ROLL CALL

CONVENE MUNICIPAL SERVICES CORPORATION MEETING

1. BOARD / STAFF COMMUNICATIONS (Reports of Closed Session, commission appointments and informational reports on matters of general interest which are announced by the Municipal Services Corporation & City Staff.)

2. ORAL COMMUNICATIONS FROM THE PUBLIC

All persons wishing to speak should sign up with the Board Secretary. Remarks are limited to 3 minutes per person. Please state your name and city of residence for the record. Comments regarding non-agenda, presentation and consent calendar items will be heard first. Comments related to items appearing on the Public Hearing or Policy Matter portions of the Agenda are taken up at the time the Municipal Services Corporation Board deliberates each action item. Individuals wishing to comment on any closed session scheduled after the regular meeting may do so during this public comment period or after formal announcement of the closed session.

3. PRESENTATIONS – None

4. ADOPTION OF THE CONSENT CALENDAR – Item No. 4A

Consent Calendar items are considered to be routine by the Municipal Services Corporation Board and will be enacted by one motion unless a request for removal for discussion or explanation is received prior to the time the Board votes on the motion to adopt.
A. Minutes for Approval

Approve the following meeting minutes: 1) March 21, 2011 Concurrent City Council/Redevelopment Agency and Municipal Services Corporation; and 2) April 4, 2011 Concurrent City Council/Municipal Services Corporation.

5. PUBLIC HEARINGS – None

6. POLICY MATTERS

Amendment of Municipal Services Corporation Articles of Incorporation and Bylaws, Application for Tax-Exempt Status, Election of Officers and Adoption of Fiscal Year 2011-12 Annual Budget

1. Adopt a resolution of the Municipal Services Corporation authorizing the amending and restating of the Corporation’s Articles of Incorporation, the amending and restating of the Corporation’s Bylaws and the filing of federal and state income tax exemption applications.

2. Adopt a resolution appointing officers of the Corporation’s Board of Directors.

3. Adopt a resolution approving the Corporation’s Fiscal Year 2011-12 budget.

7. ADJOURN MUNICIPAL SERVICES CORPORATION MEETING

- Municipal Services Corporation Board Meetings can be heard live on FM Radio, KECG – 88.1 and 97.7 FM and viewed live on Cable TV - KCRT- Channel 28. The meetings are rebroadcast on Channel 28 the following Thursday and Monday at 12 noon, except on holidays. Live and On-Demand Webcast of these meetings can be accessed from the City’s website: http://www.el-cerrito.org/gov/. Copies of the agenda bills and other written documentation relating to items of business referred to on the agenda are on file and available for public inspection in the Office of the City Clerk, at the El Cerrito Library and posted on the City’s website at www.el-cerrito.org prior to the meeting.

- In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk, (510) 215-4305. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35.102-35.104 ADA Title I).

- The Deadline for agenda items and communications is seven days prior to the next meeting by 12 noon, City Clerk’s Office, 10890 San Pablo Avenue, El Cerrito, CA. Tel: 215-4305 Fax: 215-4379, email cmorse@ci.el-cerrito.ca.us

- The Board believes that late night meetings deter public participation, can affect the Board’s decision-making ability, and can be a burden to staff. Board meetings shall be adjourned by 10:30 p.m., unless extended to a specific time determined by a majority of the Board.
EL CERRITO CITY COUNCIL
EL CERRITO MUNICIPAL SERVICES CORPORATION

MINUTES

CONCURRENT MEETING OF THE EL CERRITO CITY COUNCIL/REDEVELOPMENT AGENCY AND MUNICIPAL SERVICES CORPORATION

Monday, March 21, 2011 – 7:30 p.m.
City Council Chambers

Meeting Location
El Cerrito City Hall
10890 San Pablo Avenue, El Cerrito

Ann Cheng – Mayor

Mayor Pro Tem Bill Jones
Councilmember Rebecca Benassini

Councilmember/Agency Chair Janet Abelson
Councilmember Greg Lyman

ROLL CALL
Councilmembers/Agency Members/Municipal Services Corporation Board Members Abelson (Agency Chair), Benassini, Jones, Lyman and Mayor Cheng all present.
Municipal Services Corporation Board Members Hanin and Pinkos also present.

7:30 p.m. CONVENE CONCURRENT CITY COUNCIL / REDEVELOPMENT AGENCY / MUNICIPAL SERVICES CORPORATION MEETING

Mayor Cheng convened the Concurrent City Council / Redevelopment Agency / Municipal Services Corporation meeting at 7:31 p.m.

1. PLEDGE OF ALLEGIANCE TO THE FLAG was led by Mayor Cheng.

2. COUNCIL / STAFF COMMUNICATIONS

Councilmember Abelson reported on her attendance at the Building Livable Communities conference which was put on by the Local Government Commission. Councilmember Abelson announced the following upcoming events: 1) On March 26 from 10-12 a.m. at the Recycling
Center there will be a community meeting to discuss plans for reuse and exchange at the new Recycling Center; 2) On April 16 beginning at 9:00 a.m. the City will host the annual Earth Day Event consisting of work parties in the morning followed by a free lunch at the Community Center. Sign up at Earthday@ci.el-cerrito.ca.us.; 3) On April 23 there will be a free compost giveaway at the Recycling Center; and 4) the spring citywide garage sale is May 7.

Councilmember Benassini announced an Environmental Quality Committee sponsored Green Team Clean Up at Cerrito Vista Park from 9-12 a.m. on March 26. Councilmember Benassini expressed her appreciation for all of the volunteers. Additionally, in light of the tragic disaster in Japan, Councilmember Benassini encouraged the public to attend Community Emergency Response Team (CERT) training so that individuals can learn how to prepare for a disaster and help themselves and their community become self sufficient in the event of a disaster. More information can be found at http://www.elcerritokensintoncert.org/Home.aspx.

Councilmember Jones reported that the Public Utilities Commission (PUC) will be holding a public comment hearing on proposed new safety and reliability regulations for natural gas distribution pipelines on April 5 from 5-10 p.m. in San Bruno. The Commission is also seeking comment on the costs of safety improvements including inspections.

Councilmember Lyman reported that the Crime Prevention Committee (CPC) is planning National Night Out on August 2. The CPC will be distributing information on how to host a block party during the National Night Out event at the Earth Day Celebration on April 16 and at the July 16 Tri-City Safety Day.

Mayor Cheng echoed Councilmember Benassini’s encouragement to take the time to prepare for a disaster by making phone lists and taking advantage of free training opportunities. Mayor Cheng reported that she recently toured the two fire stations in El Cerrito and one fire station in Kensington. There are three firefighters per station at any given time. By training ourselves we will know what to do to help our families and our community and will not feel helpless if disaster strikes.

3. ORAL COMMUNICATIONS FROM THE PUBLIC

4. PRESENTATIONS

Proposed Contra Costa College Bond Ballot Measure – Presentation by McKinley Williams, President, Contra Costa College.

Action: Presentation heard.

5. ADOPTION OF THE CONSENT CALENDAR – Item Nos. 5A through 51

Moved, seconded (Abelson/Lyman) and carried unanimously to approve the Consent Calendar Item Nos. 5A through 51 in one motion as indicated below.

A. Minutes for Approval

Approve the March 5, 2011 Special City Council and March 7, 2011 Concurrent City Council/Redevelopment Agency/Municipal Services Corporation meeting minutes.

Action: Approved the March 5, 2011 Special City Council and March 7, 2011 Concurrent City Council / Redevelopment Agency / Municipal Services Corporation meeting minutes.
B. Ordinance Establishing the Measure A Swim Center Parcel Tax Rate

Introduce by title, waive any further reading and approve an ordinance establishing the Measure A (Swim Center) parcel tax rate for Fiscal Year 2011–12. Staff recommends that the City adopt an Ordinance establishing the Measure A Parcel Tax Rate at the current level of $38.61 per single-family residential unit, $29.73 per multifamily residential unit, and $270.66 per acre of non-residential property for FY 2011-12.


C. Landscape and Lighting Assessment District No. 1998–1 Annual Report

Adopt a resolution directing NBS Local Government Solutions (NBS), the designated Engineer of Work for the Landscape and Lighting Assessment District No. 1988–1, to prepare and file the annual report for Fiscal Year 2011–12.


D. General Plan Annual Progress Report 2010

Receive and file the General Plan Annual Progress Report and direct staff to forward a copy of the report to the Governor’s Office of Planning and Research and to the State Department of Housing and Community Development by the April 1, 2011 deadline.

Action: Received and filed.

E. Calendar Years 2008 and 2009 Growth Management Program Compliance Checklist

Adopt a resolution certifying the Calendar Years 2008 and 2009 Growth Management Program (GMP) Compliance Checklist for allocation of Fiscal Years 2009–10 and 2010–11 Local Street Maintenance and Improvement Funds from Measures C and J by the Contra Costa Transportation Authority (CCTA).


F. Support Saint Mary’s College Bid to Host the 2012 Presidential Debate

At the request of Mayor Cheng, approve a proclamation proclaiming support for Saint Mary’s College’s bid for the 2012 Presidential Debate in the Town of Moraga and urging our community and surrounding communities to actively support this effort.

Action: Approved proclamation.

G. Support Clean Air Standards

At the request of Councilmember Abelson, authorize Mayor Cheng to send a letter to Senators Boxer and Feinstein urging them to protect the Environmental Protection Agency’s ability to enforce the Clean Air Act and clean air standards.

Action: Approved recommendation

H. Support for Contra Costa College’s 2011 Capital Bond Initiative

Adopt a resolution supporting Contra Costa College’s 2011 Capital Bond Initiative.

I. Change in City Council Meeting Schedule

Schedule a special meeting on April 9, 2011 at 9:00 a.m. for the purpose of discussing the City’s Mission Statement, Values and Fiscal Year 2011–12 Goals and Priorities. Cancel the April 18, 2011 regular City Council meeting due to a conflict with the observance of Passover.

Action: Approved recommendation.

6. POLICY MATTERS

A. Proposed Revisions to El Cerrito Municipal Code Title 7, “Animals”

Staff is requesting feedback from the City Council and general public on proposed revisions to the Animals Ordinance.

Presenters: Karen Pinkos, Assistant City Manager, Jennifer Carman, Development Services Manager, and Sean Moss, Senior Planner.

Speakers: Ron Egherman, Chair, Environmental Quality Committee, summarized the history of public process and input behind the proposed animal ordinance and briefly described the benefits of animal husbandry toward making El Cerrito a greener city and encouraged the Council to develop a broad policy.

Ron Codron, El Cerrito, expressed dismay about the impacts of noise from his neighbor’s chickens and stressed his opposition to the proposed ordinance.

Laura Nelson, El Cerrito, expressed opposition to the proposed animal ordinance.

Arthur Walenta, El Cerrito, expressed opposition to the proposed animal ordinance and stated that the proposal fails to consider neighborhood interests and impacts on property values.

Arlene Roberton, El Cerrito, expressed opposition to the proposed small animal ordinance.

Kirk Lumpkin, El Cerrito, expressed support for the small animal ordinance.

Carl Mason, El Cerrito, spoke in support of the small animal ordinance and suggested adding additional chickens with the consent of contiguous neighbors.

Julia Mason, El Cerrito, supported keeping chickens in El Cerrito.

Kyle Brunelle, El Cerrito, expressed support for the proposed ordinance.

Robert MacKimmie, El Cerrito, expressed support for the proposed ordinance and the promotion of sustainability, particularly for honey bees due to the challenges and threats facing honeybees and other pollinators.

Kathleen McKinley, El Cerrito, former Planning Commissioner, stated that she is strongly in favor of the proposed ordinance and the urban homesteading movement. Ms. McKinley said she is strongly opposed to imposing a conditional use permit on a resident that lives adjacent to a multi-family property for keeping chickens, goats and pigs and stated that the fees are too high.

Rob Everett, El Cerrito, expressed his support for the proposed ordinance and the idea of adding additional chickens with the consent of contiguous neighbors.

Glen Davis, El Cerrito, stated that he is concerned that many people are interested in having animals without realizing the responsibility and care involved. Mr. Davis asked who would police neighbors and stated that the issue of enforcement needs to be dealt with rather than relying on resident complaints. Mr. Davis asked that the Council not approve conditional use permits except under exceptional circumstances.

Anne Martin, El Cerrito, expressed support for including additional animals as a right. Ms.
Martin noted that there is no stipulation in the ordinance that prevents slaughtering in the backyard and referred the Council to certain sections of the Oakland Municipal Code which prohibit slaughter and recent minutes of the Berkeley Animal Welfare Commission regarding rooster bans. Ms. Martin also asked the City to consider moving the animal control contract from the County to the City of Berkeley.

Judy Hardin, El Cerrito, stated that she would like to see rabbits, guinea pigs, etc allowed by right exclusively as indoor pets without a permit. Ms. Hardin added that honeybees should also be kept without a permit and added that the ban on roosters should be removed with any noise governed by the noise ordinance. Ms. Hardin also expressed her opposition to backyard slaughter.

Barbara Hill, El Cerrito, asked if the public health impacts from the interaction between wild and cultivated animals has been considered. Ms. Hill asked the Council to direct the Planning Commission to deny conditional use permits to any resident above the flat areas of the City in an attempt to create a buffer zone between the wild land and urban interface. Ms. Hill asked the City Council to consider making the issue a ballot measure.

Lynn Huntfinger, El Cerrito, expressed strong support for the proposed ordinance and suggested that the ordinance allow flexibility for neighbors to work out the best location of a chicken coop.

Nicki Kaiser, stated that the City should avoid redundancy, write laws that can be complied with and enforced in a fair and reasonable way, limit administrative and citizen costs, be inclusive, and most importantly, be fair and consistent.

Michelle Westling, El Cerrito, expressed strong support for the ordinance and stated that the ordinance moves the city in the right direction.

**Action:** Presentation heard, discussion held and direction given.

### B. Ad Hoc Wall of Fame Subcommittee Appointments

Appoint two councilmembers to an Ad Hoc Wall of Fame Subcommittee who will review Wall of Fame nomination applications and return to the City Council with a recommendation.

**Speakers:** Al Miller, El Cerrito, stressed the importance of the Wall of Fame, particularly the education of residents regarding contributions by community members. The Wall of Fame also reinforces the importance and responsibility of being a part of the community.

**Action:** Mayor Cheng appointed Councilmember Benassini and Mayor Pro Tem Jones to the Ad Hoc Wall of Fame Subcommittee.

### 7. PUBLIC HEARINGS

**JOINT CITY COUNCIL / REDEVELOPMENT AGENCY/ MUNICIPAL SERVICES CORPORATION ITEM**

**A. Conveyance of Real Property from the El Cerrito Redevelopment Agency to the El Cerrito Municipal Services Corporation for its Intended Redevelopment Purposes**

Conduct a public hearing and upon conclusion, consider taking the following three actions:

1) Adopt a City Council resolution rescinding the approval of a property conveyance agreement approved on March 7, 2011 pursuant to City Council Resolution No. 2011–18;

2) Adopt a Redevelopment Agency resolution rescinding the approval of a property conveyance agreement approved on March 7, 2011 pursuant to Redevelopment Agency Resolution No. 610;
3) Adopt a resolution of the City Council consenting to the execution of real property conveyance agreements by the El Cerrito Redevelopment Agency for the conveyance of certain real property located in the City of El Cerrito Redevelopment Project Area to the El Cerrito Municipal Services Corporation;

4) Adopt a resolution of the El Cerrito Redevelopment Agency Board authorizing the execution of property conveyance agreements with the El Cerrito Municipal Services Corporation for the conveyance of certain real property located in the City of El Cerrito Redevelopment Project Area; and

5) Adopt a resolution of the Board of Directors of the El Cerrito Municipal Services Corporation authorizing the execution of property conveyance agreements with the El Cerrito Redevelopment Agency for the conveyance of certain real property located in the City of El Cerrito Redevelopment Project Area.

Presenter: Lori Treviño, Redevelopment Manager.

Mayor Cheng opened the public hearing. No speakers

Moved, seconded (Lymad Jones) and carried unanimously to close the public hearing.

Action: Moved, seconded (Lyman/Benassini) and carried unanimously to adopt City Council Resolution No. 2011–22.

Moved, seconded (Lyman/Jones) and carried unanimously to adopt Redevelopment Agency Resolution No. 611.

Moved, seconded (Lyman/Benassini) and carried unanimously to adopt City Council Resolution No. 2011–23.

Moved, seconded (Lyman/Benassini) and carried unanimously to adopt Redevelopment Agency Resolution No. 612.

Moved, seconded (Lyman/Pinkos) and carried unanimously to adopt Municipal Services Corporation Resolution No. 2011–03.

**JOINT CITY COUNCIL/REDEVELOPMENT AGENCY ITEM**

B. Conveyance of the Tradeway Property from the El Cerrito Redevelopment Agency to the City of El Cerrito for its Intended Redevelopment as Affordable Housing

Conduct a public hearing and upon conclusion, consider taking the following actions:

1. Adopt a resolution of the City Council consenting to the execution of real property conveyance agreements by the El Cerrito Redevelopment Agency for the conveyance of certain real property located in the City of El Cerrito Redevelopment Project Area and authorizing the execution of said property conveyance agreements with the El Cerrito Redevelopment Agency; and

2. Adopt a resolution of the El Cerrito Redevelopment Agency Board authorizing the execution of property conveyance agreements with the City of El Cerrito for the conveyance of certain real property located in the City of El Cerrito Redevelopment Project Area.

Presenter: Lori Treviño, Redevelopment Manager.

Chairperson Abelson opened the public hearing. No speakers.

Moved, seconded (Lyman/Jones) and carried unanimously to close the public hearing.

**Action:** Moved, seconded (Abelson/Jones) and carried unanimously to adopt City Council Resolution No. 2011-24.

Moved, seconded (Benassini/Lyman) and carried unanimously to adopt Redevelopment Agency Resolution No. 613.

8. **COUNCIL ASSIGNMENTS/LIAISON REPORTS**

A. **Mayor Cheng** reported that the Arts and Culture Commission reviewed artist proposals for the City Hall Gallery and unfortunately there were no El Cerrito artists. The Commission also reviewed an additional 20 icons for the San Pablo Avenue public art project. The Commission will look at placement of a variety icons at its next meeting and will come back to Council with a recommendation on design and placement of the icons at different locations. The Human Relations Commission reflected on the success of the Martin Luther King event and will be developing a work plan. Mayor Cheng also reported that she attended a screening event of the film *Iron Jawed Angels* which was co-sponsored by the Human Relations Commission, League of Women Voters, and the Association of University Women. The film acts as a reminder that the Right to Vote for Women is only ninety years old. Mayor Cheng also stated that she recently learned more about the West Contra Costa Unified School District’s Linked Learning Program. The program provides a cutting edge curriculum and involves community members from various professions. There is a Green Transportation Academy, Media Academy and Information Technology Academy. The program is looking for community members to mentor and provide real life examples of careers in these fields. Mayor Cheng encouraged all to get in touch with the School Board to offer help and resources.

B. **Councilmember Abelson** reported that the Committee on Aging was extremely delighted that two of its members were honored as Assembly District 14 Woman of the Year and Contra Costa College Woman of the Year for the City of El Cerrito, respectively. The Environmental Quality Committee discussed their work program including a cosponsored movie on transit at the Cerrito Theater.

C. **Councilmember Benassini** reported that none of the commissions and boards for which she is a liaison met recently.

D. **Mayor Pro Tem Jones** – No report.

E. **Councilmember Lyman** – No report.

**SUPPLEMENTAL REPORTS AND COMMUNICATIONS**

**Item No. 4 Proposed Contra Costa College Bond Ballot Measure**


**Item No. 6(A) Proposed Revisions to El Cerrito Municipal Code Title 7, “Animals”**

2. Consolidated List of Questions from City Councilmembers, Animals Ordinance Study Session – Submitted by Karen Pinkos, Assistant City Manager


4. Opposition to Change in Ordinance – Submitted by Susan Zeni

5. Support for changes to allow keeping of farm animals – Submitted by David Beck
6. Opposition to Change in Ordinance. Restrictions on goats needed – Submitted by Marcie Commins, El Cerrito

7. Support for small scale animal husbandry – Submitted by Steven Aultman

8. Comments in support of chickens and bees – Submitted by Maia Hampson

9. Support for revised ordinance – Submitted by Elise Thomas

10. Recommendations for Changes to Title 7 – Submitted by Anne Martin, El Cerrito and Judy Hardin

11. Petition in support of the revised El Cerrito Animal Code, specific to hen-keeping and bees – Signed by 27 residents of Albany, Berkeley, El Cerrito, Oakland and Richmond.

Item No. 6(B) Ad Hoc Wall of Fame Subcommittee Appointments

12. Nomination application for Al Miller – Submitted by Hillary Crosby

Moved, seconded (Abelson/Lyman) and carried unanimously to suspend council rules and extend the meeting to 11:00 p.m.

Moved, seconded (Abelson/Benassini) and carried unanimously to suspend council rules and extend the meeting to 11:20 p.m.

9. ADJOURNED CONCURRENT CITY COUNCIL / REDEVELOPMENT AGENCY / MUNICIPAL SERVICES CORPORATION MEETING at 11:19 p.m.
EL CERRITO CITY COUNCIL
EL CERRITO MUNICIPAL SERVICES CORPORATION

MINUTES

CONCURRENT MEETING OF THE EL CERRITO CITY COUNCIL/
EL CERRITO MUNICIPAL SERVICES CORPORATION
Monday, April 4, 2011 – 7:30 p.m.
City Council Chambers

Meeting Location
El Cerrito City Hall
10890 San Pablo Avenue, El Cerrito

Ann Cheng – Mayor

Mayor Pro Tem Bill Jones
Councilmember Rebecca Benassini
Agency Chair/Councilmember Janet Abelson
Councilmember Greg Lyman

ROLL CALL
Councilmembers/Board Members Abelson, Benassini, Jones, Lyman, and Mayor Cheng all present. Municipal Services Corporation Board Members Hanin and Pinkos also present.

7:30 p.m. CONVENE CONCURRENT CITY COUNCIL/MUNICIPAL SERVICES CORPORATION MEETING

Mayor Cheng convened the Concurrent City Council/Municipal Services Corporation meeting at 7:30 p.m.

1. PLEDGE OF ALLEGIANCE TO THE FLAG was led by Councilmember Abelson.

2. COUNCIL / STAFF COMMUNICATIONS (Reports of Closed Session, commission appointments and informational reports on matters of general interest which are announced by the City Council & City Staff.)

Councilmember Abelson announced the City’s Annual Earth Day celebration on April 16, 2011. Work parties will be formed throughout the City and lunch will be available at the Community Center. Interested individuals may register at earthday@ci.el-cerrito.ca.us.

Mayor Pro Tem Jones reported that he had taken a tour of the Recycling Center. Construction will begin soon on the new facility, and most drop-off services will still be offered during construction. Mayor Pro Tem Jones also reported that he attended the California Redevelopment Association Annual Conference in San Jose, discussed his activities at the conference as well as the proposals at the state level to abolish or reform redevelopment agencies, and concluded that
he believes the El Cerrito Redevelopment Agency is effective, efficient, follows best practices, is receiving sound legal advice, and that the Agency is operating well by any acceptable form of measurement.

Mayor Cheng reported that a public workshop will be held by One Bay Area on May 7, 2011, in Concord at the Concord Senior Center. More information is available at www.onebayarea.org.

3. ORAL COMMUNICATIONS FROM THE PUBLIC – No Public Comments.

4. PRESENTATIONS – None.

5. ADOPTION OF THE CONSENT CALENDAR – Item Nos. 5A through 5E

Moved, seconded (Benassini/Jones) and carried unanimously to approve Consent Calendar items 5A through 5E in one motion as indicated below.

A. Earth Day Proclamation

Adopt a Proclamation proclaiming April 16, 2011 as Earth Day in the City of El Cerrito and encouraging all residents and businesses to help make El Cerrito a greener, healthier, more sustainable place for all.

Action: Approved proclamation.

B. Ordinance Establishing the Measure A Swim Center Parcel Tax Rate for Fiscal Year 2011–2012

First Reading March 21, 2011. Vote: Ayes – Councilmembers Abelson, Jones, Lyman, Benassini, and Mayor Cheng; Noes – None

Waived second reading and adopted Ordinance No. 2011–02 setting a reduced tax rate only for Fiscal Year 2011–12 for the special tax imposed pursuant to Chapter 4.56 of the El Cerrito Municipal Code.


C. Temporary Recycling Labor Services Contract with Workers.com

Authorize the City Manager to execute a contract in an amount not to exceed $30,000 per fiscal year with Workers.com, to provide temporary labor to assist in recyclable materials collections.


D. Appointment to Environmental Quality Committee

Approve an Environmental Quality Committee recommendation to appoint Michael Huang to the Environmental Quality Committee, effective April 5, 2011.

Action: Approved recommendation.

E. Application for Beacon Award

Approve participation in the Institute for Local Government’s Beacon Award: Local Leadership toward Solving Climate Change Recognition Program.

6. POLICY MATTERS
MUNICIPAL SERVICES CORPORATION ITEM

Commercial Rehabilitation Loan Program

Adopt a resolution establishing a Commercial Rehabilitation Loan Program To Establish The Program For Businesses Within El Cerrito Redevelopment Project Area.

Presenter: Dwayne Dalman, Senior Project Manager.

Action: Moved, seconded (Abelson/Lyman) and carried unanimously to adopt Municipal Services Corporation Resolution No. 2011-04.

7. COUNCIL ASSIGNMENTS/LIAISON REPORTS

A. Mayor Cheng announced that the El Cerrito Historical Society will conduct an event honoring the historical significance of the former Chung Mei Chinese Boys Orphanage at Windrush School on May 4 at 7 p.m. The Chung Mei Orphanage operated at the Windrush site for thirty years. Eight hundred boys went through the orphanage during this period. The event will feature speakers who lived at the school and offer a tour. Mayor Cheng stated that the Chung Mei Orphanage is an interesting part of Chinese history and noted that the Chinese Exclusion Act prevented the young boys from being adopted by local families.

B. Councilmember Abelson reported that the issue of “hot lanes” will become more prominent in the future. Councilmember Abelson provided a description of what a “hot lane” does and noted that she will be part of a tour to view a “hot lane project” in the San Ramon/Livermore area and asked Councilmembers to provide her with any questions each may have about the “hot lane” program.

C. Councilmember Benassini – No report.

D. Mayor Pro Tem Jones – No report.

E. Councilmember Lyman – No report.

8. ADJOURNED CONCURRENT CITY COUNCIL/MUNICIPAL SERVICES CORPORATION MEETING at 8:42 p.m.
AGENDA BILL

Agenda Item No. 6(A)

Date: May 2, 2011
To: El Cerrito Municipal Services Corporation Board
From: Lori Treviño, Redevelopment Manager
       Mitch Oshinsky, Economic Development Director
       Mary Dodge, Chief Financial Officer
Subject: Amendment of Articles of Incorporation and Bylaws, Election of Officers, and Adoption of the Fiscal Year 2011–12 Annual Budget

ACTION REQUESTED
1. Adopt a Municipal Services Corporation resolution authorizing the amending and restating of the Corporation’s Articles of Incorporation, the amending and restating of the Corporation’s Bylaws and the filing of federal and state income tax exemption applications.

2. Adopt a Municipal Services Corporation resolution electing officers for the Corporation.

3. Adopt a Municipal Services Corporation resolution adopting the Corporation’s Fiscal Year 2011–12 budget and approving revenues and expenditures necessary for corporation operations.

BACKGROUND
The El Cerrito Municipal Services Corporation (“Corporation”) was formed under the Nonprofit Public Benefit Corporation Law for public and charitable purposes in 1982. Its stated purpose when formed was maintaining communication between the City of El Cerrito (“City”) and its residents regarding the matters of interest to the public, including general conditions and problems within the City, as well as any other purpose that is beneficial to the public. This very broad purpose enables the Corporation to undertake a wide range of activities, although it had generally been inactive since its participation in the issuance of a capital lease for the City’s Fire Station 72.

On March 7, 2011, the Corporation entered into an Assignment Agreement with the City. Through the Agreement, the Corporation accepted the City’s rights and responsibilities under the Amended and Restated Public Improvements and Cooperation Agreement for the City of El Cerrito Redevelopment Project Area between the City of El Cerrito and the El Cerrito Redevelopment Agency (“Cooperation Agreement”). Through the Cooperation Agreement, the Corporation is responsible for economic development and redevelopment projects and programs on behalf of the El Cerrito Redevelopment Agency (“Agency”).

Communities throughout California are served by economic development corporations, often though not always through the auspices of a City or a Redevelopment Agency.
Amendment of the Articles of Incorporation and Bylaws at this time would enable the Corporation to more clearly define its purposes of economic development and redevelopment, make them consistent with current California law, and apply for federal and state tax-exempt status.

**ARTICLES OF INCORPORATION**
Attachment 2 to this Staff Report is the proposed Amended and Restated Articles of Incorporation for the Corporation ("Articles"). The primary change to the Articles is the stated purpose of the corporation for clarity and consistency with the definition of tax-exempt purposes in the federal tax code. The amended and restated purpose section is as follows:

“The specific charitable and public purposes for which the Corporation is organized are to benefit and support the City of El Cerrito (the “City”), and the El Cerrito Redevelopment Agency (the “Agency”), in accordance with Section 509(a)(3) of the Internal Revenue Code of 1986, as amended, and to lessen the burdens of government of the City and the Agency by: (1) utilizing private and public funding sources to combat community blight and deterioration in the City and contribute to the physical improvement of the City; (2) providing and expanding economic opportunities for low and moderate income households in the City; (3) encouraging and stimulating economic development within the City by assisting the Agency to eliminate blight within the Agency’s project areas; and (4) implementing and assisting the Agency in redevelopment activities and programs that will lessen neighborhood tensions, and combat community deterioration.”

Should the Board approve amending the Articles, they will be the basis for filing an application for tax-exempt status for the Corporation.

**BYLAWS**
Attachment 3 to this Staff Report is the proposed Amended and Restated Bylaws for the Corporation ("Bylaws"). The proposed changes to the Bylaws are more substantial, given the increased amount and frequency of the Corporation’s activities. They conform to the California Corporations Code and establish practices and procedures consistent with and needed for the expected activities. Changes and clarifications of particular note are as follows:

- The Bylaws previously provided for the Corporation to have both Members and Directors. The provision for Members is removed. The number of Directors is unchanged.

- Directors are appointed by the City Council of the City of El Cerrito, and do not derive their membership on the Corporation’s Board through a City Council election. Persons qualified to be appointed are the five City Council members, the City Manager and the Assistant City Manager.
The Board’s regular meetings shall occur on the same schedule as the City Council. Meeting notices and agendas will be posted in the same manner.

The proposed Bylaws provide for a Secretary and Chief Financial Officer who are not also Directors.

Board Meetings are subject to the Brown Act.

The Bylaws contain provisions regarding the Director’s standard of care and self dealing transactions, as well as provisions on indemnification of Directors. These provisions are based on the California Corporations Code. In addition to the restrictions in the Corporations Code, the Directors will also be subject to a conflict of interest policy that will be similar to the City’s and the Agency’s.

**TAX-EXEMPT STATUS**

The Corporation’s formation as a nonprofit corporation does not automatically provide it tax-exempt status under federal or state law. Tax exempt status provides it certain benefits, including the possibility that the Corporation’s properties may be exempt from property taxes and the ability to exempt the Corporation’s income from income taxes. The Corporation currently can be considered a Section 115 corporation under the Internal Revenue Code, which exempts it from taxes. However, the 115 designation limits the activities that the Corporation can undertake, and in the long run is not a flexible enough designation. Obtaining 501(c)(3) tax-exempt status for the Corporation will provide it with greater flexibility in undertaking its activities. The process for applying for and obtaining tax exempt status is expected to take seven to ten months.

**ELECTION OF OFFICERS**

The Corporation’s original bylaws provided for a secretary and chief financial officer who were also members of the Board. The Amended and Restated Bylaws specify that those offices be held by specific positions. By approving Resolution 2011-XX, the Board will elect those officers as required under the Amended and Restated Bylaws. Exhibit A to the Resolution provides a proposed roster of the Directors and Officers of the Corporation.

**FINANCIAL CONSIDERATIONS**

The Corporation is a separate legal entity from the City and the Agency. However, the Corporation is receiving the majority of its funding from the Agency through payments under the Cooperation Agreement. It also receives revenue from its properties, in particular the Cerrito Theater, and will pursue other funding sources appropriate to the activities it will undertake.

The Corporation’s expenses are for projects and programs delegated to it by the Agency through the Cooperation Agreement. The Corporation also has expenses for maintaining and operating real property acquired from the Agency. In particular, the Agency conveyed properties to the Corporation that it had been holding for redevelopment. The Corporation has provided the Agency with a performance deed of trust on those
properties, agreeing to redevelop the properties. Redevelopment would occur in keeping with the Agency’s redevelopment goals and objectives outlined in the conveyance documents and the Summary Report prepared by the Agency under Section 33433 of the California Health & Safety Code. The Corporation is also obligated to return the proceeds of any real estate transactions on those properties, equivalent to the reuse value of the property taking into account any redevelopment restrictions applicable to the property.

The Corporation similarly provided the Agency with a performance deed of trust on the Cerrito Theater, agreeing to continue its operation as a movie theater. The Corporation will have ongoing obligations for maintenance, including those specified in the existing lease agreement with Pleasantown Motion Picture Company.

As new funding sources are developed, the Corporation will likewise develop new projects and programs to fulfill the purposes of those funding sources. The City is acting as a fiscal agent for the Corporation and therefore the Corporation pays the City for handling all of its administrative functions through an administrative services contract which will be provided to the Board for its approval before the end of the current fiscal year.

By approving Resolution 2011-XX, the Board will approve and appropriate the Corporation’s FY2011/12 Annual Budget, which is Attachment 6 to this staff report. The Corporation requires a revenue budget of $1,180,340 and an expense budget of $1,129,340 for FY2011/12.

**LEGAL CONSIDERATIONS**

The Corporation’s legal counsel prepared the proposed Articles and Bylaws.

As noted previously, the Corporation has largely been inactive since its formation. With the prospect of a more active role before the Board, the members of the Board should understand the legal rules under which it will be required to operate, as a result of it taking on delegated functions of the Agency. Those rules will be explained more fully in a separate memorandum, but this report provides a summary. In sum, because the Corporation will be performing delegated Agency functions, the Board and the Corporation will be subject to most of the same legal requirements as the City, City Council, Agency, and Agency Board.

**Open Meetings**

The Brown Act provides rules and regulations to ensure that the actions of legislative bodies are conducted openly, with the opportunity for the public to provide input on decision-making activities. The term “legislative body” is defined broadly to include private organizations created to exercise authority delegated by a legislative body. Through the Cooperation Agreement, the Corporation is responsible for delegated Agency economic development and redevelopment projects and programs. The Corporation also accepted conveyance of certain Agency real properties, for the redevelopment and economic development purposes for which the Agency acquired them. The Corporation Board is therefore subject to the Brown Act. Its decisions must
be made at open and public meetings, unless an exception applies, and with regard to Corporation business, its members should follow the same rules that apply to Councilmembers with regard to City business.

**Conflicts of Interest**
Public officials are prohibited from participating in actions made by the body on which they serve if they have certain conflicts of interest, particularly financial interests in the subject of their decisions. Under California laws, Board members are considered public officials for purposes of conflict of interest to the extent that they are exercising powers delegated by the Agency and City. Participation by a conflicted individual may not only invalidate the Corporation’s action but may also expose the individual public official to penalties and sanctions. Additionally, financial disclosure requirements for public officials will apply to Board members and any staff and consultants hired by the Corporation, so as noted above, a conflict of interest code will be developed.

**Public Records Act**
Although State statutes are somewhat ambiguous on this issue, there is a strong argument that the Public Records Act applies to the Corporation, at least to the extent that it is performing delegated City and Agency functions. Moreover, public policy weighs in favor of treating the Public Records Act as though it applies to the Corporation, at least with regard to those delegated functions. The exceptions to disclosure of public records, which are written into the Act, would also apply. There may be some situations, such as real estate negotiations, in which public policy would favor not disclosing documents. Those will be addressed on a case-by-case basis and are not expected to be common.

**Prevailing Wages**
State labor law requires payment of prevailing wages on “public works” projects over $1,000. A “public works” project generally includes construction, alteration, demolition, installation, or repair work done under contract and paid for in whole or in part out of public funds. The phrase “paid for in whole or in part out of public funds” includes almost any form of assistance, such as the transfer of an asset of value for less than fair market price and the payment of or reduction of fees. Recent appellate case law has confirmed that even a small amount of public funding included in the financing of a much larger project will result in the entire project being treated as a public work subject to prevailing wage requirements. The Agency has conveyed several properties to the Corporation for redevelopment purposes and obligated itself to provide funding to the Corporation for redevelopment programs and services. It is common practice for redevelopment agencies around the state to provide property to private developers at less than market value or to use available funds to reduce the costs of construction. By taking on delegated Agency functions, the Corporation is likely to use the same tools to further redevelopment. As a result, the same case-by-case analysis of the applicability of prevailing wage requirements that is presently necessary for Agency projects will also be necessary for the Corporation projects, and the requirements may apply to some Corporation projects.
California Environmental Quality Act

The California Environmental Quality Act (“CEQA”) requires review of the potential environmental effects of private projects subject to approval by public agencies and to the discretionary actions of public agencies. We are continuing to review the extent to which Corporation decisions will be treated as actions of a public agency and subject to CEQA. When Corporation projects require City approval, they will be subject to CEQA—unless an exemption or exception applies—and the City will act as lead agency.

Reviewed by:

Scott Hanin, Executive Director

Attachments:

1. Resolution 2011-XX, Authorizing the Amending and Restating of the Corporation’s Articles of Incorporation, the Amending and Restating of the Corporation’s Bylaws and the Filing of Federal and State Income Tax Exemption Applications

2. Amended and Restated Articles of Incorporation of the El Cerrito Municipal Services Corporation

3. First Amended and Restated Bylaws of the El Cerrito Municipal Services Corporation

4. Resolution 2011-XX, Electing the Officers of the El Cerrito Municipal Services Corporation

5. Resolution 2011-XX, Approving the FY2011/12 Budget and Appropriating the Revenues and Expenditures Necessary for Corporation Operations

Exhibit A El Cerrito Municipal Services Corporation FY 2011/12 Operating Budget
MUNICIPAL SERVICES CORPORATION RESOLUTION NO. _____


WHEREAS, the Board of Directors of the El Cerrito Municipal Services Corporation, a California nonprofit public benefit corporation (the "Corporation") deems it to be in the best interest of the Corporation to amend and restate the Articles of Incorporation of the Corporation, to provide for the Corporation to be exempt from federal income tax pursuant to Internal Revenue Code Section 501(c)(3) (the "Certificate of the Amended and Restated Articles"); and

WHEREAS, the Board of Directors of the Corporation deems it to be in the best interest of the Corporation to amend and restate the Bylaws of the Corporation to enable the Corporation to revise its bylaws to be consistent with current California law (the "Amended and Restated Bylaws"); and

WHEREAS, the Board of Directors of the Corporation deems it to be in the best interest of the Corporation to have the Corporation file for state and federal income tax exemption.

NOW THEREFORE, BE IT RESOLVED, AS FOLLOWS:

1. The Board of Directors finds that the above recitals are true and correct.

2. The Board of Directors hereby authorizes the Chairperson and the Secretary to execute that certain Certificate of the Amended and Restated Articles in substantially the form on file with the Secretary and any related documents, with such modifications as the Chairperson determines appropriate to effectuate the purposes of this Resolution, such determination to be conclusively evidenced by the Chairperson’s and the Secretary’s execution of the Certificate of the Amended and Restated Articles.

3. The Board of Directors hereby authorizes the Secretary to execute that certain Secretary’s Certificate to the Amended and Restated Bylaws in substantially the form on file with the Secretary and any related documents, with such modifications as the Chairperson determines appropriate to effectuate the purposes of this Resolution, such determination to be conclusively evidenced by the Secretary’s execution of the Secretary’s Certificate to the Amended and Restated Bylaws.

4. The officers of the Corporation shall execute and file all necessary documents, forms and applications required to apply for and obtain federal and state income tax exemption for the Corporation.
5. The Chairperson, and the Secretary, or any officer of the Corporation, shall be authorized and directed to execute any and all necessary documents, including, but not limited to, the Certificate of Amended and Restated Articles, the Amended and Restated Bylaws, the Policy, and state and federal tax exemption applications, and shall take any further actions necessary to amend and restate the Articles of Incorporation, amend and restate the Bylaws, adopt the Policy, file for federal and state income tax exemption on behalf of the Corporation, and to take all other actions contemplated in this resolution.

6. This Resolution shall become effective immediately upon its adoption.

I CERTIFY that at a regular meeting on May 2, 2011, the Board of Directors of the El Cerrito Municipal Services Corporation passed this Resolution by the following vote:

AYES: BOARD MEMBERS:
NOES: BOARD MEMBERS:
ABSENT: BOARD MEMBERS:

IN WITNESS of this action, I sign this document on May ___, 2011.

Cheryl Morse, Secretary

APPROVED:

Ann Cheng, Board Chair
CERTIFICATE OF AMENDED AND RESTATED ARTICLES OF INCORPORATION
OF
EL CERRITO MUNICIPAL SERVICES CORPORATION

The undersigned certify that:

1. They are the chairperson and secretary, respectively, of the El Cerrito Municipal Services Corporation, a California nonprofit public benefit corporation (the “Corporation”).

2. That the Articles of Incorporation of the Corporation are amended and restated to read in their entirety as follows:

AMENDED AND RESTATED ARTICLES OF INCORPORATION
OF
EL CERRITO MUNICIPAL SERVICES CORPORATION
A California Nonprofit Public Benefit Corporation

ARTICLE I. NAME

The name of this corporation is El Cerrito Municipal Services Corporation (the “Corporation”).

ARTICLE II. PURPOSE

(a) This Corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the California Nonprofit Public Benefit Corporation Law for charitable purposes. The general purpose of this Corporation is to have and exercise all rights and powers conferred on nonprofit corporations under the laws of California, provided that this Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the primary purposes of this Corporation.

(b) The specific charitable and public purposes for which the Corporation is organized are to benefit and support the City of El Cerrito (the “City”), and the El Cerrito Redevelopment Agency (the “Agency”), in accordance with Section 509(a)(3) of the Internal Revenue Code of 1986, as amended, and to lessen the burdens of government of the City and the Agency by: (1) utilizing private and public funding sources to combat community blight and deterioration in the City and contribute to the physical improvement of the City; (2) providing and expanding economic opportunities for low and moderate income households in the City; (3) encouraging and stimulating economic development within the City by assisting the Agency to eliminate blight within the Agency’s project areas; and (4) implementing and assisting the Agency in redevelopment activities and programs that will lessen neighborhood tensions, and combat community deterioration.
ARTICLE III. AGENT OF SERVICE

Agent for Service intentionally left blank pursuant to Corporations Code §5819.

ARTICLE IV. DEDICATION AND DISPOSITION

(a) The property of this Corporation is irrevocably dedicated to charitable purposes, and no part of the net income or assets of this Corporation shall ever inure to the benefit of any director, officer, or member of this Corporation or to the benefit of any private individual.

(b) Upon the winding up and dissolution of this Corporation, and after paying or adequately providing for the debts and obligations of the Corporation, the remaining assets shall be distributed to the City, the Agency, or a nonprofit fund, foundation or corporation that is organized and operated exclusively for charitable purposes, and which has established and maintained its tax-exempt status under Section 501(c)(3) of the Internal Revenue Code or the corresponding provision of any future Internal Revenue Law.

ARTICLE V. LIMITATION OF CORPORATE ACTIVITIES

(a) This Corporation is organized and operated exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. Notwithstanding any other provision of these Articles, the Corporation shall not carry on any activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

(b) This Corporation shall not participate in or interfere in (including publishing or distributing statements) any political campaign on behalf of any candidate for public office.

ARTICLE VI. DIRECTORS

The number of directors and the manner in which directors shall be chosen and removed from office, their qualifications, powers, duties, term of office, the manner of filling vacancies on the board of directors and the manner of calling and holding meetings of directors shall be as stated in the bylaws.

3. That the amendment and restatement has been approved by the Board of Directors. The Corporation has no members.

4. The Board of Directors was entitled to adopt the foregoing amendment.
5. We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

Date: ____________________________  
Ann Cheng, Chairperson

Date: ____________________________  
Cheryl Morse, Secretary
FIRST AMENDED AND RESTATED
BYLAWS
OF
EL CERRITO MUNICIPAL SERVICES CORPORATION
A California Nonprofit Public Benefit Corporation

ARTICLE 1.
NAME

Section 1.1 Name. The name of this corporation is El Cerrito Municipal Services Corporation (the “Corporation”).

ARTICLE 2.
OFFICE

Section 2.1 Principal Office. The principal office for the transaction of affairs and activities of the Corporation is located at 10890 San Pablo Avenue, El Cerrito, California 94530. The Board of Directors (the “Board”) may change the principal office from one location to another. Any change shall be noted on these Bylaws, or this section may be amended to state the new location.

ARTICLE 3.
MEMBERS

Section 3.1 Members. This Corporation shall have no members.

ARTICLE 4.
DIRECTORS

Section 4.1 Powers. Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, all powers and activities of the Corporation shall be exercised directly by or under the ultimate direction of the Board.

Section 4.2 Number of Directors. The number of directors shall be seven (7), unless a greater or lesser number is authorized by the Board.

Section 4.3 Compensation and Reimbursement of Directors. The directors shall serve without compensation though they may be reimbursed for their expenditure of monies on behalf of the Corporation.

Section 4.4 Restriction on Interested Persons as Directors. No more than forty-nine percent (49%) of the persons serving on the Board may be interested persons. An interested
person is (a) any person compensated by the Corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise, and (b) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of such person. However, any violation of the provisions of this paragraph shall not affect the validity or enforceability of any transaction entered into by the Corporation.

Section 4.5 Appointment and Qualification of Directors.

(a) The directors shall be appointed and approved by the City Council (the "City Council") of the City of El Cerrito (the "City") in the following manner, such persons being qualified to serve as a director hereunder if he or she holds, in an "acting" or permanent capacity, one of the positions specified below:

(i) Five (5) directors shall consist of the five (5) members of the City Council (one City Council member also holding the title of City Mayor and another City Council member also holding the title of Mayor Pro Tempore);

(ii) One (1) director shall be the City Manager of the City; and

(iii) One (1) director shall be the Assistant City Manager of the City.

(b) Each of the directors, described in 4.5(a)(i) through (iii) above shall be deemed a "Specified Position", for purposes of these Bylaws. At the time any director ceases to hold a Specified Position, that director's membership on the Board shall automatically cease and the successor to such Specified Position shall become a director.

Section 4.6 Term. Each director shall serve a term concurrent with the time such director holds a Specified Position.

Section 4.7 Vacancies on the Board. A vacancy shall be deemed to exist in the event that the actual number of directors is less than the authorized number for any reason. Vacancies shall be filled as provided for in Section 4.5.

Section 4.8 Resignations of Directors. Except as provided below, any director may resign by giving written notice to the chairperson or secretary of the Board. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective. If a director’s resignation is effective at a later time, the Board shall appoint a successor to take office as of the date when the resignation becomes effective. Except on notice to the Attorney General of California, no director may resign if the Corporation would be left without a duly elected director or directors.

Section 4.9 Meetings of the Directors. Regular meetings shall be held at the same time and place as the regular meetings of the City of El Cerrito.
Section 4.10 Special Meetings. Special meetings of the Board for any purpose may be called at any time by the chairperson, the secretary, or any two (2) directors.

Section 4.11 Notice. Subject to Section 54950 of the California Government Code, notice of regular and special meetings shall be given to the directors not less than four (4) days prior to the meeting if delivered by first class mail or not less than seventy-two (72) hours prior to the meeting if the notice is delivered personally, by telephone or by email. The notice must state the date and time of the meeting and the place of the meeting if it is other than the principal office of the Corporation. In addition, public notice of each meeting shall be posted at the principal office of the Corporation not less than seventy-two (72) hours prior to such meeting. Notice of all meetings and agendas for meetings shall also be posted and made available to the public in accordance with Government Code Section 54954.2.

Section 4.12 Waiver of Notice. Notice of a meeting need not be given to any director who, either before or after the meeting, signs a waiver of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meetings. Notice of a meeting need not be given to any director who attends the meeting and does not protest, before or at the commencement of the meeting, the lack of notice to him or her.

Section 4.13 Quorum. A majority of the authorized number of directors shall constitute a quorum for the transaction of business, except to adjourn. Every action taken or decision made by a majority of the directors present at a duly held meeting of which a quorum is present shall be the act of the Board.

Section 4.14 Adjournment. A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of any adjournment to another time and place shall be given to the directors who were not present at the time of the adjournment and shall be posted and made available to the public as required by Government Code Section 54955.

Section 4.15 Meetings by Conference Telephone. Subject to Section 54950 of the California Government Code, members of the Board may participate in a meeting through use of conference telephone or similar communications equipment, so long as all persons participating in the meeting can hear one another. Participation by directors in a meeting in the manner provided in this section constitutes presence in person at the meeting.

Section 4.16 Committees of Directors. The Board may, by resolution adopted by a majority of the directors then in office, designate one (1) or more committees, each consisting of two (2) or more directors, to serve at the pleasure of the Board. Appointments to such committees shall be by majority vote of the directors then in office. Committees shall serve in an advisory capacity and make recommendations to the Board. No action of a committee shall bind the Board.
Section 4.17 Committee Meetings. Meetings and actions of committees shall be governed by and held and taken in accordance with the provisions of this Article IV concerning meetings of directors, with such changes in the context of these Bylaws as are necessary to substitute the committee and its members for the Board and its members. Minutes shall be kept of each meeting of any committee and shall be filed with the corporate records. The Board may adopt rules for the governance of any committee not inconsistent with the provisions of these Bylaws concerning meetings of directors.

Section 4.18 Standard of Care—General. A director shall perform the duties of a director, including duties as a member of any committee of the Board on which the director may serve, in good faith, in a manner such director believes to be in the best interest of this Corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like situation would use under similar circumstances.

In performing the duties of a director, a director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by:

(a) One (1) or more officers or employees of the Corporation whom the director believes to be reliable and competent in the matters presented;

(b) Counsel, independent accountants, or other persons as to matters which the director believes to be within such person’s professional or expert competence; or

(c) A committee of the Board upon which the director does not serve, as to matters within its designated authority, which committee the director believes to merit confidence, so long as in any such case, the director acts in good faith, after reasonable inquiry when the need thereof is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

Except in the case of a self-dealing director, as described in Section 4.20 of these Bylaws, a person who performs the duties of a director in accordance with the above shall have no liability based upon any failure or alleged failure to discharge that person’s obligations as a director, including, without limiting the generality of the foregoing, any actions or omissions which exceed or defeat a public or charitable purpose to which the Corporation, or assets held by it, are dedicated.

Section 4.19 Standard of Care—Investments. Except with respect to assets held for use or used directly in carrying out this Corporation’s charitable activities, in investing, reinvesting, purchasing, acquiring, exchanging, selling and managing this Corporation’s investments, the Board shall avoid speculation, looking instead to the permanent disposition of the funds, considering the probable income, as well as the probable safety of this Corporation’s capital. The provisions of Section 4.18 of these Bylaws shall apply to this Section.

Section 4.20 Self-Dealing Transactions. Except as provided below, the Board shall not approve a self-dealing transaction. A self-dealing transaction is one in which the Corporation is a
party and in which one (1) or more of the directors has a material financial interest or a transaction between this Corporation and any entity in which one (1) or more of its directors has a material financial interest. The Board may approve a self-dealing transaction if a majority of the Board, not including the self-interested director, determines that the transaction is fair and reasonable to this Corporation and, after reasonable investigation under the circumstances, determines that it could not have secured a more advantageous arrangement with reasonable effort under the circumstances.

Section 4.21 Inspection. Every director shall, at his or her own expense, have the absolute right at any reasonable time during the business hours of the Corporation to inspect and copy all books, records, and documents, and to inspect the physical properties of this Corporation.

ARTICLE 5. OFFICERS

Section 5.1 Officers of the Corporation. The officers of the Corporation shall be a chairperson, a vice chairperson, a secretary, and a chief financial officer. Any number of offices may be held by the same person, except that neither the secretary nor the chief financial officer may serve concurrently as the chairperson.

Section 5.2 Election of Officers. The officers of the Corporation shall be those individuals holding the following positions with the City, subject to Section 5.5 below:

(a) Chairperson – City Mayor
(b) Vice Chairperson – Mayor Pro Tempore
(c) Secretary – City Clerk for the City
(d) Chief Financial Officer – Administrative Services Director for the City

Section 5.3 Other Officers. The Board may appoint or may authorize the chairperson or other officer, to appoint any other officers that the Corporation may require. Each officer so appointed shall have the title, hold office for the period, have the authority, and perform the duties specified in the Bylaws or determined by the Board.

Section 5.4 Removal of Officers. Any officer may be removed with cause by the Board.

Section 5.5 Resignation of Officers. Any officer may resign at any time by giving written notice to the chairperson or secretary of the Corporation. The resignation shall take effect as of the date the notice is received or at any later time specified in the notice and, unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall not affect the rights, if any, of the Corporation under any contract to which the officer is a party.
Section 5.6 Vacancies in Office. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointments to that office, provided, however, that vacancies may be filled as they occur.

Section 5.7 Reimbursement of Expenses. The Corporation shall provide reimbursement for monies expended on behalf of the Corporation by its officers.

Section 5.8 Chairperson. The chairperson shall preside at meetings of the Board and shall exercise and perform such other powers and duties as may from time to time be assigned to the chairperson by the Board. Subject to the control of the Board, the chairperson shall be the general manager of the Corporation and shall supervise, direct, and control the Corporation’s activities, affairs, and officers.

Section 5.9 Vice Chairperson. If the chairperson is absent or disabled, the vice chairperson shall perform all duties of the chairperson. When so acting, a vice chairperson shall have all powers of and be subject to all restrictions on the chairperson. The vice chairperson shall have such other powers and perform such other duties as the Board or the Bylaws may prescribe.

Section 5.10 Secretary. The secretary shall have the following duties:

(a) The secretary shall keep or cause to be kept, at the Corporation’s principal office or such other place as the Board may direct, a book of minutes of all meetings, proceedings, and actions of the Board and of committees of the Board. The minutes of the meetings shall include the time and place that meeting was held, whether the meeting was annual, regular, or special.

(b) The secretary shall keep or cause to be kept at the Corporation’s principal office, a copy of the Articles of Incorporation and Bylaws of the Corporation, as amended to date.

(c) The secretary shall give, or cause to be given, notice of all meetings of the Board and of committees of the Board required by these Bylaws to be given. The secretary shall have such other powers and perform such other duties as the Board or the Bylaws may prescribe.

Section 5.11 Chief Financial Officer. The chief financial officer shall have the following duties:

(a) The chief financial officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the Corporation’s properties and transactions. The chief financial officer shall send or cause to be given to the directors such financial statements and reports as are required to be given by law, by these Bylaws, or by the Board. The books of account shall be open to inspection by any director at all reasonable times during the business hours of the Corporation.
(b) The chief financial officer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the Corporation with such depositories as the Board may designate, shall disburse the Corporation's funds as the Board may order, shall render to the chairperson and the Board, when requested, an account of all transactions as chief financial officer and of the financial condition of the Corporation, and shall have other powers and perform such other duties as the Board or the Bylaws may prescribe.

ARTICLE 6.
MISCELLANEOUS

Section 6.1 Fiscal Year. The fiscal year of this Corporation shall end each year on June 30.

Section 6.2 Contracts. All contracts entered into on behalf of this Corporation must be authorized by the Board, or, where the contract is for less than Twenty Five Thousand Dollars ($25,000), by the chairperson.

Section 6.3 Execution of Checks. Except as otherwise provided by law, every check, draft, promissory note, money order, or other evidence of indebtedness of the Corporation shall be signed by such individuals as are authorized by the Board.

Section 6.4 Indemnification. This Corporation shall indemnify its directors, officers, employees, and agents, including persons formerly occupying any such position, to the fullest extent permitted by law, against all expenses, judgments, fines and other amounts actually and reasonably incurred by them in connection with any threatened, pending or completed action or proceeding, whether it is civil, criminal, administrative or investigative.

In all cases where indemnification is sought, the Corporation shall be subject to the following restrictions and requirements:

(a) Where the action or proceeding is brought on behalf of the Corporation or involves self-dealing transactions, as defined in Section 4.20 of these Bylaws, the Corporation shall not indemnify against amounts paid in settlement or judgment amounts, but shall, upon the express authorization of the Board, indemnify the director, officer, employee or agent against expenses incurred in defense of an action arising from his or her relation to the Corporation. To indemnify in such cases the Board must find the person met the statutorily prescribed standard of care by acting (1) in good faith, (2) in the best interests of the Corporation, and (3) with the care of an ordinarily prudent person.

(b) Where the person seeking indemnification under this section has been held liable to the Corporation, or has settled his or her liability to the Corporation, the Corporation shall not indemnify against expenses without the approval of the court or the Attorney General.

(c) The Board shall determine whether the person seeking indemnification has acted in accordance with the standard of care set forth in subsection (a) of this section by a
majority vote of a quorum consisting of disinterested directors. The termination of any proceeding in a manner adverse to the defendant seeking indemnification shall not create a presumption that such person failed to meet the standard of care.

(d) Where the person seeking indemnification has been successful on the merits in defense of any action or proceeding brought on behalf of the Corporation or in defense of any claim or issue involved in such action or proceeding, the Corporation shall indemnify against all expenses actually or reasonably incurred.

(e) The Corporation shall not advance any money to the person seeking indemnification for the purpose of defending against any action or proceeding without the receipt of an undertaking by such person to repay all advances unless it is ultimately determined that he or she is entitled to indemnification.

Section 6.5 Insurance. The Board may adopt a resolution authorizing the purchase of insurance on behalf of any director, officer, employee or agent of this Corporation against any liability asserted against or incurred by the director, officer, employee or agent in such capacity or arising out of the director’s, officer’s, employee’s or agent’s status as such, whether or not this Corporation would have the power to indemnify the director, officer, employee, or agent against that liability under law; except, the Corporation may not purchase insurance to protect self-dealing directors (as defined in Section 4.20 of these Bylaws) from liability.

Section 6.6 Reports to Directors. The Chief Financial Officer shall provide the Directors with a written financial statement for the Corporation each year.

Section 6.7 Amendment of Bylaws. The Bylaws may be amended or repealed and new Bylaws adopted by the vote of a majority of all the members of the Board, provided that any amendment to Section 4.5 hereof must receive the prior written consent of the City Council. Such amended or newly adopted Bylaws shall take effect immediately.

Section 6.8 Applicable Law. This Corporation shall be subject to any and all applicable state, federal and local laws, including, but not limited to, such laws as may be applicable as a result of the Corporation’s affiliation with the City.

Section 6.9 Ralph M. Brown Act. All meetings of the Board of Directors, or any committee thereof, shall be called, noticed, held and conducted in accordance with the applicable provisions of the Ralph M. Brown Act (commencing with Section 54950 of the California Government Code)
CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify:

(1) That I am the duly elected and acting Corporate Secretary of El Cerrito Municipal Services Corporation, a California nonprofit public benefit corporation; and

(2) That the foregoing Amended and Restated Bylaws, comprising nine (9) pages, constitute the Amended and Restated Bylaws of such corporation as adopted by the directors of the Corporation at a duly constituted meeting held on ____________, 2011, and such Amended and Restated Bylaws amend and restate, in their entirety, the Bylaws previously adopted by the Corporation on December 20, 1982, as amended.

IN WITNESS THEREOF, I have hereunto subscribed my name, this __________ day of ____________, 2011.

______________________________
Cheryl Morse, Corporate Secretary
MUNICIPAL SERVICES CORPORATION RESOLUTION NO. ____

RESOLUTION OF THE BOARD OF DIRECTORS OF THE EL CERRITO MUNICIPAL SERVICES CORPORATION ELECTING THE OFFICERS OF THE CORPORATION

WHEREAS, the Board of Directors of the Corporation (the “Board”) amended and restated the Bylaws of the Corporation to enable the Corporation to revise them to be consistent with current California law (the “Amended and Restated Bylaws”); and

WHEREAS, the Amended and Restated Bylaws provide for the election of the Officers of the Corporation; and

WHEREAS, the Board desires to elect the proposed Officers as listed on Exhibit A to this Resolution, the Roster of the Board of Directors and Officers.

NOW THEREFORE, BE IT RESOLVED, AS FOLLOWS:

1. The Board of Directors finds that the above recitals are true and correct.

2. The Board of Directors hereby elects the Officers of the Corporation listed on Exhibit A.

3. This Resolution shall become effective immediately upon its adoption.

I CERTIFY that at a regular meeting on May 2, 2011, the Board of Directors of the El Cerrito Municipal Services Corporation passed this Resolution by the following vote:

AYES: BOARD MEMBERS:
NOES: BOARD MEMBERS:
ABSENT: BOARD MEMBERS:

IN WITNESS of this action, I sign this document on _____________, 2011.

Cheryl Morse, Secretary

APPROVED:

Ann Cheng, Board Chair
MUNICIPAL SERVICES CORPORATION RESOLUTION  
EXHIBIT A  

Proposed Roster of Board of Directors and Officers  
Per the  
FIRST AMENDED AND RESTATED  
BYLAWS  
OF  
EL CERRITO MUNICIPAL SERVICES CORPORATION  
A California Nonprofit Public Benefit Corporation  
May 2, 2011

Board of Directors  
1. Ann Cheng, City Councilmember  
2. Janet Abelson, City Councilmember  
3. Rebecca Benassini, City Councilmember  
4. William C. Jones III, City Councilmember  
5. Greg Lyman, City Councilmember  
6. Scott Hanin, City Manager  
7. Karen Pinkos, Assistant City Manager

Officers  
1. Chairperson (City Mayor) Ann Cheng  
2. Vice Chairperson (Mayor Pro Tempore) William C. Jones III  
3. Secretary (City Clerk) Cheryl Morse  
4. Chief Financial Officer (City Administrative Services Director) Mary Dodge
MUNICIPAL SERVICES CORPORATION RESOLUTION NO. ___

RESOLUTION OF THE BOARD OF DIRECTORS OF THE EL CERRITO MUNICIPAL SERVICES CORPORATION APPROVING ITS FISCAL YEAR 2011-12 ANNUAL OPERATING BUDGET

WHEREAS, the El Cerrito Municipal Services Corporation ("MSC") is a nonprofit public benefit corporation, organized under the Nonprofit Public Benefit Corporation Law for both public and charitable purposes; and

WHEREAS, the purpose of the MSC is to combat blight and deterioration in and contribute to the physical improvement of the community; provide and expand economic opportunities for low and moderate income households; encourage and stimulate economic development by assisting the El Cerrito Redevelopment Agency ("Agency") to eliminate blight within the Agency’s project areas; and implement and assist the Agency in redevelopment activities and programs that will lessen neighborhood tensions, and combat community deterioration; and

WHEREAS, the Agency has committed to funding the projects and programs it delegates to the MSC through the Amended and Restated Public Improvements and Cooperation Agreement for the City of El Cerrito Redevelopment Project Area between the City of El Cerrito and the El Cerrito Redevelopment Agency ("Cooperation Agreement"), which the City subsequently assigned to the MSC; and

WHEREAS, through the Cooperation Agreement, the MSC is responsible for economic development and redevelopment projects and programs on behalf of the El Cerrito Redevelopment Agency ("Agency"); and

WHEREAS, the Board of the MSC has been presented a proposed budget for Fiscal Year 2011-12 for its consideration, which has been reviewed and analyzed in a public session; and

WHEREAS, the proposed budget represents anticipated revenues and proposed expenditures for the MSC; and

WHEREAS, the MSC requires a revenue budget of $1,180,340 and an expenditure budget of $1,129,340 for FY2011/12; and

WHEREAS, the Board desires to adopt the necessary revenue and expenditure budgets for the MSC.

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of the El Cerrito Municipal Services Corporation, in accordance with its authority and responsibility, hereby adopts the Fiscal Year 2011-12 Budget, summarized in Exhibit A.
BE IT FURTHER RESOLVED that the Board of Directors of the El Cerrito Municipal Services Corporation hereby authorizes the Executive Director or his/her designee to:

1. Create such appropriations into such new accounts as may be appropriate for proper accounting and to make any necessary non-material changes to finalize the budget document.
2. Approve payment of goods and services received by the MSC in accordance with the MSC’s approved budgets, programs, and policies, subject to a limitation of $25,000 for any single vendor in any one fiscal year, beyond which amount the Board of Directors retains authority to approve payment.
3. Shift expenditure appropriations within funds among accounts, as may be necessary to meet the MSC’s operational needs.

BE IT FURTHER RESOLVED, AS FOLLOWS:

1. The Board of Directors finds that the above recitals are true and correct.
2. This Resolution shall become effective immediately upon its adoption.

I CERTIFY that at a regular meeting on May 2, 2011, the Board of Directors of the El Cerrito Municipal Services Corporation passed this Resolution by the following vote:

AYES: BOARD MEMBERS:  
NOES: BOARD MEMBERS:  
ABSENT: BOARD MEMBERS:  

IN WITNESS of this action, I sign this document on _____________, 2011.

Cheryl Morse, Secretary

APPROVED:

Ann Cheng, Board Chair
PROPOSED FISCAL YEAR 2011-12 BUDGET
EL CERRITO MUNICIPAL SERVICES CORPORATION

The mission of the El Cerrito Municipal Services Corporation is to act on behalf of the City of El Cerrito and the El Cerrito Redevelopment Agency to create, support, and retain a strong and diverse economic base that provides housing and employment opportunities, increases sales and property tax revenues, provides desired goods and services to the community throughout the City and the Redevelopment Project Area.

INTRODUCTION

This document presents the Fiscal Year 2011-12 Budget for the El Cerrito Municipal Services Corporation ("MSC"). The MSC is responsible for economic development and redevelopment projects and programs on behalf of the City of El Cerrito ("City") and the El Cerrito Redevelopment Agency ("Agency"). In particular, the MSC's activities implement the Agency's goals and objectives within the City of El Cerrito Redevelopment Project Area ("Project Area") as described in the Agency's Redevelopment Plan ("Redevelopment Plan") and Five-Year Implementation Plan.

The MSC is a California nonprofit public benefit corporation. Per the Articles of Incorporation of the MSC, the specific charitable and public purposes for which the MSC is organized are to benefit and support the City and the Agency, in accordance with Section 509(a)(3) of the Internal Revenue Code of 1986, as amended, and to lessen the burdens of government of the City and the Agency by: (1) utilizing private and public funding sources to combat community blight and deterioration in the City and contribute to the physical improvement of the City; (2) providing and expanding economic opportunities for low and moderate income households in the City; (3) encouraging and stimulating economic development within the City by assisting the Agency to eliminate blight within the Agency's project areas; and (4) implementing and assisting the Agency in redevelopment activities and programs that will lessen neighborhood tensions, and combat community deterioration.

Recent efforts to eliminate redevelopment agencies in California have created uncertainty for the Agency's ability to use redevelopment tools in pursuit of its goals and objectives. The Agency has undertaken various efforts to protect its revenues, assets, projects and programs. These included the adoption of a
Public Improvements and Cooperation Agreement for the City of El Cerrito Redevelopment Project Area (Cooperation Agreement) between the City and the Agency for completion of the Agency's projects and programs. Subsequently, the City partially assigned its rights and responsibilities under the Cooperation Agreement, as they related to non affordable housing projects and programs, to the MSC. The Agency also conveyed all real property held for non affordable housing projects to the MSC for redevelopment purposes.

Projects and Programs
Fiscal Year 2010-11 was the first year in which the MSC operated under the Cooperation Agreement and carried out projects and programs on behalf of the Agency. The Agency provided initial funding to the MSC of $1.35 million to assume Agency projects and programs as of March, 2011. Of particular note, in Fiscal Year 2010-11, the MSC allocated $100,000 to establish a Commercial Rehabilitation Loan Program for businesses within the City of El Cerrito Redevelopment Project Area, any remainder of which will carry over into Fiscal Year 2011-12 for continued funding of the program. Such funds are therefore reflected in appropriations for Fiscal Year 2011-12. Previously approved funding that will also carry forward into Fiscal Year 2011-12 also includes $141,000 remaining for tenant improvements for the Cerrito Theater.

In the near term, the Agency's goal is concentrating resources and efforts to encourage private investment on key catalyst sites along the San Pablo Avenue commercial corridor. While the revenues available to the MSC to carry out Agency projects are a constraint, the focus of the MSC's projects and programs in the current fiscal year will be to:

- Continue development and implementation of the Del Norte Transit Oriented Development Strategy, focusing on development opportunities on MSC-owned properties
- Continue the Master Developer Solicitation process for the Moeser Lane Shopping Center on behalf of the Agency, in order to facilitate revitalization of the center
- Implement the Commercial Rehabilitation Loan Program with priority given to the southern end of San Pablo Avenue around the Cerrito Theater and El Cerrito Plaza Shopping Center
- Continue to work with key property owners on San Pablo Avenue on potential development, redevelopment or other improvements to their properties
- Collaborate with City Planning staff on completion and adoption of the City's San Pablo Avenue Specific Plan, in particular as it relates determining the feasibility of development standards under consideration, producing clear and consistent development and design standards with the City of Richmond, and facilitating economic development opportunities and transit oriented development projects
- Initiate predevelopment activities on MSC-owned properties to implement the City's San Pablo Avenue Specific Plan
Collaborate with City Planning, Environmental Services, and Engineering staff on parking standards and programs, in particular how they relate to transit oriented development feasibility, revitalization, and sustainability efforts.

Coordinate with Pleasantown Motion Picture Company on completion of tenant improvements to the Cerrito Theater as provided in the Cerrito Theater Lease Agreement.

Continue to develop and implement business marketing programs, including updating brochures and website content to support local businesses.

Continue implementation of the City’s business attraction and retention programs to provide shopping and dining opportunities for residents and visitors, and to bolster economic development efforts and City revenues.
Budget Overview

Through the Cooperation Agreement, the MSC will undertake activities related to facilitating private investment, attracting and retaining businesses, and implementing related public improvement projects. The complete list of projects and programs (excluding the affordable housing program) that the MSC has agreed to undertake on behalf of the Agency over the life of the Redevelopment Plan is contained in the Cooperation Agreement and is included in this budget document as Appendix A. The Agency has agreed to provide the MSC with the funds necessary for such activities and projects from the Agency’s available resources, including tax increment funds allocated to the Agency.

The MSC shall use the Agency Funds for the completion of the projects. Among other activities, the MSC may use the Agency funds to pay costs of land acquisition, relocation, demolition, site preparation and remediation, design, and construction of the projects, and reasonable staff, consultant and other administrative costs in connection therewith. The MSC pays the City, as the MSC’s fiscal agent, for handling all of its administrative functions through an administrative services contract.

The proposed Fiscal Year 2011-12 MSC budget consists primarily of two components: programs and projects; and the MSC’s administrative budget and City services administrative cost. The budget has funding sources derived from tax increment, developer proceeds, lease income, interest income and other income. For a discussion of tax increment revenue projections, please refer to the Redevelopment Agency section of the Fiscal Year 2011-12 City Budget. The MSC budget consists of a revenue budget of $1,180,340 and an expense budget of $1,129,340 for Fiscal Year 2011-12.

Table 1 presents the MSC’s revenues and expenses for Fiscal Year 2011-12:

| Table 1 |
|------------------|------------------|
| **El Cerrito Municipal Services Corporation** |
| **Fiscal Year 2011-12 Budget** |
| **Revenue & Expenditures** |

<table>
<thead>
<tr>
<th>Revenue</th>
<th>FY 2012</th>
</tr>
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<tbody>
<tr>
<td>Payments from El Cerrito Redevelopment Agency</td>
<td>$1,129,340</td>
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<tr>
<td>Interest, Lease, Note, Other Revenue</td>
<td>$51,000</td>
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<tr>
<td>Developer Proceeds/Advances</td>
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<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>$1,180,340</strong></td>
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<table>
<thead>
<tr>
<th>Expenditures</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Redevelopment Projects &amp; Programs</td>
<td>$467,000</td>
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<tr>
<td>Economic Development Program</td>
<td>$70,000</td>
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<tr>
<td>City/RDA Services/Administration</td>
<td>$592,340</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>$1,129,340</strong></td>
</tr>
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APPENDIX A

1. Exhibit A to the Cooperation Agreement: List of Projects and Schedule of Performance and Payment

2. Map of City of El Cerrito Redevelopment Project Area
## Exhibit A

**El Cerrito Redevelopment Project Area**

List of Projects and Schedule of Performance and Payment

*Cost Estimates in Millions*

<table>
<thead>
<tr>
<th>Facilitation of Private Investment*</th>
<th>Project Costs</th>
<th>Soft Costs</th>
<th>Admin Costs</th>
<th>Total Cost</th>
<th>Timeframe for Performance (FY ending)</th>
<th>Timeframe for Payment</th>
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<tr>
<td>Specific Plan Completion and Implementation</td>
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<td>0.08</td>
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<td>2012-2026</td>
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<td></td>
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<td>Del Norte Transit/Public Infrastructure</td>
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<td>2012-2026</td>
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<td>Mayfair Block</td>
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<td>0.33</td>
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<td>BART Parking Lots</td>
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<td>0.07</td>
<td>0.07</td>
<td>0.57</td>
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<td>2012-2016</td>
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<td>Hill Street Parcel</td>
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<td>North Gateway</td>
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<td>2017-2021</td>
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<td>Wall Street South</td>
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<td>0.03</td>
<td>0.28</td>
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<td>2017-2021</td>
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<td>South Blake</td>
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<td>0.42</td>
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<td>2017-2021</td>
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<td>South Potrero</td>
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<td>0.07</td>
<td>0.57</td>
<td>2017-2021</td>
<td>2017-2021</td>
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<td>Madison Blocks</td>
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<td>0.11</td>
<td>1.96</td>
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<td>2017-2021</td>
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<td>San Pablo/Alameda Midtown Site</td>
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<td>0.07</td>
<td>0.07</td>
<td>0.57</td>
<td>2012-2016</td>
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<td>Civic Center Parcel</td>
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<td>DMV Block</td>
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<td>0.13</td>
<td>1.13</td>
<td>2017-2021</td>
<td>2017-2021</td>
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<tr>
<td>Marshall's Center</td>
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<td>0.13</td>
<td>1.13</td>
<td>2017-2021</td>
<td>2017-2021</td>
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<tr>
<td>Moeser Lane Shopping Center</td>
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<td>0.07</td>
<td>0.57</td>
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<td>2012-2014</td>
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<td>Bank of America Block</td>
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<tr>
<td>South Eureka</td>
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<td>0.03</td>
<td>0.28</td>
<td>2014-2018</td>
<td>2014-2018</td>
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<td>Avila Site</td>
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<td>0.04</td>
<td>0.34</td>
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<td>Theater Block</td>
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<tr>
<td>Plaza BART Lots</td>
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<td>0.13</td>
<td>1.13</td>
<td>2017-2021</td>
<td>2017-2021</td>
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<tr>
<td>Fairmont Auto Lots</td>
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<td>0.07</td>
<td>0.57</td>
<td>2014-2018</td>
<td>2014-2018</td>
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<tr>
<td>Plaza Connection Fairmont/San Pablo</td>
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<td>0.10</td>
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<td>2014-2018</td>
<td>2014-2018</td>
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<td>South Gateway</td>
<td>0.44</td>
<td>0.07</td>
<td>0.07</td>
<td>0.57</td>
<td>2017-2021</td>
<td>2017-2021</td>
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<tr>
<td>Cerrito Theater Property</td>
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<td>0.15</td>
<td>1.30</td>
<td>2012-2021</td>
<td>2012-2026</td>
</tr>
</tbody>
</table>

**Subtotal**

|                      | 27.17 | 6.38 | 3.54 | 37.08 |

Soft costs are those costs associated with the actual design and construction of a project, including: preparation of engineering/architectural plan and specifications, design development and review, coordination of bidding processes, construction inspections, construction management and those other costs necessary to implement the design and construction of a public improvement.

Administrative Costs are those costs for services associated with the development of a public improvement or program, including: the purchase of land; negotiation and development of agreements; public outreach processes; approval and permitting processes; financial, legal and other specialized consulting services; financial compliance and other governmental reporting, including financial administrative oversight; the administration of housing projects including monitoring of affordable housing agreements and prevailing wage requirements, resale restrictions, or other covenants associated with affordable housing projects; the drafting of funding availability notices and development of affordable housing agreement documents; and additional indirect City costs associated with the administrative support needed to carry out these public improvements and programs.

* May include land acquisition and/or assembly, site preparation, disposition and development of Agency properties, project specific infrastructure, Specific Plan implementation)
### Exhibit A

**El Cerrito Redevelopment Project Area**  
**List of Projects and Schedule of Performance and Payment**  
*Cost Estimates in Millions*

#### Business Recruitment and Retention

<table>
<thead>
<tr>
<th>Project Description</th>
<th>2012-2021</th>
<th>2012-2026</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Attraction, Retention and Expansion</td>
<td>0.72</td>
<td>0.34</td>
</tr>
<tr>
<td>Community Promotion and Events</td>
<td>0.20</td>
<td>0.10</td>
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<tr>
<td>Commercial Building Rehabilitation Assistance</td>
<td>1.20</td>
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</tr>
<tr>
<td>Graffiti Abatement</td>
<td>0.40</td>
<td>0.19</td>
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<tr>
<td><strong>Subtotal</strong></td>
<td><strong>2.52</strong></td>
<td><strong>1.20</strong></td>
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</tbody>
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#### Public Improvements

<table>
<thead>
<tr>
<th>Project Description</th>
<th>2012-2021</th>
<th>2012-2026</th>
</tr>
</thead>
<tbody>
<tr>
<td>San Pablo Avenue transit &amp; public infrastructure</td>
<td>1.00</td>
<td>0.20</td>
</tr>
<tr>
<td>Upper Fairmount streetscape improvements</td>
<td>0.17</td>
<td>0.00</td>
</tr>
<tr>
<td>Creekside Park Lighting</td>
<td>0.20</td>
<td>0.00</td>
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<tr>
<td>Fairmount/Ashbury Intersection Improvements</td>
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<tr>
<td>Central/Liberty Streetscape Enhancements</td>
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<tr>
<td>Central/San Mateo Intersection (I-80)</td>
<td>1.30</td>
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<tr>
<td>Potrero/I-80 Intersection Improvements</td>
<td>0.85</td>
<td>0.10</td>
</tr>
<tr>
<td>Ohlone Greenway Urban Greening (Plaza &amp; Safeway)</td>
<td>1.20</td>
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<tr>
<td>Ohlone Greenway Crossing Safety Projects</td>
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<tr>
<td>Ohlone Greenway Master Plan Implementation</td>
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<tr>
<td>New Public Safety Building</td>
<td>18.80</td>
<td>5.00</td>
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<tr>
<td>New Senior Center</td>
<td>7.50</td>
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<tr>
<td>County-owned Facility (New Library)</td>
<td>13.80</td>
<td>3.80</td>
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<tr>
<td><strong>Subtotal</strong></td>
<td><strong>50.52</strong></td>
<td><strong>12.16</strong></td>
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#### Affordable Housing

<table>
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<tr>
<th>Project Description</th>
<th>2012-2021</th>
<th>2012-2026</th>
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</thead>
<tbody>
<tr>
<td>Ohlone Gardens Apartments Development &amp; Construction**</td>
<td>1.00</td>
<td>0.20</td>
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<tr>
<td>Tradeway Housing Development &amp; Construction**</td>
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<tr>
<td>Affordable Housing Opportunity Sites</td>
<td>8.00</td>
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<tr>
<td>Preservation of Expiring Affordability Covenants</td>
<td>32.00</td>
<td>1.60</td>
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<tr>
<td>Regulatory Agreement Compliance Monitoring</td>
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<tr>
<td><strong>Subtotal</strong></td>
<td><strong>43.00</strong></td>
<td><strong>3.50</strong></td>
</tr>
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</table>

**TOTAL** 156.93

Soft costs are those costs associated with the actual design and construction of a project, including: preparation of engineering/architectural plan and specifications, design development and review, coordination of bidding processes, construction inspections, construction management and those other costs necessary to implement the design and construction of a public improvement.

Administrative Costs are those costs for services associated with the development of a public improvement or program, including: the purchase of land; negotiation and development of agreements; public outreach processes; approval and permitting processes; financial, legal and other specialized consulting services; financial compliance and other governmental reporting, including financial administrative oversight; the administration of housing projects including monitoring of affordable housing agreements and prevailing wage requirements, resale restrictions, or other covenants associated with affordable housing projects; the drafting of funding availability notices and development of affordable housing agreement documents; and additional indirect City costs associated with the administrative support needed to carry out these public improvements and programs.

**Funds already disbursed for site acquisition and development loans are not included in this Schedule.**