	4.61% 4.61%	2.43	536,628.80 -46,392.32	90.117	490,236.48 0.00	4.57%
Total 2025		3,837,000	2.01%	07/25/2025		\$74,664.00 2.08%	5.23% 5.23%	1.97	\$3,826,730.80 \$-243,821.54		\$3,582,909.26 \$7,197.66	33.43%

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities.



Bond holdings - as of June 30, 2023 (continued)

	Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%) / YTW (%)	Modified duration	Adjusted cost basis (\$)/ Unreal. g/l (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Maturing 2026												
MERRICK BK UT US RT 00.5000% MAT 01/29/26 FIXED RATE CD /UT	CD	245,000	0.50%	01/29/2026		1,225.00 0.57%	5.41% 5.41%	2.56	245,000.00 -28,932.05	88.191	216,067.95 0.00	2.02%
FHLB NTS 00.520 % DUE 021226 DTD 021221 FC 08122021	Aaa/NR/AA+ NR/NR/NR	100,000	0.52%	02/12/2026		520.00 0.58%	4.83% 4.83%	2.53	100,000.00 -10,478.00	89.522	89,522.00 199.33	0.84%
BANKUNITED NA FLOR FL US RT 00.6500% MAT 03/05/26 FIXED RATE CD /FL	CD	94,000	0.65%	03/05/2026	09/05/2023 100.00	611.00 0.74%	5.42% 5.42%	2.62	94,000.00 -11,107.04	88.184	82,892.96 41.85	0.77%
BANKUNITED NA FLOR FL US RT 00.9500% MAT 03/31/26 FIXED RATE CD /FL	CD	135,000	0.95%	03/31/2026	06/30/2023 100.00	1,282.50 1.07%	NA NA	NA	135,000.00 -15,349.50	88.630	119,650.50 0.00	1.12%
COMENITY CAP BK UT US RT 02.6000% MAT 04/14/26 FIXED RATE CD /UT	CD	215,000	2.60%	04/14/2026		5,590.00 2.80%	5.40% 5.40%	2.67	215,000.00 -15,576.75	92.755	199,423.25 245.04	1.86%
STATE BANK OF INDI NY US RT 00.9500% MAT 05/19/26 FIXED RATE CD /NY	CD	248,000	0.95%	05/19/2026		2,356.00 1.08%	5.41% 5.41%	2.77	248,000.00 -29,226.80	88.215	218,773.20 271.10	2.04%
US TSY NOTE 00.875 % DUE 06/30/26 DTD 06/30/21 FC 12/31/21	Aaa/AAA/NR NR/NR/NR	300,000	0.88%	06/30/2026		2,625.00 0.97%	4.44% 4.44%	2.90	297,300.00 -27,066.00	90.078	270,234.00 0.00	2.52%
GREENSTATE CREDIT IA US RT 00.9500% MAT 08/18/26 LICU SHARE CERTIFICATE /IA	CD	250,000	0.95%	08/18/2026		2,375.00 1.09%	5.39% 5.39%	3.07	250,000.00 -31,930.00	87.228	218,070.00 188.70	2.03%
NUMERICA CREDIT UN WA US RT 04.9000% MAT 11/04/26 LICU SHARE CERTIFICATE /WA	CD	200,000	4.90%	11/04/2026		9,800.00 4.97%	5.37% 5.37%	3.07	200,000.00 -2,886.00	98.557	197,114.00 698.08	1.84%
SYNCHRONY BANK UT US RT 01.2500% MAT 12/10/26 FIXED RATE CD /UT	CD	150,000	1.25%	12/10/2026		1,875.00 1.43%	5.37% 5.37%	3.29	150,000.00 -19,219.50	87.187	130,780.50 102.74	1.22%
MEDALLION BK UT US RT 01.2500% MAT 12/30/26 FIXED RATE CD /UT	CD	200,000	1.25%	12/30/2026		2,500.00 1.44%	5.36% 5.36%	3.41	200,000.00 -26,178.00	86.911	173,822.00 0.00	1.62%
Total 2026		2,137,000	1.48%	06/30/2026		\$30,759.50 1.61%	5.22% 5.22%	2.90	\$2,134,300.00 \$-217,949.64		\$1,916,350.36 \$1,746.85	17.88%
Maturing 2027												
NELNET BK UT US RT 01.7500% MAT 02/16/27 FIXED RATE CD /UT	CD	80,000	1.75%	02/16/2027		1,400.00 1.98%	5.35% 5.35%	3.41	80,000.00 -9,390.40	88.262	70,609.60 513.97	0.66%

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities.

Bond holdings - as of June 30, 2023 (continued)

	Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%) / YTW (%)	Modified duration	Adjusted cost basis (\$)/ Unreal. g/l (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Maturing 2027												
SALLIE MAE BANK UT US RT 01.9000% MAT 02/16/27 FIXED RATE CD /UT	CD	50,000	1.90%	02/16/2027		950.00 2.14%	5.35% 5.35%	3.40	50,000.00 -5,624.50	88.751	44,375.50 348.77	0.41%
HARDIN CNTY SVGS B IA US RT 01.6000% MAT 02/18/27 FIXED RATE CD /IA	CD	250,000	1.60%	02/18/2027	07/18/2023 100.00	4,000.00 1.83%	5.34% 5.34%	3.51	250,000.00 -30,867.50	87.653	219,132.50 131.51	2.04%
USALLIANCE FED CRE NY US RT 02.8500% MAT 04/27/27 FIXED RATE CD /NY	CD	100,000	2.85%	04/27/2027	07/27/2023 100.00	2,850.00 3.12%	5.33% 5.33%	3.60	100,000.00 -8,563.00	91.437	91,437.00 23.42	0.85%
MORGAN STANLEY BK UT US RT 03.0000% MAT 04/29/27 FIXED RATE CD /UT	CD	247,000	3.00%	04/29/2027	10/29/2023 100.00	7,410.00 3.26%	5.33% 5.33%	3.53	247,000.00 -19,737.77	92.009	227,262.23 1,258.68	2.12%
FHLB BOND 03.590 % DUE 062927 DTD 062922 FC 12292022	Aaa/NR/AA+ NR/NR/NR	500,000	3.59%	06/29/2027		17,950.00 3.75%	4.79% 4.79%	3.66	500,000.00 -21,615.00	95.677	478,385.00 49.86	4.46%
Total 2027		1,227,000	2.85%	05/04/2027		\$34,560.00 3.06%	5.11% 5.11%	3.57	\$1,227,000.00 \$-95,798.17		\$1,131,201.83 \$2,326.22	10.55%
Maturing 2028												
A PLUS FED CREDIT TX US RT 04.5500% MAT 04/28/28 LICU SHARE CERTIFICATE /TX	CD	250,000	4.55%	04/28/2028		11,375.00 4.70%	5.28% 5.28%	4.31	250,000.00 -7,747.50	96.901	242,252.50 62.33	2.26%
Total 2028		250,000	4.55%	04/28/2028		\$11,375.00 4.70%	5.28% 5.28%	4.31	\$250,000.00 \$-7,747.50		\$242,252.50 \$62.33	2.26%
Total Bond Portfolio												
		11,393,000	2.00%	07/05/2025	NA	\$213,514.50 1.99%	5.26% 5.26%	1.94	\$11,362,233.0 \$-644,925.82	NA	\$10,717,307.18 \$17,169.79 \$10,734,476.97	100%

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities.



Expected cash flow

from 07/01/2023 to 06/30/2024

Summary of expected cash flows

	2023						2024						Total (\$)
	July	August	September	October	November	December	January	February	March	April	May	June	
Total Portfolio	10,040	11,424	13,625	26,755	16,065	27,780	10,043	11,137	12,838	26,158	15,470	22,785	204,121
Taxable	10,040	11,424	13,625	26,755	16,065	27,780	10,043	11,137	12,838	26,158	15,470	22,785	204,121
Taxable U.S. income	10,040	11,424	13,121	26,755	14,877	23,330	10,043	11,137	12,339	26,158	14,296	22,785	
Interest payments	10,040	11,424	13,121	26,755	14,877	23,330	10,043	11,137	12,339	26,158	14,296	22,785	196,306
Taxable non-U.S. income			504		1,188	4,450			499		1,175		
Interest payments			504		1,188	4,450			499		1,175		7,815

Includes all fixed income securities in the selected portfolio.



Expected cash flow - from 07/01/2023 to 06/30/2024 (continued)

Details of expected cash flows

	2023						2024							
	July	August	September	October	November	December	January	February	March	April	May	June	Total (\$)	
Total Portfolio	10,040	11,424	13,625	26,755	16,065	27,780	10,043	11,137	12,838	26,158	15,470	22,785	204,121	

Taxable

Taxable U.S. income

Interest payments

	Quantity	2023						2024						
		July	August	September	October	November	December	January	February	March	April	May	June	Total (\$)
A PLUS FED CREDIT TX US RT 04.5500% MAT 04/28/28	250,000.00	934.93 Jul 28	966.10 Aug 28	966.10 Sep 28	934.93 Oct 28	966.10 Nov 28	934.93 Dec 28	966.10 Jan 28	966.10 Feb 28	903.77 Mar 28	966.10 Apr 28	934.93 May 28	966.10 Jun 28	11,406.16
LICU SHARE CERTIFICATE AMERICAN EXP NATL UT US RT 04.6500% MAT 11/04/24	174,000.00					4,078.75 Nov 02						4,034.42 May 02		8,113.17
FIXED RATE CD BANKUNITED NA FLOR FL US RT 00.6500% MAT 03/05/26	94,000.00			154.01 Sep 05			152.33 Dec 05			152.33 Mar 05			154.01 Jun 05	612.67
FIXED RATE CD BANKUNITED NA FLOR FL US RT 00.9500% MAT 03/31/26	135,000.00	108.92 Jul 31	108.92 Aug 31	105.41 Sep 30	108.92 Oct 31	105.41 Nov 30	108.92 Dec 31	108.92 Jan 31	101.90 Feb 29	108.92 Mar 31	105.41 Apr 30	108.92 May 31	105.41 Jun 30	1,286.01
FIXED RATE CD BARCLAYS BK DE US RT 01.0000% MAT 12/15/25	100,000.00						501.37 Dec 15						501.37 Jun 15	1,002.74
FIXED RATE CD BMO HARRIS BK NA IL US RT 00.5500% MAT 07/29/24	250,000.00	342.81 Jul 29			346.58 Oct 29			346.58 Jan 29			342.81 Apr 29			1,378.77
FIXED RATE CD BMW BANK NORTH AME UT US RT 00.2500% MAT 06/11/24	198,000.00						248.18 Dec 11						248.18 Jun 11	496.36
FIXED RATE CD CITY & CNTY CREDIT MN US RT 03.2500% MAT 02/26/24	115,000.00	307.19 Jul 26	317.43 Aug 26	317.43 Sep 26	307.19 Oct 26	317.43 Nov 26	307.19 Dec 26	317.43 Jan 26	317.43 Feb 26					2,508.73
CREDIT UNION SHARE CERT COMENITY CAP BK UT US RT 02.6000% MAT 04/14/26	215,000.00	459.45 Jul 14	474.77 Aug 14	474.77 Sep 14	459.45 Oct 14	474.77 Nov 14	459.45 Dec 14	474.77 Jan 14	474.77 Feb 14	444.14 Mar 14	474.77 Apr 14	459.45 May 14	474.77 Jun 14	5,605.32
FIXED RATE CD CONNEXUS CREDIT UN WI US RT 03.4000% MAT 08/15/25	250,000.00	721.92 Jul 31	721.92 Aug 31	698.63 Sep 30	721.92 Oct 31	698.63 Nov 30	721.92 Dec 31	721.92 Jan 31	675.34 Feb 29	721.92 Mar 31	698.63 Apr 30	721.92 May 31	698.63 Jun 30	8,523.29
LICU SHARE CERTIFICATE CPTL ONE NATL ASSN VA US RT 01.4500% MAT 04/22/25	250,000.00				1,817.47 Oct 22						1,817.47 Apr 22			3,634.93
FIXED RATE CD														

Includes all fixed income securities in the selected portfolio.



Expected cash flow - from 07/01/2023 to 06/30/2024 (continued)

Interest payments

		2023						2024						
	Quantity	July	August	September	October	November	December	January	February	March	April	May	June	Total (\$)
DELTA NATL B&T CO NY US RT 00.5500% MAT 07/21/25 FIXED RATE CD	250,000.00	681.85 Jul 31						693.15 Jan 31						1,375.00
ENERBANK UT US RT 03.2000% MAT 07/31/23 FIXED RATE CD	100,000.00	271.78 Jul 31												271.78
FFCB BOND 00.600 % DUE 112425 DTD 112420 FC 05242021	150,000.00					450.00 Nov 24						450.00 May 24		900.00
FHLB BOND 03.590 % DUE 062927 DTD 062922 FC 12292022	500,000.00						8,975.00 Dec 29						8,975.00 Jun 29	17,950.00
FHLB NTS 00.520 % DUE 021226 DTD 021221 FC 08122021	100,000.00		260.00 Aug 12						260.00 Feb 12					520.00
FLAGSTAR BANK, FSB MI US RT 01.1500% MAT 04/29/25 FIXED RATE CD	250,000.00				1,441.44 Oct 29						1,441.44 Apr 29			2,882.88
FREEDOM FIRST FED VA US RT 04.9000% MAT 10/28/24 LICU SHARE CERTIFICATE	250,000.00	1,006.85 Jul 28	1,040.41 Aug 28	1,040.41 Sep 28	1,006.85 Oct 28	1,040.41 Nov 28	1,006.85 Dec 28	1,040.41 Jan 28	1,040.41 Feb 28	973.29 Mar 28	1,040.41 Apr 28	1,006.85 May 28	1,040.41 Jun 28	12,283.56
GREENSTATE CREDIT IA US RT 00.9500% MAT 08/18/26 LICU SHARE CERTIFICATE	250,000.00	195.21 Jul 01	201.71 Aug 01	201.71 Sep 01	195.21 Oct 01	201.71 Nov 01	195.21 Dec 01	201.71 Jan 01	201.71 Feb 01	188.70 Mar 01	201.71 Apr 01	195.21 May 01	201.71 Jun 01	2,381.51
HARDIN CNTY SVGS B IA US RT 01.6000% MAT 02/18/27 FIXED RATE CD	250,000.00	328.77 Jul 18	339.73 Aug 18	339.73 Sep 18	328.77 Oct 18	339.73 Nov 18	328.77 Dec 18	339.73 Jan 18	339.73 Feb 18	317.81 Mar 18	339.73 Apr 18	328.77 May 18	339.73 Jun 18	4,010.96
JPMORGAN CHASE BK DE US RT 00.4000% MAT 10/30/25 STEP RATE CD	250,000.00				504.11 Oct 31						498.63 Apr 30			1,002.74
KEMBA FINL CREDIT OH US RT 04.0000% MAT 09/22/25 FIXED RATE CD	250,000.00	821.92 Jul 01	849.32 Aug 01	849.32 Sep 01	821.92 Oct 01	849.32 Nov 01	821.92 Dec 01	849.32 Jan 01	849.32 Feb 01	794.52 Mar 01	849.32 Apr 01	821.92 May 01	849.32 Jun 01	10,027.40
LIVE OAK BKG CO NC US RT 00.6000% MAT 08/13/25 FIXED RATE CD	150,000.00	73.97 Jul 01	76.44 Aug 01	76.44 Sep 01	73.97 Oct 01	76.44 Nov 01	73.97 Dec 01	76.44 Jan 01	76.44 Feb 01	71.51 Mar 01	76.44 Apr 01	73.97 May 01	76.44 Jun 01	902.47
MEDALLION BK UT US RT 01.2500% MAT 12/30/26 FIXED RATE CD	200,000.00	205.48 Jul 30	212.33 Aug 30	212.33 Sep 30	205.48 Oct 30	212.33 Nov 30	205.48 Dec 30	212.33 Jan 30	205.48 Feb 29	205.48 Mar 30	212.33 Apr 30	205.48 May 30	212.33 Jun 30	2,506.85
MERRICK BK UT US RT 00.5000% MAT 01/29/26 FIXED RATE CD	245,000.00	104.04 Jul 31	104.04 Aug 31	100.68 Sep 30	104.04 Oct 31	100.68 Nov 30	104.04 Dec 31	104.04 Jan 31	97.33 Feb 29	104.04 Mar 31	100.68 Apr 30	104.04 May 31	100.68 Jun 30	1,228.36
MORGAN STANLEY BK UT US RT 03.0000% MAT 04/29/27 FIXED RATE CD	247,000.00				3,715.15 Oct 29						3,715.15 Apr 29			7,430.30
MORGAN STANLEY PRV NY US RT 04.7000% MAT 04/28/25 FIXED RATE CD	236,000.00				5,561.19 Oct 27						5,561.19 Apr 27			11,122.39

Includes all fixed income securities in the selected portfolio.



Expected cash flow - from 07/01/2023 to 06/30/2024 (continued)

Interest payments

		2023						2024						
	Quantity	July	August	September	October	November	December	January	February	March	April	May	June	Total (\$)
MOUNTAIN AMERICA C UT US RT 03.4500% MAT 02/28/25 LICU SHARE CERTIFICATE	250,000.00	708.90 Jul 01	732.53 Aug 01	732.53 Sep 01	708.90 Oct 01	732.53 Nov 01	708.90 Dec 01	732.53 Jan 01	732.53 Feb 01	685.27 Mar 01	732.53 Apr 01	708.90 May 01	732.53 Jun 01	8,648.63
NELNET BK UT US RT 01.7500% MAT 02/16/27 FIXED RATE CD	80,000.00		694.25 Aug 16						705.75 Feb 16					1,400.00
NEW YORK CMNTY BK NY US RT 00.2500% MAT 10/16/23 FIXED RATE CD	150,000.00				188.01 Oct 16									188.01
NUMERICA CREDIT UN WA US RT 04.9000% MAT 11/04/26 LICU SHARE CERTIFICATE	200,000.00	805.48 Jul 04	832.33 Aug 04	832.33 Sep 04	805.48 Oct 04	832.33 Nov 04	805.48 Dec 04	832.33 Jan 04	832.33 Feb 04	778.63 Mar 04	832.33 Apr 04	805.48 May 04	832.33 Jun 04	9,826.85
SALLIE MAE BANK UT US RT 01.9000% MAT 02/16/27 FIXED RATE CD	50,000.00		471.10 Aug 16						478.90 Feb 16					950.00
SYNCHRONY BANK UT US RT 01.2500% MAT 12/10/26 FIXED RATE CD	150,000.00						940.07 Dec 10						940.07 Jun 10	1,880.14
TECHNOLOGY CREDIT CA US RT 05.0000% MAT 01/21/25 CREDIT UNION SHARE CERT	248,000.00	1,019.18 Jul 19	1,053.15 Aug 19	1,053.15 Sep 19	1,019.18 Oct 19	1,053.15 Nov 19	1,019.18 Dec 19	1,053.15 Jan 19	1,053.15 Feb 19	985.21 Mar 19	1,053.15 Apr 19	1,019.18 May 19	1,053.15 Jun 19	12,433.97
TEXAS EXCHANGE BK TX US RT 00.5000% MAT 12/11/24 FIXED RATE CD	198,000.00	81.37 Jul 11	84.08 Aug 11	84.08 Sep 11	81.37 Oct 11	84.08 Nov 11	81.37 Dec 11	84.08 Jan 11	84.08 Feb 11	78.66 Mar 11	84.08 Apr 11	81.37 May 11	84.08 Jun 11	992.71
THIRD FED S&L ASSN OH US RT 00.2500% MAT 08/21/23 FIXED RATE CD	200,000.00		247.95 Aug 19											250.68
TOYOTA FINL SVGS B NV US RT 00.6000% MAT 08/12/24 FIXED RATE CD	250,000.00		743.84 Aug 12						756.16 Feb 12					1,500.00
UBS BANK UT US RT 00.5500% MAT 08/12/24 FIXED RATE CD	250,000.00	113.01 Jul 11	116.78 Aug 11	116.78 Sep 11	113.01 Oct 11	116.78 Nov 11	113.01 Dec 11	116.78 Jan 11	116.78 Feb 11	109.25 Mar 11	116.78 Apr 11	113.01 May 11	116.78 Jun 11	1,378.77
US TSY NOTE 00.125 % DUE 10/15/23 DTD 10/15/20 FC 04/15/21	500,000.00				312.50 Oct 15									312.50
US TSY NOTE 00.375 % DUE 12/31/25 DTD 12/31/20 FC 06/30/21	544,000.00						1,020.00 Dec 31						1,020.00 Jun 30	2,040.00
US TSY NOTE 00.875 % DUE 06/30/26 DTD 06/30/21 FC 12/31/21	300,000.00						1,312.50 Dec 31						1,312.50 Jun 30	2,625.00
US TSY NOTE 02.500 % DUE 04/30/24 DTD 04/30/22 FC 10/31/22	120,000.00				1,500.00 Oct 31						1,500.00 Apr 30			3,000.00
US TSY NOTE 02.625 % DUE 03/31/25 DTD 03/31/18 FC 09/30/18	110,000.00			1,443.75 Sep 30						1,443.75 Mar 31				2,887.50

Includes all fixed income securities in the selected portfolio.



Expected cash flow - from 07/01/2023 to 06/30/2024 (continued)

Interest payments

	Quantity	2023						2024						Total (\$)
		July	August	September	October	November	December	January	February	March	April	May	June	
US TSY NOTE 02.750 % DUE 05/15/25 DTD 05/15/22 FC 11/15/22	100,000.00					1,375.00 Nov 15						1,375.00 May 15		2,750.00
US TSY NOTE 02.875 % DUE 06/15/25 DTD 06/15/22 FC 12/15/22	100,000.00						1,437.50 Dec 15						1,437.50 Jun 15	2,875.00
US TSY NOTE 04.250 % DUE 09/30/24 DTD 09/30/22 FC 03/31/23	120,000.00			2,550.00 Sep 30						2,550.00 Mar 31				5,100.00
US TSY NOTE 04.375 % DUE 10/31/24 DTD 10/31/22 FC 04/30/23	120,000.00				2,625.00 Oct 31						2,625.00 Apr 30			5,250.00
USALLIANCE FED CRE NY US RT 00.5500% MAT 08/28/25 FIXED RATE CD	149,000.00	67.36 Jul 28	69.60 Aug 28	69.60 Sep 28	67.36 Oct 28	69.60 Nov 28	67.36 Dec 28	69.60 Jan 28	69.60 Feb 28	65.11 Mar 28	69.60 Apr 28	67.36 May 28	69.60 Jun 28	821.75
USALLIANCE FED CRE NY US RT 02.8500% MAT 04/27/27 FIXED RATE CD	100,000.00	234.25 Jul 27	242.05 Aug 27	242.05 Sep 27	234.25 Oct 27	242.05 Nov 27	234.25 Dec 27	242.05 Jan 27	242.05 Feb 27	226.44 Mar 27	242.05 Apr 27	234.25 May 27	242.05 Jun 27	2,857.81
WELLS FARGO BK NA SD US RT 02.7500% MAT 05/03/24 FIXED RATE CD	197,000.00	445.27 Jul 03	460.12 Aug 03	460.12 Sep 03	445.27 Oct 03	460.12 Nov 03	445.27 Dec 03	460.12 Jan 03	460.12 Feb 03	430.43 Mar 03	460.12 Apr 03	445.27 May 03		4,972.23
Total Interest payments		10,040	11,424	13,121	26,755	14,877	23,330	10,043	11,137	12,339	26,158	14,296	22,785	196,306

Taxable non-U.S. income

Interest payments

	Quantity	2023						2024						Total (\$)
		July	August	September	October	November	December	January	February	March	April	May	June	
BANK OF BARODA NY US RT 03.5500% MAT 12/28/23 FIXED RATE CD	250,000.00						4,449.66 Dec 28							4,449.66
STATE BANK OF INDI NY US RT 00.9500% MAT 05/19/26 FIXED RATE CD	248,000.00					1,187.68 Nov 19						1,174.77 May 19		2,362.45
STATE BK IL US RT 00.5000% MAT 09/22/25 FIXED RATE CD	200,000.00			504.11 Sep 22						498.63 Mar 22				1,002.74
Total Interest payments				504		1,188	4,450			499		1,175		7,815

	2023						2024						Total (\$)
	July	August	September	October	November	December	January	February	March	April	May	June	
Total Portfolio	10,040	11,424	13,625	26,755	16,065	27,780	10,043	11,137	12,838	26,158	15,470	22,785	204,121

Includes all fixed income securities in the selected portfolio.

House View: Executive summary

Month in review

- Financial markets have traded higher over the past month, led by large cap US stocks. The S&P 500 hit a one-year high, while treasury yields also rose.
- Persistent inflation, high rates, falling growth estimates, and heightened financial stress make the short-term risk-reward for markets unfavorable. We think a more constructive environment for risky assets will emerge later in 2023, and we see the longer-term return outlook for diversified investors as relatively good. We therefore focus on mitigating near-term downside risks, while maintaining upside exposure for the long-term.
- In our global asset allocation, we keep global equities at least preferred while fixed income is most preferred. At this stage of the cycle, we think bonds offer better value and lower volatility than equities.

US economic outlook



- Aggressive rate hikes by the Federal Reserve combined with bank failures earlier this year have caused credit conditions to tighten, although relatively few companies have completely lost access to financing. The pace of economic growth is likely to continue to slow, and recession risks are high. Balance sheets are unusually strong for this stage of the business cycle, which should help to prevent a severe downturn.
- Resilient growth has made it more difficult for the Fed to get inflation down toward its 2% target. While clearly down from its peak, the Fed needs to see more progress before it ends the rate hiking cycle. Supply chain issues have mostly been resolved, reducing inflationary pressure at the producer level, which should help retail price inflation.
- While many market participants believed the Fed to be done hiking after their pause, inflation remains elevated. The Fed's most recent dot plot suggests one or even two more hikes are likely this year. At the time of writing, markets are pricing in a total of one more rate hike in 2023 with cuts beginning in the first quarter of 2024.

Source: UBS, as of 26 June 2023

Report created on: July 02, 2023

Tactical preferences

Preferred Investment Views

Asset Classes	Most Preferred 	Least Preferred 
Equities	<ul style="list-style-type: none"> Emerging market equity Australia equity 	<ul style="list-style-type: none"> Global equities US equities US large-cap growth
Fixed income	<ul style="list-style-type: none"> Fixed income IG corporate bonds Agency MBS Preferreds EM hard currency FI 	
Foreign exchange	<ul style="list-style-type: none"> AUD 	<ul style="list-style-type: none"> USD
Real assets	<ul style="list-style-type: none"> Commodities Oil Gold 	
US sectors	<ul style="list-style-type: none"> Industrials Energy Consumer staples 	<ul style="list-style-type: none"> Financials Information technology Utilities

Economic forecasts (real GDP, in %)

	2021	2022	2023E
US	5.9	2.1	1.4
Eurozone	5.3	3.5	0.8
China	8.4	3.0	5.2
Latin America	6.8	3.7	1.9
World	6.5	3.4	2.8

The views expressed in this slide belong to CIO Americas, GWM



Disclosures applicable to accounts at UBS Financial Services Inc.

This section contains important disclosures regarding the information and valuations presented here. All information presented is subject to change at any time and is provided only as of the date indicated. The information in this report is for informational purposes only and should not be relied upon as the basis of an investment or liquidation decision. UBS FS account statements and official tax documents are the only official record of your accounts and are not replaced, amended or superseded by any of the information presented in these reports. You should not rely on this information in making purchase or sell decisions, for tax purposes or otherwise.

UBS FS offers a number of investment advisory programs to clients, acting in our capacity as an investment adviser, including fee-based financial planning, discretionary account management, non-discretionary investment advisory programs, and advice on the selection of investment managers and mutual funds offered through our investment advisory programs. When we act as your investment adviser, we will have a written agreement with you expressly acknowledging our investment advisory relationship with you and describing our obligations to you. At the beginning of our advisory relationship, we will give you our Form ADV brochure(s) for the program(s) you selected that provides detailed information about, among other things, the advisory services we provide, our fees, our personnel, our other business activities and financial industry affiliations and conflicts between our interests and your interests.

In our attempt to provide you with the highest quality information available, we have compiled this report using data obtained from recognized statistical sources and authorities in the financial industry. While we believe this information to be reliable, we cannot make any representations regarding its accuracy or completeness. Please keep this guide as your Advisory Review.

Please keep in mind that most investment objectives are long term. Although it is important to evaluate your portfolio's performance over multiple time periods, we believe the greatest emphasis should be placed on the longer period returns.

Please review the report content carefully and contact your Financial Advisor with any questions.

Portfolio: For purposes of this report "portfolio" is defined as all of the accounts presented on the cover page or the header of this report and does not necessarily include all of the client's accounts held at UBS FS or elsewhere.

Tax lots: This report displays security tax lots as either one line item (i.e., lumped tax lots) or as separate tax lot

level information. If you choose to display security tax lots as one line item, the total cost equals the total value of all tax lots. The unit cost is an average of the total cost divided by the total number of shares. If the shares were purchased in different lots, the unit price listed does not represent the actual cost paid for each lot. The unrealized gain/loss value is calculated by combining the total value of all tax lots plus or minus the total market value of the security.

If you choose to display tax lot level information as separate line items on the Portfolio Holdings report, the tax lot information may include information from sources other than UBS FS. The Firm does not independently verify or guarantee the accuracy or validity of any information provided by sources other than UBS FS. As a result this information may not be accurate and is provided for informational purposes only. Clients should not rely on this information in making purchase or sell decisions, for tax purposes or otherwise. See your monthly statement for additional information.

Pricing: All securities are priced using the closing price reported on the last business day preceding the date of this report. Every reasonable attempt has been made to accurately price securities; however, we make no warranty with respect to any security's price. Please refer to the back of the first page of your UBS FS account statement for important information regarding the pricing used for certain types of securities, the sources of pricing data and other qualifications concerning the pricing of securities. To determine the value of securities in your account, we generally rely on third party quotation services. If a price is unavailable or believed to be unreliable, we may determine the price in good faith and may use other sources such as the last recorded transaction. When securities are held at another custodian or if you hold illiquid or restricted securities for which there is no published price, we will generally rely on the value provided by the custodian or issuer of that security.

Estimated Annual Income: The Estimated Annual Income is the dividend/interest rate paid by the investment solely as of the date of this report, annualized yearly per share and multiplied by the quantity of shares held in the selected account(s). For Expected Cash Flow and Portfolio Holdings reports prior to June 23, 2023, savings products & sweep funds do not display such calculations and instead, values are displayed as N/A. For all other reports, Estimated Annual Income for savings products & sweep funds is not calculated or factored into aggregate calculations and will be displayed as 0.

Current Yield: Current yield calculations display the current yield of the investment solely as of the date of this report, is defined as the estimated annual income divided by the total market value. For Portfolio Holdings

report generated prior to June 23, 2023, savings products & sweep funds do not include such information and instead, values are displayed as N/A. For all other reports, Current Yield for savings products & sweep funds is not calculated or factored into aggregate calculations and will be displayed as 0.

Bond Rating: These ratings are obtained from independent industry sources and are not verified by UBS FS. Securities without rating information are left blank. Rating agencies may discontinue ratings on high yield securities.

NR: When NR is displayed under bond rating column, no ratings are currently available from that rating agency.

High Yield: This report may designate a security as a high yield fixed income security even though one or more rating agencies rate the security as an investment grade security. Further, this report may incorporate a rating that is no longer current with the rating agency. For more information about the rating for any high yield fixed income security, or to consider whether to hold or sell a high yield fixed income security, please contact your financial advisor or representative and do not make any investment decision based on this report.

Credit/Event Risk: Investments are subject to event risk and changes in credit quality of the issuer. Issuers can experience economic situations that may have adverse effects on the market value of their securities.

Interest Rate Risk: Bonds are subject to market value fluctuations as interest rates rise and fall. If sold prior to maturity, the price received for an issue may be less than the original purchase price.

Reinvestment Risk: Since most corporate issues pay interest semiannually, the coupon payments over the life of the bond can have a major impact on the bond's total return.

Call Provisions: When evaluating the purchase of a corporate bond, one should be aware of any features that may allow the issuer to call the security. This is particularly important when considering an issue that is trading at a premium to its call price, since the return may be negatively impacted if the issue is redeemed. Should an issue be called, investors may be faced with an earlier than anticipated reinvestment decision, and may be unable to reinvest their principal at equally favorable rates.

Effective Maturity: Effective maturity is the expected redemption due to pre-refunding, puts, or maturity and does not reflect any sinking fund activity, optional or extraordinary calls. Securities without a maturity date are left blank and typically include Preferred Securities, Mutual Funds and Fixed Income UITs.

Yields: Yield to Maturity and Yield to Worst are calculated to the worst call.

Accrued Interest: Interest that has accumulated between the most recent payment and the report date may be reflected in market values for interest bearing securities.

Bond Averages: All averages are weighted averages calculated based on market value of the holding, not including accrued interest.

Tax Status: "Taxable" includes all securities held in a taxable account that are subject to federal and/or state or local taxation. "Tax-exempt" includes all securities held in a taxable account that are exempt from federal, state and local taxation. "Tax-deferred" includes all securities held in a tax-deferred account, regardless of the status of the security.

Taxability unknown: Taxability unknown items may include, but not to be limited to, Money Market interest, ordinary interest, and ordinary dividends. The value shown for interest bearing securities that have been deposited or received in your account includes accrued interest, where applicable.

Cash Flow: This Cash Flow analysis is based on the historical dividend, coupon and interest payments you have received as of the Record Date in connection with the securities listed and assumes that you will continue to hold the securities for the periods for which cash flows are projected. The attached may or may not include principal paybacks for the securities listed. These potential cash flows are subject to change due to a variety of reasons, including but not limited to, contractual provisions, changes in corporate policies, changes in the value of the underlying securities and interest rate fluctuations. The effect of a call on any security(s) and the consequential impact on its potential cash flow(s) is not reflected in this report. Payments that occur in the same month in which the report is generated -- but prior to the report run ("As of") date -- are not reflected in this report. In determining the potential cash flows, UBS FS relies on information obtained from third party services it believes to be reliable. UBS FS does not independently verify or guarantee the accuracy or validity of any information provided by third parties. Although UBS FS generally updates this information as it is received, the Firm does not provide any assurances that the information listed is accurate as of the Record Date. Cash flows for mortgage-backed, asset-backed, factored, and other pass-through securities are based on the assumptions that the current face amount, principal pay-down, interest payment and payment frequency remain constant. Calculations may include principal payments, are intended to be an estimate of future projected interest cash flows and do not in any way guarantee accuracy.



Disclosures applicable to accounts at UBS Financial Services Inc. (continued)

Expected Cash Flow reporting for Puerto Rico

Income Tax Purposes: Expected Cash Flow reporting may be prepared solely for Puerto Rico income tax purposes only. If you have received expected cash flow reporting for Puerto Rico income tax purposes only and are NOT subject to Puerto Rico income taxes, you have received this reporting in error and you should contact your Financial Advisor immediately. Both the Firm and your Financial Advisor will rely solely upon your representations and will not make the determination of whether you are subject to Puerto Rico income taxes. If you have received this reporting and you are NOT subject to Puerto Rico income taxes, the information provided in this reporting is inaccurate and should not be relied upon by you or your advisers. Neither UBS FS nor its employees or associated persons provide tax or legal advice. You should consult with your tax and/or legal advisors regarding your personal circumstances.

Bond sensitivity analysis: This analysis uses Modified Duration which approximates the percentage price change of a security for a given change in yield. The higher the modified duration of a security, the higher its risk. For callable securities, modified duration does not address the impact of changing interest rates on a bond's expected cash flow as a result of a call or prepayment.

Gain/Loss: The gain/loss information may include calculations based upon non-UBS FS cost basis information. The Firm does not independently verify or guarantee the accuracy or validity of any information provided by sources other than UBS FS. In addition, if this report contains positions with unavailable cost basis, the gain/(loss) for these positions are excluded in the calculation for the Gain/(Loss). As a result these figures may not be accurate and are provided for informational purposes only. Clients should not rely on this information in making purchase or sell decisions, for tax purposes or otherwise. Rely only on year-end tax forms when preparing your tax return. See your monthly statement for additional information.

Accounts Included in this Report: The account listing may or may not include all of your accounts with UBS FS. The accounts included in this report are listed under the "Accounts included in this review" shown on the first page or listed at the top of each page. If an account number begins with "@" this denotes assets or liabilities held at other financial institutions. Information about these assets, including valuation, account type and cost basis, is based on the information you provided to us, or provided to us by third party data aggregators or custodians at your direction. We have not verified, and are not responsible for, the accuracy or completeness of this information.

Account name(s) displayed in this report and labels used

for groupings of accounts can be customizable "nicknames" chosen by you to assist you with your recordkeeping or may have been included by your financial advisor for reference purposes only. The names used have no legal effect, are not intended to reflect any strategy, product, recommendation, investment objective or risk profile associated with your accounts or any group of accounts, and are not a promise or guarantee that wealth, or any financial results, can or will be achieved. All investments involve the risk of loss, including the risk of loss of the entire investment.

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- 1) Have there been any changes to your financial situation or investment objectives?
 - 2) Would you like to implement or modify any restrictions regarding the management of your account?
- If the answer to either question is "yes," it is important that you contact your Financial Advisor as soon as possible to discuss these changes. For MAC advisory accounts, please contact your investment manager directly if you would like to impose or change any investment restrictions on your account.

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STAFF REPORT

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: Nitish Sharma, Finance Consultant

DATE: August 15, 2023

SUBJECT: Update to Master Fee Schedule

RECOMMENDED ACTION

The City Council:

1. Conduct a public hearing for certain fees pursuant to Government Code, section 66018; and
2. Consider adoption of a resolution amending the Book of Fees for various regulatory activities, products, and services.

BACKGROUND

Revenue from fees and charges represents about \$405,977, or 5.9%, of the City's total operating revenue. Accordingly, each year departments review their fee schedules as they relate to their costs for providing regulatory activities, products, and services. Any proposed fee adjustments are brought forward to Council for consideration. During this review, departments also examine the need for new fees. These are brought forward at the same time for Council consideration.

The City's fee program has three key principles: (1) avoidance of large increases from time to time by adopting smaller annual increases; (2) establishment of fees that are reflective of the City's actual costs and are reasonable as determined by similar municipalities; and (3) ensure communication of our policies and programs to developers to foster understanding and feedback.

ANALYSIS

Since the passage of Proposition 26, (1) fees cannot exceed the cost of providing services; and, (2) individual customers paying for these fees cannot be charged for more than the services they receive, meaning they cannot be overcharged to subsidize fees for other customers. Included in the analysis of each of the proposed Book of Fees changes below is an explanation of the proposed change in compliance with Proposition 26.

- A. Citywide Fee Reimbursement Recovery Rate: A huge part of the fee update is the calculation of the fully burden labor rate. The proposed cost of labor reimbursement rate is developed based on salaries and benefits, operations and maintenance to support the delivery of services, and the administrative overhead to support the departments delivering the services. Each of the components of the fully burdened labor rate analysis is described below:
1. Salaries and Benefits: The City team and the consultant have developed a labor cost analysis based on the current employee census data file. This census data file includes employees title, salary/wages, and healthcare benefits. The census data file also includes any compensation or benefits (compensatory) as part of the labor agreements. The base salary/wages are based on the salary/wages information posted on the City's website. (https://claytonca.gov/fc/human-resources/Salary%20Schedule%20FY23_REVISED.pdf)
 2. Operating Expense Multiplier: Each Department has operating expenses that support the delivery of services. As part of the analysis, the operating expenses are distributed to each department based on the type of services provided. For example, the Finance Department provides support to Community Development Department to manage and record fees, process accounts payables, payroll and other functions as deemed appropriate and reasonable. Only a portion of the Finance Department costs can be applied to the Community Development as the Department supports other functional areas of the City. The type of expenses included in this category are listed below:
 - General Supplies
 - Books/Periodicals
 - Dues and Subscriptions
 - Telecommunications
 - Travel/Training
 - Conferences/Meetings
 - Education & Training
 - Recording Fees
 - Legal Notices
 - Legal Services (if related to fees, these costs are billed directly to the vendor)
 - Other Professional Services (if related to fees, these costs are billed directly to the vendor)
 - Unemployment Compensation
 - Recruitment/Pre-employment
 - Office Supplies/Expense
 - Postage
 - Printing and Binding
 - Rentals/Leases – Copiers and Other Equipment
 - Telecommunications/Technology Expenses
 - Insurance Premiums as allocated to different departments
 - Employee Recognition
 3. General Support Services Cost Multiplier: The General Support Services includes the costs from the Administrative Services Department to support the Departments delivering the services. Only the portion of the Administrative Services Departments costs are allocated using the percentage of the fee revenues received when compared to the total revenue budget. The type of expenses included in this category are listed below:
 - Regular Salaries
 - Temporary Salaries
 - Overtime
 - Long/Short Term Disability Insurance

- PERS Retirement-Normal Cost
- Workers' Compensation
- Unemployment Compensation
- FICA Taxes
- Benefit Insurance
- Materials and Supplies
- Training and Education

B. Community Development Fees

The Community Development fees includes some fees that are charged to the initial deposits received from the project applicant. There are other fees that have direct fee charge upon submission of the permit application. The proposed fees for the Community Development are attached for the Council's consideration.

C. Police Department Fees

The Police Department fees are only charged if the services are provided and benefits an individual or organization. Most of the police services are provided and funded from the general revenues (property taxes, sales taxes, etc.).

D. Facility and Rental Fees

Facility and rental fees are based on the time utilized by the maintenance staff to ensure that the facilities are clean and ready for the next event.

E. Clayton Community Park Fees

Clayton Community Park Fees are charged for events or other functions that require a permit and reservation. These events require the services of the Maintenance Division and a portion of the Administrative Division to ensure that the park facility is clean and maintained.

F. Special Event Fees/Street Closure

The Special Event Fees are charged for events at different sites. These events usually require significant staff resources and city owned assets to meet the event requirements. The City has not been very active in this area when collecting fees from the impacts of the events. It is important to note that the City needs to develop a policy on special event/street closure applications to ensure that the definitions and intent of the fees adheres to the Councils goals and objectives.

On June 26, 2023, the City Council provided direction to staff to adjust the City of Clayton based nonprofit organization fees to be set 30% and the non-Clayton based nonprofit fee be set at 15% below the normal fees. The Special Event Fees attached to this report has been adjusted appropriately.

G. Administrative Fees

Administrative Fees are allocated and charged to individuals or organizations receiving services that are not normally covered by the general revenues.

The City staff is estimating an annual increase of \$36,000 to the fee revenues based on the current year activities. The fee adjustments will help off-set the actual cost of providing services to individual or certain organizations that seek various City services.

Environmental Considerations

The City Council's consideration of fee adjustments is not a project under the California Environmental Quality Act (CEQA) pursuant to CEQA Guideline 15378 as it constitutes a government fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

Coordination and Review

The update to the Book of Fees schedules is a citywide project.

Budget/Cost Impact

The estimate revenue from the adoption of these fees will increase the General Fund Budget by approximately \$36,000.

ATTACHMENTS

1. Resolution 23-xx: Adoption of the Master Fee Schedule
2. City of Clayton Book of Fee Schedule: Citywide Service/Reimbursement Fees
3. Community Development Fees
4. Police Department Fees
5. Facility and Rental Fees
6. Clayton Community Park Fees
7. Special Event Fees
8. Administrative Fees

RESOLUTION NO. XX-2023

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLAYTON, COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA, AMENDING THE BOOK OF FEES TO ADOPT FEES FOR VARIOUS CITY REGULATORY ACTIVITIES, PRODUCTS AND/OR SERVICES

WHEREAS, the City of Clayton ("City") City Council has the authority to establish fees or service charges which do not exceed the reasonable cost of various regulatory activities or providing various products or services; and

WHEREAS, the City Council has exercised this authority by adopting a resolution establishing the City of Clayton Master Fee Schedules; and

WHEREAS, the City maintains separate funds for administrative facilities, police, cultural/recreational, community development; and

WHEREAS, this Book of Fees is amended from time to time to reflect changes in the cost of enforcing regulatory activities or providing certain products or services; and

WHEREAS, the City Council wishes to amend the Book of Fees to adopt fees for various City services and permits which more closely relate to actual costs.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Clayton, California, does hereby find the following:

Section 1: Recitals: The foregoing recitals are true and correct and are incorporated herein by this reference.

Section 2: Findings: The City Council finds the following:

- A. The City Council finds that as required by California Government Code, section 66016, it has held at least one public meeting at which oral or written presentations could be made, as a part of a regularly scheduled meeting, and that notice of the time and place of the meeting, including a general explanation of the matter to be considered, and a statement that the data of this matter is available for review and a first class mailing was made to anyone filing a written request at least fourteen (14) days in advance of the public meeting.
- B. The City made publicly available the data indicating the amount of cost, or estimated cost, required to provide the service for which the fees or charges are to be imposed, and the revenue sources anticipated to provide the service at least ten (10) days prior to the date of the public meeting.
- C. The City further finds that certain fees included in the City of Clayton Book of Fees require adoption pursuant to Government Code, section 66018. As such, the City has held a duly noticed public hearing at which all oral and written presentations were made as part of a regularly scheduled meeting. Prior to holding said public hearing, the City published notice in a newspaper of general circulation at least ten (10) days prior to the date of the public hearing pursuant to Government code, section 6062a. Said notice provided that the public hearing would be held on August 15, 2023 at 7:00pm in Hoyer Hall, Clayton Community Library, 6125 Clayton Road, Clayton, California and included a general explanation of the matter to be considered.
- D. The City Council hereby finds, based on the information and documents prepared for and presented to the City Council to support this action, that the rates, fees, charges and costs are

for the purpose of and necessary for (a) meeting operating expenses, including employee wage rates and fringe benefits, (b) purchasing or leasing supplies, equipment, or materials, (c) meeting financial reserve needs and requirements, and (d) obtaining funds necessary for the operations and maintenance of City property and facilities.

- E. The City Council finds that the fees specified by this Resolution do not exceed the cost of providing the product or service or the regulation for which the fee is imposed.
- F. The various modifications to the fee and fine schedules attached hereto and incorporated by reference herein are hereby approved and adopted by the City Council and adopted into the City of Clayton Book of Fees.
- G. Any fees or charges that have been previously adopted by resolution of the City Council and which are not being modified in the Book of Fees attached hereto are incorporated for ease of reference only and without modifying or amending such fees or charges or the underlying approvals in any manner.

Section 3: Effective Date: This resolution shall take effect sixty (60) days after adoption.

Section 4: Severability. If any section, subsection, sentence, clause, phase, or portion of this Resolution is for any reason held invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Resolution. The City Council hereby declares that it would have passed this Resolution and each section, subsection, sentence, clause, or phase thereof irrespective of the fact that any one of or more sections, subsections, clauses, or phases be declared unconstitutional on their face or as applied.

PASSED, APPROVED and ADOPTED by the City Council of Clayton, California at a regular public meeting thereof held on the 15th day of August 2023 was introduced and passed at a regular meeting of the Clayton City Council by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED:

Janet Calderon, City Clerk

Jeff Wan, Mayor

CITY OF CLAYTON- BOOK OF FEES		
ATTACHMENT 2		
DESCRIPTION OF FEES		
CITYWIDE STAFF HOURLY REIMBURSEMENT FEES		
Departments	Position	Cost Reimbursement Fee Rate/ Hour
Admin/Finance	Accounting Technician	\$ 56
Community Dev	Assistant Planner	\$ 90
Admin/Finance	Assistant to the City Manager	\$ 72
Endeavor Hall	Attendant	\$ 16
Police	Chief of Police	\$ 131
Admin/Finance	City Clerk	\$ 63
Admin/Finance	City Manager	\$ 142
Community Dev	Community Development Director	\$ 136
Admin/Finance	Finance Director	\$ 132
PW/Mtn	Maintenance Senior	\$ 75
PW/Mtn	Maintenance Supervisor	\$ 87
PW/Mtn	Maintenance Worker I	\$ 63
PW/Mtn	Maintenance Worker II	\$ 67
Admin/Finance	Office Assistant/Code Officer	\$ 42
Police	Police Administrative Clerk	\$ 51
Police	Police Office Coordinator	\$ 59
Police	Police Officers	\$ 97
Police	Police Officers (PEPRA)	\$ 79
Police	Police Sergeant (PEPRA)	\$ 105
Police	Police Sergeant	\$ 117

CITY OF CLAYTON- BOOK OF FEES			
	ATTACHMENT 3		
	DESCRIPTION OF FEES	CURRENT FEES	PROPOSED FEES
PLANNING AND DEVELOPMENT FEES			
ANNEXATION			
	Annexation - This fee may include the items as illustrated below.	Time - \$5,000 minimum deposit	Actual Cost - \$5,000 minimum deposit
	Local Agency Formation Commission		Actual Costs
	Legal Costs for City plus 15% administrative overhead		Actual Costs
	City Engineering Costs plus 15% administrative overhead		Actual Costs
	Pre-annexation fees (legal costs, engineering cost and other City costs)		Actual Costs
GENERAL PLAN /ZONING ORDINANCE FEES			
	General Plan Map or Text Amendment	Time - \$5,000 minimum deposit	Actual Cost- \$5,000 minimum deposit
	Pre Zoning / Re Zoning	Time - \$5,000 minimum deposit	Actual Cost - \$5,000 minimum deposit
	Zoning Ordinance Text Amendment	Time - \$5,000 minimum deposit	Actual Cost- \$5,000 minimum deposit
	Site Plans / Development Plans		
	Site Plan Review Permit - Residential	Time - \$1,000 minimum deposit	Actual Cost- \$1,000 minimum deposit
	Site Plan Review Permit - Residential Amendment	Time - \$1,000 minimum deposit	Actual Cost- \$1,000 minimum deposit
	Site Plan Review Permit - Non Residential	Time - \$5,000 minimum deposit	Actual Cost - \$5,000 minimum deposit
	Site Plan Review Permit - Non Residential Amendment	Time - \$2,000 minimum deposit	Actual Cost- \$2,000 minimum deposit
	Development Plan	Time - \$5,000 minimum deposit	Actual Cost- \$5,000 minimum deposit
New	Development Services Agreement - Negotiating, processing, reviewing, drafting, and finalizing development agreements including, but not limited to development, disposition, and owner participation agreement and related documents.		Actual Cost- \$5,000 minimum deposit
SUBDIVISIONS			
	Tentative Subdivision Map Application	Time - \$5,000 minimum deposit	Actual Cost - \$5,000 minimum deposit
	Lot Line Adjustment	Time - \$1,000 minimum deposit	Actual Cost- \$2,500 minimum deposit
	Lot Merger	Time - \$2,000 minimum deposit	Actual Cost - \$2,500 minimum deposit
SUBDIVISIONS			
	Tentative Parcel Map Application	Time - \$2,000 minimum deposit	Actual Cost - \$2,000 minimum deposit
ENVIRONMENTAL REVIEW			
	Environmental Impact Report	Time - \$5,000 minimum deposit	Actual Cost - \$5,000 minimum deposit
	Negative Declaration with Mitigations (Mitigated Neg. Dec.)	Time - \$2,500 minimum deposit	Actual Cost- \$2,500 minimum deposit
	Negative Declaration without Mitigations	Time - \$2,000 minimum deposit	Actual Cost - \$2,000 minimum deposit
	Mitigation Monitoring and Reporting Plan	Included with Mitigated Neg Dec/ EIR	Included with Mitigated Neg Dec/ EIR

CITY OF CLAYTON- BOOK OF FEES			
	ATTACHMENT 3		
	DESCRIPTION OF FEES	CURRENT FEES	PROPOSED FEES
	Categorical Exemption	County filing fee + Time	
New	County Recorder Fees https://www.contracostavote.gov/recorder/recording-fees/recorder-fee-schedule/		Actual cost
New	Staff Time based on the Citywide Fee Reimbursement Schedule		Actual cost
New	Mileage Costs (To and From) per IRS rate established (https://www.irs.gov/newsroom/irs-issues-standard-mileage-rates-for-2023-business-use-increases-3-cents-per-mile)		2023 IRS Rate: 65.5 cents per mile
PERMITS			
	Home Occupation Permit - Administrative Review	\$216	\$237
	Home Occupation Permit - Planning Commission Review	Time - \$750 minimum deposit	Actual Cost - \$750 minimum deposit
	Use Permit - Fences Administrative Review	\$216	\$293
	Use Permit - Residential - Planning Commission Review	Time - \$1,000 minimum deposit	Actual Cos - \$1,000 minimum deposit
	Use Permit - Non- Residential - Planning Commission Review	Time - \$5,000 minimum deposit	Actual Costs - \$2,000 minimum deposit
	Temporary Use Permit - Administrative Review	\$216	\$660
	Temporary Use Permit - Planning Commission Review	Time \$500 minimum deposit	Actual Cost- \$1,000 minimum deposit
	Sign Permit - Administrative Review	\$70	\$90
	Sign Permit - Planning Commission Review	Time - \$1,000 minimum deposit	Actual Cost- \$1,000 minimum deposit
	Temporary Storage Permit	\$70	\$90
	Accessory Dwelling Unit (ADU) Permit - Administrative Review	\$360	\$372
	Tree Removal Permit - Administrative Review Without Notice (Minimum)	\$43	\$45
	Tree Removal Non-Compliance Penalty (Admin Review Without Notice)	\$43	\$135
	Tree Removal Permit - Administrative Review with Notice (per tree - minimum applies see below)	\$65	\$135
	Tree Removal Non-Compliance Penalty (Notice Required)	\$143	\$259
	Tree Removal Permit - Planning Commission Review	Time - \$500 minimum deposit	Actual Cost - \$500 minimum deposit
	Tree Replacement In-Lieu Fee (CMC §15.70.040 F & 15.70.55) (per 24" box tree)	\$840	\$840
	Building Moving Permit	Time - \$1,000 minimum deposit	Actual Cost - \$1,000 minimum deposit
	Noise Permit - Administrative Review	\$216	\$383
	Reasonable Accommodations Permit - Administrative Review	\$216	\$338
	Reasonable Accommodations Permit - Planning Commission Review	Time - \$500 minimum deposit	Actual Cost- \$600 minimum deposit
	Outdoor Seating Permit (CMC §17.24.020 - H/Standard Policy No 3)	\$112	\$112
MISCELLANEOUS			

CITY OF CLAYTON- BOOK OF FEES			
	ATTACHMENT 3		
	DESCRIPTION OF FEES	CURRENT FEES	PROPOSED FEES
	Variance - Residential	Time - \$1,000 minimum deposit	Actual Cost - \$1,000 minimum deposit
	Variance - Non Residential	Time - \$5,000 minimum deposit	Actual Cost - \$2,000 minimum deposit
New	Pre-application review of development of 2 hours (additional hours will be based on actual costs). Two hour Minimum : \$272 (additional hours at \$136/hour).		Actual Cost- \$2,500 minimum deposit
New	Community Facility District or Other Assessment District formation fees		Actual Cost- \$8,000 minimum deposit
	Appeal - Administrative Decisions	\$70	\$90
	Appeal-Administrative Code Enforcement Citation	Time - \$1,800 minimum deposit	Actual Cost- \$1,800 minimum deposit
	Appeal - Planning Commission Decisions - Residential	\$360	\$375
	Appeal - Planning Commission Decisions - Non Residential	\$723	\$753
	Initial Fees- Appeals to Planning Commission Decisions - Non Residential	\$723	Actual Costs- \$1,500 minimum deposit
	Time Extension Request	Time - \$500 minimum deposit	Actual Cost - \$500 minimum deposit
	Contract Administration	Time - \$1,000 minimum deposit	Actual Cost - \$1,000 minimum deposit
	Large Family Day Care Home Permit	Time - \$500 minimum deposit	Actual Cost - \$500 minimum deposit
	Pre Application Consultation Deposit	Time - \$1,000 minimum deposit	Time - \$1,000 minimum deposit
New	Technology Fee: A technology fee shall be charged as an additional permit fee for structures requiring full plan review. The amount of this fee shall be 8% of the fee charged per the total valuation of the project. The fee shall be used for permit document scanning costs, expansion of the city's EGovernment and Geographical Information System (GIS) programs, along with their operating and maintenance costs		8% of total permit fees
CONSTRUCTION AND DEMOLITION (C&D) RECYCLING PLANS			
	Permit processing Fee - Single Family	\$186	\$203
	Permit processing Fee - Commercial & Multifamily	\$376	\$417
	Mgmt. Plan Deposit - Single Family (Minor Projects Including: re-roof, additions, remodeling, tenant improvements, etc.)	\$1,000 plus \$1/sq. ft. overs 2,000 sq. ft.	\$1,000 plus \$1/sq. ft. overs 2,000 sq. ft.
	Mgmt. Plan Deposit - Single Family (New Construction) per unit	\$2,000 plus \$1/sq. ft. over 2,000 sq. ft.	\$2,000 plus \$1/sq. ft. over 2,000 sq. ft.
	Mgmt. Plan Deposit - Commercial & Multifamily (New Construction)	\$2,000 plus \$1/sq. ft. over 2,000 sq. ft.	\$2,000 plus \$1/sq. ft. over 2,000 sq. ft.
HABITAT CONSERVATION AREA COMPLIANCE			

CITY OF CLAYTON- BOOK OF FEES			
	ATTACHMENT 3		
	DESCRIPTION OF FEES	CURRENT FEES	PROPOSED FEES
	Habitat Conservation Plan/Natural CC Plan	Time - \$1,000 minimum deposit	Time - \$1,000 minimum deposit
	CITY ENGINEERING DEPARTMENT		
	Bid or Plan Sets	Actual Cost	Actual Cost
	Deed Restriction / Covenant Agreement Preparation (Does not include recordation extra cost. See Administrative Fees.)	\$533	\$562
	SUBDIVISION		
	Final Map Filing Fee (per map)	\$878	\$915
	Final Map Checking Fee	Time - \$2,500 minimum deposit	Time - \$5,000 minimum deposit
	Construction Plans Checking Fee	Time - \$2,500 minimum deposit	Time - \$5,000 minimum deposit
	Construction Inspection Fee - Public Improvements	9% of Bond Estimates	9% of Bond Estimates
	Construction Inspection Fee - Private Improvements	9% of Bond Estimates	9% of Bond Estimates
	Construction Inspection Fee - Sanitary Sewer	3% of Bond Estimates	3% of Bond Estimates
	PARCEL MAPS		
	Final Parcel Map Filing Fee (per map)	\$174	\$182
	Final Parcel Map Plan Checking Fee	Time - \$1,000 minimum deposit	Time - \$2,500 minimum deposit
	Construction Plan Checking Fee	Time - \$1,000 minimum deposit	Time - \$2,500 minimum deposit
	Construction Inspection Fee - Public Improvements	9% of Bond Estimates	9% of Bond Estimates
	Construction Inspection Fee - Private Improvements	9% of Bond Estimates	9% of Bond Estimates
	Construction Inspection Fee - Sanitary Sewer	3% of Bond Estimates	3% of Bond Estimates
	MAJOR GRADING		
	Grading Permit Filing Fee (per permit)	\$263	\$275
	Grading Permit Plan Check	Time - \$1,000 minimum deposit	Time - \$2,500 minimum deposit
	Grading Inspection	Time - \$1,000 minimum deposit	Time - \$2,500 minimum deposit
	MINOR CONSTRUCTION ACTIVITY PERMITS (INCLUDING ENCROACHMENT)		
	Projects that do not disturb the ground (i.e. interior remodels, roof replacement, etc.) (per permit + time - \$500 minimum deposit)	\$159	\$166
	Room additions (including other projects that disturb the ground) (per permit + time - \$2,400 minimum deposit)	\$159	\$166
	Minor concrete repairs or replacement (i.e. sidewalks, curb & gutter) (per permit + time - \$1,000 minimum deposit)	\$294	\$307

CITY OF CLAYTON- BOOK OF FEES			
	ATTACHMENT 3		
	DESCRIPTION OF FEES	CURRENT FEES	PROPOSED FEES
	New driveway construction or replacement (Work may require the granting of additional street right of way requiring the preparation of grant deed and recordation. See Deed Restriction/Covenant Agreement Preparation fee above and Document Recording fee in Administrative Fees section.) (per permit + time - \$2,400 minimum deposit). The fees is based on 2.25 hours of services being provided. The City will charge actual costs for any time outside the base time allocated in this fee item.	\$289	\$302
	Pool installation or total removal of existing pool (requires inspection and testing by applicant's third party soils engineer) (per permit + time - \$2,400 minimum deposit) The fees is based on 2.25 hours of services being provided. The City will charge actual costs for any time outside the base time allocated in this fee item.	\$294	\$307
	Partial removal of existing pool (Work requires a grading permit and the preparation and recording of a restricted use covenant. See Deed Restriction/Covenant Agreement Preparation fee above and Document Recording fee in Administrative Fees section.) (per permit + time - \$2,400 minimum deposit) The fees is based on 2.25 hours of services being provided. The City will charge actual costs for any time outside the base time allocated in this fee item.	\$294	\$307
	Wireless Installation Encroachment Permit	Time - \$2,000 minimum deposit	Time - \$2,500 minimum deposit
	Transportation Permit Fee (single trip)- State of California Fixed Fee	\$16	\$16
New	Transportation Permit Fee (annual) State of California Fixed Fee		\$90
	MAJOR CONSTRUCTION ACTIVITY PERMITS		
	Major Construction Activity Permit (per permit)	\$83	\$104
	Major Plan Check	Time- \$2,500 minimum deposit	Time- \$2,500 minimum deposit
	Major Inspection	Time- \$2,500 minimum deposit	Time- \$2,500 minimum deposit
	Cash Bond Major Encroachments (may be surety if more than \$10,000)	Per City Engineer	
	Cash Bond Major Encroachments (may be surety if more than \$10,000)- Administrative Fee		\$124.00 plus Actual Costs
	POST CONSTRUCTION STORMWATER COMPLIANCE		

CITY OF CLAYTON- BOOK OF FEES			
	ATTACHMENT 3		
	DESCRIPTION OF FEES	CURRENT FEES	PROPOSED FEES
	Post construction Annual Verification Inspection - Individual Single Family Lot Non-HOA (per lot)	\$280	\$304
	Post construction Annual Verification Inspection - Single Family HOA (per HOA - first 10 lots)	\$280	\$394
	Post construction Annual Verification Inspection - Single Family HOA (per HOA - additional lots >10)	\$78	\$90
	Post construction Annual Verification Inspection - Commercial (per acre - min. 1 acre)	\$280	\$394
	Documentation Compliance Review Fee - Individual Single Family (per lot)	\$280	\$394
	DOCUMENTATION COMPLIANCE REVIEW FEES- HOA (PER HOA)		
	- First 10 lots	\$280	\$394
	- Each additional lot after 10th	\$80	\$90
	Documentation Compliance Review Fee - Commercial (per acre - min. 1 acre)	\$280	\$394
	Annual State Reporting preparation/filing Fee - Individual Single Family Lot (per lot)	\$100	\$124
	Annual State Reporting preparation/filing Fee - Single Family HOA (per HOA)	\$195	\$205
	Annual State Reporting preparation/filing Fee - Commercial (per acre - min. 1 acre)	\$195	\$205
	SPECIAL SERVICE FEES		
New	Inspection Outside Normal Business Hours: 1.5 times rate of Inspector		Actual Costs
New	Permit Research Letter: Building Official 1/2 hour time		Actual Costs
New	Issuance of Temporary Certificate of Occupancy, first extension of 30 days		\$350
New	Issuance of Duplicate Certificate of Occupancy		\$50
New	Reinspection when work for which inspection has been called and is not ready: Building Official approved hourly rate. Minimum 1 hour		\$136
New	Contract services: The City hires a number of consultant to support the City's Community Development functions. Some of the contract services are the City Engineer and Legal support. The City will pass-through the costs of any consultant that is hired to support any of the Community Development functions with the actual costs plus the administrative overhead of 15% to support the management and oversight of the contractors.		Actual Costs + Administrative Service Fee of 15%
	PUBLIC WORKS SERVICE FEES		
New	Labor Rates - Actual Reimbursement Rate as published in the Citywide Reimbursement Schedule		Actual Costs

CITY OF CLAYTON- BOOK OF FEES			
	ATTACHMENT 3		
	DESCRIPTION OF FEES	CURRENT FEES	PROPOSED FEES
New	Equipment Rates: 2 hour minimum, unless noted otherwise. Rates established per the California Department of Transportation. https://dot.ca.gov/programs/construction		Actual Costs
	OTHER FEE UPDATES		
New	Annual Fee Update: The City will update these costs annually based on the annual Consumer Price Index (CPI) Change for "All Items". April to April Year. San Francisco Bay Area Average CPI. Base Year April 2023 CPI was 4.2%. Fees that are set by regulatory agencies and are not in the City's fee program will not be adjusted with the CPI.		Annual Escalator

CITY OF CLAYTON- BOOK OF FEES			
	ATTACHMENT 4		
	DESCRIPTION OF FEES	CURRENT FEES	PROPOSED FEES
POLICE SERVICE FEES			
	Residential Alarm System Registration Fee (per residential unit)	\$36.00	\$38.00
	Commercial Alarm System Registration Fee (per commercial occupancy)	\$74.00	\$78.00
	Vehicle Release (per vehicle - cash, credit, debit only)	\$186.00	\$194.00
	Police Reports (per report)	\$35.00	\$37.00
	VIN Verification (per vehicle)	\$49.00	\$52.00
	Clearance Letters (Notary fee extra. See Administrative Fees section) (per letter)	\$36.00	\$38.00
	Police Enforcement on Party Ordinance (CMC §6.19.040)	Time - Maximum \$500	Time - Maximum \$500
	Police Enforcement of DUI Involving Accident (CA Vehicle Code §53150-53158)	Time - Maximum \$12,000	Time - Maximum \$12,000
	City Alcohol Beverage Permit	\$70.00	\$73.00
	Booking Fees - Fees set by County or pursuant to Agreement with the City of Concord	County or agreement w/ Concord	Eliminate (Not allowed per law)
	False Alarm Fee (Fixed per City Ordinance 9.18.060(a)(b))	\$52.00	\$50.00
	Tobacco Sales Permit (City Ordinance 8.16.130)	\$107.00	\$107.00
	Tobacco Sales Permit Fee Renewal (City Ordinance 8.16.130)	\$52.00	\$52.00
	Taxicab Permit Fee (City Ordinance 5.36.050) (per taxicab)	\$364.00	\$364.00
	Taxicab Permit Fee - Renewal (City Ordinance 5.36.190) (per taxicab)	\$135.00	\$135.00
	Subpoena Duces Tecum (Per CA Evidence Code 1563)	\$24/hr, \$6/qtr hr.	\$24/hr, \$6/qtr hr.
	Repossession Filing Fee (Fixed per CA Gov Code Sec 41612)	\$15.00	\$15.00
	Witness Fees per California Gov. Code §68096.1 if City Employee subpoenaed (per employee subpoena per day + IRS reimbursement min. rate per CA Gov. Code)	\$288.00	\$275.00
	Administrative Fee for Failure to Display Disabled Placards per vehicle code §40226 (per violation)	\$31.00	\$33.00

CITY OF CLAYTON- BOOK OF FEES			
	ATTACHMENT 4		
	DESCRIPTION OF FEES	CURRENT FEES	PROPOSED FEES
	Firearms Seizure and Processing Fee (per violation)	\$144.00	\$151.00
	RV Public parking Permit Fee - Bona fide guest of Clayton Resident (per permit)	\$36.00	\$38.00
	RV Public Parking Permit Fee - Clayton Resident	No charge	No charge
	Solicitation Permit (Not including live scan. Applicant pays for Live scan directly to Live scan entity) (per permit)	\$95.00	\$99.00
	Citation Sign off for correctable offenses - Non Resident (per citation)	\$30.00	\$32
	Citation Sign off for correctable offenses - Resident	No charge	No charge
	Late Fee- Parking Violations (per citation)	\$49.00	\$52
	California Vehicle Code: (Actual Fine + \$15 Add-		
New	V.C. Section 4000A Expired Registration		\$54.00
New	V.C. Section 5204a Wrong Registration Displayed		\$54.00
OTHER FEE UPDATES			
New	Annual Fee Update: The City will update these costs annually based on the annual Consumer Price Index (CPI) Change for "All Items". April to April Year. San Francisco Bay Area Average CPI. Base Year April 2023 CPI was 4.2%. Fees that are set by regulatory agencies and are not in the City's fee program will not be adjusted with the CPI.		Annual Escalator

CITY OF CLAYTON- BOOK OF FEES			
	ATTACHMENT 5		
	DESCRIPTION OF FEES	CURRENT FEES	PROPOSED FEES
FACILITIES AND PARKS RENTAL			
	Library Meeting Room - Hoyer Hall		
	Non-profit (Non-Clayton Based) (per hour)	\$59.00	\$73.00
	Non-profit (Clayton Based) (per hour)	\$31.00	\$39.00
	Resident (per hour)	\$72.00	\$89.00
	Non resident or Commercial (per hour)	\$90.00	\$112.00
	Deposit (for all) - clean up/damage - refundable (per rental)	\$217.00	\$300.00
	Reservation rental time change (same date) (less than 7 calendar days prior to use date)	\$49.00	\$61.00
	Reservation rental date change (less than 7 calendar days prior to use date)	\$64.00	\$80.00
	Rental Cancellation Fee (30 or more days prior to event)	\$31.00	\$39.00
	Rental Cancellation Fee (15-29 days prior to event)	50% refund and \$30 processing fee	50% refund and \$42 processing fee
	Rental Cancellation Fee (14 days or less)	No refund	No refund
	Endeavor Hall Meeting Room		
	Non-profits (Non-Clayton-based Weekdays) (per hour Sun 5pm - Fri 5pm)	\$57.00	\$76.00
	Non-profits (Clayton-based Weekdays) (per hour Sun 5pm - Fri 5pm)		
	Gross annual revenue ≤ \$10,000 (up to 3 days/year)	\$0.00	\$0.00
	Gross annual revenue > \$10,000 or Gross annual revenue ≤ \$10,000 (more than 3 days per year)	\$11.40	\$16.00
	Clayton-based non-profit only (maximum daily weekday rental)	\$144.00	\$190.00
	Non-profits (Non-Clayton-based Weekends) (per hour Fri 5pm - Sun 5pm)	\$216.00	\$285.00
	Non-profits (Clayton-based Weekends) (per hour Fri 5pm - Sun 5pm)		
	Gross annual revenue ≤ \$10,000 (up to 3 days/year)	\$0.00	\$0.00
	Gross annual revenue > \$10,000 or Gross annual revenue ≤ \$10,000 (more than 3 days per year)	\$43.20	\$57.00
	Resident - Weekdays (per hour Sun 5pm - Fri 5pm)	\$144.00	\$190.00
	Non-resident or Commercial - Weekdays (per hour Sun 5pm - Fri 5pm)	\$173.00	\$229.00
	Resident - Weekends (per hour Fri 5pm - Sun 5pm)	\$216.00	\$285.00

CITY OF CLAYTON- BOOK OF FEES			
	ATTACHMENT 5		
	DESCRIPTION OF FEES	CURRENT FEES	PROPOSED FEES
	Non-resident or Commercial - Weekends (per hour Fri 5pm - Sun 5pm)	\$260.00	\$344.00
	Deposit (all) - no alcohol (clean up/damage per reservation)	\$500.00	\$500.00
	Deposit (all) - with alcohol (clean up/damage per reservation)	\$1,000.00	\$1,000.00
	Reservation rental time change (same date) (less than 30 days prior to the event)	\$49.00	\$65.00
	Reservation rental date change (less than 90 days prior to event)	\$64.00	\$85.00
	Rental Cancellation Fee (181 or more days prior to event)	95% reservation fee and \$30 processing fee	95% reservation fees refund and \$42 processing fee
	Rental Cancellation Fee (91 - 180 days prior to event)	75% deposit refund and \$30 processing fee	75% reservation fees refund and \$42 processing fee
	Rental Cancellation Fee (61 - 90 days prior to event)	50% deposit refund and \$30 processing fee	50% reservation fees refund and \$42 processing fee
	Rental Cancellation Fee (31 - 60 days prior to event)	25% deposit refund and \$30 processing fee	25% reservation fees refund and \$42 processing fee
	Rental Cancellation Fee (30 days or less prior to event)	No refund	No refund
	City Hall Courtyard		
	Non-profit (Clayton-based or non-Clayton-based non profits) (per hour)	\$59.00	\$110.00
	Resident (per hour)	\$72.00	\$134.00
	Non-resident or Commercial (per hour)	\$90.00	\$168.00
	Deposit (clean up/damage per reservation)	\$100.00	\$150.00

CITY OF CLAYTON- BOOK OF FEES			
	ATTACHMENT 5		
	DESCRIPTION OF FEES	CURRENT FEES	PROPOSED FEES
	Reservation rental time change (same date) (less than 7 calendar days prior to use date)	\$49.00	\$92.00
	Reservation rental date change (less than 7 calendar days prior to use date)	\$64.00	\$120.00
	Rental Cancellation Fee (30 or more days prior to event)	\$31.00	\$58.00
	Rental Cancellation Fee (15-29 days prior to event)	50% refund and \$30 processing fee	50% refund and \$42 processing fee
	Rental Cancellation Fee (14 days or less)	No refund	No refund
	OTHER FEE UPDATES		
New	Annual Fee Update: The City will update these costs annually based on the annual Consumer Price Index (CPI) Change for "All Items". April to April Year. San Francisco Bay Area Average CPI. Base Year April 2023 CPI was 4.2%. Fees that are set by regulatory agencies and are not in the City's fee program will not be adjusted with the CPI.		Annual Escalator

CITY OF CLAYTON- BOOK OF FEES						
ATTACHMENT 6						
DESCRIPTION OF FEES	CURRENT FEES	Employee Classification	Hourly Rate	Number of Hours	PROPOSED FEES	
FACILITIES AND PARKS RENTAL						
PICNIC AREA						
Picnic Area #2 - Resident (flat fee for 4 hours block)	\$22	Maint Work II	\$67	2.0	\$134	
Picnic Area #2 - Non Resident or Commercial (flat fee for 4 hour block)	\$31	Maint Work II	\$67	2.8	\$189	
Picnic Area #3 - Resident (flat fee for 4 hours block)	\$22	Maint Work II	\$67	2.0	\$134	
Picnic Area #3 - Non Resident or Commercial (flat fee for 4 hour block)	\$31	Maint Work II	\$67	2.8	\$189	
Picnic Area #4 - Resident (flat fee for 4 hour block)	\$52	Maint Work II	\$67	2.0	\$134	
Picnic Area #4 - Non Resident or Commercial (flat fee for 4 hour block)	\$67	Maint Work II	\$67	2.8	\$189	
Picnic Area #5 - Resident (6 separate areas)		Maint Work II	\$67	2.0	\$134	
- 1st 2 tables - flat fee for 4 hours block (per table)	\$43	Maint Work II	\$67	1.0	\$67	
- Each additional table - flat fee for 4 hour block (per table)	\$7	Maint Work II	\$67	0.5	\$34	
Deposit (all) - no alcohol (clean up/damage per reservation)					\$500	
Deposit (all) - with alcohol (clean up/damage per reservation)					\$1,000	
Extra Trash Pick Up and Maintenance Fee					Actual Costs	
Picnic Area #6 Resident (Large Group Area) (per day)	\$360	Maint Work I/II/Temp	\$64	8.9	\$569	
Picnic Area #6 Resident (Large Group Area) (per hour - 4 hr min)	\$43	Maint Work II	\$67	3.0	\$201	
Picnic Area #6 Non Resident or Commercial (Large Group Area) (per day)	\$469	Maint Work I/II/Temp	\$77	8.9	\$683	
Picnic Area #6 Non Resident or Commercial (Large Group Area) (per hour - 4 hr min)	\$60	Maint Work I/II/Temp	\$80	3.0	\$242	
Picnic Area #5 & #6 Combined - Resident (per day)	\$577	Maint Work I/II/Temp	\$64	12.0	\$769	
Picnic Area #5 & #6 Combined - Resident (per hour - 4 hr min)	\$70	Maint Work I/II/Temp	\$67	5.0	\$335	
Picnic Area #5 & #6 Combined - Non Resident or Commercial (per day)	\$751	Maint Work I/II/Temp	\$101	8.9	\$898	
Picnic Area #5 & #6 Combined - Non Resident or Commercial (per hour - 4 hr. min)	\$94	Maint Work I/II/Temp	\$97	3.0	\$291	
Picnic Area #7 - Resident (per 4 hour block)	\$57	Main Work II	\$67	4.0	\$268	
Picnic Area #7 - Non Resident or Commercial (flat fee for 4 hour block)	\$72	Main Work II	\$80	4.0	\$322	
Reservation rental time change (same date) (less than 7 calendar days prior to use date)	\$49				\$230	
Reservation rental date change (less than 7 calendar days prior to use date)	\$64				\$179	
Rental Cancellation Fee (30 or more days prior to event)	\$31				\$145	
Rental Cancellation Fee (15-29 days prior to event)	50% refund and \$30 processing fee			0.5	50% refund and \$42 processing fee	
Rental Cancellation Fee (14 days or less)	No refund				No refund	
Rain out	Reschedule to				Reschedule to	
Sports Fees						
Adult Sports Field Rental (per hour per field)	\$43		\$50	1.0	\$50	
Youth Sports Field Rental (per hour per field)	\$24				\$28	
Field Rental Change of Time, Same Date (less than 7 calendar days prior to use date)	\$49				\$57	
Field Rental Change of Date (less than 7 calendar days prior to use date)	\$64				\$75	

CITY OF CLAYTON- BOOK OF FEES						
ATTACHMENT 6						
	DESCRIPTION OF FEES	CURRENT FEES	Employee Classification	Hourly Rate	Number of Hours	PROPOSED FEES
	Field Rental Cancellation	No refund less than 14 days prior to use				No refund less than 14 days prior to use
	Rain out	Reschedule to alt. date at no additional cost (no refund)				Reschedule to alt. date at no additional cost (no refund)
	Grove Park and Related Facilities					
	Entire Facility Security Deposits	\$1,800				\$1,800
	Entire Facility Security Deposits	Events closing street (i.e.: either Main or Center etc.) \$2,200				Events closing street (i.e.: either Main or Center etc.) \$2,200
	Gazebo only Rental Security Deposit	\$271				\$271
	Amplified Sound Equipment Use Fee (Noise Permit also required) (per hour) - damage/security deposit if using City sound equip	\$1,000				\$1,000
	Amplified Sound Equipment Use Fee (Noise Permit also required) (per hour)	\$31		\$42	1.0	\$42
	City provided Sound Equipment Tech if needed for use of City equip	cost				Actual Costs
	Reservation rental time change (same date) (less than 7 calendar days prior to use date)	\$49				\$66
	Reservation rental date change (less than 7 calendar days prior to use date)	\$64				\$87
	Rental Cancellation Fee (30 or more days prior to event)	\$31				\$42
	Rental Cancellation Fee (15-29 days prior to event)	50% refund and \$30 processing fee				50% refund and \$42 processing fee
	Rental Cancellation Fee (14 days or less)	No refund				No refund
	Rain out	Reschedule to alt. date at no additional cost (no refund)				Reschedule to alt. date at no additional cost (no refund)
	ENTIRE GROVE PARK FACILITY					
	Rental Entire Facility - Resident -- Weekends (per hour)	\$216	Maint Work I/II/Temp	\$101	3	\$302
	Rental Entire Facility - Resident -- Weekends (per day)	\$1,734	Average of 6.5 Hours Costs			\$1,982
	Rental Entire Facility - Non-profit (verification req'd) -- Weekends (per hour)	\$216	Maint Work I/II/Temp	\$101	3	\$302
	Rental Entire Facility - Non-profit (verification req'd) -- Weekends (per day)	\$1,734	Average of 6.5 Hours Costs			\$1,982
	Rental Entire Facility - Non-resident or Commercial - Weekends (per hour)	\$260	Maint Work I/II/Temp	\$121	3	\$363
	Rental Entire Facility - Non-resident or Commercial Weekends (per day)	\$2,081	Average of 6.5 Hours Costs			\$2,379
	Rental Entire Facility - Resident -- Weekdays (per hour)	\$144	Maint Work I/II/Temp	\$67	3	\$201

CITY OF CLAYTON- BOOK OF FEES						
ATTACHMENT 6						
	DESCRIPTION OF FEES	CURRENT FEES	Employee Classification	Hourly Rate	Number of Hours	PROPOSED FEES
	Rental Entire Facility - Resident -- Weekdays (per day)	\$1,156	Average of 6.5 Hours Costs			\$1,321
	Rental Entire Facility - Non-profit (verification req'd) -- Weekdays (per hour)	\$144	Maint Work I/II/Temp	\$67	3	\$201
	Rental Entire Facility - Non-profit (verification req'd) -- Weekdays (per day)	\$1,128	Average of 6.5 Hours Costs			\$1,321
	Rental Entire Facility - Non-resident or Commercial	\$173	Maint Work I/II/Temp	\$80	3	\$242
	Rental Entire Facility - Non-resident or Commercial -- Weekdays (per day)	\$1,526	Average of 6.5 Hours Costs			\$1,586
	GAZEBO ONLY					
	Rental Gazebo only -Resident - Weekends (per hour)	\$151	Maint Work I/II/Temp	\$116	1.6	\$185
	Rental Gazebo only -Resident - Weekends (per day)	\$1,214	Average of 4.2 Hours Costs			\$777
	Rental Gazebo only -Non-profit (verification req'd) - Weekends (per hour)	\$151	Maint Work I/II/Temp	\$116	1.6	\$185
	Rental Gazebo only -Non-profit (verification req'd) - Weekends (per day)	\$1,214	Average of 4.2 Hours Costs			\$777
	Rental Gazebo only - Non-resident or Commercial Weekends (per hour)	\$181	Maint Work I/II/Temp	\$139	1.6	\$222
	Rental Gazebo only - Non-resident or Commercial - Weekends (per day)	\$1,456	Average of 4.2 Hours Costs			\$932
	Rental Gazebo only -Resident - Weekdays (per hour)	\$107	Maint Work I/II/Sup	\$77	1.6	\$123
	Rental Gazebo only -Resident - Weekdays (per day)	\$433	Average of 4.2 Hours Costs			\$518
	Rental Gazebo only -Non-profit (verification req'd) - Weekdays (per hour)	\$107	Maint Work I/II/Temp	\$77	1.6	\$123
	Rental Gazebo only -Non-profit (verification req'd) - Weekdays (per day)	\$433	Average of 4.2 Hours Costs			\$518
	Rental Gazebo only - Non-resident Weekdays (per hour)	\$128	Maint Work I/II/Temp	\$92	1.6	\$147
	Rental Gazebo only - Non-resident or Commercial-Weekdays (per day)	\$520	Average of 4.2 Hours Costs			\$622
	GROUP PICNIC AREA (NEAR TOT LOT)					
	Group Picnic Area - Resident - Weekends (per hour - 4 hour minimum)	\$36	Maint Work I	\$95	1.5	\$143
	Group Picnic Area - Resident - Weekends (per day)	\$250	Average of 3.5 Hours Costs			\$497
	Group Picnic Area - Non-profit (verification req'd) - Weekends (per hour - 4 hour minimum)	\$36	Maint Work I	\$95	1.5	\$143
	Group Picnic Area - Non-profit (verification req'd) - Weekends (per day)	\$250	Average of 3.5 Hours Costs			\$497
	Group Picnic Area - Non-resident or Commercial - Weekends (per hour - 4 hour minimum)	\$43	Maint Work I	\$113	1.5	\$172
	Group Picnic Area - Non-resident or Commercial - Weekends (per day)	\$302	Average of 3.5 Hours Costs			\$597

CITY OF CLAYTON- BOOK OF FEES						
	ATTACHMENT 6					
	DESCRIPTION OF FEES	CURRENT FEES	Employee Classification	Hourly Rate	Number of Hours	PROPOSED FEES
	Group Picnic Area - Resident - Weekdays (per hour - 4 hour minimum)	\$30	Maint Work I	\$63	1.5	\$95
	Group Picnic Area - Resident - Weekdays (per day)	\$231	Average of 3.5 Hours Costs			\$331
	Group Picnic Area - Non-profit (verification req'd) - Weekdays (per hour - 4 hour minimum)	\$30	Maint Work I	\$63	1.5	\$95
	Group Picnic Area - Non-profit (verification req'd) - Weekdays (per day)	\$231	Average of 3.5 Hours Costs			\$331
	Group Picnic Area - Non-resident or Commercial - Weekdays (per hour - 4 hour minimum)	\$30	Maint Work I	\$63	1.5	\$95
	Group Picnic Area - Non-profit (verification req'd) - Weekdays (per day)	\$231	Average of 3.5 Hours Costs			\$331
	Group Picnic Area - Non-resident or Commercial - Weekdays (per hour - 4 hour minimum)	\$35	Maint Work I	\$76	1.5	\$114
	Group Picnic Area - Non-resident or Commercial - Weekdays (per day)	\$277	Average of 3.5 Hours Costs			\$397
	PLAZA PICNIC AREA (PER TABLE)					
	Plaza Picnic Area - Resident - Weekends (per hour - 4 hour minimum)	\$36	Maint Work I	\$95	1.5	\$143
	Plaza Picnic Area - Resident - Weekends (per day)	\$250	Average of 3.5 Hours Costs			\$497
	Plaza Picnic Area - Non-profit (verification req'd) - Weekends (per hour - 4 hour minimum)	\$36	Maint Work I	\$95	1.5	\$143
	Plaza Picnic Area - Non-profit (verification req'd) - Weekends (per day)	\$250	Average of 3.5 Hours Costs			\$497
	Plaza Picnic Area - Non-resident or Commercial - Weekends (per hour - 4 hour minimum)	\$43	Maint Work I	\$113	1.5	\$172
	Plaza Picnic Area - Non-resident - or Commercial - Weekends (per day)	\$302	Average of 3.5 Hours Costs			\$597
	Plaza Picnic Area - Resident - Weekdays (per hour - 4 hour minimum)	\$30	Maint Work I	\$63	1.5	\$95
	Plaza Picnic Area - Resident - Weekdays (per day)	\$231	Average of 3.5 Hours Costs			\$331
	Plaza Area - Non Profit (verification req'd) - Weekdays (per hour - 4 hour minimum)	\$30	Maint Work I	\$63	1.5	\$95
	Plaza Picnic Area - Non-profit (verification req'd) - Weekdays (per day)	\$231	Average of 3.5 Hours Costs			\$331
	Plaza Picnic Area - Non-resident or Commercial - Weekdays (per hour - 4 hour minimum)	\$35	Maint Work I	\$76	1.5	\$114
	Plaza Picnic Area - Non-resident or Commercial - Weekdays (per day)	\$277	Average of 3.5 Hours Costs			\$397
	Fountain operation with geysers (per 48 hour block)	\$468	Average of 3.5 Hours Costs			\$513
	Special Event Liability Insurance Administrative Fee (per certificate)	\$43	Maint Work I/II/Temp	\$56	1.0	\$56
	OTHER SPECIAL SERVICES					

CITY OF CLAYTON- BOOK OF FEES						
	ATTACHMENT 6					
	DESCRIPTION OF FEES	CURRENT FEES	Employee Classification	Hourly Rate	Number of Hours	PROPOSED FEES
New Fee	Trash Disposal Fee (if needed)					\$200
New Fee	Facility Attendant Fee : Maintenance Worker I or II and Other City Staff					Actual Costs
	OTHER FEE UPDATES					
New	Annual Fee Update: The City will update these costs annually based on the annual Consumer Price Index (CPI) Change for "All Items". April to April Year. San Francisco Bay Area Average CPI. Base Year April 2023 CPI was 4.2%. Fees that are set by regulatory agencies and are not in the City's fee program will not be adjusted with the CPI.					Annual Escalator

CITY OF CLAYTON- BOOK OF FEES			
ATTACHMENT 7			
	DESCRIPTION OF FEES	CURRENT FEES	PROPOSED FEES
SPECIAL EVENT FEES			
	Preapplication Meeting with the City Staff		Required
	Special Event Permit/Application Process (non refundable) - events closing streets (Main or Center etc.) + other permit fees:TUP/NP	\$359	
	Special Event Permit Fees	\$144	
	Small events- (0-99 participants) Cul-De-Sac Block Parties		
	Application Fees (non-refundable)		\$42
	Small events permit fees - (0-99 participants)		\$250
	Special Event Fees		
	Application Fees (non-refundable)		\$42
	Special Event Notification (included in the Application Fees)		Included above
	City Staff Reimbursement Fees- Based on the Citywide Reimbursement Fee Schedule		Actual Costs
	Minimum Deposit (Required)		\$1,000
	Special Event Fees per day and paid in advance		
	Event (100-499 participants) -		\$700
	Event (500-999 participants) -		\$1,300
	Event (1000-2499 participants) -		\$3,500
	Event (3000-4999 participants) -		\$6,000
	Event (5,000 + participants)		\$10,000
	Extra Trash Fee		Actual Costs
	Special Event Fees per day and paid in advance - Clayton Based Nonprofit		
	Event (100-499 participants) -		490
	Event (500-999 participants) -		910
	Event (1000-2499 participants) -		2,450
	Event (3000-4999 participants) -		4,200
	Event (5,000 + participants)		7,000
	Extra Trash Fee		Actual Costs
	Special Event Fees per day and paid in advance - Non Clayton Based Nonprofit		
	Event (100-499 participants) -		595
	Event (500-999 participants) -		1,105
	Event (1000-2499 participants) -		2,975
	Event (3000-4999 participants) -		5,100
	Event (5,000 + participants)		8,500

CITY OF CLAYTON- BOOK OF FEES			
	ATTACHMENT 7		
	DESCRIPTION OF FEES	CURRENT FEES	PROPOSED FEES
SPECIAL EVENT FEES			
	Extra Trash Fee		Actual Costs
	OTHER FEE UPDATES		
New	Annual Fee Update: The City will update these costs annually based on the annual Consumer Price Index (CPI) Change for "All Items". April to April Year. San Francisco Bay Area Average CPI. Base Year April 2023 CPI was 4.2%. Fees that are set by regulatory agencies and are not in the City's fee program will not be adjusted with the CPI.		Annual Escalator

CITY OF CLAYTON- BOOK OF FEES			
	ATTACHMENT 8		
	DESCRIPTION OF FEES	CURRENT FEES	PROPOSED FEES
ADMINISTRATIVE FEES			
	Document Copying (10 pages or less)	No charge	Eliminate
	Document Copying- Charges of less than \$1.00 will be waived		
	Document Copying (per page > 10 pages)	\$0.10	Eliminate
New	8½"x11" and 8½"x14" per page 11"x17" per page		\$0.20
New	C size drawing (18"X24")		\$0.25
New	D size drawing (24"X36")		\$2.10
New	E size drawing (36"X48")		\$4.20
New	Any size not listed – per square foot of paper or any fraction thereof		\$8.40
	Document Recording [with County Clerk Recorders Office] (Actual recording fee costs plus staff time & mileage) (per document)	\$150.00	
	Country Recorder Fees https://www.contracostavote.gov/recorder/recording-fees/recorder-fee-schedule/		Actual costs
	Staff Time based on the Citywide Fee Reimbursement Schedule		Actual costs
	Mileage Costs (To and From) per IRS rate established (https://www.irs.gov/newsroom/irs-issues-standard-mileage-rates-for-2023-business-use-increases-3-cents-per-mile)		2023 IRS Rate: 65.5 cents per mile
	Trail Maps (Fixed - per map)	\$2.00	\$2.00
	Video/Audio Recording(s) of City Council or Planning Commission Meetings (placed on CD, DVD, flash drive, etc. as applicable)	Cost	Actual Costs
	Printed documents (i.e. general plan, budget, zoning ord., etc.)	Cost	Actual Costs
	Video Recordings of Meetings	Cost	Actual Costs
	FPPC Document Copying (per page - State law) (per page)	\$0.10	\$0.10
	Notary Public Fee (per document - State law) (per document)	\$15.00	\$15.00
	Business License Initial Registration Fee - New Business	\$70.00	\$70.00
	Duplicate Business License Fee (CMC \$5.04.790)	\$13.00	\$13.00
	First Returned Check Service Charge - Fixed	\$25.00	
New	Returned Check Service Charge - Actual Cost from the City's Financial Institution		\$35
New	Administrative Fee (Staff) - Charge to returned checks to collect payment again		\$28
	Subsequent Returned Check Service Charge - Fixed	\$37.00	Eliminate
New	Late Payment Charges for Administrative Fines of original fine for every 30 days or portion thereof. The Late Payment Charge shall not exceed 100 percent (100%) of the original fine.	10%	10%
New	Release of Claim of Lien (in addition to fee imposed by the County)		County Recorder Fees plus \$28 City Fees

CITY OF CLAYTON- BOOK OF FEES			
	ATTACHMENT 8		
	DESCRIPTION OF FEES	CURRENT FEES	PROPOSED FEES
ADMINISTRATIVE FEES			
New	Credit Card Convenience Fees: the credit card convenience fee shall be 3% of the transaction amount. This fee shall be applied to all credit card transactions and fee schedules where credit cards may be used except payment of utility charges or Parks and Recreation activity fees. There is no fee to pay by e-check or debit card.		3%
	Administrative penalty for City issued permits after the fact (encroachment permit; tree removal permit, etc.)	Double the original permit fee	Double the original permit fee
	Code Enforcement non-compliance re-inspection after the first inspection (in addition to any citation fines) (per inspection)	\$5.00	\$ 21.00
OTHER FEE UPDATES			
New	Annual Fee Update: The City will update these costs annually based on the annual Consumer Price Index (CPI) Change for "All Items". April to April Year. San Francisco Bay Area Average CPI. Base Year April 2023 CPI was 4.2%. Fees that are set by regulatory agencies and are not in the City's fee program will not be adjusted with the CPI.		Annual Escalator



STAFF REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: Bret Prebula, City Manager

DATE: August 15, 2023

SUBJECT: Provide Staff Direction on Utilizing both ClearGov Transparency and Continuing to Post Accounts Payable Information Every Two Weeks on the Agenda

RECOMMENDATION

Provide staff direction on utilizing both ClearGov Transparency and continuing to post accounts payable information every two weeks on the agenda.

BACKGROUND

In March 2022, the City Council approved the software license with ClearGov. The purpose of the software was multifaceted as it was/is intended to be the City's budget development tool, digital budget book, and transparency portal. Today's requested discussion is around the transparency portal segment of the ClearGov software. With our small administrative and finance staff the City needs to use technology to our advantage. Since the purchase and implementation of the transparency portal, approximately a year plus in use, the ClearGov transparency portal has been available and utilized by the public. The software allows the user, through a simple interface, to review accounts payable by date range, vendor, or item description. Additionally, the accounts payable information can be downloaded by the user into excel if that format is easier for the individual to use. This type of transparency portal continues to be the standard utilized by many agencies throughout the State of California.

DISCUSSION

As staff continues to evaluate the foundational work that needs to occur in various areas of the organization one variable that continues to be clear is the need to be as efficient as possible. Transitioning the operational culture of the organization will be a vital step to moving city operations to a long-term sustainable place. Currently, the City has a redundant process of posting accounts

payable as an agenda item within the City Council agenda packet every two weeks which is the exact same information available on ClearGov 24 hours a day, with much more detail and flexibility.

Since the public has had ClearGov for some time, it is staff's desire to eliminate the redundant process of posting the accounts payable every two weeks to the agenda. Staff's reasons for this request are as follows:

- Staff believe only utilizing ClearGov meets the City Council's desire for continued transparency and operational efficiency.
- An operational culture change is occurring; staff would like to look to technology to save time, improve the efficiency of service delivery, and improve staff's working environment. Being consistent in this approach is important to staff as ongoing changes occur in the coming months and years.
- ClearGov offers significantly more information and flexibility than the static agenda item information, increasing transparency.
- ClearGov can be accessed 24 hours a day; the agenda item report is only available every two weeks (current process).
- The section of the community that may have access issues to a computer or the internet would have the same difficulty in reviewing the agenda item report or the ClearGov report, thus the redundancy doesn't assist with this specific issue. Staff will work with the library on promoting ClearGov as individuals without access to the internet or computers can log on through library access.

Although it is staff's desire to only utilize ClearGov transparency moving forward, if Council desires to keep the redundant process, staff would request the information only be provided in the agenda on a quarterly basis, with the ongoing goal of phasing it out altogether within the next 6 months.

FISCAL IMPACT

This action does not provide any additional fiscal impact, but the ability to continually foster an efficient and effective operation will allow for long term savings/cost avoidance. Eliminating as many redundancies as possible will be one of the key factors in improving the culture of efficiency throughout the City.



STAFF REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: Janet Calderon, City Clerk

DATE: August 15, 2023

SUBJECT: Designation of Voting Delegate and Alternate Delegate for League of California Cities 2023 Annual Conference being held September 20 through 22, in Sacramento and the City's position on League Conference General Resolutions (*documents were not available at the time of publishing, and will be provided as a supplemental document, if available*)

RECOMMENDATION

Consider designating a City Council member as the Voting Delegate and one member as the Alternate to represent the City of Clayton during the 2023 League of California Cities Annual Business Meeting.

BACKGROUND

The League of California Cities' Annual Conference is scheduled for September 20-22 in Sacramento. A Business Meeting will take place on September 22.

League Bylaws provide that each City is entitled to one vote in matters affecting municipal or League policy. Per the attached Annual Conference Voting Procedures, a City official must have in possession the City's Voting Card and be registered with the Credentials Committee to cast that City's vote. A voting card will be issued to the City officials designated by the City Council on the attached Voting Delegate Form.

Conference registration is required for voting delegates. The League Conference General Resolutions were not available at the time of publication, and will be provided as a supplemental document when available.

FISCAL IMPACT

Staff is recommending covering the cost of Registration, transportation and lodging for the Voting Delegate and alternate.

The cost of conference registration is \$700 per person for the full event plus the cost of transportation and hotel. The one-day registration for Friday's voting session is \$350.

Attachment

A. League of California Cities Annual Conference Voting Procedures (4 pages)

NOTE: The League Conference General Resolutions were not available at the time of publication, and will be provided as a supplemental document when available.