

**MINUTES OF JOINT CITY COUNCIL/  
CITY COUNCIL AS SUCCESSOR AGENCY TO DISSOLVED  
REDEVELOPMENT AGENCY/MVMCC MEETING**

**MARIN VALLEY MOBILE COUNTRY CLUB  
100 MARIN VALLEY DRIVE  
MONDAY, JUNE 13, 2016 - 6:30 PM**

A. CALL TO ORDER

ROLL CALL

Present: Mayor Eklund  
Mayor Pro Tem Athas  
Councilmember Drew  
Councilmember Fryday  
Councilmember Lucan

Absent: None

Also Present: Assistant City Manager Cathy Capriola, Finance Manager Brian Cochran, Assistant City Attorney Veronica Nebb, City Clerk Sheri Hartz, On-site Manager Matt Greenberg and Al Frei.

B. APPROVAL OF FINAL AGENDA

*Councilmember Lucan moved, Seconded by Mayor Eklund, to approve the Final Agenda. The motion carried unanimously.*

C. PUBLIC COMMENTS

1. Bill Davis, a member of the MVEST steering committee, spoke about how Council manages the safety of the community, stated that management of the Park was going well and that affordability was key.
2. Eileen Cedron spoke about her experiences as a long time park resident, stating that management was top-heavy and the PAC should be abolished and Al Frei removed.
3. Francina LeClercq stated the hazardous area near the creek should be made fire and insect safe, recommending the use of goats.
4. Len Carmen requested that a fair City Manager and City Attorney be appointed, stating that half a million dollars had been taken out of Park funds and that a third year of rent increases were being considered.
5. Jan Thomas spoke about the Marin Sports Academy (MSA) project and its potential effect on the Park.
6. Warren Edgar also spoke in opposition to MSA, stating that potential traffic back up would affect Nave Drive and that emergency vehicles wouldn't be able to access the elderly population at the Park.

7. Kathryn McMudie spoke in favor of the Novato Lions being able to run bingo at the Park, stating that it was important to have activities at the park for those who are disabled. She read aloud a letter from Owen Haxton asking that the facilities be utilized for activities.
8. Connie Marelich also spoke about the use of the Park's hall for Lions Club bingo, gave the history of how it had worked in the past. And asked that it be grandfathered in.
9. Peggy Hill spoke about parking, stating that abandoned cars were being stored on Park premises.
10. Serena D'arcy Fisher thanked the City for supporting MVEST and spoke about other neighborhood efforts hosted by CERT.
11. David Crasmar spoke in favor of continuing Lion's Club bingo at the Park.
12. Martha Cray thanked the Councilmember Drew and Mayor Eklund for their recent votes on the SMART train station, the Redwood and Grant bus station, and MSA.

At this time, Ms. Capriola responded to questions raised during Public Comment, stating that Novato Fire did in fact work with Park management each year on fire hazard reduction and Mr. Greenberg reported that the Mosquito Abatement District inspected the property on a regular basis. Regarding use of Park funds, she stated that when 90 acres were purchased to be preserved as open space, the City used \$250K of City funds and \$250K of Park reserves. She added that rents were used toward the expenses to run the Park and/or were put into reserves, that funds were kept separate, and that Park funds had never been used to pay for other City services. Regarding MSA, she clarified that there was an initial proposal, and that a flyer about new plan had been distributed, but that no new plan had been formally submitted to City.

Assistant City Veronica Nebb, in response to the questions about bingo, explained that Council had considered an amendment to the Rules and Regulations regarding use of clubhouse building by outside groups. She stated that a subcommittee had looked at it and a public meeting was held to prioritize the uses of the building as follows: use by residents (primary), rentals by resident-sponsored group (secondary), and outside groups (third). She added that the intent was to limit to a few times per year how many times outside groups could use the facility to the exclusion of residents and stated that the regular bingo game was happening on a regular business. Regarding parking issues, she stated that the Rules needed revision to address some of the existing problems. She added that the current rules were enforced to the extent possible but if that needed to be more aggressive, that could occur.

Mr. Greenberg also addressed the parking issue, a situation that had been going on for years, and that he was working on.

Mayor Pro Tem Athas asked what the process would be to change bingo rule again, and Ms. Nebb responded that it would be a long process because of state laws about noticing but that it could be done if Council wished.

#### D. CONSENT CALENDAR

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

*Mayor Pro Tem Athas moved, Seconded by Councilmember Lucan, to approve the Consent Calendar. **The motion carried unanimously.***

## **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.

Mr. Cochran introduced the item about the status of PG&E's pathway project intended to improve gas line safety along a stretch of pathway that traversed the Park, to improve maintenance access to gas transmission lines and improve the look and long-term maintainability of the pathway. He stated that City staff and park management had worked directly with PG&E staff to agree on an acceptable design that would meet all parties' needs and that PG&E had hosted a meeting at the Park with affected property owners to receive their feedback.

Greg Gillis, PG&E Senior Specialist, reported on the trail area, stating that PG&E had an easement where vegetation needed to be replaced, stating that a restoration team could work with staff and residents to determine the most compatible replacement vegetation as well as a new fence design.

## **COUNCILMEMBER QUESTIONS**

Councilmember Drew asked whether removal had been completed, to which Mr. Gillis responded that nothing had yet been done but that the work would take about month from start to finish.

Mayor Eklund asked whether PG&E had met with all residents along the easement, to which Mr. Gillis responded that they had done so on February 27th. Ms. Nebb added information about particular issues regarding vegetation removal, stating that some residents had asked for vegetation removal for reasons outside the scope of PG&E's interests, such as view protection, but that, other than that, all concerns had been addressed. She added that they had not followed up with every single person, but were committed to do so before work went forward.

Mayor Eklund expressed concern that the Council was being asked to approve a plan it had not yet seen, to which Ms. Nebb responded that the plan could be brought back to Council.

## **PUBLIC COMMENT:**

13. John Hanson commented about one of the species planned to be added, and suggested less aggressive species.
14. Peggy Hill said that she hoped that work would have already been done due to fire hazards and said she was looking forward to the area being cleaned up, and trusted PG&E.
15. Diane Brandon asked whether the list of vegetation had been vetted for pyrophyllic plants.
16. Michael Hagerty stated he was very happy with what PG&E had done with this project, and that they had fulfilled and exceeded all promises.

Mr. Gillis addressed questions raised during Public Comment, stating that PG&E was suggesting native, drought resistant plants, and that the restoration crew will work with residents and would not put in anything that posed more of a fire hazard.

*Councilmember Lucan moved, Seconded by Mayor Pro Tem Athas, to authorize commencement of the projects and assuring that each affected resident be contacted personally for their preferences. **The motion carried on a 3-2-0-0 vote, with Mayor Eklund and Councilmember Drew voting No.***

Following the vote, Councilmember Drew asked Mr. Gillis to read a description of the project to which he responded that no trees would be removed, only volunteer brush not intended to be planted and that they would be clearing brush and beautifying the area

Mayor Eklund requested that the item be brought back when more information was available. Ms. Nebb described an approach to allow each resident to choose and personalize the plantings visible from their own homes.

#### 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.

Mr. Cochran gave the staff presentation, stating that, over the history of the City's MVMCC ownership, the City Council had maintained an interest in keeping the Park affordable to seniors for the long term. He said that the Council had 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, and reported that staff and legal counsel were researching the current and historical rents in the Park. He stated that, once the research was completed, staff would present a workshop to Park residents on these issues, including clarifying the relationship between rents, rent increases and the City's financing, mobile home rent control and state law, as well as staff's conclusions based upon the research. He reported that staff would return to the City Council at its next MVMCC meeting to present its findings and any recommendations for Council consideration and possible action.

#### COUNCIL QUESTIONS

Council Member Fryday asked how long a rental assistance program had been under consideration, to which Mr. Cochran replied that it had been several months and required a lot of time to fully research.

Mayor Eklund asked about affected properties which appear to be higher or lower than comparable lots with no discernible reason why, stating that rents should not be lowered generally, but only the ones that are higher than average. Mr. Cochran stated that analysis would be done to find which were out of sync Regarding rental assistance, Mayor Eklund asked whether the City's humanitarian fund could be used to subsidize rents, to which Ms. Capriola responded that the humanitarian fund was meant for short-term assistance as opposed to ongoing. Discussion ensued into potential sources of funds for rent subsidies and whether it could be a citywide program, with Ms. Capriola concluding that more investigation would need to be done.

## PUBLIC COMMENT

17. Michael Hagerty spoke in support of investigating the rent disparity and the idea of rental assistance.
18. Ellen Schulz wondered how people are aware of other people's income.
19. Frank Simpson stated that he sat on the Rent Differential Committee, which had been meeting since 1998, supported this matter being addressed. He encouraged the Council to listen to the Committee's ideas.
20. Joseph Davila spoke about the inspection Ms. Nebb had referred to, disputing how the values were determined, and requesting that careful review be done.
21. Maggie Siegfried discussed between differential hers and her neighbor's lots, and asked that it be fairly assessed.

Mayor Eklund responded to questions, and asked whether staff had met with any of the committees. Mr. Cochran responded that they had reviewed the report and there were differing opinions around the criteria for determining what is grossly different vs reasonably different, which would be addressed in the workshop. Regarding level of income, Ms. Capriola stated that it was provided upon move in, but not updated. She said that the City received a quarterly report from Frei, with historical information for existing residents and new for new residents and added that those applying for rental assistance would be required to prove their income and assets for a third party evaluation. Regarding the Rent Differential Committee, she said that staff would be glad to meet with them.

Councilmember Drew asked if it were possible for the data on hand for each lot to be reviewed by residents, to which Ms. Capriola responded that the information was preliminary at this point but could be shared once confirmed. Ms. Nebb added that lot size was available, but that neither the size of the homes nor the improvements had been measured as they are the residents' own property and the City only rents the lot space.

Councilmember Fryday expressed support of looking into a rental assistance program and Councilmember Lucan stated that he was glad a workshop was being planned on this complicated issue.

Mayor Eklund stated that this issue only affected 10-12 residents that were outliers regarding rents, which Ms. Nebb confirmed, stating that upon early analysis, it looked as if a dozen or so residents would be affected.

Mayor Pro Tem Athas stated that she was most interested in looking at a rental assistance program. Mayor Eklund stated that she was glad this matter was moving forward, and supported a rental assistance program, but as a citywide program for all seniors.

### 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.

Mr. Cochran gave staff presentation and responded to questions. He reported that the resident living at 171 Marin Valley Drive had passed away in August 2015, and stated that the County Public Administrator had found that there was no next-of-kin and that the home was in unrepairable condition. He said that the County had agreed to pay for the removal of the home, cleanup of the site, and payment of past due rents. He explained that the City could place a new home on the lot and sell it for fair market value, which would generate significant excess revenue that could be placed into MVMCC's reserves. He outlined the complete budget for the home purchase, including the home, delivery, setup, landscaping and contingency as an amount not-to-exceed \$163,000 and said that staff believed that this new unit would 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, which would be deposited into MVMCC's reserve funds.

Ms. Capriola added that the PAC was supportive of this plan and outlined options for funding.

### COUNCIL QUESTIONS

Mayor Pro Tem Athas asked whether there was an option with a lower pitched roof, to which Mr. Cochran responded that the pitch on the proposed manufactured home was standard at 15'7". Mr. Greenberg stated that story poles could be erected and letters sent to affected neighbors.

To a question from Mayor Eklund about where the proceeds would go, Mr. Cochran responded that they would go back to the Park.

### PUBLIC COMMENT

22. Ellen Schulz stated that resident Mike Read had been required to dig out so his home wasn't so high and asked why this was not required in this case.
23. Warren Edgar asked whether \$163K was the authorized purchase price, stating that it would sell for more than that.

*Councilmember Lucan moved, Seconded by Councilmember Drew, to authorize purchase of a replacement home in an amount not to exceed \$163,000.00. **The motion carried unanimously.***

### 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.

Mr. Cochran presented the staff report and responded to Council questions. He highlighted a proposed increase in City administrative charges, stating that Park-related costs should be paid by the Park, and that staff costs would get charged back. He added that staff work on Park matters had increased because of many special projects at the Park and that they combined to increase the overall administration costs of the Park. He also addressed the rent increase, explaining that the recommended increase of 1.5%, amounts to a \$7 to \$13 increase per month, and that the average rent at MVMCC was in the \$600 range, whereas at Los Robles it was \$800. He concluded by stating that the long term infrastructure of the Park made a rent increase advisable.

## COUNCIL QUESTIONS

Mayor Eklund asked whether this budget started putting money into long term infrastructure reserves, to which Mr. Cochran replied that it did, with \$3.2M set aside, plus other reserves to make it \$4.2M overall. As a follow-up, Mayor Eklund asked whether the reserves would be enough to pay for improvements over the next six to eight years, and Mr. Cochran responded that staff could only estimate what the eventual costs would be, and regarding what a 1.5% rent increase would generate, responded \$36K per year.

## PUBLIC COMMENT

24. John Shelfer, PAC Board member, stated that PAC agreed with most of the budget except for the rent increase. He said that the Park was not a for-profit enterprise, was meant to provide a home for low and moderate income families and that many of the residents lived on budgeted funding such as social security or savings.
25. Anila Manning stated that, while Los Robles pays higher rent, MVMCC was its own entity, and that there was not enough information to support the need for an increase.
26. John Hanson spoke in opposition to the rent increase, asking how was it justified.
27. Steve Plocher spoke against the rent increase, stating that no budget item caused the operating costs to rise.
28. David King spoke against rent increase, stating that risk assessment should be done or alternate financing plans evaluated.
29. Ellen Schulz spoke against the rent increase, citing other increases residents face.
30. Len Carmen spoke against the rent increase, stating that current members are being charged for infrastructure improvements they won't get to enjoy.
31. Larry Cohen spoke against rent increase.

Ms. Capriola responded, stating that staff appreciated that this was an important issue, but said there was a balancing act. She said that there had been five years with no increase, but modest increases would be needed to keep up with basic inflation.

## COUNCILMEMBER QUESTIONS

Mayor Pro Tem Athas asked whether, if there was no increase, would money still go into reserves, to which Mr. Cochran responded that \$350K was planned for reserves and that no rent increase would reduce that amount by \$36K. He added that, for one year, it doesn't make big impact, but the affect would grow over time.

Councilmember Fryday asked if the last two rent increases were tied to increases in operational expenses, to which Mr. Cochran replied that it was both operating costs and the need to save for infrastructure improvements.

*Councilmember Fryday moved, Seconded by Mayor Pro Tem Athas, to approve the budget with no rent increase for this year. **The motion carried unanimously.***

Following the vote, Councilmember Lucan commented that, if rents were increased now, they might not need to be in a time of recession, and that, long term, we did need protection from things that would occur down the road.

F. REGULAR REPORTS

7. PARK MANAGEMENT VERBAL UPDATE: MATT GREENBERG

Mr. Greenberg gave a brief update on safety pruning, and removal of dry grass, stating that he was working with Novato Fire to complete the work by July 1. He stated that repairs had been made to the pool and that a landscape master plan for the clubhouse was being developed. He concluded by stating that 250 homes had received the Council-approved gas valve replacements, including meter stands for stability, that fireside room repairs have been completed, and that all storm drains had been camera-monitored and repaired prior to winter.

8. UPDATE FROM PAC: JAY SHELFER, PAC PRESIDENT

Mr. Shelfer gave an update on the PAC's activities, commending staff and Al Frei for having improved the culture and keeping things on track. He expressed appreciation for being able to provide input into projects before they were implemented.

G. COUNCIL/STAFF COMMENTS

None

H. ADJOURNMENT

At 10:18 p.m., the meeting was adjourned.

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

/Sheri Hartz/

Sheri Hartz, City Clerk