



EAST PALO ALTO CITY COUNCIL

REGULAR SESSION

AMENDED AGENDA

Tuesday, October 15, 2024, 6:30 PM
EPA Government Center
2415 University Avenue, First Floor
East Palo Alto, CA 94303

NOTICE

This meeting will be held virtually and in- person at the Council Chambers located on 2415 University Ave, First Floor East Palo Alto, CA 94303. The virtual portion of this City Council meeting will be conducted in accordance with City of East Palo Alto Resolution adopted pursuant to Assembly Bill 361.

The public may participate in the City Council Meeting via Zoom Meeting or by attending in-person in the Council Chambers at 2415 University Ave, First Floor East Palo Alto, CA 94303. Community members may provide comments by emailing cityclerk@cityofepa.org, submitting a speaker card at the meeting, or using the **RAISE HAND** feature when the Mayor or City Clerk call for public comment. Emailed comments should include the specific agenda item on which you are commenting.

Please click this URL to join

<https://us06web.zoom.us/j/87579641005>

Or join by phone:

Dial (for higher quality, dial a number based on your current location):

US: +1 669 900 6833 or
+ 1 346 248 7799 or
+ 1 253 215 8782 or
+ 1 312 626 6799 or
+ 1 929 205 6099 or
+ 1 301 715 8592

Webinar ID: 875 7964 1005

International numbers available: <https://zoom.us/u/aMWYF4KT>

1. **CALL TO ORDER AND ROLL CALL**

2. **APPROVAL OF THE AGENDA**

3. **APPROVAL OF CONSENT CALENDAR**

3.1 **Pre-Qualified list of consulting firms for Engineering on-call services**

Recommendation: Approve the list of pre-qualified list of engineering consulting firms for on-call general engineering services to augment City staff with the design and management of engineering services and projects

3.2

Award the Annual Street Resurfacing Project 2024/2025 (ST-07-24) to Goodfellow Bros, California, LLC

Recommendation:

Adopt a resolution authorizing the City Manager to award, negotiate, and execute a construction contract with Goodfellow Bros, California, LLC in a form approved by the City Attorney, for \$5,249,142.20; establish a ten percent (10%) construction contingency in the amount of \$524,914.22, for a total construction budget of \$5,774,056.42, and execute future change orders in an amount not-to-exceed the appropriated construction contingency.

3.3 **Extension of Lease Agreement for Parking at the Tanklage Site**

Recommendation: Adopt a resolution approving an eight- month agreement extension from February 12, 2025 to September 12, 2024; the extension will be negotiated by and authorizing the City Manager to continue use of the Tanklage Site for parking, staging and construction offices for the 965 Weeks affordable housing project;

3.4 **Accept Incentive Award From Peninsula Clean Energy For the Installation of 7 Heat Pump Water Heaters in City Buildings**

Recommendation: Adopt a resolution authorizing the City Manager to enter into an incentive agreement with Peninsula Clean Energy Authority to award the City of East Palo Alto \$21,700 in gap funding for the installation of 7 heat pump water heaters in the following City facilities: Community Development Building (1960 Tate Street), Corporation Yard (150 Tara Road), Senior Center (560 Bell Street), and the Re-Entry Center (2277 University Avenue).

3.5 **Temporary Traffic Circle Installation at Fordham Street and Notre Dame Avenue**

Recommendation: Adopt a resolution authorizing the installation of a temporary traffic circle and temporary crosswalk at Fordham Street and Notre Dame Avenue.

3.6 City Council Meeting Minutes

Recommendation:

Adopt the October 1, 2024, City Council Meeting Minutes.

3.7 Proclamation of the City of East Palo Alto Declaring October Domestic Violence Awareness Month

3.8 Consent to Joint Representation (THIS ITEM HAS BEEN REMOVED FROM THE AGENDA)

Recommendation: Adopt a resolution authorizing the City Attorney to execute a consent letter agreeing to the joint representation by Goldfarb & Lipman LLP of City of East Palo Alto and Community Housing Developers, Inc., regarding Courtyard at Bay Road.

3.9

Authorization to Renew Agreement with Ken Brown Strategic Consulting

Recommendation:

Adopt a resolution:

1. Authorizing the City Manager to negotiate and execute a retainer agreement with Ken Brown Strategic Consulting, in a form approved by the City Attorney, for an amount not-to-exceed \$165,000.
2. Waiving the formal bid procedures under section 2.84.070(D) of the Municipal Code

4. CLOSED SESSION

CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Property: 1804 Bay Road, East Palo Alto, CA 94303

Agency negotiator: Melvin E. Gaines, City Manager

5. PUBLIC COMMENT

6. INFORMATIONAL REPORTS

6.1 Summer Parks Activation 2024-Update

Recommendation: Receive an update on the Summer Parks Activation.

6.2 Report on EPASD Organizational and Operational Strategies

Recommendation:

Receive update from City Manager on EPASD organizational and operational strategies.

7. SPECIAL PRESENTATIONS

8. PUBLIC HEARINGS

- 8.1 Conforming rezoning / Zoning Map Amendment (ZC24- 001) of a 2.12 - acre portion of an existing 2.536-acre parcel at 1933 Pulgas Avenue from R-MD-1 Multiple-Family Medium Density Residential Subzone 1 to R-MD-2 Multiple-Family Medium Density Residential Subzone 2 in East Palo Alto, CA 94303. APN 063-492-280**

Recommendation:

As considered and recommended by the Planning Commission (Attachment 1 – Planning Commission resolution) at a publicly noticed hearing on September 23, 2024, adopt a resolution:

1. Amending the official City of East Palo Alto Zoning Map to rezone the subject property from R-MD-1 Multiple-Family Medium Density Residential Subzone 1 to R-MD-2 Multiple-Family Medium Density Residential Subzone 2; and
2. Finding that the Zoning Map Amendment is within the scope of the project covered by the program Environmental Impact Report (EIR) for the Vista 2035 General Plan, and as such no new environmental document would be required; and additionally, any subsequent residential development would likely qualify for a Class 32 Categorical Exemption unless it is shown, by empirical evidence, that said project would result in significant traffic, noise, air quality, or water quality impacts.

- 8.2 Ordinance Adding Chapter 13.09 to the Municipal Code Establishing Administrative Remedies Procedure for Challenges to Fees, Charges, and Assessments**

Recommendation:

By motion:

1. Waive the first reading and introduce an ordinance adding Chapter 13.09 to the East Palo Alto Municipal Code establishing administrative remedies procedure for challenges to fees, charges, and assessments; and
1. Find that the adoption by the City Council of the ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to Public Resources Code section 21065 (not a project), and CEQA Guidelines Sections 15061(b)(3) (common sense exemption).

9. POLICY AND ACTION

- 9.1 Loading Zone along Pulgas Avenue in front of the EPACENTER, 1950 Bay**

October 15, 2024 Agenda

Road

East Palo Alto City Council

Recommendation:

Adopt a resolution authorizing the establishment of a loading zone along the east side of Pulgas Avenue starting forty-two feet south of the Bay Road/Pulgas Avenue intersection centerline, continuing sixty feet southerly from 10 A.M. to 6 P.M. Monday to Saturday

9.2 Bag & Tag Policy

Recommendation: Adopt a “Bag and Tag” policy for the storage and recovery of personal items that are removed during encampment clean-up and removal activities.

10. COUNCIL REPORTS

11. ADJOURNMENT

Upcoming meetings:

<i>Cancelled Regular Meeting</i>	<i>November 5, 2024 (Cancelled)</i>	<i>6:30 PM (Cancelled)</i>
Study Session Meeting	November 15, 2024	6:00 PM
Regular Meeting	November 19, 2024	6:30 PM

This Notice of Availability of Public Records: All public records relating to an open session item which are not exempt from disclosure pursuant to the Public Records Act, that are distributed to the majority of the City Council will be available for public inspection at the City Clerk's Office, 2415 University Avenue, East Palo Alto, CA at the same time that the public records are distributed or made available to the City Council. Such documents may also be available on the East Palo Alto website www.cityofepa.org subject to staff's ability to post the documents prior to the meeting. Information may be obtained by calling (650) 853-3100.

The City Council meeting packet may be reviewed by the public in the Library or the City Clerk's Office. Any writings or documents pertaining to an open session item provided to a majority of the City Council less than 72 hours prior to the meeting, shall be made available for public inspection at the front counter at the City Clerk's Office, 2ND Floor, City Hall, 2415 University Avenue, East Palo Alto, California 94303 during normal business hours. Information distributed to the Council at the Council meeting becomes part of the public record. A copy of written material, pictures, etc. should be provided for this purpose.

East Palo Alto City Council Chambers is ADA compliant. Requests for disability related modifications or accommodations, aids or services may be made by a person with a disability to the City Clerk's office at (650) 853-3127 no less than 72 hours prior to the meeting as required by Section 202 of the Americans with Disabilities Act of 1990 and the federal rules and regulations adopted in implementation thereof.

DECLARATION OF POSTING

This Notice is posted in accordance with Government Code §54954.2(a) or §54956. Members of the public can view electronic agendas and staff reports by accessing the City website. Under penalty of perjury, this Agenda was posted to the public at least 72 hours prior to the meeting.

POSTED: October 4, 2024

AMENDED: October 11, 2024

ATTEST:

James Colin

City Clerk



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: October 15, 2024

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Michael Cortez, Assistant Engineer
Batool Zaro, PE, Senior Engineer

SUBJECT: Pre-Qualified list of consulting firms for Engineering on-call services

Recommendation

Approve the pre-qualified list of engineering consulting firms for on-call general engineering services to augment City staff capacity on the design and management of engineering services and projects.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Implement the Comprehensive Transportation and Mobility Plan

Priority: Promote Health & Public Safety

Priority: Improve the City's Water Infrastructure

Background

The Engineering Division of the City of East Palo Alto's Public Works Department oversees the design and implementation of various Capital Improvement Program (CIP) projects as well as new development projects. Over the course of the next two fiscal years, FY 23/24 and FY 24/25, the Engineering Division is managing over \$45 million in capital projects in various project phases.

In an effort to assist with the design and management of various engineering services and projects, along with creating efficiencies within the Division, the City is seeking to retain a short list of on-call engineering consulting firms. The City previously brought on engineering consulting

CONSENT ITEM 3.1

firms through a similar process via Resolution 4849 on May 16, 2017, which is now outdated.

Analysis

The City issued a request soliciting statements of qualifications (RFQ) from professional engineering consulting firms on July 30, 2024. On August 22, 2024, the City received eleven (11) qualifications packages.

Staff reviewed the submitted qualifications packages for completeness as well as the applicability to one or more of the areas of concern outlined in the solicitation, which have been listed below:

- Private Development Plan Check
- Geodetic/Cadastral Survey Map Check
- Technical Report Review
- Inspection Services
- Design & Implementation of Various CIP Projects

An internal staff committee reviewed all of the proposals submitted by the eleven (11) engineering consulting firms. It was determined that all of the firms are well-qualified and meet at least one of the categories listed in the RFQ. Therefore, the City intends to retain all firms on a “short list” for on-call services. A detailed list of each firm and its areas of expertise can be found in Attachment 2, Exhibit A – List of Pre-Qualified Engineering Consulting Firms.

East Palo Alto Municipal Code Section 2.84.170 allows the City to prequalify contractors through a prequalification process, which establishes that a contractor is qualified, fit and capable, based upon past experience and current ability, to perform and complete the project in a timely and economically efficient manner.

The prequalification list will remain valid for a term of up to five years. No contracts will be awarded to consultants by the approval of the prequalified list. The list only qualifies professionals based on the prequalification process described above and allows staff to request cost proposals from the prequalified firms for future work as needed. By approving the prequalified list, the City does not guarantee a contract with any or all firms and reserves the right to go through bids or proposals as the City sees fit.

Fiscal Impact

There is no fiscal impact for this item.

Public Notice

The public was provided notice by making the agenda and report available on the City’s website

CONSENT ITEM 3.1

and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental

The action being considered does not constitute a “Project” within the meaning of the California Environmental Quality Act (CEQA), pursuant to CEQA Guideline section 15378 (b)(5), in that it is a government administrative activity that will not result in direct or indirect changes in the environment.

Government Code § 84308

Applicability of Levine Act: No, as the proposed action does not entail an entitlement.

Analysis of Levine Act Compliance: Not applicable.

Attachments

1. Resolution
2. Exhibit A – List of Pre-Qualified Engineering Consulting Firms

RESOLUTION NO. XX– 2024

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO**

**APPROVING THE PRE-QUALIFIED LIST OF CONSULTING FIRMS
FOR ON-CALL GENERAL ENGINEERING SERVICES**

WHEREAS, the Engineering Division oversees the design and implementation of various Capital Improvement Program (CIP) projects, as well as new development projects; and

WHEREAS, the Engineering Division is seeking to retain an on-call short-list of prequalified engineering firms to assist with design and management of various engineering related tasks, and

WHEREAS, the City issued a request soliciting statements of qualifications from professional engineering consulting firms on July 30, 2024; and

WHEREAS, a total of eleven (11) firms submitted Statements of Qualifications for the six (6) areas of need for on-call services.

WHEREAS, all of the firms meet the criteria and qualifications set by the City for the various engineering related categories.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO HEREBY:

1. Finds the foregoing recitals are true and correct, and are incorporated by this reference into this action;
2. Approves the pre-qualified list of engineering consulting firms (attached hereto and incorporated herein as Exhibit A) for on-call general engineering services to augment City staff capacity on the design and management of engineering services and projects; and
3. Finds that action being considered does not constitute a “Project” within the meaning of the California Environmental Quality Act (CEQA), pursuant to CEQA Guideline section 15378 (b)(5), in that it is a government administrative activity that will not result in direct or indirect changes in the environment

PASSED AND ADOPTED this 15th day of October 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Antonio D. Lopez, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

John D. Lê, City Attorney

ON-CALL GENERAL ENGINEERING SERVICES

EXHIBIT A - PRE-QUALIFIED LIST OF CONSULTING FIRMS

NAME OF FIRM	PRIMARY SCOPE OF SERVICES
Apex Testing Laboratories, Inc.	Materials Testing
CSG Consultants	Engineering Plan Review City Surveyor and Map Review Surveys and Land Documents for Public Projects Stormwater Inspection Services Staff Augmentation & CIP Assistance QA/QC
EKI Environment & Water	Geotechnical Investigations Hydraulic Analyses Water Supply Assessments Design & Implementation of Water CIP Projects, Storm Drain CIP Projects
ARC Engineering Consultants, Inc.	Review of Civil and Structural Engineering Technical Documents Inspection Services (public improvements, grading, traffic control measures, NPDES compliance) As-Needed Consultation and Support CIP Project Design and Implementation
Haley & Aldrich, Inc.	Program & Project Management and Staff Augmentation Engineering Analysis & Civil Engineering Design Traffic Engineering Entitlement Services Plan and Record Document Review Development Management and Review Construction Management Climate and Sea Level Rise UAS & LIDAR Scannig Data Sets GIS Services Geotechnical Services Construction Inspection and Testing
Zoon Engineering	Private Development Plan Check Map Check (including parcel map/tract maps) Review of Environmental & Technical Documents Design & Implementation of selected CIP Projects
Ghirardelli Associates, Inc.	Land Development Project Management and Plan Review Capital Improvement Program Project Management Construction Management

ON-CALL GENERAL ENGINEERING SERVICES

EXHIBIT A - PRE-QUALIFIED LIST OF CONSULTING FIRMS

NAME OF FIRM	PRIMARY SCOPE OF SERVICES
Ardurra Group, Inc.	Plan Review Inspection Services Grant Services Project Management QA/QC Schedule Adherence Procedures Accounting and Billing Procedures
SNG & Associates, Inc.	Development Services, Management, and Monitoring of Planning Projects Private Development Review Civil Design/Project Management
CSW ST2	Design Review Support Surveying & Map Checking Complete & Green Streets Pavement, Storm, Sewer, and Water Rehabilitation Green Infrastructure Emergency Response Funding & Grants Community Outreach
Harris & Associates, Inc.	Plan Check/Map Check Transportation Water & Stormwater Grant Services Surveying Utility Location Traffic Engineering Geotechnical Engineering Inspection



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: October 15, 2024

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Michael A. Cortez, Assistant Engineer
Batool Zaro, Senior Engineer

SUBJECT: Award the Annual Street Resurfacing Project 2024/2025 (ST-07-24)
to Goodfellow Bros, California, LLC

Recommendation

Adopt a resolution authorizing the City Manager to award, negotiate, and execute a construction contract with Goodfellow Bros, California, LLC in a form approved by the City Attorney, for \$5,249,142.20; establish a ten percent (10%) construction contingency in the amount of \$524,914.22, for a total construction budget of \$5,774,056.42, and execute future change orders in an amount not-to-exceed the appropriated construction contingency.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Implement the Comprehensive Transportation and Mobility Plan

Priority: Promote Health & Public Safety

Background

ST-07 is the City's Annual Street Resurfacing Capital Improvement project. This is an ongoing project to rehabilitate and reconstruct City streets. The primary source of funding for this project is Gas Tax; other funding sources are comprised of local taxes such as Measure A, Measure M and Measure W.

The streets to be rehabilitated for the Annual Street Resurfacing Project 2024/2025 were identified in the Pavement Management Plan (PMP) Budget Options Report as part of the Metropolitan Transportation Commission's Pavement Technical Assistance Program (P-TAP)



CONSENT ITEM 3.2

report in 2024.

This project will consist of rehabilitation and preventive maintenance of City-owned streets. The rehabilitation and preventive maintenance in this project will consist of pothole/base repairs, crack sealing, slurry seals, and pavement overlays.

In addition to pavement rehabilitation and preventive maintenance, the project will also include improved striping configurations for bicycle facilities, reinstatement of existing pavement markings (i.e., stop sign striping and crosswalks), installation of curb ramps compliant with the Americans with Disabilities Act (ADA) regulations, repair of existing sidewalks, and implementation of traffic speed-calming measures such as speed humps.

The City of East Palo Alto Public Works Transportation Commission (PWTC) approved the Plans, Specifications, and Estimates (PS&E) package on July 17th, 2024, and the City Council approved the PS&E package on July 25th, 2024.

Project documents are located on the City website, and can be found at the following link:

<https://www.cityofepa.org/publicworks/project/annual-street-resurfacing>

Analysis

The project was published for advertisement in the local newspaper as well as the City website on Monday, September 9, 2024, for the solicitation of construction bids. On Thursday, September 26, 2024, sealed bids were received, publicly opened, and read aloud by the City Clerk and engineering staff. There were a total of six (6) bids received for the project. The results have been tabulated below:

BID NO.	COMPANY	TOTAL BASE BID	TOTAL ALTERNATE BID	TOTAL BID
1	Goodfellow Bros, California, LLC	\$4,815,648.20	\$433,494.00	\$5,249,142.20
2	G. Bartolotto & Company, Inc.	\$5,233,612.64	\$520,729.60	\$5,754,342.24
3	O'Grady Paving, Inc.	\$5,513,185.00	\$566,908.00	\$6,143,965.20
4	Granite Rock Company	\$5,577,057.20	\$397,780.10	\$5,775,000.00
5	DeSilva Gates Construction, LLC	\$4,955,955.00	\$448,127.00	\$5,404,082.00
6	Teichert Construction	\$5,377,291.90	\$684,269.40	\$6,197,454.40

The apparent low bidder was Goodfellow Bros, California, LLC with a base bid amount of



CONSENT ITEM 3.2

\$4,815,648.20 and an alternate bid of \$433,494.00 for a total bid amount of \$5,249,142.20. City staff performed an analysis of the bids, verified qualifications and licenses, and contacted the listed references in the bid package.

Contingent upon completing all insurance and bonding requirements of the Contract Specifications, staff recommends that the City Council authorize the City Manager to execute a construction contract with Goodfellow Bros, California, LLC, the lowest responsive, responsible bidder; establishing a construction contract in an amount not-to-exceed \$5,249,142.20; and appropriating an additional 10% construction contingency in the amount of \$524,914.22.

Next Steps

Upon execution of the contract documents, this project will begin construction in early December 2024. The project will take approximately six months from start to finish.

Fiscal Impact

There is no budget amendment needed by this action.

Funding breakdown is as follows:

FUNDING SOURCE	COST
Measure A	\$3,590,982
Measure M	\$74,894
Gas Tax	\$2,020,638
Measure W	\$87,542.42
TOTAL	\$5,774,056.42

Public Notice

The public was provided notice by making the agenda and report available on the City's website and on City's official bulletin board located at City Hall: 2415 University Avenue, East Palo Alto, CA 94303. This solicitation for bids was also published to the San Mateo County Times (c/o Bay Area News Group) on Thursday, September 12, 2024.

Environmental

The action being is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15301 (Repair, maintenance and/or minor alteration of an existing facility) and Sections 15303 (construction and location of limited numbers of new, small facilities or structures).



CONSENT ITEM 3.2

Government Code § 84308

Applicability of Levine Act: No, as the proposed action involves a contract that was competitively bid.

Analysis of Levine Act Compliance: Not applicable.

Attachments

1. Resolution
2. Bid Results

RESOLUTION NO. XX– 2024

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO**

AUTHORIZING THE CITY MANAGER TO AWARD, NEGOTIATE, AND EXECUTE A CONSTRUCTION CONTRACT WITH GOODFELLOW BROS, CALIFORNIA, LLC IN THE AMOUNT OF \$5,249,142.20; ESTABLISH A CONSTRUCTION CONTINGENCY IN THE AMOUNT OF \$524,914.22, FOR A TOTAL CONSTRUCTION BUDGET OF \$5,774,056.42 AND EXECUTE FUTURE CHANGE ORDERS IN AN AMOUNT NOT-TO-EXCEED THE APPROPRIATED CONSTRUCTION CONTINGENCY

WHEREAS, the streets to be rehabilitated for the Annual Street Resurfacing Project 2024/2025 were identified in the Pavement Management Plan Budget Report as part of the Metropolitan Transportation Commission's Pavement Technical Assistance Program Report in 2024; and

WHEREAS, the Public Works Transportation Commission approved the Plans, Specifications, and Estimates package on July 17, 2024; and

WHEREAS, the City Council approved the Plans, Specifications, and Estimates package on July 25, 2024; and

WHEREAS, the project was advertised on September 9, 2024, for the solicitation of construction bids; and

WHEREAS, on September 26, 2024, sealed bids were received, public opened, and read aloud by the City Clerk; and

WHEREAS, Goodfellow Bros, California, LLC was the lowest responsive, responsible bidder with a total bid amount of \$5,249,142.20.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO HEREBY:

1. Finds the foregoing recitals are true and correct, and are incorporated by this reference into this action;
2. Authorizes the City Manager to negotiate and execute a construction contract with Goodfellow Bros, California, LLC in a form approved by the City Attorney, for \$5,249,142.50; establish a ten percent (10%) construction contingency in the amount of \$524,914.22, for a total construction budget of \$5,774,056.42, and execute future change orders in an amount not-to-exceed the appropriated construction contingency; and
3. Finding that the action is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15301 (Repair, maintenance and/or minor alteration of an existing facility) and Sections 15303 (construction and location of limited numbers of new, small facilities or structures) because the project is resurfacing of existing city sidewalks.

PASSED AND ADOPTED this 15th day of October 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Antonio D. Lopez, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

John D. Lê, City Attorney

**ANNUAL STREET RESURFACING PROJECT 2024/2025
BID ANALYSIS**

TABULATED BID RESULTS SUMMARY

COMPANY	BASE BID	ALT BID A	ALT. BID B	ALT. BID C	ALT. BID D	TOTAL
Goodfellow Bros, California	\$ 4,815,648.20	\$110,220.00	\$146,533.50	\$159,130.50	\$17,610.00	\$ 5,249,142.20
G.Bartolotto & Co.	\$ 5,233,612.64	\$181,192.00	\$171,968.60	\$146,149.00	\$21,420.00	\$ 5,754,342.24
O'Grady Paving	\$ 5,577,057.20	\$215,800.00	\$153,769.00	\$178,939.00	\$18,400.00	\$ 6,143,965.20
Granite Rock Company	\$ 5,377,219.90	\$ 97,766.40	\$147,970.20	\$136,743.50	\$15,300.00	\$ 5,775,000.00
DeSilva Gates Construction	\$ 4,955,955.00	\$116,000.00	\$180,361.50	\$133,765.50	\$18,000.00	\$ 5,404,082.00
Teichert	\$ 5,513,185.00	\$242,721.20	\$261,960.20	\$158,306.00	\$21,282.00	\$ 6,197,454.40

ANNUAL STREET RESURFACING PROJECT 2024/2025															
BID ANALYSIS															
BASE BID															
BID ITEM NO.	ITEM DESCRIPTION	EST. QTY.	UNIT	Goodfellow Bros		G. Bartolotto & Co., Inc.		O'Grady Paving, Inc.		Granite Rock Company		DeSilva Gates Construction		Teichert	
				UNIT COST	EXTENSION	UNIT COST	EXTENSION	UNIT COST	EXTENSION	UNIT COST	EXTENSION	UNIT COST	EXTENSION	UNIT COST	EXTENSION
1	Mobilization	1	LS	\$ 183,000.00	\$ 183,000.00	\$ 180,000.00	\$ 180,000.00	\$ 200,000.00	\$ 200,000.00	\$ 275,000.00	\$ 275,000.00	\$ 245,000.00	\$ 245,000.00	\$ 530,000.00	\$ 530,000.00
2	Traffic Control	1	LS	\$ 248,900.00	\$ 248,900.00	\$ 380,000.00	\$ 380,000.00	\$ 450,000.00	\$ 450,000.00	\$ 633,869.00	\$ 633,869.00	\$ 378,882.50	\$ 378,882.50	\$ 699,573.65	\$ 699,573.65
3	Construction Staking and Surveying	1	LS	\$ 8,600.00	\$ 8,600.00	\$ 9,000.00	\$ 9,000.00	\$ 10,000.00	\$ 10,000.00	\$ 30,000.00	\$ 30,000.00	\$ 10,000.00	\$ 10,000.00	\$ 20,000.00	\$ 20,000.00
4	Stormwater Pollution Prevention and Dust Control	1	LS	\$ 33,900.00	\$ 33,900.00	\$ 26,000.00	\$ 26,000.00	\$ 20,000.00	\$ 20,000.00	\$ 100,000.00	\$ 100,000.00	\$ 30,000.00	\$ 30,000.00	\$ 190,000.00	\$ 190,000.00
5	Construction Signage	2	EA	\$ 22,200.00	\$ 44,400.00	\$ 5,000.00	\$ 10,000.00	\$ 2,000.00	\$ 4,000.00	\$ 3,000.00	\$ 6,000.00	\$ 1,000.00	\$ 2,000.00	\$ 3,000.00	\$ 6,000.00
6	PCC: Curb & Gutter	30	LF	\$ 150.00	\$ 4,500.00	\$ 200.00	\$ 6,000.00	\$ 130.00	\$ 3,900.00	\$ 131.65	\$ 3,949.50	\$ 140.00	\$ 4,200.00	\$ 82.00	\$ 2,460.00
7	PCC: Curb Only	50	LF	\$ 110.00	\$ 5,500.00	\$ 200.00	\$ 10,000.00	\$ 80.00	\$ 4,000.00	\$ 96.00	\$ 4,800.00	\$ 100.00	\$ 5,000.00	\$ 80.00	\$ 4,000.00
8	PCC: Curb Ramp	57	EA	\$ 8,000.00	\$ 456,000.00	\$ 8,000.00	\$ 456,000.00	\$ 7,500.00	\$ 427,500.00	\$ 7,000.00	\$ 399,000.00	\$ 7,000.00	\$ 399,000.00	\$ 8,000.00	\$ 456,000.00
9	PCC: Sidewalk	1,775	SF	\$ 25.10	\$ 44,552.50	\$ 27.00	\$ 47,925.00	\$ 30.00	\$ 53,250.00	\$ 22.00	\$ 39,050.00	\$ 22.00	\$ 39,050.00	\$ 25.00	\$ 44,375.00
10	PCC: Driveway	350	SF	\$ 30.80	\$ 10,780.00	\$ 37.00	\$ 12,950.00	\$ 35.00	\$ 12,250.00	\$ 27.00	\$ 9,450.00	\$ 27.00	\$ 9,450.00	\$ 30.00	\$ 10,500.00
11	PCC: Rolled Curb & Gutter	235	LF	\$ 150.00	\$ 35,250.00	\$ 175.00	\$ 41,125.00	\$ 135.00	\$ 31,725.00	\$ 131.50	\$ 30,902.50	\$ 140.00	\$ 32,900.00	\$ 120.00	\$ 28,200.00
12	Asphalt Concrete Grinding: 1-inch Wedge Grind (6' Wide)	39,781	LF	\$ 2.40	\$ 95,474.40	\$ 3.00	\$ 119,343.00	\$ 1.50	\$ 59,671.50	\$ 1.50	\$ 59,671.50	\$ 2.00	\$ 79,562.00	\$ 3.00	\$ 119,343.00
13	Asphalt Concrete Grinding: 1.5-inch Full Grind	7,708	SY	\$ 3.90	\$ 30,061.20	\$ 6.54	\$ 50,410.32	\$ 5.00	\$ 38,540.00	\$ 7.00	\$ 53,956.00	\$ 5.00	\$ 38,540.00	\$ 6.25	\$ 48,175.00
14	Asphalt Concrete Grinding: 2-inch Full Grind	93,111	SY	\$ 4.55	\$ 423,655.05	\$ 5.40	\$ 502,799.40	\$ 6.70	\$ 623,843.70	\$ 5.00	\$ 465,555.00	\$ 5.00	\$ 465,555.00	\$ 5.00	\$ 465,555.00
15	HMA Concrete Paving (1.5-inch Thickness)	3,614	TON	\$ 143.00	\$ 516,802.00	\$ 148.00	\$ 534,872.00	\$ 153.00	\$ 552,942.00	\$ 135.00	\$ 487,890.00	\$ 140.00	\$ 505,960.00	\$ 120.00	\$ 433,680.00
16	HMA Concrete Paving (2-inch Thickness)	10,999	TON	\$ 136.00	\$ 1,495,864.00	\$ 148.00	\$ 1,627,852.00	\$ 153.00	\$ 1,682,847.00	\$ 145.00	\$ 1,594,855.00	\$ 140.00	\$ 1,539,860.00	\$ 126.00	\$ 1,385,874.00
17	Type II Slurry Seal	69,636	SY	\$ 3.05	\$ 212,389.80	\$ 2.82	\$ 196,373.52	\$ 3.00	\$ 208,908.00	\$ 2.50	\$ 174,090.00	\$ 2.75	\$ 191,499.00	\$ 2.70	\$ 188,017.20
18	Type II Slurry Seal + Crack Seal	45,850	SY	\$ 4.35	\$ 199,447.50	\$ 3.94	\$ 180,649.00	\$ 4.00	\$ 183,400.00	\$ 4.00	\$ 183,400.00	\$ 3.80	\$ 174,230.00	\$ 3.80	\$ 174,230.00
19	Micro-Surfacing, Type II Slurry Seal	33,915	SY	\$ 3.80	\$ 128,877.00	\$ 3.46	\$ 117,345.90	\$ 4.00	\$ 135,660.00	\$ 2.50	\$ 84,787.50	\$ 3.40	\$ 115,311.00	\$ 3.35	\$ 113,615.25
20	Base Repair (4-inch Digouts)	24,000	SF	\$ 6.50	\$ 156,000.00	\$ 6.50	\$ 156,000.00	\$ 12.00	\$ 288,000.00	\$ 10.00	\$ 240,000.00	\$ 7.00	\$ 168,000.00	\$ 7.00	\$ 168,000.00
21	Raise to Grade: Stormwater Manhole	16	EA	\$ 1,400.00	\$ 22,400.00	\$ 1,100.00	\$ 17,600.00	\$ 1,500.00	\$ 24,000.00	\$ 1,250.00	\$ 20,000.00	\$ 1,250.00	\$ 20,000.00	\$ 1,400.00	\$ 22,400.00
22	Raise to Grade: Sanitary Sewer Manhole	46	EA	\$ 1,400.00	\$ 64,400.00	\$ 1,100.00	\$ 50,600.00	\$ 1,500.00	\$ 69,000.00	\$ 1,250.00	\$ 57,500.00	\$ 1,250.00	\$ 57,500.00	\$ 1,400.00	\$ 64,400.00
23	Raise to Grade: Survey Monument	17	EA	\$ 1,000.00	\$ 17,000.00	\$ 900.00	\$ 15,300.00	\$ 1,000.00	\$ 17,000.00	\$ 900.00	\$ 15,300.00	\$ 1,000.00	\$ 17,000.00	\$ 1,000.00	\$ 17,000.00
24	Raise to Grade: Water Valve Covers	20	EA	\$ 1,000.00	\$ 20,000.00	\$ 900.00	\$ 18,000.00	\$ 1,000.00	\$ 20,000.00	\$ 900.00	\$ 18,000.00	\$ 1,000.00	\$ 20,000.00	\$ 1,000.00	\$ 20,000.00
25	Raise to Grade: PG&E Gas Cover	1	EA	\$ 1,000.00	\$ 1,000.00	\$ 900.00	\$ 900.00	\$ 1,500.00	\$ 1,500.00	\$ 900.00	\$ 900.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00

ANNUAL STREET RESURFACING PROJECT 2024/2025															
BID ANALYSIS															
BASE BID															
BID ITEM NO.	ITEM DESCRIPTION	EST. QTY.	UNIT	Goodfellow Bros		G. Bartolotto & Co., Inc.		O'Grady Paving, Inc.		Granite Rock Company		DeSilva Gates Construction		Teichert	
				UNIT COST	EXTENSION	UNIT COST	EXTENSION	UNIT COST	EXTENSION	UNIT COST	EXTENSION	UNIT COST	EXTENSION	UNIT COST	EXTENSION
26	Construct Speed Hump	12	EA	\$ 6,800.00	\$ 81,600.00	\$ 7,000.00	\$ 84,000.00	\$ 15,000.00	\$ 180,000.00	\$ 12,500.00	\$ 150,000.00	\$ 5,000.00	\$ 60,000.00	\$ 4,500.00	\$ 54,000.00
27	Thermoplastic: Symbols and Legends	11,200	SF	\$ 11.50	\$ 128,800.00	\$ 13.10	\$ 146,720.00	\$ 11.00	\$ 123,200.00	\$ 10.00	\$ 112,000.00	\$ 10.00	\$ 112,000.00	\$ 10.00	\$ 112,000.00
28	Thermoplastic: 12-inch White	3,892	LF	\$ 11.50	\$ 44,758.00	\$ 10.50	\$ 40,866.00	\$ 11.00	\$ 42,812.00	\$ 10.00	\$ 38,920.00	\$ 10.00	\$ 38,920.00	\$ 10.00	\$ 38,920.00
29	Thermoplastic: 6-inch White	8,382	LF	\$ 1.25	\$ 10,477.50	\$ 2.75	\$ 23,050.50	\$ 2.00	\$ 16,764.00	\$ 1.10	\$ 9,220.20	\$ 2.50	\$ 20,955.00	\$ 1.10	\$ 9,220.20
30	Thermoplastic: 6-inch Dashed White (Detail 8)	760	LF	\$ 1.25	\$ 950.00	\$ 2.00	\$ 1,520.00	\$ 2.00	\$ 1,520.00	\$ 1.10	\$ 836.00	\$ 1.50	\$ 1,140.00	\$ 1.10	\$ 836.00
31	Thermoplastic: 6-inch Double Yellow (Detail 22)	7,754	LF	\$ 1.75	\$ 13,569.50	\$ 5.00	\$ 38,770.00	\$ 2.00	\$ 15,508.00	\$ 1.50	\$ 11,631.00	\$ 5.00	\$ 38,770.00	\$ 1.50	\$ 11,631.00
32	Thermoplastic: Sharrows	121	EA	\$ 374.00	\$ 45,254.00	\$ 300.00	\$ 36,300.00	\$ 350.00	\$ 42,350.00	\$ 325.00	\$ 39,325.00	\$ 300.00	\$ 36,300.00	\$ 369.00	\$ 44,649.00
33	Thermoplastic: Class II Lane Symbols (25 ft. of Green Lane with Bike Sharrow)	8	EA	\$ 28.80	\$ 230.40	\$ 2,000.00	\$ 16,000.00	\$ 30.00	\$ 240.00	\$ 25.00	\$ 200.00	\$ 2,000.00	\$ 16,000.00	\$ 28.00	\$ 224.00
34	Thermoplastic: White Crosswalk	2	EA	\$ 230.00	\$ 460.00	\$ 200.00	\$ 400.00	\$ 225.00	\$ 450.00	\$ 200.00	\$ 400.00	\$ 2,000.00	\$ 4,000.00	\$ 225.00	\$ 450.00
35	Thermoplastic: Green Lane	320	SF	\$ 10.40	\$ 3,328.00	\$ 22.00	\$ 7,040.00	\$ 10.00	\$ 3,200.00	\$ 9.00	\$ 2,880.00	\$ 20.00	\$ 6,400.00	\$ 9.00	\$ 2,880.00
36	Thermoplastic: Yellow Symbols and Legends	128	SF	\$ 9.20	\$ 1,177.60	\$ 15.00	\$ 1,920.00	\$ 9.00	\$ 1,152.00	\$ 8.00	\$ 1,024.00	\$ 15.00	\$ 1,920.00	\$ 8.00	\$ 1,024.00
37	Thermoplastic: Yellow Crosswalk	7	EA	\$ 230.00	\$ 1,610.00	\$ 2,000.00	\$ 14,000.00	\$ 250.00	\$ 1,750.00	\$ 200.00	\$ 1,400.00	\$ 2,000.00	\$ 14,000.00	\$ 225.00	\$ 1,575.00
38	Thermoplastic: 6-inch Yellow (Detail 24)	510	LF	\$ 1.25	\$ 637.50	\$ 3.00	\$ 1,530.00	\$ 2.00	\$ 1,020.00	\$ 1.10	\$ 561.00	\$ 2.50	\$ 1,275.00	\$ 1.10	\$ 561.00
39	Thermoplastic: 6-inch Dashed Yellow (Detail !)	997	LF	\$ 1.25	\$ 1,246.25	\$ 3.00	\$ 2,991.00	\$ 2.00	\$ 1,994.00	\$ 1.10	\$ 1,096.70	\$ 1.50	\$ 1,495.50	\$ 1.10	\$ 1,096.70
40	Thermoplastic: 8-inch White (Detail 38A)	760	LF	\$ 5.75	\$ 4,370.00	\$ 3.50	\$ 2,660.00	\$ 6.00	\$ 4,560.00	\$ 5.00	\$ 3,800.00	\$ 3.00	\$ 2,280.00	\$ 5.00	\$ 3,800.00
41	"Share the Road" Sign	22	EA	\$ 403.00	\$ 8,866.00	\$ 600.00	\$ 13,200.00	\$ 400.00	\$ 8,800.00	\$ 350.00	\$ 7,700.00	\$ 600.00	\$ 13,200.00	\$ 392.00	\$ 8,624.00
42	"Bump Ahead" Sign	2	EA	\$ 403.00	\$ 806.00	\$ 600.00	\$ 1,200.00	\$ 400.00	\$ 800.00	\$ 350.00	\$ 700.00	\$ 600.00	\$ 1,200.00	\$ 392.00	\$ 784.00
43	"Bump" Sign	6	EA	\$ 403.00	\$ 2,418.00	\$ 600.00	\$ 3,600.00	\$ 400.00	\$ 2,400.00	\$ 350.00	\$ 2,100.00	\$ 600.00	\$ 3,600.00	\$ 392.00	\$ 2,352.00
44	Remove & Replace Thermoplastic Striping on Existing Speed Humps	22	EA	\$ 288.00	\$ 6,336.00	\$ 1,400.00	\$ 30,800.00	\$ 300.00	\$ 6,600.00	\$ 250.00	\$ 5,500.00	\$ 1,500.00	\$ 33,000.00	\$ 280.00	\$ 6,160.00
				\$ 4,815,648.20		\$ 5,233,612.64		\$ 5,577,057.20		\$ 5,377,219.90		\$ 4,955,955.00		\$ 5,513,185.00	

ANNUAL STREET RESURFACING PROJECT 2024/2025
BID ANALYSIS

ALTERNATE BID A - BULB-OUTS at O'CONNOR ST, PULGAS AVE, AND CLARKE AVE (APPENDIX A OF TECHNICAL SPECIFICATIONS)

BID ITEM NO.	ITEM DESCRIPTION	EST. QTY.	UNIT	Goodfellow Bros		G. Bartolotto & Co., Inc.		O'Grady Paving, Inc.		Granite Rock Company		DeSilva Gates Construction		Teichert	
				UNIT COST	EXTENSION	UNIT COST	EXTENSION	UNIT COST	EXTENSION	UNIT COST	EXTENSION	UNIT COST	EXTENSION	UNIT COST	EXTENSION
45	Construction Staking and Surveying (Bulb-Outs)	1	LS	\$ 5,700.00	\$ 5,700.00	\$ 10,000.00	\$ 10,000.00	\$ 1,000.00	\$ 1,000.00	\$ 6,000.00	\$ 6,000.00	\$ 20,000.00	\$ 20,000.00	\$ 8,000.00	\$ 8,000.00
46	PCC: Curb & Gutter	216	LF	\$ 150.00	\$ 32,400.00	\$ 200.00	\$ 43,200.00	\$ 150.00	\$ 32,400.00	\$ 131.65	\$ 28,436.40	\$ 140.00	\$ 30,240.00	\$ 170.00	\$ 36,720.00
47	PCC: Sidewalk	1,080	SF	\$ 24.00	\$ 25,920.00	\$ 30.00	\$ 32,400.00	\$ 30.00	\$ 32,400.00	\$ 21.00	\$ 22,680.00	\$ 22.00	\$ 23,760.00	\$ 40.00	\$ 43,200.00
48	PCC: Curb Ramp (Bulb-Outs)	6	EA	\$ 7,700.00	\$ 46,200.00	\$ 15,932.00	\$ 95,592.00	\$ 25,000.00	\$ 150,000.00	\$ 6,775.00	\$ 40,650.00	\$ 7,000.00	\$ 42,000.00	\$ 25,800.20	\$ 154,801.20
				\$ 110,220.00		\$ 181,192.00		\$ 215,800.00		\$ 97,766.40		\$ 116,000.00		\$ 242,721.20	

ALTERNATE BID B - DONOHUE STREET BETWEEN UNIVERSITY AVE & COOLEY AVE (SHEET C-02.04 OF PLANS)

BID ITEM NO.	ITEM DESCRIPTION	EST. QTY.	UNIT	Goodfellow Bros		G. Bartolotto & Co., Inc.		O'Grady Paving, Inc.		Granite Rock Company		DeSilva Gates Construction		Teichert	
				UNIT COST	EXTENSION	UNIT COST	EXTENSION	UNIT COST	EXTENSION	UNIT COST	EXTENSION	UNIT COST	EXTENSION	UNIT COST	EXTENSION
49	Thermoplastic: Symbols and Legends	896	SF	\$ 11.50	\$ 10,304.00	\$ 15.00	\$ 13,440.00	\$ 11.00	\$ 9,856.00	\$ 10.00	\$ 8,960.00	\$ 15.00	\$ 13,440.00	\$ 10.00	\$ 8,960.00
50	Thermoplastic: 12-inch (Limit Line)	345	LF	\$ 11.50	\$ 3,967.50	\$ 15.00	\$ 5,175.00	\$ 11.00	\$ 3,795.00	\$ 10.00	\$ 3,450.00	\$ 10.00	\$ 3,450.00	\$ 10.00	\$ 3,450.00
51	Thermoplastic: 6-inch White	50	LF	\$ 1.25	\$ 62.50	\$ 5.00	\$ 250.00	\$ 2.00	\$ 100.00	\$ 1.10	\$ 55.00	\$ 2.50	\$ 125.00	\$ 1.10	\$ 55.00
52	Thermoplastic: 6-inch Dashed (Detail 27C)	32	LF	\$ 1.25	\$ 40.00	\$ 5.00	\$ 160.00	\$ 2.00	\$ 64.00	\$ 1.10	\$ 35.20	\$ 2.00	\$ 64.00	\$ 1.10	\$ 35.20
53	Thermoplastic: 6-inch Double Yellow (Detail 22)	975	LF	\$ 1.75	\$ 1,706.25	\$ 6.00	\$ 5,850.00	\$ 2.00	\$ 1,950.00	\$ 1.50	\$ 1,462.50	\$ 5.00	\$ 4,875.00	\$ 1.50	\$ 1,462.50
54	Thermoplastic: 6-inch Yellow (Detail 24)	310	LF	\$ 1.25	\$ 387.50	\$ 5.00	\$ 1,550.00	\$ 2.00	\$ 620.00	\$ 1.10	\$ 341.00	\$ 2.50	\$ 775.00	\$ 1.10	\$ 341.00
55	Thermoplastic: 6-inch Dashed White (Detail 8)	1,515	LF	\$ 1.25	\$ 1,893.75	\$ 4.00	\$ 6,060.00	\$ 2.00	\$ 3,030.00	\$ 1.10	\$ 1,666.50	\$ 1.50	\$ 2,272.50	\$ 1.10	\$ 1,666.50
56	Thermoplastic: 8-inch White (Detail 38A)	320	LF	\$ 5.75	\$ 1,840.00	\$ 5.00	\$ 1,600.00	\$ 6.00	\$ 1,920.00	\$ 5.00	\$ 1,600.00	\$ 3.00	\$ 960.00	\$ 5.00	\$ 1,600.00
57	Asphalt Concrete Grinding: 1.5-inch Full Grind	5,740	SY	\$ 5.00	\$ 28,700.00	\$ 6.54	\$ 37,539.60	\$ 5.00	\$ 28,700.00	\$ 5.00	\$ 28,700.00	\$ 8.00	\$ 45,920.00	\$ 16.00	\$ 91,840.00
58	HMA Concrete Paving (1.5-inch Thickness)	678	TON	\$ 144.00	\$ 97,632.00	\$ 148.00	\$ 100,344.00	\$ 153.00	\$ 103,734.00	\$ 150.00	\$ 101,700.00	\$ 160.00	\$ 108,480.00	\$ 225.00	\$ 152,550.00
				\$ 146,533.50		\$ 171,968.60		\$ 153,769.00		\$ 147,970.20		\$ 180,361.50		\$ 261,960.20	

ANNUAL STREET RESURFACING PROJECT 2024/2025
BID ANALYSIS

ALTERNATE BID C - NEWBRIDGE STREET FROM CITY LIMIT TO RALMAR AVE (SHEET C-04.03 ON PLANS)

BID ITEM NO.	ITEM DESCRIPTION	EST. QTY.	UNIT	Goodfellow Bros		G. Bartolotto & Co., Inc.		O'Grady Paving, Inc.		Granite Rock Company		DeSilva Gates Construction		Teichert	
				UNIT COST	EXTENSION	UNIT COST	EXTENSION	UNIT COST	EXTENSION	UNIT COST	EXTENSION	UNIT COST	EXTENSION	UNIT COST	EXTENSION
59	Thermoplastic: Symbols and Legends	280	SF	\$ 11.50	\$ 3,220.00	\$ 16.00	\$ 4,480.00	\$ 11.00	\$ 3,080.00	\$ 10.00	\$ 2,800.00	\$ 15.00	\$ 4,200.00	\$ 10.00	\$ 2,800.00
60	Thermoplastic: 12-inch (Limit Line)	1,877	LF	\$ 11.50	\$ 21,585.50	\$ 11.00	\$ 20,647.00	\$ 11.00	\$ 20,647.00	\$ 10.00	\$ 18,770.00	\$ 10.00	\$ 18,770.00	\$ 10.00	\$ 18,770.00
61	Thermoplastic: 6-inch White	1,520	LF	\$ 1.25	\$ 1,900.00	\$ 3.00	\$ 4,560.00	\$ 2.00	\$ 3,040.00	\$ 1.10	\$ 1,672.00	\$ 2.50	\$ 3,800.00	\$ 1.10	\$ 1,672.00
62	Thermoplastic: 6-inch Dashed (Detail 27C)	770	LF	\$ 1.25	\$ 962.50	\$ 3.00	\$ 2,310.00	\$ 2.00	\$ 1,540.00	\$ 1.10	\$ 847.00	\$ 2.00	\$ 1,540.00	\$ 1.10	\$ 847.00
63	Thermoplastic: 6-inch Double Yellow (Detail 22)	690	LF	\$ 1.75	\$ 1,207.50	\$ 6.00	\$ 4,140.00	\$ 2.00	\$ 1,380.00	\$ 1.50	\$ 1,035.00	\$ 5.00	\$ 3,450.00	\$ 1.50	\$ 1,035.00
64	Thermoplastic: Sharrows	32	EA	\$ 374.00	\$ 11,968.00	\$ 350.00	\$ 11,200.00	\$ 400.00	\$ 12,800.00	\$ 325.00	\$ 10,400.00	\$ 300.00	\$ 9,600.00	\$ 452.00	\$ 14,464.00
65	Thermoplastic: Class II Lane Symbols (25 ft. of Green Lane with Bike Sharrow)	10	EA	\$ 403.00	\$ 4,030.00	\$ 2,000.00	\$ 20,000.00	\$ 400.00	\$ 4,000.00	\$ 350.00	\$ 3,500.00	\$ 2,000.00	\$ 20,000.00	\$ 487.00	\$ 4,870.00
66	Thermoplastic: Sharrows + Green Box	11	EA	\$ 403.00	\$ 4,433.00	\$ 1,200.00	\$ 13,200.00	\$ 400.00	\$ 4,400.00	\$ 350.00	\$ 3,850.00	\$ 1,000.00	\$ 11,000.00	\$ 487.00	\$ 5,357.00
67	Thermoplastic: Green Lane	700	SF	\$ 86.40	\$ 60,480.00	\$ 20.00	\$ 14,000.00	\$ 100.00	\$ 70,000.00	\$ 75.00	\$ 52,500.00	\$ 20.00	\$ 14,000.00	\$ 75.00	\$ 52,500.00
68	Thermoplastic: 6-inch Dashed White (Detail 8)	1,515	LF	\$ 1.25	\$ 1,893.75	\$ 2.50	\$ 3,787.50	\$ 2.00	\$ 3,030.00	\$ 1.10	\$ 1,666.50	\$ 1.50	\$ 2,272.50	\$ 1.10	\$ 1,666.50
69	Thermoplastic: 8-inch White (Detail 38A)	230	LF	\$ 5.75	\$ 1,322.50	\$ 4.00	\$ 920.00	\$ 6.00	\$ 1,380.00	\$ 5.00	\$ 1,150.00	\$ 3.00	\$ 690.00	\$ 5.00	\$ 1,150.00
70	Bike Lane Sign	7	EA	\$ 403.00	\$ 2,821.00	\$ 650.00	\$ 4,550.00	\$ 400.00	\$ 2,800.00	\$ 350.00	\$ 2,450.00	\$ 600.00	\$ 4,200.00	\$ 487.00	\$ 3,409.00
71	Type II Slurry Seal	2,153	SY	\$ 3.05	\$ 6,566.65	\$ 3.00	\$ 6,459.00	\$ 4.00	\$ 8,612.00	\$ 5.00	\$ 10,765.00	\$ 3.00	\$ 6,459.00	\$ 3.50	\$ 7,535.50
72	Type II Slurry Seal + Crack Seal	8,446	SY	\$ 4.35	\$ 36,740.10	\$ 4.25	\$ 35,895.50	\$ 5.00	\$ 42,230.00	\$ 3.00	\$ 25,338.00	\$ 4.00	\$ 33,784.00	\$ 5.00	\$ 42,230.00
				\$ 159,130.50		\$ 146,149.00		\$ 178,939.00		\$ 136,743.50		\$ 133,765.50		\$ 158,306.00	

ALTERNATE BID D - CLASS III BIKE LANE ON FORDHAM STREET BETWEEN MICHIGAN AVE TO RUTGERS ST

BID ITEM NO.	ITEM DESCRIPTION	EST. QTY.	UNIT	Goodfellow Bros		G. Bartolotto & Co., Inc.		O'Grady Paving, Inc.		Granite Rock Company		DeSilva Gates Construction		Teichert	
				UNIT COST	EXTENSION	UNIT COST	EXTENSION	UNIT COST	EXTENSION	UNIT COST	EXTENSION	UNIT COST	EXTENSION	UNIT COST	EXTENSION
73	Sharrows	32	EA	\$ 374.00	\$ 11,968.00	\$ 385.00	\$ 12,320.00	\$ 400.00	\$ 12,800.00	\$ 325.00	\$ 10,400.00	\$ 300.00	\$ 9,600.00	\$ 452.00	\$ 14,464.00
74	Bike Lane Sign	14	EA	\$ 403.00	\$ 5,642.00	\$ 650.00	\$ 9,100.00	\$ 400.00	\$ 5,600.00	\$ 350.00	\$ 4,900.00	\$ 600.00	\$ 8,400.00	\$ 487.00	\$ 6,818.00
				\$ 17,610.00		\$ 21,420.00		\$ 18,400.00		\$ 15,300.00		\$ 18,000.00		\$ 21,282.00	



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: October 15, 2024

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Amy Chen, Community and Economic Development Director

SUBJECT: Extension of Lease Agreement for Parking at the Tanklage Site

Recommendation

Adopt a resolution authorizing the City Manager to negotiate and execute an amendment to the current lease agreement with Blach Construction consisting of a six-month extension from February 12, 2025, to August 12, 2025, with a month-to-month administrative extension for up to another six months (February 12, 2026) if needed; for continued use of the Tanklage Property for parking, staging and construction offices for the 965 Weeks affordable housing project.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Promote Housing, Economic and Workforce Development
Priority: Promote Health & Public Safety

Background

On February 20, 2024, the City Council approved a one-year lease agreement from February 13, 2024, until February 12, 2025, to Blach Construction to utilize the Tanklage Property for construction parking and office use for the construction of the 965 Weeks (aka Colibri Commons) development. The purpose of the staff report is to address a request for an extension to the lease agreement.

Analysis

965 Weeks and Blach Construction

CONSENT ITEM 3.3

Development of a 100% affordable housing project, known as Colibri Commons, started construction in early 2024 on a City-owned site located at 965 Weeks Street. Colibri Commons will include 136 low-income units, with affordability between 30% and 60% of Area Median Income and a unit mix of studios up to 4 bedrooms. The development is led by MidPen Housing and EPACANDO and has completed initial grading, deep foundation work, and the shell of the building is scheduled to be complete in February 2025. There is a scheduled activity to import soil for final grading in March 2025. Currently the progress of construction is considered 41% complete as of August. The estimated completion date is still on schedule by the end of 2025.

Blach Construction has been hired by MidPen and EPACANDO to build Colibri Commons. Blach Construction has been utilizing the Tanklage Property to park approximately 75 vehicles for its construction workers; this site is adjacent to the Colibri Commons site.

Tanklage Property

The City owns and controls 1798 Bay Road (“Tanklage Property”). The former Redevelopment Agency transferred the 1.38 acres Tanklage Property to the City in 2011. As a former Redevelopment Agency property, the site can only be used for a public use. For example, between July 2018 and October 2023, the City permitted Project WeHope to use the Tanklage Property to operate the RV Safe Parking Program (“Program”). Additionally, on April 21, 2020, the City Council granted Project WeHOPE the authority to temporarily place two manufactured units on the Tanklage Property to provide interim housing for unhoused family households who may be in transition. The Program concluded on October 30, 2023, and on November 21, 2023, the City Council received a final report on the outcomes of the program.

Although the Program has concluded, two manufactured units owned and controlled by Project WeHOPE remain on the site and are currently leased to Blach to serve as construction offices on a separate agreement between Blach and Project WeHOPE. Upon completion of this lease agreement with Blach, Project WeHOPE will need to find an alternate location or buyer of the units.

Blach Construction’s Extension

On August 5, 2024, Blach Construction contacted the City to request an extension to the one-year lease agreement. The reason for this extension is not due to any foreseen delay in the project timeline. Originally, Blach Construction had requested a lease agreement that would extend through the end of construction; however, Blach agreed to shorten the agreement so that the City would not be bound to the extended lease agreement with Blach in case there was another plan for this property in 2025. In 2023, the Tanklage Property was being considered as a possible location to relocate the Police Department since that lease was set to expire on October 31, 2025. The leases for police facilities at 141 and 219 Demeter Street have since been extended to 2029, and thus, the Tanklage Property does not need to be reserved for the Police Department at this time.

Lease Terms

CONSENT ITEM 3.3

Most of the other key terms and conditions of the lease agreement will remain the same, with the only update to the expiration date of the lease.

Additional Items to Note

The following were items noted in the previous staff report when the lease agreement with Blach Construction was initiated and approved. Thus, it is important to note for the public record that these additional items were considered again in this extension.

Public Use

The Tanklage Property is a former Redevelopment Agency asset that was designated as a government use property in the Successor Agency's Long Range Property Management Plan. Upon transfer of the property to the City the Oversight Board to the Successor Agency required that the use of the property be restricted to "public use". The use of the property as construction parking for the Colibri Commons site facilitates the construction of 136 units of housing affordable to extremely low, very low and low income households, addressing unmet housing needs in the community. The construction of the housing addresses the City's regional housing needs in its Housing Element, and thus, serves as a public use.

Surplus Lands Act

The Tanklage Property lease agreement is proposed for less than 15 years (i.e., only one year) and one under which no demolition or development would occur. Accordingly, pursuant to Senate Bill 747 and Assembly Bill 480, codified under Government Code Section 54221, granting the leasehold interest in question to Blach Construction does not constitute disposition within the meaning of that term under Surplus Lands Act.

Fiscal Impact

There is no budget impact from this action. However, the expected lease payments are being collected in General Fund for the current fiscal year and the lease payments beyond July 1, 2025, will be recognized in next fiscal year's (FY25-26) budget.

Public Notice

The public was provided notice by making the agenda and report available on the City's website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental

The proposed action is exempt from the California Environmental Quality Act ("CEQA") under State CEQA Guidelines Section 15303 (Class 3), which exempts from further CEQA review the construction and location of limited numbers of new, small facilities or structures, installation of small new equipment and facilities in small structures, and the conversion of existing small structures from one use to another where only minor modifications are made to the exterior of

CONSENT ITEM 3.3

the structure, as the lease envisions use of a temporary structures on site for offices. Such action is further exempt from further review under CEQA under Section 15304 (Class 4), which exempts from further CEQA review minor public or private alterations in the condition of land, water, and/or vegetation which do not involve the removal of healthy, mature scenic trees, as the lease would facilitate use temporary office structures on an already-disturbed, vacant site adjacent to a project site for affordable housing (965 Weeks Street).

None of the exceptions to the use of the Class 3 or 4 categorical exemptions identified in State CEQA Guidelines section 15300.2 applies here. The proposed action involves the execution of a lease authorizing use as parking, staging, and use of temporary offices on a disturbed, vacant site adjacent to an affordable housing project (965 Weeks Street). The site is not considered a sensitive location, as it is within an urbanized area and the site is surrounded by residential and commercial uses. The project will not result in a cumulative impact from successive projects of the same type in the same place, over time, as the project entails the approval of a lease for a single site. There are no unusual circumstances surrounding the project that result in a reasonable possibility of a significant effect on the environment, as there are no sensitive resources on the proposed site and its proposed use. The proposed action will not damage scenic resources, including trees, historic buildings, rock outcroppings, or similar resources. The project does not include any hazardous waste sites, and the project will not cause a substantial adverse change in the significance of a historical resource as none exist near the project site. Thus, the categorical exemptions apply, and no further environmental review is required.

The proposed action is further exempt from the California Environmental Quality Act (CEQA) because it is not a “project” pursuant to 15378(b)(4) because it is a fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant impact on the environment.

Government Code § 84308

Applicability of Levine Act: Yes.

Analysis of Levine Act Compliance:

Parties: Project Applicant(s) is/are Dean Leyshock, Project Director, Blach Construction.

Participant(s): Unknown at this time.

Attachments

1. Resolution
2. Current Lease Agreement

RESOLUTION NO. ____ – 2024

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO**

**AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE AN AMENDMENT TO THE
LEASE AGREEMENT WITH BLACH CONSTRUCTION FOR USE OF THE TANKLAGE
PROPERTY AS PARKING, STAGING AND CONSTRUCTION OFFICES FOR THE 965 WEEKS
AFFORDABLE HOUSING PROJECT**

WHEREAS, in 2009, the East Palo Alto Redevelopment Agency purchased the property at 965 Weeks Street (Weeks Property) using low- and moderate-income housing funds for the purpose of developing affordable housing on the Weeks Property, which recently broke ground on an affordable housing project approved by the City of East Palo Alto; and

WHEREAS, the City owns and controls an adjoining site, 1798 Bay Road (“Tanklage Property”). The former Redevelopment Agency transferred the 1.38 acres Tanklage Property to the City in 2011. As a former Redevelopment Agency property, the site can only be used for a public use. For example, between July 2018 and October 2023, the City permitted Project WeHope to use the Tanklage Property to operate the RV Safe Parking Program (“Program”); and

WHEREAS, on April 21, 2020, the City Council granted Project WeHOPE the authority to temporarily place two manufactured units on the Tanklage Property to provide interim housing for unhoused family households who may be in transition. The Program concluded on October 30, 2023, and on November 21, 2023, the City Council received a final report on the outcomes of the program; and

WHEREAS, Blach Construction has been hired by MidPen and EPACANDO to build Colibri Commons. In early September 2023, Blach Construction reached out to the City to discuss the potential use of the Tanklage Property for construction parking and station temporary offices on-site. Blach Construction requires a total of 75 parking spaces to be located within a half mile of the Colibri Commons site; and

WHEREAS, the Planning Division of the Community and Economic Development Department of the City of East Palo Alto researched the area surrounding 965 Weeks and compiled an internal list of six possible locations that met these criteria. This list was provided to Blach Construction to contact and inquire about a potential lease for construction parking, but unfortunately Blach Construction received no responses. Given the proximity to the 965 Weeks project site, Blach Construction has expressed an interest in leasing the Tanklage Property, although has declined to use the existing two manufactured units; and

WHEREAS, on February 6, 2024, the City Council met in closed session to discuss price and terms, after which it directed staff to negotiate and execute a lease agreement consistent with such direction. Staff had requested that that lease agreement be approved in open session, which has already been signed by Blach Construction; and

WHEREAS, since the Tanklage Property is a former Redevelopment Agency asset, which was later transferred to the City as a government use property, any use of it must be confined to a

public use. As the proposed use under lease agreement is to facilitate construction of an affordable housing project constitutes a public use; and

WHEREAS, the lease of the Property does not constitute a disposition under the Surplus Land Act because the lease term is less than 15 years (i.e., only one year) and one under which no demolition or development would occur. Accordingly, pursuant to Senate Bill 747 and Assembly Bill 480, codified under Government Code Section 54221, granting the leasehold interest in question to Blach Construction does not constitute disposition within the meaning of that term under Surplus Lands Act; and

WHEREAS, based on the foregoing, the City Manager recommends that the City Council find the Property exempt from the Surplus Land Act pursuant to Government Code section 54221.

WHEREAS, on February 20, 2024, the City Council approved a one-year lease agreement from February 13, 2024, until February 12, 2025, to Blach Construction to utilize the Tanklage Property for construction parking and office use for the construction of the 965 Weeks (aka Colibri Commons) development.

WHEREAS, on August 5, 2024, Blach Construction contacted the City to request an extension to the one-year lease agreement, and the project is still on schedule with its projected construction timeline.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO HEREBY:

1. Finds the foregoing recitals are true and correct, and are incorporated by this reference into this action;
2. Authorizes the City Manager to negotiate and execute an amendment to the current lease agreement with Blach Construction consisting of a six-month extension from February 12, 2025, to August 12, 2025 with a month-to-month administrative extension for up to another six months (February 12, 2026) if needed; for continued use of the Tanklage Property for parking, staging and construction offices for the 965 Weeks affordable housing project; and
3. Find that the proposed action is exempt from the California Environmental Quality Act ("CEQA") under State CEQA Guidelines Section 15303 (Class 3), which exempts from further CEQA review the construction and location of limited numbers of new, small facilities or structures, installation of small new equipment and facilities in small structures, and the conversion of existing small structures from one use to another where only minor modifications are made to the exterior of the structure, as the lease envisions use of a temporary structures on site for offices. Such action is further exempt from further review under CEQA under Section 15304 (Class 4), which exempts from further CEQA review minor public or private alterations in the condition of land, water, and/or vegetation which do not involve the removal of healthy, mature scenic trees, as the lease would facilitate use temporary office structures on an already-disturbed, vacant site adjacent to a project site for affordable housing (965 Weeks Street); and additionally, the proposed action is not a "project" pursuant to 15378(b)(4) because it is a fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant impact on the environment.

PASSED AND ADOPTED this 15th day of October 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Antonio D. Lopez, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

John D. Lê, City Attorney

TEMPORARY FACILITY LEASE

This lease is made and entered into on *2/13/2024* by and between *City of East Palo Alto* ("LANDLORD") and *BLACH Construction Co.* ("TENANT").

1. Subject to the terms, provisions, and conditions and covenants hereinafter set forth, LANDLORD hereby leases to the TENANT that certain real property (including the improvements thereon), located at 1798 Bay Rd, East Palo Alto, CA 94303 and which is more specifically described on Exhibit "A" attached hereto (the "Property"), extremely low, very low and low income households and which development is being assisted by the LANDLORD in order for the LANDLORD to ensure that it is meeting the housing needs of the community. TENANT shall use the Property solely for purposes of parking for construction workers performing work on the Colibri Commons development, the placement of construction trailers to be used for job-site office space and storage of other equipment and facilities necessary for the construction of Colibri Commons. Vehicles accessing the Property shall do so only from public streets adjacent to the Property. The pedestrian pathway adjacent to the Property may be used as pedestrian access to the Colibri Commons construction site by construction workers but no vehicles are allowed on the pedestrian pathway and the pedestrian pathway shall not be used to bring equipment to and from the Colibri Commons site. No other uses of the Property are allowed. TENANT'S use of the Property cannot block public access to public trail adjoining the Property.
2. This lease shall commence on *2/13/2024* and shall continue in full force and effect until *02/12/2025* on a month-to-month basis and may be cancelled by either party by providing the other party thirty (30) days' written notice of its intent to terminate the lease.
3. As "Rent" hereunder, TENANT shall pay LANDLORD, on the first day of each month the sum of *\$5,000*. TENANT shall also be responsible for the payment of any and all utilities associated with TENANT's use of the Property.
4. TENANT, as the general contractor for the Colibri Commons Development is obligated under the terms of the Disposition, Development and Loan Agreement between the LANDLORD and _MP 965 Weeks Street Associates, L.P., to maintain certain insurance including general liability insurance, workers compensation insurance, automobile insurance and builders risk insurance. TENANT shall, as a condition of this Lease, provide to the LANDLORD updated certificates of insurance as required by the Disposition, Development and Loan Agreement that specifically include and cover the Property and any and all claims that may occur as a result of TENANT'S use and occupancy of the Property.
5. Upon the termination of the lease, TENANT shall surrender the Property to LANDLORD in the same condition as when delivered to TENANT, except for (a) normal wear and tear, (b) liens, encumbrances and other claims for which LANDLORD is responsible. In the event that TENANT makes any improvements to the Property or attaches any fixtures to the Property, TENANT shall, at the direction

of the LANDLORD, remove any such improvements or fixtures upon termination of the Lease. Any improvements or fixtures remaining on the Property after termination of the Lease shall be considered abandoned by the TENANT and shall become the property of the LANDLORD and LANDLORD shall have no obligation to dispose of such improvements in any particular manner. , a.

6. TENANT agrees to indemnify, defend and hold LANDLORD harmless from and against any claims, damages, demands, costs and expenses arising from the conduct or management of TENANT'S business on the Property or from any breach on the part of TENANT of any conditions of this lease, or from any act of negligence of TENANT, its agents, contractors, employees, or licensees in or about the Property.
7. LANDLORD agrees to indemnify, defend, and hold TENANT harmless from and against any and all claims, damages, demands, costs, losses, expenses, or liabilities for any injury or damage to any person or property whatsoever occurring in, on, or about the Property to the extent the injury or damage was caused solely by the gross negligence or willful act of the LANDLORD, its agents, contractors, or employees.
8. LANDLORD covenants, warrants, and represents that the Property (including the land thereunder) is unaware of any environmental hazards, except which have been specifically disclosed to TENANT. Neither the LANDLORD, nor any employee, agent or representative of the LANDLORD has made any representation, warranty or covenant, expressed or implied, with respect to the Property, its physical condition, the condition of any improvements, any environmental laws or regulations, or any other matter, affecting the use, value, occupancy or enjoyment of the Property other than as set forth explicitly in this Lease, and the Tenant understands and agrees that the LANDLORD is making no such representation, warranty or covenant, expressed or implied; it being expressly understood that the Property is being leased in an "AS IS" condition with respect to all matters. The LANDLORD makes no representations or warranties with regards to the suitability of the Property for the TENANT'S intended uses or the Improvements.
9. TENANT agrees to pay, or cause to be paid, when due to the proper authority, any and all valid taxes, assessments and similar charges associated specifically with the TENANT's use of the Property which become effective after the execution of this Lease, including all taxes levied or assessed on the use or occupancy, as distinguished from the ownership, of the Property and any improvements made by the TENANT located thereon. TENANT shall not permit any such taxes, charges or other assessments to become a defaulted lien on the Property; provided, however that in the event any such tax, assessment or similar charge is payable in installments, TENANT may make, or cause to be made, payment in installments; and provided, further, that TENANT may, through such proceedings as TENANT considers necessary or appropriate, contest the legal validity or the amount of any tax, assessment or similar charge, and TENANT may defer the payment thereof so long as the validity or amount thereof shall be contested by TENANT in good faith and without expense to the LANDLORD.

In the event of any such contest, TENANT shall protect, defend and indemnify the LANDLORD against all loss, cost, expense or damage resulting therefrom, and should TENANT be unsuccessful in any such contest, TENANT shall forthwith pay, discharge, or cause to be paid or discharged, such tax, assessment or other similar charge. The LANDLORD shall furnish such information as TENANT shall reasonably request in connection with any such contest provided that such information is otherwise available to the public.

10. TENANT shall not place any encumbrance on the Property during the term of this Lease.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, this lease is hereby executed as of the date first above set forth.

LANDLORD:

DocuSigned by:
Melvin E. Gaines
4A361DD749224BE...

By: City of East Palo Alto

Name: Melvin E. Gaines

Title: City Manager

Address for Notices:

1960 Tate St.

East Palo Alto, CA 94303

Phone: 650-853-3193

Fax: 650-853-3179

Email: ced@cityofepa.org

TENANT:

DocuSigned by:
Dean Leyshock
4F41FDE6C82949C...

By: Blach Construction Co

Name: Dean Leyshock

Title: Project Director

Address for Notices:

2244 Blach Place Suite #100

San Jose CA 95131

Phone: 408-244-7100

Fax: N/A

Email:
dean.leyshock@blach.com

Site Contact: Kevin Gericke
408-886-3665
Kevin.Gericke@blach.com

EXHIBIT "A"

PROPERTY DESCRIPTION





EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: October 15, 2024

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Fatima Khan, Environmental Services Aide
Humza Javed, Public Works Director

SUBJECT: Accept Incentive award from Peninsula Clean Energy for the installation of seven (7) heat pump water heaters in City facilities

Recommendation

Adopt a resolution:

1. Authorizing the City Manager to execute an incentive agreement with Peninsula Clean Energy Authority to award the City of East Palo Alto \$21,700 in gap funding for the installation of seven (7) heat pump water heaters in the following City facilities: Community Development Building (1960 Tate Street), Corporation Yard (150 Tara Road), the Re-Entry Center (2277 University Avenue) and the East Palo Alto Senior Center (560 Bell Street).
2. Authorizing the City Manager to execute all documents associated with the incentive agreement between the City of East Palo Alto and Peninsula Clean Energy Authority (PCEA) as well as the City of East Palo Alto and Pacific Gas & Electric (PG&E) for the implementation of this project.
3. Authorizing an appropriation in the amount of \$21,700.00 from the General Fund to be used for this project which will be reimbursed by Peninsula Clean Energy Authority.
4. Finding that the action being considered is categorically exempt from the California Environmental Quality Act (CEQA) under Exemption 15301 (Existing Facilities).

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Ensure Our Financial and Organizational Health

Background

In order to continue electrification efforts in existing buildings, a goal outlined in the City of East Palo Alto's adopted 2030 Climate Action Plan, staff have been working on replacing existing gas infrastructure with electric where possible.

Staff reached out to Willdan Energy Solutions in Spring 2024 to inquire about Pacific Gas & Electric's (PG&E) Government and K-12 Energy Efficiency Program (GK-12). This program offers financial incentives for energy efficiency projects in local/federal government buildings, county education offices, and K-12 school facilities. Incentive quotes are administered on a first-come, first-served basis. As part of the incentive program, participants work with a pre-selected PG&E contractor for the installation.

On April 23, 2024, City staff were sent a commitment offer for incentive quotes by Willdan Energy Solutions/PG&E for the installation of seven heat pump water heaters in City facilities. The total cost of the project, including obtaining permits and installation, was estimated to be \$55,758.00, with GK-12 funding \$34,058.00 of that total. This left a funding gap of \$21,700.00.

City staff then applied for the remainder of this funding through Peninsula Clean Energy's Government Building Electrification (GovBE) program. This program supports local governments in converting methane gas infrastructure to electric. It is administered with two funding components: 1) As incentive funding in the form of a grant, which does not require repayment, and 2) as a revolving loan that requires repayment. On August 12, 2024, the City was awarded a grant in the amount of \$21,700.00 from PCE's GovBE Program through component 1.

Table 1: Project Cost and Funding Breakdown

East Palo Alto	Corp Yard Break Room	Corp Yard Tool Shop	Corp Yard Sign Shop	Corp Yard Water Shop	Senior Center	Re-Entry Program Building	CEDD	Total
Existing Gas WH	(1) 30 Gallon	(1) 30 Gallon	(1) 30 Gallon	(1) 30 Gallon	(1) 50 gallons	(1) 30 gallons	(1) 40 gallons	
Proposed HPWH	(1) 50 gallons	(1) 50 gallons	(1) 50 gallons	(1) 50 gallons	(1) 80 gallons	(1) 50 gallons	(1) 50 gallons	
COSTS								
Base Cost	\$6,992.00	\$6,992.00	\$6,992.00	\$6,992.00	\$8,590.00	\$6,992.00	\$6,992.00	\$50,542.00
Add On: Electric Run	\$0.00	\$0.00	\$0.00	\$96.00	\$0.00	\$0.00	\$120.00	\$216.00
Add On: Junction Box	\$1,500.00	\$1,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,000.00
Add: Manual Lift	\$500.00	\$500.00	\$500.00	\$500.00	\$0.00	\$0.00	\$0.00	\$2,000.00
Total	\$8,992.00	\$8,992.00	\$7,492.00	\$7,588.00	\$8,590.00	\$6,992.00	\$7,112.00	\$55,758.00
PG&E Incentive	\$5,892.00	\$5,892.00	\$4,392.00	\$4,488.00	\$5,490.00	\$3,892.00	\$4,012.00	\$34,058.00
Balance	\$3,100.00	\$3,100.00	\$3,100.00	\$3,100.00	\$3,100.00	\$3,100.00	\$3,100.00	\$21,700.00
Potential PCE Incentive	\$3,100.00	\$3,100.00	\$3,100.00	\$3,100.00	\$3,100.00	\$3,100.00	\$3,100.00	\$21,700.00
Net Cost w/PCE Included	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Analysis

Staff recommends that City Council authorize the City Manager to enter into an incentive agreement with the Peninsula Clean Energy Authority for the gap funding necessary to complete the heat pump water heater installation project. PG&E's contractor Enovative and Willdan will work with the City on the installation of the water heaters.

This project aligns closely with Measure EW.2.2 from the 2030 Climate Action Plan – Develop an Existing Building Electrification Strategy (EBES). Although EBES is broad and the goal is for residential and commercial buildings to eventually also replace existing gas infrastructure, it may be beneficial for the City to strengthen partnerships with funding agencies as staff continue to explore options for expanding electrification efforts to the greater East Palo Alto community.

In addition, this project will increase the efficiency of hot water heating in the buildings receiving installation, reducing the amount of fossil fuel usage and saving an estimated 1,356 therms per year. A therm is a standardized unit of measurement for gas, 1.036 therms equals approximately the heating value of 100 cubic feet of methane. These reductions may result in a decrease in the City's gas bills for these buildings.

Fiscal Impact

The total estimated cost of this project is \$55,758.00. PG&E will fund the first \$34,058.00 of the project, the total of their incentive commitment. The remainder of the \$21,700 of the cost of the project will be funded with General Funds. PCE will then reimburse \$21,700 to the City upon completion of the project. Ultimately, there will be no cost to the City for this project.

Public Notice

The public was provided notice by making the agenda and report available on the City's website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental

The project being considered is categorically exempt from the California Environmental Quality Act (CEQA) under Exemption 15301 (Existing Facilities). This exemption allows for the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion beyond that existing at the time of determination.

Government Code § 84308

Applicability of Levine Act: No, as the proposed action involves a monetary award from another government agency.

Analysis of Levine Act Compliance: Not applicable.

Attachments

1. Attachment 1 - Resolution
2. Attachment 2 – Draft Incentive Agreement Between Peninsula Clean Energy Authority and City of East Palo Alto

RESOLUTION NO. XX– 2024

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO**

AUTHORIZING THE CITY MANAGER TO EXECUTE AN INCENTIVE AGREEMENT WITH PENINSULA CLEAN ENERGY TO AWARD THE CITY OF EAST PALO ALTO \$21,700 IN GAP FUNDING FOR THE INSTALLATION OF SEVEN HEAT PUMP HEATERS IN THE FOLLOWING CITY FACILITIES: COMMUNITY DEVELOPMENT BUILDING (1960 TATE STREET), CORPORATION YARD (150 TARA ROAD), SENIOR CENTER (560 BELL STREET), AND THE RE-ENTRY CENTER (2277 UNIVERSITY AVENUE)

WHEREAS, the City of East Palo Alto (“City”) adopted an update to the Climate Action Plan on September 5, 2023, which outlines goals for electrifying existing building stock; and

WHEREAS, the City received \$34,058.00 in funding for the installation of seven (7) heat pump water heaters through Pacific Gas & Electric’s (PG&E) Government and K-12 Energy Efficiency Program (GK-12); and

WHEREAS, the total amount of the project is \$55,758.00, and City staff applied for the remainder of the funding through Peninsula Clean Energy’s Government Building Electrification (GovBE) Program and was awarded the gap amount of \$21,700 as a grant; and

WHEREAS, the Peninsula Clean Energy Authority, in order to award the City the \$21,700 grant, needs to enter into an incentive agreement outlining the scope of the project and mutually agreed to terms regarding the administration of the project; and

WHEREAS, the installation of the seven (7) heat pump water heaters would increase efficiency and reduce the consumption of fossil fuel use in the aforementioned City buildings and save an estimated 1,356 therms per year.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO HEREBY:

1. Authorizes the City Manager to execute an incentive agreement with Peninsula Clean Energy Authority to award the City of East Palo Alto \$21,700 in gap funding for the installation of seven (7) heat pump water heaters in the following City facilities: Community Development Building (1960 Tate Street), Corporation Yard (150 Tara Road), the Re-Entry Center (2277 University Avenue) and the East Palo Alto Senior Center (560 Bell Street).
2. Authorizing an appropriation in the amount of \$21,700.00 from the General Fund to be used for this project which will be reimbursed by Peninsula Clean Energy Authority.
3. Finding that the action being considered is categorically exempt from the California Environmental Quality Act (CEQA) under Exemption 15301 (Existing Facilities).

PASSED AND ADOPTED this 15th day of October 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Antonio D. Lopez, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

John D. Lê, City Attorney

INCENTIVE AGREEMENT
BETWEEN THE PENINSULA CLEAN ENERGY AUTHORITY AND
City of East Palo Alto

This Agreement is entered into this [day] day of [month], [year], by and between the Peninsula Clean Energy Authority, a joint powers authority of the state of California, hereinafter called "PCEA," and the City of East Palo Alto, hereinafter called "Customer Agency."

* * *

WHEREAS, PCE was formed on February 29, 2016; and

WHEREAS, PCE was formed to support decarbonization, provide local electricity services, and to reduce the adverse public wellbeing and economic impacts of climate change in its member jurisdictions; and

WHEREAS, PCE has created a program to incentivize its Customer Agencies, those being served by an electric meter and currently receiving electricity as a PCEA customer, to undertake projects that replace fossil fuel equipment with heat pump or electric equipment; and

WHEREAS, PCE invited Customer Agencies to apply for PCE-provided funding for such projects in the form of its GovBE Loan Program; and

WHEREAS, PCE has selected projects from the Customer Agency applicants that have applied for funding based on urgency, shovel-readiness, total fossil fuel savings, community visibility, and Diversity Equity and Inclusion (DEAI) benefit; and, if required, these Agreements have been approved by the PCEA Board of Directors; and

NOW, THEREFORE, in consideration of the mutual promises and benefits set forth herein, the sufficiency of which is hereby acknowledged, it is agreed by the Parties to this Agreement as follows:

1. Exhibits and Attachments

The following exhibits and attachments are attached to this Agreement and incorporated into this Agreement by this reference:

Exhibit A—Program Terms & Conditions
Exhibit B—Funding
Exhibit C—Project Description

2. Project Performance by Customer Agency

In consideration of the funding set forth in this Agreement and in Exhibit B, Customer Agency shall perform the Project defined in Exhibit C in accordance with the terms, conditions, and specifications set forth in this Agreement and in Exhibit A.

3. Funding

For each Project PCEA shall make incentive payments to Customer Agency as specified in Exhibit B. The total not to exceed amount for this Agreement shall not exceed twenty-one thousand, seven hundred dollar (\$21,700). In the event that the PCEA makes any advance payments, Customer Agency agrees to refund any amounts in excess of the amount owed by the PCEA at the time of contract termination or expiration. PCEA reserves the right to withhold payment if PCEA determines that the Customer Agency has not complied with the provisions of this Agreement, inclusive of all Exhibits.

4. Term

Subject to compliance with all terms and conditions, the term of this Agreement shall be from [date], through [date].

5. Termination; Availability of Funds

This Agreement may be terminated by Customer Agency or by the Chief Executive Officer of the PCEA or his/her designee at any time in the event that Customer Agency terminates the Project or Customer Agency exceeds the timeline to complete the Project.

PCEA may terminate this Agreement or a portion of the services referenced in the Attachments and Exhibits in the event of unavailability of PCEA funds by providing written

notice to Customer Agency as soon as is reasonably possible after PCEA learns of said unavailability funding.

6. Relationship of Parties

Customer Agency understands and agrees that it is solely responsible for all aspects of the Project, including, but not limited to, design, consultation, maintenance, and operations. Customer Agency is responsible for securing industry professionals for all aspects of their Project and PCEA shall not provide, select, or hire professional staff for the completion of the Project. In addition, Customer Agency agrees and understands that the work services performed under this Agreement are performed as an independent contractor and not as an employee of PCEA and that neither Customer Agency nor its employees acquire any of the rights, privileges, powers, or advantages of PCEA employees.

7. Hold Harmless

a. General Hold Harmless

Customer Agency shall indemnify and save harmless PCEA and its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind, and description resulting from this Agreement, the performance of any work or services required of Customer Agency under this Agreement, or payments made pursuant to this Agreement brought for, or on account of, any of the following:

- (A) injuries to or death of any person, including Customer Agency or its employees/officers/agents;
- (B) damage to any property of any kind whatsoever and to whomsoever belonging;
- (C) any sanctions, penalties, or claims of damages resulting from Customer Agency's failure to comply, if applicable, with the requirements set forth in the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and all Federal regulations promulgated thereunder, as amended; or
- (D) any other loss or cost, including but not limited to that caused by the concurrent active or passive negligence of PCEA and/or its officers, agents, employees, or servants. However, Customer Agency's duty to indemnify and save harmless under this Section shall not apply to injuries or damage for which PCEA has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

The duty of Customer Agency to indemnify and save harmless as set forth by this Section shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

8. Payment of Permits/Licenses

Customer Agency bears responsibility to obtain any license, permit, or approval required from any agency for work/services to be performed under this Agreement at Customer Agency's own expense prior to commencement of said work/services. Failure to do so will result in forfeit of any right to compensation under this Agreement.

9. Insurance

PCE shall not be responsible for the provision of any insurance policy on behalf of the Customer Agency.

The parties understand and agree that Customer Agency shall not commence work without insurance coverage appropriate to its specific project and as reviewed by Grantee's own legal counsel and/or Risk Manager.

10. Goodwill and Publicity

Either Party may make any press release or public announcement of the specific terms of this Agreement or the Project including, but not limited to, regarding the financing or building systems thereunder (except for filings or other statements or releases as may be required by applicable law) without the prior written consent of the other Party. Both Parties shall make reasonable efforts to coordinate with the other regarding publicity under this paragraph. The Customer Agency shall credit Peninsula Clean Energy in any and all publicity, notices, and announcements regarding the Project and/or this Agreement.

11. Right to Inspect

Peninsula Clean Energy has a right to inspect the physical location of the Project upon twenty-four (24) hours written notice to the Customer Agency.

12. Compliance With Laws

The Project to be performed by Customer Agency pursuant to this Agreement shall be performed in accordance with all applicable Federal, State, County, and municipal laws, ordinances, and regulations, including but not limited to the Americans with Disabilities Act of 1990, as amended, and Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination on the basis of disability in programs and activities receiving any Federal or County financial assistance. The Project shall also be performed in accordance with all applicable ordinances and regulations, including but not limited to appropriate licensure, certification regulations, provisions pertaining to confidentiality of records, and applicable quality assurance regulations. In the event of a conflict between the terms of this Agreement and any applicable State, Federal, County, or municipal law

or regulation, the requirements of the applicable law or regulation will take precedence over the requirements set forth in this Agreement.

13. Retention of Records; Right to Monitor and Audit

(a) Customer Agency shall maintain all required records relating to services provided under this Agreement for three (3) years after PCEA makes final payment and all other pending matters are closed, and Customer Agency shall be subject to the examination and/or audit by PCEA, a Federal grantor agency, and the State of California.

(b) Customer Agency shall comply with all program and fiscal reporting requirements set forth by applicable Federal, State, and local agencies and as required by PCEA.

(c) Customer Agency agrees upon reasonable notice to provide to PCEA, to any Federal or State department having monitoring or review authority, to PCEA's authorized representative, and/or to any of their respective audit agencies access to and the right to examine all records and documents necessary to determine compliance with relevant Federal, State, and local statutes, rules, and regulations, to determine compliance with this Agreement, and to evaluate the quality, appropriateness, and timeliness of services performed.

14. Merger Clause; Amendments

This Agreement, including the Exhibits and Attachments attached to this Agreement and incorporated by reference, constitutes the sole Agreement of the parties to this Agreement and correctly states the rights, duties, and obligations of each party as of this document's date. In the event that any term, condition, provision, requirement, or specification set forth in the body of this Agreement conflicts with or is inconsistent with any term, condition, provision, requirement, or specification in any Exhibit and/or Attachment to this Agreement, the provisions of the body of the Agreement shall prevail. Any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications or amendments shall be in writing and signed by the parties.

15. Controlling Law; Venue

The validity of this Agreement and of its terms, the rights and duties of the parties under this Agreement, the interpretation of this Agreement, the performance of this Agreement, and any other dispute of any nature arising out of this Agreement shall be governed by the laws of the State of California without regard to its choice of law or conflict of law rules. Any dispute arising out of this Agreement shall be venued either in the San Mateo County Superior Court or in the United States District Court for the Northern District of California.

16. **Notices**

Any notice, request, demand, or other communication required or permitted under this Agreement shall be deemed to be properly given when both: (1) transmitted via facsimile to the telephone number listed below or transmitted via email to the email address listed below; and (2) sent to the physical address listed below by either being deposited in the United States mail, postage prepaid, or deposited for overnight delivery, charges prepaid, with an established overnight courier that provides a tracking number showing confirmation of receipt.

In the case of PCEA, to:

Name/Title: Shawn Marshall, Chief Executive Officer
Address: 2075 Woodside Road, Redwood City, CA 94061
Telephone: 650-474-5002
Email: smarshall@peninsulacleanenergy.com

In the case of Customer Agency, to:

Name/Title:
Address:
Telephone:
Email:

17. **Electronic Signature**

PCEA and Customer Agency wish to permit this Agreement, and future documents executed pursuant to this Agreement, to be digitally signed in accordance with California law. Any party that agrees to allow digital signature of this Agreement may revoke such agreement at any time in relation to all future documents by providing notice pursuant to this Agreement.

18. **No Recourse Against PCEA's Member Agencies**

Customer Agency acknowledges and agrees that PCEA is a Joint Powers Authority, which is a public agency separate and distinct from its member agencies. All debts, liabilities, or obligations undertaken by PCEA in connection with this Agreement are undertaken solely by PCEA and are not debts, liabilities, or obligations of its member agencies. Customer Agency waives any recourse against PCEA's member agencies.

* * *

In agreement with this Agreement's terms, the parties, by their duly authorized representatives, affix their respective signatures:

PENINSULA CLEAN ENERGY
AUTHORITY

[CUSTOMER AGENCY NAME]

Chief Executive Officer, Peninsula Clean
Energy Authority

Title: _____

Date: _____

Date: _____

Exhibit A

Terms and Conditions

1. Definitions

- **Customer Agency** – For the GovBE Program, a Local Government Agency Customer (Agency) is defined as an agency or county, or local government, within the jurisdiction of PCE, that is governed by publicly elected officials. Such Customers may include but are not limited to, city or town offices and facilities, County of San Mateo offices and facilities, public schools, and public libraries.
- **Project** – a planned electrification retrofit construction project at an Agency's building, facility, or group of buildings and/or facilities.
- **Project Site** – The physical address or addresses, and/or facilities where the Project will occur.
- **Therm** – a unit of measure for the sale of methane gas is equivalent to 100,000 British Thermal Units.
- **Fossil Fuel** – a greenhouse gas emitting fuel, including methane gas, propane, fuel oil, diesel, or gasoline
- **GHG** – greenhouse gasses

2. Customer and Project Eligibility

Eligible Projects must meet the following criteria:

1. Projects must be located at facilities currently served by PCE, and the proposed equipment must be served by electric meters which are served by PCE.
2. Projects must be located at an existing local government building, facility, or group of buildings and/or facilities.
3. Project construction may not have commenced prior to the date of application of the project,
4. The Project must replace fossil fuel equipment on-site used for space heating, water heating, cooking, clothes drying, pool heating, lab processes, or other use types with heat pump or electric equipment. Replacement of backup gas generators or cogeneration systems is an ineligible measure.
5. The Project must be past the concept phase and can feasibly begin construction in the 18-month period following submission of the application.

3. Customer Eligibility

Customer Agency must meet the following criteria:

1. Is a current Peninsula Clean Energy customer
2. The customer must be a, county or local government Agency (see Definitions)
3. The Customer currently receives service from Peninsula Clean Energy at the location of the retrofit project and meters to serve the equipment to be installed.
4. The Customer must be in good credit standing from when the Customer's program application is approved through the funding of the loan. A Customer's credit standing will be determined according to a Payment History Screening, which may be based upon the existence of any 24-hour disconnection notices and payment plans in the last 12 months.

4. Eligible Costs

Eligible electrification project costs that may be covered under the incentive or loan may include projects costs may include:

- Electrification equipment costs
- Implementation costs, such as material costs, labor, lift rentals, etc.
- Engineering and Design
- Costs associated with building code compliance which must be addressed in direct relation to electrification measures
- Initial and ongoing Measurement & Verification (M&V) expenses, only if paid upfront
- under the loan disbursement
- Training, if paid upfront under the loan disbursement
- Quality Assurance (QA) Provider costs

The following charges are not eligible for project funding

- In-house labor or project management costs for electrification measure installation
- Equipment installed prior to project application
- Efficiency projects that save electricity usage but do not result in fuel switching or reduce methane gas usage
- User behavioral activities: behavioral measures, e.g., customer staffing or occupant behavior programs
- Add-ons to existing renovation projects

Exhibit B

In consideration of the project by Customer Agency described in Exhibit C and subject to the terms of the Agreement and Exhibit A, PCEA shall pay Customer Agency based on the following fee schedule and terms:

GovBE incentive amount and therm savings

GovBE program incentives

- Maximum incentive based on projected methane savings at a rate of \$16 per therm saved per year
- The maximum amount of incentive support available for each jurisdiction is \$600,000 per year
- Must meet minimum 25% match requirements

Project fossil fuel savings and associated incentive

- Estimated Therm Savings: 1,356 therms per year
- GovBE incentive value: \$21,700

Project cost and match funding

- Total project cost: \$55,758
- Match funding amount from non-PCEA dollars: \$34,058
- Source of match funding: CPUC/PG&E GK12 Program

Payment schedule and invoicing

- Payments will be made upon completed project installation
- Invoicing will be initiated by Customer Agency via email to PCEA to email address as determined by PCEA. Invoice will include verification of completed installation as signified by ribbon-cutting, certificate of occupancy, final invoice from contractor, or other verification as determined by PCEA.
- Customer Agency EFT/ACH details for transfers:
 - o [account name]
 - o [financial institution]
 - o [routing number]
 - o [account number]
 - o [account type]

Documentation of Therms savings calculation

From application:

8,986 therms/yr is the estimated therm savings calculated by Willdan based on the water heater capacities at our facilities (see attachment, page 4).

Even using the baseline estimate from the GovBE handbook of 258 therms/yr for smaller residential-type water heaters, our project totals a reduction of 1,806 therms/yr.

It is difficult to provide a more exact estimate of therm savings since none of the projects are transitioning to all electric (due to gas heating).

However, both estimates far exceed the therms requirement for the requested funding, making this a cost effective project for gas-use reduction.

Exhibit C

From application:

Replacing seven water heaters across four city facilities with electric heat pump water heaters.

This project is a high-impact, cost-effective project to help our city take a crucial first step towards increasing the sustainability of our built infrastructure in support of community and government priorities.

Increasing the sustainability of our built environment has been previously identified as a priority in our recent Climate Action Plan, a synthesis of extensive community input and a community vulnerability assessment led by Climate Resilient Communities. Water heater electrification is a cost effective way to reduce emissions, and it is crucial to replace them sooner to maximize the benefits to the community and environment.

Pursuing support for this project, we have secured guaranteed funding from PG&E to partially cover the cost of water heater replacement. However, due to the high upfront cost, we are seeking additional gap funding from PCE to help expedite the project and ensure that we are able to fully electrify all water heaters in city facilities as soon as possible.



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: October 15, 2024

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Irene Chiu, Assistant Engineer
Humza Javed, Public Works Director

SUBJECT: Temporary Traffic Circle Installation at Fordham Street and Notre Dame Avenue

Recommendation

Adopt a resolution authorizing the installation of a temporary traffic circle and temporary crosswalk at Fordham Street and Notre Dame Avenue.

Alignment with City Council Strategic Plan

Implement the Transportation Mobility Plan

Background

The City of East Palo Alto staff applied and was selected to take part in the San Mateo County Office of Education (SMCOE) School Travel Fellowship Program (Fellowship Program) in early 2024. The goal of the program is to help improve safety for students walking and biking to school. This is the third time the City of East Palo Alto was selected to this program.

Analysis

The fellowship program was kicked off in February 2024. A fellowship team was established, which comprised of City staff, County of San Mateo staff, the project consultant Alta Planning + Design (Alta), Health and Policy Planning, Family and Community Engagement for Ravenswood City School District Public Works and Transportation Commissioner, and the Principal and Vice Principal of Costaño School. As part of the project outreach efforts, the fellowship team had a meet and greet with neighbors and families on April 5th, 2024. On April

18th, 2024, the team conducted a walk audit and connected with the school's Principal and the neighbors. Communication in Spanish was made available.

Alta created a survey using ArcGIS Survey123. The survey asked parents, neighbors, and community members to share their concerns around Costaño School. The survey included a map and an option to add photos and comments.

Based on the feedback received from the community, a demonstration project was selected in East Palo Alto. As shown in Image 2, the demonstration project involves the installation of a temporary traffic circle at Notre Dame Avenue and Fordham Street to address concerns shared by the community, such as lack of an existing crosswalk for pedestrians on a wide intersection, speeding, and illegal car sideshow occurrences.

Image 1 below shows the existing conditions at the intersection. It is a four-leg stop controlled intersection.

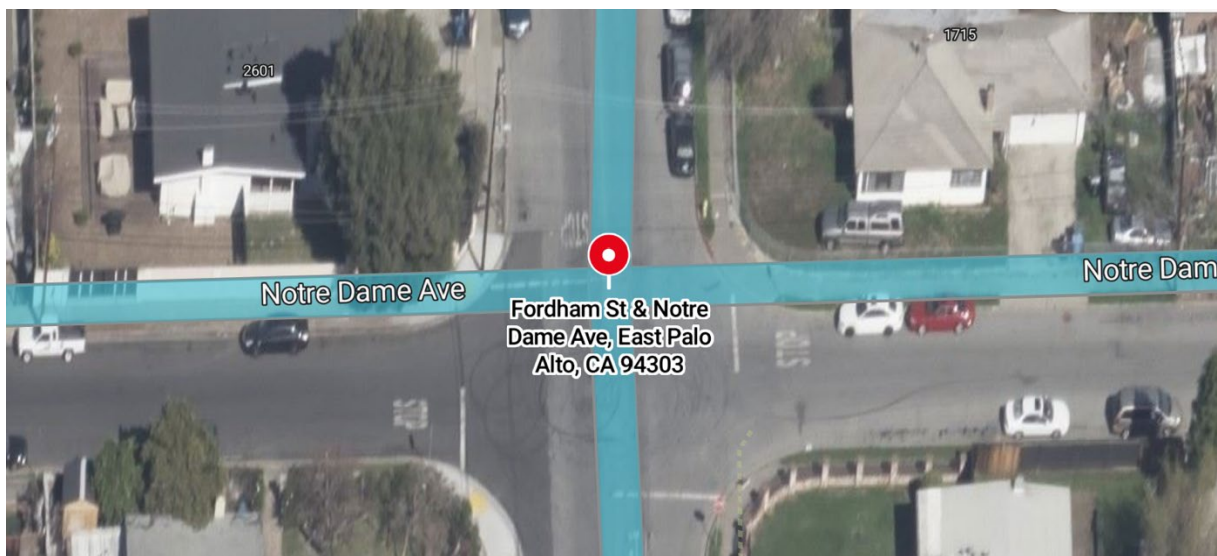


Image 1 – Map of intersection at Notre Dame Avenue and Fordham Street

Image 2 below is the demonstration plan prepared by Alta. Improvements include a new temporary traffic circle as well as a new crosswalk. The yellow high visibility crosswalk adds more visibility for pedestrians crossing the street and the traffic circle will serve as a traffic calming measure slowing down traffic.

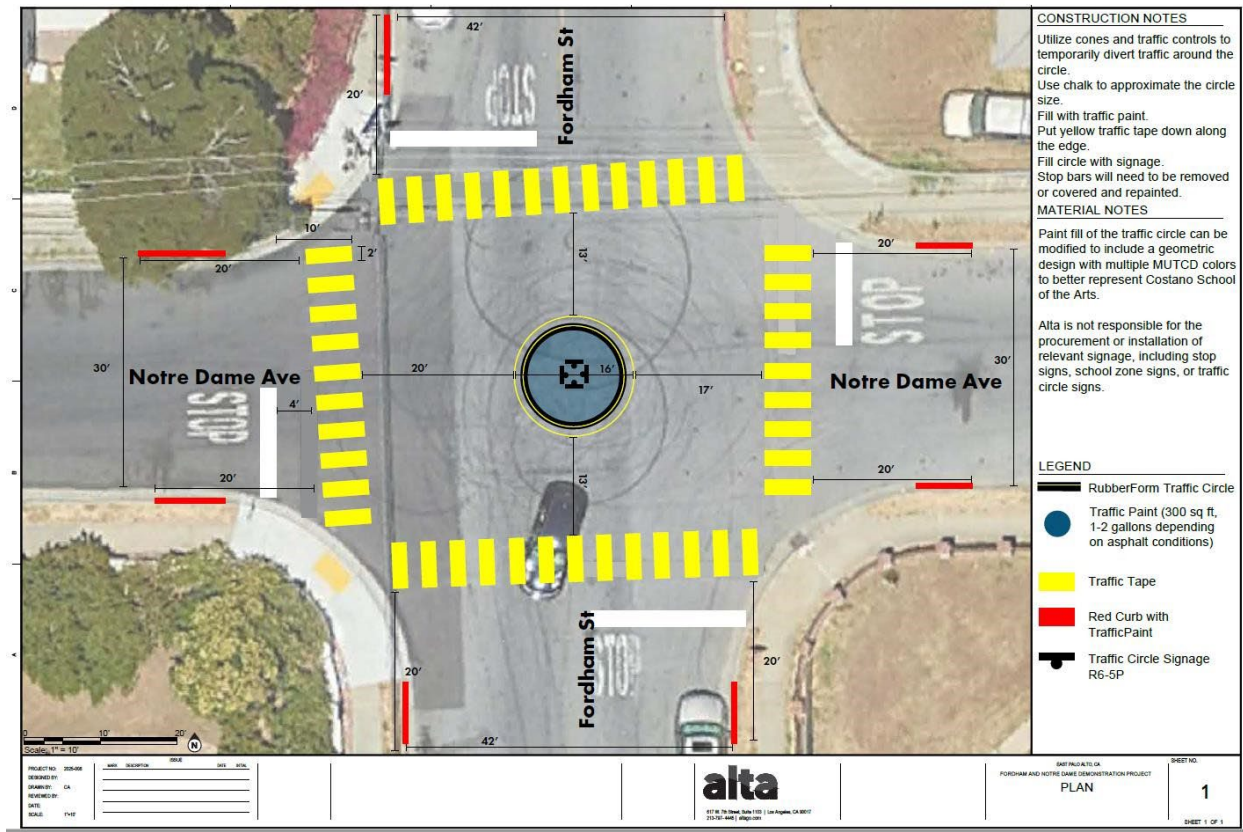


Image 2 – Planned Temporary Traffic Circle Design

The improvements will remain in place temporarily; however, if staff and the community find the improvements effective, then they will be evaluated for conversion into permanent traffic circles or roundabouts.

Fiscal Impact

There is no fiscal impact for this item other than staff time to manage the program.

Public Notice

The public was provided notice by making the agenda and report available on the City's website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental

This action is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15301 (Repair, maintenance and/or minor alteration of an existing facility) and Sections 15303 (construction and location of limited numbers of new, small facilities or structures).

Government Code § 84308

Applicability of Levine Act: No

Analysis of Levine Act Compliance: Not applicable

Attachments

1. Resolution

RESOLUTION NO. XX– 2024

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO**

**AUTHORIZING THE INSTALATION OF A TEMPORARY TRAFFIC CIRCLE AND TEMPORARY
CROSSWALK AT FORDHAM STREET AND NOTRE DAME AVENUE**

WHEREAS, in 2024, the City of East Palo Alto staff applied to take part in the San Mateo County Office of Education (SMCOE) School Travel Fellowship Program (Fellowship Program) to improve safety for students walking and biking to school; and

WHEREAS, the City was selected to participate in the fellowship program; and

WHEREAS, based on the feedback received from the community, the project team selected the intersection of Fordham Street and Notre Dame Avenue for the installation of a temporary traffic circle and crosswalk; and

WHEREAS, on September 18, 2024, the Public Works and Transportation Commission (PWTC) recommended the approval of the temporary improvements to City Council.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO HEREBY:

1. Finds the foregoing recitals are true and correct, and are incorporated by this reference into this action;
2. Authorizes the installation of a temporary traffic circle and temporary crosswalks at the intersection of Fordham Street and Notre Dame Avenue; and
3. Finds that this action is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15301 (Repair, maintenance and/or minor alteration of an existing facility) and Sections 15303 (construction and location of limited numbers of new, small facilities or structures).

PASSED AND ADOPTED this 15th day of October 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Antonio D. Lopez, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

John D. Lê, City Attorney



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: October 15, 2024

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: James Colin, City Clerk

SUBJECT: City Council Meeting Minutes

Recommendation

Adopt the October 1, 2024, City Council Meeting Minutes.

Attachments

1. October 1, 2024, Minutes.



EAST PALO ALTO CITY COUNCIL REGULAR SESSION MINUTES

Tuesday, October 1, 2024, 6:30 PM
EPA Government Center
2415 University Avenue, First Floor
East Palo Alto, CA 94303

1. **CALL TO ORDER AND ROLL CALL**

The City Council meeting was called to order by Mayor Lopez at 6:32 PM.

Attendee Name	Title	Status
Antonio Lopez	Mayor	Present
Martha Barragan	Vice Mayor	Present
Carlos Romero	Councilmember	Present
Ruben Abrica	Councilmember	Absent
Lisa Gauthier	Councilmember	Present

2. **APPROVAL OF THE AGENDA**

A motion to approve the agenda was made by Councilmember Gauthier, seconded by Vice Mayor Barragan, and passed unanimously.

3. **APPROVAL OF CONSENT CALENDAR**

Councilmember Romero requested that item 3.4 be pulled for discussion. A motion to approve the consent calendar except for item 3.3 was made by Councilmember Romero, seconded by Councilmember Gauthier, and passed unanimously.

- 3.1 **Everon LLC / ADT Commercial Alarm Company**
- 3.2 **Proposed Increase to the City's Local Minimum Wage by the Consumer Price Index**
- 3.3 **Monthly Cash Treasury Report for August 2024**
- 3.4 **Trash Capture Devices Installation Project (City Project No. SD-09)**

Councilmember Romero pulled item 3.4 for discussion and asked clarifying questions to staff.

A motion to approve item 3.4 was made by Councilmember Romero, seconded by Councilmember Gauthier and passed unanimously.

3.5 HEART Housing Staff Augmentation

3.6 City Council Meeting Minutes

3.7 Proclamation of the City of East Palo Alto Declaring September 28th as Zakiya Carr Johnson Day

4. CLOSED SESSION

5. PUBLIC COMMENT

The following speakers provided public comment:

- Alexandra Lopez

6. INFORMATIONAL REPORTS

City Manager, Melvin Gaines, provided an update on the East Palo Alto Sanitary District transition.

7. SPECIAL PRESENTATIONS

8. PUBLIC HEARINGS

9. POLICY AND ACTION

9.1 Residential Rental Property Registry – Selection of Registry Developer

Amy Chen, Community and Economic Development Director, provided a presentation on the Residential Rental Property Registry. Natasha Raiburn, Rent Stabilization Program Administrator, also provided comments regarding the Rent Registry.

A motion to approve item 9.1 was made by Vice Mayor Barragan, seconded by Councilmember Romero and passed unanimously.

9.2 Strategic Priorities and Work Plan RFP

Shiri Klima, Assistant City Manager, provided a presentation on the Strategic Priorities and Work Plan RFP. Council provided feedback regarding

A motion to approve item 9.2 was made by Vice Mayor Barragan, seconded by Mayor Lopez and passed via the following votes:

- AYES: Lopez, Barragan, Gauthier
- NOES: Romero

10. COUNCIL REPORTS

Councilmember Gauthier announced a Climate resilience event on October 8, 2024.

11. ADJOURNMENT

The meeting was adjourned at 8:27 PM



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: October 15, 2024

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: James Colin, City Clerk

SUBJECT: Proclamation of the City of East Palo Alto Declaring October Domestic Violence Awareness Month

Recommendation

Present the proclamation.

Attachments

1. Proclamation

PROCLAMATION OF THE CITY OF EAST PALO ALTO DESIGNATING OCTOBER 2024 AS DOMESTIC VIOLENCE AWARENESS MONTH

WHEREAS, more than one in three women and one in four men and one in two transgender individuals experience some form of physical or sexual violence and/or stalking by their intimate partner in their lifetime; and

WHEREAS, the marginalization of certain groups in society, including undocumented individuals, transgender individuals, and people living with disabilities, increases their vulnerability to domestic violence; and

WHEREAS, there were 8,275 requests for service through Community Overcoming Relationship Abuse (CORA)'s 24-hour crisis hotline and law enforcement referrals last year, and 2,378 adults and teens received community education on healthy relationships and the impact of intimate partner abuse; and

WHEREAS, in San Mateo County, 94 adults and children were provided emergency shelter, and 76 households were provided longer term rental assistance to escape their abusers last year; and

WHEREAS, 485 adults and children received therapy to help them with domestic violence-related trauma, and CORA fielded 1,925 requests for legal assistance; and

WHEREAS, the City of East Palo Alto recognizes the critical need for city-wide services in order to support our residents; and

WHEREAS, intimate partner violence continues to be among the most under-reported crimes and San Mateo County is committed to eliminating all forms of intimate partner abuse.

NOW, THEREFORE, BE IT PROCLAIMED that the City Council of the City of East Palo Alto hereby designates the month of October 2024 as Domestic Violence Awareness Month, to raise awareness about and encourage all residents to do their part to help rid our community of intimate partner violence.

Dated: October 15, 2024



Antonio Lopez, Mayor



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: October 15, 2024

TO: Honorable Mayor and Members of the City Council

VIA: John D. Lê, City Attorney

SUBJECT: Consent to Joint Representation

Recommendation

Adopt a resolution authorizing the City Attorney to execute a consent letter agreeing to the joint representation by Goldfarb & Lipman LLP of City of East Palo Alto and Community Housing Developers, Inc., regarding Courtyard at Bay Road.

Alignment with City Council Strategic Plan

Priority No. 3: Increase Organizational Effectiveness and Efficiency

Background

Goldfarb & Lipman LLP advised the City Attorney of a potential conflict of interest of Goldfarb & Lipman to represent the City of East Palo Alto and Community Housing Developers, Inc., with activities regarding the Courtyard at Bay Road development specifically with the payoff of the City's loan for the Development in connection with the sale of the Development.

Goldfarb & Lipman LLP have represented and continue to represent the city in connection with a number of matters, including land use and affordable housing matters. The City of East Palo Alto and Community Housing Developers, Inc. are existing clients of Goldfarb & Lipman LLP.

Community Housing Developers has already provided its consent to the joint representation.

Analysis

The Rules of Professional Responsibility require Goldfarb & Lipman LLP to obtain the informed written consent of both Community Housing Developers, Inc. and the City to represent both parties in any matter concerning legal representation. Goldfarb & Lipman LLP prepared a letter

THIS ITEM HAS BEEN CONTINUED TO THE NEXT COUNCIL MEETING

describing the potential for a conflict of interest to arise from joint representation. The City Attorney has reviewed the letter, and potential consequences of joint representation, has concluded that the potential for a conflict of interest is remote, and that joint representation is feasible and desirable. The City Attorney recommends that the City Council agree to joint representation by authorizing the City Attorney to execute a consent agreeing to the joint representation.

Alternative

Direct the City Attorney to hire separate legal counsel.

Fiscal Impact

There is no fiscal impact for this item.

Public Notice

The public was provided notice by making the agenda and report available on the City's website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental

The action being considered does not constitute a "Project" within the meaning of the California Environmental Quality Act (CEQA), pursuant to CEQA Guideline section 15378 (b)(5), in that it is a government administrative activity that will not result in direct or indirect changes in the environment.

Government Code § 84308

Applicability of Levine Act: No, as the proposed action does not entail an entitlement.

Analysis of Levine Act Compliance: Not applicable.

Attachments

1. Resolution.
2. CHD signed consent to joint representation.

RESOLUTION NO. XX– 2024

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO**

**AUTHORIZING THE CITY ATTORNEY TO EXECUTE A CONSENT LETTER AGREEING TO
THE JOINT REPRESENTATION BY GOLDFARB & LIPMAN LLP OF CITY OF EAST PALO
ALTO AND COMMUNITY HOUSING DEVELOPERS, INC., REGARDING COURTYARD AT
BAY ROAD**

WHEREAS, Goldfarb & Lipman LLP advised the City Attorney of a potential conflict of interest of Goldfarb & Lipman to represent the City and Community Housing Developers, Inc. (“CHD”) in connection with activities regarding the Courtyard at Bay Road development; and

WHEREAS, the City is an existing client of Goldfarb & Lipman LLP. They have represented and continue to represent the city in several matters regarding land use and affordable housing matters; and

WHEREAS, CHD is an existing client of Goldfarb & Lipman. They represent CHD in connection with several affordable housing developments; and

WHEREAS, the Rules of Professional Responsibility require Goldfarb & Lipman LLP to obtain the informed written consent of both CHD and the City in order to represent both parties in the activities; and

WHEREAS, Goldfarb & Lipman prepared a letter describing the potential for a conflict to arise from joint representation; and

WHEREAS, the City Attorney has reviewed the letter, and potential consequences of joint representation, concluded that the potential for a conflict of interest is remote. The City Attorney recommends that the City Council agree to joint representation.

**NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF EAST
PALO ALTO HEREBY:**

1. Finds the foregoing recitals are true and correct, and are incorporated by this reference into this action;
2. Consents to joint representation of City and CHD by Goldfarb & Lipman LLP;
3. Authorizes the City Attorney to execute a consent letter agreeing to the joint representation; and
4. Finds that the proposed action does not constitute a “project” with the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines sections 15378(b)(4) and (5) in that it is a governmental fiscal, organizational or administrative activity that will not result in direct or indirect changes in the environment.

PASSED AND ADOPTED this 15th day of October 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Antonio D. Lopez, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

John D. Lê, City Attorney

**goldfarb
lipman
attorneys**

1300 Clay Street, Eleventh Floor
Oakland, California 94612
510 836-6336

M David Kroot September 12, 2024

Lynn Hutchins

Karen M. Tiedemann

Thomas H. Webber

Dianne Jackson McLean

Isabel L. Brown

James T. Diamond, Jr.

Margaret F. Jung

Heather J. Gould

William F. DiCamillo

Amy DeVaudreuil

Barbara E. Kautz

Rafael Yaquín

Celia W. Lee

Dolores Bastian Dalton

Joshua J. Mason

Jeffrey A. Streiffer

Elizabeth R. Klueck

Jhaila R. Brown

Gabrielle B. Janssens

Benjamin Funk

Rye P. Murphy

Aileen T. Nguyen

Katie Dahlinghaus

Matthew S. Heaton

Brandon V. Stracener

Dori Kojima

Nazanin Salehi

Erin C. Lapeyrolerie

Minda Bautista Hickey

Jocelyn A. Portales

Colleen A. Wisel

Thomas J. Levendosky

Estrella M. Lucero

Los Angeles

213 627-6336

San Diego

619 239-6336

Goldfarb & Lipman LLP

via electronic mail

Mr. John Le
City Attorney
City of East Palo Alto
2415 University Avenue
East Palo Alto, CA 94303
jle@cityofepa.org

Ms. Wendy Cruz
Executive Director
Community Housing Developers, Inc.
1245 S. Winchester Blvd.
San Jose, CA 95128
Wendy@communityhousingsv.org

Re: Joint Representation and Potential Conflict of Interest
City of East Palo Alto and Community Housing Developers regarding
Courtyard at Bay Road

Dear Mr. Le and Ms. Cruz:

We write this letter as each of your organizations has requested that we represent the two organizations jointly in connection with activities regarding the Courtyard at Bay Road development located in East Palo Alto, California (the "**Development**"). In writing this letter, we disclose our current representation of the City of East Palo Alto (the "**City**") and Community Housing Developers, Inc. ("**CHD**") (collectively, the "**Parties**," and individually, a "**Party**"), and we request the consent of the City and CHD for Goldfarb & Lipman LLP to jointly represent the City and CHD specifically in connection with the payoff of the City's loan for the Development in connection with the sale of the Development (the "**Activities**").

The specific purpose of this letter is to advise you of the potential conflict of interest of Goldfarb & Lipman due to the existing and continuing relationship that Goldfarb & Lipman has with the City and CHD, and the proposed joint representation of both of you regarding the Activities as described below. To undertake this representation, we are required to: (1) disclose in writing our existing relationship with the City and CHD; (2) obtain the informed written consent of each of you to such potential conflict of interest; and (3) obtain agreement from each of you to the limited joint representation as described in this letter and the engagement letter. We believe that we will be able to provide competent and diligent representation to each of you in this matter.

I. Existing Relationships.

The City is an existing client of Goldfarb & Lipman. We have represented and continue to represent the City in connection with a number of matters, including land use and affordable housing matters.

CHD is an existing client of Goldfarb & Lipman. We represent CHD in connection with several affordable housing developments.

II. Potential Conflict of Interest.

While we are unaware of any current conflict of interest created by our existing relationships described in Section I above (except for the Joint Representation discussed below), as attorneys, we are governed by specific rules relating to our representation of clients when potential conflicts of interest exist. We must disclose certain information and obtain the informed written consents of each of you to represent each of you in connection with the Activities as described in this letter, in accordance with Rules 1.1, 1.4, 1.6, 1.7, 1.8.2, 1.9 and 1.10 of the Rules of Professional Conduct of the State Bar of California (the "CRPC").

Our representation of each of you in connection with the Activities could potentially create a conflict of interest for Goldfarb & Lipman related to, among other matters, differences of opinion regarding the terms of the potential use restriction or if we become aware of information regarding one of you that is relevant to the Activities which would have an adverse effect on the other Party. At this time, we do not believe that there is an actual conflict of interest for Goldfarb & Lipman, and we believe that we can competently represent each of you in the Activities and still maintain our independent judgement and duty of loyalty to each of you in unrelated matters. In addition, we do not believe that we have obtained any confidential information from the City which is material to our proposed representation of CHD, or from CHD which is material to our proposed representation of the City.

However, if an actual conflict should arise related to the Activities in which: (i) the interest of the City is now adverse to the interest of CHD, that would affect our independent judgment and our duty of loyalty to each of you in the unrelated matters; (ii) the issue of dispute regarding the Activities is substantially related to the same issue in which we have represented the City in other matters; or (iii) we have obtained any confidential information from the City that is material to our representation of CHD, or any confidential information from CHD that is material to our representation of the City, we would need to determine if we could continue to represent both Parties in the Activities. In reaching our decision, we would first need to determine if we could competently continue such representation, notwithstanding the adversity, and after such determination, we would further need to obtain the informed written consent of each of you.

III. Joint Representation.

Each of you have requested Goldfarb & Lipman to jointly represent you in regard to the Activities (the "**Joint Representation**"). The informed written consents of the each of you are requested because of the potential conflict of interest that may arise due to Goldfarb & Lipman's Joint Representation. The interests and objectives of each of you in the Joint Representation related to the Activities are, or may become, inconsistent with one another. Therefore, it is important that you thoroughly understand the consequences of the Joint Representation.

In representing both of you in connection with the Joint Representation, Goldfarb & Lipman will strive to provide legal services that are equally beneficial to both of you. In other words, rather than vigorously asserting each of your respective interests regarding these issues, we will strive to reach agreements on matters that are mutually beneficially to both of you. The consequence is that there is likely to be a balancing of interests between your two organizations.

At this point, we feel that we can competently and diligently represent all of your respective interests, that the representation does not involve the assertion of a claim by one of you against the other, and that we do not believe that our representation of one of you will be materially limited by our responsibilities to or relationship with the other of you. There are, however, some consequences of Joint Representation that each of you should consider, and for which you may wish to obtain the advice of independent legal counsel, before consenting to such representation.

a. No Secrets. Goldfarb & Lipman cannot maintain any secrets between each of you in connection with the Joint Representation. Normally, Goldfarb & Lipman would keep confidential all client information. However, anything disclosed by either of you to Goldfarb & Lipman that is relevant to this Joint Representation must be disclosed to the other Party.

Additionally, in fulfilling our obligations to provide competent legal services, we may have to disclose to either of you any information that we have obtained from the other Party in regard to the Activities or any other matters that may be relevant or material to this Joint Representation. However, we would be required to obtain your prior informed written consent before we could make any such disclosures. At this point, we are unaware of any information that would require such disclosure.

b. Attorney-Client Privilege. With Joint Representation, each of you waive the attorney-client privilege with regard to communications with Goldfarb & Lipman in connection with the Joint Representation. This means that in the event of any dispute (including litigation) between you in connection with the Joint Representation, Goldfarb & Lipman could be compelled to testify about attorney-client communications regarding the Joint Representation that would otherwise be confidential and privileged without this waiver. Both of you would, however, maintain the attorney-client privilege against third parties who might make any claim or file a lawsuit against either of you in relation to the Joint Representation.

c. Adverse Interest. If any actual adverse interest develops between you related to the Joint Representation, then we will have to determine whether we can competently continue our representation, even if both of you are willing to provide informed written consent. If the interests of the City and CHD become adverse, and as a consequence, we make the determination that we can no longer provide competent legal representation to both of you, we would then need to withdraw from representing both Parties in the Joint Representation. Rule 1.4 of the CRPC requires us to keep both of you promptly informed of all material matters or issues in the Joint Representation and the Activities, so that we would immediately disclose to both of you when there is a change of this nature.

d. Rules of Professional Conduct. As attorneys we are governed by specific rules relating to our representation of clients where we have a relationship with both Parties and therefore a potential conflict of interest. Rules 1.1, 1.4, 1.6, 1.7, 1.8.2, 1.9 and 1.10 of the CRPC govern conflicts of interest. Accordingly, we must obtain the informed written consent of each of you before proceeding with our Joint Representation of both of you in connection with the Activities.

IV. Informed Written Consent

You should thoroughly review and consider the matters discussed in this letter, and consider seeking independent counsel before providing your consent. If, after such review, each of you consents to Goldfarb & Lipman representing each of you in the manner outlined above, please sign and return the attached consent form: (i) acknowledging that you have been advised of Goldfarb & Lipman's past and continuing relationships with each of you; (ii) acknowledging that you have been advised to Rules 1.1, 1.4, 1.6, 1.7, 1.8.2, 1.9 and 1.10 and the potential conflict of interest associated with our Joint Representation of each of you in connection with the Activities; (iii) the consequences of Joint Representation in relation to the Activities; and (iv) that you nevertheless consent to our representation of you in connection with the Activities and to our Joint Representation of each of you in connection with the Activities.

John Le
Wendy Cruz
September 12, 2024
Page 5

If you have any questions regarding this letter or our representation of each of you, please call us before signing and returning a signed copy of this letter by email.

Sincerely,

A handwritten signature in black ink, appearing to read "Karen Tiedemann", with a long horizontal flourish extending to the right.

KAREN M. TIEDEMANN

A handwritten signature in black ink, appearing to read "Elizabeth Klueck", with a stylized, cursive script.

ELIZABETH R. KLUECK

CONSENT

Goldfarb & Lipman has explained to each of you: (i) Goldfarb & Lipman's past and continuing relationships with each of you; (ii) CRPC Rules 1.1, 1.4, 1.6, 1.7, 1.8.2, 1.9 and 1.10 and the potential conflict of interest in relation to Goldfarb & Lipman's proposed representation of the City and CHD in the Activities with respect to the Development, and the possible consequences of this conflict; (iii) the potential conflict of interest that Goldfarb & Lipman may have in its Joint Representation of each of you in connection with the Activities; and (iv) the consequences of such Joint Representation. Each of the undersigned nevertheless consents to representation by Goldfarb & Lipman regarding the Activities and gives approval to such representation as described in this letter.

We understand that we have the right to seek independent counsel before signing this consent or at any future time.

Dated: _____

CITY OF EAST PALO ALTO,
a municipal corporation

By: _____
John Le, City Attorney

Dated: 9/18/2024

COMMUNITY HOUSING DEVELOPERS, INC.,
a California nonprofit public benefit corporation

By: 
Wendy Cruz, Executive Director



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: October 15, 2024

TO: Honorable Mayor and Members of the City Council

BY: Melvin E. Gaines, City Manager

SUBJECT: Authorization to Renew Agreement with Ken Brown Strategic Consulting

Recommendation

Adopt a resolution:

1. Authorizing the City Manager to negotiate and execute a retainer agreement with Ken Brown Strategic Consulting, in a form approved by the City Attorney, for an amount not-to-exceed \$165,000.
2. Waiving the formal bid procedures under section 2.84.070(D) of the Municipal Code

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Promote Housing, Economic and Workforce Development
Priority: Implement the Comprehensive Transportation and Mobility Plan
Priority: Promote Health & Public Safety
Priority: Ensure Our Financial and Organizational Health
Priority: Improve the City's Water Infrastructure
Priority: Develop and Implement a Comprehensive Facilities Master Plan
Priority: Enhance Community Services and Parks for Residents

Background

Ken Brown Strategic Consulting (KBSC) has represented the City of East Palo Alto in Washington, D.C., for over 20 years, during which time KBSC has gained a deep understanding of the City's needs and built strong relationships with its leaders. In 2013, KBSC expanded its services by partnering with Nossaman, LLP to support the City at the State level.

CONSENT ITEM 3.9

This year, KBSC plans to further strengthen its capacity by adding Sustainable Strategies, DC—a national government affairs firm specializing in local government work—to the team.

Over the years, KBSC and Nossaman have helped East Palo Alto secure more than \$100 million in federal and State funding for various City projects, including Bay Road, water and stormwater infrastructure, the Gloria Way Well, Cooley Landing, the public library, an athletic field, flood prevention at San Francisquito Creek, ShotSpotter, violence prevention initiatives, brownfield clean-ups, job training, after-school programs, and the rehabilitation of Martin Luther King Jr. Park.

In addition to securing funding, KBSC and Nossaman have played a key role in helping the City set funding priorities and take advantage of federal and State opportunities. Each year, the two firms meet with City leaders to assess progress on key projects and establish priorities for the upcoming year. This planning process allows the City Council and senior staff to evaluate the City's progress and develop strategies for addressing challenges. KBSC and Nossaman then work closely with City staff to implement these strategies and monitor progress throughout the year.

Recent highlights of their work include helping the City to:

- Secure \$2 million for safety improvements on Woodland Avenue and \$1 million for water infrastructure in FY 2025 federal appropriations.
- Obtain \$2 million for water infrastructure improvements in the FY 2024 California state budget.
- Secure \$1.6 million for an athletic field at the Los Robles-Ronald McNair Academy and \$850,000 for safety improvements on East Bayshore Road in FY 2024 federal appropriations.
- Obtain \$1.5 million for the new East Palo Alto Public Library and \$800,000 for water and sewer infrastructure planning in FY 2023 federal appropriations.
- Secure \$8 million in the FY 2023 California state budget for the Weeks Street affordable housing development.
- Receive a \$4.4 million U.S. Economic Development Administration grant to complete the reconstruction of Bay Road, including stormwater infrastructure.
- Advocate for federal and State COVID-19 relief funding for local governments.

KBSC has also maintained strong relationships with key federal and State agencies and monitored relevant legislation to ensure East Palo Alto remains well-positioned for funding opportunities.

On September 5, 2023, the City Council adopted a resolution authorizing a one-year retainer agreement with KBSC for up to \$155,000, continuing their long-standing partnership. Staff recommends renewing the agreement for FY 2024 at an increased not-to-exceed amount of

\$165,000.

Analysis

This is a critical time for East Palo Alto to maintain strong relationships with both State and federal entities, positioning the City to take advantage of key opportunities. Given that we are already four months into the fiscal year, this contract renewal is time sensitive.

Under East Palo Alto Municipal Code Section 2.84.070(D), staff is requesting a no-bid contract renewal due to:

- **Urgency and Timeliness:** Immediate action is needed to maintain ongoing projects, such as securing federal appropriations for FY 2025, identifying grant opportunities, and facilitating meetings with key officials in Washington, D.C., and Sacramento.
- **Relationship and Trust:** KBSC's 20-year history with the City has fostered trust and proven success in securing funding and navigating complex governmental processes.
- **Strategic Importance:** Given the City's reliance on federal and State support for its development, continuing the partnership with KBSC ensures alignment with the City's long-term vision and goals.

This agreement is vital to ensuring continued progress on the City's strategic priorities, and staff recommends that the City Council approve the renewal.

Fiscal Impact

The FY 2024-25 Budget includes a \$165,000 appropriation for a government affairs agreement. Thus, no new appropriation is necessary.

Public Notice

The public was provided notice by making the agenda and report available on the City's website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental

The action being considered does not constitute a "Project" within the meaning of the California Environmental Quality Act (CEQA), pursuant to CEQA Guideline section 15378 (b)(5), in that it is a government administrative activity that will not result in direct or indirect changes in the environment.

Government Code § 84308

Applicability of Levine Act: Yes.

Analysis of Levine Act Compliance: Ken Brown, Principal, Ken Brown Strategic Consulting would be a party to the contract. Apart from him, staff are unaware of any other parties, participants, or contributions relevant to the Council's consideration of this item.

Attachments

1. Resolution.

RESOLUTION NO. XX– 2024

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO**

AUTHORIZING THE CITY MANAGER TO EXECUTE A RETAINER AGREEMENT WITH KEN BROWN STRATEGIC CONSULTING IN AN AMOUNT NOT TO EXCEED \$165,000 FOR THE PERIOD OF JULY 1, 2024, THROUGH JUNE 30, 2025, AND WAIVING THE FORMAL BID PROCEDURES UNDER SECTION 2.84.070(D) OF THE MUNICIPAL CODE.

WHEREAS, it is critically important for the City of East Palo Alto (“City”) to protect its welfare by advocating for the City’s interests at the State and federal levels; and

WHEREAS, identifying programs and grants the City may qualify for, promoting and advancing legislation that is beneficial to the interests and needs of our City, is critical to continue improving the quality of life of its residents; and

WHEREAS, it is more efficient to contract with a specialized firm that has experience in providing government affairs consulting services; and

WHEREAS, Ken Brown Strategic Consulting (“KBSC”) has proven effective in advancing the interests of the City by obtaining multiple grants for water infrastructure, advocating at the State level to maintain transportation funding for Bay Road and the University Avenue overpass, and securing the repayment of the former City Redevelopment Agency loans; and

WHEREAS, the cost of services of KBSC are reasonable despite inflation and expanding services that provides expert support in government affairs consulting activities at the State level; additionally, given the urgency and need for timely services, relationship and trust establish with this vendor, the strategic importance of his advice, as set forth more fully in staff’s report to the Council, waiving bidding under East Palo Alto Municipal Code Section 2.84.070(D) is appropriate.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO HEREBY:

1. Finds the foregoing recitals true and correct and incorporated by reference into this action; and
2. Authorizes the City Manager to negotiate and execute a retainer agreement with Ken Brown Strategic Consulting in an amount not to exceed by \$165,000 and a term through June 30, 2025;
3. Waives the formal bid procedures under section 2.84.070(D) of the Municipal Code; and
4. Finds action being considered does not constitute a “Project” within the meaning of the California Environmental Quality Act (CEQA), pursuant to CEQA Guideline section 15378 (b)(5), in that it is a government administrative activity that will not result in direct or indirect changes in the environment.

PASSED AND ADOPTED this 15th day of October 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Antonio D. Lopez, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

John D. Lê, City Attorney



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: October 15, 2024

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Shiri Klima, Assistant City Manager

SUBJECT: Report on EPASD Organizational and Operational Strategies

Recommendation

Receive update from City Manager on EPASD organizational and operational strategies.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Promote Housing, Economic and Workforce Development

Priority: Promote Health & Public Safety

Priority: Ensure Our Financial and Organizational Health

Background

The East Palo Alto Sanitary District (EPASD) became a subsidiary to the City of East Palo Alto (City) as of October 1, 2024. The City Council is the governing board of EPASD, and, through Chapter 2.12.150 (Subsidiary districts) of the Municipal Code, the City Manager is authorized to function as general manager of EPASD. With City Manager direction, activities by staff since establishment of the subsidiary district have focused on continuing reliable service for customers, informing key stakeholders including regulatory agencies of the governmental changes, reviewing existing operating procedures, and developing long-term capital improvement program to correct both existing system deficiencies and support planned development.

Analysis

City staff began oversight of EPASD infrastructure and facilities on October 1, 2024. Staff's initial activities balance providing reliable service for existing customers while beginning to document existing EPASD assets, procedures, and activities. The key activities being undertaken include:



INFORMATIONAL REPORT 6.2

1. Continuing Reliable Operation

The City has engaged West Bay Sanitary District (WBSD) to provide contractual operational services for EPASD infrastructure. Prior to establishment of the subsidiary district, City staff began meeting with WBSD on a weekly basis to coordinate initial transitional activities. The City and WBSD will continue to meet weekly for the foreseeable future to closely coordinate ongoing operational activities.

The key steps being taken by the City and WBSD include:

- Meet with and interview EPASD temporary workers to document regular operational strategies historically implemented including pipeline cleaning activities, daily report documentation, service response procedures, and other key activities implemented to maintain reliable operation for customers.
- Document existing assets including but not limited information technology (IT) and software, maintenance vehicles, and other assets that can be used by staff and, potentially, WBSD for ongoing operational and maintenance activities.
- Properly report any sanitary sewer overflows (SSOs) that may occur through the California Integrated Water Quality System Project (CIWQS) as required by law.
- Engage City of Palo Alto to document any necessary maintenance and reporting activities necessary for its operation of the Palo Alto Regional Water Quality Control Plant.
- Provide support to EPASD temporary workers by having WBSD staff shadow the existing team to implement best practices for sanitary sewer maintenance as well as allowing WBSD staff to understand the existing EPASD system, including documenting portions of the existing collection system that may require more frequent attention and maintenance activities.
- Provide WBSD staff with the necessary knowledge to begin leading operational activities independently on or about January 1, 2025.
- Gain understanding of EPASD's financial operations, including accounts payable, cash receipts, treasury management, and general ledger accounting procedures including evaluation of each area of internal controls, through interviews with EPASD's contracted accountant and external financial auditor. Staff is currently in the process of integrating EPASD's financial operations into the City's routine processes to enhance efficiency and internal controls and achieve economies of scale (while still segregating the funds).
- Assess existing engineering and construction contracts to close out active projects.
- Perform a detailed review of previously completed infrastructure projects and update system-wide maps.



INFORMATIONAL REPORT 6.2

2. Informing Key Stakeholders

Staff has also identified the criticality to keep key stakeholders informed about the establishment of the subsidiary district. Existing customers, regulatory agencies, other utilities, vendors, and other key stakeholders will be kept informed about the steps being implemented since October 1, 2024, to not only continue to provide reliable service but also to begin the necessary steps to address any regulatory compliance issues that staff anticipates identifying over the next few months.

Key communication activities have included and will include:

- Maintain the existing telephone number and email that have been historically used by EPASD.
- Post consistent updates on the EPASD, City and WBSD websites about how customers, vendors, and other interested parties can reach staff for service calls and other needs.
- Sent letter to regulatory agencies including but not limited to the State Water Resources Control Board, San Francisco Bay Regional Water Quality Control Board, City of Palo Alto, Bay Conservation and Development Commission, and other key entities about the establishment of the subsidiary district with confirmation that steps are being implemented to bring EPASD operations in compliance with regulatory requirements.
- Sending letter to EPASD vendors, consultants and contractors to ensure all future invoicing is routed correctly and paid on time.
- Sending initial letter to EPASD customers and developing communication plan to continue to inform customers about steps being implemented by the EPASD Board and staff to improve operational protocols, verify assets' conditions, and develop a comprehensive plan for maintaining and improving the sewer's collection system.
- Develop a limited term plan for support staff to allow time to properly assess the need and level of classifications to ensure ongoing support and success
- Review, audit and implement the EPASD CalPERS pension contract to possibly merge with the City of East Palo Alto's contract as a subsidiary to ensure continuation of benefits
- Update the City's official personnel position control to properly reflect the newly acquired responsibilities due to the acquire

3. Evaluating Existing Operations

As noted in the subsidiary application to the San Mateo Local Agency Formation Commission (LAFCo), many stakeholders in the East Palo Alto community had numerous concerns with the overall management and operation of EPASD assets prior to October 1, 2024. Several regulatory required plans and incident reporting may not have been regularly reviewed and



INFORMATIONAL REPORT 6.2

completed. The State Water Resources Control Board's *Order WQ 2022-0103-DWQ, Statewide Waste Discharge Requirements, General Order for Sanitary Sewer Systems* (referred to herein as "General Order") provides the regulatory requirements for operating a sanitary sewer system. Staff believe that there is potential that historical operation of EPASD prior to October 1, 2024, may have not been in strict compliance with the General Order.

City staff, in collaboration with WBSD, has initiated steps to review EPASD records, operating procedures, and other information that may be collected from the EPASD temporary worker interviews to determine what steps will be taken to begin the process for bringing EPASD operation in compliance with the General Order.

Key existing operation evaluation steps will likely include:

- Engage Fischer Environmental to perform an audit of EPASD's existing Sanitary Sewer Management Plan (SSMP) to document revisions and enhancements to comply with all General Order requirements.
- Engage Fischer Environmental to perform SSMP updates identified during the audit by the General Order compliance deadline of August 2, 2025.
- Engage Fischer Environmental to review and update the Spill Emergency Response Plan to comply with the General Order Requirements.
- Collaborate with WBSD to develop an ongoing maintenance program in compliance with the General Order and best practices for implementation beginning on or about January 1, 2025.
- Collaborate with WBSD to develop an annual report for the 2024 calendar year that must be submitted electronically via CIWQS by April 1, 2025, and annually thereafter.
- Perform a forensic accounting audit to identify any potential anomalies in EPASD's financial transactions, including unauthorized payments, falsified documentation, or asset misappropriation.

3. Developing Long-Term Capital Improvements

EPASD has identified several key factors that will drive development of a long-term capital improvement plan. The drivers include asset age, asset condition, asset capacity to serve existing customers, and anticipated development that may require capacity improvements. EPASD developed several master plans over the past decade, but those master plans must be reviewed and likely updated to reflect existing asset conditions as well as anticipated development.

Key collection system evaluation steps include:

- Review previous EPASD master plans prepared in 2015 and amended in 2021.
- Review existing pipeline condition assessment reports prepared by EPASD in 2022 and



INFORMATIONAL REPORT 6.2

2023 to determine the overall condition of the existing collection system including the identified repair and replacement needs.

- Engage Freyer & Laureta, Inc. to develop a comprehensive master plan update that reflects the existing system deficiencies (both condition and capacity), confirm the total anticipated development flow, document the desired operating criteria to be used for identifying necessary pipeline improvements, and develop a comprehensive capital improvement plan that outlines both opinions of probable project cost and estimated timeline.
- Update potential connection fees for new customers.
- Evaluate potential Annual Sewer Charges (ASC) for existing and future customers.

The four key activities presented above provide the roadmap for EPASD to develop necessary operational strategies and investment needs to continue to provide reliable sanitary sewer services while implementing improvements to improve the overall reliability and resiliency of the collection system. In the near term, the improved operational strategies that are compliant with the General Order will likely result in identifying issues that had been previously unreported. Integrating new issues with potential solutions into the overall roadmap will provide EPASD with the opportunity to inform all stakeholders with steps being taken to resolve historical deficiencies while preparing EPASD to serve all existing and future customers.

Next Steps

Staff is preparing action items for the EPASD Board to consider at a future meeting.

Fiscal Impact

There is no fiscal impact associated with the contents of this staff report.

Public Notice

The public was provided notice by making the agenda and report available on the EPASD website, City of East Palo Alto's website and on a bulletin board located at East Palo Alto City Hall: 2415 University Avenue, East Palo Alto.

Environmental

The action being considered does not constitute a "Project" within the meaning of the California Environmental Quality Act (CEQA), pursuant to CEQA Guideline section 15378 (b)(5), in that it is a government administrative activity that will not result in direct or indirect changes in the environment.



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: October 15, 2024

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Salifu Yakubu, Senior Planner
Elena Lee, Planning Manager
Amy Chen, Community and Economic Development Director

SUBJECT: Conforming rezoning / Zoning Map Amendment (ZC24-001) of a 2.12-acre portion of an existing 2.536-acre parcel at 1933 Pulgas Avenue from R-MD-1 Multiple-Family Medium Density Residential Subzone 1 to R-MD-2 Multiple-Family Medium Density Residential Subzone 2 in East Palo Alto, CA 94303. APN 063-492-280

Recommendation

By motion:

- a. Waive the first reading and introduce an ordinance (Attachment 1 – Draft Council Ordinance) amending the official City of East Palo Alto Zoning Map to rezone the subject property from R-MD-1 Multiple-Family Medium Density Residential Subzone 1 to R-MD-2 Multiple-Family Medium Density Residential Subzone 2; and
- b. Finding that the Zoning Map Amendment is within the scope of the project covered by the program Environmental Impact Report (EIR) for the Vista 2035 General Plan, and as such no new environmental document would be required; and additionally, any subsequent residential development would likely qualify for a Class 32 Categorical Exemption unless it is shown, by empirical evidence, that said project would result in significant traffic, noise, air quality, or water quality impacts.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Promote Housing, Economic and Workforce Development

Background

Owner/ Applicant:	Wawaland LLC/Wa Li/Riyad Ghannam, RG-Architecture
Location/ APN:	1933 Pulgas Avenue, East Palo Alto /063-492-280
Existing Use:	Super Market, four dwellings and one storage shed
General Plan Designation:	Medium Density Residential (12.1 – 22 du/ac)
Zoning:	R-MD-1 Multiple-Family Medium Density Residential Subzone 1
Surrounding Zoning:	North: R-LD Single-Family Residential and PUD Planned Unit Development East: R-LD Single-Family Residential South: R-MD-1 Multiple-Family Medium Density Residential Subzone 1 and MUC-2 Mixed Use Corridor Subzone 2 West: R-LD Single-Family Residential and R-HD-3 Multiple-Family High Density Residential Subzone 3
Flood Zone:	N/A
Public Notice:	A public notice was mailed to property owners within 300-feet of the site on October 1, 2024 and published in the Palo Alto Daily News on October 4, 2024. Additionally, the agenda and staff report were posted on the City's website and on a bulletin-board located at City Hall: 2415 University Avenue, East Palo Alto.
Recusal Map:	According to the City Council Recusal Map, there are no City Council members that live within 500 ft. of the project site.

Project Description

The subject 2.536-acre site is located on the west side of Pulgas Avenue, about 150 feet northerly of the intersection of Pulgas Avenue and East Bayshore Road. It is currently improved with six structures comprising a legal nonconforming Garden Super Market – a 5,551-square-foot grocery store, four one-story single-family dwellings, and one storage shed.

The applicant is proposing to rezone 2.12-acres of the 2.536-acre site from R-MD Multiple-Family Medium Density Residential Subzone 1 to R-MD Subzone 2. If Council approves the rezoning, the applicant will then subdivide the property and seek entitlements on the rezoned site for a multi-family townhouse development. The Garden Super Market (Supermarket) would be retained on the remaining 0.41-acre lot under the existing RM-D, Subzone 1 zoning as a legal nonconforming use. (see Figure 1 – Rezoning Plat and Table 1).

The existing and proposed zoning designations are both consistent with the Vista 2035 General Plan land use designation of Medium Density Residential (12.1 – 22 dwelling units per acre) and allow medium density developments such as multi-family attached residences including condominium townhouses and rental apartment flats. However, while both Zones

share a floor density of 12 dwelling units per acre (du/ac), the proposed Zone allows seven (7) more units at a density of 22 du/ac at the upper end of the range compared to the R-MD-1's 15 du/ac.

Figure 1: Rezoning Plat

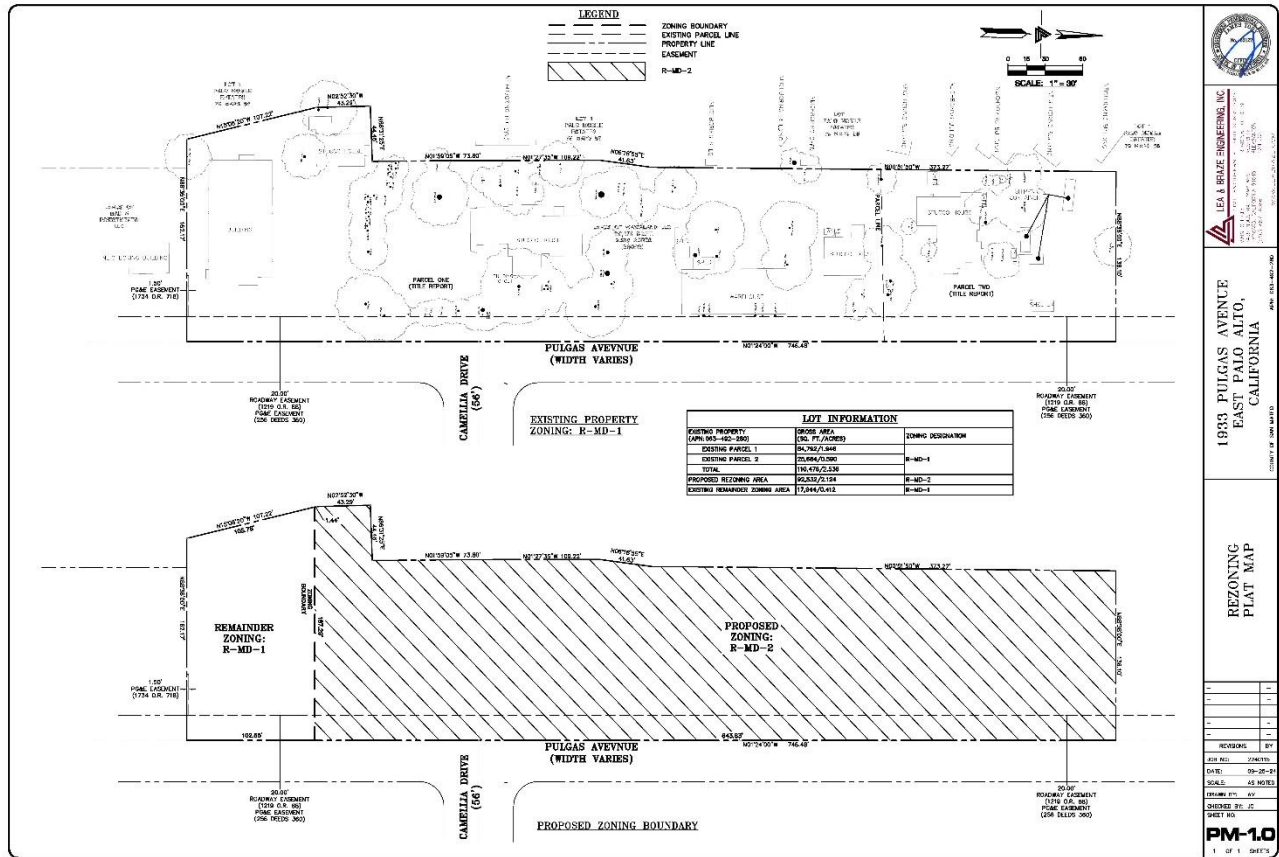


Table 1 - Existing and Proposed Parcel Details

Description	Area (acres)	Zone		Density (du/ac)	Base Units
		Existing	Proposed		
Existing Parcel	2.536	R-MD-1	N/A	12-15	30-38
Subdivided Remainder Parcel 1	0.416	R-MD-1	R-MD-1	12-15	N/A (Super Market)
Subdivided Parcel 2	2.12	R-MD-1	R-MD-2	12-22	25-46

Previous Outreach and Hearings

The proposed Zoning Map Amendment was first presented at a community meeting on March 21, 2024. This Pre-Application was subsequently presented at Planning Commission on April

22, 2024¹ and the City Council on July 16, 2024, in keeping with the requirements of the City's Public Outreach policy and the East Palo Alto Municipal Code (EPAMC) Chapter 18.32.030 for complex projects. The in-person community meeting (on March 21, 2024) had two attendees who were supportive of the project, while the Planning Commission (on April 22, 2024) provided input on the site design and architecture that was incorporated in a modified project design concept which was later presented at Council. At the July 16, 2024 study session², the City Council was generally supportive but expressed a desire that future development should include enhanced additional amenities for the benefit of the community given the additional density the upzoning would avail the applicant. Pursuant to this desire the applicant has indicated a willingness to make 30% of the future development affordable rather than the 20% mandated by the City's inclusionary housing ordinance. The Council also expressed a preference for subdividing the 2.536-acre site to a 2.12-acre parcel subject to the rezoning and a remainder parcel instead of "split" zoning the entire parcel.

A formal Zoning Map Amendment application was filed and presented at the September 23, 2024 Planning Commission meeting³. Mr. Chris Bahr, a resident property owner in the University Square neighborhood, was the only public speaker at the hearing. He was not supportive of the Zoning Map Amendment claiming the following negative effects would result:

1. An overcrowded neighborhood resulting from the potential development of the applicant's desired 62-unit townhouse project.
2. Traffic congestion on Pulgas Avenue would worsen.
3. The increased traffic and overcrowding would diminish the neighborhood livability.
4. The existing tree canopy on the existing under-utilized site would be lost to development.

An email dated July 29, 2024 and addressed to Council members is hereby attached for the record (Attachment 2).

The Planning Commission discussed the potential impacts associated with the higher density of the R-MD-2 Zone, particularly increased traffic congestion and pedestrian-vehicular traffic conflicts, and the appropriate scale of development for the neighborhood context. They also inquired about the feasibility of the proposed driveways and potential traffic mitigation measures which, staff explained, would be reviewed at the development review stage. A traffic study was not conducted as the subject Zoning Map Amendment is not tailored to a specific development. Any future development would be subject to a subsequent complete review, including environmental issues.

¹ April 22, 2024 Planning Commission meeting link (item 7.1): <https://d3n9y02raazwpg.cloudfront.net/cityofepa/e078af3d-b714-11ee-bb82-0050569183fa-88739655-4535-4dfb-8d17-688f5e5d89b8-1713818058.pdf>

² July 16, 2024 City Council meeting link (item 9.1): <https://d3n9y02raazwpg.cloudfront.net/cityofepa/d2d92c70-d803-11ee-98bb-0050569183fa-3408cd31-ecd7-4429-9d91-65986d552499-1720801535.pdf>

³ September 23, 2024 Planning Commission meeting link (item 7.1): <https://d3n9y02raazwpg.cloudfront.net/cityofepa/e08cfd1a-b714-11ee-bb82-0050569183fa-3408cd31-ecd7-4429-9d91-65986d552499-1727135299.pdf>

Following an extensive discussion and receipt of public testimony, the Planning Commission voted 6-1-0 to adopt a resolution recommending approval of the Zoning Map Amendment to the City Council (Attachment 3 – Planning Commission Resolution).

Analysis

A Geographic Information Systems (GIS) analysis of zoning designations shows that all but two (2) of the seven (7) R-MD-2 zoned properties in the City share similar locational characteristics with the subject site (See Figure 2 and Table 2). They are served by bus transit routes and back up to single-family neighborhoods zoned R-LD Single-Family Residential, thus preventing direct traffic impacts from the fronting properties. Other attributes that favor the site as a good candidate for the upzoning include the following:

1. Its adjacency to the MUC – Mixed Use Corridor Subzones along East Bayshore Road given that the scale of potential development of the R-MD-2 Subzone (12 – 22 du/ac) makes it a better transitional and complementary zone, than the R-MD-1 Subzone (12 – 15 du/ac), as the MUC zone allows a much higher density range of 22 – 65 du/ac with buildings five (5) stories or 60-feet tall.
2. The site's enhanced accessibility due to its proximity to three major streets - Pulgas Avenue, East Bayshore Road, and US 101/Bayshore Freeway.
3. The lack of evidence of loss of neighborhood livability of those R-LD Single-Family Residential Zones that are adjacent to the seven R-MD Subzone 2 blocks in the City.
4. The unique location of the site as the southern gateway to the City from the City of Palo Alto merits a signature development that can be realized with rezoning the site from R-MD Subzone 1 to R-MD Subzone 2.

A full analysis of the proposed Zoning Map Amendment and why it would be a proper exercise of the Council's police power to upzone the subject property from R-MD Subzone 1 to R-MD Subzone 2 is presented in the September 23 Planning Commission staff report.

Figure 2: R-MD-2 Properties in East Palo Alto

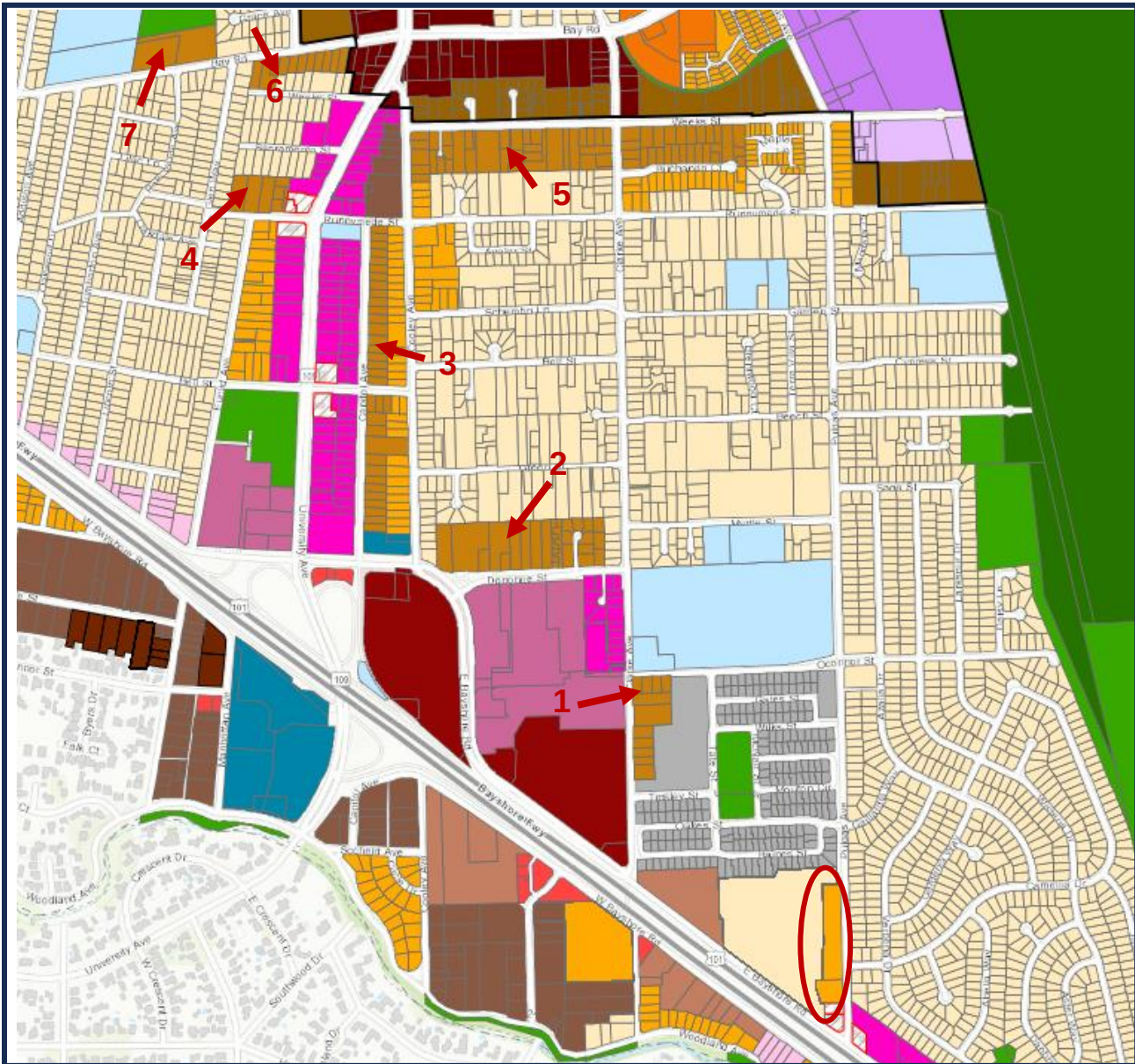


Table 2: Subject site compared to R-MD-2 sites citywide

Location	Zoning R-MD-2	Front on Transit	Back/Side to R-LD	Back/Side to R-MD-1
Subject Site: 1933 Pulgas Avenue	No	81, 280	Yes	No
Current R-MD-2 Zoned Sites Citywide				
1. East side of Clark Ave between O'Connor St and Tinsley St	Yes	EXP, 81, 296	No	PUD
2. North side of Donohoe St between Cooley Ave and Clark Ave	Yes	EXP, 280, 296	Yes	No

3. East side of Capitol Ave between Donohoe St and Runnymede St (2 blocks)	Yes	N/A	No	Yes
4. North side of Runnymede St between University Ave and Glen Wy	Yes	N/A	Yes	No
5. South side of Weeks St between Cooley Ave and about 200-feet westerly of Maple Ln (2 blocks)	Yes	296 (East block)	Yes West block	Yes East block
6. South side of Bay Rd between University Ave and Glen Wy	Yes	EXP, 281, 296, 397, 2960	Yes	No
7. North side of Bay Rd between Dumbarton Ave and Glen Wy	Yes	EXP, 281, 296, 397, 2960	Yes	No

Finally, the Development Code requires that certain findings be made in order to approve a Zoning Map Amendment. They include:

Findings Required for all Development Code and Zoning Map Amendments

1. The proposed amendment is consistent with the General Plan and any applicable specific plan; and

The R-MD-1 and R-MD-2 designations are subzones of the Multiple-family Medium Density Residential zone. The only differences between them are the code standards for allowable density and building height. All other objective development standards are the same. Since they both implement the site's General Plan land use designation of Medium Density Residential, a rezoning from one subzone to the other would maintain the required General Plan consistency without the need for a General Plan amendment.

2. The proposed amendment will not be detrimental to the public interest, health, safety, convenience or welfare of the City.

A zoning map amendment would allow additional residential development. The project site is located within an urbanized area of the City that can support residential development with all required services. The project site is also located near primary transportation amenities (US 101 and East Bayshore Road) and Pulgas Avenue, which is a major transit route (Routes 81 and 280) connecting the Palo Alto train station to University Village at Purdue Avenue and Illinois Street. The transportation and transit infrastructure would provide adequate capacity for increased traffic that may result from additional development capacity from the rezoning. Future residential developments may also require the preparation of a transportation impact study to verify the significance of potential traffic and parking impacts on the neighborhood.

Additional Finding for Zoning Map Amendments

1. The affected site is physically suitable in terms of design, location, operating characteristics, shape, size, topography, and the provision of public and emergency vehicle access, and public services and utilities and is served by highways and streets adequate in width and improvement to carry the kind and quantity of traffic the proposed

use would likely generate, to ensure that the proposed use(s) and/or development will not endanger, jeopardize, or otherwise constitute a hazard to the property or improvements in the vicinity in which the property is located.

The proposed project (ZC24-001) is a conforming rezoning from R-MD-1 to R-MD-2 subzone. It does not involve a specific development proposal, though any future development would be medium density ownership townhouses or rental apartments. Either development would be required to meet objective provisions for automobile and bicycle parking and open space amenities pursuant to the EPAMC. All other amenities and services needed for the project to operate independently, without impacting the surrounding environment, would be provided. Secondly, the site is located in an already developed area of the City with ready access to public and emergency vehicles, and public services and utilities. Finally, the site has good accessibility due to its location in proximity to major transportation and transit infrastructure and amenities.

Conclusion

Since the two subzones of the R-MD Multiple-Family Medium Density Residential Zone are both consistent with the Medium Density Residential land use designation of the Vista 2035 General Plan, a rezoning from one to the other is termed a Conforming Rezoning. Such a rezoning is normally covered by the General Plan's Environmental Impact Report as well. Giving the various analyses conducted by staff rezoning the subject site would be an appropriate use of the City Council's "police power." The enhanced accessibility of the site due to its proximity to Highway 101, East Bayshore Road, and Pulgas Avenue, and the service of bus transit routes 81 and 280 qualify the subject site as suitable for the higher density subzone R-MD-2 of the R-MD Zone. Therefore, staff recommends that the City Council approve the subject Zoning Map Amendment request and adopt an ordinance (Attachment 1) to amend the City's official Zoning Map to reflect said amendment (see Attachment 4 – Rezoning Plat Map).

Next Steps

The proposed Zoning Map Amendment (rezoning) is a legislative action that is subject to City Council consideration and ordinance. If approved and adopted by Council, the applicant would have to secure a tentative map and design review permit approval from the Planning Commission in order to implement the new zone before any development can take place. The applicant or other persons who might oppose the Planning Commission's decision on a future design review and/or tentative map will have up to 15 days to appeal the decision. All appeals of Planning Commission actions are heard by the City Council.

Fiscal Impact

There is no fiscal impact for this item.

Public Notice

The public was provided with notice by making the agenda and report available on the City's website and on a bulletin-board located at City Hall: 2415 University Avenue, East Palo Alto. A notice was also published in the Palo Alto Daily News on October 4, 2024. Additionally, notices about the Council meeting were mailed to all property owners within 300-feet of the project site on October 1, 2024.

The project was the subject of an in-person community meeting on March 21, 2024 at the Lewis and Joan Platt YMCA building at 550 Bell Street in East Palo Alto, a Planning Commission study session on April 22, 2024, and a City Council study session on July 16, 2024 pursuant to the City's Community Outreach policy and the East Palo Alto Municipal Code. These outreach meetings were in fulfillment of the Council's Community Outreach Policy requiring complex projects like rezoning projects to first go through a Pre-Application (PRE24-001) process to solicit input. prior to filing a formal application to rezone. Please see the following webpage to learn more about the Community Outreach Policy: <https://www.cityofepa.org/planning/page/community-outreach-policy>. Finally, a newspaper notice of the September 23, 2024 Planning Commission meeting was published in the September 13 Palo Alto Daily News.

Environmental

Pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15168 (Program EIR), "later activities in the program must be examined in the light of the program EIR to determine whether an additional environmental document must be prepared." Furthermore, sub-subsection 15168(c)(2) states that if the lead agency finds pursuant to CEQA Guidelines Section 15162 (Subsequent EIRs and Negative Declarations) that no subsequent EIR would be required, "the agency can approve the activity as being within the scope of the project covered by the program EIR, and no new environmental document would be required."

According to CEQA Guidelines Section 15162, once an EIR has been certified, no subsequent or supplemental EIR shall be required (Environmental Memo, Attachment 4). Based on the analysis, the proposed Zoning Map Amendment would not result in a new significant impact not identified in the Vista 2035 General Plan or an increase in the severity of a significant impact identified the EIR for Vista 2035 General Plan. No mitigation measures or alternatives have been identified that differ from what was evaluated or are now considered to be feasible.

Thus, the Zoning Map Amendment is provided adequate environmental coverage by the Environmental Impact Report for the Vista 2035 General Plan as it is a Conforming Rezoning that maintains consistency with the General Plan without the need for an amendment thereto. As more specifically stated above, the proposed rezoning is consistent with the site's Medium Density Residential General Plan Land Use designation.

Additionally, any subsequent future residential development would likely qualify for a Class 32 Categorical Exemption as described below:

15332. In-Fill Development Projects - Class 32 consists of projects characterized as in-fill development meeting the following conditions:

- a) The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.
- b) The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.
- c) The project site has no value as habitat for endangered, rare or threatened species.
- d) Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.

traffic, noise, air quality, or water quality effects.

Government Code § 84308

The Levine Act, codified at Government Code §84308 requires that councilmembers and other officials disclose recuse, and cure, where appropriate, any conflicts that arise from receipt of contributions of \$250 or more from a “party,” participant,” or any of their agent where an agenda item involves an “entitlement”. This agenda section has two objectives: 1. Inform Commissioners and the public of what staff knows of such contributions, and 2. Provide an opportunity for Commissioners to disclose any contribution they may have had.

Applicability of Levine Act: Yes, as the project entails granting a legislative entitlement.

Analysis of Levine Act Compliance: The owner, Wawaland LLC, represented by Wa Li, is the proponent of this Zoning Map amendment. Mr. Chris Bahr of 956 Baines Street spoke at the September 23, 2024 Planning Commission meeting about traffic congestion and parking problems in the University Square neighborhood adjoining the subject site. Apart from him staff are unaware of any other parties, participants, or contributions relevant to the

Attachments

- 1. Draft Ordinance
- 2. Email correspondence from Chris Bahr
- 3. September 23, 2024 Planning Commission Resolution
- 4. Rezoning Plat Map

ATTACHMENT 1

ORDINANCE NO. ____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO

ADOPTING ZONING MAP AMENDMENT (ZC24-001) BY AMENDING THE ZONING MAP OF THE CITY OF EAST PALO ALTO TO REZONE A 2.12-ACRE PORTION OF A 2.536-ACRE PARCEL FROM R-MD-1 MULTIPLE-FAMILY MEDIUM DENSITY RESIDENTIAL SUBZONE 1 TO R-MD-2 MULTIPLE-FAMILY MEDIUM DENSITY RESIDENTIAL SUBZONE 2

WHEREAS, Chapter 18.114 of the City of East Palo Alto Development Code allows for amendments to the Development Code and provides procedures for processing such amendments; and

WHEREAS, Section 18.114.060 of the City of East Palo Alto Development Code sets forth findings for Development Code amendments;

WHEREAS, the Planning Commission of the City has reviewed the proposed amendment to the City of East Palo Alto's Zoning Map at a duly and properly noticed public hearing on September 23, 2024 and considered all evidence, including but not limited to public testimony and the evaluations and recommendations of staff, and has found that the proposed amendment is consistent with the goals and policies of the City's General Plan, and recommends adoption of the proposed amendment by the City Council of the City of East Palo Alto ("City Council"); and

WHEREAS, the City Council conducted duly and properly noticed public hearings on October 15, 2024 to consider the proposed amendments to the City of East Palo Alto's Zoning Map and considered all evidence, including but not limited to public testimony and the evaluations and recommendations of staff, and finds and determines that the proposed amendment to the City of East Palo Alto's Zoning Map is adopted pursuant to the City's police power authority to protect the public health, safety, and welfare.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO
DOES ORDAIN AS FOLLOWS:**

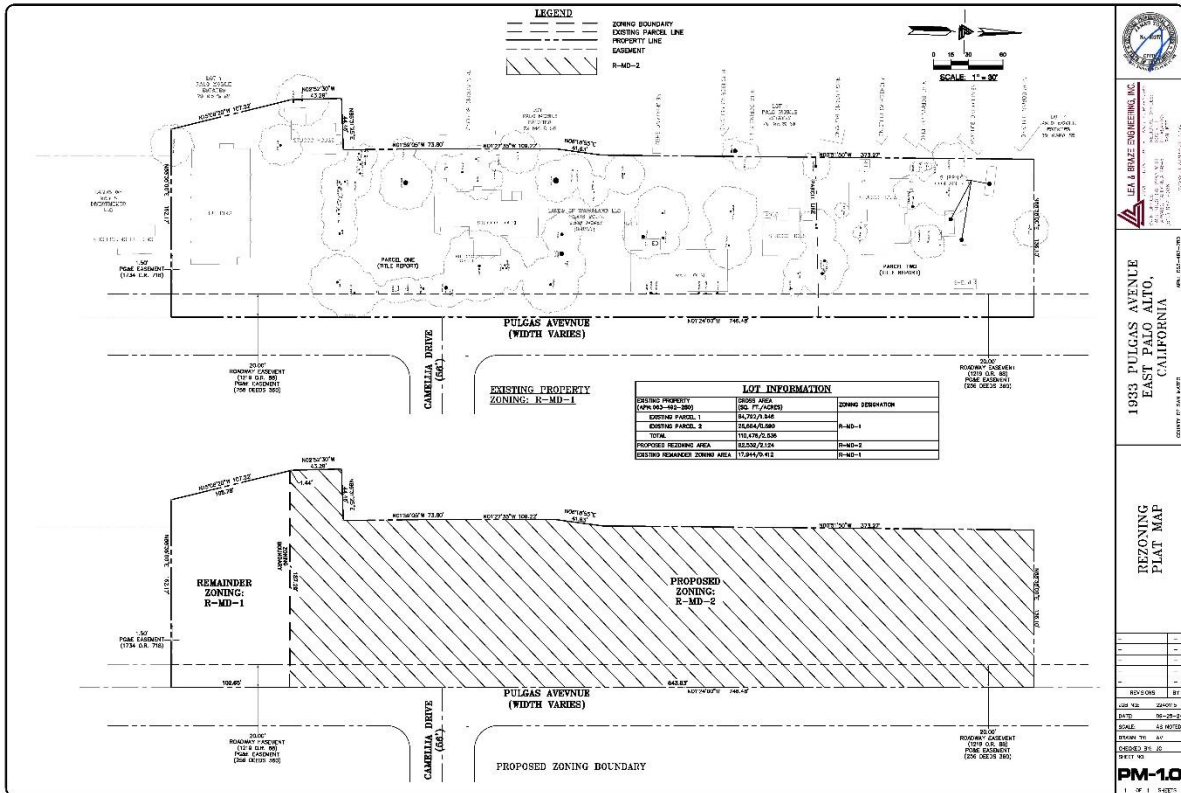
SECTION 1. ZONING MAP AMENDMENT

The City of East Palo Alto's Zoning Map is hereby amended to rezone the 2.12-acres of the following parcel from R-MD-1 Subzone to R-MD-2 Subzone, as shown in Table 1 and Figure 1 below:

Table 1: Zoning Map Amendment by Assessor's Parcel Number

Assessor's Parcel No.	Existing Zoning	Amended Zoning
063-492-280	R-MD-1	R-MD-2

Figure 1: Rezoning Plat



SECTION 2. CALIFORNIA ENVIRONMENTAL QUALITY ACT.

Pursuant to CEQA Guidelines Sections 15168 and 15162, the proposed Zoning Map Amendment is within the scope of the project covered by the program Environmental Impact Report (EIR) for the Vista 2035 General Plan, and as such no new environmental document would be required; and additionally, any subsequent residential development would likely qualify for a Class 32 Categorical Exemption unless it is shown, by empirical evidence, that said project would result in significant traffic, noise, air quality, or water quality impacts.

SECTION 3. SEVERABILITY.

If any section, subsection, sentence, clause, phrase or word of this Ordinance is for any reason held to be invalid by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed and adopted this Ordinance, and each and all

provisions hereof, irrespective of the fact that one or more provisions may be declared invalid.

SECTION 4. EFFECTIVE DATE.

This Ordinance shall take effect and be in full force thirty (30) days after the date of its adoption.

SECTION 5. PUBLICATION.

The City Clerk is hereby directed to cause publication of this Ordinance as required by Government Code Section 36933.

INTRODUCED at a regular City Council meeting held October 15, 2024, and

PASSED AND ADOPTED at a regular City Council meeting held on _____, 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

SIGNED:

Antonio D. Lopez, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

John D. Lê, City Attorney

ATTACHMENT 2

From: Baines Bahr <956baines94303@gmail.com>

Date: July 29, 2024 at 3:26:00 PM PDT

To: alopez@cityofepa.org, mbarragan@cityofepa.org, rabrica@cityofepa.org, cromero@cityofepa.org, lgauthier@cityofepa.org

Subject: 1933 Plugas Avenue development project

Dear Council Members,

Thank you very much for everything you do for ensuring the growth and continued success of East Palo Alto.

I want to draw your attention to 1933 Plugas Avenue and the request to rezone to R-MD-2. While I applaud the efforts to develop the land, after splitting the parcel into 2 smaller parcels, Rezoning the larger one to R-MD-2 and building 62 units will just lead to overcrowding in that small of an area at that location. Should limit the number of units to 40. The main stoplight for Bayshores and Plugas is only a couple of parked cars away. Any additional units will add to the traffic in that area.

Please consider below points before making your final decision that will impact the area significantly.

1. Plugas Ave was not designed for the current Traffic. Furthermore it's used as a Race Track and Sideshow very often. When school is in session there is already extreme road rage on Plugas and Bayshore Road. With this project at 62 units you are adding at least 137 cars to that mix daily. Let's be realistic on car ownership, especially with lower income where you add affordable housing and 4 bd units that is minimum 3 cars a unit possibly 4.
2. 4% of those in our neighboring city - menlo park use public transport. EPA does not have good public transport options as the SF Bay area was never set up for Public Transportation when it was built.
3. We do need development, but with future project plans: ie. the East Bay Water Front project with 260 residential units in play, will add to the already traffic congestion and road rage that regularly happens.
4. Overcrowding leads to a less desirable City, Let's think about the future and make the city desirable
5. The nearest park is on Oakes St. That is another Race track (please install speed cameras there). Potential #kids in 62 units is over 100 that will need a safe park to visit.
6. The lot has a lot of old trees that will be destroyed and 62 units looks overcrowded.

Max build should be 40 units that is reasonable density for the acreage and will provide higher priced properties to bring the city more tax revenues.

7. East Palo Alto is already the most affordable City on the Peninsula and one of the most affordable in the Bay area.

I believe this highlights most of the issues. Please keep it in mind that right now it is summer time and schools are not in session. So everything seems manageable if you were to go and observe Plugas and current traffic. It's a False hope especially with the larger Water Front project that will likely do more justice for the City with 260 residential units and an amazing greenery space.

Offer concessions to do RmD1 with up to 40 units and 36ft building height. But don't allow 62 units and zoned RMD2.

Thank you,
Chris Bahr

Attachment 3

RESOLUTION NO. PC 2024-09

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF EAST PALO ALTO

**RECOMMENDING THAT THE CITY COUNCIL APPROVE ZONING MAP
AMENDMENT (ZC24-001) BY ADOPTING AN ORDINANCE AMENDING THE
OFFICIAL ZONING MAP OF THE CITY OF EAST PALO ALTO TO REZONE THE
SUBJECT 2.12-ACRE PROPERTY FROM R-MD-1 MULTIPLE-FAMILY MEDIUM
DENSITY RESIDENTIAL SUBZONE 1 TO R-MD-2 MULTIPLE-FAMILY MEDIUM
DENSITY RESIDENTIAL SUBZONE 2**

WHEREAS, the applicant desires to rezone a 2.12-acre portion of a 2.536-acre parcel from R-MD-1 Multiple-Family Medium Density Residential Subzone 1 to R-MD-2 Multiple-Family Medium Density Residential Subzone 2; and

WHEREAS, the request is a Conforming Rezoning in that the proposed R-MD-2 Multiple-Family Medium Density Residential Subzone 2 designation is consistent with the site's Vista 2035 General Plan land use designation of Medium Density Residential; and

WHEREAS, the Planning Commission held a duly noticed public hearing on September 23, 2024, to consider Zoning Map Amendment (ZC24-001), and recommended that the amend the official City of East Palo Alto Zoning Map to rezone the subject property from R-MD-1 Multiple-Family Medium Density Residential Subzone 1 to R-MD-2 Multiple-Family Medium Density Residential Subzone 2, with comments; and

WHEREAS, the Planning Commission determines that the proposal is aligned with City Council Strategic Plan policy to "Promote Housing, Economic and Workforce Development," and as such, within the public interest; and

WHEREAS, pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15168 (Program EIR), "later activities in the program must be examined in the light of the program EIR to determine whether an additional environmental document must be prepared." Furthermore, sub-subsection 15168(c)(2) states that if the lead agency finds pursuant to CEQA Guidelines Section 15162 (Subsequent EIRs and Negative Declarations) that no subsequent EIR would be required, "the agency can approve the activity as being within the scope of the project covered by the program EIR, and no new environmental document would be required"; and

WHEREAS, according to CEQA Guidelines Section 15162, once an EIR has been certified, no subsequent or supplemental EIR shall be required, as noted in the Environmental Memo, providing to the Planning Commission. Based on the analysis, the proposed Zoning Map Amendment would not result in a new significant impact not identified in the Vista 2035 General Plan or an increase in the severity of a significant

impact identified the EIR for Vista 2035 General Plan. No mitigation measures or alternatives have been identified that differ from what was evaluated or are now considered to be feasible; and

WHEREAS, based on the foregoing, the Planning Commission found that that the Zoning Map Amendment is within the scope of the project covered by the program EIR for the Vista 2035 General Plan, and as such no new environmental document would be required; and additionally, any subsequent residential development would likely qualify for a Class 32 Categorical Exemption unless it is shown, by empirical evidence, that said project would result in significant traffic, noise, air quality, or water quality effects impacts.

NOW, THEREFORE, BE IT RESOLVED THAT THE PLANNING COMMISSION OF THE CITY OF EAST PALO ALTO HEREBY RECOMMENDS THAT THE CITY COUNCIL:

1. Finds the foregoing recitals are true and correct, and are incorporated by this reference into this action;
2. Amends the City of East Palo Alto official Zoning Map to rezone the subject 2.12-acre site from R-MD-1 Multiple-Family Medium Density Residential Subzone 1 to R-MD-2 Multiple-Family Medium Density Residential Subzone 2; and
3. Finds that, pursuant to CEQA Guidelines Sections 15168 and 15162, the proposed Zoning Map Amendment is within the scope of the project covered by the program Environmental Impact Report (EIR) for the Vista 2035 General Plan, and as such no new environmental document would be required; and additionally, any subsequent residential development would likely qualify for a Class 32 Categorical Exemption unless it is shown, by empirical evidence, that said project would result in significant traffic, noise, air quality, or water quality impacts.

PASSED AND ADOPTED this 23rd day of September 2024, by the following vote:

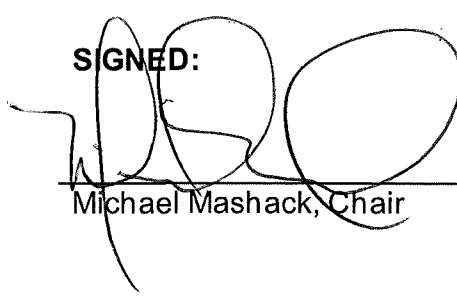
AYES: Sherrard, Brown-Austin, Hernandez, Mendez, Monette, Mashack

NOES: Allen Fisk

ABSTAIN:

ABSENT:

SIGNED:



Michael Mashack, Chair

ATTEST:



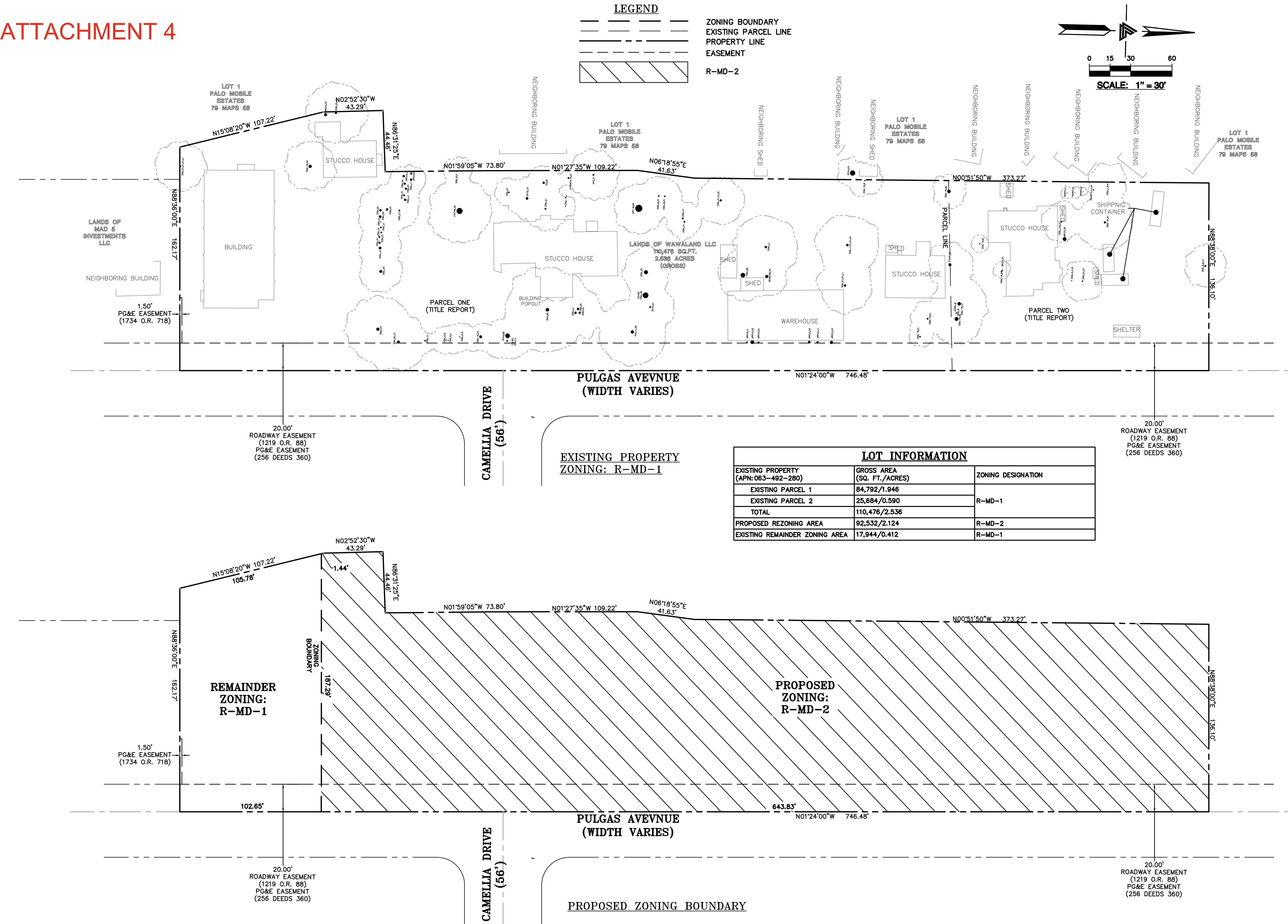
Matthew Ball, Planning Secretary

APPROVED AS TO FORM:



John D. Lê, City Attorney

ATTACHMENT 4



LEA & BRAZE ENGINEERING, INC.
CIVIL ENGINEERS • LAND SURVEYORS
REGIONAL OFFICES:
MAIN OFFICE: 1000 S. RIVIERA WAY, WEST HAVEN, CALIFORNIA 94645
SAN JOSE
(510) 887-4086
WWW.LEABRAZE.COM

**1933 PULGAS AVENUE
EAST PALO ALTO,
CALIFORNIA**

APN: 063-492-280
COUNTY OF SAN MATEO

**REZONING
PLAT MAP**

REVISIONS	BY

JOB NO: 2240115
DATE: 09-25-24
SCALE: AS NOTED
DRAWN BY: AV
CHECKED BY: JC
SHEET NO:

PM-1.0
1 OF 1 SHEETS



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: October 15, 2024

TO: Honorable Mayor and Members of the City Council

VIA: John D. Lê, City Attorney

SUBJECT: Ordinance Adding Chapter 13.09 to the Municipal Code Establishing Administrative Remedies Procedure for Challenges to Fees, Charges, and Assessments

Recommendation

By motion:

1. Waive the first reading and introduce an ordinance adding Chapter 13.09 to the East Palo Alto Municipal Code establishing administrative remedies procedure for challenges to fees, charges, and assessments; and
2. Find that the adoption by the City Council of the ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to Public Resources Code section 21065 (not a project), and CEQA Guidelines Sections 15061(b)(3) (common sense exemption).

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Ensure Our Financial and Organizational Health

Background

Assembly Bill 2257 (2024) (adding Government Code sections 53759.1 and 53759.2) provides the City with a new tool to defend against challenges to fees, charges, and assessments adopted under Prop. 218 (Cal. Const., Art. XIII D). If the City follows certain procedures, a ratepayer who

PUBLIC HEARING ITEM 8.2

fails to submit a written objection **before** the close of the Prop. 218 protest hearing will be barred from challenging the fee, charge, or assessment later on.

The California Constitution grants the City additional authority to enforce any local, police, sanitary, or other ordinance not in conflict with general laws, and to establish and operate public works upon conditions and under regulations that the City may prescribe. (Cal. Const., Art. XI, §§ 7, 9.) Based on this authority, the ordinance also requires objections be timely submitted to challenge fees or charges adopted under Article XIII C of the California Constitution, any assessment on real property, or the methodology used to develop any fee, charge, or assessment.

Analysis

This ordinance establishes the process the City must follow to limit challenges in this way. The City must:

1. Make the proposed fee, charge, or assessment publicly available at least 45 days before the deadline for submitting written objections;
2. Post a written basis for the proposed fee, charge, or assessment on the City's website and include a link to that website on public hearing notices sent to ratepayers or property owners;
3. Mail the written basis for the proposed fee, charge, or assessment to ratepayers or property owners upon request;
4. Provide at least 45 days for ratepayers or property owners to submit written objections to the fee, charge, or assessment;
5. Respond in writing to any timely submitted objections with an explanation for keeping or changing the proposed fee, charge, or assessment;
6. Present any timely submitted objections and responses thereto to the City Council for its consideration, either before or during the public hearing on the proposed fee, charge, or assessment;
7. Include on its public hearing notices a statement in bold-faced type of 12 points or larger:
 - a. That all written objections must be submitted to the City Clerk by the end of public comment period at the hearing, that a failure to timely object in writing bars any right to challenge that fee, charge, or assessment in court, and that any such action will be limited to issues identified in such objections; and
 - b. All substantive and procedural requirements for submitting an objection to the proposed fee, charge, or assessment.

Staff therefore asks that the Council open the public hearing and waive the first reading of an ordinance amending portions of the East Palo Alto Municipal Code as discussed herein.



PUBLIC HEARING ITEM 8.2

Fiscal Impact

There are no fiscal impacts associated with the proposed action.

Public Notice

The public was provided notice by making the agenda and report available on the City's website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental

The proposed action is not a "project" under California Environmental Quality Act (CEQA) because: (i) it is not a project within the meaning of Public Resources Code, section 21065 because adoption of an administrative remedies procedure has no potential to alter the physical environment and (ii) pursuant to CEQA Guidelines section 15061(b)(3), the so-called "common sense" exemption, for this same reason.

Government Code § 84308

Applicability of Levine Act: No, as the proposed action does not involve an entitlement.

Analysis of Levine Act Compliance: Not applicable.

Attachments

1. DRAFT Ordinance

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO

ADOPTING AN ADMINISTRATIVE REMEDIES PROCEDURE FOR
CHALLENGES TO FEES, CHARGES, AND ASSESSMENTS

WHEREAS, the California Constitution specifies various requirements with respect to the levying of assessments and property-related fees and charges by a local agency, including notice, hearing, and protest procedures, depending on the character of the assessment, fee, or charge; and

WHEREAS, existing California law, known as the Proposition 218 Omnibus Implementation Act, prescribes specific procedures and parameters for local jurisdictions to comply with these requirements; and

WHEREAS, the Governor signed into law AB 2257, which authorizes local agencies to adopt procedures relating to whether person or entity may bring a judicial action or proceeding (and the scope of such judicial review) alleging noncompliance with the constitutional provisions for any new, increased, or extended fee or assessment, as defined, unless that person or entity has timely submitted to the local agency a written objection to that fee or assessment that specifies the grounds for alleging noncompliance, as specified.

THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO DOES ORDAIN AS FOLLOWS:

Section 1. AUTHORITY. This Ordinance is authorized by the City's authority under California Constitution, article XI, sections 7 (police power) and 9 (utility power) as well as Government Code section 53759.1.

Section 2. MUNICIPAL CODE AMENDMENT. Chapter 13 of Title 13 of the City of East Palo Alto Municipal Code is hereby amended to add a new section 13.09 (Fees, Charges, and Assessments on Real Property) to read as follows:

Section 13.09.010 — Exhaustion of administrative remedies for challenges to fees, charges, and assessments on real property.

- A. Scope. The duty to exhaust administrative remedies imposed by this section extends to:
- a. any fee or charge subject to articles XIII C or XIII D of the California Constitution,
 - b. any assessment on real property levied by the City, and

- c. the methodology used to develop and levy such a fee, charge, or assessment.

B. "Hearing" as used in this section means the hearing referenced in paragraph 4 of subsection D of this section.

C. Duty to Exhaust Issues. No person may bring a judicial action or proceeding alleging noncompliance with the California Constitution or other applicable law for any new, increased, or extended fee, charge, or assessment levied by the City, unless that person submitted to the City Clerk a timely, written objection to that fee, charge, or assessment specifying the grounds for alleging noncompliance. The issues raised in any such action or proceeding shall be limited to those raised in such an objection unless a court finds the issue could not have been raised in such an objection by those exercising reasonable diligence.

D. Procedures. The City shall:

(1) Make available to the public any proposed fee, charge, or assessment to which this section is to apply no less than 45 days before the deadline for a ratepayer or assessed property owner to submit an objection pursuant to paragraph 4 of this subsection D.

(2) Post on its internet website a written basis for the fee, charge, or assessment, such as a cost of service analysis or an engineer's report, and include a link to the internet website in the written notice of the Hearing, including, but not limited to, a notice pursuant to subdivision (c) of Section 4 or paragraph (1) of subdivision (a) of Section 6 of Article XIII D of the California Constitution.

(3) Mail the written basis described in paragraph 2 of this subsection D to a ratepayer or property owner on request.

(4) Provide at least 45 days for a ratepayer or assessed property owner to review the proposed fee or assessment and to timely submit to the City Clerk a written objection to that fee, charge, or assessment that specifies the grounds for alleging noncompliance. Any objection shall be submitted before the end of the public comment portion of a Hearing on the rate, charge or assessment.

(5) Include in a written notice of the Hearing, a statement in bold-faced type of 12 points or larger that:

(A) All written objections must be submitted to the City Clerk by the end of public comment period at the Hearing and that a failure to timely object in writing bars any right to challenge that fee, charge, or assessment in court and that any such action will be limited to issues identified in such objections.

(B) All substantive and procedural requirements for submitting an objection to the proposed fee, charge, or assessment such as those specified for a property-related fee under California Constitution, article XIII D, section 6(a) or for an

assessment on real property under California Constitution, article XIII D, section 4(e).

E. Council Consideration; City Responses. Before or during the Hearing, the City Council shall consider and the City shall respond in writing to, any timely written objections. The City Council may adjourn the Hearing to another date if necessary to respond to comments received after the agenda is posted for the meeting at which the Hearing occurs. The City's responses shall explain the substantive basis for retaining or altering the proposed fee, charge, or assessment in response to written objections, including any reasons to reject requested amendments.

F. City Council Determinations. The City Council, in exercising its legislative discretion, shall determine whether:

(1) The written objections and the City's response warrant clarifications to the proposed fee, charge, or assessment.

(2) To reduce the proposed fee, charge or assessment.

(3) To further review the proposed fee, charge, or assessment before determining whether clarification or reduction is needed.

(4) To proceed with the Hearing, to continue it, or to abandon the proposal.

SECTION 3. CEQA FINDINGS. The City Council finds that adoption of this Ordinance is exempt from CEQA because: (i) it is not a project within the meaning of Public Resources Code, section 21065 because it has no potential to alter the physical environment; (ii) and pursuant to CEQA Guidelines section 15061(b)(3), the so-called "common sense" exemption, for this same reason.

SECTION 4. SEVERABILITY. If any section, subsection, sentence, clause, phrase or portion of this Ordinance or its application to any person or circumstance is held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance or its application to other persons and circumstances. The City Council declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase or portion thereof despite the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions be declared invalid or unconstitutional and, to that end, the provisions hereof are hereby declared to be severable.

SECTION 5. EFFECTIVE DATE. This Ordinance shall be in full force and effect 30 days after its adoption pursuant to Government Code section 36937.

SECTION 6. PUBLICATION. The City Clerk is hereby directed to cause publication of this Ordinance as required by Government Code section 36933.

This Ordinance was introduced at the _____ meeting of the City Council of the City of East Palo Alto.

PASSED AND ADOPTED this _____ day of _____ 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Antonio D. Lopez, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

John D. Lê, City Attorney



POLICY AND ACTION 9.1



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: October 15, 2024

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Irene Chiu, Assistant Engineer
Batool Zaro, Senior Engineer
Humza Javed, Public Works Director

SUBJECT: Loading Zone along Pulgas Avenue in front of the EPACENTER, 1950 Bay Road

Recommendation

Adopt a resolution authorizing the establishment of a loading zone along the east side of Pulgas Avenue starting forty-two feet south of the Bay Road/Pulgas Avenue intersection centerline, continuing sixty feet southerly from 10 A.M. to 6 P.M. Monday to Saturday

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Promote Health & Public Safety

Priority: Enhance Community Services and Parks for Residents

Background

The EPACENTER is located at 1950 Bay Road. **Image 1** shows the map location. Bay Road is a neighborhood main street and Pulgas Avenue is a neighborhood connector street.



POLICY AND ACTION 9.1

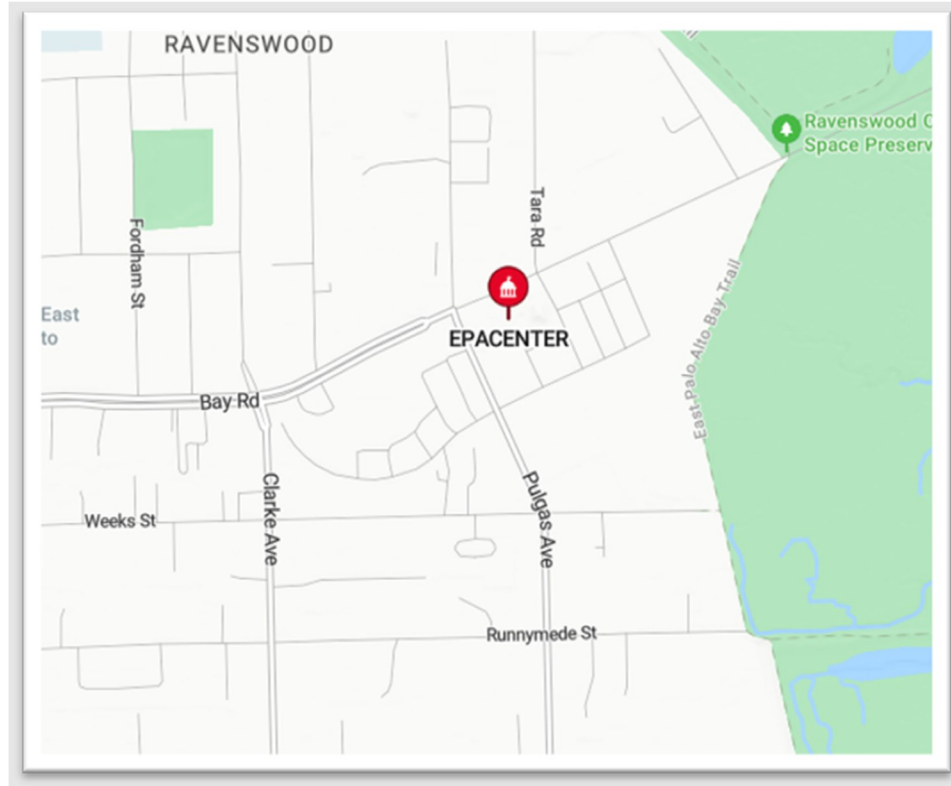


Image 1: EPA Arts Center (1950 Bay Road)

The EPACENTER reached out to City staff and shared concerns with cars speeding and double-parking along Pulgas Avenue. EPACENTER requested a designated drop-off on Pulgas Avenue in front of the building to help address their safety concerns. They are requesting to limit about sixty feet of parking as a loading zone. They also noted the traffic on Pulgas Avenue created by the Ecumenical Hunger Program Food Bank distribution, located at 2411 Pulgas Avenue on the opposite side of the street, exacerbates the issues.

EPACENTER staff mentioned that approximately one hundred students are dropped off per day at the Center, which during food pickup hours, requires staff to constantly check-on pickups. The existing rear parking lot is available to be utilized as a drop-off location; however, parents dropping off their kids feel this is too far from the main entrance, which is on the side of Pulgas Avenue. Additionally, EPACENTER mentioned that they do not have the staffing capacity to walk students from the back parking lot to the student check-in location located on Pulgas Avenue.

On April 17th, 2024, staff discussed this item at the Public Works and Transportation Commission (PWTC); however, the proposed loading zone was denied. The agenda packet for the PWTC meeting can be found here:

[e2cbdeea-a4ff-11ee-bb82-0050569183fa-2533158a-40ef-4978-a317-ebd9cd64f669-1712867130.pdf](https://www.cloudfront.net/d3n9y02raazwpg/e2cbdeea-a4ff-11ee-bb82-0050569183fa-2533158a-40ef-4978-a317-ebd9cd64f669-1712867130.pdf)
(d3n9y02raazwpg.cloudfront.net)



POLICY AND ACTION 9.1

During the meeting, the commission voiced concerns such as: there is high on-street parking demand, and the rear existing parking should be used; kids should enter from the center's rear entrance; the loading zone is too long in length.

Analysis

This item is a call for review initiated by the Council on September 17, 2024 to consider anew EPACENTER's request to request the loading zone . The City Council directed staff to prepare a staff report for City Council consideration.

On September 26, 2024, city staff met with EPACENTER staff to discuss details and specifics around a potential loading zone on Pulgas Avenue. Staff discussed the need for a loading zone, the times for pickup/drop-off, along with other traffic concerns. EPACENTER noted that current programs occur Monday through Saturday, during afternoon and evening hours. They noted that they anticipate new programs to begin within the next few months that would involve larger student drop offs. It was also noted that EPACENTER anticipates increased program participation in the next few months which will increase the need for a loading zone.

Images 2-4 show existing conditions around the EPACENTER on Pulgas Avenue.



Image 2: Parking Usage In-front of EPACENTER on Pulgas Avenue



POLICY AND ACTION 9.1



Image 3: Cars Double-Parked During Drop-Off Hours



Image 4: Existing Conditions During Food Bank Drop-Off Hours

Upon investigating the issue, performing further field visits, and discussing with EPACENTER staff, staff is recommending designating parking restrictions as follows:

Establishing a loading zone along the east side of Pulgas Avenue starting 42 feet south of the Bay Road/Pulgas Avenue intersection centerline continuing 60 feet southerly from 10 A.M. to 6 P.M. Monday to Saturday.

Image 5 shows the proposed loading zone along Pulgas Avenue in front of the EPACENTER. About 60 feet of parking will be restricted on Pulgas Avenue, as shown in red. This is equivalent to approximately two and half parking spaces.



POLICY AND ACTION 9.1



Image 5: EPACENTER Recommended Loading Zone

Fiscal Impact

Erecting signage for the loading zone is approximately \$1,000. Funds are available in the maintenance budget.

Public Notice

The public was provided notice by making the agenda and report available on the City's website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental

The action being considered does not constitute a "Project" within the meaning of the California Environmental Quality Act (CEQA), pursuant to CEQA Guideline section 15061(b)(3) because it can be seen with certainty that there is no possibility that the activity in question



POLICY AND ACTION 9.1

may have a significant effect on the environment. Additionally, it is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15301 (Repair, maintenance and/or minor alteration of an existing facility).

Government Code § 84308

Applicability of Levine Act: No, as the proposed action does not entail an entitlement.

Analysis of Levine Act Compliance: Not applicable.

Attachments

1. Resolution.

RESOLUTION NO. XX– 2024

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO**

AUTHORIZING THE ESTABLISHMENT OF A LOADING ZONE ALONG THE EAST SIDE OF PULGAS AVENUE STARTING FORTY-TWO (42) FEET SOUTH OF THE BAY ROAD/PULGAS AVENUE INTERSECTION CENTERLINE, CONTINUING SIXTY (60) FEET SOUTHERLY FROM 10 A.M TO 6 P.M. MONDAY THROUGH SATURDAY

WHEREAS, the EPACENTER requested a designated drop-off zone on Pulgas Avenue in front of their facility at 1950 Bay Road, to help address safety concerns; and

WHEREAS, as part of the request, EPACENTER requested to limit around 60 feet of parking as a loading zone to accommodate student drop-offs; and

WHEREAS, staff met with EPACENTER staff and performed field visits to investigate the need for a loading zone; and

WHEREAS, on April 17th, 2024, the Public Works and Transportation Commission (PWTC) denied the loading zone; and

WHEREAS, at the September 17th, 2024, City Council meeting, staff was directed to bring the item back to City Council for further discussion; and

WHEREAS, staff discussed the need and specifics around a loading zone with EPACENTER; and

WHEREAS, a loading zone with limited hours is beneficial to serve the needs of EPACENTER, while addressing traffic safety along Pulgas Avenue.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO HEREBY:

1. Finds the foregoing recitals are true and correct, and are incorporated by this reference into this action;
2. Authorizes the establishment of a loading zone along the east side of Pulgas Avenue starting forty-two (42) feet south of the Bay Road/Pulgas Avenue intersection centerline, continuing sixty (60) feet southerly from 10 A.M. to 6 P.M. Monday through Saturday;
3. Finds that the action being considered does not constitute a “Project” within the meaning of the California Environmental Quality Act (CEQA), pursuant to CEQA Guideline section (b)(3) because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. Additionally, it is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15301 (Repair, maintenance and/or minor alteration of an existing facility).

PASSED AND ADOPTED this 15th day of October 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Antonio D. Lopez, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

John D. Lê, City Attorney



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: October 15, 2024

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Fatima Khan, Environmental Services Aide
Diana Tran, Environmental Services Aide
Humza Javed, Public Works Director

SUBJECT: Adoption of a “Bag and Tag” Policy for City of East Palo Administered Encampment Clean-Up and Removal Activities

Recommendation

Adopt a resolution:

1. Approving a “Bag and Tag” policy for the storage and recovery of personal items that are removed during encampment clean-up and removal activities; and
2. Find that the action being considered does not constitute a “Project” within the meaning of the California Environmental Quality Act (CEQA), pursuant to CEQA Guideline section 15378 (b)(5), in that it is a government administrative activity that will not result in direct or indirect changes in the environment.

Executive Summary

POLICY AND ACTION ITEM 9.2

In 2024, the City abated three encampments--two in the San Francisquito Creek area, and one under the pedestrian overcrossing on West Bayshore and Newell Road. Throughout the year, the City also conducted several clean-ups around encampments where trash had begun to pile up. The City currently follows a 2016 Administrative Rule that established protocols for the abatement of encampments. Though requirements for the retention of personal belongings are part of the Rule, there is no specific procedural guidance offered. Adopting a specific “Bag and Tag” policy would allow staff to clear encampments with consistency in a manner the complies with applicable law, while ensuring the City does so in accordance with its value, including recognizing the importance of protecting the property of unsheltered individuals affected by abatement, removal, and clean-up activities.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Promote Health & Public Safety

Background

East Palo Alto, like many other communities in the region and across the country, has observed a number of unhoused residents who have established homes out of tents and other makeshift structures in public spaces. Often, use of these areas as living quarters is associated with health and safety risks, particularly when trash, debris, human waste and odors are present. In some instances, the living quarters set up by unhoused residents are located in unsafe spaces, including in the San Francisquito Creek. The danger of such living environments is exacerbated when individuals use open flames to cook or keep warm, or when they excavate the Creek walls to fortify their makeshift homes. Additionally, the materials brought into the Creek, as well as trash, debris, and waste from people living in the Creek, pose risks to the unhoused and the public at large, in addition to potentially violating local, State and federal laws. For these reasons and others, the City seeks to clear such encampments, imposing reasonable time, place, and manner restrictions so that unhoused residents do not live in dangerous areas and public spaces such as parks remain available and undiminished for safe enjoyment by community members of such public spaces.

On February 1, 2016, an Administrative Rule from the City Manager’s office established guidance for the removal of encampments and temporary structures that posed health and safety risks. This Administrative Rule came as a response to a 2013 State of California San Francisco Bay Regional Water Quality Control Board resolution requiring municipalities to abate the water quality impacts of these structures. This Rule defines abandoned materials and materials of apparent value recovered during abatement activity and states that if there is reasonable doubt about whether property is “trash or debris” or “of apparent value” the property will not be immediately discarded. Items falling into these categories will be stored by the City for 90 days, during which time items will be available for recovery. Unclaimed items after this 90-day window will be discarded.

To successfully adhere to these guidelines and establish a formal procedure for the retention of personal items belonging to unsheltered individuals, a full “bag and tag” policy for staff to follow before, during, and after encampment clean-up and removal is proposed.

Current Procedures

The Public Works Department’s current procedure when encampments are encountered or reported on public property is as follows:

1. Upon initial report or encounter, submit a request for services, which includes the location and number of individuals to the County’s Homelessness Outreach Team (HOT).
2. HOT teams make contact and follow up with repeated visits. Staff may accompany the HOT team to provide information or warn encampment occupants of an unsafe situation (such as having open fires in dried brush).
3. If unsheltered individuals refuse services on multiple occasions and the encampment is deemed to be an immediate risk to public health and safety, a clear out is scheduled. Staff consults internally and with the County’s HOT guidance to establish a time frame for removal, with 72 hours being the minimum notice. Notices are posted to make encampment occupants aware of when the City will begin the cleanup, including where they may find any personal belongings removed during the clear out. The HOT team is notified so they can be present to offer services.
4. Contact information is left at the location or directly with individuals, if they are present, so they may retrieve their personal belongings for up to 90 days after the encampment is cleared.

Abatement Activity in 2024

1. On April 14, 2024, the Public Works department responded to an encampment located under the pedestrian bridge near the corner of Newell Avenue and West Bayshore Road. Staff identified signs of fire activity, such as ash and burn marks. Due to the risk fires pose to public health and safety, a cleanup of the encampment was scheduled. There was one individual living at the encampment, who left after notices were posted. There were no personal belongings left behind.
2. On June 13, 2024, Public Works maintenance staff responded to reports of a large amount of trash that had begun to build in the San Francisquito Creek area, near the 1800 block of Woodland Avenue. Staff removed and discarded items, many of which were soiled, within and around encampments in this area. Staff was supported by Republic Services, the City’s hazardous waste contractor. No personal belongings were collected.
3. On July 1, 2024, there was an emergency abatement of an encampment along San Francisquito Creek, near 1831 Woodland Avenue. Because the Creek is an

POLICY AND ACTION ITEM 9.2

environmentally sensitive area, the presence of human waste, litter, and debris compromised the health of the Creek. Due to these exigent circumstances, Public Works and Republic Services conducted a cleanup of this portion of San Francisquito Creek. There were no personal belongings collected.

In addition to targeted abatement activity, Public Works conducts regular cleanups of trash generated around encampments. This waste generally does not fall into the “personal belonging” category described in Attachment 2 – Bag & Tag Policy.

Analysis

After consulting with neighboring jurisdictions and consistent with the City’s own experience, bagging and tagging is often rarely practiced as many unhoused often move on long before staff begins clearing the encampment, leaving behind little if anything of value. Nevertheless, , staff recommends the adoption of the policy (included as Attachment 2) to establish norms in the form of a standard operating procedure, around the collection of personal property and its protection from destruction. This policy would include going through items, logging and tagging them, and then bagging them for storage at the Corporation Yard for a 90-day period during which they can be retrieved. Though this process has been unofficially adhered to by staff, making clear the intention of the City to ensure personal belongings are easily retrievable would support staff in establishing a system to document and organize collected belongings.

This policy aims to protect the unsheltered community’s personal property by ensuring items of importance are accounted for, requiring notices to be posted before cleanups, and providing instructions on how collected personal property can be retrieved.

Fiscal Impact

There is no fiscal impact for this item.

Public Notice

The public was provided notice by making the agenda and report available on the City’s website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental

The action being considered does not constitute a “Project” within the meaning of the California Environmental Quality Act (CEQA), pursuant to CEQA Guideline section 15378 (b)(5), in that it is a government administrative activity that will not result in direct or indirect changes in the environment.

Government Code § 84308

Applicability of Levine Act: No, as the proposed action does not entail an entitlement.



POLICY AND ACTION ITEM 9.2

Analysis of Levine Act Compliance: Not applicable.

Attachments

1. Resolution
2. Bag and Tag Policy
3. Personal Property Intake Form
4. Administrative Rule: Procedures for Clean-up Materials, Temporary Shelters and Encampments on Public and Private Property

RESOLUTION NO. XX– 2024

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO**

**APPROVING A “BAG AND TAG POLICY” FOR THE STORAGE AND RECOVERY OF PERSONAL ITEMS
THAT ARE REMOVED DURING ENCAMPMENT CLEAN-UP AND REMOVAL ACTIVITIES**

WHEREAS, City of East Palo Alto (“City”) staff regularly encounter encampments located on public property; and

WHEREAS, in cases where there is an immediate risk to public health and safety, City staff post for removal the encampment or temporary shelter; and

WHEREAS, posting of encampments is needed in instances where unsheltered individuals may be impacted by clean-up or removal activities and at risk of losing their belongings; and

WHEREAS, on February 1, 2016, an Administrative Rule signed by the City Manager and City Attorney established guidance for the removal of encampments that posed risks to public health and safety, and which also included general guidelines for the removal and retrieval of personal belongings; and

WHEREAS, the City does not have a formal “Bag and Tag” policy for encampment cleanups, although it adheres to best practices in storing the personal belongings and affects of unhoused individuals living in encampments on public property; and

WHEREAS, adoption of a formal “Bag and Tag” policy would protect the personal property of unsheltered individuals affected by encampment abatement and provide staff with an established procedure for collecting and storing personal property.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO HEREBY:

1. Finds the foregoing recitals are true and correct, and are incorporated by this reference into this action; and
2. Approves a “Bag and Tag” policy, attached hereto as Exhibit A, for the storage and recovery of personal items that are removed during encampment clean-up and removal activities
3. Finds the action being considered does not constitute a “Project” within the meaning of the California Environmental Quality Act (CEQA), pursuant to CEQA Guideline section 15378 (b)(5), in that it is a government administrative activity that will not result in direct or indirect changes in the environment.

PASSED AND ADOPTED this 15th day of October 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Antonio D. Lopez, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

John D. Lê, City Attorney



CITY OF EAST PALO ALTO

Public Works Department

1960 Tate Street, East Palo Alto, CA 94303
Tel. No. 650.853.3189, Fax. No. 650.853.3179

“BAG & TAG” POLICY

Identifying and Collecting Personal Property During Encampment Abatement Activities

I. DEFINITIONS

Abandoned Property: Abandoned property is unaccompanied by indications of ownership; for example, items that are disheveled, broken, surrounded by trash, and show signs of neglect. Abandoned property may be immediately discarded.

Personal Property: Personal Property means personal effects or property consisting of, but not limited to, the following items: identification or social security cards; medications; medical devices; eyeglasses; photographs/photo albums; tax or medical records; and reasonably usable, non-soiled, non-verminous items that are reasonably believed to have value, including tents, blankets, sleeping bags, clothes, and operational bicycles (i.e., complete bicycles, not standalone bicycle parts)

Unattended Personal Property: Personal property is considered unattended when the owner, or anyone who states they are designated by the owner to watch the property is not present. Unattended personal property differs from abandoned property and is accompanied by signs of ownership, for example, items stored in an orderly fashion (packed up, wrapped, covered).

Bulky Items: Bulky items are large, cumbersome objects that are difficult to move and would not fit in a residential trash receptacle. These items are often heavy and difficult to dismantle into smaller parts. Common examples include household furniture, such as sofas, chairs, tables, as well as electronic devices and appliances, like televisions, microwaves, and refrigerators. Due to their size and weight, these items often require special handling and disposal methods, beyond what standard waste services offer.

Encampment Abatement: An encampment abatement activity is any City of East Palo Alto administered activity that would result in a reduction of the impact or size of an encampment. These activities may include the removal of trash and debris from areas immediately adjacent to the encampment, posting official notices indicating the encampment is scheduled for removal, and

conducting thorough clean-ups of personal items, structures, and waste within the encampment itself.

II. POLICY

City of East Palo Alto staff, when collecting items from within and around an encampment where unsheltered individuals live, shall follow the procedures outlined in this policy document. City staff are expected to exercise their best judgment when removing and discarding materials. Items that they believe would reasonably constitute “abandoned property” as defined in the Definition section, may be discarded. Conversely, any materials identified as personal property must be tagged and securely stored for a minimum of 90 days, as required by this policy.

Throughout this process, the City of East Palo Alto shall provide compassionate, consistent, and dignified public service to all those affected by encampment abatement activities.

III. PROCEDURE

Collecting Personal Property

Staff will evaluate personal items, based on the criteria above, to determine whether such items should be collected or discarded. The site where items are collected may be photographed to ensure the location can be identified and the rightful owner can retrieve the collected property. All collected personal property will be documented using an Intake Form. A tag number corresponding with the Intake Form will be attached to the bagged belongings. The Personal Property Collection Intake Form will include the following information:

- Date of intake
- Location of intake (as specific as possible)
- Name of owner (if known)
- Contact information of owner (if known)
- Brief description of the items
- Name of staff completing intake

Items that will be immediately discarded:

- Items that pose an immediate risk to health and safety including:
 - o Sharps, needles, hazardous waste/chemicals (e.g., bleach, motor oil, biomaterial)
 - o Items infested with vermin or insects
 - o Items soiled with human waste or mold
- Perishable food
- Contraband
- Garbage, trash, debris

Staff may use discretion when grouping items under one tag. For example, bedding and shelter material (blankets, sleeping bags, tents, etc.) used for sleeping may be grouped together if the tag reflects that there are different types of items included in a bundle.

If personal property is attended, the owner or the individual designated by the owner to oversee the property must inform City staff of this designation. In such cases, staff will provide the owner or designee with a reasonable amount of time to collect and remove the belongings from the public right-of-way. Should the owner or designee fail to do so within the allotted time, staff will issue a verbal notice that belongings will be collected and stored in accordance with this Policy. Staff must advise the owner or designee to remove medications, medical devices, personal identification, legal documents, and other important items prior to bagging and tagging. Staff will deliver collected items to the City's Maintenance Corporation Yard at 150 Tara Road, East Palo Alto, CA 94303.

Bulky Items

Bulky items, as defined herein, may be retained based on staff discretion after considering the totality of circumstances, including 1) the storage capacity available at the corporation yard, and 2) whether it would be unsafe or hazardous for staff to inspect, remove, transport, or store such an item at the corporation yard. Any bulky items constituting abandoned property will be discarded. Staff will discern during the abatement activity whether a bulky item will be stored, is abandoned, or discarded. Depending on the item, staff will provide a reasonable amount of time within which a bulky item may be moved if it cannot be stored at the corporation yard, after which it will be deemed abandoned property and either destroyed or discarded.

Storage of Personal Property

Personal property will be stored at the City's Maintenance Corporation Yard located at 150 Tara Road, East Palo Alto, 94303, for 90 days. After 90 days, unclaimed items will be discarded.

Noticing

Staff will post removal notices a minimum of 72 hours prior to the scheduled clean up. These notices will be placed in highly visible locations where personal property is expected to be removed. In order to ensure proper documentation, staff will photograph and record all posted notices, including the date, time, and exact location of the postings. The notice will remain posted for one week after removal.

Retrieving Belongings

Individuals must contact the Environmental Services Division at (650) 853-3189 during regular business hours, which are from 8:00 AM to 5:00 PM, Monday through Friday except holidays. The owner of the collected personal property must provide sufficient proof of ownership. This may include a detailed description of the items, along with information on when and where the items were collected.



CITY OF EAST PALO ALTO

Public Works Department

1960 Tate Street, East Palo Alto, CA 94303

Tel. No. 650.853.3189, Fax. No. 650.853.3179

Personal Property Collection Intake Form

Collection Information

Name of owner (if known): _____

Contact information of owner (if known): _____

Date and time items collected: _____

Number of items or bags: _____

Description of items: _____

Location:

Street: _____

Cross street: _____

Circle intersection corner, if applicable: N/W S/W N/E S/E

Intake Information:

Name of person completing intake: _____

Supervisor Name: _____

Intake Date: _____

Tag #: _____

Retrieval Date: _____

Owner's Signature: _____

Disposal Date: _____



CITY OF EAST PALO ALTO
CITY MANAGER'S OFFICE
2415 UNIVERSITY AVENUE, EAST PALO ALTO, CA 94303
PHONE: 650-385-3100, FAX: 650-853-3115

ADMINISTRATIVE RULE

SUBJECT: PROCEDURES FOR CLEAN-UP MATERIALS, TEMPORARY SHELTERS AND ENCAMPMENTS ON PUBLIC AND PRIVATE PROPERTY

I. PURPOSE

The City of East Palo Alto receives regular complaints from citizens and businesses relating to health, safety, criminal activity and other concerns arising in and around areas where individuals have erected temporary shelters, structures and encampments.

On May 13, 2013, the San Francisco Regional Water Control Board has adopted a Resolution, "Actions to address the adverse water quality impacts of homeless encampments," requiring municipalities to address the water quality impacts that arise from temporary shelter and encampment use, for sites that lack sanitary sewage and solid waste removal services.

By this Administrative Rule, the City expresses its intention to implement procedures to abate specific health and safety issues associated with temporary shelters and encampments, which negatively impact the community and the environment. This Policy seeks to balance the needs and rights of all of citizens, including residents of temporary shelters, structures and encampments, with those residents and business operators in permanent shelters and structures.

This policy does not establish any individual right to erect temporary shelters or encampments, nor otherwise encroach on public or private property.

II. DEFINITIONS

Abandoned Materials and Possessions: These terms indicate materials or possessions that appear to be left unattended by any person or persons.

Temporary Shelters and Structures: These terms indicate lodging that is erected for transitory human habitation such as huts, tents, lean-to's, tree-houses, shrubbery, or other small-scale quarters to accommodate less than 10 (ten) persons.

Encampments: This term indicates an accumulation of temporary shelters that may be intended to accommodate 10 (ten) or more persons.

Materials of apparent value: These terms indicate items collected at a temporary shelter or encampment, which appear to be the personal property of any individual, also referred to as personal possessions. Personal property of apparent value may include clothing, shoes, jackets, tents, sleeping bags, bed rolls, blankets, backpacks, duffel bags, bicycles, tools, watches, jewelry, audio and video equipment, medications, toiletries, eyeglasses, purses, handbags, personal papers, equipment, photographs, books and baby strollers. Due to the City's limited capacity for storage, these items do not include possessions that are soiled, contaminated, or any items may include hazardous or illegal substances.

Trash or debris: These terms includes property that does not include materials of apparent value; examples include litter, packaging, beverage containers, broken furniture, soiled mattresses, cardboard, wood, torn or soiled fabric, and others.

III. POLICY

The City of East Palo Alto shall respond to complaints and concerns arising in and around areas in which individuals have erected temporary shelters, structures and encampments in a manner that protects the public health and safety, in compliance with applicable state, federal and local laws, while providing consistent, compassionate and dignified public service to all those affected.

IV. PROCEDURE

Procedures applicable to the abatement of all personal possessions,

structures, trash, garbage, junk, recycling, debris, human waste, enforcement of trespass laws and the abatement of encampments are set forth in Sections III, IV and V.

Procedures applicable to code enforcement activities are set forth in Section V.

A. Garbage Removal on City-Owned Property

1. Each department of the City regularly receives requests to remove trash or debris which have accumulated on or around City-owned and vacant property. The Code Enforcement Officer shall receive and act upon these requests on City-owned property, or at the specific request of the City Manager, or their designee.
2. Generally, when the Code Enforcement Officer determines that a request for service in the public right of way involving the removal of trash or debris is located within 200 feet of an area which contains temporary shelters, structures, or encampments, said removal shall not take place without a minimum of three (3) days (72 hours) advanced written notice, which shall be posted and served in a form substantially similar to Exhibit A, attached hereto, by the City's Code Enforcement or Police Officer, unless the structure is an imminent, direct hazard to public health or safety, as directed by the Chief of Police, or their designee.

If the Chief of Police, or their designee, makes a determination that hazards exist, requiring immediate removal of all materials, abatement shall be made without prior notification to the owner of the materials being removed. Trash or debris shall be discarded as appropriate and personal possessions of apparent value shall be retained. Notification shall be provided according to item #4 below, with the exception of providing a three (3) day (72 hour) notice. Noticing shall instead be placed as close to the abatement site as possible, indicating where materials of apparent value are stored and how the owner of said material can obtain these possessions. Materials of apparent value shall be collected and stored according to item #4 below.

3. The posting and/or service of said notice shall be performed in a manner which is reasonably calculated to provide effective notice to any residents of the adjacent temporary shelters, structures, or encampments. Where possible, the notice shall describe the area subject to garbage removal as clearly as possible (e.g., the North side of the 400 block of Demeter Street) in both English and Spanish languages.
4. As part of the removal of any trash or debris, the City of East Palo Alto shall not destroy any "materials of apparent value;" these items shall be stored at: 141 Demeter Street for a minimum of 90 days prior to being discarded. These materials will be held by the City Police Department in an effort to simplify the material recovery process for the property owner.
5. Reasonable doubt about whether property is "trash or debris" or "materials of apparent value" as defined above, should be resolved in favor of the conclusion that the property is valuable and has not been discarded.
6. In situations where the City has received complaints or information regarding alleged criminal activity at temporary encampments established on City-owned property, the Police Department will respond to and handle the situation in accordance with current policy

B. Private Property, Including Public Property Not Owned by the City

The City of East Palo Alto regularly receives complaints and information regarding the existence of temporary structures and encampments constructed by individuals on private property that have no legal right or permission to occupy the property. These complaints include a broad range of issues, including, but not limited to health emergencies, blight, the accumulation of trash and garbage, fires, property damage, loitering, trespass, prostitution, drug sales and use, trespass, and other crimes.

In cases where the property ownership is in question, the City Manager, or their designee, shall determine how to proceed, taking necessary action to ensure public health and safety.

1. In situations where the City has received complaints or information regarding alleged criminal activity at temporary encampments established on public or private property, the Police Department will be contacted to respond to handle the situation in accordance with current policy.
2. The City will not respond to requests by private property owners, or owners of public property not owned or maintained by the City, to remove personal belongings, recycling, junk, trash or debris accumulated on private property or public property not owned or maintained by the City, unless a clean-up effort has been approved, in advance, by the City Manager or their designee.
3. In instances in which such approval is granted, and the request for services involves the removal of trash or debris occurring within 200 feet of an area which contains temporary shelters, the City will follow the notice procedure set forth above, in Section A. III, following authorization of the property owner to conduct these efforts on their behalf. The City may seek recovery of costs, including staff or contractor costs, associated with this cleanup effort.
In instances in which such approval is granted, the removal of trash and debris on private property shall be performed as set forth in Section V. below.

V. CLEAN-UP OF ENCAMPMENTS

For encampments of ten (10) or more individuals which have been in place for more than ten (10) days, the City shall seek to provide the residents of such encampments at least seven (7) days advance notice of the need to vacate said property by posting and serving written notice as outlined below.

A. Clean-up of Encampments on City-Owned Property.

In situations in which the City intends to abate encampments that are located on City-owned property, the City will provide written notice of the

intended abatement in a form substantially similar to the Notice attached as Exhibit C.

The City will collect and dispose of any junk, garbage and/or debris in the area and to the extent possible, will also collect and store any unattended personal property of value (as described in Section III above).

Materials of apparent value, collected by the City shall be stored for ninety (90) days without charge, during which time said property shall be available to be reclaimed by the subject owner. After the expiration of ninety (90) days, any unclaimed property will be destroyed.

The posting of the notice shall be performed in a manner which is reasonably calculated to provide effective communication to the residents of the temporary shelters, and to the extent possible, the notice shall describe the area subject to the abatement effort as clearly as possible.

The notice shall also be served by hand delivery, mail, email, and/or facsimile on the Community Service Agencies (CSA, organizations that assist residents of temporary shelters and encampments including, but not limited to the following: San Mateo County Department of Behavioral Health, InnVision Shelter Network, Project We Hope, Veterans Administration, El Concilio Emergency Services (East Palo Alto), East Palo Alto Reentry Program, San Mateo County Human Services Agency, Office of Housing.

B. Clean-up of Encampments on Private Property, Including Public Property Not Owned by the City.

Requests by property owners to enforce trespass laws may be reported to the Police Department. The Police Department will respond to and handle the situation in accordance with current policy.

The City will not respond to a request by a private property owner to clean-up encampments located on private property, or on public property not owned by the City, unless the clean-up request has been approved, in advance, by the City Manager's Office and an abatement warrant has been approved by a Court of a competent jurisdiction. In instances in which such approval is granted, cleanup of encampments on private property shall be

performed as set forth in Section V.A.

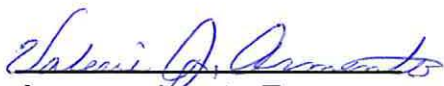
VI. CODE ENFORCEMENT

It is anticipated that the City of East Palo Alto will from time to time, pursue code enforcement activities concerning the abatement of a public nuisance which includes temporary structures or encampments. These activities may include, but are not limited to, weed abatement, the collection and/or disposal of junk, garbage or debris, as well as the collection or disposal of personal property in and around the area of encampments.

In situations where code enforcement activities to abate a public nuisance involve the collection of personal property of value (as described in Section II.A.3 above) which reasonably appears to belong to an individual, the City will provide at least a three (3) to seven (7) day written notice of the intended clean-up in a form substantially similar to the Notice attached as Exhibit D, and which shall describe the areas subject to the code enforcement activities as clearly as possible.

C. Abatement Process of a Public Nuisance

At the time the City abates the subject nuisance; it will collect and dispose of any junk, garbage or debris in the area and will also collect and store unattended personal property which reasonably appears to belong to an individual. Personal property collected by City as part of an abatement effort shall be stored for ninety (90) days without charge, during which time it shall be available to be reclaimed by the subject owner. After the expiration of ninety (90) days any unclaimed property will be destroyed.



Approved as to Form
Valerie Armento, City Attorney



Carlos Martínez
City Manager

EXHIBIT A

**NOTICE OF ENCAMPMENT
REMOVAL**

PLEASE TAKE NOTICE:

That on (**DATE[3 Days from Notice]**) at (**TIME**), the City of East Palo Alto will remove and destroy garbage, trash, waste, junk and debris that have accumulated in the area of (insert address). The City will not destroy the personal property of any individuals. However, to avoid any confusion, please move any personal property you may have away from any garbage piles located in this area. Any possessions that remain unclaimed will be stored at the following location (**ADDRESS OF STORAGE**) for claim by property owner for a maximum of 90 days of this notice, by any individual providing a clear description of the items in question and the site the materials were removed from.

If you have any concerns or comments, please contact:

(**PERSON AND TITLE**) at (**ADDRESS, EMAIL, AND PHONE NUMBER**).

EXHIBIT B

NOTICE OF TRESPASS

PLEASE TAKE NOTICE:

The City of East Palo Alto received information concerning individuals who are loitering near or residing in temporary shelters, structures and/or encampments that have been constructed in the vicinity of (insert address).

Any individual loitering or residing in this area may be trespassing, and must immediately move off site and remove any personal property they own.

The City of East Palo Alto will seek the voluntary cooperation of any individuals who remain onsite to relocate, and will enforce trespass laws against any individual who fails or refuses to move off this site.

If you have any questions or comments, please contact (insert name and title) at (insert address, email, phone).

EXHIBIT C

NOTICE OF TRESPASS AND CLEAN-UP PLEASE TAKE NOTICE:

The City of East Palo Alto has received information concerning individuals who are loitering near or residing in the temporary shelters/encampments that have been constructed in the vicinity of (insert address). Any individuals loitering or residing in this area may be trespassing, and will need to immediately move off this site and remove any personal property they own.

On (insert time) at (insert date) the City will conduct a clean-up of the area, including, but not limited to the removal of all personal property, temporary shelters, waste, junk and / or garbage from this area. Individuals wishing to reclaim personal property collected by the PWMD as part of the clean-up project may do so by contacting the Non-Emergency Police department telephone line at: (650)853-3160 or in person at 141 Demeter Street, East Palo Alto, CA for a period of ninety (90) days following (date of clean up), during the hours of (8:00 am and 4:00 pm), days of operation (Monday through Friday).

Personal property collected by the City shall be stored, without charge, for ninety (90) days. After ninety (90) days from the date of collection, any unclaimed property will be destroyed.

EXHIBIT D

**NOTICE OF
CODE ENFORCEMENT
AND CLEAN-UP
PLEASE TAKE NOTICE:**

The City of East Palo Alto will be enforcing the **East Palo Alto Municipal Code Chapter 8.08** which requires the removal of accumulated junk, waste, debris, weeds, overgrown vegetation and garbage in the vicinity of: (insert address), including any temporary shelters, trash, debris, and personal possessions. Any individuals residing or storing property in this area are in violation of the East Palo Alto Municipal Code and will need to immediately move off this site and remove any personal property they own.

On or after (insert date), at (insert time), the City of East Palo Alto will conduct an abatement of the area, including the removal of all individuals, personal property, temporary shelters, junk and/or garbage from this area. Individuals wishing to reclaim personal property collected by the City as part of the clean-up project may do so by contacting (insert contact information), at (insert telephone, email address), for a period of up to ninety (90) days following (insert date of cleanup), during the hours of **9:00 am -4:00 pm, Monday through Friday.**

Personal property collected by the City shall be stored, without charge, for ninety (90) days. After ninety (90) days from the date of collection, any unclaimed property will be thrown away.

TEMPORARY FACILITY LEASE

This lease is made and entered into on 2/13/2024 by and between *City of East Palo Alto* ("LANDLORD") and *BLACH Construction Co.* ("TENANT").

1. Subject to the terms, provisions, and conditions and covenants hereinafter set forth, LANDLORD hereby leases to the TENANT that certain real property (including the improvements thereon), located at 1798 Bay Rd, East Palo Alto, CA 94303 and which is more specifically described on Exhibit "A" attached hereto (the "Property"), extremely low, very low and low income households and which development is being assisted by the LANDLORD in order for the LANDLORD to ensure that it is meeting the housing needs of the community. TENANT shall use the Property solely for purposes of parking for construction workers performing work on the Colibri Commons development, the placement of construction trailers to be used for job-site office space and storage of other equipment and facilities necessary for the construction of Colibri Commons. Vehicles accessing the Property shall do so only from public streets adjacent to the Property. The pedestrian pathway adjacent to the Property may be used as pedestrian access to the Colibri Commons construction site by construction workers but no vehicles are allowed on the pedestrian pathway and the pedestrian pathway shall not be used to bring equipment to and from the Colibri Commons site. No other uses of the Property are allowed. TENANT'S use of the Property cannot block public access to public trail adjoining the Property.
2. This lease shall commence on 2/13/2024 and shall continue in full force and effect until 02/12/2025 on a month-to-month basis and may be cancelled by either party by providing the other party thirty (30) days' written notice of its intent to terminate the lease.
3. As "Rent" hereunder, TENANT shall pay LANDLORD, on the first day of each month the sum of \$5,000. TENANT shall also be responsible for the payment of any and all utilities associated with TENANT's use of the Property.
4. TENANT, as the general contractor for the Colibri Commons Development is obligated under the terms of the Disposition, Development and Loan Agreement between the LANDLORD and _MP 965 Weeks Street Associates, L.P., to maintain certain insurance including general liability insurance, workers compensation insurance, automobile insurance and builders risk insurance. TENANT shall, as a condition of this Lease , provide to the LANDLORD updated certificates of insurance as required by the Disposition, Development and Loan Agreement that specifically include and cover the Property and any and all claims that may occur as a result of TENANT'S use and occupancy of the Property.
5. Upon the termination of the lease, TENANT shall surrender the Property to LANDLORD in the same condition as when delivered to TENANT, except for (a) normal wear and tear, (b) liens, encumbrances and other claims for which LANDLORD is responsible. In the event that TENANT makes any improvements to the Property or attaches any fixtures to the Property, TENANT shall, at the direction

of the LANDLORD, remove any such improvements or fixtures upon termination of the Lease. Any improvements or fixtures remaining on the Property after termination of the Lease shall be considered abandoned by the TENANT and shall become the property of the LANDLORD and LANDLORD shall have no obligation to dispose of such improvements in any particular manner. , a.

6. TENANT agrees to indemnify, defend and hold LANDLORD harmless from and against any claims, damages, demands, costs and expenses arising from the conduct or management of TENANT'S business on the Property or from any breach on the part of TENANT of any conditions of this lease, or from any act of negligence of TENANT, its agents, contractors, employees, or licensees in or about the Property.
7. LANDLORD agrees to indemnify, defend, and hold TENANT harmless from and against any and all claims, damages, demands, costs, losses, expenses, or liabilities for any injury or damage to any person or property whatsoever occurring in, on, or about the Property to the extent the injury or damage was caused solely by the gross negligence or willful act of the LANDLORD, its agents, contractors, or employees.
8. LANDLORD covenants, warrants, and represents that the Property (including the land thereunder) is unaware of any environmental hazards, except which have been specifically disclosed to TENANT. Neither the LANDLORD, nor any employee, agent or representative of the LANDLORD has made any representation, warranty or covenant, expressed or implied, with respect to the Property, its physical condition, the condition of any improvements, any environmental laws or regulations, or any other matter, affecting the use, value, occupancy or enjoyment of the Property other than as set forth explicitly in this Lease, and the Tenant understands and agrees that the LANDLORD is making no such representation, warranty or covenant, expressed or implied; it being expressly understood that the Property is being leased in an "AS IS" condition with respect to all matters. The LANDLORD makes no representations or warranties with regards to the suitability of the Property for the TENANT'S intended uses or the Improvements.
9. TENANT agrees to pay, or cause to be paid, when due to the proper authority, any and all valid taxes, assessments and similar charges associated specifically with the TENANT's use of the Property which become effective after the execution of this Lease, including all taxes levied or assessed on the use or occupancy, as distinguished from the ownership, of the Property and any improvements made by the TENANT located thereon. TENANT shall not permit any such taxes, charges or other assessments to become a defaulted lien on the Property; provided, however that in the event any such tax, assessment or similar charge is payable in installments, TENANT may make, or cause to be made, payment in installments; and provided, further, that TENANT may, through such proceedings as TENANT considers necessary or appropriate, contest the legal validity or the amount of any tax, assessment or similar charge, and TENANT may defer the payment thereof so long as the validity or amount thereof shall be contested by TENANT in good faith and without expense to the LANDLORD.

In the event of any such contest, TENANT shall protect, defend and indemnify the LANDLORD against all loss, cost, expense or damage resulting therefrom, and should TENANT be unsuccessful in any such contest, TENANT shall forthwith pay, discharge, or cause to be paid or discharged, such tax, assessment or other similar charge. The LANDLORD shall furnish such information as TENANT shall reasonably request in connection with any such contest provided that such information is otherwise available to the public.

10. TENANT shall not place any encumbrance on the Property during the term of this Lease.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, this lease is hereby executed as of the date first above set forth.

LANDLORD:

DocuSigned by:
Melvin E. Gaines
4A361DD749224BE...

By: City of East Palo Alto

Name: Melvin E. Gaines

Title: City Manager

Address for Notices:

1960 Tate St.

East Palo Alto, CA 94303

Phone: 650-853-3193

Fax: 650-853-3179

Email: ced@cityofepa.org

TENANT:

DocuSigned by:
Dean Leyshock
4F41FDE6C82949C...

By: Blach Construction Co

Name: Dean Leyshock

Title: Project Director

Address for Notices:

2244 Blach Place Suite #100

San Jose CA 95131

Phone: 408-244-7100

Fax: N/A

Email:
dean.leyshock@blach.com

Site Contact: Kevin Gericke
408-886-3665
Kevin.Gericke@blach.com

EXHIBIT "A"

PROPERTY DESCRIPTION

