

CITY OF SEBASTOPOL CITY COUNCIL
 AGENDA ITEM REPORT FOR MEETING OF: January 7, 2025

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To: Honorable Mayor and City Councilmembers
From: Emi Thériault, Community Development Director
Subject: Reimbursement Agreement with Alldridge Development for Barlow Hotel application costs and 4Leaf Contract for additional project services

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RECOMMENDATIONS: Adopt a Resolution approving a Reimbursement Agreement with Alldridge Development for the Barlow Hotel for funds to be used for City staffing and contract consulting services to cover City costs for project processing and authorize the City Manager to enter into a not-to-exceed contract for \$20,520 with 4Leaf Inc. for planning consulting services.

EXECUTIVE SUMMARY: These actions set forth a framework for the use of funds received by Alldridge Development to reimburse the City for staffing and consultant costs anticipated for the Barlow Hotel project planning entitlements and negotiations related to legal and business terms for the project.

BACKGROUND AND DISCUSSION:

Action item-Reimbursement Agreement.

As a standard practice, the City requires a developer proposing projects of a certain complexity or size to fund a revolving deposit account specific to the project. A fund has already been set up for the Barlow Hotel project. The Reimbursement Agreement provides a more formal arrangement than a simple deposit account, as is advisable when a Development Agreement is being considered.

Current and Anticipated Consultant Contracts.

Action item-4Leaf Planning Services Contract.

Although the proposed contract budget would normally fall within the City Manager’s signature authority, this item requires Council review because 4Leaf has performed work earlier this same fiscal year and the vendor’s compensation would exceed his signing authority for contracts. Staff is requesting Council approval of the contract, which would be fully funded by the developer per the Reimbursement Agreement.

Additional information, regarding both action items and the Fiscal Analysis contract, which does not require a separate Council action, is addressed further in the *Staff Analysis* and *Fiscal Impact* discussions, below.

Informational item-Other Anticipated Consultant Work.

At this time, it is also advisable to hire a consultant to provide neutral third-party analysis of the fiscal aspects of the project. To ensure the financial aspects of the project are fully vetted and proposals are reasonable, staff plans to use Reimbursement Agreement supported funds to hire a consultant to generate a financial report.

STAFF ANALYSIS:

Reimbursement Agreement.

In order to make development pay for itself, best management practices call for working with the development community to provide advance payment on anticipated City staffing and consultant services prior to expenditure

on those costs. The agreement also provides additional transparency for the public and all parties to the agreement. It does not indicate a budget threshold as it is meant to encourage full project review cost accounting. Anticipated costs and deposit requirements are identified in consultant contract budgets as required by the City's Procurement Procedures and by the City's Fee Schedule-hourly rates for staff for any project review work performed.

The agreement simply sets up a framework for financial agreement on payment of project related costs by the developer. The proposed Reimbursement Agreement requires advance deposits for all work and a minimum balance of \$10,000 to be maintained to avoid project review delays. Any contracts to be processed will include terms that require the consultant to stay within the approved contract budget or stop work until funds have been submitted to cover any expanded scope of work needed. Currently anticipated costs include:

- a. 4LEAF for Planning Services, further described below - \$20,520; and
- b. EPS for fiscal analysis of proposed Development Agreement business terms - \$20,000; and
- c. Staff and legal costs – estimate of \$30,000.

4Leaf – New Contract.

This contract requires action by the City Council as explained above. The proposed contract would provide efficiency in process in that the City can benefit from the existing knowledge of the project to process the Planning Entitlements and provide background support to staff as needed. This will ensure existing and new Community Development department staff can focus on the financial terms and related public infrastructure needs analysis and overall department Work Plan/other Council initiatives.

The proposed contract for a not-to-exceed amount of \$20,520 would be fully covered by the Reimbursement Agreement. This requires Council review because it exceeds the City Manager's signing authority for contracts for a single vendor per fiscal year, but costs would be paid for by the developer by advance deposit.

EPS – New Contract.

The proposed contract does not require Council action; the \$20,000 budget is within the City Manager's signing authority for contracts. However, it would also be fully covered by the Reimbursement Agreement/related developer deposits. It is only mentioned here for transparency with regard to current known intended use for Reimbursement Agreement supported costs.

The proposed scope of work would include analysis of proposed business terms and include review of related project costs, impacts, and potential returns (revenue). Following the City's procurement procedures, City staff requested three bids for fiscal analysis services and found that one vendor, Environmental Planning Systems (EPS), would meet the need for high quality work, local economic systems knowledge, and a reasonable cost proposal. The scope of work includes a City consultant's peer review of the applicant-hired consultant's Hotel revenue projections, include review of development financing, pro formas, impact fees, and public infrastructure costs to ensure the City's needs are adequately addressed.

Project Review – Staff Costs.

This scope of work does not require Council action; staff hourly rates were established with Council's adoption of the *City of Sebastopol FY 2023-2024 Fee Schedule*. Allocation of money for City staffing and legal services, estimated to be approximately \$30,000 exclusive of building or encroachment permit fees, has already been set aside in advance.

Summary.

Total current new/anticipated costs of \$70,520 for use in the Development Agreement and Planning entitlement project review, as noted above, are to be covered by the developer for this project proposal review through terms set forth in the Reimbursement Agreement. Additional project review costs may be identified in the future and would also be covered by the Reimbursement Agreement and related deposits. Where new consultant costs or amendments to contracts exceed the City Manager's signing authority for contracts, the contract may need Council review. However, this is not anticipated at this time.

COMMUNITY OUTREACH:

This item has been noticed in accordance with the Ralph M. Brown Act and was available for public viewing and review at least 72 hours prior to the scheduled meeting date.

FISCAL IMPACT: No fiscal impact.

The \$20,520 cost for the proposed 4Leaf contract requires Council action but would be fully covered through the Reimbursement Agreement. Related financial terms for the development project itself e.g., costs for related public infrastructure and other impacts on City resources are the subject of the intended fiscal analysis to be covered by the Reimbursement Agreement and would not require a City Budget allocation. The contract for third party fiscal analysis by EPS includes a budget of \$20,000, is within the City Manager's signing authority for contracts, and does not require Council action. The City's adopted Fee Schedule covers staff costs.

An existing fund account has been established to cover project costs and Aldridge Development submitted \$50,000 in funds on Tuesday, December 17, 2024, in advance of the requested consultant contract. The Reimbursement Agreement and 4 Leaf Contract budget terms set forth a framework for documenting project costs and ensuring City costs associated with the proposal are appropriately compensated. Similar Budget monitoring terms would apply to the EPS contract or similar fiscal analysis vendor. All consultant budgets include or will be required to include a sufficient budget contingency to provide for expanded scope with the intent to avoid contract budget amendments.

OPTIONS:

1. Approve the proposed Resolution setting forth a financial compensation framework for the project process (staff's recommended action) and authorize the City Manager to enter into a contract with 4Leaf consulting for a not-to-exceed budget of \$20,520; or
2. The City Council could decide not to pursue advance financial compensation for the anticipated city and adjunct staff costs and consultant services.

ATTACHMENTS:

1. Resolution
2. Reimbursement Agreement with Aldrige Development
3. Contract with 4 Leaf Inc.

APPROVALS:

Department Head Approval:

Approval Date: 12-23-24

CEQA Determination (Planning):

Approval Date: 12-12-2024

The proposed action is not a project under the California Environmental Quality Act (CEQA) and the proposed project entitlements would be considered separately with CEQA compliance to be determined at that time.

Administrative Services (Financial) Approval Date: 12/23/24

Costs authorized in City Approved Budget: Yes No N/A

Account Code for Barlow funds on deposit (if applicable) 100-00-00-2012 ZZDD22-00039

City Attorney Approval: Approval Date: 12-23-24

City Manager Approval: Approval Date: 12-28-24

Resolution Number: XXXX-2025

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEBASTOPOL
APPROVING A REIMBURSEMENT AGREEMENT WITH ALDRIDGE DEVELOPMENT FOR THE
BARLOW HOTEL FOR FUNDS TO BE USED FOR CITY STAFFING AND CONTRACT
CONSULTING SERVICES TO COVER CITY COSTS FOR PROJECT PROCESSING AND
AUTHORIZE THE CITY MANAGER TO ENTER INTO A NOT-TO-EXCEED CONTRACT FOR
\$20,520 WITH 4LEAF INC. FOR PLANNING CONSULTING SERVICES.

(Employer Hiring Authority: City Council)

WHEREAS, in order to make development pay for itself, best management practices call for working with the development community to provide advance payment on anticipated City staffing and consultant services prior to expenditure of related costs; and

WHEREAS Aldrige Development has submitted a proposal for a hotel which is currently being considered for a development agreement and planning entitlements; and

WHEREAS a Reimbursement Agreement will provide a framework to ensure the City is appropriately compensated for costs associated with the development proposal and that development entitlement and related negotiation expenses are clear for the project proponent and the public; and

WHEREAS, a new contract with 4Leaf will focus primarily on the planning entitlements and benefit the City in that the consultant's history with the community and related institutional knowledge of the hotel proposal will ensure existing and new City staff can focus on the financial terms and related public infrastructure needs analysis and overall project processing; and

WHEREAS the project applicant, Aldrige Development, submitted a deposit of \$50,000 and the Reimbursement Agreement and any new contracts will be required to stay within the funding provided through the agreement and maintained in a separate account; and

WHEREAS, any changes to the Reimbursement Agreement shall be approved by the City Council; and

WHEREAS, it is the desire of the City Council of the City of Sebastopol ("City") to establish a cost accounting process through a Reimbursement Agreement, attached hereto as Exhibit "A;" and

WHEREAS it is also the desire of the City Council of the City to utilize the existing knowledge of the project and entitlement process of consultant/adjunct staff through a contract with 4Leaf, attached hereto along with an agreed upon Scope of Work and Budget as "Exhibit B" including a not-to-exceed Budget of \$20,520 thereby allowing the Community Development Director to focus on the project Development Agreement and other larger scope of Community Development work for the City; and

WHEREAS the proposed 4Leaf contract budget for the specified scope of work would fall within the City Manager's signature authority, but together with prior scopes of work for general planning services performed by 4Leaf this fiscal year requires Council consideration of the additional expense; and

WHEREAS, the Reimbursement Agreement will ensure the 4Leaf contract and other anticipated consultant support will have a net zero effect on the FY25 budget using the existing deposit account number 100-21-02-4210.

WHEREAS this item was duly noticed to the public following public notice requirements in advance of the regular January 7, 2025 City of Sebastopol City Council; and

WHEREAS on January 7, 2025, the City Council of the City of Sebastopol considered the aforementioned Reimbursement Agreement and 4 Leaf Inc consultant contract following a report by Staff and public comment;

NOW THEREFORE BE IT RESOLVED, for and in consideration of the covenants and mutual promises therein, the Parties agree to the Reimbursement Agreement as listed in Exhibit A; and

NOW THEREFORE BE IT FURTHER RESOLVED, that the CITY COUNCIL of the CITY OF SEBASTOPOL authorizes the City Manager to enter into a consultant agreement with 4Leaf Inc. and to make minor amendments to the contract.

PASSED AND ADOPTED, by the CITY COUNCIL of THE CITY OF SEBASTOPOL, COUNTY OF SONOMA, of the STATE OF CALIFORNIA on this 7th day of January 2025.

I, the undersigned, hereby certify that the foregoing Resolution was duly adopted by City of Sebastopol City Council following a roll call vote:

VOTE:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED: _____
Mayor Stephen Zollman

ATTEST: _____
Mary Gourley, Assistant City Manager/City Clerk, MMC

APPROVED AS TO FORM: _____
Alex Mog, City Attorney

EXHIBIT A**REIMBURSEMENT AGREEMENT
BY AND BETWEEN
CITY OF SEBASTOPOL
AND ALDRIGE DEVELOPMENT**

THIS REIMBURSEMENT AGREEMENT (“Agreement”) is made and entered into on January 7, 2025 (“**Effective Date**”), by and between the City of Sebastopol, a municipal corporation, (“**City**”) and Aldridge Development (“**Developer**”) with respect to the matters hereinafter stated.

1. Intent.

Developer is the owner of, or otherwise has a legal right to develop, certain properties located at 6782 SEBASTOPOL AVE; APN 004-750-030 and 385 MORRIS ST; APN 004-011-017 in the City of Sebastopol, California (collectively, the “**Property**”). The Developer has proposed constructing a boutique hotel development on the Property, as well as other related improvements such as a supportive parking area (the “**Project**”). The Developer is seeking a development agreement, as well as various land use approvals and miscellaneous permits from City with respect to the Property and proposed Project. Approvals required of the City will include, among other requirements, an environmental review required by the California Environmental Quality Act (“**CEQA.**”).

2. Reimbursement Payments.

A. Developer agrees to provide funds (“**Reimbursement Payment**”) to the City to perform the tasks necessary and relating to City's processing of a development application for the Project, and such other specialized reviews required as an element of City's consideration and possible actions regarding the Project.

B. City will use the Reimbursement Payments by Developer for the costs City incurs in providing the services necessary and relating to the Project. These services shall include, but not be limited to:

(1) Undertaking such review as is required to comply with the requirements of the City's land use entitlement processing procedures and the City's Zoning Code, including, but not limited to, all contractual services provided to City by contract planners (“**Contract Planners**”) under contract with the City, as well as City overhead requirements, as set forth in the City master fee schedule;

(2) Consideration of, and presentation to the Planning Commission and City Council for its review and possible action on the Project.

(3) Undertaking such environmental review as is required by the California Environmental Quality Act, including CEQA consultant fees.

(4) Such other City activities which City and Developer deem necessary to assist Developer in processing the Project, as consistent with applicable law.

C. Such services may be provided by City staff, Contract Planners and the City Attorney's office.

D. Developer acknowledges the Reimbursement Payments do not include any additional fees and charges required by law, ordinance or resolution to be paid to City by Developer, such as application fees, CEQA consultant fees, inspection fees, and other processing fees for entitlements or permits that may be required. The services for which this Agreement applies are those services not already covered by the applicable application and processing fees which fees shall be paid in the amounts and at the appropriate time consistent with the City's municipal code requirements.

3. Initial Payment to the City and Additional Requests/Payments.

A. Developer has on deposit with the City prior to execution of this Agreement, an advance payment on deposit to City of Fifty Thousand Dollars (\$50,000). which will be used by City for payment of its costs related to the Project. All such funds shall be held by City in an account for the benefit of Developer ("Account"), and all deductions from such account by City shall be accounted for with a detailed invoice of services provided for processing Developer's Project. Developer acknowledges and agrees that the amount of the initial deposit made by Developer to the City does not represent an estimate of the actual final costs of such services that may need to be rendered by the City in the performance of its duties under this Agreement, and Developer may be required to deposit additional funds in the Account from time to time.

B. Whenever the balance of the Account is less than Ten Thousand Dollars (\$10,000) the City shall notify Developer that there is a need for additional funds for contractual services to facilitate review of the Project. Thereafter Developer shall pay to the City an additional amount as identified under separate instrument. If Developer refuses or fails to submit payment for the extra work within 10 days of City's written request, City shall have the right to cease all processing on Developer's Project until such time as the funds are received.

C. Developer shall have the right to terminate processing of the development application for the Project and all related services by providing written notice, including via e-mail, to the City. Upon receipt of such notice by City ("Termination Date"), City shall cease all processing of the Project, and all services related thereto, as of the Termination Date. All costs incurred by City prior to such Termination Date shall be paid from the Account, and thereafter any funds remaining in the Account shall be returned to Developer within 60 days following such Termination Date.

D. Any funds remaining in the Account after final City Council action on the Project shall be returned to Developer by the City.

4. Authority and Obligations of City.

Developer fully understands and agrees to each of the following:

(a) City, in the exercise of the sole discretion of its officials, agents, or employees, shall use the Reimbursement Payments for the purpose represented in this Agreement. Except as provided herein, City makes no promise, representation, or warranty, express or implied, as to the manner in which City will use the Reimbursement Payments.

(b) City makes no promise, representation or warranty, express or implied, as to the timing of City's processing of the Project nor as to the outcome by the City as to the processing, including any action by the Planning Commission or City Council, if applicable, on Developer's request.

(c) The Reimbursement Payments under this Agreement shall in no way influence the actions of the City in respect to the review, processing or approval of agreements, permits or entitlements for the Project. Neither Developer nor any other person shall, because of such payments under this Agreement, have any expectation as to the results of the City's review of and subsequent approval or denial of such approvals, permits, agreement or entitlements. Developer is expressly prohibited from directly or indirectly exercising any supervision or control over the work of the officers, employees, agents, and consultants used by the City to provide the services anticipated by this Agreement. No promises, representations, or warranties have been made, expressly or implicitly, by the City, its officials, agents, or employees and, it is specifically agreed no person has any authority to make any such representation, promise, or warranty, to Developer or any other person that the Reimbursement Payments will in any way influence the actions of the City in respect to the approval or denial of such approvals, agreements, permits or entitlements.

5. Authority and Obligation of Developer.

Developer agrees:

(a) To make timely payments, to the Account, as requested by City.

(b) To comply fully with all applicable local, regional, state, and federal rules, regulations, resolutions, ordinances, and laws with respect to the Project, as they may exist now or in the future.

(c) To cooperate fully with the City in its processing of Developer's Project.

6. Amendment.

This Agreement, including any exhibits hereto, may be amended only by mutual written agreement of the parties.

7. No Agency, Joint Venture or Partnership.

City and Developer hereby renounce the existence of any form of agency relationship, joint venture or partnership between City and Developer and agree that nothing contained herein or in any document executed in connection herewith shall be construed as creating any such relationship between City and Developer.

8. Venue and Applicable Law.

Any action by any party to this Agreement shall be brought in the appropriate court of competent jurisdiction within the County of Sonoma, State of California, notwithstanding any other provision of law which may provide that such action may be brought in some other location. This Agreement shall be construed and enforced in accordance with the laws of the State of California.

9. Entire Agreement.

Each party acknowledges that this Agreement sets forth all covenants, promises, conditions and understanding between the parties regarding the matters set forth herein, and there are no promises, conditions, or understanding either oral or in writing between the parties other than as set forth herein. No subsequent alteration, amendment, change or addition to this Agreement shall be binding upon the parties unless reduced to writing and signed by them.

10. Effect of Waiver.

No waiver by a party of any provision of this Agreement shall be considered a waiver of any other provision or any subsequent breach of the same or any other provision, including the time for performance of any such provision. The exercise by a party of any remedy provided in this Agreement or at law shall not prevent the exercise by that party of any other remedy provided in this Agreement or at law.

11. Interpretation of Agreement.

This Agreement constitutes the entire agreement between the parties and supersedes all prior discussions, negotiations, and agreements whether oral or written. Any amendment to this Agreement, including an oral modification supported by new consideration, must be reduced to writing and signed by both parties before it will be effective. Both parties have had an equal opportunity to participate in the drafting of this Agreement. The usual construction of an agreement as to the drafting party shall not apply to this Agreement.

12. Attorneys' Fees. If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

13. Notices.

Any notice or other communication which may be required or permitted to be given or delivered hereunder shall be in writing and shall be personally delivered, sent by first class United States Mail, or via electronic mail (e-mail) as follows:

CITY: Don Schwartz, City Manager
7120 Bodega Ave
Sebastopol, California 95472

Developer: Barney Aldridge, Managing Partner
6780 Depot Street, Suite 110
Sebastopol, California 95472

14. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

The Parties have executed this Agreement as of the Effective Date.

DEVELOPER:

DocuSigned by:


By: Barney Aldridge
Title: Managing Partner, Aldridge Development

CITY OF SEBASTOPOL

Don Schwartz, City Manager

ATTEST:

Mary Gourley, City Clerk

APPROVED AS TO FORM:

Alex Mog, City Attorney

EXHIBIT B

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT, made and entered into on January 7, 2025 by and between the City of Sebastopol, located in the County of Sonoma, State of California (City), and 4Leaf Inc. (Consultant).

RECITALS:

A. City desires to employ Consultant to furnish professional services in connection with the project described as Barlow Hotel Project,

B. Consultant has represented that Consultant has the necessary expertise, experience, and qualifications to perform the required duties.

NOW, THEREFORE, in consideration of the mutual premises, covenants, and conditions herein contained, the parties agree as follows:

SECTION 1 – BASIC SERVICES

Consultant agrees to perform the services set forth in **Exhibit A, “Scope of Services”** and made part of this Agreement.

SECTION 2 – ADDITIONAL SERVICES

Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to or outside of those set forth in this Agreement or **Exhibit A, “Scope of Services”**, unless such additional services and compensation are authorized in advance and in writing by the City Council or City Manager of the City.

SECTION 3 – TIME FOR COMPLETION

The time for completion of services shall be as identified in **Exhibit A, “Scope of Services”**.

SECTION 4 – COMPENSATION AND METHOD OF PAYMENT

A. Subject to any limitations set forth in this Agreement, City agrees to pay consultant the amount specified in Exhibit A, “Proposed Pricing”, attached hereto and made a part hereof. Total compensation shall not exceed a total of \$20,520, unless additional compensation is approved in accordance with Section 2.

B. Consultant shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month. Invoice shall include contract Budget reference and status of budget balance with each invoice. The Consultant will be responsible for monitoring the contract Budget and will not perform work beyond the Budget without prior written authorization of City Staff. The invoice shall detail charges by the following categories if applicable: labor (by sub-category), travel, materials, equipment, supplies, subconsultant contracts, and miscellaneous expenses. City shall independently review each invoice submitted to determine whether the work performed, and expenses incurred are in compliance with the provisions of this Agreement. If no charges or expenses are

Page 1 of 10

disputed, the invoice shall be approved and City will use its best efforts to cause Consultant to be paid within 30 days of receipt of invoice. If any charges or expenses are disputed by City, the original invoice shall be returned by City to Consultant for correction and resubmission. If the City reasonably determines, in its sole judgment, that the invoiced charges and expenses exceed the value of the services performed to date and that it is probable that the Agreement will not be completed satisfactorily within the contract price, City may retain all or a portion of the invoiced charges and expenses. Within thirty (30) days of satisfactory completion of the project, City shall pay the retained amount, if any, to Consultant.

C. Payment to the Consultant for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Consultant.

SECTION 5 – STANDARD OF PERFORMANCE

Consultant represents and warrants that it has the qualifications, experience and facilities necessary to properly perform the services required under this Agreement in a thorough, competent and professional manner. Consultant shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. In meeting its obligations under this Agreement, Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing services similar to those required of Consultant under this Agreement.

SECTION 6 – INSPECTION AND FINAL ACCEPTANCE

City may inspect and accept or reject any of Consultant's work under this Agreement, either during performance or when completed. City shall reject or finally accept Consultant's work within sixty (60) days after submitted to City, unless the parties mutually agree to extend such deadline. City shall reject work by a timely written explanation, otherwise Consultant's work shall be deemed to have been accepted. City's acceptance shall be conclusive as to such work except with respect to latent defects and fraud. Acceptance of any of Consultant's work by City shall not constitute a waiver of any of the provisions of this Agreement including, but not limited to, the sections pertaining to indemnification and insurance.

SECTION 7 – INSURANCE REQUIRED

Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. Commercial General Liability (CGL): Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury, and personal & advertising injury with limits no less than \$2,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

2. Automobile Liability: Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if Consultant has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
3. Workers' Compensation insurance, as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
(Not required if consultant provides written verification that it has no employees)
4. Professional Liability (Errors and Omissions) Insurance appropriate to the Consultant's profession, with limit no less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Consultant must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work. A copy of the claims reporting requirements must be submitted to the City of Sebastopol for review.

If the Consultant maintains broader coverage and/or higher limits than the minimums shown above, the City of Sebastopol requires, and shall be entitled to, the broader coverage and/or higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City of Sebastopol.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

The City of Sebastopol, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Consultant including materials, parts, or equipment furnished in connection with such work or operations.

General liability coverage can be provided in the form of an endorsement to the Consultant's insurance at least as broad as one of the following ISO ongoing operations Forms: CG 20 10 or CG 20 26 or CG 20 33 (not allowed from subcontractors), or CG 20 38; **and** one of the following ISO completed operations Forms: CG 20 37, 2039 (not allowed from subcontractors), or CG 20 40.

Primary Coverage

For any claims related to this contract, the Consultant's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the City of Sebastopol, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City of Sebastopol, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

Notice of Cancellation

Consultant shall provide immediate written notice if (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; (3) or the deductible or self-insured retention is increased. In the event of any cancellation or reduction in coverage or limits of any insurance, Consultant shall forthwith obtain and submit proof of substitute insurance.

Waiver of Subrogation

Consultant hereby grants to the City of Sebastopol a waiver of any right to subrogation which any insurer of said Consultant may acquire against the City of Sebastopol by virtue of the payment of

any loss under such insurance. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City of Sebastopol has received a waiver of subrogation endorsement from the insurer. However, the Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City of Sebastopol for all work performed by the Contractor, its employees, agents, and subcontractors.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by the City of Sebastopol. The City of Sebastopol may require the Consultant to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or the City of Sebastopol.

Acceptability of Insurers

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City of Sebastopol.

Verification of Coverage

Consultant shall furnish the City of Sebastopol with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to the City of Sebastopol before work begins. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them. The City of Sebastopol reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Subcontractors

Consultant shall require and verify that all subcontractors maintain insurance, meeting all the requirements stated herein, and Contractor shall ensure that the City of Sebastopol is an additional insured on insurance required from subcontractors.

Special Risks or Circumstances

The City of Sebastopol reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

SECTION 8 – INDEMNIFICATION

A. Consultant shall indemnify and hold harmless City, its agents, officers, officials, employees, and volunteers from any and all claims, demands, suits, loss, damages, injury, and/or liability (including any and all costs and expenses in connection therewith), incurred by reason of any negligent or otherwise wrongful act or omission of Consultant, its officers, agents, employees and subcontractors, or any of them, under or in connection with this Agreement; and Consultant agrees at its own cost, expense and risk to defend any and all claims, actions, suits, or other legal proceedings brought or instituted against City, its agents, officers, officials, employees and volunteers, or any of them, arising out of such negligent or otherwise wrongful act or omission, and to pay and satisfy any resulting judgments.

B. When Consultant under this Agreement is duly licensed under California Business and Professions Code as an architect, landscape architect, professional engineer, or land surveyor ("design professional"), the provisions of this section regarding Consultant's duty to defend and indemnify apply only to claims that arise out of or relate to the negligence, recklessness, or willful misconduct of the design professional.

C. If any action or proceeding is brought against Indemnitees by reason of any of the matters against which Consultant has agreed to indemnify Indemnitees as provided above, Consultant, upon notice from City, shall defend Indemnitees at Consultant's expense by counsel acceptable to City, such acceptance not to be unreasonably withheld. Indemnitees need not have first paid for any of the matters to which Indemnitees are entitled to Indemnification in order to be so indemnified. The insurance required to be maintained by Consultant shall ensure Consultant's obligations under this section, but the limits of such insurance shall not limit the liability of Consultant hereunder. The provisions of this section shall survive the expiration or earlier termination of this Agreement.

D. The provisions of this section do not apply to claims to the extent occurring as a result of the City's sole negligence or willful acts or misconduct.

SECTION 9 – INDEPENDENT CONTRACTOR STATUS

A. Consultant is and shall at all times remain a wholly independent contractor and not an officer, employee, or agent of City. Consultant shall have no authority to bind City in any manner, nor to incur an obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City.

B. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall have control over the conduct of Consultant or any of Consultant's officers, employees or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that Consultant or any of Consultant's officers, employees or agents are in any manner officials, officers, employees or agents of City.

C. Neither Consultant, nor any of Consultant's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Consultant expressly waives any claim Consultant may have to any such rights.

SECTION 10 – CONFLICTS OF INTEREST

A. Consultant covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Consultant's performance of services under this Agreement. Consultant further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent, or subcontractor without the express written consent of the City Manager. Consultant agrees to at all times avoid conflicts with the interests of City in the performance of this Agreement.

B. City understands and acknowledges that Consultant is, as of the date of execution of this Agreement, independently involved in the performance of non-related services for other governmental agencies and private parties. Consultant is aware of any stated position of City relative to such projects. Any future position of City on such projects shall not be considered a conflict of interest for purposes of this section.

SECTION 11 – OWNERSHIP OF DOCUMENTS

A. All original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents prepared, developed or discovered by Consultant in the course of providing any services pursuant to this Agreement shall become the sole property of City and may be used, reused or otherwise disposed of by City without the permission of the Consultant. When requested by City, but no later than three years after project completion, Consultant shall deliver to City all such original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents.

B. All copyrights, patents, trade secrets, or other intellectual property rights associated with any ideas, concepts, techniques, inventions, processes, improvements, developments, works of authorship, or other products developed or created by Consultant during the course of providing services (collectively the “Work Product”) shall belong exclusively to City. The Work Product shall be considered a “work made for hire” within the meaning of Title 17 of the United States Code. Without reservation, limitation, or condition, Consultant hereby assigns, at the time of creation of the Work Products, without any requirement of further consideration, exclusively and perpetually, any and all right, title, and interest Consultant may have in the Work Product throughout the world, including without limitation any copyrights, patents, trade secrets, or other intellectual property rights, all rights of reproduction, all rights to create derivative works, and the right to secure registrations, renewals, reissues, and extensions thereof.

SECTION 12 – CONFIDENTIAL INFORMATION; RELEASE OF INFORMATION

A. All information gained or work product produced by Consultant in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Consultant. Consultant shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the City Manager, except as may be required by law.

B. Consultant, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the City Manager or unless requested by the City Attorney of City, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered “voluntary” provided consultant gives City notice of such court order or subpoena.

C. If Consultant, or any officer, employee, agent, or subcontractor of Consultant, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Consultant for any damages, costs and fees, including attorney’s fees, caused by or incurred as a result of Consultant’s conduct.

D. Consultant shall promptly notify City should Consultant, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder. City retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant. However, this

right to review any such response does not imply or mean the right by City to control, direct, or rewrite such response.

SECTION 13 – SUSPENSION OF WORK

City may, at any time, by ten (10) days written notice suspend further performance by Consultant. All suspensions shall extend the time schedule for performance in a mutually satisfactory manner and Consultant shall be paid for services performed and reimbursable expenses incurred prior to the suspension date.

SECTION 14 – COMPLIANCE WITH LAW

Consultant shall keep itself informed of and comply with all applicable federal, state and local laws, statutes, codes, ordinances, regulations and rules in effect during the term of this Agreement. Consultant shall obtain any and all licenses, permits and authorizations necessary to perform the services set forth in this Agreement. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall be liable, at law or in equity, as a result of any failure of Consultant to comply with this section.

SECTION 15 – COMPLIANCE WITH CIVIL RIGHTS

During the performance of this contract, Consultant agrees as follows:

A. Equal Employment Opportunity. In connection with the execution of this Agreement, Consultant shall not discriminate against any employee or applicant for employment because of race, religion, color, ancestry, age, sexual orientation, physical handicap, medical condition, marital status, sex, or national origin. Such actions shall include, but not be limited to, the following: employment, promotion, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rate of pay or other forms of compensation; and selection for training including apprenticeship.

B. Nondiscrimination Civil Rights Act of 1964. Consultant will comply with all federal regulations relative to nondiscrimination to federally-assisted programs.

C. Solicitations for Subcontractors including Procurement of Materials and Equipment. In all solicitations, either by competitive bidding or negotiations, made by Consultant for work to be performed under a subcontract, including procurement of materials or leases of equipment, each potential subcontractor, supplier, or lessor shall be notified by Consultant of Consultant's obligations under this Agreement and the regulations relative to nondiscrimination.

SECTION 16 – RECORDS

A. Records of Consultant's direct labor costs, payroll costs, and reimbursable expenses pertaining to this project covered by this Agreement will be kept on a generally recognized accounting basis and made available to City if and when required for a period of up to 3 years from the date of Consultant's final invoice.

B. Consultant's records and design calculations will be available for examination and audit if and as required. The cost of any reproductions shall be paid by City.

SECTION 17 – COOPERATION BY CITY

All public information, data, reports, records, and maps as are existing and available to City as public records, and which are necessary for carrying out the work as outlined in the Exhibit A, “Scope of Services”, shall be furnished to Consultant in every reasonable way to facilitate, without undue delay, the work to be performed under this Agreement.

SECTION 18 – NOTICES

All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, or sent by facsimile or first class mail, addressed as follows:

To City: Don Schwartz, City Manager
7120 Bodega Ave
Sebastopol, California 95472

To Consultant: Kevin Duggan, President
4Leaf Inc.
2126 Rheem Drive
Pleasanton, CA 94588

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile, or, if mailed, three (3) days after deposit in the custody of the U.S. Postal Service.

SECTION 19 – TERMINATION

A. City may terminate this Agreement, with or without cause, at any time by giving ten (10) days written notice of termination to Consultant. If such notice is given, Consultant shall cease immediately all work in progress.

B. If either Consultant or City fail to perform any material obligation under this Agreement, then, in addition to any other remedies, either Consultant, or City may terminate this Agreement immediately upon written notice.

C. Upon termination of this Agreement by either Consultant or City, all property belonging to City which is in Consultant’s possession shall be delivered to City. Consultant shall furnish to City a final invoice for work performed and expenses incurred by Consultant, prepared as set forth in this Agreement.

SECTION 20 – ATTORNEY FEES

If litigation or other proceeding is required to enforce or interpret any provision of this Agreement, the prevailing party in such litigation or other proceeding shall be entitled to an award of reasonable attorneys’ fees, costs and expenses, in addition to any other relief to which it may be

entitled. In addition, any legal fees, costs and expenses incurred to enforce the provisions of this Agreement shall be reimbursed to the prevailing party.

SECTION 21 – ENTIRE AGREEMENT

This Agreement, including the attached Exhibits, is the entire, complete, final and exclusive expression of the parties with respect to the matters addressed therein and supersedes all other agreements or understandings, whether oral or written, or entered into between Consultant and City prior to the execution of this Agreement. No statements, representations or other agreements, whether oral or written, made by any party which are not embodied herein shall be valid and binding unless in writing duly executed by the parties or their authorized representatives.

SECTION 22 – SUCCESSORS AND ASSIGNS

This Agreement shall be binding on the heirs, executors, administrators, successors and assigns of the parties. However, this Agreement shall not be assigned by Consultant without written consent of the City.

SECTION 23 – CONTINUITY OF PERSONNEL

Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff assigned to perform the services required under this Agreement. Consultant shall notify City of any changes in Consultant's staff assigned to perform the services required under this Agreement, prior to any such performance.

SECTION 24 – DEFAULT

In the event that Consultant is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Consultant for any work performed after the date of default and may terminate this Agreement immediately by written notice to Consultant.

SECTION 25 – WAIVER

Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision, nor a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Consultant shall not constitute a waiver of any of the provisions of this Agreement.

SECTION 26 – LAW TO GOVERN; VENUE

This Agreement shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Sonoma. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Northern District of California, in San Francisco.

SECTION 27 – SEVERABILITY

If any term, condition or covenant of this Agreement is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall not be affected thereby and the Agreement shall be read and construed without the invalid, void or unenforceable provision(s).

SECTION 28 – SPECIAL PROVISIONS

This Agreement is subject to the following special provisions: none.

IN WITNESS WHEREOF, the parties hereto have accepted, made, and executed this Agreement upon the terms, conditions, and provisions above stated, the day and year first above written.

Consultant:

City:

DocuSigned by:
By: Kevin Duggan
Name: Kevin Duggan
Title: President, 4LEAF Inc.

By: _____
Name: Don Schwartz
Title: City Manager

Approved as to Form:

By: _____
Name: Alex Mog
Title: City Attorney

Proposal for Continued Work on Processing of Barlow Hotel Land Use Entitlements

Scope of Work

Task 1: 4LEAF will work off-site as an extension of City of Sebastopol staff reviewing project proposal documents and preparing staff reports and related hearing materials for Planning Commission/Design Review and for City Council.

Task 2: Work will also include attendance and presentation at the following meetings:

- Joint meeting of the Planning Commission and Design Review Board (1 meeting, up to 4 hours total)
- First City Council (1st reading) meeting (1 meeting, up to 4 hours)
- Attendance at staff/applicant team meetings via zoom on an as-needed basis (assumes 4 meetings at 1 hour each)

Task 3: Project Management (up to 18 hours, including calls and zoom meetings)

Task 4: Consult to City on Development Agreement on an as-needed basis, not to exceed 10 hours.

Budget

Task	Description	Est. Hours	Rate	Cost
1	Staff Report and related hearing materials	55	180	9,900
2	Meetings and Hearings	12	180	2,160
3	Project Management	18	180	3,240
4	Ongoing consultation to City staff	10	180	1,800
Total	Total all Tasks above	95	180	17,100
	20% Contingency			3,420
NTE	Not-To-Exceed Amount			20,520

Notes:

- Work performed will not exceed scope and projected budget without prior written authorization of City staff
- Monthly invoices will include status of expenses to-date and balance on contract budget
- 4Leaf staff will be responsible for monitoring project budget and avoid working beyond previously approved scope and budget.
- This Scope of work does NOT include additional work in negotiating or crafting the Development Agreement, DA Ordinance, or related documents but includes a continued role in providing support and advice to City staff (Task 4).

Date: December 19, 2024

By: Jane Riley
 Jane Riley, AICP
 Director of Advance Planning & Housing
 4LEAF Inc



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
7/17/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER License # 0C41366 Granite Professional Insurance Brokerage, Inc. 360 Lindbergh Avenue Livermore, CA 94551	CONTACT NAME: PHONE (A/C, No, Ext): (925) 462-8400 FAX (A/C, No): (925) 462-8888 E-MAIL ADDRESS: commercial@graniteins.com
	INSURER(S) AFFORDING COVERAGE NAIC #
	INSURER A : Travelers Property Casualty Company of America 25674
	INSURER B : Berkshire Hathaway Homestate 20044
	INSURER C : Houston Casualty Company 42374
	INSURER D : _____
	INSURER E : _____
	INSURER F : _____

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A X	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:	X		6806X631656	3/15/2024	3/15/2025	EACH OCCURRENCE	\$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 1,000,000
							MED EXP (Any one person)	\$ 5,000
							PERSONAL & ADV INJURY	\$ 1,000,000
							GENERAL AGGREGATE	\$ 2,000,000
							PRODUCTS - COMP/OP AGG	\$ 2,000,000
								\$
A X	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY	X		8106X632782	3/15/2024	3/15/2025	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
								\$
A X	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 0			CUP6X635599	3/15/2024	3/15/2025	EACH OCCURRENCE	\$ 6,000,000
							AGGREGATE	\$ 6,000,000
								\$
B X	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y / N <input type="checkbox"/> N / A If yes, describe under DESCRIPTION OF OPERATIONS below	X	N/A	FOWC521971	3/15/2024	3/15/2025	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER	\$
							E.L. EACH ACCIDENT	\$ 1,000,000
							E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
							E.L. DISEASE - POLICY LIMIT	\$ 1,000,000
C C	Professional Liab HCC2425616			HCC2425616	4/9/2024	3/15/2025	Each Claim	2,000,000
							Aggregate	2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 The attached forms apply as required per written contract or written agreements between the listed parties and the insured, which are subject to the policy provisions. In the absence of such written contract or written agreement the attached form may not be applicable.

Association of Bay Area Governments and City of Sebastopol its agent, officers, officials, employees, and volunteers are to be covered as additional insured as respects to General Liability and Automobile Liability per Forms CG D3 81 09 15 and CA T3 53 02 15. General Liability and Automobile Liability are Primary and Non-Contributory per Forms CG D3 81 09 15 and CA T4 74 02 16. Waiver of Subrogation applies on Workers' Compensation policy per Form WC 99 04 10 C.

CERTIFICATE HOLDER CANCELLATION

City of Sebastopol 7120 Bodega Ave. Sebastopol, CA 95472	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
--	---

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED (ARCHITECTS, ENGINEERS AND SURVEYORS)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. The following is added to SECTION II – WHO IS AN INSURED:

Any person or organization that you agree in a "written contract requiring insurance" to include as an additional insured on this Coverage Part, but:

- a. Only with respect to liability for "bodily injury", "property damage" or "personal injury"; and
- b. If, and only to the extent that, the injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" to which the "written contract requiring insurance" applies, or in connection with premises owned by or rented to you.

The person or organization does not qualify as an additional insured:

- c. With respect to the independent acts or omissions of such person or organization; or
- d. For "bodily injury", "property damage" or "personal injury" for which such person or organization has assumed liability in a contract or agreement.

The insurance provided to such additional insured is limited as follows:

- e. This insurance does not apply on any basis to any person or organization for which coverage as an additional insured specifically is added by another endorsement to this Coverage Part.
- f. This insurance does not apply to the rendering of or failure to render any "professional services".
- g. In the event that the Limits of Insurance of the Coverage Part shown in the Declarations exceed the limits of liability required by the "written contract requiring insurance", the insurance provided to the additional insured shall be limited to the limits of liability required by that "written contract requiring insurance". This endorsement does not increase the limits of insurance described in Section III – Limits Of Insurance.

h. This insurance does not apply to "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard" unless the "written contract requiring insurance" specifically requires you to provide such coverage for that additional insured, and then the insurance provided to the additional insured applies only to such "bodily injury" or "property damage" that occurs before the end of the period of time for which the "written contract requiring insurance" requires you to provide such coverage or the end of the policy period, whichever is earlier.

2. The following is added to Paragraph 4.a. of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:

The insurance provided to the additional insured is excess over any valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to the additional insured for a loss we cover. However, if you specifically agree in the "written contract requiring insurance" that this insurance provided to the additional insured under this Coverage Part must apply on a primary basis or a primary and non-contributory basis, this insurance is primary to other insurance available to the additional insured which covers that person or organizations as a named insured for such loss, and we will not share with the other insurance, provided that:

- (1) The "bodily injury" or "property damage" for which coverage is sought occurs; and
- (2) The "personal injury" for which coverage is sought arises out of an offense committed;

after you have signed that "written contract requiring insurance". But this insurance provided to the additional insured still is excess over valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to the additional insured when that person or organization is an additional insured under any other insurance.

COMMERCIAL GENERAL LIABILITY

3. The following is added to Paragraph 8., **Transfer Of Rights Of Recovery Against Others To Us**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

We waive any right of recovery we may have against any person or organization because of payments we make for "bodily injury", "property damage" or "personal injury" arising out of "your work" performed by you, or on your behalf, done under a "written contract requiring insurance" with that person or organization. We waive this right only where you have agreed to do so as part of the "written contract requiring insurance" with such person or organization signed by you before, and in effect when, the "bodily injury" or "property damage" occurs, or the "personal injury" offense is committed.

4. The following definition is added to the **DEFINITIONS** Section:

"Written contract requiring insurance" means that part of any written contract under which you are required to include a person or organization as an additional insured on this Coverage Part, provided that the "bodily injury" and "property damage" occurs and the "personal injury" is caused by an offense committed:

- a. After you have signed that written contract;
- b. While that part of the written contract is in effect; and
- c. Before the end of the policy period.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESS AUTO EXTENSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

GENERAL DESCRIPTION OF COVERAGE – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to the Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Limitations and exclusions may apply to these coverages. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

- | | |
|---|---|
| <ul style="list-style-type: none"> A. BROAD FORM NAMED INSURED B. BLANKET ADDITIONAL INSURED C. EMPLOYEE HIRED AUTO D. EMPLOYEES AS INSURED E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS G. WAIVER OF DEDUCTIBLE – GLASS | <ul style="list-style-type: none"> H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT J. PERSONAL PROPERTY K. AIRBAGS L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS M. BLANKET WAIVER OF SUBROGATION N. UNINTENTIONAL ERRORS OR OMISSIONS |
|---|---|

PROVISIONS

A. BROAD FORM NAMED INSURED

The following is added to Paragraph **A.1., Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

Any organization you newly acquire or form during the policy period over which you maintain 50% or more ownership interest and that is not separately insured for Business Auto Coverage. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier.

B. BLANKET ADDITIONAL INSURED

The following is added to Paragraph **c.** in **A.1., Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

Any person or organization who is required under a written contract or agreement between you and that person or organization, that is signed and executed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, to be named as an additional insured is an "insured" for Covered Autos Liability Coverage, but only for damages to which

this insurance applies and only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Section II.

C. EMPLOYEE HIRED AUTO

1. The following is added to Paragraph **A.1., Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in an "employee's" name, with your permission, while performing duties related to the conduct of your business.

2. The following replaces Paragraph **b.** in **B.5., Other Insurance**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

b. For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

- (1) Any covered "auto" you lease, hire, rent or borrow; and
- (2) Any covered "auto" hired or rented by your "employee" under a contract in an "employee's" name, with your

COMMERCIAL AUTO

permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

D. EMPLOYEES AS INSURED

The following is added to Paragraph **A.1.**, **Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS

1. The following replaces Paragraph **A.2.a.(2)**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

(2) Up to \$3,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

2. The following replaces Paragraph **A.2.a.(4)**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

(4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 a day because of time off from work.

F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS

The following replaces Subparagraph (5) in Paragraph **B.7.**, **Policy Period, Coverage Territory**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

(5) Anywhere in the world, except any country or jurisdiction while any trade sanction, embargo, or similar regulation imposed by the United States of America applies to and prohibits the transaction of business with or within such country or jurisdiction, for Covered Autos Liability Coverage for any covered "auto" that you lease, hire, rent or borrow without a driver for a period of 30 days or less and that is not an "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.

(a) With respect to any claim made or "suit" brought outside the United States of America, the territories and possessions of the United States of America, Puerto Rico and Canada:

(i) You must arrange to defend the "insured" against, and investigate or settle any such claim or "suit" and keep us advised of all proceedings and actions.

(ii) Neither you nor any other involved "insured" will make any settlement without our consent.

(iii) We may, at our discretion, participate in defending the "insured" against, or in the settlement of, any claim or "suit".

(iv) We will reimburse the "insured" for sums that the "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, that the "insured" pays with our consent, but only up to the limit described in Paragraph **C.**, **Limits Of Insurance**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**.

(v) We will reimburse the "insured" for the reasonable expenses incurred with our consent for your investigation of such claims and your defense of the "insured" against any such "suit", but only up to and included within the limit described in Paragraph **C.**, **Limits Of Insurance**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**, and not in addition to such limit. Our duty to make such payments ends when we have used up the applicable limit of insurance in payments for damages, settlements or defense expenses.

(b) This insurance is excess over any valid and collectible other insurance available to the "insured" whether primary, excess, contingent or on any other basis.

(c) This insurance is not a substitute for required or compulsory insurance in any country outside the United States, its territories and possessions, Puerto Rico and Canada.

You agree to maintain all required or compulsory insurance in any such country up to the minimum limits required by local law. Your failure to comply with compulsory insurance requirements will not invalidate the coverage afforded by this policy, but we will only be liable to the same extent we would have been liable had you complied with the compulsory insurance requirements.

- (d) It is understood that we are not an admitted or authorized insurer outside the United States of America, its territories and possessions, Puerto Rico and Canada. We assume no responsibility for the furnishing of certificates of insurance, or for compliance in any way with the laws of other countries relating to insurance.

G. WAIVER OF DEDUCTIBLE – GLASS

The following is added to Paragraph **D.**, **Deductible**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

No deductible for a covered "auto" will apply to glass damage if the glass is repaired rather than replaced.

H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT

The following replaces the last sentence of Paragraph **A.4.b.**, **Loss Of Use Expenses**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

However, the most we will pay for any expenses for loss of use is \$65 per day, to a maximum of \$750 for any one "accident".

I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT

The following replaces the first sentence in Paragraph **A.4.a.**, **Transportation Expenses**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

We will pay up to \$50 per day to a maximum of \$1,500 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type.

J. PERSONAL PROPERTY

The following is added to Paragraph **A.4.**, **Coverage Extensions**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

Personal Property

We will pay up to \$400 for "loss" to wearing apparel and other personal property which is:

- (1) Owned by an "insured"; and

- (2) In or on your covered "auto".

This coverage applies only in the event of a total theft of your covered "auto".

No deductibles apply to this Personal Property coverage.

K. AIRBAGS

The following is added to Paragraph **B.3.**, **Exclusions**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

Exclusion **3.a.** does not apply to "loss" to one or more airbags in a covered "auto" you own that inflate due to a cause other than a cause of "loss" set forth in Paragraphs **A.1.b.** and **A.1.c.**, but only:

- a. If that "auto" is a covered "auto" for Comprehensive Coverage under this policy;
- b. The airbags are not covered under any warranty; and
- c. The airbags were not intentionally inflated.

We will pay up to a maximum of \$1,000 for any one "loss".

L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS

The following is added to Paragraph **A.2.a.**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

Your duty to give us or our authorized representative prompt notice of the "accident" or "loss" applies only when the "accident" or "loss" is known to:

- (a) You (if you are an individual);
- (b) A partner (if you are a partnership);
- (c) A member (if you are a limited liability company);
- (d) An executive officer, director or insurance manager (if you are a corporation or other organization); or
- (e) Any "employee" authorized by you to give notice of the "accident" or "loss".

M. BLANKET WAIVER OF SUBROGATION

The following replaces Paragraph **A.5.**, **Transfer Of Rights Of Recovery Against Others To Us**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

5. Transfer Of Rights Of Recovery Against Others To Us

We waive any right of recovery we may have against any person or organization to the extent required of you by a written contract signed and executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of operations contemplated by

COMMERCIAL AUTO

such contract. The waiver applies only to the person or organization designated in such contract.

N. UNINTENTIONAL ERRORS OR OMISSIONS

The following is added to Paragraph **B.2., Concealment, Misrepresentation, Or Fraud,** of **SECTION IV – BUSINESS AUTO CONDITIONS:**

The unintentional omission of, or unintentional error in, any information given by you shall not prejudice your rights under this insurance. However this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED – PRIMARY AND NON-CONTRIBUTORY WITH OTHER INSURANCE

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

PROVISIONS

1. The following is added to Paragraph **A.1.c., Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

This includes any person or organization who you are required under a written contract or agreement between you and that person or organization, that is signed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, to name as an additional insured for Covered Autos Liability Coverage, but only for damages to which this insurance applies and only to the extent of that person's or organization's liability for the conduct of another "insured".

2. The following is added to Paragraph **B.5., Other Insurance** of **SECTION IV – BUSINESS AUTO CONDITIONS**:

Regardless of the provisions of paragraph a. and paragraph d. of this part **5. Other Insurance**, this insurance is primary to and non-contributory with applicable other insurance under which an additional insured person or organization is the first named insured when the written contract or agreement between you and that person or organization, that is signed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, requires this insurance to be primary and non-contributory.

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 98 04 10 C

(Ed. 01-19)

**WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT-CALIFORNIA
BLANKET BASIS**

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

The additional premium for this endorsement shall be calculated by applying a factor of 2% to the total manual premium, with a minimum initial charge of \$350, then applying all other pricing factors for the policy to this calculated charge to derive the final cost of this endorsement.

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

Blanket Waiver

Person/Organization Blanket Waiver – Any person or organization for whom the Named Insured has agreed by written contract to furnish this waiver.

Job Description	Waiver Premium (prior to adjustments)
<u>All CA Operations</u>	<u>3435.00</u>

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated. (The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective: 03/15/2024

Policy No.: FOWC521971

Endorsement No.:

Insured:

Premium \$

Insurance Company: Berkshire Hathaway Homestate Ins Co

Countersigned by _____

WC 98 04 10 C
(Ed. 01-19)

1/7/2025 SEBASTOPOL CITY COUNCIL ACTION ITEM:

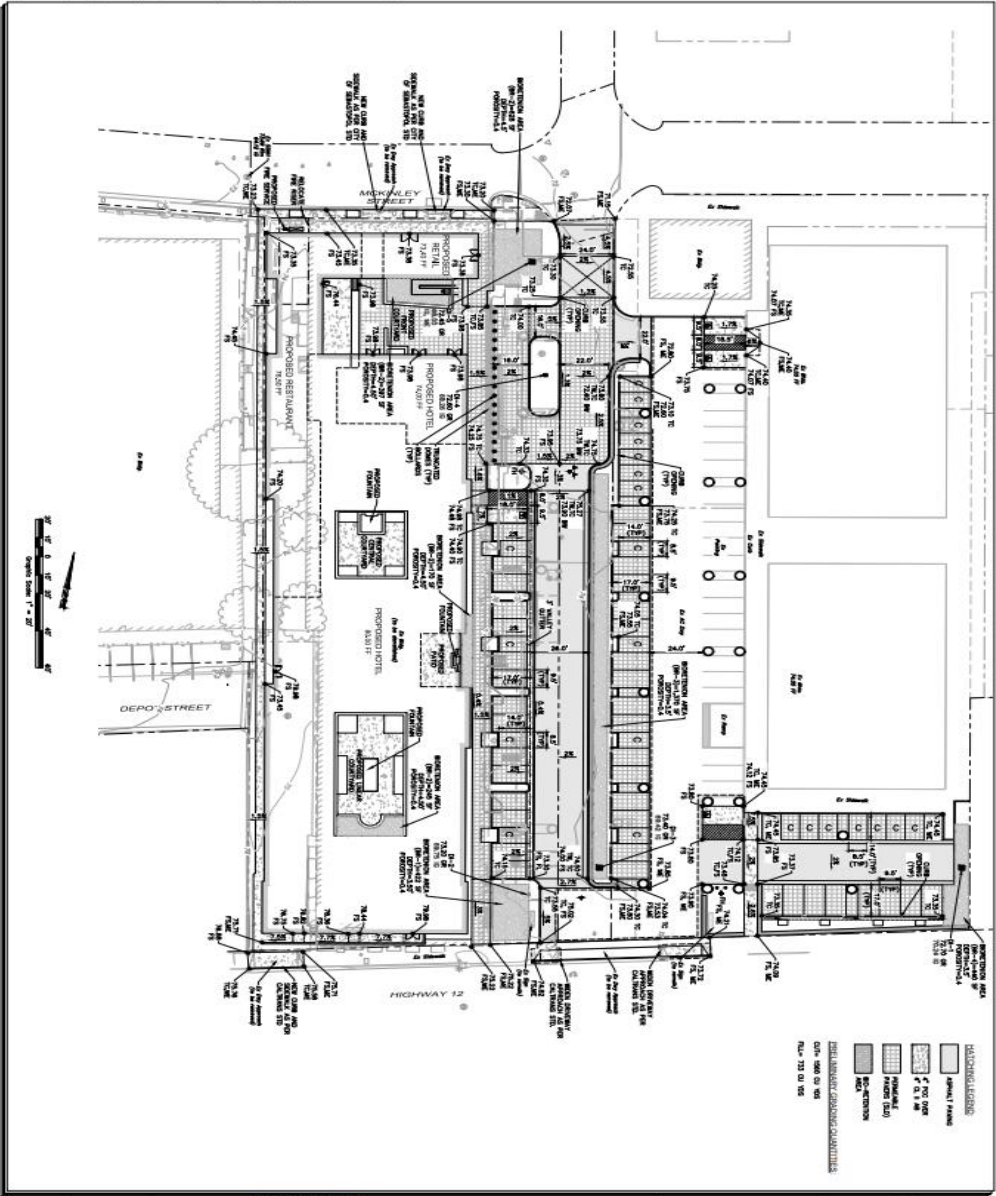
BARLOW REIMBURSEMENT AGREEMENT and 4 LEAF CONTRACT

- Establish Framework for Project Cost Accounting
- Adjunct Staffing / Process Transparency



STAFF RECOMMENDATION

- Adopt Reimbursement Agreement:
Establish Framework for Project Cost Accounting
- Utilize Existing Project Staff Experience
Authorize Contract with 4Leaf Staff



SCALE: AS SHOWN
DATE: August 07, 2024
DESIGN BY: [Signature]
DRAWN BY: [Signature]
CHECKED BY: [Signature]

**BARLOW HOTEL
 PRELIMINARY GRADING PLAN**

6782 Sebastopol Avenue
 Sebastopol, California
 APN 004-750-030

adobe associates, inc.
 civil engineering & land surveying & waterworks
 2220 N. Station Ave., Santa Rosa, CA 95401
 P (707) 542-4200 F (707) 542-4200
 Website: www.adobeassoc.com

Revisions

No.	Date	Description	Approved

REIMBURSEMENT AGREEMENT TERMS

- Developer agrees to provide funds in advance of project review work
- City will use the Reimbursement Payments for project costs
- Initial Deposit of \$50,000 submitted toward costs
- Minimum Balance of \$10,000 required

4LEAF INC. CONTRACT OVERVIEW:

- Scope to focus on Planning Entitlements
- Frees City Staff time to focus on Development Agreement and other Community Development initiatives
- Budget of \$20,520 to be fully covered by advance deposit
- Action Authorizes City Manager to Execute Contract



Council Action Item - Recommendation:

BARLOW HOTEL REIMBURSEMENT AGREEMENT AND 4LEAF CONTRACT
1/7/2025

- 1) Discuss Staff's report, take public comment; and
- 2) Take action based on Council fiduciary/Work Plan considerations:
 - Option 1:** Approve the proposed Resolution by reference
 - adopts Reimbursement Agreement and authorizes 4Leaf Contract
 - Option 2:** Decide not to pursue advance financial compensation
 - for anticipated project review processing costs



THANK YOU

Emi Thériault, AICP
Community Development Director
etheriault@cityofsebastopol.gov