

**NEIGHBORHOOD IMPROVEMENT PROGRAM**  
**POLICIES AND PROCEDURES MANUAL**

**COUNCIL APPROVED EDITION, JANUARY 2007**

**CITY OF MONTEREY**

# TABLE OF CONTENTS

Page

I.	PURPOSE OF THIS MANUAL.....	4
II.	BACKGROUND AND INTENT OF THE PROGRAM.....	4
	A. Program History.....	4-6
	B. Charter Amendment.....	6-8
	C. What is a Neighborhood/Community-wide Improvement?.....	9
	D. Neighborhood Improvement Program Committee Formation .....	9
III.	PROGRAM FUNDING .....	10
	A. Transient Occupancy Tax (TOT) .....	10
	B. Neighborhood Base Allocation.....	10
	C. Base Allocation Carryover .....	10
	D. Per Capita Formula.....	10
	E. Contingency Fund.....	10-11
	F. Project Overhead Fund.....	11
	G. Projects Charged to the Fund.....	11
IV.	NEIGHBORHOOD IMPROVEMENT COMMITTEE .....	11
	A. What is a Neighborhood? .....	11-12
	Map: City of Monterey Neighborhoods .....	13
	B. Association Registration .....	14
	C. Role of the Neighborhood Improvement Program Committee .....	14
	D. Role of the Chair, Spokesperson and Alternates.....	14

E. Rules of Proceeding/Changes.....	14
F. Special Meetings/Agenda Items.....	15
V. THE NEIGHBORHOOD IMPROVEMENT PROCESS .....	15
A. Orientation Meeting.....	15
B. Project Nomination.....	15-17
C. Preliminary Project Screening Meeting.....	17
D. Cost/Information Formulation by Staff .....	17-18
E. Committee Meeting to Review Project Nominations .....	18
F. Van Tour and Committee Discussion Meeting .....	18
G. Public Discussion Meeting.....	18
H. Committee Meeting to Rank Projects and Prepare Recommendations for City Council .....	18-19
I. Recommendations from the Neighborhood Improvement Committee Prioritization Meeting .....	20
J. Project Implementation/Construction.....	20-21
K. Schedule of Time Lines with City Budget Process.....	21
NIP GENERAL ANNUAL SCHEDULE - TENTATIVE .....	22-23
L. Deappropriation of Approved Projects.....	23-24
VI. PROPERTY ACQUISITION PROCEDURES .....	24
A. General .....	24
B. Methods .....	24-26
C. Time Model.....	26-27
D. Additional Comment .....	27
VII. FINAL COMMENT ON THE NEIGHBORHOOD IMPROVEMENT PROGRAM.....	27-28

## **I. PURPOSE OF THIS MANUAL**

The purpose of this manual is to provide the background, policies and procedures of Monterey's innovative Neighborhood Improvement Program. Publication of this document will provide the members of the Neighborhood Improvement Committee, as well as all citizens interested in the Neighborhood Improvement Program, with a set of guidelines in order to understand the functions and rules under which the Neighborhood Improvement Program is planned and implemented throughout each fiscal year. Like any policy and procedures manual, it is a "living document." This means that the document can be revised, altered, or amended at any time. All such alterations/amendments will be by minute action of the Monterey City Council.

## **II. BACKGROUND AND INTENT OF THE PROGRAM**

- A. Program History. For many years, the City of Monterey, like most cities in the State of California, did not have a very large discretionary income. While being one of the most beautiful as well as historical locations in the Western United States, Monterey was a working person's city. This was illustrated by the sardine canneries, which operated from the turn of the century through the 1950's.

While Monterey became a tourist destination in 1879 with the establishment of the Hotel Del Monte, tourism did not cause the city government to thrive. In fact, for many years, tourism was in direct conflict with the flourishing fishing/cannery industry. Operating canneries did not provide an enticing backdrop until they were depicted by John Steinbeck and later turned into the hostelrys, shops and focal points, which they are today. Monterey was a basic service city that catered to local businesses while providing minimal services to residents.

With the construction of the Monterey marina in the early 1960's, Monterey became a tourist destination in its own right. However, the California Coastal Act of 1972 limited the supply of coastal facilities for tourists throughout the 1970's, creating a pent-up demand for construction in the City.

From 1981 through 1985, various elements of Monterey's local coastal land-use plans were adopted, breaking the logjam of tourist-oriented development. As a result, Monterey's tourist industry experienced explosive growth during that period.

We in Monterey experienced a tremendous influx of tourist dollars as well as tourists because of the following factors: (1) the State of California allows local governments to charge a transient occupancy tax on the gross receipts of hotel and motel rooms; (2) the number of such rooms in Monterey doubled from 2500 in 1981 to almost 5000 in 1985; and (3) the occupancy rates for these rooms is quite high.

This situation led to a counter-reaction. Many felt that leaving this fragile environment to the action of the free market could destroy the very reason for the market's growth in the first place. Many citizens felt that the City of Monterey had to preserve what was so appealing about it, now.

By 1984 this situation reached a climax. The opening of the Monterey Bay Aquarium in October of that year created monumental traffic and parking problems, which no one had been able to predict. Leading a City Council dedicated to preserving the uniqueness of Monterey, then-Mayor Clyde Roberson recommended creating a system that would funnel funds from revenues created by tourism directly into residential neighborhoods while searching for ways to deal with tourism impacts. He hoped that these funds could meet significant and long-standing needs that existed due to the lack of money in the City treasury. This would deal with one side of the problem while the physical impacts of the growth in tourism were being reevaluated.

Eventually the transient-occupancy tax was raised from 8% to 10%, creating an additional \$2 million per year. (This occurred after an advisory vote was taken in the election of May 1985.) This advisory ballot measure was approved by a two-thirds majority of the voters. Below is the exact language contained in that ballot measure.

The interest in and approval of this concept as evidenced by this vote, was the underpinning of our Neighborhood Improvement Program funding.

To carry out the program, the City Council authorized the formation of a Neighborhood Improvement Committee. This Committee was comprised of the various residential neighborhood association presidents or their representatives and was assisted by a City staff member. This group first met in early 1986. At that time, more than \$2 million had been set aside for the program. The Committee worked out some rough policies and procedures and commenced constructing a sophisticated tool for improving the quality of life in residential neighborhoods. That tool is Monterey's Neighborhood Improvement Program.

The program has grown and become more formal and complicated over the years. This manual is reflective of this maturity.

- B. Charter Amendment. In the general election of November 8, 1988, Measure B was approved by voters of the City of Monterey. This measure was an amendment to the Monterey City Charter and incorporates the Neighborhood Improvement Program into it.

The title of the measure was "Monterey City Charter Amendment Neighborhood and Community Projects Program Measure B." The body of the measure was as follows: "Shall Section 6.16 entitled, Neighborhood Improvement and Community Projects Program, be added to the Monterey City Charter to provide that at least 16% of the annual Transient Occupancy Tax revenue be budgeted for capital projects to improve the residential neighborhoods or projects of community-wide benefit, provided that the City Council may, by a four-fifths vote, reduce said budget below 16%? The Council shall select the specific projects from recommendations of a Neighborhood Improvement Program Committee composed of at least one representative from each residential neighborhood. The Committee shall be appointed by the City Council."

This amendment was adopted by a wide majority of voters. The resultant codification of the measure, and what currently charters the Neighborhood Improvement Committee and the Neighborhood Improvement Program in the Monterey City Charter is as follows:

Section 6.16 Neighborhood and Community Improvement Program.

a) Purpose: The purpose of the Neighborhood and Community Improvement Program is to insure that a minimum portion of the City's annual budget is expended to improve the residential neighborhoods of the City and to provide for capital projects of community-wide benefit.

b) Capital Projects Defined: Capital projects include, but are not limited to, streets, storm drains, sewers, sidewalks, lighting, traffic control devices, landscaping and beautification, parks, recreational facilities and other public buildings. Capital projects do not include ordinary services.

c) Annual Budget: As part of the annual budget, the City Council shall appropriate at least 16% of the Transient Occupancy Tax estimated to be collected during the fiscal year to be expended on neighborhood and community improvements. If the City Council determines that there are insufficient funds available to provide for the ordinary and necessary services in any budget year, they may, by an affirmative vote of four (4) members of the City Council, reduce the amount to be appropriated for neighborhood and community improvements.

d) Neighborhood Improvement Program Committee: The City Council shall appoint at least one resident from each residential neighborhood to the Neighborhood Improvement Program Committee. The Committee shall recommend a list of capital improvements desired to be accomplished in each neighborhood. Recommendations may include multi-year projects and funding.

e) Council Action: From the recommendations of the Neighborhood Improvement Program Committee, the City Council shall include a Neighborhood Improvement Program in the annual budget. The determination of the projects, priorities, and expenditures shall be within the sound discretion of the City Council.

"Neighborhood and Community Improvement Program" and "Neighborhood and Community Improvement Committee" has been shortened by usage and history to Neighborhood Improvement Program and Neighborhood Improvement Program Committee. The Charter Amendment indicates that community-wide and neighborhood projects can be nominated and recommended to the City Council for approval in each fiscal year's program.

C. What is a Neighborhood/Community-wide Improvement?

As indicated in the Charter excerpt above, a neighborhood/community-wide improvement must be a capital project which has a public benefit. Section 6.16.b contains a description of the types of projects envisioned in the program. The program provides for capital projects only and not for the burden of the maintenance and operations costs those projects impose. For example, under the Charter, funds could not be used for police services to a particular neighborhood nor could they be used for park maintenance or beach cleaning. The City Council has, however, accepted the reforestation/landscaping/tree planting (but not maintenance) of City greenbelts and open spaces as capital projects. This was confirmed by minute motion at a City Council meeting.

D. Neighborhood Improvement Program Committee Formation.

The Charter specifies the composition and functions of the Neighborhood Improvement Program Committee. The Committee itself will be formed under the following rule:

Prior to January of each year, the neighborhood associations will submit the names of their Presidents, representatives, and/or designated alternates to the Neighborhood Improvement Program Committee designated staff coordinator. The coordinator will forward these recommendations to the City Council for their recognition and approval. If the City Council wishes to reject any of the names on the list, the NIP Committee recommends that the Council not substitute names but rather request other names. The City Council shall approve any change of NIP Committee members during the NIP cycle. After approval, new representatives and alternates must file all applicable forms with the City Clerk within 10 days of their first meeting. The list of all Committee members and their phone numbers will be distributed to the balance of the Committee.

### III. PROGRAM FUNDING

- A. Transient Occupancy Tax (TOT). The Charter indicates that a "minimum" of 16% of the annually estimated TOT will be allocated to the "Neighborhood and Community Improvement Program."

These funds are transferred to a Neighborhood Improvement Fund which is a separate fund of the City and administered by the Finance Director. While not so stated in the Charter, accrued interest on the balance of these funds, as indicated by the average percent return on investments accrued through the City's overall investment portfolio, may be credited to the fund as well.

- B. Neighborhood Base Allocation. The Neighborhood Improvement Fund will have an element called the "Neighborhood Base Allocation." This will be a separate revenue account for each neighborhood. The neighborhood base allocation will consist of an amount equal to \$7.50 per capita per year. These neighborhood base allocations will accrue interest in the same manner as indicated above. The formula for the base allocation can be changed from year to year by the City Council upon a recommendation of the Neighborhood Improvement Committee. Neighborhoods may use their base allocation to provide funding for any Neighborhood Improvement project. The Committee shall vote on each project separately that is proposed for full funding from Neighborhood Base Allocation.
- C. Base Allocation Carryover. The Neighborhood Base Allocation for any neighborhood that has an active neighborhood association may be carried over for no more than two years unless approved by the full Committee. Base allocations may not accumulate for unrepresented areas.
- D. Per Capita Formula. The population for each neighborhood will be calculated by the Monterey Community Development Department. United States Census figures will be used. Major additions/deletions to a neighborhood, such as new subdivision/apartments that greatly affect these population figures, will cause a population adjustment. Any neighborhood can submit proposed revisions in their population figures to the Neighborhood Improvement Committee for consideration and concurrence between census periods.
- E. Contingency Fund. The Neighborhood Improvement Program Committee will consider the creation and maintenance of a contingency fund annually. The goal is 10% of the budget, but the committee has the right to change this amount. City staff is allowed to use the contingency fund for individual project construction cost estimate overruns of a maximum of 10% and land acquisition cost estimate overruns of a maximum of 5%.

If an individual project cost exceeds these contingency authorizations, staff must get authority from the Neighborhood Improvement Committee and the City Council to commence work. The Neighborhood Improvement Committee can set a dollar cap on individual land acquisitions exclusive of the 5% contingency. If it does so, the motion approving the land acquisition will indicate the same.

- F. Project Overhead Fund. The NIP Staff Coordinator shall present to the NIP Committee an amount for Project Overhead costs associated with NIP Project development. That amount may include, but not be limited to, cost of preparing project estimates, neighborhood meetings to inform or develop consensus, field visits, budget set-up, general staff support and other project related expenses. Overhead or Administrative costs not directly attributable to submitted NIP projects are not included in the Project Overhead cost amount.  
An amount for Project Overhead shall be approved by the NIP Committee annually. Any increase to the approved Project Overhead amount shall be brought back to the NIP Committee for approval.
- G. Projects Charged to the Fund. All projects charged to the Neighborhood Improvement Fund or any sub-element of it (Neighborhood Base Allocation) must have the prior approval of the Neighborhood Improvement Committee.

#### IV. NEIGHBORHOOD IMPROVEMENT COMMITTEE

- A. What is a Neighborhood? Webster defines a neighborhood as "the people living near one another" or "a section lived in by neighbors and usually having distinguishing characteristics." **For NIP purposes, an area must be eligible for NIP-funded projects within its boundaries to qualify as a neighborhood.** Currently, Monterey has sixteen (16) distinctive neighborhoods. These neighborhoods are:

	<u>NEIGHBORHOOD</u>	<u>POPULATION - 2000</u>
1	Aguajito Oaks	102
2	Alta Mesa	337
3	Casanova-Oak Knoll	1852
4	Deer Flats	540
5	Del Monte Beach	523
6	Del Monte Grove-Laguna Grande	1276
7	Downtown	158
8	Fisherman's Flats	481
9	Glenwood	1246
10	Monterey Vista	4116
11	New Monterey	5320

12	Oak Grove	1658
13	Old Town	3220
14	Skyline Forest	786
15	Skyline Ridge Estates	166
16	Villa Del Monte	911

\* Revised FY00/01

A map showing the above neighborhoods follows on the next page.

# CITY OF MONTEREY NEIGHBORHOODS

1. Aquajito Oaks
2. Alta Mesa
3. Casanova-Oak Knoll
4. Deer Flats
5. Del Monte Beach
6. Del Monte Grove-Laguna Grande
7. Downtown
8. Fisherman's Flats
9. Glenwood
10. Monterey Vista
11. New Monterey
12. Oak Grove
13. Old Town
14. Skyline Forest
15. Skyline Ridge
16. Villa Del Monte

With the exception of Downtown and Glenwood, these neighborhoods all have some form of neighborhood or homeowners association.

- B. Association Registration. Each year all neighborhoods are required to have on file in the City Clerk's office a current copy of neighborhood association bylaws and a list of the officers selected for that year. By the third Friday of September, each neighborhood association must submit a letter signed by an officer of the association board to the NIP Staff Coordinator with the names of proposed representatives and alternates and the date of the General Meeting or Board Meeting when the nominations were formally acted upon by the Association. Nominees may be interviewed by a subcommittee of the City Council prior to formal City Council approval of the NIP Committee and alternates in December. New and returning representatives and alternates must have Conflict of Interest Forms 700 on file with the City Clerk prior to participation on the NIP Committee. Completed forms and documentation are maintained by the City Clerk and by the Staff Coordinator of the Neighborhood Improvement Program.
- C. Role of the Neighborhood Improvement Program Committee. The role of the Neighborhood Improvement Program Committee is to "recommend a list of capital improvements desired to be accomplished in each neighborhood" (MCC 6.16d) to the City Council. The role of the Committee is advisory in nature. The City Council is responsible for all final decisions.
- D. Role of the Chair, Spokesperson and Alternates. The Chairperson of the Neighborhood Improvement Committee is the Monterey City Staff Coordinator, who is appointed by the Monterey City Manager. The role of the Chair is to act as a facilitator and not an advocate. The NIP Spokesperson and alternates are selected by the NIP Committee by vote at the January Kick-off Meeting for a one-year term. The role of Spokesperson/Alternate is to attend City Commission and City Council meetings, the Mayor's Lunch, and any related City gatherings to clarify NIP Committee actions and to raise policy issues as directed by majority vote of the Committee.
- E. Rules of Proceeding/Changes. Roberts Rules of Order will be used at all Committee proceedings. Any recommendation to add or change any rule or procedure contained in this manual must be submitted in writing. Rule changes will be discussed and voted on at a special meeting to be set by the Committee within sixty days after the item has appeared on the agenda.

The Staff Coordinator will ensure that minutes are taken at all meetings and that a written record is maintained at the Construction Management office. Additionally, each meeting will be taped and the tapes stored for future reference (not to exceed two years).

- F. Special Meetings/Agenda Items. Any Representative of the Neighborhood Improvement Program Committee can call a special meeting by sending a written request to the Staff Coordinator. The Staff Coordinator will do everything possible to ensure an appropriate date is scheduled to occur within fourteen (14) days of receiving the request and then inform the membership, in writing, of the time, date, place and subject of the meeting. Any Committee member can place an item on the agenda by communicating with the Staff Coordinator at least two weeks prior to any meeting. Requests for discussion of general topics, other than change of scope, deappropriation or opportunity buying, will be brought to the Committee for approval to agendize at a future meeting.

## V. THE NEIGHBORHOOD IMPROVEMENT PROCESS

- A. Orientation Meeting. An orientation meeting shall be conducted within the first forty-five days of each calendar year. At that meeting, the Committee will also adopt a proposed schedule for the annual program and conduct a mid-year review of previously approved projects and current 'cut-off' projects.
- B. Project Nomination. Nominations for projects may be made by individuals, organizations or City staff. Nominations may be submitted to neighborhood associations or directly to the NIP Staff Coordinator. The proposer's name, address and/or telephone number must appear on the nomination form for the project to be considered. The project nomination form includes a separate section for neighborhood comments. Use this space to note if the project is to be funded in phases. It is preferred that the name of an individual contact person be given on the Proposal Form, rather than an organization.

Forms: Nomination forms are prepared by staff and distributed at the orientation meeting. Additionally, nomination forms are made available to the general public through the Fall edition of the City Focus newsletter.

Submittal Deadline: The period for making project nominations closes in mid-February. Any project submitted after that time will be considered for the following year. The deadline for nomination of projects is published in local newspapers.

Consensus: Neighborhood consensus of support for projects is required. NIP representatives determine the extent of support from property-owners/residents that would be directly affected by physical changes and possible secondary results of the project's scope. Representatives record the extent of support and the geographic area surveyed, if applicable, on the nomination forms. Support documentation (phone logs, petitions, letters of support) shall be provided to the Committee by the "Review of

the Projects" meeting (April). For staff-nominated projects in unrepresented neighborhoods, staff will confirm neighborhood support.

Traffic-Related Projects: Neighborhoods are urged to contact the City Traffic Engineering Division about proposed roadway configuration or direction changes at the earliest possible date. Traffic Committee, Planning Commission, and/or the City Council may need to review proposals for policy approval prior to the NIP Process. That review may take several months.

A petition signed by a majority of affected owners/residents is required to show consensus of support. All properties that front onto the project and any properties within 300' are considered to be affected. The petition format is available from the NIP Staff Coordinator.

Staff will conduct an informational meeting to which all affected owners and residents are invited. That meeting will be held prior to the NIP vote in April. Once a conceptual design has been agreed upon by owners directly adjacent to the project, owners will be asked to sign the design.

Assessment Districts: Projects that require the formation of an assessment district, such as undergrounding utilities, are required to have a petition signed by a majority of the affected property owners, showing that they are willing to financially support the project. The petition format may be obtained from the NIP Staff Coordinator.

Out of Jurisdiction Projects: When projects are proposed for property not within the jurisdiction of the City of Monterey or outside the city limits of Monterey, the person or entity submitting the project shall provide documentation as required below:

- a. If the property is owned by county, state, or federal governments, the submitter shall provide documentation of conceptual approval of the controlling jurisdiction as well as information stating that shared funding has been considered by said board.
- b. If the property is under the jurisdiction of an independent agency, such as the Monterey Peninsula Unified School District or Airport District, submitter shall provide documentation that the proposed project has received conceptual approval of the board of directors of said agency and joint funding has been considered by said board.

Prior to start of construction on projects described in the paragraph above, there must be executed a comprehensive Joint Use Agreement, Funding Agreement and/or Lease to protect the City's investment and ensure use

of the completed project by Monterey City residents.

Projects on Private Property: Any capital improvement on privately owned property requires a dedicated public easement before funds can be expended.

NIP/Council Communication: Each year Council will hold a joint NIP/Council study session or communicate through staff not later than the second (2<sup>nd</sup>) Council meeting in January and prior to the project submittal date in mid-February to discuss Council priorities and other issues.

Responsibilities of the NIP Staff Coordinator:

- 1) ensure that NIP Committee members and alternates have completed all State-required paperwork
- 2) see that nominations are screened for duplication and consistency
- 3) ensure that each neighborhood representative receives a complete set of nominations for his/her neighborhood as soon as possible. This allows the neighborhood association the opportunity to gather public comment for prioritizing all projects proposed for their neighborhood.

- C. Preliminary Project Screening Meeting Soon after the close of the nomination period, the NIP Committee meets to weed out duplicates, projects already funded, proposals that are not capital projects, etc. Early revisions to project scope are noted. Proposals ordinarily funded by other City programs may be referred to those departments.

Responsibilities of Representatives:

- 1) transfer and clarify projects proposed on City Focus newsletter cards onto Project Nomination Forms
- 2) clarify incomplete Project Nomination Forms

- D. Cost/Information Formulation by Staff. Preliminary cost estimates are extremely important because they will influence the voting for final prioritization. The Engineering and Maintenance staff will compute preliminary cost estimates and review the physical feasibility of projects. Cost estimates will be included in the complete set of nominations sent to each neighborhood association.

Staff will contact the nominator(s) of projects if there are questions. In addition, as the cost estimate process proceeds, staff will gather as much information on each project as possible, including design, construction,

and administrative overhead consistent with project requirements. A videotape showing each project will be prepared by staff.

- E. Committee Meeting to Review Project Nominations. The Neighborhood Improvements Committee will meet at least once for the purpose of reviewing project nominations. At this meeting, the staff videotape will be shown. If there are more than 120 projects nominated, the review will be done in two evenings. Each neighborhood representative may briefly discuss their neighborhood's projects, stating neighborhood priority, describing the degree of consensus for each project and base allocation information if known.
- F. Van Tour and Committee Discussion Meeting. The Committee may decide by consensus to have a van tour of selected projects. It is strongly encouraged that a representative or alternate from each neighborhood participate. An evening session for Committee discussion and clarification of project scope follows.
- G. Public Discussion Meeting. A meeting is dedicated for members of the public to address the Committee concerning projects proposed for funding.
- H. Committee Meeting to Rank Projects and Prepare Recommendations for the City Council. This is the most important meeting of the NIP funding cycle. Individual neighborhood representatives can vote only if that representative or alternate (the one voting) attended the April Project Review meetings **or reviewed the video and tape-recorded proceedings of missed meetings.** The NIP Committee has approved the following check list as a guide for project ranking (This is not to be construed as priority order.)
- Project is consistent with City or neighborhood plans.
  - Project has confirmed neighborhood support.
  - Project is feasible and can be completed in a reasonable time.
  - Project provides a health and safety benefit for residents.
  - Project reduces potential property damage.
  - Project promotes improvement in traffic/safety flow.
  - Project addresses a documented neighborhood deficiency.
  - Project completes or ties together an existing improvement.
  - Degree of neighborhood improvement and beautification.
  - Project promotes neighborhood self-help efforts.
  - High benefit compared to cost.
  - Water and energy conservation project.
  - Project reduces operation and maintenance costs of capital assets.
  - Neighborhood is willing to spend its base allocation on the project.
  - Availability for public use.

To determine relative merit of traffic-related projects, committee members are urged to refer to the Staff Criteria for Traffic Related Projects.

The following procedures will be followed:

- a. All submitted projects will be considered in the voting process regardless of whether the representative from a given neighborhood is present.
- b. Each neighborhood representative indicates on the form, as well as in person, whether any part of a neighborhood's base allocation can be used toward the project.
- c. There are no proxy votes.
- d. Each registered neighborhood has one vote
- e. Any change in the voting method shall be decided by a majority of the full Committee prior to the beginning of the next programming cycle.
- f. Members of the public remain seated during the voting process. The public is encouraged to comment upon any projects prior to voting.
- g. Only Staff counts the votes. Two Staff members check the tally.
- h. A record of the vote on each project is kept. It includes recording the vote count and neighborhoods voting to ensure a neighborhood has not inadvertently put two or more votes on one project.
- i. After the votes are all recorded, the neighborhood representatives retrieve their voting cards for the next round of votes. Voting continues until available funds are voted.
- j. The Committee has the discretion to recommend additional unfunded "Cut-off" projects to City Council. As funding becomes available during the fiscal year, Staff shall come back to the NIP Committee for approval before proceeding with "Cut-off" projects. Any "Cut-off" projects not funded by the January kick-off meeting will be resubmitted by Staff for consideration by the Committee the following year.

After the Committee has established its list of recommended projects, NIP representatives will ensure project nomination forms within their

neighborhoods are amended to reflect NIP-approved revisions to scope.

I. Recommendations from the Neighborhood Improvement Committee Prioritization Meeting.

The NIP Committee recommendations are presented by the Staff Coordinator to the City Council at the next appropriate Council meeting for comment/discussion. As part of the budget review process and in accordance with California State Law and the City Charter, the prioritized list of recommended NIP projects is sent by the Staff Coordinator to the Planning Commission and Parks and Recreation Commission for review and comments to be forwarded to the City Council. The Staff Coordinator incorporates the recommendations into the City proposed budget or budget amendment.

Throughout the budget review process, the NIP Spokesperson presents relevant information on the project list as a whole and on individual projects which require clarification. Details about a neighborhood project may also be provided by the neighborhoods' NIP representative.

The NIP fiscal year begins no sooner than July 1 and only after the City Council acts on the final budget. The complete list of the NIP approved projects will be published in the City Focus or a local newspaper for review by the community.

J. Project Implementation/Construction.

All citizens should understand that the implementation of the projects approved by the City Council under the Neighborhood Improvement Program will occur in conjunction with the balance of the City's Capital Improvement Program (CIP). This will provide for economies of scale and is also the most efficient way to implement the NIP.

- Projects approved in one fiscal year should be completed by the conclusion of that year. This will not always be possible and, in fact, the City Charter Amendment allows for multi-year funding of projects.
- The City staff will use every opportunity to keep the Committee as well as the citizens informed of construction progress.

Change of Scope: The NIP Committee will meet and discuss requests to change the original intent of the scope or significantly increase the cost of approved/funded projects. Prior to that meeting, staff will notify the neighborhood representative who will notify affected neighborhood residents and original submitter, if possible.

- a. If the project is not feasible as originally approved, the NIP Committee will review the details and documentation with Staff.

- b. If neighborhood residents want the project scope changed, the neighborhood representative will discuss to what extent there is neighborhood consensus to revise the scope. No action will be taken unless the neighborhood representative or alternate is present for the meeting.
- c. If a petition signed by affected residents and property owners has been submitted, the petition will be provided to the Committee. Any significant change of scope will be taken back to original supporters.
- d. The NIP Committee's vote may need to be forwarded as a recommendation to the City Council.

The NIP Committee may choose to put a deadline on a specific project, triggering follow-up Committee review and action. City Staff may also bring back for review any project that has encountered unanticipated problems or extenuating circumstances that threaten to delay the project for an extended period of time.

Plaques or other modest signage that identifies Neighborhood Improvement Program funding for projects is desired where feasible.

K. Schedule of Time Lines with City Budget Process.

The following schedule is a proposed time line for the Neighborhood Improvement Program. Please note that these are targeted time lines and general in nature.

NIP GENERAL ANNUAL SCHEDULE  
*TENTATIVE*

The following general schedule is tentative. Each year the Committee sets a specific schedule.

1.     SEP 15     Representatives/Alternates Submitted. Names of neighborhood representatives and alternates are submitted to NIP Coordinator.
  
2.     JAN 2  
       1st  
       Council  
       Meeting     Council Approval of Representatives and Alternates. Staff submits names of neighborhood representatives and alternates to City Council for approval.
  
3.     JAN 15     Submittal of Administrative forms to City Clerk's Office. In order to vote, representatives and alternates shall have turned in all applicable forms to City Clerk's office.
  
4.     JAN 22     Orientation Meeting. The NIP Committee holds an orientation each year for members and alternates. The schedule of NIP Meetings is adopted at this meeting. Status of projects is reviewed.
  
5.     FEB 15     Project Nomination Deadline. Project nominations must be submitted to the City directly or through neighborhood associations by this date.
  
6.     MAR 15     Preliminary Project Screening Meeting. Projects are reviewed and discussed between Staff Coordinator and NIP Committee to "weed out" projects that are not capital improvement projects or are duplicates, violate area or use plans, or are withdrawn by the project submitter.
  
7.     MAR 31     Project Review Deadline. Projects nominated for funding have been reviewed by staff, neighborhood associations, Traffic Committee and Planning Commission (as appropriate) and the Parks and Recreation Commission (parks-related items only). Rough cost estimates have been formulated.

8.     APR 15     NIP Committee Review Deadline. The NIP Committee will have met to review all projects by this date. A staff produced video and NIP representative presentations will be used in the review. More than one meeting may be needed. Projects may be eliminated or reduced in scope at this time.
  
9.     APR 22     Van Tour. A van tour is held to visit specific projects. A meeting following the van tour is held to discuss the projects. Answers to questions from the April 15th meeting are addressed by staff or NIP representatives as appropriate.
  
10.    APR 24     Public Discussion. The Committee hears comments from the public in an informal discussion format.
  
11.    MAY 1        Project Selection Process. The NIP will rank order all projects and compose their final recommendation to the City Council.
  
12.    MAY/JUNE    Council Presentation. The NIP Committee recommendation is presented to the City Council along with comments from the Planning Commission and Parks and Recreation Commission as part of the budget process.

L.     Deappropriation of Approved Projects. In the event that an approved project is not feasible or is no longer wanted, the following procedure shall be followed:

1.     The NIP Committee will meet and discuss the project. Prior to that meeting, staff will notify the neighborhood representative who will notify affected neighborhood residents and the original submitter, if possible.
  - a.     If the project is not feasible, the NIP Committee will review the details and documentation with Staff.
  - b.     If the project is no longer wanted, the neighborhood representative will discuss to what extent there is neighborhood consensus to deappropriate the funds. No deappropriation action will be taken if the neighborhood representative or alternate is absent from the meeting.
  - c.     If a petition signed by affected residents and property owners has been submitted, the petition will be

provided to the Committee.

2. A vote of the NIP Committee is required to deappropriate funds. The End-of-Year Close-Out List of completed projects is not to include any deappropriated projects.
3. The NIP Committee's vote is to be forwarded as a recommendation to the City Council.
4. Funds deappropriated are transferred to the NIP Ending Balance and neighborhood base allocation, if appropriate.
5. To reinstate a deappropriated project, a nomination form shall be resubmitted for consideration through the standard project nomination process.

## **VI. PROPERTY ACQUISITION PROCEDURES**

- A. General. The acquisition of property for public use is complicated and time consuming. Timeliness, budget, the far-ranging effect on surrounding property owners, and intracommission/committee coordination and communication are all-important elements.
- B. Methods. There are two basic methods for property purchases under the Neighborhood Improvement Program. These are:
  1. Regular Cycle. Properties can be purchased under the regular rules of the Committee as indicated above and in the same manner as for any other project. Additional steps are required, such as appraisal, preliminary title search and usually input from the Parks and Recreation Commission. Nevertheless a property could be nominated for purchase during the regular cycle of events.
  2. Opportunity Purchase. Due to the fast-moving real estate market in the City of Monterey, an NIP opportunity purchase is more likely than a regular cycle property purchase. In the past, the Neighborhood Improvement Program Committee has set aside a large sum to be used for opportunity purchases throughout the year. If funds have been budgeted for opportunity purchases, this type of purchase should follow the procedure below.
    - a. A Committee member submits a written nomination for a property purchase to the Staff Coordinator. The written nomination will indicate whatever the neighborhood representative knows about the property's zoning, related

discussion in an area plan and/or the Parks Master Plan, and any other pertinent facts or planning issues. The submittal of the project will constitute a request for a Special Meeting as outlined above.

- b. An NIP meeting will be scheduled by the Staff Coordinator within two weeks of the request. Simultaneously, the Staff Coordinator will forward copies of the nomination to the City Council and Parks and Recreation Commission for review and comment on their next Agendas. Parks & Recreation Commission will review the proposed use and consider its conformity to the Parks Master Plan, City General Plan, and adopted area plans. Operational and maintenance costs are to be identified. It is desirable that the Parks & Recreation comments be available for the NIP meeting and City Council preliminary review, but the process should not be delayed for them.
- c. The Staff Coordinator will ask the City's real estate consultant to contact the owner or sales agent to determine the asking price and do a preliminary investigation into the ownership of the property, including easements and other conditional aspects that relate to it. The Staff Coordinator will review related zoning and planning issues, identifying any special considerations.
- d. The Neighborhood Improvement Committee shall hold its Special Meeting and determine by vote whether Staff is to proceed with the acquisition process.
- e. The City Council does a preliminary review of the NIP Committee's recommended purchase to be certain that the City is interested in owning the property. A negative vote stops the acquisition process.
- f. The Property/Housing Manager will obtain a letter of appraisal from the City's real estate consultant for the property.
- g. The NIP Committee's nomination, the letter of appraisal, and the Parks & Recreation Commission recommendation will be forwarded to the City Council for approval.
- h. If the City Council approves the purchase, the Property/Housing Manager will request that the real estate consultant begin negotiations for the property.

- i. The property will be purchased if the negotiations are successful and the City Council approves.
- j. The acquisition will be placed into the City-owned inventory and be utilized as directed by the City Council.

C. Time Model. A theoretical best time model of this approach is listed below:

1. August 27 (Thursday). NIP Committee member contacts Staff Coordinator and recommends an opportunity purchase. As soon thereafter as possible:

a. Staff Coordinator will:

- 1) Ask the real estate consultant to Contact sales agent or owner for asking price and other available information.
- 2) Contact Planning Department for conformity to the City General Plan, adopted Area Plans and Zoning.
- 3) Contact City Manager's Staff to insure item is placed on next City Council Agenda for preliminary review.
- 4) Parks and Recreation Commission Staff to insure item is placed on next agenda for discussion/input.
- 5) Arrange for video of site, time permitting.
- 6) Set emergency NIP meeting date prior to City Council preliminary review.

b. Concurrently Neighborhood Association will:

- 1) Prepare written proposal for use of parcel and forward to Staff Coordinator immediately. Identify any zoning/planning issues associated with this parcel.
- 2) Prepare objective survey on the degree of support that exists for the purchase in the entire neighborhood and in the area immediately adjacent to the parcel and state whether the property is a part of the approved Neighborhood Plan.

2. September 1 (Tuesday). Parks and Recreation Commission will review the proposed use and consider its conformity to the Parks Master Plan, City General Plan, and adopted Area Plans. Operational and maintenance requirements of the proposal will be considered. Forward review and recommendation to City Council.
3. September 2 (Wednesday). NIP Committee holds emergency meeting to discuss acquisition and prepare recommendation to the City Council.
4. September 15 (Tuesday). City Council does a preliminary review of the proposed purchase. If the City Council opposes this purchase, the acquisition process is halted.
5. September 16 (Wednesday). The Staff Coordinator notifies Property/Housing Manager to obtain a letter of appraisal from the City's real estate consultant.
6. October 6 (Tuesday). City Council considers the NIP recommendation, the letter of appraisal, and the Parks & Recreation Commission recommendation in deciding whether to purchase the property.
7. October 7 (Wednesday). Property/Housing Manager authorizes the City's real estate consultant to make an offer on the property.

D. Additional Comment.

All property acquisitions require some type of future cost to the City. An active park (such as a tot lot) or recreation center may require development costs and upkeep in addition to its acquisition costs. Open space will be maintained by the Parks Division. These additional "life-cycle" costs will be identified by the Parks and Recreation Commission and forwarded to the City Council for its consideration.

## VII. **FINAL COMMENT ON THE NEIGHBORHOOD IMPROVEMENT PROGRAM**

The Neighborhood Improvement Program is an extremely innovative and substantive program and unique in its nature. There are very few cities which can afford to fund this kind of program anywhere in the United States. However, money is not the only unique aspect of our NIP. Requesting input from various citizen groups and neighborhood associations on matters of capital

improvements, to the degree accomplished in this program, is also very unusual. We in the City of Monterey are extremely proud of this program and will work extremely hard to see that it is a continuing success.