



THE CITY OF  
NOVATO  
CALIFORNIA

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[www.novato.org](http://www.novato.org)

Mayor  
Pat Eklund  
Mayor Pro Tem  
Denise Athas  
Councilmembers  
Pam Drew  
Josh Fryday  
Eric Lucan

Interim City Manager  
Cathy Capriola

JOINT CITY COUNCIL/  
CITY COUNCIL AS SUCCESSOR AGENCY TO DISSOLVED  
REDEVELOPMENT AGENCY/MVMCC MEETING  
to be held at

MARIN VALLEY MOBILE COUNTRY CLUB  
100 MARIN VALLEY DRIVE  
June 13, 2016  
6:30 PM

(DISCUSS ITEMS RELATED TO  
MARIN VALLEY MOBILE COUNTRY CLUB)

**A G E N D A**

**A. CALL TO ORDER**

**B. APPROVAL OF FINAL AGENDA**

6:30 P.M. *(Time is approximate.)*  
**C. PUBLIC COMMENTS**

This comment session is for items not on the agenda or for items listed on the Consent Calendar. See agenda cover page for information about Public Comment periods and associated protocol.

6:45 P.M. *(Time is approximate.)*  
**D. CONSENT CALENDAR**

1. APPROVE MINUTES FROM OCTOBER 20, 2015
2. MVMCC FINANCIAL UPDATE – SEPTEMBER 2015 THROUGH APRIL 2016

Consider receiving the financial report for Marin Valley Mobile Country Club for the periods of September 2015 through April 2016.

**Recommendation: Receive report.**

6:50 P.M. (Time is approximate.)

**E. GENERAL BUSINESS**

3. PG&E PIPELINE PATHWAY UPDATE AND AUTHORIZATION TO BEGIN WORK

Consider receiving an update from PG&E, staff, and park management on the final proposed design for the pipeline pathway project and authorizing PG&E to begin work on the project.

**Recommendation: Receive the update and authorize commencement of the project.**

4. RENT DIFFERENTIALS AND RENTAL ASSISTANCE – STAFF UPDATE

Consider receiving a brief staff update on progress relating to rent differential and rental assistance work by staff.

**Recommendation: Receive the update.**

5. AUTHORIZE PURCHASE OF REPLACEMENT HOME AT 171 MARIN VALLEY DR.

Consider receiving information about purchasing a replacement home on the lot at 171 Marin Valley Dr and approving authority for the purchase not to exceed \$163,000.

**Recommendation: Receive the information and authorize a not to exceed budget of \$163,000.**

6. FY 16/17 BUDGET – OPERATING AND CAPITAL FOR MVMCC

Consider reviewing, accepting input, and approving the FY 16/17 Operating and Capital Budget for the Marin Valley Mobile Country Club.

**Recommendation: Approve the annual operating and capital budget for MVMCC for FY 16/17.**

8:45 P.M. (Time is approximate.)

**F. REGULAR REPORTS**

7. Park Management Verbal Update  
8. PAC Update

**G. COUNCIL/STAFF COMMENTS**

9:00 P.M. *(Time is approximate.)*

**H. ADJOURNMENT**

**AFFIDAVIT OF POSTING**

I, Sheri Hartz, certify that on June 8, 2016, I caused to be posted the agenda of the June 13, 2016 joint special meeting of the City Council and City Council as Successor Agency to Dissolved Redevelopment Agency of the City of Novato, California, on the City Community Service Board in the Police Department and on the City's website at [www.novato.org](http://www.novato.org). In addition, a copy of the agenda and packet was delivered to the MVMCC Clubhouse for resident review and emailed to the PAC Webmaster for posting on the MVMCC web site.

/Sheri Hartz/  
Sheri Hartz, City Clerk

MINUTES OF SPECIAL CITY COUNCIL MEETING  
MARIN VALLEY MOBILE COUNTRY CLUB  
100 MARIN VALLEY DRIVE  
OCTOBER 20, 2015 – 6:30P.M.

A. CALL TO ORDER

ROLL CALL

Present: Mayor MacLeamy  
Mayor Pro Tem Eklund  
Councilmember Kellner  
Councilmember Lucan

Absent: Councilmember Athas

Also Present: Assistant City Manager Cathy Capriola, Senior Civil Engineer Tony Williams, Accounting Supervisor Maureen Chapman, Assistant City Attorney Veronica Nebb, City Clerk Sheri Hartz, and On-site Manager Matt Greenberg.

B. APPROVAL OF FINAL AGENDA

*Mayor Pro Tem Eklund moved, Seconded by Councilmember Lucan, to approve the Final Agenda. The motion carried on a 4-0-1-0 vote, with Councilmember Athas being absent.*

C. PUBLIC COMMENTS

1. John Shelfer, PAC Board, stated that anything that could be done to plan for emergencies would be good and that the items on the agenda were very important for the health and safety of the community.
2. John Hanson echoed the comments of the previous speaker and discussed his concerns about a gas line rupture and the need for ball valve installation on meters.
3. Muffy Craig spoke regarding weeds and litter along the Nave median, litter and trash along Marin Valley Drive, and issues at 5404 Nave Drive concerning the vacant lot and partial building. She asked what could be done about these three areas of concern.

Assistant City Manager Capriola responded to questions raised during Public Comment.

D. CONSENT CALENDAR

1. APPROVE MINUTES OF JUNE 8, 2015

The Council approved the minutes of the June 8, 2015 MVMCC meeting.

2. OPPOSITION TO MTC PROPOSAL TO TRANSFER ABAG REGIONAL LAND USE PLANNING STAFF AND ASSOCIATED FUNDING TO MTC

Council approved sending a letter to the Metropolitan Transportation Commission

(MTC) from the Council, signed by the Mayor, opposing the transfer of ABAG (Association of Bay Area Governments) regional land use planning staff and associated funding to MTC. (This item was general City business, added to the agenda to meet a deadline and unrelated to MVMCC.)

*Councilmember Kellner moved, Seconded by Mayor Pro Tem Eklund, to approve the Consent Calendar. The motion carried on a 4-0-1-0 vote, with Councilmember Athas being absent.*

E. GENERAL BUSINESS

3. MVMCC FINANCIAL UPDATE- MAY 2015 THROUGH SEPTEMBER 2015

Consider receiving the financial report for Marin Valley Mobile Country Club for the periods of May 2015 through August 2015.

Maureen Chapman, Accounting Supervisor, gave the staff report and responded to Council questions. She provided a brief outline of the financial update and stated that MVMCC money was held in its own separate fund, not comingled with other funds, and earned interest which was dedicated to the Park. She added that excess funds were held in a non-interest bearing Bank of Marin account, not with City funds.

PUBLIC COMMENT

4. John Hanson asked how the loan service ratio was calculated and what its effect would be, to which Ms. Chapman explained that if spending was less than budgeted, that ratio went up, and conversely would go down more was spent. Ms. Capriola added that assumptions were made on what would be spent during the budget process, and that there was a formula for how the debt service ratio was calculated, which could be sent to Park residents.

*Councilmember Kellner moved, Seconded by Councilmember Lucan, to approve the report. The motion carried on a 4-0-1-0 vote, with Councilmember Athas being absent.*

4. GAS VALVE PRESENTATION AND APPROVAL OF \$30,000 FOR MANUAL GAS VALVE UPGRADES

Consider hearing presentations and adopting a resolution directing the Property Manager to upgrade the manual gas valves and authorizing \$30,000 from the MVMCC Capital Reserve fund.

Ms. Capriola opened the item before handing it off to Park General Manager Matt Greenberg and Jar Mellem, Utility Company Manager of JARSCO, the Park's utilities manager.

Mr.Greenberg described the current types of valves, stating that the first required a wrench to open and close and was considered outdated. He said that ball valves were considered state-of-the-art and would increase safety at the Park. He reported that MVEST was also concerned with safety and had asked about installing a mechanical apparatus that would automatically shut off the valves. He then introduced Mr. Mellem, who was in charge of keeping the Park in compliance with requirements and performed meter replacements, along with providing education and training.

Mr. Mellem explained the qualities of the ball valve shut off system, which would help shut the gas off quickly and efficiently in case of an emergency. He provided background on his experience after the Loma Prieta quake, and stated that mobile homes stay intact, even if they fall off their foundations and are sealed at the bottom, and will not get gas into the living space. He explained the benefits of steel line and stated that, while the above-ground systems needed to be improved, the underground equipment would not be damaged in the event of an earthquake. He spoke about federal codes that dictated the running of gas distribution systems, which required training of qualified people to respond in case of emergency. He said there should be a robust training program for the Manager so that appropriate action could be taken.

#### COUNCILMEMBER QUESTIONS

Mayor Pro Tem Eklund asked if all gas shut off valves were being replaced with new ones, to which Ms. Capriola responded that they were and added that some meters in the Park already had the new valve. Mayor Pro Tem Eklund also asked what other improvements Mr. Mellem would recommend to improve safety in Park, to which he responded that training of Mr. Greenberg and maintenance workers on staff should be a priority. Mayor Pro Tem Eklund asked whether each of the residents could be individually trained to shut off the valve, and Ms. Capriola responded that there would be training, maybe led by MVEST and block captains, Mr. Greenberg and his staff. Ms. Nebb mentioned that, if the valves were turned off, there would need to be a process in place to turn them back on, to which Mr. Mellem added that, in an emergency, the focus should be on getting out of the unit, not turning off the gas.

Councilmember Kellner requested that a summary of next steps for Park residents and staff be provided. Councilmember Lucan asked what the installation roll out would be and what was communication plan. Mr. Mellem explained that it would be implemented in small groups at a time, when residents were home, that the gas would be turned off, and that the entire outage per group would only last approximately ten minutes. Mayor MacLeamy reiterated that it was more important to evacuate first, and Mr. Mellem agreed that safety should come first.

#### PUBLIC COMMENT

5. A resident spoke about the aluminum shutoff valve to be used for current meters, encouraged everyone to know what to do
6. John Hanson spoke regarding training, stating that it must be hands-on, and recommended

- that all old valves be replaced and that the meters be evaluated to assure that they are sturdy.
7. A resident stated that she would prefer not to have to turn a valve off by herself and requested that a training seminar be held.
  8. Warren Edgar spoke in favor of ball valves.
  9. Serena D'Arcy-Fisher, MVEST, stated that they intended to provide appropriate training, going door to door with guidelines for emergency preparedness, and wanted to support the community in being competent in taking care of themselves in an emergency.
  10. John Feld stated he was concerned about training for the management team, and wondered about the majority of the time when Mr. Greenberg was not present at the Park. He requested that some residents get training as well.
  11. Susan Meyer echoed John Hanson, and asked that Council take his suggestions seriously.

Ms. Capriola responded to questions raised during Public Comment. She said, in response to Mr. Feld, that the risk of training other people would need to be assessed and could not be determined without further investigation. She spoke in favor of MVEST's offer of training and, in response to Mr. Hanson, agreed that more could be done with the current meters, but that, at some point, all of the meters would be replaced and since there was a future possibility of being selected for the PG&E project, we did not want to do much with these meters and end up wasting the money. Mayor Pro Tem Eklund asked whether Mr. Greenberg had the authority to replace an unstable meter, to which the response was yes. Mayor Pro Tem Eklund asked several more follow up questions about valve replacement, to which Mr. Greenberg and Mr. Mellem responded. She concluded by asking about master meters, to which Ms. Capriola responded that his was meant to be intermediate step and that staff would look at other aspects of this issue as part of the Utility Master Plan.

*Councilmember Kellner moved, Seconded by Councilmember Lucan, to approve Resolution No, 63-15, approving upgrades to the manual gas valves and authorizing \$30,000 from the MVMC Capital Reserve Fund. The motion carried on a 4-0-1-0 vote, with Councilmember Athas being absent.*

5. MVMCC CAPITAL IMPROVEMENT PROGRAM (CIP) UPDATE AND ADOPTING A RESOLUTION APPROVING A MVMCC CAPITAL BUDGET ALLOCATION AMENDMENT

Consider receiving a presentation on the status and update of the Park's ongoing CIP Projects and adopting a resolution approving an amendment to the Approved FY 15/16 Capital Budget.

Senior Civil Engineer Williams gave the staff report and responded to Council questions. He provided an overview and update of both short and long term CIP Projects at the Park, as follows:

Slope Stability Program

Mr. Williams reported that bids had been advertised for drainage improvements, debris removal and other projects at three sites, but, unfortunately, only two bids had been received, the lowest of which was 150% over engineer's estimate just for the base bid. Given those results, he said that

the project had been cancelled and the program was being approached with a new strategy to only look at existing hillside drainage. He reported that Marin Roto-Rooter had been hired to clean and capture video of the pipes to see whether they needed to be replaced, reconditioned or upsized. He added that they would also perform emergency repair if needed. He concluded by stating that, once their report was received, staff would look at repackaging the project and come back for approval and that, to attract competitive bids, the size of the project would need to triple in size.

#### Clubhouse ADA Improvement and Pool Facility

Mr. Williams stated that, with this project, the most critical components were the entrance to the building, the parking, which was not up to standards, the slippery pathway surface, and ADA issues associated with the pool, gates, paths, underground pipes, and an architectural feature which needed to be done. He said staff had evaluated master planning the entire clubhouse and were looking at options that could be used to get to the lower level other than an elevator. He added that a consultant had been hired to help design landscape features.

At this time, Mr. Greenberg provided a summary of the short term CIP projects on the retaining wall at 183 Marin Valley Drive, street crack seal repairs, electrical system improvements, and clubhouse improvements and maintenance.

Mr. Williams discussed the City's Drainage System Maintenance Program and work that had been completed at the Park, including inspections and maintenance of catch basin, drain pipes, drainage ditches, and some creek channels throughout the city limits. He explained that, as a result of the Trust for Public Lands acquisition, the City now owns the property surrounding the Park, which falls under the Flood Control Zone 1 boundary, which is part of different watershed and is managed by the County Flood Control District.

#### PUBLIC COMMENT

12. John Feld spoke regarding the effects of El Nino, asking how the drainage at the bottom of the hill could be kept clear. Mr. Greenberg responded that we had contracted to have the drains cleared, and that SMART had installed a bypass.

*Mayor Pro Tem Eklund moved, Seconded by Councilmember Lucan, to approve Resolution No, 64-15, amending the allocation of the Fiscal Year 2015/16 Marin Valley Mobile Country Club Capital Budget. **The motion carried on a 4-0-1-0 vote, with Councilmember Athas being absent.***

#### 6. MVMCC UTILITY MASTER PLAN

Consider authorizing the City Manager to execute a Consultant Services Agreement (CSA) with BKF Engineers for the development a Utilities Master Plan for the Park.

Mr. Williams gave the staff report, stating that the Park was similar in nature to a small city with all its own utility systems. He explained that the study will look at all of these components, many



of which dated back to when the Park was opened, and are reaching end of their useful life. He said, however, that good maintenance practices have extended that timeframe. He reported that previous studies had been performed that, while not comprehensive, had provided some good background. He said that the new document would include maps to show where everything was located and described some of the unique features of the Park's systems. He added that part of the scope of the report would be to look at the feasibility of pumping the sanitary sewer to Novato Sanitary and if so, what would be the cost to implement and what regulatory issues might arise. He stated that a design to replace all of the systems was needed that would minimize the impacts to residents and traffic. He concluded by saying that the consultant contractor was local and very familiar with the Park, and that the draft report was expected in June of 2016.

#### COUNCILMEMBER QUESTIONS

Mayor Pro Tem Eklund asked whether a premanufactured plant could be considered as an alternative, to which Mr. Williams responded that the Park's capacity was too high to be handled by such a system, but that he would check with the consultant. Mayor Pro Tem Eklund also asked whether the cost benefit analysis going to include the Las Gallinas resident rate hike, to which Mr. Williams responded that costs will be looked at, but not down to the level of individual rates.

Councilmember Lucan stated that he was pleased to see solar included.

#### PUBLIC COMMENT

13. Alan Gump asked what the contingency amount was and wondered where other funds would come from if needed. Mr. Williams responded that, as this was just study, no contingencies were needed.
14. Michael York stated that he would love to see solar given priority, as the long term benefits would be substantial. He said it could go on the clubhouse roof, and elsewhere, and did not just need to be installed on individual homes. He spoke about broadband internet, which he felt was being held hostage by Comcast and inquired whether fiber optic had been installed for SMART, and could be brought into the Park.
15. Anila Manning asked whether the study would look into a graywater collection system, to which Mr. Williams responded that there was a small task in the scope to look at whether a water district reclamation system could be brought to Park.
16. Frank Simpson asked about what had happened with the PG&E grant, and Assistant City Attorney Nebb explained that the Park had not been chosen because the PUC's rating system prioritized mobile home parks within the state which were most in need from a safety standpoint. She added that they might roll out more phases and that staff would keep watching to see if there were future opportunities.

*Councilmember Kellner moved, Seconded by Councilmember Lucan, to authorize the City Manager to execute a Consultant Services Agreement with BKF Engineers for the development of a Utilities Master Plan for the Park. **The motion carried on a 4-0-1-0 vote, with Councilmember Athas being absent.***

7. UPDATE ON PG&E PIPELINE PATHWAYS PROJECT AND THE TRAIL PATHWAY BETWEEN MARIN VALLEY DRIVE AND PANORAMA DRIVE

Consider authorizing staff and the MVMCC Park Manager to review the design with affected neighbors, finalize the design, and authorize staff to execute an agreement with PG&E for the Trail Pathway.

Ms. Nebb gave the staff report and discussed the two Park properties that had been found to be in PG&E's right of way. She also reported on the tree removal agreement with PG&E for its pathway project.

PUBLIC COMMENT

17. A resident stated that he had not seen a plan for where the fence would go, and asked how many feet from the gas line will the shrubs be removed. Ms. Nebb replied that this item was meant for Council to approve process only, not the work itself, and that a meeting with be held with residents.

*Mayor Pro Tem Eklund moved, Seconded by Councilmember Lucan to authorize staff and the MVMCC Park Manager to review the design with the affected neighbors, finalize the design and execute the agreement with PG&E for the trail pathway. **The motion carried on a 4-0-1-0 vote, with Councilmember Athas being absent.***

F. REGULAR REPORTS

8. PARK MANAGEMENT UPDATE: MATT GREENBERG

No report was given.

9. UPDATE FROM PAC: JAY SHELFER, PAC PRESIDENT

Mr. Shelfer stated that the PAC viewed its role as being stewards of the land and said that the work of Mr. Greenberg and the City engineers has been a big upgrade.

G. BOARD/STAFF COMMENTS

None

H. ADJOURNMENT

At 8:47 p.m., the meeting was adjourned in memory of Jack Brandon and the husband of Katie Crecelius.

**I HEREBY CERTIFY that the foregoing minutes were duly and regularly adopted at a regular meeting of the Novato City Council.**

---

Sheri Hartz, City Clerk

DRAFT

**STAFF REPORT**

D-2



THE CITY OF  
NOVATO  
CALIFORNIA

922 Machin Avenue  
Novato, CA 94945  
(415) 899-8900  
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www.novato.org

MEETING

DATE: June 13, 2016

TO: City Council

FROM: Brian Cochran, Finance Manager

SUBJECT: **MVMCC FINANCIAL UPDATE – SEPTEMBER 2015 THROUGH  
APRIL 2016**

**REQUEST**

Consider receiving the financial report for Marin Valley Mobile Country Club for the periods of September 2015 through April 2016.

**RECOMMENDATION**

Receive report.

**DISCUSSION**

Attached are copies of the latest financial reports for Marin Valley Mobile Country Club, encompassing the periods of September 2015 through April 2016. Below is an update for the current reserve balances as of April 2016.

<b>Reserve Balances at April 30, 2015:</b>	<b>\$4,023,301</b>
<b>Reserve Balances at August 31, 2015:</b>	<b>\$4,309,428</b>
<b>Increase / (Decrease) in Reserves:</b>	<b>\$286,127</b>

The park is required to maintain a 2.00 debt service coverage ratio per the loan agreement with Bank of Marin. The latest report from April 2016 shows a preliminary debt service coverage ratio of 2.94, but staff anticipates that that figure will go down after all year-end expenses and closing adjustments are finalized.

**Bank of Marin Loan Outstanding: \$6,449,901**

In the past, some members of the public and the Council expressed interest in knowing the investment returns of the park balances that are being invested. Other than the balances being held at Bank of Marin in the “MVMCC Operating Account” and the “MVMCC Accounts Payable” account, all other reserve funds are credited interest at the City’s general investment portfolio rate. For the most recent quarter, the portfolio performed quite well based on market factors, earning 0.98% (i.e. an annualized rate of 3.99%). Staff does not expect this rate of return will occur every quarter, but overall investment earnings and yields are trending upward.

## **ATTACHMENTS**

1. Monthly Financial Summary Reports for MVMCC – September 2015 through April 2016

## Management Report for Period Ending September 31, 2015

Date: October 15, 2015  
 To: City of Novato  
 Park Acquisition Corporation  
 From: Al Frei  
 Re: Marin Valley Mobile Country Club

### Financial Information

Petty Cash	1,700.00
MVMCC Operating Account	322,955.55
MVMCC Accounts Payable	5,000.00
Umpqua Bank - Capital Reserves	1,000,000.00
Umpqua Bank - Long Term Reserves	2,478,773.42
Umpqua Bank - Operating Reserves	250,000.00
Umpqua Bank - City Funds	-
Total	<u><u>\$4,058,428.97</u></u>

### Current Year Activity

	<u>Current Period</u>	<u>Year to Date</u>
Income	255,510.00	765,795.72
Operating Costs	122,944.99	316,873.30
Project Costs	51,676.00	118,342.67
Other Costs	22,534.90	79,156.78
Net	<u><u>\$58,354.11</u></u>	<u><u>\$251,422.97</u></u>

### Bank of Marin Loan Payments

Principal	37,929.46	114,045.52
Interest (included above)	16,334.90	48,747.56
Total Debt Service	<u><u>54,264.36</u></u>	<u><u>162,793.08</u></u>

Debt Service Coverage Ratio - Year to Date 2.76

### Management Notes / Updates

None.

## Management Report for Period Ending October 31, 2015

Date: November 13, 2015  
 To: City of Novato  
 Park Acquisition Corporation  
 From: Al Frei  
 Re: Marin Valley Mobile Country Club

### Financial Information

Petty Cash	1,700.00
MVMCC Operating Account	282,365.54
MVMCC Accounts Payable	-
Umpqua Bank - Capital Reserves	1,000,000.00
Umpqua Bank - Long Term Reserves	2,483,809.42
Umpqua Bank - Operating Reserves	250,000.00
Umpqua Bank - City Funds	-
Total	<u><u>\$4,017,874.96</u></u>

### Current Year Activity

	<u>Current Period</u>	<u>Year to Date</u>
Income	259,601.14	1,025,396.86
Operating Costs	89,983.08	406,856.38
Project Costs	157,984.04	276,326.71
Other Costs	16,236.98	95,393.76
Net	<u><u>(\$4,602.96)</u></u>	<u><u>\$246,820.01</u></u>

### Bank of Marin Loan Payments

Principal	38,544.64	152,590.16
Interest (included above)	15,719.72	64,467.28
Total Debt Service	<u><u>54,264.36</u></u>	<u><u>217,057.44</u></u>

Debt Service Coverage Ratio - Year to Date 2.85

### Management Notes / Updates

None.



## Management Report for Period Ending November 30, 2015

Date: December 15, 2015  
 To: City of Novato  
 Park Acquisition Corporation  
 From: Al Frei  
 Re: Marin Valley Mobile Country Club

### Financial Information

Petty Cash	1,700.00
MVMCC Operating Account	330,836.54
MVMCC Accounts Payable	-
Umpqua Bank - Capital Reserves	1,000,000.00
Umpqua Bank - Long Term Reserves	2,483,809.42
Umpqua Bank - Operating Reserves	250,000.00
Umpqua Bank - City Funds	-
Total	<u><u>\$4,066,345.96</u></u>

### Current Year Activity

	<u>Current Period</u>	<u>Year to Date</u>
Income	249,539.40	1,274,936.26
Operating Costs	89,179.44	496,035.82
Project Costs	47,465.19	323,791.90
Other Costs	16,454.67	111,848.43
Net	<u><u>\$96,440.10</u></u>	<u><u>\$343,260.11</u></u>

### Bank of Marin Loan Payments

Principal	38,113.95	190,704.11
Interest (included above)	16,150.41	80,617.69
Total Debt Service	<u><u>54,264.36</u></u>	<u><u>271,321.80</u></u>

Debt Service Coverage Ratio - Year to Date 2.87

### Management Notes / Updates

None.



## Management Report for Period Ending December 31, 2015

Date: January 15, 2016  
 To: City of Novato  
 Park Acquisition Corporation  
 From: Al Frei  
 Re: Marin Valley Mobile Country Club

### Financial Information

Petty Cash	1,700.00
MVMCC Operating Account	330,097.28
MVMCC Accounts Payable	-
Umpqua Bank - Capital Reserves	1,000,000.00
Umpqua Bank - Long Term Reserves	2,483,809.42
Umpqua Bank - Operating Reserves	250,000.00
Umpqua Bank - City Funds	-
Total	<u><u>\$4,065,606.70</u></u>

### Current Year Activity

	<u>Current Period</u>	<u>Year to Date</u>
Income	248,200.15	1,523,136.41
Operating Costs	114,941.03	610,976.85
Project Costs	76,478.45	400,270.35
Other Costs	16,148.34	127,996.77
Net	<u><u>\$40,632.33</u></u>	<u><u>\$383,892.44</u></u>

### Bank of Marin Loan Payments

Principal	38,723.77	229,427.88
Interest (included above)	15,540.59	96,158.28
Total Debt Service	<u><u>54,264.36</u></u>	<u><u>325,586.16</u></u>

Debt Service Coverage Ratio - Year to Date 2.80

### Management Notes / Updates

None.

## Management Report for Period Ending January 31, 2016

Date: February 12, 2016  
 To: City of Novato  
 Park Acquisition Corporation  
 From: Al Frei  
 Re: Marin Valley Mobile Country Club

### Financial Information

Petty Cash	1,700.00
MVMCC Operating Account	186,983.82
MVMCC Accounts Payable	-
Umpqua Bank - Capital Reserves	1,000,000.00
Umpqua Bank - Long Term Reserves	2,648,247.90
Umpqua Bank - Operating Reserves	250,000.00
Umpqua Bank - City Funds	-
Total	<u><u>\$4,086,931.72</u></u>

### Current Year Activity

	<u>Current Period</u>	<u>Year to Date</u>
Income	266,405.55	1,789,541.96
Operating Costs	117,085.57	728,062.42
Project Costs	87,879.24	488,149.59
Other Costs	17,626.67	145,623.44
Net	<u><u>\$43,814.07</u></u>	<u><u>\$427,706.51</u></u>

### Bank of Marin Loan Payments

Principal	38,299.50	267,727.38
Interest (included above)	15,964.86	112,123.14
Total Debt Service	<u><u>54,264.36</u></u>	<u><u>379,850.52</u></u>

Debt Service Coverage Ratio - Year to Date 2.79

### Management Notes / Updates

None.

# FREI REAL ESTATE SERVICES

8340 AUBURN BLVD. • SUITE 100 • CITRUS HEIGHTS, CA 95610 • (916) 722-8110 • FAX (916) 722-8111

## Management Report for Period Ending February 29, 2016

RECEIVED

MAR 16 2016

CITY OF NOVATO

Date: March 15, 2016  
To: City of Novato  
Park Acquisition Corporation  
From: Al Frei  
Re: Marin Valley Mobile Country Club

### Financial Information

Petty Cash	1,700.00
MVMCC Operating Account	279,157.25
MVMCC Accounts Payable	-
Umpqua Bank - Capital Reserves	1,000,000.00
Umpqua Bank - Long Term Reserves	2,654,947.90
Umpqua Bank - Operating Reserves	250,000.00
Umpqua Bank - City Funds	-
Total	<u><u>\$4,185,805.15</u></u>

### Current Year Activity

	<u>Current Period</u>	<u>Year to Date</u>
Income	280,976.62	2,070,518.58
Operating Costs	108,399.10	836,461.52
Project Costs	16,340.00	504,489.59
Other Costs	16,722.99	162,346.43
Net	<u><u>\$139,514.53</u></u>	<u><u>\$567,221.04</u></u>

### Bank of Marin Loan Payments

Principal	38,392.13	306,119.51
Interest (included above)	15,872.23	127,995.37
Total Debt Service	<u><u>54,264.36</u></u>	<u><u>434,114.88</u></u>

Debt Service Coverage Ratio - Year to Date 2.84

### Management Notes / Updates

None.

## Management Report for Period Ending March 31, 2016

Date: April 15, 2016  
 To: City of Novato  
 Park Acquisition Corporation  
 From: Al Frei  
 Re: Marin Valley Mobile Country Club

### Financial Information

Petty Cash	1,700.00
MVMCC Operating Account	238,659.15
MVMCC Accounts Payable	-
Umpqua Bank - Capital Reserves	1,000,000.00
Umpqua Bank - Long Term Reserves	2,779,947.90
Umpqua Bank - Operating Reserves	250,000.00
Umpqua Bank - City Funds	-
Total	<u><u>\$4,270,307.05</u></u>

### Current Year Activity

	<u>Current Period</u>	<u>Year to Date</u>
Income	279,111.26	2,349,629.84
Operating Costs	90,997.61	927,459.13
Project Costs	50,045.39	554,534.98
Other Costs	14,762.26	177,108.69
Net	<u><u>\$123,306.00</u></u>	<u><u>\$690,527.04</u></u>

### Bank of Marin Loan Payments

Principal	39,502.10	345,621.61
Interest (included above)	14,762.26	142,757.63
Total Debt Service	<u><u>54,264.36</u></u>	<u><u>488,379.24</u></u>

Debt Service Coverage Ratio - Year to Date 2.91

### Management Notes / Updates

None.



# FREI REAL ESTATE SERVICES

8340 AUBURN BLVD. • SUITE 100 • CITRUS HEIGHTS, CA 95610 • (916) 722-8110 • FAX (916) 722-8111

## Management Report for Period Ending April 30, 2016

RECEIVED

MAY 16 2016

CITY OF NOVATO

Date: May 13, 2016  
To: City of Novato  
Park Acquisition Corporation  
From: Al Frei  
Re: Marin Valley Mobile Country Club

### Financial Information

Petty Cash	1,700.00
MVMCC Operating Account	277,650.45
MVMCC Accounts Payable	130.00
Umpqua Bank - Capital Reserves	1,000,000.00
Umpqua Bank - Long Term Reserves	2,779,947.90
Umpqua Bank - Operating Reserves	250,000.00
Umpqua Bank - City Funds	-
Total	<u><u>\$4,309,428.35</u></u>

### Current Year Activity

	<u>Current Period</u>	<u>Year to Date</u>
Income	260,751.30	2,610,381.14
Operating Costs	89,069.95	1,016,529.08
Project Costs	66,954.46	621,489.44
Other Costs	23,830.18	200,938.87
Net	<u><u>\$80,896.71</u></u>	<u><u>\$771,423.75</u></u>

### Bank of Marin Loan Payments

Principal	38,579.90	384,201.51
Interest (included above)	15,684.46	158,442.09
Total Debt Service	<u><u>54,264.36</u></u>	<u><u>542,643.60</u></u>

Debt Service Coverage Ratio - Year to Date 2.94

### Management Notes / Updates

None.

## STAFF REPORT

E-3



THE CITY OF  
NOVATO  
CALIFORNIA

922 Machin Avenue  
Novato, CA 94945  
415/ 899-8900  
FAX 415/ 899-8213  
[www.novato.org](http://www.novato.org)

### MEETING

DATE: June 13, 2016

TO: City Council

FROM: Cathy Capriola, Interim City Manager  
Veronica Nebb, Assistant City Attorney  
Brian Cochran, Finance Manager

SUBJECT: **PG&E PIPELINE PATHWAY UPDATE AND AUTHORIZATION TO  
BEGIN WORK**

---

### REQUEST

Consider receiving an update from PG&E, staff, and park management on the final proposed design for the pipeline pathway project and authorizing PG&E to begin work on the project.

### RECOMMENDATION

Receive the update and authorize commencement of the project.

### DISCUSSION

The City Council received a staff update at its October 20, 2015 meeting about the status of PG&E's pathway project intended to improve gas line safety along a stretch of pathway that traverses the park. The goal of the project is to improve maintenance access to gas transmission lines and improve the look and long-term maintainability of the pathway. Since that time, City staff and park management have worked directly with PG&E staff to hone in on an acceptable design that will meet all parties' needs. Additionally, this spring, PG&E hosted a meeting at the park with affected property owners and received their feedback, which has also been incorporated into the final proposal. PG&E staff will be on hand at the June 13, 2016 meeting to present the final design details for the pathway project with residents and the Council. Upon City Council approval of the project, PG&E will send out the required notice to residents and begin the work as soon as possible.

### ATTACHMENTS

None.

**STAFF REPORT**

E - 4



THE CITY OF  
NOVATO  
CALIFORNIA

922 Machin Avenue  
Novato, CA 94945  
415/ 899-8900  
FAX 415/ 899-8213  
[www.novato.org](http://www.novato.org)

MEETING

DATE: June 13, 2016

TO: City Council

FROM: Cathy Capriola, Interim City Manager  
Veronica Nebb, Assistant City Attorney  
Brian Cochran, Finance Manager

SUBJECT: **RENT DIFFERENTIALS AND RENTAL ASSISTANCE – STAFF  
UPDATE**

---

**REQUEST**

Consider receiving a brief staff update on progress relating to rent differential and rental assistance work by staff.

**RECOMMENDATION**

Receive the update.

**DISCUSSION**

Over the history of the City’s MVMCC ownership, the City Council has maintained an interest in keeping the park affordable to seniors for the long term. Several topics related to rents and affordability come up occasionally in staff discussions with park residents and the PAC. Council has previously provided direction to staff to look into issues of rent differentials among spaces in the park and to also look at issues relating to rental assistance. Staff and legal counsel have completed investigatory work into the current and historical rents in the park and are currently performing some research on these topics. At the conclusion of this work, staff will present a workshop to the park residents on these issues, including the relationship between rents, rent increases and our financing, mobilehome rent control and state law, as well as staff’s conclusions based upon our research. After receiving input from the resident workshop, staff will return to the City Council at its next MVMCC meeting in autumn 2016 to present our findings and any recommended action for Council consideration and possible action.

**ATTACHMENTS**

None.

**STAFF REPORT**

E-5



THE CITY OF  
NOVATO  
CALIFORNIA

922 Machin Avenue  
Novato, CA 94945  
(415) 899-8900  
FAX (415) 899-8213  
[www.novato.org](http://www.novato.org)

MEETING

DATE: June 13, 2016

TO: City Council

FROM: Cathy Capriola, Interim City Manager  
Veronica Nebb, Assistant City Attorney  
Brian Cochran, Finance Manager

SUBJECT: **AUTHORIZE PURCHASE OF REPLACEMENT HOME AT 171 MARIN VALLEY DR.**

---

**REQUEST**

Consider receiving information about purchasing a replacement home on the lot at 171 Marin Valley Dr and approving authority for the purchase not to exceed \$163,000.

**RECOMMENDATION**

Receive the information and authorize a not to exceed budget of \$163,000.

**DISCUSSION**

The resident living in the mobile home located at 171 Marin Valley Dr in MVMCC passed away in August 2015. After some investigation, the Marin County Public Administrator found that the resident had no next-of-kin and that the home was in poor, unrepairable condition. After some discussions between the County and the City Attorney's Office, the County agreed to pay for the removal of the home, cleanup of the site, as well as payment of past due rents, all of which has been completed.

Given the status of the real estate market and the desirability of lots in MVMCC, the City has an opportunity to place a new home on the lot and sell it for fair market value, which will generate significant excess revenue that can be placed into MVMCC's reserves.

171 Marin Valley Dr is a view lot facing southeast, and the prior home on the property was a 1,000 square foot mobile home. The proposed replacement manufactured home would be a brand new 1,100 square foot, custom designed home that will maximize the space use while taking advantage of the views offered by this particular space.

The complete budget for the home purchase, including the home, delivery, setup, landscaping and contingency is not-to-exceed \$163,000 as outlined in the table below:



<b>Budget for Purchase of New Home at 171 Marin Valley Dr.</b>	
Purchase of Home	\$109,278
Delivery	\$3,000
Setup	\$40,790
Landscape and Contingency	<u>\$9,932</u>
<b>TOTAL</b>	<b>\$163,000</b>

The sales target for similar homes in MVMCC is over \$300,000. One recent sale of a 2005 unit was at \$320,000 and an older unit (1975) that had had significant renovations done sold for \$303,000. Based on the above, and in consultation with a local real estate broker, staff believes that this new unit will command a list price of \$349,000. If the unit were to sell for that price, after real estate commissions and closing costs, the City would net approximately \$160,000. This net revenue would be deposited into MVMCC's reserve funds.

Attached are a proposed floor plan, purchase quote, installation quote, and example exterior photos. Note that the exterior views are "similar" to the unit that would be installed, but since this is proposed to be a custom designed unit, exact elevations are not available.

Staff has heard a question about the height of the proposed home and a public notification process for installation of new homes. There is a difference in height between the prior home and the new proposed home. The prior home, as an older 1970s unit, had a flat roof with a maximum height of about 13 feet. The standard design for a new manufactured home, with a pitched gable roof, is approximately 16 feet. Therefore, there is an approximate 3 feet increase in height at the peak of the roofline, however, this would be the case with virtually any new manufactured home that would be placed at the property.

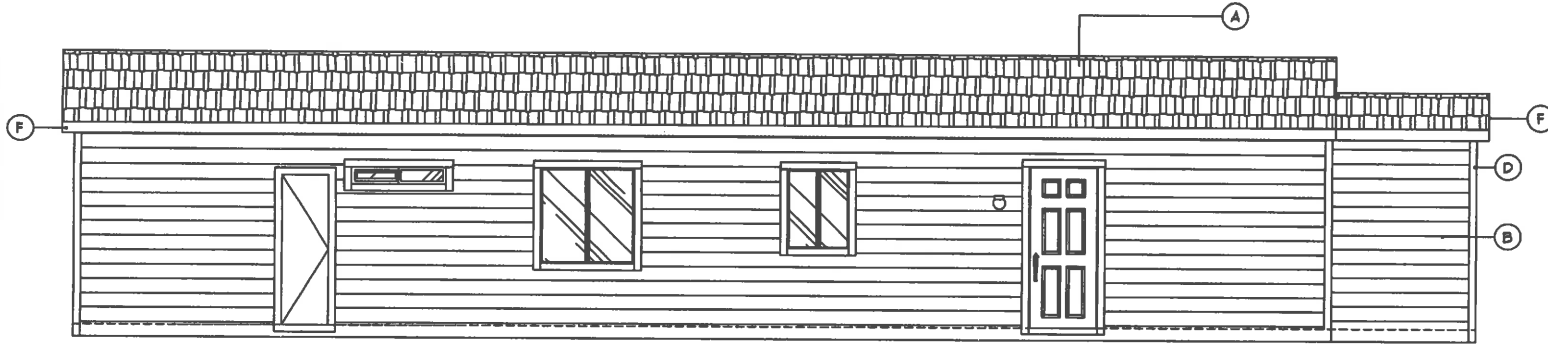
The park has a standard appeals process when new homes go into the park. By park rules, the park management must notify all residents within a 100 foot radius of the lot and allow them a 30 day comment period. Additionally, during this time, management places story poles at the property to demonstrate the peak height of the new home. Management may review any comment letters received with the PAC and work with concerned residents to address their concerns, but the final decision to approve the home rests with park management after the comment period has closed.

### **ATTACHMENTS**

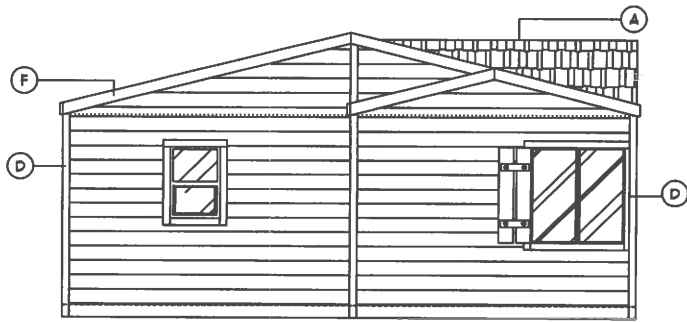
1. Floor Plan
2. Price Quotes
3. Example exterior photos

**LEGEND 1.**

- A - Dimension Shingle Roof
- B - Lap Siding (Body Color)
- C - Horiz. Siding (Accent Color)
- D - 1x4 Rough Sawn (Trim Color)
- E - 1x3 Rough Sawn (Body Color)
- F - 2x6 Rough Sawn (Trim Color)



RIGHT SIDEWALL ELEVATION



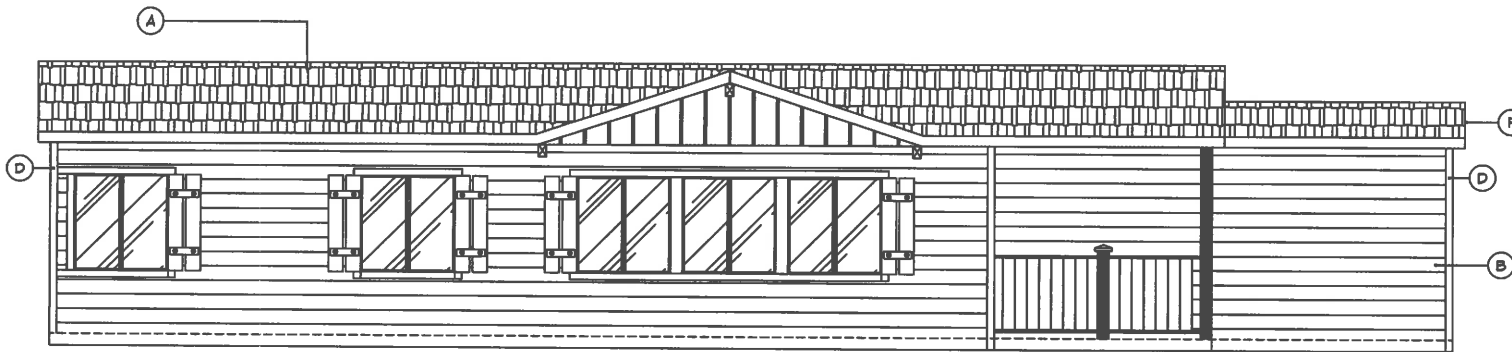
REAR ENDWALL ELEVATION



FRONT ENDWALL ELEVATION

**NOTES:**

1. 8' SIDEWALL WITH FLAT CEILING
2. ROOF PITCH 3:12
3. SAYBROOK EXTERIOR PACKAGE



LEFT SIDEWALL ELEVATION



9998 OLD PLACERVILLE ROAD  
 Sacramento, CA. 95827  
 Phone: (916) 363-2681; Fax: (916) 363-4537  
 www.cloytonhomes.com www.karstenhomes.com

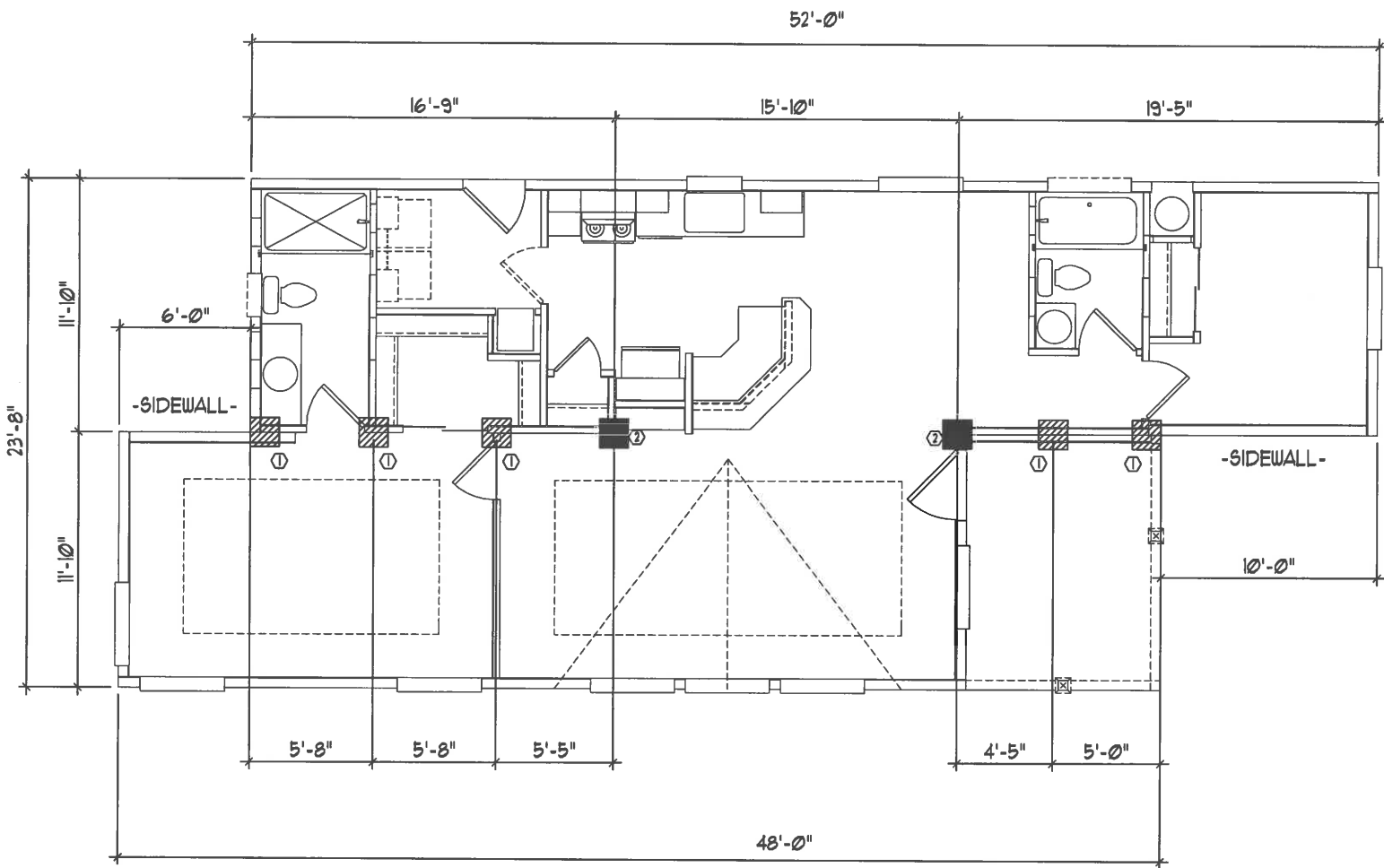
DRAWING TITLE:



*EXTERIOR ELEVATIONS*

DRAWING FILE INFORMATION:

CAROLE-MVMCC171

PRODUCT: CLAYTON SERIES	DESRIP.: CL52001A	MODEL NO.: C2452-3A
	SQUARE FT.:	DATE: 07/16/12
DRAWN BY:	SHEET: 2-A	REVISED: 0533-16



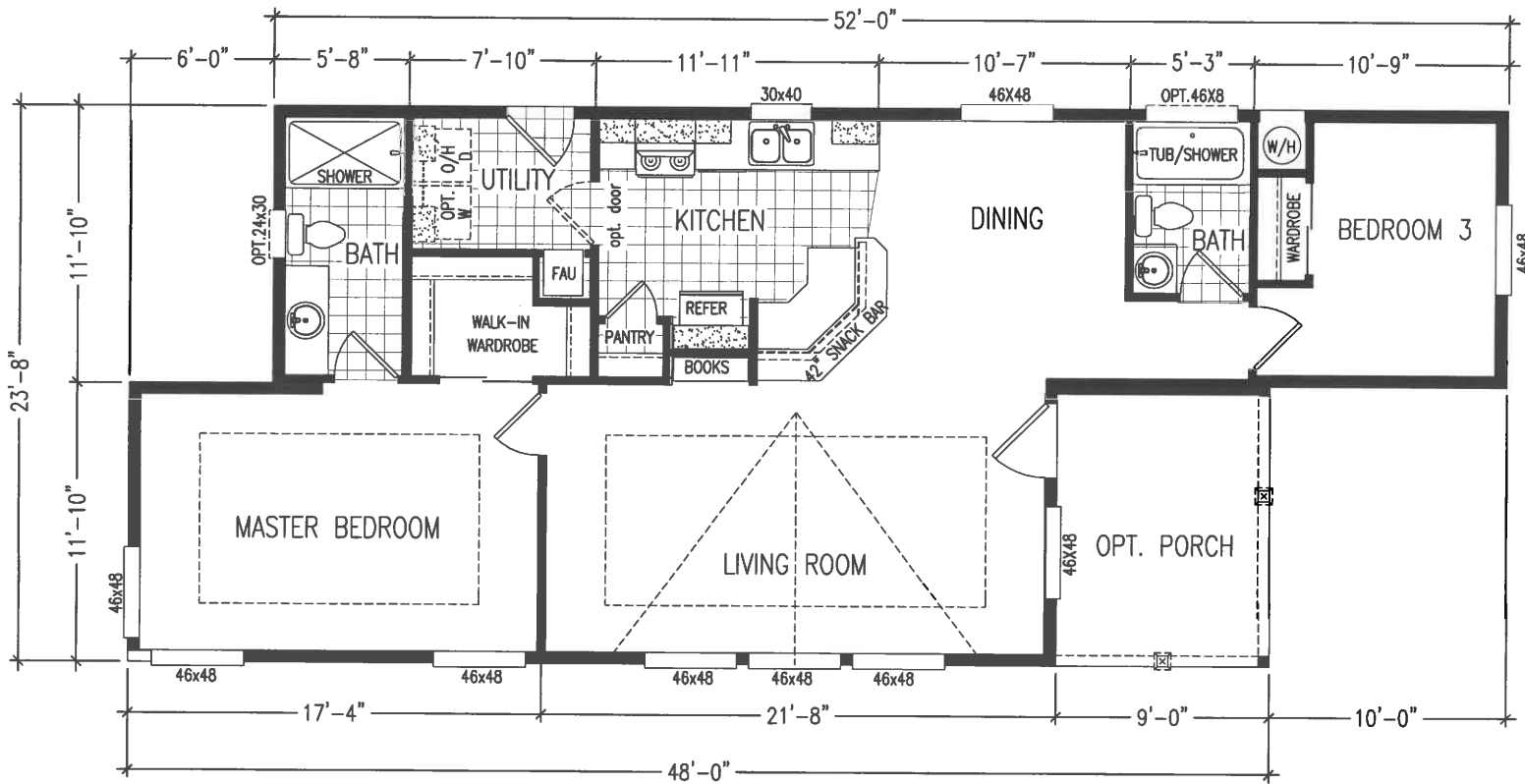
 RIDGE BEAM SUPPORT (BEARING WALL-TABLE #7)  
 RIDGE BEAM SUPPORT (CLEAR SPAN-TABLE #5)

ROOF LOAD	①	②	③	④	⑤	⑥	⑦	⑧	⑨	⑩	⑪	⑫	⑬	⑭	⑮	⑯	⑰	⑱	⑲	⑳	㉑	㉒	㉓	㉔	㉕	㉖
20#	2800	3280	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30#	3520	5200	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**CMH**  
 MANUFACTURING INC.  
 9998 OLD PLACERVILLE ROAD  
 SACRAMENTO, CA. 95827  
 Phone: (916) 363-2681; Fax: (916) 363-4537  
 www.claytonhomes.com www.karstenhomes.com

DRAWING TITLE: **CARPET & PIER SUPPORT LOCATIONS**  
 DRAWING FILE INFORMATION: **CAROLE-MVMCC171**

PRODUCT: CLAYTON SERIES	DESRI.: CL52001A	MODEL NO.: C2452-3A
	SQUARE FT.: 1,075	DATE: 07/16/12
DRAWN BY:	SHEET:	REVISED: 05-4-13-16



9998 OLD PLACERVILLE ROAD  
 Sacramento, CA. 95827  
 Phone: (916) 363-2681; Fax: (916) 363-4537  
 www.claytonhomes.com www.karstenhomes.com

DRAWING  
 TITLE:

# SALES FLOOR PLAN

DRAWING FILE INFORMATION:

CAROLE-MVMCC171

PRODUCT: CLAYTON SERIES	DESRI.: CL52001A	MODEL NO.: C2452-3A
	SQUARE FT.: 1,075	DATE: 07/16/12
DRAWN BY:	SHEET:	REVISED: 05-3-16

**Eckhart's Manufactured Housing Service**

P.O. Box 418  
 Rocklin, CA 95677  
 Lic# 801214

Phon... (916) 207-3497 danemhs@gmail.com

Fax # (916) 624-0507

Date	Estimate #
5/10/2016	579

Name / Address
Marin Valley MHP Andrew Stevens 171 Marin Valley Dr Novato, Ca 94949

Description	Qty	Cost	Project
			Total
Prep lot for new home with compacted road base		2,300.00	2,300.00
Double wide Set up		5,500.00	5,500.00
XI2 State Approved Tie downs	3	275.00	825.00
Utility Stub out and connection		350.00	350.00
Vapor Barrier		300.00	300.00
lap exterior skirting	164	26.00	4,264.00
3x4 trex steps with painted handrails at back utility room door		1,650.00	1,650.00
composite steps down from factory porch	1	1,100.00	1,100.00
awning install 11x52 carport awning	572	8.00	4,576.00
Tape and Texture interior/Fit and finish interior doors and trim		2,800.00	2,800.00
Carpet installation with factory provided carpet and pad		850.00	850.00
Clean home and walkthru		300.00	300.00
remove and replace asphalt driveway with new concrete driveway 11x50	550	9.50	5,225.00
Lap end close up on endwalls		1,800.00	1,800.00
3 ton A/C installation		3,700.00	3,700.00
Install gutters		1,000.00	1,000.00
Concrete walkways and patio 300sq ft	300	9.50	2,850.00
Permits and engineering		600.00	600.00
Need to know what's the landscaping plan			
<b>ERB Bracing</b>		<b>800</b>	
		<b>Total</b>	<b>\$39,990.00</b>

Customer Signature \_\_\_\_\_



**Order Builder Retail Customer Worksheet**

**Grand Total: \$109278.00**

**NOT AN OFFICIAL QUOTE**

To: 010160 Phone: (707) 588-2725  
 CMH HOMES, INC.  
 DBA: CLAYTON HOMES-SANTA ROSA  
 3515 SANTA ROSA AVE  
 SANTA ROSA, CA 95407  
 Retail Cust: MVMCC-171

Quote: 40838  
 Quote Date: 04/25/2016  
 Sales Rep: CAROLE A  
 Sales Note:  
 Model No: 91ROC24523AH16  
 Model Desc: C24523A  
 Print Date: 05/09/2016 - 12:53

9998 OLD PLACERVILLE  
 SACRAMENTO, CA 95827  
 Phone: (916) 363-2681  
 Fax: (916) 363-4537  
 Ordered By:

**ITEMS PENDING APPROVAL**

Option Description	Qty	Price	Option Description	Qty	Price
<b>PACKAGES</b>			<b>GABLES &amp; DORMERS</b>		
010605 VALUE PACKAGE RC	1	1065.00	180172 ADD PEAK ROOF TRUSS TO OFFSET 20/24	2	670.00
120010 SHINE PKG:FAUCETS,LIGHTS,HARDWARE	1		280086 RECESSED CEILING W/ SQ CORNERS	2	670.00
<b>EXTERIORS</b>			AND CROWN MOLDING IN RECESSED AREA (REQUIRES FLAT CEILINGS) ???LOCATIONS ***** RETAILER NOTE ***** IN LR & MB *****		
075400 EXTERIOR BODY THYME2	1		<b>HOME MODIFICATIONS</b>		
075600 EXTERIOR TRIM BARRISTER WHITE2	1		070015 ENGINEERING FEES	750	1005.00
075500 EXTERIOR FASCIA BARRISTER WHITE2	1		070016 DAPIA WETSTAMP - NEW PLAN APPROVAL	1	1005.00
075700 EXTERIOR ACCENT POTTERS CLAY2	1		<b>CABINETRY</b>		
***** RETAILER NOTE *****			076020 LATTE MISSION CABINETS	1	1735.00
SHUTTERS			***** RETAILER NOTE *****		
*****			CARAMEL IN BATHROOMS		
075800 DIMENSION SHINGLES CT-WEATHER WOOD	1		*****		
180099 SAYBROOK EXTERIOR PACKAGE	1	724.00	121627 SATIN CABINET KNOBS & PULLS	1	
INCLUDES: FLUSH DORMER, 3 CORBELS, BOARD & BATTEN AT DORMER PEAK, 2X8 FASCIA MISSION SHUTTERS ON B-1/2 SIDEWALL AND FRONT ENDWALLS,			110198 BANK OF DRAWER IN MASTER BATH	1	201.00
180052 8' FLAT CEILING THROUGH OUT	1		***MAY REQUIRE FIXED TOP DRAWER IN SMALLER SINK CABINETS		
130018 W.U.I. 1-SECT. & 52' & UNDER 2-SECT FIRE RESISTIVE EXTERIOR PKG	1	1199.00	110085 BALL BEARING DRAWER GUIDES	1	201.00
***FIBER-CEMENT EXTERIOR SIDING			110150 2 DOOR WASHER/DRYER OH CAB HRD WOOD	1	308.00
130035 LAP SIDING - 7-1/2' OR 8' SIDEWALLS	164	4175.00	110106 TWO DEEP CABINET DRAWERS REPLACING DRAWER OVER DOORS. AVAILABLE WITH HARDWOOD BOX CABINETS ONLY.	1	201.00
130036 CORBEL 4"X 6" (EACH)	4	161.00	***** RETAILER NOTE *****		
***** RETAILER NOTE *****			RIGHT OF STOVE		
MARRIAGE LINE PEAKS BOTH ENDWALLS AND AT EACH MONO-TRUSS PEAK			*****		
130143 2"X4" WINDOW & DOOR TRIM T/O	1	335.00	<b>KITCHEN OPTIONS</b>		
280054 ARCHITECTURAL SHINGLES (PLF)	52	697.00	076501 KIT TOP HIMACS HARVEST SQ EDGE	1	2673.00
130134 OVERHANG-NOMINAL 6" REAR ENDWALL (PLF)	140	938.00	077800 VINYL FLOOR DF 9342 (GREY TONE)	1	
180025 COVERED PORCH WITH DECKING (SQ FT)	108	4052.00	250001 PLUMB FOR ICEMAKER	1	
180141 UPGRADE 2X2 PICKET PORCH RAILING	1	261.00	250005 GARBAGE DISPOSAL (1/2 HP)	1	
<b>ENTRY DOORS</b>			270171 SINK 70/30 STAINLESS STEEL UNDERMNT LARGE BOWL ON LEFT, 18GA, 33" X 18" (#GO-ES331814R) (NOT AVAILABLE W/ FORMICA TOPS)	1	395.00
100025 CRAFTSMAN DOOR 36X68" ILO STD DOOR	1	201.00	270030 SINK - SOLID SURFACE 50/50	1	
100050 RELOCATE DOOR	1	201.00	266018 APPL PKG GALLERY SS GAS FS LEVEL 2	1	4281.00
<b>WINDOWS</b>			STAINLESS STEEL SMUDGE-PROOF: REFRIGERATOR-SIDE BY SIDE COUNTER DEPTH DISPENSER IN DOOR 22CF FGHC2331PF. RANGE-GAS SELF CLEAN CONVECTION 5 BURNERS CONTINUOUS GRATE FGGF3035RF. MICROWAVE/RANGE HOOD-1000W 1.7CF FGMV175QF.		
140020 ADD ONE OPTIONAL WINDOW IN EA BATH (WINDOW SIZE PER PLAN)	1	536.00			
140205 2" BLINDS MOST WINDOWS	1				
150110 CORNICE BOXES MOST WINDOWS	1	395.00			
140035 RELOCATE WINDOW (2) IN LIVING (1) MST. BEDROOM	3	201.00			
140043 ADDITIONAL WINDOW	3	1588.00			



Option Description	Qty	Price	Option Description	Qty	Price
<b>KITCHEN OPTIONS</b>			<b>FLOOR COVERINGS</b>		
DISHWASHER-HIDDEN CONTROLS 52DBS FGID2466QF.			020114 CARPET MANTRA 702 GINGERSNAP	1	
			020092 ENTRY VINYL DF 9342 (GREY TONE)	1	
			020113 3-1/4" COLONIAL BASEBORDS ILO 2-1/4	1	208.00
			020070 STD KING REPL CARPET (PER ROOM) INCLUDES BASEBOARDS	1	201.00
			***** RETAILER NOTE *****		
			SEE PLAN		
			*****		
<b>UTILITY ROOM</b>			<b>INTERIOR DOORS</b>		
077800 VINYL FLOOR DF 9342 (GREY TONE)			100143 LEVER DOOR KNOBS T/OUT	1	127.00
030015 PLUMB FOR GAS DRYER AND WIRE FOR ELECTRIC DRYER (BOTH)	1	127.00	100122 PASSAGE DOOR TO UTILITY ROOM W/ AIR RETURN OPENING IN WALL ABOVE	1	201.00
270136 40GAL GAS WATER HEATER ILO 30GL GAS	1	101.00	100140 ENLARGE PASSAGE DOOR TO 36" (EACH) ***MAY REQUIRE PLAN APPROVAL & ENG***	2	335.00
030005 HOSE BIB - DRY HALF ***** RETAILER NOTE *****	1	201.00	***** RETAILER NOTE *****		
SEE PLAN			SEE PLAN		
*****			*****		
<b>ELECTRICAL SERVICE &amp; OPTIONS</b>			<b>MISCELLANEOUS</b>		
080110 DOORBELL	1	101.00	075900 STD INTERIOR WALLS - SWISS COFFEE2	1	
080020 CEILING LIGHTS ***** RETAILER NOTE *****	1	80.00			
IN BED 2 *****			<b>SHIP LOOSE</b>		
080035 WIRE AND BRACE CEILING FAN	1		200015 EXTRA EXTERIOR BODY PAINT 5 GAL	1	134.00
080036 CEILING FAN W/LIGHT- BRUSHED NICKEL INCLUDES WIRE & BRACE ***** RETAILER NOTE *****	1	201.00	200030 EXTRA EXTERIOR TRIM PAINT 1 GAL	2	54.00
IN MB *****			160120 CEILING FAN - BRUSHED NICKEL	1	
080000 CLEAR GLASS SHADE PENDANT LIGHT(EA) ***** RETAILER NOTE *****	2	335.00			
OVER BAR *****			<b>OTHER</b>		
080150 ROCKER LIGHT SWITCHES	1	127.00	290010 WHERE USED IN THE FABRICATION OF THIS HOME, MEDIUM DENSITY FIBER-BOARD (MDF) MATERIALS ARE IN COMPLIANCE WITH THE CARB PHASE 2 FORMALDEHYDE EMISSIONS STANDARDS IN CCR 93120.2	1	
080065 EXTERIOR GFI RECEPT (STD HEIGHT) ???LOCATION ***** RETAILER NOTE *****	2	389.00			
SEE PLAN *****			<b>ORDER SUMMARY</b>		
080045 WIRE FOR A/C	1	147.00	Base Cost of Home		68398.00
			Surcharge Amount		2160.00
<b>MASTER BATH OPTIONS</b>			Options Total		38485.00
076600 M/BATH TOP HIMAC MAUI QUARTZ SQEDGE	1	804.00	Association Dues		200.00
274940 DUAL FLUSH ELONGATED HI-RISE TOILET NOT AVAILABLE WITH BANJO COUNTERTOP	1	201.00	MHI Dues		35.00
077800 VINYL FLOOR DF 9342 (GREY TONE)	1		Quote Total		109278.00
119100 MEDICINE CABINET	1				
270075 SOLID SURFACE SINK SEAMLESS OFF WHT	1	201.00			
270128 GRAB BAR - STAINLESS STEEL (EACH)	1	101.00			
270051 SOLID SURFACE SHOWER MAUI QUARTZ INCLUDES SHOWER ENCLOSURE AND SOAP DISH. INCLUDE MOISTURE RESISTANT SHEETROCK BEHIND SHOWER.	1	1735.00			
<b>GUEST BATH OPTIONS</b>					
076700 G/BATH TOP HIMAC ARCTC GRANT SQEDGE	1	469.00			
274940 DUAL FLUSH ELONGATED HI-RISE TOILET NOT AVAILABLE WITH BANJO COUNTERTOP	1	201.00			
077800 VINYL FLOOR DF 9342 (GREY TONE)	1				
119100 MEDICINE CABINET	1				
270075 SOLID SURFACE SINK SEAMLESS OFF WHT	1	201.00			
270128 GRAB BAR - STAINLESS STEEL (EACH)	1	101.00			
271147 WHT MOONDUST SOLID SURFACE TUB/SHWR SURROUND. INCLUDE MOISTURE RESISTANT SHETROCK BEHIND SHOWER.	1	797.00			





# Standard Specifications

3/10/2016



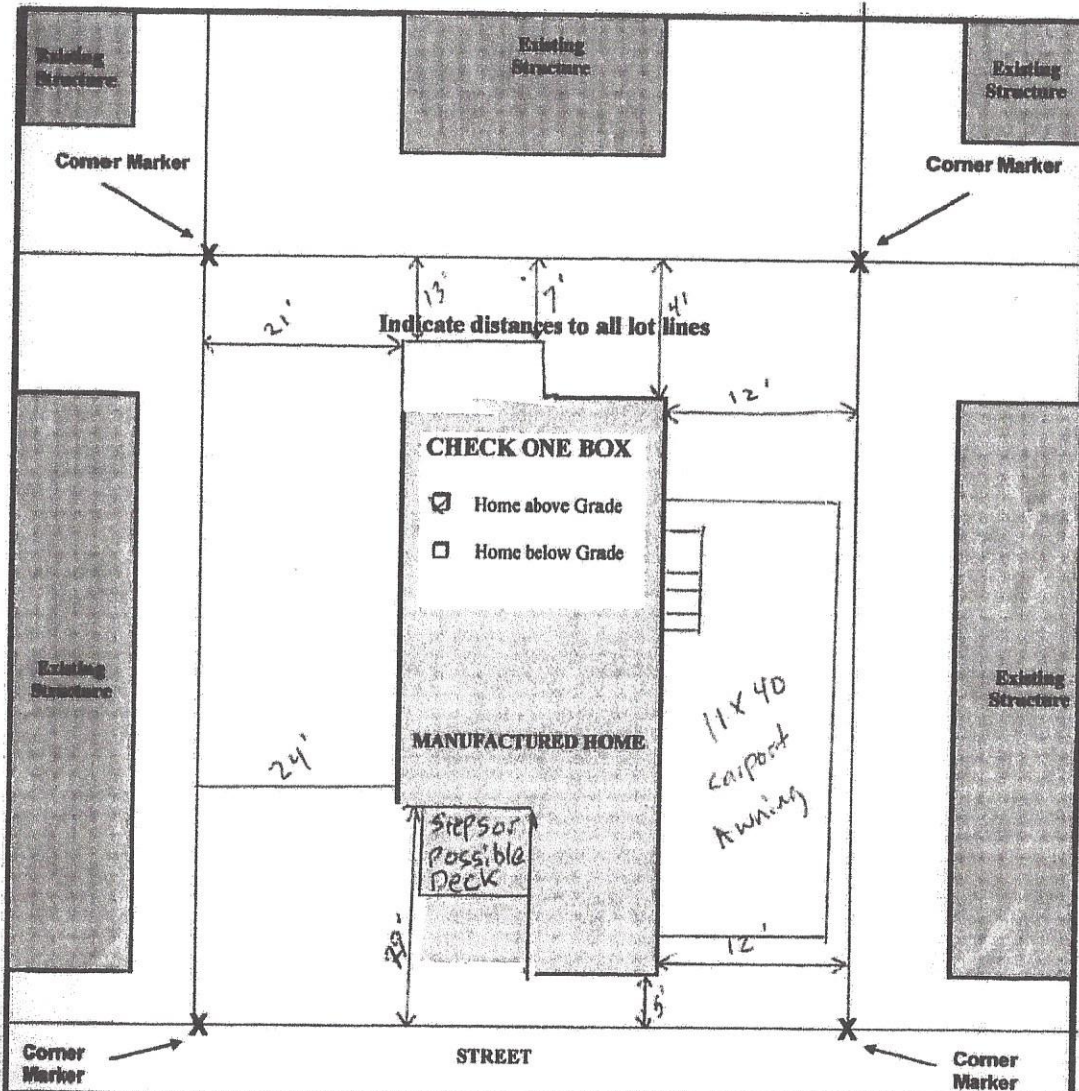
Cavalier Homes®

ROCKPORT

Exterior	
<b>Sidewall Height/Ceiling Type</b>	
8' Sidewall with Flat Ceiling	STD
7-1/2' Sidewall with Vaulted Ceiling - Triple Wides	STD
<b>Exterior Siding</b>	
SmartSide Wood Vertical Siding	STD
Exterior House Wrap	STD
Hand Rolled Satin Exterior Paint	STD
<b>Exterior Walls</b>	
2" x 6" - 16" On Center	STD
<b>Interior Walls</b>	
2" x 4"	STD
<b>Exterior Trim</b>	
4" Flat Trim - All Window & Doors	STD
2"x6" Rough Sawn Fascia	STD
<b>Roof Pitch</b>	
4/12 Roof Pitch - 20 Wide & Single Wides	STD
3/12 Roof Pitch - 24, 27, 30, 33 and 40 Wides	STD
<b>Roof Load</b>	
20# - 24" O.C. Trusses	STD
1-1/2" LVL Engineered Ceiling Ridge Beam	STD
<b>Roof Shingles</b>	
25 Year Warranty - 3 Tab	STD
Ply Dry Shingle Underlayment	STD
7/16" OSB Roof Sheathing	STD
<b>Eaves</b>	
No Sidewall Eaves - 14, 16, 20, 22 and 24 Wides	STD
6" Nominal Sidewall Eaves - 27 and 40 Wides	STD
10" Nominal Sidewall Eaves - 30 Wides	STD
16" Nominal Sidewall Eaves - 33 Wides	STD
Per Plan	STD
<b>Overhangs</b>	
6" Front and No Rear Overhangs	STD
<b>Floors</b>	
2"x8" 16" On Center - 14, 15, 16, 20, 24, 27, 34, and 40 Wides	STD
5/8" OSB Floor Decking	STD
Exterior Doors	
<b>Front Doors</b>	
36"x80" Six Panel Inswing Fiberglass, Deadbolt, Peep Hole & Knocker	STD
Round Door Knob With Deadbolt	STD
<b>Rear Doors</b>	
32" Inswing Fiberglass with 1/2-Light Window (per plan)	STD
Round Door Knob With Deadbolt	STD
Windows	
<b>Windows</b>	
Vinyl Frame - Dual Paned with Low "E"	STD
48"x48" Horizontal Sliding Main Windows	STD
Picture Framed Window Returns with 2-1/4" Colonial Trim	STD
Kitchen	
<b>Cooking</b>	
Gas Range - Free Standing, Man Clean, 30" FFGF3015L, B or W	STD
Rangehood w/ Light 30" Vented Thru Ceiling or Sidewall	STD
<b>Refrigerator</b>	
18 cu. ft. No Icemaker FFTR1814Q, B or W	STD
<b>Sinks and Faucets</b>	
Stainless Steel 50/50 Top Mount Sink-8" Deep	STD
"Standard" Lighting, Faucet, and Hardware Package	STD
Water Shut-off Valves at Sink	STD
<b>Cabinetry</b>	
Surface Mount Hinges	STD
MDF Wrapped Cabinets with Raised Panel Doors	STD
Crown Molding on Overhead Cabinets	STD
White Interior Cabinet Finish with Fixed Shelves	STD
Steel Drawer Guides with Rollers	STD
Satin Pulls on Drawers & Knobs on Cab Doors	STD
Bank of Drawers in the Kitchen	STD
Shelf Above Refrigerator	STD
30" Tall Overhead Cabinets	STD
<b>Counter Tops</b>	
Laminate Counter Top and Square Selfedge	STD

Utility Room	
80% Efficient Natural Gas/Propane Furnace	STD
29 Gallon Gas Water Heater	STD
Hinged Exterior Water Heater Door	STD
Plumb/Wire Washer	STD
Wire for Electric Dryer	STD
PEX Shut Off Valves at Washer	STD
Dryer Vent In Wall	STD
Overhead Shelf at Washer/Dryer Area	STD
Furnace Air Return Opening In Wall	STD
Electrical	
100 Amp Panel Box	STD
200 Amp Panel Box (40' Wide Triples)	STD
Programmable Thermostat	STD
Smoke Detectors Hard Wired with Battery Backup	STD
Carbon Monoxide Detector Hard Wired w/ Battery Backup	STD
Electrical Boxes Nailed to Wall Studs	STD
Exterior GFI Plug at Rear Door	STD
Lighting	
Toggle Light Switches	STD
Porch Light at Exterior Doors	STD
*Standard* Light Package	STD
Switched Recept in Bedrooms	STD
Master Bath	
36" High Sink Cabinet	STD
Round Toilet	STD
Laminate Counter Top and Square Selfedge	STD
China Sink	STD
*Standard* Lighting, Faucet, and Hardware Package	STD
Sheetrocked Tub/Shower Flanges	STD
Fiberglass Tub/Shower 60" (Per Plan)	STD
Ceiling Exhaust Fan	STD
42" Tall Mirror w/ J-Rail & Clips installed on Top of Backsplash	STD
Water Shut-off Valves at Sink	STD
Water Shut-off Valve In Wall at Toilet	STD
Guest Bath, per plan	
36" High Sink Cabinet	STD
Round Toilet	STD
Laminate Counter Top and Square Selfedge	STD
China Sink	STD
*Standard* Lighting, Faucet, and Hardware Package	STD
Sheetrocked Tub/Shower Flanges	STD
Fiberglass Tub/Shower 60"	STD
Ceiling Exhaust Fan	STD
42" Tall Mirror w/ J-Rail & Clips installed on Top of Backsplash	STD
Water Shut-off Valves at Sink	STD
Water Shut-off Valve in Wall at Toilet	STD
Living Area	
<b>Linoleum</b>	
Diamondflor (DF) Vinyl Floor in Wet Areas	STD
Water Seal Protected Floors in Wet Areas	STD
<b>Carpet</b>	
7/16" 4lb. Carpet Pad	STD
Plush Stain Resistant Carpet	STD
<b>Baseboards and Heat Registers</b>	
Baseboards - 2-1/4" Reversible WET AREAS ONLY	STD
Floor Mounted Heat Registers in Wet Areas	STD
Interior Doors	
Flat White Interior Passage and Wardrobe Doors	STD
MDF Door Jambes	STD
Colonial Door Casing 2-1/4"	STD
Round Door Knobs - Brushed Nickel	STD
Wood Closet Shelves with Poles - (single shelf)	STD
Tape and Textured Ceiling and Walls (1/2")	STD
Primed and Painted Interior Walls	STD
White Interior Wall Paint	STD
Square Drywall Corners	STD
Air Return Grill Above Interior Doors	STD
Celling R-38; Walls R-19; Floor R-22 (Energy Star)	STD





CHECK ONE BOX

- Home above Grade
- Home below Grade

MANUFACTURED HOME

Steps or possible deck

11x40 carport Awning

LOT PLOT PLAN AND PARK INFORMATION

A) Park Name Marin Valley  
 Homeowner Name \_\_\_\_\_  
 Homeowner Address \_\_\_\_\_ Sp# 171  
 City Novato Zip \_\_\_\_\_

B) Design Information:  
 Home Amperage: \_\_\_\_\_ Pedestal Amperage: \_\_\_\_\_  
 Home Voltage: \_\_\_\_\_ Pedestal Voltage: \_\_\_\_\_  
 Home Roof Load: \_\_\_\_\_ PSF  
 Roof Load for locality: \_\_\_\_\_ PSF

C) Is the park located in a snow area requiring 30 lb or greater roof loading?  
 YES  NO

D) The lot line corners at the front and rear are clearly and permanently marked pursuant to Title 25 of the California Code of Regulations, Sections 1104 or 2104 in the following manner:  
 \_\_\_\_\_

NOTE: Each lot line corner shall be clearly and permanently marked prior to installation and inspection.

STATEMENT OF RESPONSIBILITY  
 (ORIGINAL SIGNATURE REQUIRED)

As the park owner or operator, or as his or her authorized representative, I hereby certify that the information provided on this plot plan relative to the location of the manufactured home, all related accessory structure locations and separations and the park and homeowner information is true, accurate and complete. Lot corners have been identified as in item D above.

Signature of Park Owner, Operator, or Manager.

State of California  
 Department of Housing and Community Development  
 Division of Codes and Standards

Width and length of lot: \_\_\_\_\_ x \_\_\_\_\_ Width and length of home 24 x 52/48

1. Draw any proposed structure(s) and existing structures on the diagram above at the approximate location and identify the type of structures (e.g. deck, awning, etc). Indicate the distance from the lot line to the proposed structure. Also indicate the length and width of the structure.
2. Indicate the exact distances from structures on adjacent lots if located within 10 (ten) feet of your lot line.
3. Enter length & width of the manufactured home (including eaves) and length & width of lot.
4. No vegetation is allowed under the manufactured home or habitable accessory structure. Lot must be properly graded to ensure that water cannot accumulate beneath the manufactured home.



Northern Area Office  
 9342 Tech Center Drive, Suite 550  
 Sacramento, CA 95826

Southern Area Office  
 3737 Main St. Ste 400  
 Riverside, CA 92501







**STAFF REPORT**

E - 6



THE CITY OF  
NOVATO  
CALIFORNIA

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Novato, CA 94945  
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MEETING

DATE: June 13, 2016

TO: City Council

FROM: Cathy Capriola, Interim City Manager  
Brian Cochran, Finance Manager

SUBJECT: **FY 16/17 BUDGET – OPERATING AND CAPITAL FOR MVMCC**

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**REQUEST**

Consider reviewing, accepting input, and approving the FY 16/17 Operating and Capital Budget for the Marin Valley Mobile Country Club.

**RECOMMENDATION**

Approve the annual operating and capital budget for MVMCC for FY 16/17.

**DISCUSSION**

Section 9 of the Management Agreement of the MVMCC documents outlines the process and timeline for the annual budget preparation for MVMCC. As stated in the Management Agreement, it is the responsibility of the property manager, Frei Real Estate, to prepare and present a proposed budget to the PAC, residents and then the City.

City staff, Al Frei, Matt Greenberg, and the PAC have all reviewed the proposed budget in detail to gain clarity and understanding. In addition, the PAC Board reviewed the budget and accepted resident feedback at its May 4, 2016 board meeting. Overall the budget proposal is very stable compared to the current fiscal year, with only minor adjustments proposed to some line items. City staff is recommending only two adjustments to the Frei-proposed budget. The PAC board accepted the Frei-proposed budget with no changes with the exception of the proposed 1.5% rent increase, which the Board opposed on a 3-2 vote. More discussion on these differences is included below.

For Council's consideration, attached are the following documents for your review:

1. Proposed 16/17 Operating Budget
2. Proposed 16/17 Capital Improvement Budget

Below are the key points for Council's consideration of the budget and specific budget recommendations.

## Overview

With preparation of the budget, there are some financial parameters that need to be kept in mind as the budget is prepared. The budget needs to ensure appropriate operating expenses for the Park, plus make investments in key capital facilities for both the short term and long term. In addition, the City has a goal of saving significant funds over the next six to seven years in order to help fund replacement and reinvestment of the Park's private utility infrastructure. While the City's engineering staff currently are undertaking a new infrastructure condition and engineering study to plan for the long-term infrastructure needs, estimates conducted several years ago indicated an investment of \$8 - \$10 million would be needed to replace the aging utilities within the park. At that time, it was planned for those repairs to begin in fiscal year 2022/23 (approximately 6-7 years from now).

In addition, there is a specific Debt Service Coverage Ratio which must be met as outlined in the loan agreement with the Bank of Marin. The coverage ratio, also known as "debt service coverage ratio," (DSCR) is the ratio of cash available for debt servicing to interest, principal and lease payments. It is a popular benchmark used in the measurement of an entity's (person or corporation) ability to produce enough cash to cover its debt (including lease) payments. The coverage ratio does not include contributions made to the Capital Improvement Budget. For MVMCC, the DSCR is calculated annually only; not monthly. Per the Bank of Marin Loan, the Park must maintain 2.00 annual Net Revenue or Coverage ratio each year. The Coverage Ratio calculation is estimated to be between 2.32 and 2.39 for FY 16/17 (as shown at the bottom of the Operating Budget).

## **KEY OPERATING BUDGET RECOMMENDATIONS - FY 16/17**

There are relatively few differences between the proposed 16/17 budget and the current 15/16 budget. Several areas of note are discussed below.

### **1. Rent – (Budget Line #41110)**

MVMCC's rent is controlled by the City's Mobile Home Rent Control Ordinance No. 1475. This ordinance sets the maximum general rent adjustment that can be passed through to residents each January 1. The amount of the rent adjustment is based on the San Francisco Bay Area Consumer Price Index ("CPI") occurring over the twelve-month period immediately preceding the September 1, which immediately precedes January 1 of the year in which the increase is permitted. The rent charged for a mobile home space may increase by 100% of the percentage increase in the CPI. As required by State law, tenants are entitled to 90 days notice of any rent increase. Therefore, in order to apply a CPI increase as a general rent adjustment on January 1, 2017, residents must be notified by October 1, 2016, of any proposed rent increase.

Staff & Frei Recommendation – Despite the rent-controlled cap of CPI, the park has a long history of not increasing rents at the full CPI level. There was effectively no rent increase from 2009-2013 – for five years. During the recession, the Council supported no to minimal rent increases to ease financial strain on residents. More recently, the Council has elected rent increases of 1.5% - 2%, below inflation, to balance the needs of keeping the park affordable for seniors while ensuring the long term financial strength of the park.

Recent history of the changes in CPI, along with the park's annual rent increases are shown below.

<b>Year</b>	<b>CPI Annual Increase (Aug-Aug)</b>	<b>Actual Rent Increase @ MVMCC</b>
2009	0.17%	0.13%
2010	0.95%	0.00%
2011	2.92%	0.00%
2012	2.80%	0.00%
2013	2.00%	0.00%
2014	2.96%	2.00%
2015	2.60%	1.50%
<b>Average CPI</b>	<b>2.1%</b>	<b>0.5%</b>
<b>Total CPI</b>	<b>14.4%</b>	<b>3.6%</b>
<b>2016 Recommendation</b>	TBD until September 2016	TBD – Lesser of 1.5% or CPI

Over the full 20 years of City ownership of the park, rents have appreciated at a substantially slower rate than the allowable increases under the Mobile Home Rent Control Ordinance. This trend can be seen by applying some example rents from 1997 with the rent increases that occurred to date and comparing to what they could have been had the full allowable CPI escalator. The table below shows the savings based on several different scenarios.

<b>Example Rent from 1997</b>	<b>2017 Rent with Full CPI Escalator Allowed</b>	<b>2017 Rent with <b>Actual</b> MVMCC Increases</b>	<b>Difference</b>
\$400	\$643	\$549	\$94
\$450	\$723	\$618	\$105
\$500	\$803	\$687	\$116

The overall financial strength of MVMCC remains on firm ground, but there are added expenses in maintenance and infrastructure requirements as the Park ages. Based on this, there is a need to grow revenues at or near inflation to ensure that the Park stays financially viable in the long run.

However, the recommendation to increase rents does not arise from any particular expense increase in a given fiscal year. The park generates excess net revenue that goes into reserves each year, and 2016/17 is no different in that regard. Rather, the increase is recommended to continue to support the Council-directed and staff-recommended policy to accrue enough reserve cash to enable the City to fully finance the eventual replacement of all of the Park’s utility infrastructure. As has been discussed in the past, this infrastructure is roughly estimated to cost \$8 million - \$10 million. Assuming that nothing fails in the interim, this large replacement project would need to begin in approximately seven years.

There has been some discussion between City staff and some PAC members about an alternate strategy that would forego rent increases now with an intent to debt-finance a portion or all of the long-term infrastructure projects when needed. While that is a valid strategy that the Council could direct staff to undertake, it is the riskier strategy; the lending environment 6-7 years from now is completely unknown and could change drastically from the favorable environment that we have found ourselves in over the past few years. Additionally, the City’s financial situation, policy direction of future City Councils, changes in state law, etc are all also unknown and could affect future financing options. With reasonable annual rent increases at or near inflation each year, staff believes that achieving the necessary funding needed to cash-finance the infrastructure

replacements is a goal within reach.

Staff and Frei Real Estate recommend the following rent increase.

- (a) If the CPI rent calculation in September is equal to or greater than 1.5%, then staff is directed to implement a 1.5% rental increase effective January 1, 2017.
- (b) If the CPI rent calculation in September is less than 1.5%, then staff is directed to implement the actual CPI increase effective January 1, 2017.

Rent adjustments at MVMCC take place mid-year during the fiscal year. This means that an approved increase only affects 6 months of the upcoming budget. Total rent revenue will increase by approximately \$36,000 for FY 16/17. A 1.5% rent increase on January 1, 2017 would result in total rent for FY 16/17 of \$2,416,975. The chart below shows impacts on resident's rent at the 1.5% recommended increase.

**Impact on 1.5% Rent Increase (Monthly and Annual)**

<b>Example Rent</b>	<b>1.5% Monthly Increase</b>	<b>1.5% Annual Increase</b>
Rent = \$500/month	\$ 7.50	\$ 90.00
Rent = \$600/month	\$ 9.00	\$ 108.00
Rent = \$700/month	\$ 10.50	\$ 126.00
Rent = \$800/month	\$ 12.00	\$ 144.00
Rent = \$900/month	\$ 13.50	\$ 162.00

If Council agrees with staff's recommendation, staff will not return in September with any additional actions by the Council regarding rent, but proceed with one of the above actions including to send out rent increase notices to residents by October 1, 2016 to provide the 90 day required notice.

**2. Wages – (Budget Line #50100)**

Frei Real Estate is the property management company hired by the PAC to provide daily oversight of the operations and maintenance the Park. Three years ago, the Council approved the hiring of a full-time on-site Park Manager to increase the communication, feedback, and management of the Park. At this point, the staffing complement is relatively stable, consisting of the Park Manager, two maintenance staff, and a part-time bookkeeper. The budget for wages is proposed to increase 5% next year. Since the aforementioned staff are employees of Frei Real Estate, not the City, the actual decisions about performance evaluations, compensation increases, and other personnel matters are left to Al Frei and Frei Real Estate.

**3. Utilities (Budget Line #s 52100 to 52700)**

2017/17 is the first full fiscal year in which the park is no longer under the Comcast contract, which ended on December 31, 2015. Residents now make their own individual decisions about television service. Most utility costs are anticipated to increase about 5% from the current year estimated actual costs. Otherwise, these costs are stable and are offset by the utility payments collected from residents.

#### **4. Total Repairs & Maintenance (Budget Line #s 53100 to 54800)**

With the drought and the significant number of trees in and surrounding the park, the primary change to this section is the addition of \$5,000 to the budget for tree services (#54400). This budget addition brings the total budgeted expenditures for tree maintenance to \$55,000 annually, a 10% increase. Staff acknowledges that this line item is estimated to be significantly overspent in the current year, which prompted Frei Real Estate to initially propose a 30% (\$15,000) increase to the budget. However, there are other line items that are under spent. Staff believes there is enough funding in the maintenance portion of the budget to cover the needs for this coming year. Staff and Frei agreed to the \$5,000 increase for 16/17, but recognize that further modifications to this budget may be necessary in future years if expenditures continue to outpace the budget.

#### **5. Capital Expenses (Budget Line #57700)**

The FY 16/17 budget allocates \$548,000 for investment in the Capital Improvement Budget. The budget additionally assumes \$25,000 for completion of the infrastructure study that is currently underway, which will be expended directly from reserves. Details about the Capital Improvement Budget are below.

#### **6. Owner Expenses (Budget Line #72000)**

Over the twenty years that the City has owned the park, there has typically been a standard \$25,000 budget line for City-incurred administrative expenses. This line item has paid for staff time and City Attorney time, but has never been increased over the years. Since the bonds were refinanced in 2012, the City has engaged in a number of special projects, from re-writing the management / delegation agreements to emergency planning to negotiations with PG&E over easement issues, etc. Furthermore, the City Council has maintained a policy that all administrative expenses associated with MVMCC should be paid by park funds and not subsidized by the City's General Fund.

Staff has conducted an analysis of the costs attributable to the park over this time period. The conclusion is that \$25,000 is a sufficient budget to cover the day-to-day administration, City Council meetings, basic legal questions, financial accounting, etc. However, the special projects and initiatives over the past 3 years have meant additional administrative expenses that have averaged \$25,000 - \$30,000 per year. Staff intends to bring forward an item at the next MVMCC meeting (presumably in October 2016) to review the recent years of admin expenses since the refinance and transfer those funds to compensate the City. However, based on the special initiatives planned (including park ownership research and decision, re-write of park rules, re-write of park leases, rental assistance research, etc) for the park over the coming fiscal years, and in recognition that the budget has never been increased, staff recommends increasing the owner expense budget line item to \$50,000 beginning in 2016/17. If the full \$50,000 is not incurred in a given fiscal year, only the actual expenses would be transferred.

### **KEY CAPITAL IMPROVEMENT BUDGET RECOMMENDATIONS - FY 16/17**

The Capital Improvement Project (CIP) budget is also attached for Council and resident review. Staff has updated the budget to reflect Frei Real Estate's and City engineering's estimates of what will actually be spent this year and what will need to be carried over for any capital projects that were not completed.

The CIP budget makes the following key investments.

### Short-Term CIP Projects

- \$50,000 for continued pavement, driveway and cul-de-sac overlays.
- \$193,000 to address a variety of non-ADA-compliant path of travel issues from the on-street parking area to the entrance of the Clubhouse and surrounding external areas. The project includes correcting accessible parking spaces, the existing curb ramp onto the sidewalk, adding or supplemented pavement marking and signage, as well as the existing walkway to the front entrance of the building and around to the pool entrance. Surface and slope issues will be addressed.
- \$90,000 to complete the pool and spa resurfacing project, ADA compliance at the pool, and new equipment including salt water chlorine system.
- \$50,000 for continued work on the Clubhouse beams and fascia that are showing signs of deferred maintenance and water rot / damage.
- \$100,000 for continued geo-technical work for retaining walls, v-ditches, drainage, and any slope stability issues.
- \$45,000 for installation of ballroom air conditioning or heat pumps
- \$20,000 for minor work to the Park owned mobile homes, including seismic bracings.

### Long Term Infrastructure Planning – Funding from Infrastructure Reserve Fund

- \$25,000 to complete the Engineering Infrastructure Study from Infrastructure Reserve Fund.

## **CONCLUSION**

City staff recommends the Council hear from residents and take action. Staff recommends that the Council approve the FY 16/17 Operating and Capital Budgets at the June 13th meeting.

## **ATTACHMENTS**

1. Proposed Operating Budget
2. Proposed Capital Budget



Marin Valley Mobile Country Club  
Proposed Budget 2016-17

E-6

1.

Acct #	DETAIL	2015-2016	2015-2016	2016-2017	2016-17	2016-17
	INCOME	Proj. Actual	Budget	Frei Proposed Budget	City Recommended Changes	Final Proposed Budget
41110	Space Rent	FREI recommends 1.5% increase 1/1/17, to be determined	2,381,256	2,381,256	2,416,975	2,416,975
41300	Late Fees	Actual late fees Jul-Feb Avg \$70/mo	855	1,080	840	840
41400	Laundry	Actual laundry income Jul-Jan Avg \$55/mo	683	960	660	660
41500	Staff's Mobile Home Rent	\$1058/mo; \$1068/mo Jan-Jun	12,636	12,636	12,756	12,756
41700	Vehicle Parking Fees/RV	Actual parking fees Jul-Feb Avg \$980/mo	11,760	11,760	11,760	11,760
	<b>Total Permanent Rent</b>		<b>2,407,189</b>	<b>2,407,692</b>	<b>2,442,991</b>	<b>2,442,991</b>
						-
42100	Cable TV	<b>Contract ended 12/31/15</b>	36,084	46,269	0	-
42200	Electric	Per estimate analysis +5% (Park Billing Historical Data)	187,383	159,988	185,926	185,926
42300	Garbage	\$8,770/mo 313 @ \$28.02	104,234	103,740	105,240	105,240
42400	Gas	Per estimate analysis +5% (Park Billing Historical Data)	121,471	139,611	147,341	147,341
42500	Sewer	proposed LGS \$835 per unit = \$21,918.75/mo	222,552	235,620	263,025	263,025
	<b>Total Utilities</b>		<b>671,725</b>	<b>685,228</b>	<b>701,532</b>	<b>701,532</b>
						-
43200	Investment Income	Estimate per MC	25,000	15,000	27,000	27,000
43300	Other Income		113	-	-	-
43400	Grant Income		-	15,000	-	-
	<b>Total Other Income</b>		<b>25,113</b>	<b>30,000</b>	<b>27,000</b>	<b>27,000</b>
						-
	<b>TOTAL INCOME</b>		<b>3,104,027</b>	<b>3,122,920</b>	<b>3,171,523</b>	<b>3,171,523</b>
						-
	<b>EXPENSES</b>					
50050	Wages - Park Manager	5% increase	69,227	70,000	73,500	73,500
50100	Wages - Bookkeeper	5% increase from 2015-16 actual	14,063	23,500	15,750	15,750
50150	Wages-Maintenance	5% increase from 2015-16 (last increase 2013)	30,344	30,180	31,689	31,689
50200	Wages-Assistant Maintenance	5% increase from 2015-16 (last increase 2013)	22,784	22,620	23,751	23,751
50250	Wages-Performance Comp	Estimate	-	5,000	-	-
50400	Staff's Mobile Home Rent	\$1058/mo \$1068/mo	12,636	12,636	12,756	12,756
50500	Travel	Manager Mileage Reimbursement	-	600	600	600
	<b>Total Wages</b>		<b>149,054</b>	<b>164,536</b>	<b>158,046</b>	<b>158,046</b>
						-
51100	P/R Taxes	Estimate - Employer Payroll Taxes	14,044	14,000	14,700	14,700
51200	Insurance - Health	Onsite Staff	8,760	8,760	8,760	8,760
51300	Workers Comp	Estimate based on rates from workers comp audit	21,784	21,500	22,500	22,500
	<b>Total P/R Taxes/Insurance</b>		<b>44,588</b>	<b>44,260</b>	<b>45,960</b>	<b>45,960</b>
						-
	<b>TOTAL EMPLOYEE COSTS</b>		<b>193,642</b>	<b>208,796</b>	<b>204,006</b>	<b>204,006</b>
						-
52100	Cable TV	<b>Contract ended 12/31/15</b>	66,372	79,284	0	-
52200	Electric	Per estimate analysis (prev year Actual + 5%)	194,803	165,641	215,000	215,000

Marin Valley Mobile Country Club  
Proposed Budget 2016-17

52300	Garbage - contract	\$9,078/mo based on current contract +5% incr	108,942	105,435	114,360		114,360
52310	Garbage	Periodic Dumpsters for Resident Clean up - 8745	3,237	4,000	4,000		4,000
52400	Gas	Per estimate analysis (prev year Actual +5%)	105,527	104,976	114,805		114,805
52500	Sewer	proposed LGS \$835 per unit = \$21,918.75/mo	231,210	235,620	263,025		263,025
52700	Water	Based prev year on act +10%	61,484	80,000	68,350		68,350
	<b>Total Utilities</b>		<b>771,573</b>	<b>774,956</b>	<b>779,540</b>		<b>779,540</b>
53100	Concrete Maintenance	Estimate	-	655	655		655
53200	Fire Abatement	Estimate for brush/weed clearing per fire dept requirements	25,215	45,000	45,000		45,000
53300	Landscape Maintenance	DelToro \$968/mo + \$7,500 extra/yr (weed control)	15,063	20,000	20,000		20,000
53400	Maintenance Home Repairs	Estimate	193	1,000	1,000		1,000
53500	Operating Supplies & Equip	Estimate operating supplies (cleaning supplies & consumables)	3,342	4,800	4,800		4,800
53600	Pool Supplies & Equipment	Actual July-Feb Avg \$350/mo chemicals + \$380 svc	11,846	12,000	12,000		12,000
53700	General Repairs	Common Area maintenance and repairs	33,311	45,000	45,000		45,000
53800	Security Contract	Patrols \$640/mo	6,570	7,440	7,680		7,680
54000	System Maintenance - Gas	\$1800/Ann. Gas Leak Survey-\$10,200/Repairs	5,817	16,250	16,250		16,250
54030	System Maintenance - Electrical	Main switch service / Repairs ave \$520/mo	5,497	19,500	19,500		19,500
54050	System Maintenance - Generator	Maintenance contract (\$2,500)+ repairs	5,276	5,200	5,200		5,200
54100	System Maintenance - Sewer	Actual prev year ave \$850/mo, sewer line clearing/repairs	16,875	25,000	23,400		23,400
54200	System Maintenance - Water	Minor Repairs to Water Lines	225	780	780		780
54210	System Maint - Storm Drain	Estimate	499	10,000	10,000		10,000
54220	Street Crack Seal Repair	Estimate	-	15,000	15,000		15,000
54300	Tools & Equipment Repair	R&R Park tools and equipment	-	2,000	2,000		2,000
54400	Trees	Estimate tree trim and removal (MG)	79,470	50,000	65,000	(10,000.0)	55,000
54500	Uniforms	Park Staff Shirts/Jackets/Raingear	299	300	300		300
54600	Utility Maintenance	Unanticipated service/repairs to meters etc	-	3,120	3,120		3,120
54700	Vehicle Maintenance	Repairs/service/DMV fees	2,365	3,000	3,000		3,000
54800	Contingency	Estimate	-	8,000	8,000		8,000
	<b>Total Repairs/Maintenance</b>		<b>211,861</b>	<b>294,045</b>	<b>307,685</b>		<b>297,685</b>
55100	Advertising & Promotion	Estimate	-	600	600		600
55200	Bank Charges	Actual Fees Ave \$65/mo	790	540	780		780
55400	Copier Supplies/Repairs	Estimate Based on July/Jan Avg \$125/mo	1,508	1,200	1,500		1,500
55500	Dues & Subscriptions	Estimate, title 25, MH Residency Law updates	488	300	350		350
55600	Education & Seminars	Onsite Staff Training + Emergency Svcs Training \$2,000	-	1,100	3,100		3,100
55700	Legal	Estimate, enforcement of Park documents/collections	2,399	15,000	15,000		15,000
55800	Licenses & Permits	Dvc-\$1050/HCD-\$4500/Pl,Spa Pmt \$740,City \$270	9,583	6,400	6,400		6,400
56100	Office Supplies & Equipment	Actual July-Feb Avg \$800/mo add \$70 p/mo water clbhs	10,667	7,200	10,440		10,440
56200	Other Expense	Estimate	-	5,504	5,504		5,504
56300	Outside Services	Park Billing \$500/\$90-ans serv/\$255 pest/clbhs cl \$795 p/qtr	12,388	15,000	15,000		15,000
56600	Telephone	Actual July-Feb Avg \$650, phone, fax, internet	6,638	7,800	7,800		7,800
	<b>Total Office &amp; Administration</b>		<b>44,460</b>	<b>60,644</b>	<b>66,474</b>		<b>66,474</b>
	<b>TOTAL OPERATING COSTS</b>		<b>1,221,536</b>	<b>1,338,441</b>	<b>1,357,705</b>		<b>1,347,705</b>

Marin Valley Mobile Country Club  
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57200	In-Lieu of Tax Fees - Novato	\$6,159 p/mo per MC	70,980	72,408	73,908		73,908
57220	Resident Humanitarian Services		8,181	12,000	12,000		12,000
57300	Insurance-Prop & Liability	Estimate per DW	86,701	85,475	86,000		86,000
57350	Insurance - D&O MARVAL		7,917	8,500	8,500		8,500
57600	Management Fee	\$4,700 p/mo	56,400	56,400	56,400		56,400
57700	Capital Expenses	Maximize the amount of capital funding balancing DSCR	497,869	635,000	548,000		548,000
57750	Audit	Contracted Mann, Urrutia, Nelson, CPA (no chg per MC)	5,100	5,200	5,200		5,200
59900	Mobile Home Rent Control Fee	\$60 per space per City's Rent Control Ordinance	18,900	18,900	18,900		18,900
	<b>Total Project Fees Costs</b>		<b>752,047</b>	<b>893,883</b>	<b>808,908</b>		<b>808,908</b>
							-
	<b>NET OPERATING INCOME</b>		<b>1,130,443</b>	<b>890,596</b>	<b>1,004,910</b>		<b>1,004,910</b>
							-
							-
	<b>Bank of Marin Loan:</b>						-
	Loan Principal	Per amortization schedule	462,108	462,108	475,929		475,929
	Loan Interest	Per amortization schedule	189,064	189,064	175,243		175,243
	<b>Total Loan Payments</b>		<b>651,172</b>	<b>651,172</b>	<b>651,172</b>		<b>651,172</b>
							-
<b>1)</b>	<b>Excess Revenue</b>		<b>479,271</b>	<b>239,424</b>	<b>353,738</b>		<b>353,738</b>
							-
	<b>Application of Budget</b>						-
<b>1)</b>	<b>EXCESS REVENUE</b>		<b>479,271</b>	<b>239,424</b>	<b>353,738</b>		<b>353,738</b>
							-
							-
72000	Owner Expense		25,000	25,000	25,000	25,000	50,000
71000	PAC Expense		4,000	4,000	4,000		4,000
80000	Professional Services		-	-	-		-
81000	Park Improvement	Resistance Exerc Machine, Walkway Lighting CH, Fans-gym,etc	17,184	19,500	20,000		20,000
81500	Emergency Prep MVEST		2,464	5,000	5,000		5,000
							-
	<b>TOTAL EXPENSES</b>		<b>2,811,566</b>	<b>2,936,996</b>	<b>2,871,785</b>		<b>2,886,785</b>
	Debt Service Coverage Calculation (Minimum per loan agreement is 2.00)		2.43	2.26	2.30		2.32
	Debt Service Coverage Calculation (assuming \$75,000 unspent)		2.43	2.38	2.42		2.39

Marin Valley Mobile Country Club - FY 16/17 PROPOSED CAPITAL IMPROVEMENT PROGRAM BUDGET

		Actual Thru 8 Months	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9
	CAPITAL COMPONENT	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
	<b>SHORT-TERM CIP PROJECTS</b>										
1	<b>ASPHALT/STREETS/LIGHTS</b>										
2	Overlay		10,000	20,000	10,000	35,000	10,000	35,000	10,000	35,000	10,000
3	Repairs / Crack Fill (moved to operating budget #54220 for \$15,000 per year)										
4	Seal Coat/Restripe	32,965									
5	Driveways & Cul de sacs		40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
6	Signage - Events Sign										
7	Signage - Traffic Signs										
8	Streetlights										
9	<b>COMMON AREA/RECREATION FACILITIES</b>										
10	Clubhouse ADA Improvements										
11	Phase 1 - ADA parking 2 spaces and exterior path of travel to Clubhouse	25,000	193,000								
12	Phase 2 - Elevator				270,000						
13	Phase 3 - Pool Bathrooms / Bathrooms			100,000							
14	Phase 4 - Other minor ADA improvements					50,000					
15	Exterior Paint / Carpentry - Front Fascia	41,498	50,000								
16	HVAC										
17	Air Conditioning (2) - Ballroom		45,000								
18	Heat (5)										
20	Kitchen Remodel										
21	New Ballroom Floor (to be initiated after ADA study complete)			50,000							
23	Shades & Awnings (Ballroom & Fireside Room & Deck)										
24	Bathroom Remodel for Disabled (H/C) - womens										
25	Bathroom (Women's)										
26	Clubhouse Flat Roof, Beams	21,588									
27	Laundry Room Roof & Misc Repairs										
29	Emergency Generator										
30	Pool/Lanai										
31	Pool Bathrooms				75,000						
32	Pool & Spa Resurface / Equipment Upgrade / ADA Compliance	90,000	90,000								
33	Electrical System Analysis and Service Panel Upgrade	5,183									
33a	Anode Bed and Rectifier Replacement	9,400									
34	<b>GEO TECHNICAL - ROUTINE CAPITAL WORK</b>										
35	Slopes/Drains/V-ditches	58,263	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
36	Retaining Walls	158,820	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
37	<b>UTILITIES - ROUTINE CAPITAL WORK</b>										
38	Sewer										
39	Gas										
40	Electric										
41	Pump Station Upgrades										
42	<b>Park Owned Mobilehomes</b>	6,064	20,000		20,000			20,000			
43	<b>Park Vehicle (truck)</b>			25,000				25,000			
44	<b>Sub Total Projected Expenditures</b>	<b>448,781</b>	<b>548,000</b>	<b>335,000</b>	<b>515,000</b>	<b>225,000</b>	<b>150,000</b>	<b>220,000</b>	<b>150,000</b>	<b>175,000</b>	<b>150,000</b>

**Marin Valley Mobile Country Club - FY 16/17 PROPOSED CAPITAL IMPROVEMENT PROGRAM BUDGET**

	Actual Thru 8 Months	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	
CAPITAL COMPONENT	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	
45											
46	<b>LONG-TERM INFRASTRUCTURE CIP PROJECTS</b>										
47	<b>INFRASTRUCTURE - MVMCC Conditions Survey Dec 2011</b>										
48	Engineering/Planning Design Construction Docs						300,000				
49	All Infrastructure System Replacement							3,000,000	3,000,000	2,000,000	
50	Water System										
51	Storm Drain System										
52	Sanitary Sewer System										
53	Two Pump Stations Maintenance	20,120									
54	Complete Overhaul (2031)										
55	Electrical System										
56	Gas System	6,000									
57	Slope Stability	22,968	-	-	450,000	-	-	200,000	-	-	
58	Streets										
59											
60	<b>Total Projects Conditions Survey Projected Expenditures</b>	<b>49,088</b>	<b>-</b>	<b>-</b>	<b>450,000</b>	<b>-</b>	<b>-</b>	<b>500,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>2,000,000</b>
61											
62	<b>TOTAL EXPENDITURES</b>	<b>497,869</b>	<b>548,000</b>	<b>335,000</b>	<b>965,000</b>	<b>225,000</b>	<b>150,000</b>	<b>720,000</b>	<b>3,150,000</b>	<b>3,175,000</b>	<b>2,150,000</b>
63											
64											
65	<b>RESERVE FUNDS - USE OF FUNDS (see Forecast for Reserve Projections)</b>										
71	<b>INFRASTRUCTURE RESERVE</b>										
72	Engineering Infrastructure Study										
73	Phase 1 - City staff time for utilities research, RFP, Agreement \$25,000	0	25,000								
74	Phase 2 = Engineering Consultant for infrastructure study	0									
75											
76	Total Expenditures from Infrastructure Reserves	0	(25,000)								
77											
79											
	<b>Notes:</b>										
	FY 15/16 Budget adjustment at City Council meeting of 10/20/2015 for CIP projects -- see additional tab for details										