



ADMINISTRATIVE REPORT

DATE: JULY 31, 2009
TO: MAYOR AND CITY COUNCIL
BEN REYES, CITY ATTORNEY
FROM: BELINDA B. ESPINOSA, CITY MANAGER

PLACES TO BE

- **AUGUST 4 – FY 2009-10 BUDGET TO BE DISCUSSED**

The City Council will be discussing the Proposed FY 2009-10 Budget at the August 4 City Council meeting. The meeting will begin at 7:00 PM in the City Council Chambers.

- **AUGUST 7 – PINOLE SENIOR CENTER PASTA FEED**

The Pinole Senior Center will be having a Pasta Dinner on August 7. The whole family can have a delicious dinner before walking to Fernandez Park and enjoying the Outdoor Cinema Movie, Madagascar 2. Food will be served from 6 pm – 7:30 pm. See attachment.

- **AUGUST 15 AND 16 – AMERICAN CANCER SOCIETY RELAY FOR LIFE**

The American Cancer Society is hosting the annual Relay for Life event at Fernandez Park starting at 10:00 am on Saturday morning, August 15 thru Sunday, August 16.

ITEMS OF INTEREST

- **POLICE DEPARTMENT**

Federal Stimulus Funds

The Federal Government notified us that we did not receive any money from our grant request through the COPS Hiring Recovery Program (CHRP). The Pinole Police Department had requested \$1.2 million dollars over three years to fund three police officer positions that had been frozen because of our severe financial constraints. The Federal Government received \$8.3 billion in requests from jurisdictions across the United States but only had \$1 billion available for this program. Only 14% of all requests were filled.

School Resource Officer

On July 29, 2009 the West Contra Costa County Unified School District Board of Education approved a new three year contract with the City of Pinole for School Resource Officer (SRO) services. Two full-time SROs will be assigned to Pinole Valley High School and one full-time SRO will be assigned to Pinole Middle School effective July 1, 2009. The District will fully fund one SRO at Pinole Valley High School and the SRO at Pinole Middle School. The SRO at Pinole Middle School is a new position.

National Night Out

During the early evening of August 4, 2009 Community Preservation & Safety Unit and other department members, including McGruff the Crime Dog, will visit the homes of ten Neighborhood Watch Captains. The Captains and their Neighborhood Watch Groups will be celebrating National Night Out. Good food and neighbors enjoying the company of neighbors will be in full swing.



The goals of National Night Out are to:

1. Strengthen neighborhood spirit and police-community partnerships
2. Send a message to criminals letting them know that neighborhoods are organized and fighting back
3. Generate support for, and participation in, local anti-crime efforts
4. Heighten crime and drug prevention awareness

Call Community Safety Specialist Tom Madigan at the Pinole Police Department at (510) 724-9838 for information.

- **FIRE DEPARTMENT**

The **Fire Service Review Workshop** held last Wednesday was well attended. The purpose of the workshop was to provide an overview of the service obligations of the Pinole Fire Department. Among the highlights reviewed was the need for depth of available resources and inter-agency cooperation, as well as educating the Council and the community on how services are provided. This information will facilitate future discussions on alternatives necessary to maintain adequate service levels with decreased revenue.

Pinole hosted one of four countywide **Local Hazard Mitigation Plan** open houses. The Thursday evening meeting was lightly attended but participants learned about the federal legislation that requires each city or special district to have a Local Hazard Mitigation plan (LHMP). The plans identify Critical Facilities within each jurisdiction such as hospitals, schools, senior complexes, fire stations and treatment plants etc. Those facilities are assessed by their vulnerability to natural hazards (earthquake, fires, flood, landslide, wind etc.) and projects can be engineered to reduce the likelihood of damage or loss of life. Participation in the LHMP is required for several areas of FEMA emergency funding.

All interested persons can participate in the online survey at www.contracosta.ca.gov/index.asp?NID=2302 or simply go to the Contra Costa Public Works website. Hard copy questionnaires are available in the city hall lobby or at the fire department.

Close call: Pinole Fire responded with County Fire and Rodeo-Hercules units to the famous Fernandez Mansion at the foot of Tennent Avenue for a fire on the roof. This iconic home is over a hundred years old and is very vulnerable to a catastrophic fire. The cause of the fire is under investigation and damage was confined to a small section of the roof. There were no injuries.

- **REDEVELOPMENT AGENCY BOARD TO REVIEW LOAN EXTENSION POLICY**

Due to the deteriorated state of the economy, and the very real possibility that a number of existing borrowers are suffering financially, Agency staff and the Economic Development and Housing Advisory Committee (EDHAC) developed recommendations for a Loan Extension and Modification Policy and are bringing the proposed policy before the Agency Board on August 4.

The recommended policies for loan extensions or modifications are:

- All requests must be submitted in writing to the Agency
- All requests must include recent financial information
- The request must demonstrate a financial need
- Extensions cannot exceed 3 years
- Extensions or modifications can be granted one time only
- All requests must be brought forward to the Agency Board for review

In addition to the above policies, EDHAC recommended that an application fee be charged to help offset Agency costs for the review. The Planning Department charges a \$327 fee for an extension. It will be recommended that a fee of \$325 be established for this policy and be collected at the time of application.

Reviewing and monitoring the Agency's policies and procedures to more effectively manage the Agency's assets was recommended in the Redevelopment Agency Program Review adopted in January 2008. Having an established policy in place will ensure that all borrowers have a consistent and equal opportunity for application and review.

- **KRISPY CRÈME CLOSING**

The Krispy Crème store on Fitzgerald Drive closed on July 29. The property is owned and managed by a company based in San Rafael.

- **PINOLE SHORES BUSINESS PARK QUARTERLY UPDATE**

Market

Pinole Shores Business Park was originally designed to meet the needs of small owner/users looking to purchase 2,000 to 5,000 SF commercial condominiums. Typically, these owner/users are closely related to the housing market because they either provide services to the residential market, and/or they depend on their personal home equity to fund their businesses. As the housing market has slowed dramatically, and the economy has suffered, the number of potential owner/users has significantly declined.

Full absorption is uncertain at this time and will be directly impacted by the current economic downturn. The market is experiencing an ongoing weakness in demand, as well as a scarcity of financing. In response, Panattoni has made additional changes to the marketing program.

First, they have elected to change the brokerage marketing team from Cushman and Wakefield to NAI BT Commercial (Jeff Leenhouts and Adam Peterson). The change was necessitated by the desire of the ownership to bring a fresh marketing approach to the project.

Second, they will be further reducing the pricing on the project from the original assumptions (\$315-\$206) to the following:

- Building A: \$175.00 per square foot
- Building B: \$175.00 per square foot
- Building C: \$150.00 per square foot
- Building D: \$150.00 per square foot

Third, they will be constructing improvements in each of the buildings to provide “move in-ready” space for potential users. This will likely include a small office, warehouse lighting, and warehouse insulation.

In addition to these sales incentives, Panattoni will continue to expand their marketing efforts beyond just condominium buyers to include potential lease requirements. And as with the reductions in our asking purchase prices, they continue to reduce asking lease rates as a result of the weak demand.

The Phase Two property is being marketed for build-to-suit. They have developed three conceptual site plans, which maximize the business park setting and exploit the view of San Pablo Bay, for potential office, manufacturing, and research and development uses.

The new marketing team will be reaching out directly to large, regional companies.

Deals

Total currently committed via sale or lease: 2,214 SF

Total currently available: 57,109 SF

Dr. Susan Nuttle closed escrow in October on Unit 4 in Building A (2,214 square feet). She is now open for business. No other space in the project is currently committed via sale or lease, other than an active negotiation with Fastenal for 2,600 square feet in Building C.

Prospects

The marketing efforts continue to target job producing employers in industries that enjoy relative strength in this market. For example, with the completion of the Kaiser facility and the potential for Alta Bates, they believe medical office users will be increasingly attracted to this area. The brokers are currently responding to several such potential users. In addition to the medical users, there has been interest from and negotiations with the Fastenal Company for approximately 2,600 sf in Building C.

Construction

The shell buildings and site work are complete and the contractor's punch list is substantially complete. In addition, Archie Held Studio has completed installation of the public art work.

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Pasta Feed

Friday, August 7, 2009

Dinner for the whole family before the Outdoor
Cinema Movie, Madagascar 2



*Generous Servings of
Pasta (Meat or Vegetable Sauce)
Salad & Garlic Bread
Coffee, Iced Tea &
Ice Cream Included
Water & Soda Sold Separately*

\$8.00 Adults

\$5.00 Children under 12 yrs

\$20.00 Special

(2 Adults & 2 Children under 12 yrs)

Doors Open at 6pm

Food will be served from 6pm - 7:30pm

Pre-Purchase Tickets at the Pinole Senior Center

And the Pinole Youth Center

Pinole Senior Center~2500 Charles Ave.~510-724-9800