

**RICHMOND, CALIFORNIA, March 19, 2024**

Community Services Building  
440 Civic Center Plaza  
Richmond, CA 94804

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**A. OPEN SESSION TO HEAR PUBLIC COMMENT BEFORE CLOSED SESSION**

The Richmond City Council Evening Open Session was called to order at 4:33 p.m. by Mayor Eduardo Martinez.

**B. ROLL CALL**

**Present:** Councilmembers Gayle McLaughlin, Doria Robinson, Cesar Zepeda, Vice Mayor Claudia Jimenez, and Mayor Eduardo Martinez. **Absent:** Councilmembers Soheila Bana and Melvin Willis were absent for the entire meeting.

**C. CLOSED SESSION**

**C.1 CONFERENCE WITH LABOR NEGOTIATORS (Government Code Section 54957.6)**

- Agency Representatives: Sharrone Taylor and Jack Hughes

Employee organizations:

1. SEIU Local 1021 Full Time Unit and Part Time Unit
2. IFPTE Local 21 Mid-Level Management Unit and Executive Management Units
3. Richmond Police Officers Association RPOA
4. Richmond Police Management Association RPMA
5. IAFF Local 188
6. Richmond Fire Management Association RFMA

**C.2 PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Government Code Section 54957)**

- Title: City Clerk
- Title: City Attorney

**C.3 CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION (Significant exposure to litigation pursuant to paragraph (2) or (3) of Subdivision (d) [as applicable] of Government Code Section 54956.9)**

- Two cases

**D. PUBLIC COMMENT BEFORE CLOSED SESSION (limited to items on the Closed Session agenda only)**

There were no public comments.

**E. ADJOURN TO CLOSED SESSION**

The Open Session adjourned to Closed Session at 4:35 p.m. Closed Session adjourned at 6:38 p.m.

**F. REGULAR MEETING OF THE RICHMOND CITY COUNCIL**

The Regular Meeting of the Richmond City Council was called to order at 6:45 p.m. by Mayor Martinez.

**G. PLEDGE OF ALLEGIANCE**

Chairperson Martinez led the Pledge of Allegiance to the Flag.

**H. ROLL CALL**

**Present:** Councilmembers McLaughlin, Robinson, Zepeda, Vice Mayor Jimenez, and Mayor Martinez. **Absent:** Councilmembers Bana and Willis were absent for the entire meeting.

**I. STATEMENT OF CONFLICT OF INTEREST**

Councilmember Robinson recused herself from the vote on Item O.4.b. (Transformative Climate Communities grant).

**J. AGENDA REVIEW**

Items O.4.d (Safe Organized Spaces contract amendment) and O.7.a (position control) were continued to the March 26, 2024, City Council meeting.

Item O.3.a (nepotism policy) was removed from the Consent Calendar for discussion at the end of the agenda.

**K. REPORT FROM THE CITY ATTORNEY OF FINAL DECISIONS MADE DURING CLOSED SESSION**

City Attorney Dave Aleshire reported the following:

Item C.1 (labor negotiations), a matter was discussed and direction was given for further negotiations.

Item C.2 (performance evaluations), was not discussed.

Item C.3 (anticipated litigation, significant for two cases), a report was given for one case and no reportable action was taken. Mr. Aleshire reported there was a matter of controversy concerning pickleball and the Richmond Craneway Pavilion. Mr. Aleshire announced there would be a presentation on the matter at the March 26, 2024, City Council open session meeting to inform the public. Mr. Aleshire advised that the city sent a letter to the developer concerning its pickleball project. The State Lands Commission previously determined that the project proposed was not consistent with the trust agreement. There were modifications made to the project; however, the city was not satisfied all the issues raised previously were addressed. The city intended to send a follow-up letter to the State Lands Commission concerning the modified use.

**L. REPORT FROM THE CITY MANAGER (public comment allowed under Open Forum)**

City Manager Shasa Curl reported the following events and activities; 17th Annual Sisters in Solidarity International Women's Day held on March 16, 2024; Richmond Fire Department Badge Pinning Ceremony held on March 1, 2024; Love Your Block Lucas Park Gardening Party held on March 2, 2024; Fire Recruit Academy Behavioral Health Class held on March 12, 2024; Neighbor-to-Neighbor Grant period was scheduled for June 2024 to January 2026; Plumbers and Steamfitters UA Local 159 2024 Apprenticeship application process scheduled for March 25 to April 1, 2024; and Community Budget Meetings were scheduled for April 8, 11, and 24, 2024.

**M. REPORTS OF OFFICERS: REFERRALS TO STAFF, AND GENERAL REPORTS (INCLUDING AB 1234 REPORTS) (limited to two minutes per Councilmember) (public comments allowed under Open Forum)**

Vice Mayor Jimenez acknowledged the organizers of the Sisters in Solidarity event held on March 16, 2024, and the 23rd Street Merchants Association members in the audience.

Councilmember Zepeda announced, "Happy Nowruz", a Persian holiday for the beginning of spring. Councilmember Zepeda reported that he attended the Point Richmond Dumpster Day neighborhood clean-up event. Councilmember Zepeda invited the community to his second Annual District 2 Strategy Meeting scheduled for April 6, 2024, at the Bridge Art Space. Councilmember Zepeda also invited the community to the Richmond-Shimada Friendship Commission Meet and Greet with visitors from Japan scheduled for March 20, 2024. Councilmember Zepeda expressed his appreciation for recent appointments to the city's Environmental and Community Investment Agreement Transportation Oversight Committee. Councilmember Zepeda invited the community to the Point Richmond Spring Fling event scheduled for March 23, 2024.

Councilmember Robinson reported on the RecycleMore (waste management authority) board meeting discussion regarding the relationship between the city's solid waste contract and illegal dumping. Councilmember Robinson announced a Dumpster Day neighborhood cleanup event scheduled for March 23, 2024, in the Nystrom and Coronado neighborhoods.

Councilmember McLaughlin reported on the RecycleMore board meeting discussions regarding various potential waste reuse programs. Councilmember McLaughlin acknowledged the organizers of the Sisters in Solidarity event. Councilmember McLaughlin announced that the Marina Bay Farmers Market launch date was scheduled for April 7, 2024. Councilmember McLaughlin advised that Item O.8.b was a land use agreement to move the Barrett Avenue Farmers Market to the parking lot across from the Richmond Main Library. Councilmember McLaughlin invited the community to the Literacy Festival in the Richmond Memorial Auditorium scheduled for April 13, 2024.

Mayor Martinez reported that he attended the CivicWell Policymakers Conference held March 14-17, 2024. Mayor Martinez requested feedback from the community regarding a potential city Railroad Commission. Mayor Martinez announced the city's various boards and commissions vacancies and encouraged residents to submit applications to the City Clerk's Office for consideration of appointment.

**N. OPEN FORUM FOR PUBLIC COMMENT**

**(public comment on items that remained on the Consent Calendar or items that were not on the agenda was limited to 2 minutes unless otherwise specified - Back and forth dialogue with the Council was prohibited)**

The following individuals gave comments in person:

Diana Wear gave comments commending the Richmond Rent Program, Building Regulations Division, the Mayor's Office, and Councilmember Willis for assistance with resolving a tenant petition.

Vanessa Calloway provided a list of services provided to the unhoused and partnerships created in her role as the project manager for the Encampment Resolution Funding Program (ERFP). Ms. Calloway invited the council to attend an ERFP event.

Rick Perez and Patricia Perez gave comments regarding the police shooting of Richard "Pedie" Perez.

Mark Wassberg gave comments regarding immigration laws.

Rocio Martinez, Rigo Mendoza, Gonzalo Ochoa, Angelica Gomez, Carol Lopez, Pablo Perez, Joaquin Rodriguez, Juan Nunez, Nancy Lu, Daniela Perez, Daniel Navarro, Juan Carrillo, Mirna Peraza, and Cesar Segura gave comments against the numerous unpermitted street vendors along 23rd Street affecting their small businesses. The group recommended the city implement sidewalk vendor regulations similar to other cities such as Walnut Creek.

Salvador Rodriguez expressed concerns regarding repeat violence at the smoke shop next to Bionicos Yahualica juice shop on 23rd Street and the opening of other smoke shops in the area.

Jamin Pursell acknowledged the city for street paving in his neighborhood. Mr. Pursell gave comments in support of the Way to Love organization for its unhoused support services and Item O.4.c (Equitable Public Land Disposition Policy). Mr. Pursell expressed concerns regarding the proposed pickleball use at the Richmond Craneway Pavilion. Mr. Pursell announced there was a protest scheduled for March 23 and 24, 2024, at the Craneway.

Jannet Perez, Veronica Medina, Suilma Navarete, and David Sharples gave comments in support of Item O.4.c for clean safe homes and affordable rent.

Leisa Johnson gave comments via teleconference concerning the Craneway pickleball opening event scheduled for March 23, 2024. Ms. Johnson requested clarification on whether a conditional use permit was required or if there was a cease and desist.

## **O. CITY COUNCIL CONSENT CALENDAR**

**(All items placed under the Consent Calendar were considered to be routine and noncontroversial. These items were enacted upon together with a motion and second, without discussion, of any member of the City Council, and each item was deemed to have received the action recommended.)**

**Motion by** Councilmember McLaughlin

**Seconded by** Vice Mayor Jimenez

To approve all items on the Consent Calendar except items O.4.d (Safe Organized Spaces contract amendment), O.7.a (staffing position control), and O.3.a (nepotism policy).

Ayes (5): Councilmember McLaughlin, Councilmember Robinson, Councilmember Zepeda, Vice Mayor Jimenez, and Mayor Martinez

Absent (2): Councilmember Bana and Councilmember Willis

Passed (5 to 2)

**Councilmember Robinson was recused from the vote on Item O.4.b (grant agreement).**

### **O.1 City Attorney's Office**

O.1.a 4th Amendment to the Legal Services Agreement with Orbach Huff & Henderson, LLP

APPROVE a fourth amendment to the Orbach Huff & Henderson, LLP Legal Services Agreement (LSA) in the amount of \$100,000, for a total contract amount of \$570,000, to continue representing the City in police/tort cases with a term ending on June 30, 2025 – City Attorney's Office (Dave Aleshire/Shannon Moore 510-620-6509).

- O.1.b Legal Services Agreement with McNamara, Ambacher, Wheeler, Hirsig & Gray, LLP

APPROVE a Legal Services Agreement with McNamara, Ambacher, Wheeler, Hirsig & Gray, LLP for a total amount not to exceed of \$100,000, for a term beginning July 1, 2023, to June 30, 2025 – City Attorney’s Office (Shannon Moore 510-620-6505).

**O.2 City Clerk's Office**

- O.2.a City Council Meeting Minutes

APPROVE the minutes of the February 20 and February 27, 2024, regular City Council meetings - City Clerk's Office (Pamela Christian 510-620-6513).

**O.3 City Council**

- O.3.a Prevent Nepotism During the Appointment Process for Richmond Boards, Commissions, Committees, and Task Forces, and City Hiring and Employment.

DIRECT the City Attorney’s Office to draft and for staff to implement a City policy preventing City Council Members from appointing family members to Richmond boards, commissions, committees, and task forces - Councilmember Cesar Zepeda (510-620-6593) and Vice Mayor Claudia Jimenez (510-620-6565).

**Continued to the March 26, 2024, City Council meeting.**

**O.4 Community Development**

- O.4.a Metrowalk Phase 2 AHSC Resolution - Round 7

ADOPT a resolution authorizing final receipt of State Department of Housing and Community Development (HCD) Affordable Housing and Sustainable Communities Program (AHSC) funds for the Metrowalk Phase 2 Housing Project and designating the city manager or designee to execute the necessary agreements with HCD and BART to complete the project components with grant funds – Community Development Department (Lina Velasco 510-620-6841).

**Adopted Resolution No. 18-24**

- O.4.b TCC Implementation Technical Assistance Grant Agreement with the State of California and Sole Source Contract with Placeworks, Inc

AUTHORIZE the mayor to execute the Implementation Technical Assistance Grant Agreement with the State of California - Office of Planning and Research (OPR) and the California Strategic Growth Council (SGC) to provide the City of Richmond with funding to retain technical assistance providers; APPROPRIATE \$150,000 in Transformative Climate Communities (TCC) grant funds; and APPROVE a sole-source contract with Placeworks, Inc., for a total amount of \$150,000, to provide technical assistance support to advance the implementation of TCC Richmond Rising Project, with a term beginning April 1, 2024, through June 30, 2025 – Community Development Department (Lina Velasco/Beatriz Guerrero 510-620-5450).

**Councilmember Robinson was recused from the vote on Item O.4.b.**

O.4.c Equitable Public Land Disposition Policy

ADOPT a resolution establishing the Equitable Public Land Disposition Policy - Community Development Department (Lina Velasco/Kaitlyn Quackenbush 510-620-6841). This item was continued from the March 5, 2024, meeting.

**Adopted Resolution No. 19-24**

O.4.d Amendment No. 1 to Contract with Safe Organized Spaces (SOS)

APPROVE an Amendment No. 1 to the contract with Safe Organized Spaces to extend the contract term through June 30, 2025, and increasing the contract amount by \$1,463,415.23, for a total contact amount not to exceed \$2,202,108.82, to provide encampment support services, including outreach, showers, laundry services, and job opportunities for unhoused residents – Community Development Department (Lina Velasco/Jesus Morales 510-620-6649).

**Continued to the March 26, 2024, City Council meeting.**

**O.5 Finance Department**

O.5.a Quarterly Garbage Liens

ADOPT a resolution authorizing placement of liens and special assessments for unpaid garbage collection service fees on Contra Costa County's property tax records – Finance Department (Andrea Miller/Mubeen Qader 510-620-6740/Antonio Banuelos 510-620-6741).

**Adopted Resolution No. 20-24**

O.5.b Investment and Cash Balance Report and Monthly Overtime Reports for the Month of January 2024

RECEIVE the City's Investment and Cash Balance Report and Monthly Overtime Reports for the month of January 2024 – Finance Department (Andrea Miller 510-620-6740).

O.5.c American Rescue Plan Act (ARPA) Allocation Amendment

APPROVE a transfer of expenses in the amount of \$731,847.85 between American Rescue Plan Act (ARPA) funds and Wastewater funds to correct an inadvertent allocation of ARPA funds for the North Richmond Pump Station emergency repair project made prior to the allowable ARPA project reimbursement date of March 3, 2021 – Finance Department (Andrea Miller 510-620-6790/Mubeen Qader 510-412-2077).

**O.6 Fire Department**

O.6.a Approve a Standing Purchase Order with Municipal Emergency Services (MES) to Purchase Firefighting Equipment and Personal Protective Equipment

APPROVE two standing purchase orders with Municipal Emergency Services (MES) in a total amount not to exceed \$400,000 using: (a) RFP 1910/Contract # PS20040 Master Price Agreement publicly solicited by National Purchasing Partners, Government Division, to purchase firefighting equipment in an amount not to exceed \$200,000, for a two-year term ending March 23, 2026, with a two-year extension option not to exceed an additional \$200,000 for the extended term; and (b) using RFP

1915/Contract # PS20070 Master Price Agreement to purchase firefighter personal protective equipment in an amount not to exceed \$200,000, for a two-year term ending March 23, 2026, with a two-year extension option not to exceed an additional \$200,000 for the extended term – Fire Department (Interim Fire Chief Michael E. Smith 510-307-8041/Aaron Osorio 510-307-8021).

## **O.7 Human Resources**

### **O.7.a Amend Staffing (Position Control) and Appropriate Funds as Required**

ADOPT a resolution amending position control to add a Finance Manager II to the Finance Department, a Senior Planner for the Community Development Department, and an Office Assistant for the Human Resources Department; and APPROPRIATE associated salaries, wages, and benefits as required – Human Resources Department (Nickie Mastay/Sharrone Taylor 510-620-6602).

**Continued to the March 26, 2024, City Council meeting.**

## **O.8 Library and Community Services**

### **O.8.a Accept and Appropriate \$139,204 in Grant Funds from the California State Library to Provide English as a Second Language Services**

ADOPT a resolution to ACCEPT and APPROPRIATE the California State Library grant award of \$139,204 for English as a Second Language educational services; and AUTHORIZE the city manager or their designee to execute the grant agreement – Community Services Department (Kate Eppler 510-620-5452/Abigail Sims-Evelyn 510-307-8082).

#### **Adopted Resolution No. 21-24**

### **O.8.b Land Use Agreement for Weekly Farmer’s Market on Civic Center Plaza**

APPROVE a temporary Land Use Agreement between the City of Richmond and the Richmond Certified Farmers’ Market Association for the free use of Civic Center Plaza between Macdonald Avenue and Nevin Avenue in front of the Richmond Main Library to host a weekly farmers’ market on Fridays, effective April 5, 2024, and ending March 31, 2026, or earlier if the market must move due to the Richmond Main Library renovation project – Community Services Department (LaShonda White 510-620-6828).

## **O.9 Mayor's Office**

### **O.9.a Community Police Review Commission Appointment**

APPOINT Carmen Martinez to the Community Police Review Commission with a term that expires November 1, 2027 - Mayor’s Office (Mayor Eduardo Martinez 510-620-6502)

### **O.9.b Reducing the Reimaging Public Safety Community Task Force from 21 to 14 members**

APPROVE the reduction of Reimaging Public Safety Task Force from 21 to 14 members.

**O.10 Public Works**

O.10.a Amendment to NEMA Construction On-Call Construction Contract

APPROVE Amendment 2 to the construction agreement with NEMA Construction in the amount of \$150,000, for a new total not to exceed amount of \$1,650,000, and for a term ending September 30, 2025 – Public Works Department (Daniel Chavarria 510-620-5478).

O.10.b Contract Award to Stommel, Inc., dba LEHR, for Outfitting of Emergency Vehicles

APPROVE a contract with Stommel, Inc., dba LEHR, for the outfitting of emergency vehicles, for a term from March 1, 2024, to June 30, 2027, in an amount not to exceed \$1,500,000 – Public Works Department/Police Department (Daniel Chavarria 510-620-5478/Captain Eric Smith 510-621-1802).

**P. NEW BUSINESS**

**P.1 Ordinance Creating New Business Activity Classification, Class P – Wholesale, and the Corresponding Rates**

INTRODUCE an ordinance (first reading) amending Chapter 7.04.103 of the Richmond Municipal Code by creating a new Business Activity Classification, Class P – Wholesale, and the corresponding rates – City Attorney's Office/Finance Department (Dave Aleshire 510-620-6509/Andrea Miller, Mubeen Qader, Antonio Banuelos 510-620-6741). This item was continued from the February 27, 2024, and March 5, 2024, meetings.

City Attorney Dave Aleshire introduced the matter. Accounting Manager Antonio Banuelos presented a PowerPoint that highlighted the following: Measure U and wholesale background; business tax classifications; current and proposed rates; and examples of business tax. Rauly Butler gave comments in person. Leisa Johnson gave comments via teleconference. Discussion ensued.

**Motion by** Councilmember McLaughlin

**Seconded by** Vice Mayor Jimenez

To introduce said ordinance for first reading and lay over for two weeks for the second reading.

Ayes (5): Councilmember McLaughlin, Councilmember Robinson, Councilmember Zepeda, Vice Mayor Jimenez, and Mayor Martinez

Absent (2): Councilmember Bana and Councilmember Willis

Passed (5 to 2)

**P.2 Proposed Developer Impact Fees Adjustments for a Revised Master Fee Schedule**

RECEIVE a presentation from the Finance Department and Willdan Financial Services on the proposed updates to the Developer Impact Fees in the Master Fee Schedule – Finance Department (Andrea Miller/Mubeen Qader/Antonio Banuelos 510-620-6741). This item was continued from the March 5, 2024, meeting.

Director of Finance Andrea Miller introduced the matter. Carlos Villarreal of Willdan Financial Services presented a PowerPoint that highlighted the following: development impact fee; Mitigation Fee Act findings and Assembly Bill 602; impact fees basic methodology and categories; changes and growth projections;

cost allocation and fee program methodologies; planned facilities; projected impact fee revenue; standards and other methodologies; planned facilities; impact fee projected revenue and maximum justified fee schedule; staff recommendation for residential four-year phase-in, non-residential two-year phase-in, and comparison; credit policy; responses to council questions; parks master plan projects; and next steps. Jessi Taran gave comments via teleconference. Discussion ensued. The council requested the following: codify language in the ordinance to prevent developers from constructing shell buildings at the lower impact fee before tenant improvements; and provide information regarding a commercial truck impact fee and fiscal analysis.

**P.3 Richmond Parks Assessment of Soccer Fields**

RECEIVE a presentation on the draft Soccer Field and Park Amenities Assessment prepared by CSW|ST2 – Public Works (Daniel Chavarria/Tawfic Halaby 510-620-5482). This item was continued from March 5, 2024.

Director of Public Works Daniel Chavarria introduced Deputy Public Works Director Operations and Maintenance Tawfic Halaby, Parks and Landscape Superintendent Greg Hardesty, President and Chief Executive Officer Robert Stevens, and Senior Landscape Architect Marcia Vallier of CSW|ST2 Engineering Group. Ms. Vallier presented a PowerPoint that highlighted the following: project purpose; council recommended actions; background; current conditions and needs; Richmond soccer teams, field sports, and basketball court needs; findings; Richmond parks, recommendations, and maintenance; joint use agreements; facility upgrades; and next steps. Santiago Mendoza and Sam Torres gave comments in person. Jessi Taran gave comments via teleconference. Discussion ensued. The council requested the following: number of budgeted staff and vacancies for the Parks and Landscape Division; consider utilizing remaining Capital Improvement Project funds for parks improvements; provide a parks maintenance schedule plan (including opening and closing facilities); distinguish District 2 regional parks from city parks; put more time and effort into the parks deficit in Districts 1 and 6; consider multi-use parks; consider turf health concerns; utilize Hilltop Park for other sports; add the matter of additional soccer fields to the list of prioritized projects; consider parks in Parchester Village and the condition of the basketball courts; consider cork infill opposed to rubber; and provide the contribution amounts from special districts for parks maintenance. *(At 10:56 p.m. - a motion by Vice Mayor Jimenez, seconded by Councilmember McLaughlin, to extend the meeting to complete Item P.3 passed by the unanimous vote of the City Council).* Further discussion ensued.

**Q. ADJOURNMENT**

There being no further business, the meeting adjourned at 11:03 p.m., to meet again on March 26, 2024, at 6:30 p.m.

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Pamela Christian, Clerk of the City of  
Richmond

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Eduardo Martinez, Mayor

**From:** [Michelle Heredia](#)  
**To:** [City Clerk Dept User](#)  
**Subject:** public comments – Open Forum  
**Date:** Tuesday, March 19, 2024 12:42:59 PM  
**Attachments:** [Craneway Letter - Council and People of Richmond.pdf](#)

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Please see attached to be put into the official meeting record for the City Council Meeting today, Public Comment - Open Forum.

Please confirm you are in receipt of this email/public comment.

Thank you.

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**Michelle Heredia**  
1475 Powell St., Suite 101  
Emeryville, CA 94608  
P: [510-758-3826](tel:510-758-3826) | F: [510-428-0802](tel:510-428-0802)

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Council and People of Richmond:

I want to thank the City of Richmond, State Lands Commission, and other staff and RPD for years of working together, their support for our events, and their general professionalism. People of Richmond, from a company that has dealt in maybe 50 jurisdictions in California and around the country, you have a very fine staff that often goes unappreciated.

A little history, when we took over the Ford Building it was a red-tagged derelict. At least six other architects and developers tried and failed to redevelop the site from 1976 until we took it over. The Craneway had been shuttered for nearly 30 years. To Richmond, we brought Title Nine, Vetrazzo, SunPower, Columbia/Mountain Hardwear, and its friends and family store, and designed and built the Rosie the Riveter Visitor Education Center.

There have been news reports, articles, and posts on social media claiming to know the happenings at the Craneway. Pretty much every bit of "information" on social media about the changes at the Craneway is false, the fake news we have all come to expect.

Here are the facts:

1. Orton Entertainment is staying put, continuing to do what we have been doing: restaurant and exhibition hall. We have a different theme; sports, games, and competition. There is no change in master tenancy. No subtenancy. No new lease. No new parties. We have hired an operator like we have done 3-4 times in the past.
2. We are NOT a private club. There are no dues and no entrance fee. It is exactly what it has been, a restaurant and exhibition hall.
3. The Craneway has NEVER been open to the public. It is leased to a private company. Over the last 18 years, ninety-plus percent of the time the Craneway was closed to the public for private or ticketed events. In this new formulation, we are opening to the public far, far more often, whenever the restaurant is open, which is normal business hours.
4. There is no construction. There is no change to the exterior. There is no change to the interior, except furniture, fixtures, equipment, and flooring.
5. There is no change of use. We continue to comply with all regulations, including the State Lands Commission, the zoning, the CUP, and all other documentation including Richmond code calculations for restaurant square footage and all use permit requirements.

Good People of Richmond, we offer good clean fun, healthy food, and world-class sports performances. We encourage you to check it out.

**From:** [Tomi Nagai-Rothe](#)  
**To:** [City Clerk Dept User](#); [Soheila Bana](#); [Melvin Willis](#); [Eduardo Martinez](#); [Gayle McLaughlin](#); [Cesar Zepeda](#); [Doria Robinson](#); [Claudia Jimenez](#)  
**Subject:** March 19, 2024 City Council Meeting: public comments agenda item #O.4.d  
**Date:** Friday, March 15, 2024 7:44:32 PM

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Dear Mayor Martinez and Richmond City Councilmembers,  
I am writing as an SOS Richmond staff person and a member of the Housing Equity Roadmap Collaborative, organized by Just Cities - in support of the equitable public land policy on the consent calendar (Item O.4.d).

The equitable public land policy is an elegant and straightforward tool to enable more deeply affordable housing production in Richmond. Yet it's more than a typical affordable housing policy: it truly centers Richmond residents and the potential for community ownership models which can lead to permanent affordability.

I hope this eventually leads to no more unhoused neighbors. SOS envisions affordable options on vacant land like community-owned or co-op RV parks, and interim or permanent tiny home villages - and more.

Thank you for taking this important step toward housing all Richmond residents.

Sincerely,  
Tomi Nagai-Rothe



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**Tomi Nagai-Rothe** | Director of Operations  
*she/her*  
415.699.0571  
Mail: 23 Maine Ave. #16, Richmond, CA 94804  
[www.sos-richmond.org](http://www.sos-richmond.org)  
Neighbor Care Line 510.806.8650





**From:** [Rauly Butler](#)  
**To:** [City Clerk Dept User](#)  
**Subject:** Public Comments Agenda Item P.1 Meeting Date March 19, 2024  
**Date:** Thursday, March 14, 2024 4:50:06 PM  
**Attachments:** [Measure U Class P.pdf](#)

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Please see our attached comment for inclusion into the City Council packet.

Thank you

Council of Business and Industries  
Rauly Butler, Executive Director  
PO Box 70088  
Richmond, CA 94807  
Mobile 510-215-9325  
Email [rauly@councilofindustries.com](mailto:rauly@councilofindustries.com)



COUNCIL OF INDUSTRIES  
P.O. BOX 70088, PT. RICHMOND, CA 94807  
(510)215-9325

**Business License – Class P  
“With Concerns”**

Richmond City Council  
450 Civic Center Plaza 3<sup>rd</sup> Floor  
Richmond, CA 94804  
Via email: [cityclerkdept@ci.richmond.ca.us](mailto:cityclerkdept@ci.richmond.ca.us)

Dear Council Members:

I am writing to you to raise a concern about the upcoming new business license tax classification for Wholesaler Businesses referred to as Class P. It is my hope that you will consider and adopt a small change to the proposed Class P structure.

In December 2023, the Wholesalers based in Richmond were invited to a meeting with City staff to go over the proposed Class P structure. Of the approximately 15 Wholesalers in Richmond, 3, or 20%, attended the meeting. At the meeting, those in attendance raised the concern of the fee schedule being too high and not reflective of the Wholesale Industry and its revenue model.

There is a significant difference between the revenue model for Retailers as opposed to Wholesalers. Retailers typically have greater price elasticity and focus on Product Pricing to grow their sales and profits. Wholesalers do not command price elasticity as they are selling to resellers, typically Retailers. There is intense competition in this space and successful Wholesalers keep the mark up on their products on a consistent basis and instead, focus on increased volume to increase their sales and profits, not product pricing.

Please note the differences between Retailers and Wholesalers:

**Retailers**

Retailers have life cycles associated with their goods and can often gain higher margins when a product is new or when there is a scarcity of the product. This allows Retailers a wide range of price elasticity and they can vary their prices charged based on a number of factors including quantity being purchased and the position in the lifecycle of the product. As an analogy, think about purchasing apples at a supermarket. When the apples are first coming into season, the price is higher. Later, as the apple is plentiful, the supermarket may lower its price on a per apple basis and may lower it even further if several apples are being purchased, rather than just one apple. This type of revenue model is appropriately taxed on a graduated basis where price elasticity and product pricing flexibility exist.



COUNCIL OF INDUSTRIES  
P.O. BOX 70088, PT. RICHMOND, CA 94807  
(510)215-9325

### **Wholesalers**

The same is not true for Wholesalers, who rely on Volume, not variable product pricing to increase their sales. Wholesalers are selling to Retailers. There is significant competition at the Wholesaler level and Retailers require consistent pricing. Wholesalers do not have the additive factors such as Advertising or Posted Specials for walk in clients. Wholesalers have little to no price elasticity and can only vary their sales and profits by Volume, not by product pricing. Thus, in a taxing scenario, the tax rate is best as a straight line method.

In the data provided by Antonio Banuelos from the City's Finance Department, you might notice that some cities use a straight line tax rate or a lessened graduated tax for the Wholesalers. The reason for this is that a graduated tax rate invades more of the Wholesaler's gross profit as sales volume increases, whereas at a Retailer lever, the higher tax simply shares in the higher product pricing with the Retailer.

### **Recommendation**

**The Board of Directors for the Council of Industries in Richmond, recommends that the City Council adopt a change to the proposed Class P business license tax and apply a rate of .12% through all sales levels.**

### **Summary**

This proposed rate schedule change for Class P does not compromise the City's need for modifications to match or lower Measure U revenue in order to process the change at an administrative level. This change also helps to provide a fairness level for the type of industry and revenue model associated with the Wholesalers. Finally, this change will signal to the existing Wholesalers in Richmond that the City does understand their businesses, values their presence in Richmond, and creates less incentive for the Wholesalers to consider changing or moving operations.

Thank you for taking the time to read this letter. I would like to convey my genuine appreciation for the City staff, particularly Antonio Banuelos, for their responsiveness and for their work quality.

Sincerely,

Rauly Butler  
Executive Director