



MINUTES
CITY COUNCIL
CITY OF SOUTH SAN FRANCISCO

REGULAR MEETING
MUNICIPAL SERVICES BUILDING
COUNCIL CHAMBERS
33 ARROYO DRIVE
SOUTH SAN FRANCISCO, CA

WEDNESDAY, AUGUST 14, 2019
7:00 p.m.

CALL TO ORDER

7:00 p.m.

ROLL CALL

Present: Councilmembers Addiego, Nagales and Nicolas, Vice Mayor Garbarino, and Mayor Matsumoto.

PLEDGE OF ALLEGIANCE

Mayor Matsumoto led the Pledge of Allegiance.

AGENDA REVIEW

None.

ANNOUNCEMENTS FROM STAFF

Community Programs Manager Boles provided brief report regarding the National Night Out events on August 6, 2019. She reported a total of eight (8) neighborhoods participated in the event. Manager Boles invited the community to the Clean Cars For All Electric Vehicle Showcase this Saturday, August 17, 2019 at 718 Tennis Drive from 10:00 a.m. to 2:00 p.m.

PRESENTATIONS

- 1. Proclamation affirming that the City of South San Francisco is working with the County of San Mateo and committed to ensuring a complete and accurate count of the South San Francisco population in the upcoming 2020 Census. (Karyl Matsumoto, Mayor)**

Mayor Matsumoto presented Megan Gosch, Census Management Analyst from the San Mateo County Manager's Office with a proclamation.

Ms. Gosch thanked the City Council for the proclamation. She advised the citizenship question would not be on the Census survey. Ms. Gosch reported having community action teams divided up for the eight (8) regions in San Mateo County.

PUBLIC COMMENTS

Mina Richardson addressed the City Council and issued a community message regarding the transition into by district elections in the South San Francisco Unified School District. She encouraged the community to submit new district lines and be part of the process.

Tom Carney addressed the City Council and expressed his gratitude for those residents that participated in the National Night Out event. He also thanked City staff for making the event a huge success.

COUNCIL COMMENTS/REQUESTS

Councilmember Nicolas thanked the South San Francisco Fire Department for conducting the Special Needs Safety Fair. She advised attending the South San Francisco Unified School District meeting and welcomed the new teachers. Councilmember Nicolas attended Movies in the Park on Saturday and also attended the Pistahan Parade with Councilmember Nagales in San Francisco showcasing the Filipino Culture. She invited everybody to attend the South San Francisco Woman's Conference on September 14, 2019 from 9:30 a.m. to 4:30 p.m. at 307 Walnut Avenue, South San Francisco.

Councilmember Nagales discussed attending the National Night Out event and thanked the communities that participated in the event. Councilmember Nagales stated an issue that was discussed during National Night Out was Centennial Village and asked staff to provide an update on the recent developments.

Deputy Director of Economic and Community Director Selander stated staff issued a soft demolition permit for the interior of the building on August 9, 2019.

Councilmember Nagales queried when City Council would potentially see the vacant storefront ordinance. Deputy Director Selander stated the City Attorney's Office provided a memo of a few legislative options they could pursue and was also working with other agencies to see what they have done in the past.

Councilmember Nagales requested an update to Council on the status of the shopping cart ordinance in form of a Thursday memo. He attended the After School Program orientation and gave a shout-out to Laura Armanino, Childcare Supervisor for doing a great job facing 500 parents and answering their questions regarding their kids. Councilmember Nagales suggested placing hand sanitizing stations at Orange Park. He reported that today was the first day of school and reminded everyone to be careful when driving.

Vice Mayor Garbarino stated National Night Out was a smashing success and thanked all those that participated. He gave a shout-out to Eunejune Kim, Public Works Director for addressing a long list of issues submitted by a resident.

Councilmember Addiego echoed the kind words of the other Councilmembers pertaining to the National Night Out event. He stated concerns regarding the exterior condition of an old bowling alley building. Councilmember Addiego congratulated Assistant City Manager Ranals on her new promotion and for being an employee of South San Francisco for 39 years.

CONSENT CALENDAR

The City Clerk duly read the Consent Calendar, after which Council voted and engaged in discussion of specific items as follows: Vice Mayor Garbarino pulled Item 3. Mayor Matsumoto pulled Item 4.

2. Motion to approve the Minutes for the meetings on June 26, 2019, July 9, 2019 and July 10, 2019.
3. Motion confirming payment registers for August 14, 2019. (Janet Salisbury, Director of Finance)
4. Report regarding Resolution No. 104-2019 authorizing acceptance of a \$75,000 grant from the Sunlight Giving Foundation, via the South San Francisco Public Library Foundation, to support the capital improvement project for the New Main Library. (Valerie Sommer, Library Director)
5. Report regarding adoption of Ordinance No. 1584-2019 adding Chapter 8.70 "Property Owner Obligations With Respect to Tenants Displaced from Unsafe or Substandard Units" to the South San Francisco Municipal Code. (Kris Romasanta, Community Development Coordinator)

Motion - Vice Mayor Garbarino / Second - Councilmember Nicolas: to approve Consent Calendar Items Nos. 2, 3 and 5. Unanimously approved by roll call vote.

Item 3: Vice Mayor Garbarino inquired about a \$4,000 payment for Historic Preservation Grant Program. In response to Vice Mayor Garbarino's inquiry staff indicated that the payment would be, for the historic research on the Bernardini residence.

Councilmember Addiego inquired which address the residence was located. Library Director Sommers advised that she would email City Council the information.

Mayor Matsumoto inquired about the type of services provided by Mark Thomas and Company, Inc. Public Works Director/City Engineer Kim advised they were an engineering consulting services company and provided staff augmentation.

Mayor Matsumoto inquired about the numerous payments for ambulance transportation reimbursement. Finance Director Salisbury stated the City issues reimbursement hardship waivers for residents that have utilized ambulance transport services.

Mayor Matsumoto requested that staff provide Council with year-to-date totals from 2018-19 on consultant expenses on a Friday Report.

Item 4: Mayor Matsumoto abstained from voting on Item 4 due to being a member of the foundation.

Motion – Councilmember Addiego / Second - Councilmember Nagales: to approve Consent Calendar Item No. 4. Approved by the following roll call vote: AYES: Councilmember Addiego, Councilmember Nagales, Councilmember Nicolas, Vice Mayor Garbarino; NAYS: None; ABSTAIN: Mayor Matsumoto; ABSENT: None.

PUBLIC HEARING

6. Report regarding Resolution No. 105-2019 a public hearing relating to the bond financing for the Grand and Linden family apartments project including issuance of tax-exempt bonds by the California Statewide Communities Development Authority (CSCDA) in an aggregate principal amount not to exceed \$40,000,0000 (James Hamill, Managing Director, CSCDA and Julie Barnard, Economic Development Coordinator).

Mayor Matsumoto opened the public hearing at 7:41 p.m.

Economic Development Coordinator Barnard presented the staff report and introduced Jon Penkower from the California Statewide Communities Development Authority and Alex Sanchez from ROEM Development Corporation.

Mr. Penkower stated the hearing tonight was required in order to comply with tax law and gave a brief overview of the bond process.

Vice Mayor Garbarino queried whether the investor to buy the bonds were a single individual or several people. Mr. Penkower stated the bonds could be financed in a variety of ways with the majority of affordable housing projects today were financed through private placement where a bank was making a loan through the project which would be one investor.

PUBLIC COMMENTS

Mina Richardson asked whether the proposed item was going before the voters and whether the City would have to pay three times what the bond was worth. Deputy Director Selander advised the City was not a party to the bond, just simply the entity and the jurisdiction where the bonding was taking place. She stated that ROEM would be making all the payments.

Mayor Matsumoto closed the public hearing at 7:48 p.m.

Councilmember Addiego inquired about the 55% Area Median Income (AMI). Deputy Director Selander stated the AMI levels targeted for a fully affordable project were driven by the various funding sources. Mr. Sanchez added the AMI for San Mateo County was approximately \$127,000 for a family of four (4) with 55% of that being \$70,000 a year.

Motion – Councilmember Addiego / Second – Vice Mayor Garbarino: To adopt Resolution No. 105-2019, relating to the bond financing for the Grand and Linden family apartments project including issuance of tax-exempt bonds by the California Statewide Communities Development Authority (CSCDA) in an aggregate principal amount not to exceed \$40,000,0000. Approved unanimously by roll call vote.

7. Report regarding proposed amendments to Title 20 of the South San Francisco Municipal Code to make minor revisions, corrections, and clarifications; and improve and streamline the development standards in accordance with the General Plan, and determination that the

proposed amendments are categorically exempt from the California Environmental Quality Act (CEQA). (Tony Rozzi, Principal Planner)

Mayor Matsumoto opened the public hearing at 7:52 p.m.

Senior Planner Rozzi presented the staff report to City Council. The current Zoning Ordinance was adopted in July of 2010, which was the first comprehensive update to the City's Zoning Ordinance since 1986. With the continual use of the Ordinance for nine years, staff had identified areas that require additional refinement, clarification, and/or correction. Additionally, the adoption of the Downtown Station Area Specific Plan and subsequent new development has informed some of the proposed changes. Overall, staff proposed the amendments to accomplish the following:

1. Fix typographical errors and omissions to clarify the language and intent in the existing Zoning Ordinance and ensure internal consistency within the Zoning Ordinance and/or with other City policy documents; and
2. Improve and streamline the development standards to simplify the Zoning Ordinance, reduce the potential for confusion, and formalize existing practices and interpretations.

Of these proposed Zoning revisions, some of them have been in development by staff for more than two years, while other revisions have been proposed by staff only in recent months. In September 2016, staff brought two sets of proposed Zoning amendments to the Planning Commission for consideration and a recommendation to the City Council. These combined revisions were minor in nature and were intended to correct errors and omissions, provide necessary clarifications in terms of intent and detail, and ensure internal consistency with the Zoning Ordinance and other regulations. These proposed amendments were never scheduled for a Public Hearing with the City Council and were therefore included in the proposed Ordinance exhibit to ensure a complete package of revisions was adopted.

Mayor Matsumoto asked for clarification about commercial entertainment. Senior Planner Rozzi stated yoga studios and bowling alleys were considered commercial entertainment and recreation. Senior Planner Rozzi indicated a business with a commercial entertainment and recreation required a use permit with a very specific review and make sure there wouldn't be an over concentration of the type of business.

Vice Mayor Garbarino queried whether a homeowner would widen their driveway in order to add additional parking spaces. Senior Planner Rozzi clarified the current code doesn't count the driveway as parking spaces. The new code would simply count them as parking spaces to help meet the development requirement.

Mayor Matsumoto stated concerns regarding delivery trucks double parking or blocking traffic while unloading. Senior Planner Rozzi stated every new commercial development or large residential project required off-site loading spaces. The challenges today come from older existing commercial development where trucks are blocking the roadway to unload supplies. Senior Planner Rozzi stated he would look into finding a remedy to help traffic congestion caused by unloading trucks.

Mayor Matsumoto stated in the past, members of the Design Review Board didn't have term limits nor given a stipend. She queried whether members of the Design Review Board would be given stipends and term limits. Senior Planner Rozzi advised the Design Review Board members adopted by-laws this year. He stated they had members that had served for over 20 years. This was the last piece they needed to codify setting up the staggered terms.

Councilmember Nagales inquired about the unbundled parking being city wide. He believed it would work in the downtown area but was unsure if it'd work in specific neighborhoods. Councilmember Nagales requested a walkthrough of the process to better understand. Senior Planner Rozzi stated in downtown they were able to unbundle up to 50% of the parking and would like to use that unbundling concept at both the El Camino Real/Chestnut plan and the El Camino Real Corridor.

Vice Mayor Garbarino queried whether the City was still using a percentage of square footage for landscaping requirements. Senior Planner Rozzi clarified it was often percentage of the lot, 10% of the lot in a mixed industrial zoning district needed to be landscaped.

Mayor Matsumoto closed the public hearing at 8:15 p.m.

Motion – Vice Mayor Garbarino / Second – Councilmember Nagales: To introduce an ordinance, regarding proposed amendments to Title 20 of the South San Francisco Municipal Code to make minor revisions, corrections, and clarifications; and improve and streamline the development standards in accordance with the General Plan, and determination that the proposed amendments are categorically exempt from the California Environmental Quality Act (CEQA). Approved unanimously by roll call vote.

8. Report regarding Resolution No. 106-2019, approving a Tentative Parcel Map and Parking Reduction to convert an existing office building to individual condominium units at 2400 Westborough Blvd and determining that the project is categorically exempt under CEQA. (Billy Gross, Senior Planner)

Mayor Matsumoto opened the public hearing at 8:15 p.m.

Mayor Matsumoto abstained from Item 8 due to being a resident within 500 feet of the property.

Senior Planner Gross presented the staff report to City Council. The property at 2400 Westborough Blvd was a 1.7 acre parcel that was developed in 1976 as a professional office/medical office complex, and had continuously been occupied as such. The property consisted of a two-story building of approximately 31,000 square feet, currently with 23 separate tenant spaces, and associated parking and landscaping. The applicant proposed to subdivide the 23 tenant spaces within the building to 23 individual commercial condominium units so tenants may purchase and own their own units. The applicant had submitted a tentative parcel map which included separate parcels for each tenant space as well as common parcels for the common areas. To facilitate the operation and maintenance of the proposed commercial condominium project, the applicant had also submitted a set of Covenants, Conditions and Restrictions. The Planning Commission was supportive of the proposed Commercial Condominium Conversion project and recommended by a vote of 6-0 that the City Council approve the project entitlements and find the project exempt from CEQA. Senior Planner Gross concluded that the proposed commercial condominium conversion was consistent with both General Plan goals and complies with the City's Building & Construction,

Subdivision and Zoning Ordinances, and with the State Map Act. Based on the information included in the public record, the Planning Commission recommended that the City Council adopt the attached resolution making findings and approving a Tentative Parcel Map and Parking Reduction, subject to the draft conditions of approval.

Councilmember Nagales queried whether the 22 tenants were expected to purchase the unit in order to occupy the unit. Senior Planner Gross introduced the project consultant Ian Calvello, Bayside Realty Partners.

Mr. Calvello stated there were 15 owners of the LLC that owned the building with most being dentist and physicians that practice in the building. Each owner of the LLC was assigned units depending on the percentage of the LLC they own. Mr. Calvello advised he was unsure how many of those owners would own units after the process would be completed.

Councilmember Nagales inquired about the property condition assessment report and who would be responsible on making the repairs. Senior Planner Gross confirmed the responsibility would be on the owner.

Vice Mayor Garbarino was concerned whether the HVAC sleepers that blocked the drainage were made out of wood. Senior Planner Gross stated the way the conditions of approval were written, anything on the report was a recommendation so even if it weren't listed on the report, it would be something that they would have to inspect before they finalize.

Being there were no public comments, Vice Mayor Garbarino closed the public hearing at 8:26 p.m.

Motion – Councilmember Nagales / Second - Councilmember Nicolas: Approving Resolution No. 106-2019 regarding a Tentative Parcel Map and Parking Reduction to convert an existing office building to individual condominium units at 2400 Westborough Blvd and determining that the project is categorically exempt under CEQA. Approved by the following roll call vote: AYES: Councilmember Addiego, Councilmember Nagales, Councilmember Nicolas, Vice Mayor Garbarino; NAYS: None; ABSTAIN: None; ABSENT: Mayor Matsumoto.

9. Report regarding Resolution No. 107-2019 to amend the Salary Schedule for the City of South San Francisco and to approve budget amendments 20.010 and 20.012 to provide for negotiated wage adjustments for public safety employees, to establish new positions, and to amend position budgets for the City Manager's Office, Parks and Recreation, and Public Works. (Leah Lockhart, Human Resources Director)

Human Resources Director Lockhart presented the item to the City Council. Staff recommended adoption of the amended Salary Schedule in order to implement negotiated wage adjustments with the City's public safety groups and to establish the positions of Deputy Parks and Recreation Director, Electrical Maintenance Supervisor, and Assistant City Clerk. Staff also recommended the approval of Budget Amendment 20.010 to provide funding for negotiated wage adjustments, and Budget Amendment 20.012 to provide funding for the net cost of position changes within the City Manager's Office, Parks and Recreation, and Public Works.

Councilmember Addiego supported job growth for the City employees. He supported the expansion of the Public Works maintenance worker position and suggested adding additional staff out on the field.

Councilmember Nicolas inquired whether the \$304,000 for the 2019-20 Operating Budget included the Assistant City Clerk position. Human Resources Director Lockhart advised the Assistant City Clerk position would already be included in the budget.

Councilmember Nagales stated he would like to see the passport services and notary services come back to the City Clerk's Office after adding the new Assistant City Clerk position.

Mayor Matsumoto agreed with Councilmember Nagales regarding passport and notary services being a welcomed addition to the City Clerk's Office and possibly including selling Clipper cards.

Mayor Matsumoto requested a three to five year projection in total compensation broken down by salaries and benefits.

Motion – Councilmember Nicolas / Second – Councilmember Addiego: To approve Resolution 107-2019, to amend the Salary Schedule for the City of South San Francisco and to approve budget amendments 20.010 and 20.012 to provide for negotiated wage adjustments for public safety employees, to establish new positions, and to amend position budgets for the City Manager's Office, Parks and Recreation, and Public Works. Approved unanimously by roll call vote.

10. Report regarding Resolution No. 108-2019 approving the First Amendment to the Consulting Services Agreement with TRC for consultant services, for an additional \$480,000, for a total contract amount not to exceed \$1,112,760. (Matthew Ruble, Principal Engineer)

Principal Engineer Ruble presented the item to the City Council. The Grand Boulevard Initiative Phase I from Arroyo Drive to Chestnut Avenue and Grand Boulevard Initiative Phase II from McClellan Drive to Kaiser Way ("Project") improved the performance, safety, and aesthetics of El Camino Real which was approximately one (1) mile. The Project improved an important gateway to the City of South San Francisco which allowed for planned transit-oriented and mixed-use development along the frontage, as envisioned in the City's 2011 El Camino Real/Chestnut Avenue Area Plan. The project improvements include enhanced pedestrian crossings with corner curb bulb-outs and median refuges, expanded bus stop/waiting areas, and a new landscaped median.

Principal Engineer Ruble stated that on February 14, 2018, the City Council approved a resolution authorizing the City Manager to enter into an Agreement with TRC for consultant services, in an amount not to exceed \$632,760. The scope of work for construction management and inspection services for the Project would be anticipated to be completed in June 2019. Due to construction delays associated with coordination with Caltrans on a state highway (El Camino Real) and contractor work efficiency, the City would require additional construction management and inspection service to cover the new anticipated completion date of February 2020.

Original Budget \$ 632,760
Amendment Amount \$ 480,000
Total Contract Amount \$ 1,112,760

Staff recommends that City Council adopt a resolution approving an amendment to the Consulting Services Agreement with TRC for consultant services, for an additional \$480,000, for a total contract amount not to exceed \$1,112,760.

Vice Mayor Garbarino requested additional information regarding delays associated with Caltrans and contractor work efficiency as stated on the staff report. Principal Engineer Ruble advised that when Caltrans reviewed and approved the project, they had a work window from 8:00 a.m. to 5:00 p.m. After Caltrans issued the encroachment permit, Caltrans reduced the work hours from 9:00 a.m. to 3:00 p.m. thus affecting the contractor's efficiency. He stated trying to work with Caltrans and get some flexibility and worked out a 9:00 a.m. to 5:00 p.m. arrangement to allow for a longer work day.

Principal Engineer Ruble stated contractor efficiency was regarding the contractor having issues with the pervious concrete mock up, concerns over the bus pad construction, getting submittals in on time and not having adequate workforce.

Vice Mayor Garbarino quoted a section of Exhibit A, "At City's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense" and queried whether staff was enforcing the option on all their contractors. Principal Engineer Ruble confirmed that staff was enforcing the option as the project was federally funded and required staff to receive certified payrolls and cross check with their labor rates sheets before they pay the contractor.

Vice Mayor Garbarino inquired about a "wasting" policy referenced on Exhibit A. City Attorney Woodruff advised the total amount of coverage gets decreased by claims so that if the contractor had to pay out, the total amount of coverage decreases as each claim is paid out.

Councilmember Addiego asked for a reminder of the amount of the construction contract would be for the project. Principal Engineer Ruble stated the base contract amount was \$5,748,639 and had a contract authority with contingency for \$6,323,502.90.

Mayor Matsumoto inquired on who was certifying the payrolls. Principal Engineer Ruble advised that the contractor submitted certified payrolls to the Department of Industrial Relations and the City's contractor receives the certified payrolls and the City compares them with their daily diaries.

Motion – Councilmember Addiego / Second – Vice Mayor Garbarino: To approve Resolution No. 108-2019, approving the First Amendment to the Consulting Services Agreement with TRC for consultant services, for an additional \$480,000, for a total contract amount not to exceed \$1,112,760. Approved unanimously by roll call vote.

11. Report regarding a resolution to approve a consulting services agreement with Urban Futures, Inc. (UFI) to develop a Short and Long-Term Fiscal Sustainability Plan in an amount not to exceed \$97,500 and authorizing the City Manager to execute said agreement. (Heather Enders, Management Analyst II)

Management Analyst II Enders presented the report to City Council. Staff issued a Request for Proposals (RFP) for a Fiscal Sustainability Plan on May 23, 2019. The service sought under the RFP was to conduct a review of the City's operating and Capital Improvement Program (CIP) expenses, revenues, and multi-year projections, with a focus on the General Fund. Strategies would be developed to model a short-term (2-5 years) and a long-term (6-10 years) plan for the City that considered current and future finances and the impact of a potential slowing of revenue growth and

the future of City services, infrastructure and capital project needs, especially from the General Fund. The model would also address the City's unfunded pension liability.

Management Analyst II Enders stated that the City of South San Francisco received two timely proposals in response to the RFP. Proposals were received from Urban Futures, Inc. and Management Partners. The firms were evaluated by an internal panel comprised of: Financial Services Manager, Financial Services Manager and Management Analyst II. Based on the evaluation panel scores provided, Urban Futures, Inc. demonstrated that they had the staffing available and expertise in municipal finance that was required to develop an updated forecasting model. Staff conducted a phone interview with the most qualified candidate on July 10th to refine the project expectations. Jim Morris, Julio Morales, Mike Busch, and Wing-See Fox were present from Urban Futures, Inc. based out of Daly City, to refine the scope. Based on that interview, Urban Futures, Inc. revised the scope of work and City staff negotiated the terms and major deliverables. The contract now had a not to exceed limit of \$97,500.

Mayor Matsumoto stated the assessment summary of the General Fund revenue streams would be important information for Council to review for other revenue streams opportunities.

Motion – Mayor Matsumoto / Second – Councilmember Nagales: To approve Resolution No. 109-2019, to approve a consulting services agreement with Urban Futures, Inc. (UFI) to develop a Short and Long-Term Fiscal Sustainability Plan in an amount not to exceed \$97,500 and authorizing the City Manager to execute said agreement. Approved unanimously by roll call vote.

ITEMS FROM COUNCIL – COMMITTEE REPORTS AND ANNOUNCEMENTS

Vice Mayor Garbarino announced that the Trivia Challenge was coming up on November 15.

ADJOURNMENT

Being no further business, Mayor Matsumoto adjourned the meeting at 9:03 p.m.

Submitted by:



Gabriel Rodriguez
Deputy City Clerk

Approved by:


Karyl Matsumoto
Mayor

Approved by the City Council: ____ / ____ / ____