EAST PALO ALTO CITY COUNCIL
REGULAR SESSION AGENDA

Tuesday, March 17, 2026, 6:00 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

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+ 1 253 215 8782 or
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+ 1 301 715 8592

Webinar ID: 854 1230 5969

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

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

2. **APPROVAL OF THE AGENDA**

3. **APPROVAL OF CONSENT CALENDAR**

3.1 Monthly Cash Treasury Report for January 2026

Recommendation: Accept and file the Cash Treasury Report for the month of January 2026.

3.2 Adding Assistant City Clerk – Confidential Position to the List of Approved Positions and Reclassifying the Office Assistant Position in the City Clerk's Department.

Recommendation: Staff recommends that the City Council approve a Resolutions authorizing:

1. Create the job description for an Assistant City Clerk - Confidential.
2. Reclassify the Office Assistant in the City Clerk's Office to an Assistant City Clerk - Confidential.
3. Include the Assistant City Clerk – Confidential in a full-time classification capacity and related job benefit package as aligned with the Service Employees International Union (SEIU) bargaining unit.

3.3 Item Removed

3.4

Residential Permit Parking Program Ordinance (RPP) Second Reading

Recommendation:

By motion, the City Council should:

1. Waive the second reading and adopt an ordinance adding a new Chapter 10.40 (Residential Permit Parking Program) to the East Palo Alto Municipal Code (or any other substantive amendments proposed by staff or the Council to the original ordinance);
2. Find that the proposed action is exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines sections 15301 (minor alterations) and 15061(b)(3) (common sense exemption).

3.5 Gloria Well Way Repairs & Hydrant Replacement Program

Recommendation:

1. Authorize payment to Veolia and appropriate funds for the repair and modifications to Gloria Way Well Filtration Plant from the Water Capital Fund in the amount of $205,562.00 and;
2. Authorize payment to Veolia and appropriate funds for 60 hydrant

replacements (Hydrant Replacement Program) from the Water Capital Fund in the amount of $241,500.00 and;

3. Adopt a resolution for the above.

3.6 Approval of Administrative Amendment to Paragraph 2.2 of the Peninsula Clean Energy Joint Powers Agreement Reflecting the Name Change of Peninsula Clean Energy Authority to WestLight Energy

Recommendation: Adopt a resolution approving an amendment to Paragraph 2.2 of the Peninsula Clean Energy Authority Joint Powers Agreement to reflect the new agency name previously approved by the Peninsula Clean Energy Authority Board of Directors on October 23, 2025.

3.7 Ordinance Adopting 2026 California Building Standards Code, Adopting Reach Codes for Existing Buildings, and Ratifying Ordinance No. 59-2025 of the 2025 District Fire Prevention Code

Recommendation: 1. Waive the second reading and adopt an ordinance to amend various sections and provisions of the East Palo Alto Municipal Code, including:

a. Chapters 15.04, 15.08, 15.10, 15.11, 15.12, 15.15, 15.16, 15.20, 15.25, 15.32, 15.58 to adopt by reference the 2025 California Building Standards Code, including the following 2025 California Codes and specified appendices: Administrative Code; Building Code volumes 1 and 11; Residential Code; Electrical Code; Mechanical Code; Plumbing Code; Energy Code; Historical Building Code; Existing Building Code; Green Building Standards Code; and Fire Code;

b. Chapter 15.58 to adopt and ratify local amendments set forth in Menlo Park Fire Protection District Ordinance No. 59-2025;

c. Chapter 15.32 pertaining to dangerous buildings;

d. Chapter 15.25 (Energy Code) of the East Palo Alto Municipal Code to incorporate local amendments herein referred to as Reach Codes, which mandate cost-effective building requirements, including increasing building efficiency and requiring electric readiness, with findings demonstrating local amendments are reasonably necessary; and

e. Make any necessary conforming amendments, as the Council deems necessary.

2. Make any necessary conforming amendments, as the Council deems necessary; and

3. Find that the proposed action is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines sections 15061(b)(3), 15308, and 15183.

3.8 Notice of Probable Violation: Underground Safety Board Decision

Recommendation: Adopt a resolution authorizing the City Manager to enroll Public Works Staff (“Respondent”) in the California Board of Underground Safety’s Education Course.

3.9 Minutes of the February 24, 2026 Meeting

Recommendation: Adopt the minutes of the February 24, 2026, Meeting

3.10 Proclamation of the City Of East Palo Alto Celebrating César E. Chavez Birthday, His Legacy and That of Farmworkers And the Work of the Chavez Family Vision Inc. Organization

Recommendation: Present the proclamation.

4. CLOSED SESSION

5. PUBLIC COMMENT

6. ADJOURN CITY COUNCIL REGULAR MEETING TO THE EAST PALO ALTO SANITARY DISTRICT BOARD MEETING

7. APPROVAL OF EPASD CONSENT CALENDAR

7.1 Cash Disbursement Report for January 2026

Recommendation:

Accept the cash disbursement report required pursuant to California Health and Safety Code Section 6794.

8. EPASD PUBLIC COMMENT

9. ADJOURN EAST PALO ALTO SANITARY DISTRICT BOARD MEETING AND RECONVENE CITY COUNCIL REGUALR MEETING

10. INFORMATIONAL REPORTS

11. SPECIAL PRESENTATIONS

11.1 The San Francisco Peninsula 2025–2028 Strategic Plan

11.2 Peninsula Clean Energy

12. PUBLIC HEARINGS

13. POLICY AND ACTION

13.1 Implementation Plan for the Economic Development Strategic Plan

Recommendation:

Staff recommends that the City Council:

1. Approve Option A as the City's Five-Year Implementation Plan for the Economic Development Strategic Plan (EDSP), focusing on initiatives achievable with current staffing and limited consultant support.
2. Recognize Option B as a potential future expansion of the City's economic development program should the Council elect to establish dedicated economic development staffing,

including an Economic Development Manager and an Economic Development Specialist.

3. Provide feedback on implementation priorities and identify any initiatives the Council would like incorporated into the final plan.
4. Direct staff to return during the Fiscal Year (FY) 2026-27 budget process with staffing and funding recommendations should the Council wish to expand the program consistent with Option B.

13.2 2025 Annual Housing Element Progress Report and 2025 General Plan Annual Progress Report

Recommendation: The City Council should adopt a resolution stating the following:

1. Accept the 2025 Housing Element Annual Progress Report, 2025 General Plan Annual Progress Report, and Housing Successor to the Redevelopment Agency Annual Report; and

2. Direct staff to submit the 2025 Housing Element Annual Progress Report, 2025 General Plan Annual Progress Report, and Housing Successor to the Redevelopment Agency Annual Report to the appropriate State authorities; and

3. Find that the acceptance and submittal of the 2025 Housing Element Annual Progress Report, 2025 General Plan Annual Progress Report, and Housing Successor to the Redevelopment Agency Annual Report is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guideline Sections 15061(b)(3) and 15306 based on evidence in the administrative record, and none of the exceptions set forth in CEQA Guidelines Section 15300.2 apply to this Project.

14. COUNCIL REPORTS

15. ADJOURNMENT

Upcoming meetings:

Study Session	March 24, 2026	6:00 PM
Regular Meeting	April 7, 2026	6:00 PM
Regular Meeting	April 21, 2026	6:00 PM

This AGENDA is posted in accordance with Government Code Section 54954.2(a)

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: March 10, 2026

ATTEST:

James Colin
City Clerk

EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: March 17, 2026

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Tomohito Oku, Finance Director
Jessica Y Caballero, Financial Services Manager
Esther Aguirre, Senior Accountant

SUBJECT: Monthly Cash Treasury Report for January 2026

Recommendation

Accept and file the Cash Treasury Report for the month of January 2026.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Governance, Organizational Strength, and Fiscal Sustainability

Background

Pursuant to Section 53646 of the Government Code of the State of California, the City Treasurer may submit a quarterly report to the City Council regarding the funds and investments of the City. Further, City Investment Policy Section XVIII requires monthly reporting of investment transactions, as specified. Because the City participates in State and County investments pools and does not independently broker or engage outside investment advisors to transact investments, the monthly reporting provides a snapshot of overall cash receipts, transfers, and disbursements.

Analysis

The Monthly Cash Treasury Report ("Report") covers cash and investments of the City in the four cash and investment accounts: Wells Fargo Bank, San Mateo County Pool, California State Local Agency Investment Fund, and the California Asset Management Program (CAMP). The

Report does not include petty cash, or the California State Community Infrastructure Program (SCIP) bond proceeds held by a trustee in the name of the City. For investment purposes, City cash is pooled, except for bond proceeds held by a trustee. The City does not have, nor is it legally required to have, separate bank accounts for each individual fund. However, all cash is segregated in the City's accounting records. Monthly cash transactions for the monthly period ending January 31, 2026 are as follows:

Account	Beginning Balance	Receipts	Disbursements	Interest Allocation	Inter-Account Transfers	Ending Balance
Wells Fargo Bank	3,018,582.63	3,849,841.78	(5,633,966.57)		(838.00)	1,233,619.84
LAIF	19,682,580.81	-	-	178,226.80	4,400,000.00	24,260,807.61
San Mateo County Pool	57,860,730.89	2,581,239.63	(115.97)	463,499.01	(4,399,162.00)	56,506,191.56
CAMP	102,094,109.72	-	-	333,947.87	-	102,428,057.59
Total	**182,656,004.05**	**6,431,081.41**	**(5,634,082.54)**	**975,673.68**	**-**	**184,428,676.60**

The Wells Fargo cash balance reflects the book value balance (i.e., total outstanding checks not cashed are deducted from the account balance). The month-to-date cash and investment balance increased by approximately $1.7M compared to the balance as of December 31, 2025.

January receipts totaled approximately $6.4M, consisting primarily of Current Secured Tax ($1.6M), AB26 Distribution ($1.5M), Excess ERAF Distribution ($0.8M), HdL ($0.6M), Other Tax Distributions ($0.4M), Veolia payments ($0.3M), Four Seasons Hotel Transient Occupancy Tax ($0.1M), PG&E ($0.2M), Growth COPS/SLESF Distribution ($0.1M) and other various receipts.

January disbursements totaled approximately $5.6 million, consisting primarily of payroll costs ($1.2M), Recology second-quarter Refuse Collection & Recycling Services ($0.8M), Annual Animal Control costs ($0.6M), third-quarter payment for operation and maintenance of the Regional Water Quality Control Plant ($0.5M), C2R Engineering retention payment for the University Avenue and Weeks Street 12-inch Water Main Project ($0.3M), MCM Construction payment for the University 101 Pedestrian Overcrossing Project ($0.2M), West Sanitary District maintenance services ($0.1M), Sherwood Design payment for the Safer Bay Project ($0.1M), and other recurring operating expenditures.

The table below reflects recent treasury yield comparisons up to five-year notes since that is the maximum maturity the City may invest[1]:

	Jan-26	Dec-25	Jan-25
6-Month Treasury Bill	3.52	3.50	4.16
2-Year Treasury Note	3.52	3.47	4.22
5-Year Treasury Note	3.79	3.73	4.36

Local Agency Investment Fund (LAIF) average monthly effective yields were 3.931% in January 2026 compared to 4.025% in December 2025. San Mateo County monthly gross earnings for January 2026 were 4.04% compared to 3.827% in December 2025. The estimated County Pool earnings for FY 25-26 are 3.75%. As of January 2026, the current annualized yield for California Asset Management Program (CAMP) is 3.84% compared to 3.95% in December 2025.

[1] Daily US Treasury Yield Curve. Treasury.gov

Staff believes the City has investment liquidity and anticipated revenues to meet the City's anticipated expenditure requirements for the ensuing six months. The following table shows a breakdown of cash and investment balance by fund type.

Summary January 31, 2026		
	Deposit Value	Market Value
General Fund (Inc. Petty cash of $10,800)	$ 48,699,681	$ 48,699,681
General Sub-Funds (Commited/Restricted)	$ 18,294,083	$ 18,294,083
City Funds Restricted and Committed	$ 116,704,860	$ 116,704,860
Successor Agency Trust	$ 1,910,011	$ 1,910,011
Unrealized Gain/(Loss) on Investment Pools	$ -	$ 472,647
	$ 185,608,634	**$ 186,081,282**

The deposit market value totals $186,081,282 including an unrealized gain[2] of $472,647, reflecting treasury yields during the calendar year. All except for the General Fund balance is restricted by either City Council or external parties for specific purposes. Unrestricted cash and investment balance under General Fund ($48,699,681) may be used at Council discretion.

Fiscal Impact

There is no fiscal impact for this item. This report is informational.

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 by the City Council is 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: No, as the proposed action does not involve an entitlement.

Analysis of Levine Act Compliance: Not applicable.

[2] Investment Fair Market Value (FMV) factor is provided on a quarterly basis. Thus, as of December 31, 2025, FMV factor is used to calculate Unrealized Gain/(Loss) on Investments.

EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: March 17, 2026

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Regina Rubier, Interim Human Resources Manager

SUBJECT: Adding Assistant City Clerk – Confidential Position to the List of Approved Positions and Reclassifying the Office Assistant Position in the City Clerk's Department.

Recommendation

Staff recommends that the City Council approve a Resolutions authorizing:

1. Create the job description for an Assistant City Clerk - Confidential.
2. Reclassify the Office Assistant in the City Clerk's Office to an Assistant City Clerk - Confidential.
3. Include the Assistant City Clerk – Confidential in a full-time classification capacity and related job benefit package as aligned with the Service Employees International Union (SEIU) bargaining unit.

Executive Summary

Staff recommends that the City Council approve a formal job description for the Assistant City Clerk – Confidential position to enhance support for City Council operations, records management, and compliance with statutory requirements. While the classification currently exists within the City's Compensation Schedule as a Management Employees Association (MEA) position, staff is recommending that it be reclassified as a Service Employees International Union (SEIU) position, as the role does not include personnel supervision or program management responsibilities typically associated with MEA classifications.

In addition, staff recommends the formal adoption of a corresponding job description to clearly define the duties, expectations, and scope of the position. Staff is also requesting approval to

reclassify an existing Office Assistant position to Assistant City Clerk - Confidential. This action will better align the job title and responsibilities with the work currently being performed and will strengthen operational capacity within the City Clerk's Office.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Governance, Organizational Strength, and Fiscal Sustainability

Background

The City's Classification and Compensation Plan, together with the publicly available Master Pay Schedule and adopted Position Control List, provides a comprehensive framework outlining job classifications, salary ranges, position allocations, and associated duties for all City employees. During development and adoption of the FY 2025–26 budget, the City Council engaged in substantive discussions regarding staffing vacancies and the operational impacts those vacancies have on service delivery and statutory compliance.

A review of the City Clerk's Office staffing structure identified several inconsistencies between existing classifications and the current operational demands of the department:

1. Although an Office Assistant classification exists on the City's official list of positions, the corresponding job description does not reflect the increasingly technical, legislative, and compliance-driven responsibilities currently required within the City Clerk's Office.

2. The Master Pay Schedule includes a Deputy City Clerk classification; however, the City has not formally adopted a job description for this role. Without a defined job description, the City lacks the necessary framework to recruit qualified candidates, clearly communicate performance expectations, and ensure accountability for the full scope of duties associated with the position.

3. Staff therefore recommend the development and formal approval of a comprehensive Assistant City Clerk – Confidential job description, change the Salary Schedule to reflect the Assistant City Clerk – Confidential position, instead of a Deputy City Clerk position and reclassify the existing Office Assistant position to Assistant City Clerk - Confidential.

This action would better align the position with the operational and statutory responsibilities of the City Clerk's Office and enhance service to the community. The proposed Assistant City Clerk – Confidential role more accurately reflects the level of responsibility required to support Council operations and ensure legal compliance, including preparation of meeting agendas and minutes, coordination and response to Public Records Act requests, records retention and file management, support for legislative processes, and assistance with election-related and

statutory reporting requirements. Establishing this classification will strengthen organizational accountability, improve operational efficiency, and ensure the City Clerk's Office is appropriately structured to meet the City's current and future needs.

Analysis

Staff recommends that the City Council formally approve a comprehensive job description for the position of Assistant City Clerk – Confidential in order to enhance support for both the operational and legislative functions of the City Council and the City Clerk's Office. Establishing a clearly defined job description will provide clarity regarding roles, responsibilities, and performance expectations, ensuring the position is aligned with the complexity and scope of work required to effectively manage Council operations, maintain official records, and ensure compliance with statutory and regulatory requirements.

While the Deputy City Clerk classification is already included in the City's adopted Compensation Schedule, a formal job description has not yet been approved. Therefore, we are asking the City Council to adopt an Assistant City Clerk – Confidential job description to formalize the duties currently associated with the role and provide a structured framework for recruitment, performance management, and long-term organizational planning. In addition, staff is requesting to change the FY 2025-26 Salary Schedule to reflect the change in title and associated bargaining unit.

In conjunction with this action, staff is requesting authorization to update the City's position control to reclassify an existing Office Assistant position to Assistant City Clerk - Confidential. This reclassification will more accurately reflect the level of responsibility, technical expertise, and independent judgment required to perform the work. Aligning the position title and classification with the actual scope of duties will strengthen internal operations, improve service delivery to the City Council, and enhance the overall capacity and effectiveness of the City Clerk's Office.

Fiscal Impact

Due to salary savings of the vacant position and the anticipation of time to fill this position, it is anticipated that there is no fiscal impact for this item for FY 2025-26. In future budget years, this position will be budgeted accordingly.

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 by the City Council is 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: No.

Analysis of Levine Act Compliance: Not applicable.

Parties: None

Participant(s): None

Attachments

1. Resolution
2. Job Description

RESOLUTION NO. XX– 2026

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

APPROVING THE CREATION OF AN ASSISTANT CITY CLERK – CONFIDENTIAL JOB DESCRIPTION, RECLASSIFYING AN OFFICE ASSISTANT POSITION TO ASSISTANT CITY CLERK - CONFIDENTIAL, AND ESTABLISHING THE POSITION AS A FULL-TIME CLASSIFICATION WITHIN THE SERVICE EMPLOYEES INTERNATIONAL UNION (SEIU)

WHEREAS, the City's Classification and Compensation Plan provides for the orderly administration of position classifications, compensation, and organizational structure; and

WHEREAS, the Deputy City Clerk classification currently exists within the City's adopted Compensation Schedule, but a formal job description has not yet been established; and

WHEREAS, the FY 2025-26 Salary Schedule needs to reflect the change from Deputy City Clerk (MEA) to Assistant City Clerk (SEIU)

WHEREAS, the operational, legislative, and statutory responsibilities of the City Clerk's Office have evolved and require a higher level of administrative and technical support than is reflected in the existing Office Assistant classification; and

WHEREAS, staff has determined that the duties currently required to support the City Council and City Clerk are consistent with the scope and responsibilities of a Assistant City Clerk – Confidential classification; and

WHEREAS, reclassifying the existing Office Assistant position within the City Clerk's Office to a Assistant City Clerk – Confidential will better align assigned duties with appropriate classification standards and organizational needs; and

WHEREAS, the Deputy City Clerk position is designated as a full-time classification and is appropriately aligned with the Service Employees International Union (SEIU) bargaining unit, including corresponding salary range and benefits; and

WHEREAS, the City Council desires to formally establish the job description and authorize the associated position control changes.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of East Palo Alto as follows**:**

1. **Job Description Approved.** The City Council hereby approves and adopts the job description for the position of Assistant City Clerk - Confidential, attached hereto as Exhibit "A" and incorporated herein by reference.

2. **Position Reclassification Authorized.** The City Council hereby authorizes the reclassification of one (1) Office Assistant position within the City Clerk's Office to the classification of Assistant City Clerk - Confidential.

3. **Full-Time Classification and Bargaining Unit Alignment.** The Assistant City Clerk – Confidential position shall be established as a full-time classification and shall be included within the Service Employees International Union (SEIU) bargaining unit, with salary, benefits, and terms consistent with the City's adopted Salary Schedule and applicable Memorandum of Understanding.

4. **Implementation.** The City Manager, or designee, is hereby authorized to make all necessary administrative changes to implement this Resolution, including updates to the Position Control List, Classification Plan, and related personnel documents.

PASSED AND ADOPTED by the City Council of the City of East Palo Alto at a regular meeting held on the 17th day of March, 2026, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

. Webster Lincoln, Mayor

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ATTEST: **APPROVED AS TO FORM:**

James Colin, City Clerk John D. Lê, City Attorney

March 2026
FLSA: Non-Exempt

ASSISTANT CITY CLERK - CONFIDENTIAL

DEFINITION

Under general direction of the City Clerk, performs a variety of responsible, confidential and complex administrative, technical, programmatic, secretarial and clerical duties in support of the daily operations and administration of the City Clerk's Office and Administration Department. Functions as communications support, front desk/reception responsibilities, serves as the primary front counter contact for the public, manages public records requests, supports social media and public communications, assists with City Council and board meetings, and performs related duties as assigned.

This position requires exceptional customer service skills, discretion, strong written communication abilities, and the ability to manage multiple priorities in a fast-paced municipal environment.

SUPERVISION RECEIVED AND EXERCISED

Receives general supervision from the City Clerk. Exercises no direct supervision but may assist in training temporary, part-time, or interim staff.

DISTINGUISHING CHARACTERISTICS

This is a multi-functional position that blends front-line customer service, municipal clerk support, communications coordination, and records management. The incumbent is expected to work independently within established procedures and legal guidelines, particularly in areas involving public records, agendas, minutes, and official documents.

EXAMPLES OF TYPICAL JOB FUNCTIONS (Illustrative Only)

Management reserves the right to add, modify, change, or rescind the work assignments of different positions and to make reasonable accommodations so that qualified employees can perform the essential functions of the job.

Administrative Support:

- Serve as the primary receptionist for City Hall; greet and assist residents, visitors, vendors, and stakeholders.
- Answer and screen incoming phone calls; route calls appropriately.
- Respond to public inquiries in person, by phone, and via email.
- Assist the public in interpreting and applying City procedures, forms, and policies.
- Accept payments, issue receipts, and perform cashiering duties as assigned.
- Process permits, licenses, applications, and other official documents as needed.
- Manage incoming and outgoing mail; timestamp, sort, and distribute correspondence.

Assistant City Clerk - Confidential

Assistant City Clerk – Confidential Support:

- Assist in preparing and distributing City Council, board, committee and commission agendas and packets.
- Attend City Council and other public meetings as assigned; assist with minute-taking and recording responsibilities.
- Process, finalize, and follow-up on Council action from City Council meetings; ensure
- timelines are met including those for ordinance publication, resolutions, and notice of decisions.
- Maintain official records in compliance with records retention policies.
- Coordinate document imaging and electronic records management systems.
- Administer Fair Political Practices Commission filings for candidates, elected officials, employees, consultants, and commissioners in accordance with state law and FPPC regulations.
- Assist in conducting and supervising municipal elections; coordinate municipal elections with the County; certify official results; plan and coordinate reception with incoming elected officials.
- Serve as custodian of official City records; assist in the operation and oversee maintenance of records management program, records retention schedule, and master filing guide; coordinate with other departments regarding the storage of files and documents as well as the destruction of City documents; scan documents into laser fiche for future reference.
- Support special projects within the City Clerk's Office and Administration Department.
- Research and compile information; prepare reports and correspondence.
- Administer policies, procedures, and processes for the City Clerk's Office; resolve discrepancies or procedural problems and respond to questions about the services of the City Clerk's Office; maintain the City Clerk's Office desk manual outlining departmental policies and procedures; make recommendations for modifications.
- Provide coverage and assistance in all areas of the City Clerk's Office as necessary to ensure the operation of the Office including filing, photocopying, answering the telephones, and assisting the public at the counter.
- Utilize various computer applications and software packages; enter and maintain data; generate reports from a database or network system; create documents using word processing software.
- Maintain and order office supplies; prepare purchase orders; receive invoices and check for accuracy; process payments.
- May act in the absence of the City Clerk and relieve the City Clerk of a variety of administrative and functional details.
- Perform related duties as required.

Public Records Requests (CPRA):

- Serve as initial intake contact for Public Records Act (PRA) requests.
- Log, track, and coordinate requests using the City's records request system.
- Communicate with departments to gather responsive documents.
- Review records for completeness and assist with redaction coordination under supervision.
- Ensure statutory deadlines are tracked and met.
- Provide timely responses and maintain organized documentation of all requests.

Communications and Social Media:

- Assist in drafting and formatting press releases, newsletters, public notices, proclamations, and community announcements.
- Support management of the City's social media platforms, including drafting posts, scheduling content, and monitoring engagement.
- Coordinate posting of public meeting notices and community updates.
- Assist with website content updates and digital accessibility compliance.

- Help maintain branding consistency and public-facing communication standards.
- Track analytics and prepare summary reports related to communications outreach.

JOB-RELATED QUALIFICATIONS

Knowledge of:

- Operational characteristics, services, and activities of the functions, programs, and operations of a City Clerk's Office.
- Basic functions of public agencies including the role of an elected Council and appointed boards and commissions.
- Organization, operation, and services of the City and of outside agencies as necessary to assume assigned responsibilities.
- Modern principles, practices, and techniques of municipal records management.
- Election processes.
- Office management principles, methods, and procedures.
- Basic principles and practices of lead supervision and training.
- Principles and procedures of record keeping and filing.
- Pertinent federal, state, and local laws, codes, and regulations including the Brown Act, Political Reform Act, FPPC regulations, and those governing the maintenance of records by a public agency.
- Basic principles and practices of municipal budget preparation and administration.
- Mathematical principles.
- Research procedures used in searching of public records.
- Modern office procedures, methods, and equipment including computers and related software applications such as word processing, spreadsheets, and databases.
- Agenda management software
- Social media platforms and digital communication tools.
- Basic principles and practices of municipal budget preparation and administration.
- Mathematical principles.
- Research procedures used in searching of public records.
- Principles and practices of fiscal, statistical, and administrative research and report preparation.
- Principles and practices of sound business communication.
- Principles of business letter writing and report preparation.
- Methods and techniques of proper phone etiquette.
- Customer service principles and techniques.
- English usage, grammar, spelling, and punctuation.
- Bilingual (Spanish) preferred but not needed.

Ability to:

- Perform a full range of varied complex, sensitive, highly responsible, and confidential office administrative, secretarial, advanced clerical, and routine programmatic support functions of a general or specialized nature in support of the City Clerk's Office with only occasional instruction or assistance.
- Understand the organization and operation of the City and of outside agencies as necessary to assume assigned responsibilities.

- Understand, interpret, and apply general and specific administrative and departmental policies and procedures.
- Interpret and apply applicable federal, state, and local laws, codes, and regulations.
- Take responsibility for and exercise good judgment in recognizing the scope of authority to be exercised in the capacity of a deputy to a public officer.
- Operate office equipment including computers and supporting word processing, spreadsheet, and database applications.
- Adapt to changing technologies and learn functionality of new equipment and systems.
- Type or enter data at a speed necessary for successful job performance.
- Participate in researching, compiling, analyzing, and interpreting data.
- Prepare clear, accurate and concise records and reports.
- Independently prepare correspondence and memoranda.
- Provide information and organize material in compliance with laws, regulations and policy.
- Work cooperatively with other departments, City officials, and outside agencies.
- Establish, organize, and maintain a variety of specialized files and records.
- Implement and maintain filing systems and records management systems.
- Work under steady pressure with frequent interruptions and a high degree of public contact by phone or in person.
- Plan and organize work to meet changing priorities and deadlines.
- Respond tactfully, clearly, concisely, and appropriately to inquiries from the public, press, or other agencies on sensitive issues in area of responsibility.
- Exercise good judgment and maintain confidentiality relative to critical and sensitive information, records, and reports.
- Utilize public relations techniques in responding to inquiries and complaints.
- Maintain confidentiality of information.
- Communicate clearly and concisely, both orally and in writing.
- Establish and maintain effective working relationships with those contacted in the course of work.

Education and Experience:
Any combination of training and experience that would provide the required knowledge, skills, and abilities is qualifying. A typical way to obtain the required qualifications would be:

- Equivalent to completion of the twelfth (12th) grade.
- College-level coursework in public administration, communications, political science, business administration, or related field is desirable.
- Four years of progressively responsible clerical or administrative experience, preferably in a municipal or public agency setting.
- Experience with records management, public records requests, and/or social media management is highly desirable.
- A bachelor's degree is highly desirable.

Licenses and Certifications:

- Possession of, or ability to obtain, a valid California Driver's License by time of appointment and a satisfactory driving record.
- Possession of a Notary Public license issued by the California Secretary of State is expected to be obtained within twelve (12) months of employment.
- Possession of a California Certified Municipal Clerk certification is expected to be obtained within twenty-four (24) months of employment.

PHYSICAL DEMANDS

Must possess mobility to work in a standard office setting and use standard office equipment, including a computer, and to operate a motor vehicle to visit various City and meeting sites; vision to read printed materials and a computer screen; and hearing and speech to communicate in person and over the telephone. Standing in and walking between work areas is frequently required. Finger dexterity is needed to access, enter, and retrieve data using a computer keyboard or calculator and to operate standard office equipment. Positions in this classification frequently bend, stoop, kneel, and reach to perform assigned duties, as well as push and pull drawers open and closed to retrieve and file information. Employees must possess the ability to lift, carry, push, and pull materials and objects up to 25 pounds with the use of proper equipment. Reasonable accommodations will be made for individuals on a case-by-case basis.

ENVIRONMENTAL CONDITIONS

Office setting with moderate noise levels. Frequent interaction with the public at the front counter and via phone/email. Must be able to maintain professionalism in high-demand or politically sensitive situations.

CONSENT ITEM 3.4

EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: March 17, 2026

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

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

SUBJECT: Residential Permit Parking Program Ordinance (RPP) Second Reading

Recommendation

By motion, the City Council should:

1. Waive the second reading and adopt an ordinance adding a new Chapter 10.40 (Residential Permit Parking Program) to the East Palo Alto Municipal Code (or any other substantive amendments proposed by staff or the Council to the original ordinance);
2. Find that the proposed action is exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines sections 15301 (minor alterations) and 15061(b)(3) (common sense exemption).

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

- Public Health, Safety, and Quality of Life

Executive Summary

The City of East Palo Alto has been working on a Residential Permit Parking (RPP) Ordinance since December 2023, with multiple drafts presented to the Public Works and Transportation Commission (PWTC) and City Council. The ordinance aims to address parking issues in residential areas by allowing the creation of Residential Permit Parking Areas. The originally proposed ordinance included one free parking permit per residence, with additional permits available for purchase, and criteria for establishing Residential Permit Parking Areas (RPPAs)

based on neighborhood petitions or City Council action.

Staff introduced the ordinance in a first reading at the March 18, 2025, city council meeting. The City Council made various changes to the proposed ordinance at the March meeting, including updating program eligibility based on vehicle type, registration and unsettled parking citations, removing the petition requirement for establishing an RPPA, and introducing automatic implementation for areas with 75% parking occupancy.

This modified ordinance was considered for adoption in second reading on July 8, 2025. Following community input and council deliberation, the ordinance was not adopted. Feedback from the community highlighted concerns about costs of permits, the impact those costs would have on low-income community members, and lack of community input on the modified ordinance.

The City Council directed staff to further revise the ordinance and return for reintroduction at a later date. The City Council revisions included reintroducing neighborhood-led petitions and re-evaluating the automatic implementation provision. The city council also directed staff to make revisions based on the community's feedback and directed staff to increase enforcement of existing parking codes. At the February 24th, 2026, City Council meeting, staff reintroduced the ordinance with the modifications and the City Council waived the first reading.

Staff is recommending that the city council waive the second reading of the ordinance and adopt the ordinance. A citywide parking study will be conducted to define potential RPPAs, assess parking occupancy, and recommend enforcement hours. Once the details are finalized, staff will present the full program details to the city council for approval and implementation at a future meeting. RPPA's will not be established without a neighborhood survey and City Council approval as detailed in section 10.40.050 of the ordinance.

Background

City staff presented a draft residential permit parking ordinance to the Public Works and Transportation Commission (PWTC) on December 20, 2023. The City's transportation consultant, Hexagon Transportation Consultants, Inc., presented a revised draft at the PWTC meeting on April 17, 2024, responding to questions and comments. Staff and Hexagon presented a further refined draft to the PWTC on May 15, 2024.

On June 18, 2024, staff presented the updated draft ordinance to the City Council. City Council instructed staff to delay the first reading and further investigate additional concerns. A study session was conducted on November 12, 2024, for staff to provide updates on the items further investigated and to receive feedback and comments on the draft ordinance.

Additionally, at the November meeting, staff provided information on the outreach efforts taken place - including a citywide mailer, social media posts, and a survey - and presented the survey results. The feedback from the City Council and public was used to draft the proposed ordinance introduced March 18, 2025.

Staff's Proposed Ordinance (March 18, 2025)

At the March 18, 2025, city council meeting, staff introduced an ordinance for the first reading, highlighting these key provisions:

- Allows the City to create Residential Permit Parking Areas (RPPAs).
- Grants one free parking permit per residence, with a second permit available for purchase (subject to availability).
- Clarifies that permits do not guarantee parking spaces.
- Excludes commercial and oversized vehicles
- Requires all four of the following:
    - Initiation by a 67% neighborhood petition or initiation by City Council;
    - 75% on-street occupancy during proposed enforcement hours;
    - Approval of the establishment of RPPA if survey results showed 67% of residents in the designated area ; and
    - Establishment of the RPPAs by City Council action (retained by Council as the sole option for establishment of the RPPA).

The City Council's Modifications and Ordinance Introduced at First Reading (March 18, 2025)

The City Council waived the first reading and introduced the ordinance with the following changes:

- **Updated Definitions (Section 10.40.020):**
    - Added a definition of a Commercial Vehicle matching the State law definition: i.e.,- motor vehicle used or maintained for the transportation of persons for hire, compensation, or profit or designed, used, or maintained primarily for the transportation of property. Passenger vehicles and house cars are excluded from this definition, unless used for transportation for hire, in which case they could constitute commercial vehicles. Any vanpool vehicle—which is a vehicle designed for carrying 11 to 15 persons, maintained and used primarily for nonprofit work-related adults ridesharing—is also not a commercial vehicle.
    - Revised the definition of Resident
- **Vehicle Eligibility (Section 10.40.120):** A new section titled Vehicle Eligibility was included in the ordinance restricting eligibility to vehicles without delinquent parking citations, without an expired registration, and vehicles not registered as commercial vehicles. Additionally, recreational vehicles (RVs), boats, trailers, or oversized vehicles exceeding 22 feet in length or 7 feet in height would also be ineligible.
- **Removed Petition Language (Sections 10.40.040 and 10.40.050):** The City Council removed all language related to petition requirements. This meant RPPAs could only be created by City Council action. Council further removed the subsection regarding community outreach; this language required a survey of resident support within the RPPA and encouraged additional outreach, such as neighborhood meetings. The Council also removed the subsection requiring Public Works and Transportation Commission review.
- **Added Automatic Implementation (Section 10.40.040B):** A new section labeled

"Automatic Implementation" was added. Subsection A stated that the City Council may, by motion, initiate consideration of a RPP area by directing staff to undertake a data collection and outreach process. New subsection B clarified that the Council option in Subsection A did not preclude the Council from adopting a resolution establishing automatic implementation of the parking permit program in RPP areas where parking was 75% occupied. Such a resolution would specify standards for the automatic establishment of permit parking requirements, including establishing RPP areas to which the occupancy threshold would apply, the means of measuring whether the threshold is met (e.g., based on an occupancy study conducted or some other threshold or metric), timeframe or scope of the parking occupancy study, the applicable fees and penalties, and other standards or considerations.

- **Permit Issuance Requirements (Section 10.40.070):** The permit issuance requirements section was modified to explicitly state that permits require proof of residence at an address within the permit area.
- **All permits shall require payment of a fee as established by City Council resolution:** Language regarding providing the first permit at no cost was removed.

After making the foregoing amendments, the Council introduced the ordinance with the following vote:

AYES: Mayor Barragan, Vice Mayor Dinan, and Councilmember Lincoln.
NOES: NONE.
ABSTAIN: NONE.
ABSENT: Councilmember Romero and Councilmember Abrica.

Deferred Adoption and Council Direction at Second Reading (July 8, 2025)

At the July 8, 2025, City Council meeting, the ordinance was scheduled for a second reading. However, the City Council voted to defer action and instead directed staff to modify the ordinance and return for a future first reading. The city council provided the following ordinance modifications to staff:

Ordinance Modifications:

- **Petition Language (Sections 10.40.040 and 10.40.050):** Reinstate the community-initiated (resident-led) establishment process, consistent with the March version of the ordinance, while retaining all subsequent changes except the voter registration requirement**.**
- **Automatic Implementation (Section 10.40.040B):** Remove the automatic implementation language.
- **Updated Definitions (Section 10.40.020):** Remove all references to voter registration.
- **Permit Issuance Requirements (Section 10.40.070):** Allow for one to two free permits, with the final number to be determined by the City Council at the first reading.

Additional Direction:

- Increase enforcement of existing parking regulations.
- Incorporate public input into the revised ordinance to be brought back for a first reading.

After making the foregoing amendments, the Council made the following vote:

AYES: Councilmember Abrica, Councilmember Romero, and Mayor Barragan
NOES: Vice Mayor Dinan, and Councilmember Lincoln
ABSTAIN:
ABSENT:

Ordinance Reintroduced (February 24, 2026)

At the February 24, 2026 city council meeting, staff re-introduced the ordinance for the first reading. The City Council waived first reading and introduced the ordinance with the following change:

- **Permit Issuance Requirements (Section 10.40.070):** Allow for two free permits and additional permits to be given at no cost or purchased.

AYES: Vice Mayor Abrica, and Mayor Lincoln, Councilmember Barragan, and Councilmember Dinan
NOES: Councilmember Romero
ABSTAIN:
ABSENT:

During the meeting, questions regarding commercial vehicle eligibility were raised, specifically pertaining to pickup trucks, as the ordinance considers commercial vehicles ineligible for a permit. The definition of commercial vehicles per the Department of Moter Vehicles, with respect to trucks, is included below:

Commercial Vehicle Categories: https://www.dmv.ca.gov/portal/vehicle-registration/new-registration/commercial-vehicle-registration/; **Vehicle Industry Registration Procedures Manual:** 13.020 Commercial Vehicle Registration Act of (CVRA) Weight and Weight Codes - California DMV

Commercial motor vehicles with a gross vehicle weight (GVW) or combined gross vehicle weight (CGW) of 10,001 lbs. or more, along with most trailers, need to be registered as commercial vehicles. Depending on the use, commercial motor vehicles can include:

- **Motor trucks**: A motor vehicle designed, used, or maintained primarily for the transportation of property.
- **Pickups**: A commercially used motor truck with a manufacturer's gross vehicle weight rating (GVWR) of less than 11,500 lbs., an unladen weight of less than 8,001 lbs., and equipped with an open box-type bed less than nine ft. in length.
- **Tow trucks**: A motor vehicle designed to transport vehicles by means of a crane, hoist, tow bars, tow line, or dolly, and primarily used for that purpose.

- **Truck tractor**: A motor vehicle designed and used primarily for drawing other vehicles and not constructed to carry a load other than a part of the vehicle weight and load.
- **Yard trucks**: Vehicles specifically designed to move trailers within or about freight operation yards in preparation for storage or loading.
- Multipurpose vehicles, passenger vehicles, pickup trucks, and station wagons can be registered as passenger or commercial vehicles, depending on their use.

Accordingly, based on weight and towing capacity, these regulations would ***exempt*** ordinary consumer light-duty pickups (for example, Ford F-150, Toyota Tundra, Chevy Silverado 2500HD). Additionally, the existing municipal code §10.04.080, already restricts commercial vehicles from parking in residential zones.

Analysis

The modified ordinance reflecting the changes described above is attached as Attachment 1, the revised guidelines are attached as Attachment 2, and draft RPPP FAQ's attached as Attachment 3.

Overall, the modified ordinance reinstates petition language allowing for community initiated (resident-led) establishment of permit parking areas, removes the automatic implementation provision, revises the definition of "Resident," and modifies permit issuance requirements to allow one free permit.

Adoption of the ordinance establishes a programmatic framework, with many implementation details to be developed at a later date. These details will require additional staff analysis and recommendations for the City Council review, potential modification, and eventual adoption through resolutions. In other words, adoption of the ordinance represents only an initial step toward establishing a residential permit parking program; additional actions, described below, are required before the program can be implemented.

Public input to date indicates that most community members do not oppose the concept of a residential permit parking ordinance, particularly if the program areas are initiated by residents. Rather, concerns have focused on specific program details that have not yet been defined. These include potential permit costs, impacts on low-income households, limits on the number of permits per household, and the management of visitor passes. While these concerns are important, they are premature, as the ordinance does not yet establish these parameters, although they will be established in the future (program details and resolutions).

Next Steps

Following adoption of the Ordinance, staff will proceed to the next phase of program development, which will focus on defining the details of the RPP program. This work will include recommendations on permit costs and citation fees, enforcement phases, maximum permits per household, and recommended Residential Permit Parking Areas (RPPAs). Robust community engagement will be a central component of this process.

Significant preparatory work will be required prior to establishing any RPPAs. Staff would conduct a citywide parking study to define proposed RPPAs and, for each area, analyze occupancy rates and recommend enforcement hours. These conditions would need to be reassessed periodically to ensure that occupancy patterns and enforcement hours remain appropriate over time. Because staff does not currently conduct ongoing, citywide parking occupancy analysis and lacks capacity to do so, this effort would require an amendment to the City's existing contract with Hexagon to perform occupancy studies.

Further, staff would issue one or more requests for proposals (RFPs) for permit management platforms, enforcement options, and consultant services to support program implementation, including analysis of costs and fee structure options.

Finally, staff would return to the City Council with proposed RPPAs as well as providing the full program details listed above. This would include recommendations for third-party enforcement services, staffing recommendations or vendor support for program administration (such as permit issuance, program updates, and fee collection), and the allocation of resources for long-term parking occupancy monitoring.

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 proposed action is exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines: 1) Section 15301, which applies to minor alterations of existing public or private structures, facilities, mechanical equipment, or topographical features involving negligible or no expansion of use, in that adopting an ordinance regulating existing off-street parking would not constitute any significant expansion of use; and 2) Section 15061(b)(3) in that adoption of the ordinance can be seen with certainty to have no possibility of a significant effect on 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. Attachment 1 – Ordinance
2. Attachment 2– RPPP Guidelines

Chapter 10.40 - RESIDENTIAL PARKING PERMIT (RPP) PROGRAM

Sections:

10.40.010 Purpose.
10.40.020 Definitions.
10.40.030 Findings.
10.40.040 Designation of residential parking permit areas.
10.40.050 Procedure for establishment of residential parking permit areas.
10.40.060 Authority of Director.
10.40.070 Issuance of permits.
10.40.080 Guest parking permits.
10.40.090 Display of permits.
10.40.100 Enforcement.
10.40.110 Exempt vehicles.
10.40.120 Vehicle Eligibility
10.40.130 Removal of residential parking permit area.

10.40.010 Purpose.

The purpose of this chapter is to regulate and manage residential curb parking at locations at which a high demand for parking on residential streets has been determined by the City Council to be adverse to the health, safety, welfare, and interest of the public, including residential property owners, businesses, pedestrians, and other users of the City's streets, roads, and infrastructure in a manner that provides for the health, safety, welfare and interests of the public, including ensuring productive use of off-street parking for those who need it. The procedures and standards in this chapter are intended to provide flexibility so that the City Council may adopt, after consultation with various stakeholders, including residents, businesses and institutions, parking programs that appropriately protect each neighborhood's unique characteristics.

10.40.020 Definitions.

"Commercial vehicle(s)" mean(s) as commercial vehicle as that term is defined in the California Vehicle Code Section 260.

"*Director*" means the Director of the Department of Public Works.

"*Residential parking permit area*" or "RPP area" means a geographical area set by City Council resolution establishing a preferential parking permit system, including the parking restrictions applicable thereto, pursuant to California Vehicle Code Section 22507.

"*Residence*" or "*dwelling unit*" means each legal dwelling unit located immediately adjacent to a street, or portion of street, within a RPP area and with an assigned postal address. The term includes single-family dwellings, apartments, condominiums, and other distinct residential units including accessory dwelling units and junior accessory dwelling units.

"*Resident*" means an adult person who lives in a RPP area as his/her permanent place of residence, either as a tenant, occupant, or owner, as evidenced by Department of Motor Vehicle records.

"*Residential parking permit program guidelines*" or "*guidelines*" shall mean the City of East Palo Alto Residential Parking Permit Program Guidelines, as promulgated by the Director of the Department of Public Works.

10.40.030 Findings.

Each RPP area may be designated by the City Council only upon findings that such RPP area is required to enhance or protect the quality of life in the proposed RPP area and that such designation is necessary to provide reasonably available and convenient parking for the benefit of the residents in the RPP area. Such findings shall be based upon the following criteria established to the satisfaction of the City Council:

A. Vehicles parked in the RPP area create traffic congestion, noise, or other disruption that disrupts neighborhood life; or a shortage of reasonably available and convenient off street parking spaces exist in the proposed RPP area;

B. The establishment of the proposed RPP area would benefit a majority of the residents in the proposed RPP area and balance the impacts to adjoining areas outside of the proposed RPP area, and the proposed RPP program would be feasible in terms of cost, administrability, and enforcement; and

C. No alternative solution is feasible or practical.

10.40.040 Designation of residential parking permit areas.

Through this ordinance a residential parking permit program is established. RRP areas may be designated, expanded, or amended by resolution of the City Council. The City Council shall consider designation of those areas satisfying the criteria set forth in this chapter. If the City Council determines that the criteria have been met, it may adopt a resolution designating a residential parking permit area. The designation or expansion of an RPP area may be initiated by utilizing either of the following methods:

A. Initiation by City Council. The City Council may, by motion, initiate consideration of a RPP area by directing staff to undertake the data collection and outreach process set forth in Section 10.40.050B and C.

B. Initiation by neighborhood petition. Residents may request the formation of an RPP area in their neighborhood or the expansion of an existing RPP area. The request and process shall be made, and considered, in accordance with the forms and procedures set forth in the guidelines. The petition must be signed by residents representing at least sixty seven percent (67%) of the residences on each block upon which permit parking is proposed. Only one signature is needed per residence. The residence owner, renter, or occupant is eligible to sign the petition.

10.40.050 Procedure for establishment of residential parking permit areas.

The establishment or expansion of a residential parking permit areas shall be made, and considered, in the following manner, except as otherwise provided for in this Chapter:

A. Staff Review of Neighborhood Application/Petition. The Director shall review applications to establish or expand RPP areas initiated by neighborhood residents. The applications are to be made on a form approved by the Director. Failure to provide information requested by the

Director that is reasonably necessary to implement this Chapter will be grounds for denial. Through discussions with the applicant, the Public Works Director will identify the draft program parameters, as set forth in the Guidelines, which may be amended from time to time, including, days and time limits when permit parking will be enforced and the geographic area of enforcement. The applicant will coordinate collection of signatures on a petition. The City Clerk shall review the signed neighborhood petition and verify that it meets the signature requirements set forth in this chapter and the guidelines. If the RPP area request does not meet the signature requirements set forth in section 10.40.040.A., the Director shall send a letter to the petitioners denying their request.

B. Staff Review of Council Requests. The Director shall review requests to establish or expand RPP areas. The Public Works Director will identify the draft program parameters, as set forth in the Guidelines, which may be amended from time to time, including, days and time limits when permit parking will be enforced and the geographic area of enforcement.

C. Data Collection. For applications initiated by neighborhood petition and applications initiated by City Council City staff shall promptly complete parking occupancy studies to analyze and quantify, to the extent possible, the nature of the problem. For eligibility to establish or expand an RPP area, parking surveys must meet a minimum threshold of seventy-five percent (75%) occupancy of all the on-street parking spaces within the proposed RPP area during the proposed permit hours, unless otherwise provided for in this Chapter. The Director shall determine whether the minimum threshold is met and thus whether a permit parking restriction will be implemented. If the RPP area does not meet the minimum parking occupancy requirement, the Director may send a letter to the petitioners denying their request

D. Community Outreach. Upon completion of data collection, City staff shall prepare a draft resolution containing the proposed boundaries and hours of enforcement. Staff shall undertake an online survey of resident support within the RPP area. The recommended threshold for the creation or expansion of an RPP area is a vote of 67% of the returned surveys in favor of the program; however, the City Council may approve an RPP area with a simple majority (50% + 1) of the returned surveys in favor of the program. Staff shall mail notices to all residences within the proposed RPP area including the following information:
    1. basic parameters of the proposed RPP program (proposed RPP area, hours/days of enforcement and parking prohibitions for non-permit holders, maximum number of permits per residence, and fees),
    2. a link to the City's website with the full text of the draft resolution,
    3. a link to an online survey where residents within the proposed RPP area can indicate their support or opposition to the designation of an RPP area in their neighborhood,
    4. contact information for a City staff who can answer questions and assist residents without internet access with completing the survey, and
    5. dates of upcoming public meetings (Public Works and Transportation Commission and City Council).

    The applicant is encouraged to conduct additional outreach including holding neighborhood meeting(s) and going door to door to distribute a second copy of the notice mailed by the City to urge residents to complete the survey and attend the Public Works and Transportation Commission and City Council meetings. The results of this survey shall be reported to the Public Works and Transportation Commission and the City Council.

E. Public Works and Transportation Commission Review and Recommendation. Staff shall provide the Public Works and Transportation Commission an opportunity to consider the proposed RPP area at a noticed public hearing. The Commission shall review the draft resolution and make a

recommendation to the City Council regarding the RPP area. This recommendation may include proposed modifications of the boundaries, hours of enforcement, or other matters as the Commission may deem necessary and desirable.

F. Adoption of Resolution Establishing or Expanding an RPP Area. Following the completion of the above procedures, and if in compliance with this Chapter, staff shall bring a resolution designating the proposed RPP area for Council consideration. At a minimum, the resolution shall specify:

   1. The findings that the criteria set forth in this Chapter have been met;

   2. The boundaries and the name of the RPP area;

   3. Hours and days of enforcement of parking time restrictions and parking prohibitions that shall be in effect for non-permit holders; and

   4. The procedure for obtaining parking permits, including the fee therefor.

   The City Council shall hold a public hearing on a proposed resolution to establish the Residential Parking Permit area. The Council may adopt, modify, or reject the proposed resolution.

G. Resident Notice of Newly Adopted RPP Area. Upon designation or expansion of an RPP area, the City shall provide notice informing residents about implementation of the RPP area and its details.

10.40.060 Authority of Director.

The Director is authorized to establish the Guidelines, and rules and procedures to effectuate or implement the purposes and provisions of this Chapter, as limited herein, and to produce signs, forms, and other materials necessary, or appropriate, to effectuate or implement the provisions of this Chapter.

10.40.070 Issuance of permits.

Applications to authorize parking within a residential parking permit area may be made by any resident of a residence or dwelling unit within the residential parking permit area. Such application shall be the sole responsibility of the applicant, and shall be filed with the Director, or his or her designated representative. Applications for a resident parking permit must include all the following documentation:

1. A current DMV driver's license for each resident requesting a permit showing an address within the permit area; and
2. A current DMV vehicle registration for each vehicle showing an address within the permit area,
3. A current vehicle insurance policy showing the vehicle insured at the same address within the permit area; and
4. The Director is authorized to require any other information the Director requires by rules and procedures; and
5. Any information reasonably necessary for implementation of this Chapter, as determined by the Director.

Unless otherwise prescribed by the resolution establishing the residential parking permit area, each residence within an RPP area may receive, upon application, two parking permit at no cost to the

applicant, subject to conditions established by the Director to effectuate the purposes of this Chapter. Additional parking Permits may be given at no cost or purchased by applicants, upon application, subject to the availability, as determined by the Director. Permits issued to residents pursuant to this section shall require annual renewal. The City Council may, by resolution, establish fees for the issuance of permits or the transfer of a permit to a different vehicle or different address.

10.40.080 Guest parking permits.

Unless otherwise prescribed in the resolution establishing a residential parking permit area, each residence within an RPP area may receive twenty (20) one-day guest parking permits per year upon application, the form and conditions of which are approved by the Director to effectuate the purposes of this Chapter. Upon application, applicants may receive additional guest permits for one-day special events as approved by the Director.

10.40.090 Display of permits.

A. Parking permits shall be displayed in a manner determined by the Director.

B. The Director shall notify each permittee in writing of the proper manner in which to display a parking permit.

C. The proper display on a vehicle of a valid parking permit issued pursuant to this chapter grants only the privilege of parking the vehicle in the RPP area for which the permit was issued.

D. A valid parking permit issued under this chapter shall not guarantee or reserve to the holder an on-street parking space on any street or portion of street within the RPP area for which the permit was issued.

10.40.100 Enforcement.

A. The Director shall cause appropriate signs to be erected at the entrance of a residential parking permit area and at intermediate locations as deemed necessary by the Director.

B. The signs that the Director causes to be erected pursuant to this section shall provide clear notice of the days and times of the parking prohibition applicable to the street upon which the sign is erected.

C. No person shall park a vehicle in an RPP area in violation of any posted or noticed time restriction or parking prohibition unless the person has a valid and current parking permit for that vehicle or is otherwise exempt. Violations of this subsection shall constitute an infraction offense.

D. Any willful misuse of the parking permits, selling permits to others, altering permits, forging permits, copying permits, providing false or failing to provide reasonably necessary information to obtain permits, or any other basis for revocation, as determined by the Director that would effectuate the purposes of this Chapter, are not permitted and shall constitute an infraction. Such misuse shall also result in revocation of the parking permits for a period of one (1) year. A revocation of a parking permit may be appealed to the Director by filing a request for an appeal, on a form approved by the Director, within twenty-one (21) calendar days of the revocation. The appeal must state why the permit should not be revoked. Failure

to state this basis shall be grounds for revocation without an appeal. The Director shall respond within twenty-one (21) calendar days and the Director's decision shall be final.

E. Parking permit holders are not exempt from state and local traffic and parking rules.

F. Parking permits are only valid in the RPP area for which the permit is issued.

10.40.110 Exempt vehicles.

The following vehicles are exempt from parking restrictions applicable to any RPP area: (1) vehicles owned or operated by any government agency, or contractor of a government agency, being used in the course of business; (2) refuse collection, utility, or other public agency service vehicles being used in the course of business; (3) commercial vehicles actively providing or performing services or making a pickup or delivery if parked in a manner consistent with applicable law, including the East Palo Alto Municipal Code 10.04.080; (4) any authorized emergency vehicle as defined in the California Vehicle Code when such vehicle is responding to an emergency, (5) vehicles displaying a valid disabled placard or license plate.

10.40.120 Vehicle Eligibility.

No residential parking permits will be issued to:

1. Vehicles with delinquent parking citations; or
2. Vehicles with expired registration; or
3. Vehicles registered under the California Vehicle Code as commercial vehicles; or
4. Recreational vehicles (RVs), boats, trailers, or oversized vehicles exceeding 22 feet in length or 7 feet in height.

10.40.130 Removal of residential parking permit area.

The City Council may, by resolution, terminate and dissolve any previously established RPP area or portion thereof. Such termination may be considered following receipt of a petition signed by residents representing at least 67 percent (67%) of the residences within the RPP area proposed for dissolution. Only one signature is needed per residence. The Director shall remove permit parking signs in accordance with any such resolution.

City of East Palo Alto
Residential Parking Permit (RPP) Program Guidelines

PURPOSE

The goal of the Residential Parking Permit (RPP) Program is to regulate and manage on-street parking in residential neighborhoods. This document clarifies the procedures used by the City to implement the program.

BACKGROUND

On [DATE], the City Council adopted a Residential Parking Permit (RPP) Program Ordinance where neighborhood parking is regulated for non-permit holders. The Ordinance sets forth mechanisms to enact permit parking restrictions within a RPP area based upon findings of a parking occupancy survey conducted under the direction of City staff, as initiated by neighborhood petition, or as otherwise initiated by City Council. Three documents govern the creation of an RPP area in the City of East Palo Alto:

1. Chapter 10.40 of the East Palo Alto Municipal Code, which outlines the criteria that must be met and the process that must be taken for the designation, expansion, or dissolution of an RPP area.
2. A RPP area-specific resolution, which must be adopted by the City Council and outlines the specific characteristics of the individual RPP area.
3. The document within, "Residential Parking Permit (RPP) Program Guidelines", which provides additional detail on RPP Program implementation. The Residential Parking Permit (RPP) Program Guidelines (Guidelines) may be modified by the Public Works Director and provide detail on policies and procedures related to RPP areas.

All three documents work in concert to govern the development and operation of the City's RPP areas.

POLICIES

The Guidelines establish the framework for initiating, operating, and removing residential parking permit areas. The RPP program is intended to regulate on-street parking in parking permit areas within the City in order to enhance or protect the quality of life in the proposed RPP area according to these policies:

The RPP program is intended for use in single family and multi-family residential areas, not in mixed-use areas where residents and businesses are expected to share parking.

Implementation of an RPP area *does not* guarantee the availability of parking spaces on a public street, or within a specific neighborhood, because more parking permits may be issued than there are available on-street parking spaces.

The hours and days of enforcement of parking time restrictions and parking prohibitions in effect for non-permit holders will be set forth in the RPP area-specific resolution.

Blocks within each parking permit area will be determined based on the potential of parked cars to overflow and impact adjacent streets, via a collaborative process between residents and Public Works Department staff. The final limits of the residential parking permit program area will be determined by the Public Works Director and subject to approval by the City Council via resolution.

Parking permits will be issued only for *passenger vehicles* registered to residents of a property with at least one frontage within an RPP area. Commercial trucks, boat

trailers, RV's (camping trailers, motor homes, etc.), trailers and work-type commercial vehicles, including taxis and limousines, or any oversized vehicles are not eligible for resident parking permits. Other exclusions are contained within Chapter 10.40.

The maximum number of resident parking permits that may be issued per residence will be determined by the Public Works Director based on the characteristics of each neighborhood, but only one permit is issued per vehicle.

Up to twenty (20) one-day guest permits may be issued per residence each calendar year.

Permits may be transferred when the permit holder moves or the vehicle for which a permit has been issued is sold.

Signs will be posted in each RPP area indicating the time limitation and days during which parking is restricted.

Parking permits are not intended for use at parking meters, parking lots, or parking garages.

RPP parking permits are only valid for the RPP area for which they are issued.

Vehicles displaying parking permits are subject to all other parking restrictions, including loading zones, red zones, and accessible parking spaces.

Displaying a residential parking permit does not exempt the vehicle from the City's ordinance requiring a car to be moved every 72 hours.

By resolution of the City Council, a fee may be set for the permits.

Exceptions

RPP parking restrictions do not apply to vehicles owned or operated by any government agency, or contractor of a government agency, being used in the course of business.

Any refuse collection, utility, or other public agency service vehicles actively working for a property within the limits of an RPP area may park on-street in front of the property on which they are working without a permit.

Commercial vehicles actively providing or performing services or making a pickup or delivery are not required to have a parking permit when parked within an RPP area in a manner consistent with applicable law, including the East Palo Alto Municipal Code Section 10.04.080.

Any authorized emergency vehicle as defined in the California Vehicle Code when such vehicle is responding to an emergency is exempt from parking restrictions applicable to any RPP area.

Any vehicles legally displaying a valid disabled placard or license plate.

PROCEDURES

The procedures below provide for consistent parking permit area development from one neighborhood to the next. The Public Works Director has the flexibility to modify the following procedures when appropriate.

Area Creation or Expansion

Initiating a new residential parking permit area or expanding an existing RPP area requires completion of the following steps:

1. Resident completes a Residential Parking Permit Program application form and submits it to the Public Works Director.
2. Through discussions with the applicant, the Public Works Director will identify the draft program parameters including days and time limits when permit parking will be enforced and the geographic area.
3. Applicant will coordinate collection of signatures on a petition. The petition will clearly identify the proposed streets to be included in the RPP area, the time limits, and general rules associated with the RPP program. At least 67% of the residences on each block must be reflected in the petition. Only one signature is needed per residence. The residence owner, renter, or occupant is eligible to sign the petition. Each house, apartment, condominium, accessory dwelling unit or junior dwelling unit will be considered a residence. City Council initiated requests may skip this step.
4. The City Clerk shall review applications to establish or expand RPP areas initiated by neighborhood petition to verify that it meets the signature requirements set forth in the RPP Program Ordinance and these guidelines. If the RPP area request does not meet the signature requirements, the Director shall send a letter to the petitioners denying their request.
5. Optional:
    a. The applicant may request a neighborhood meeting to present the components of the RPP to the area.
    b. The applicant may demonstrate the support of their homeowners'/ neighborhood association (if one exists) through the submittal of a letter of endorsement from that group. Any letters of support will be considered by the Public Works and Transportation Commission and the City Council.
6. Public Works staff will collect occupancy data on key street segments within the proposed RPP area. Only areas with an average occupancy rate of 75% or more during the proposed permit hours will continue in this process. If the RPP area does not meet the minimum parking occupancy requirement, the Director may send a letter to the petitioners denying the request.
7. After completion of the parking occupancy survey, City staff shall prepare a draft resolution containing the proposed boundaries and hours of enforcement. Staff shall undertake a survey of resident support within the RPP area. The applicant is encouraged to notify residents around the RPP area. The results of this survey shall be included in and reported to the Public Works and Transportation Commission and the City Council. The recommended threshold for the creation or expansion of an RPP area is a vote of 67% of the returned surveys in favor of the program, however the City Council may approve an RPP area with a simple majority (50% + 1) of the returned surveys in favor of the program.

8. Staff shall bring the proposed RPP area to the Public Works and Transportation Commission at a noticed public hearing. The Commission shall review the draft resolution and make a recommendation to the City Council regarding the RPP area. This recommendation may include proposed modifications of the boundaries, hours of enforcement, or other matters as the Commission may deem necessary and desirable.
9. Following the completion of the above procedures, staff shall bring a resolution designating the proposed RPP area for Council consideration. At a minimum, the resolution shall specify:
    a. The findings that the criteria set forth in this chapter have been met;
    b. The boundaries and the name of the RPP area;

c. Hours and days of enforcement of parking time restrictions and parking prohibitions that shall be in effect for non-permit holders;
d. The procedure for obtaining parking permits, including the fee therefor.

The City Council shall hold a public hearing on a proposed resolution to establish the Residential Parking Permit area. The Council may adopt, modify, or reject the proposed resolution.

10. Upon designation or expansion of an RPP area, the City shall provide notice informing residents about implementation of the RPP area and its details.
11. The Director shall cause appropriate signs to be erected at the entrance of a residential parking permit area and at intermediate locations as deemed necessary by the Director. The signs shall provide clear notice of the days and times of the parking prohibition.
12. If the request for permit parking is denied or terminated, a second study of the same or similar RPP area will not be conducted for a minimum of 24 months unless there is a significant, identifiable change in parking characteristics as determined by the Director of Public Works.

OBTAINING A PARKING PERMIT

The City of East Palo Alto uses a virtual system to issue and manage parking permits. Under this system, parking permit software is used to link the vehicle license plate number to an electronic permit. The virtual permit system eliminates the need for hang tags or stickers and allows residents to obtain RPP area parking permits online 24 hours a day, 7 days a week at [LINK]. Residents who do not have access to the internet or need assistance with the online permitting process may apply for RPP permits by calling (XXX) XXX-XXX or visiting the City Permit Center at 1960 Tate Street. Assistance is available Monday through Friday, between 9 a.m. and 5 p.m. Interpretation services are available in Spanish and XXXX at this number.

Two types of permits are available: annual resident parking permits and one-day guest parking permits. Annual resident parking permits are intended for use by residents of a specific property within the RPP Area. One-day guest parking permits may be obtained by residents in RPP areas for use by their occasional guests.

Resident Parking Permits

To obtain a resident parking permit, a resident of an RPP area must include all the following documentation :

1. A completed application form (online) in the residents' name and address; and
2. A current DMV driver's license for each resident requesting a permit showing an address within the permit area; and
3. A current DMV motor vehicle registration for each vehicle for which the applicant is requesting a resident parking permit, showing an address within the permit area; and
4. A current vehicle insurance policy showing the vehicle insured at the same address within the permit area; and
5. The Director is authorized to require other readily verifiable forms of proof of residency, which may include any other information the Director requires by rules and procedures; and
6. Any information reasonably necessary for implementation of this Chapter, as determined by the Director.

Guest Parking Permits

Unless otherwise prescribed in the resolution establishing a residential parking permit area, each residence with an RPP area may receive twenty (20) one-day guest parking permits per

year upon application. Upon application, residents may receive additional guest permits for one-day special events as approved by the Director.

Parking Permit Fees

The City Council may, by resolution, establish a fee for the issuance of permits or the transfer of a permit to a different vehicle or different address.

ENFORCEMENT

No person shall park a vehicle in an RPP area in violation of any posted or noticed time restriction or parking prohibition unless the person has a valid and current parking permit for that vehicle or is otherwise exempt.

The parking permit software tracks electronic permits linked to the registered vehicle's license plate number. When license plates are scanned by the enforcement staff, registered license plate information is automatically referenced against the parking permit database. If the license plate is not connected to a valid virtual permit, the vehicle will be subject to a parking citation. Though not required, individuals who want to place a physical permit on their dashboard may print one with the link provided by [VENDOR] after payment has been made.

Any willful misuse of the parking permits, selling permits to others, altering permits, forging permits, copying permits, and providing false information to obtain permits or any other basis for revocation, as determined by the Director that would effectuate the purposes of this Chapter, are not permitted. Such misuse shall result in revocation of the parking permits for a period of one (1) year. A revocation of a parking permit may be appealed to the Director of Public Works by filing a request for an appeal within twenty-one (21) calendar days of the revocation. The appeal must state why the permit should not be revoked. Failure to state this basis shall be grounds for revocation without an appeal. The Director shall respond within twenty-one (21) calendar days and the Director's decision shall be final.

Violations of Chapter 10.40 of the East Palo Alto Municipal Code shall constitute an infraction offense subject to fine or penalty as set forth in the East Palo Alto Municipal Code.

EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: March 17, 2026

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Marissa Silva, Administrative Assistant
Matt Vining, Utility Manager
Humza Javed, Public Works Director

SUBJECT: Gloria Way Well Repairs & Hydrant Replacement Program

Recommendation

1. Authorize payment to Veolia and appropriate funds for the repair and modifications to Gloria Way Well Filtration Plant from the Water Capital Fund in the amount of $205,562.00 and;
2. Authorize payment to Veolia and appropriate funds for sixty (60) hydrant replacements (Hydrant Replacement Program) from the Water Capital Fund in the amount of $241,500.00 and;
3. Finding the action being considered is 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 15302 (construction and location of limited numbers of new, small facilities or structures; substantially the same purpose and capacity).
4.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Public Health, Safety, and Quality of Life
Priority: Public Infrastructure and Utilities

Background

The City has a lease agreement with Veolia to operate and maintain the City's water system

through this summer. The lease agreement allocates up to $110,000 annually for system maintenance and repair costs. According to the lease agreement, any costs above the allocation are considered water system improvements for which Veolia must be reimbursed.
The repairs needed at Gloria Way Well and the hydrant replacements are considered water system improvements, as well as their costs exceeding the annually allotted $110,000.
The City along with Veolia has identified two critical projects that require to completion in 2026: (1) Gloria Way Well repairs and, (2) Hydrant Replacement project.

The scope of work at Gloria Way Well includes repair and relocation of multiple lengths of piping within the filtration treatment cycle, as well as the relocation of several chemical injection points. The scope of the Hydrant Replacement Project includes replacement of sixty (60) hydrants throughout the water distribution system that do not comply with current standards and regulations. The hydrant replacements are a part of the City's ongoing hydrant replacement capital improvement program. Staff is requesting authorization to proceed with the work.

Analysis

Gloria Way Well Repairs:
Gloria Way Well (GWW) has been offline for over one year, and was only turned on to run for quarterly, semi-annual, and annual required sampling; as well as for State and federal sampling. GWW is offline and not pumping into the distribution system due to several repairs that are needed at the facility. A large portion of the repairs needed is the relocation and modification of the treatment piping at the facility. The other portion is the relocation of chemical lines and injection points to more sensible and safe locations, as opposed to where they are currently located, which is in a portion of treatment piping that sits well over 8 feet tall. Due to the current location of the chemical injection points, the inner lining of the treatment piping has deteriorated and caused poor dosing of the chemical, as well as chemical buildup.

Veolia will contract, oversee, and manage the removal and upgrade of the treatment piping. The existing pipe will be removed, and an upgraded pipe material will be laid in place, connecting the treatment section to the blending tank. The upgraded piping will consist of a corrosion-resistant material, and the newly relocated chemical injection points will help reduce future clogging and wear points in the pipe lining.

Veolia is subcontracting this work to C2R Engineering The subcontractor work costs will be $178,500, and including Veolia 15% markup, the total cost of the project will be $205,562.00. Staff has verified this cost is appropriate for the nature of the work.

Hydrant Replacement Project:

The existing hydrants placed throughout the City's distribution system are aging out, as well as non-conforming to current safety regulations and engineered standards. There are multiple types of hydrants located throughout the system that are in various stages of failure. These failures are detrimental to the community, as they can cause delays in firefighting response or an inability for water system operators to flush the water supply when required to do so. Examples of failures include stuck or broken valve stems, hydrants with barrels buried below grade, leaning hydrants, or hydrants that do not meet current fire, safety, and engineered

standards. There are many hydrants classified as dry-barrel hydrants, or "cold-weather" hydrants, which have no place in a water system located in warm weather and can cause delays in fire-fighting responses. Additionally, most of the hydrants on the list have inadequate lateral piping, and in some cases, the street valves going to the actual hydrant. Therefore, Veolia will need to replace selected valves and laterals to identify hydrants while they replace the hydrant.

Veolia will contract and manage the removal of the hydrants to ensure they meet current standards. To save costs, Veolia will order the work as a bulk replacement rather than replacing hydrants as needed under routine maintenance.

Veolia is subcontracting this work to Golden State Construction & Utility, Inc. Their estimate is included as an attachments to this staff report. The sub-contractor costs will be $210,000.00, along with a Veolia 15% markup, the total cost of the project will be $241,500.00. Staff recommends authorizing payment to Veolia and its subcontractor through the Water Capital Fund.

Fiscal Impact

- Staff recommends appropriating a total of $205,562 for Gloria Way Well repairs.
- Staff recommends appropriating a total of $241,500 for the Hydrant Replacement 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, the proposed action involves a contract that was competitively bid.

Analysis of Levine Act Compliance: Not applicable.

Attachments

1. Resolution
2. Gloria Way Well Task Authorization and related quotes
3. Hydrant Replacement Program Task Authorization and related quotes

RESOLUTION NO. XX– 2026

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

AUTHORIZING PAYMENT TO VEOLIA FOR THE REPAIRS AND MODIFICATIONS AT GLORIA WAY WELL, AND FOR THE HYDRANT REPLACEMENT PROGRAM FROM THE WATER CAPITAL FUND IN THE TOTAL AMOUNT OF $447,062.

WHEREAS, two critical water capital projects are needed to improve the city's water system, and;

WHEREAS, the Gloria Way Well needs repair and relocation of piping in the filtration system, as well as relocation of several chemical injection points and;

WHEREAS, sixty (60) hydrants need to be replaced throughout the distribution system to meet current safety and engineering standards and provide adequate service to the community; and

WHEREAS, Veolia, the city's water operator, will subcontract out the two above mentioned projects; and

WHEREAS, The cost to perform the modifications and repairs at Gloria Way Well is $205,562; and

WHEREAS, The cost to replace sixty (60) hydrants as part of the Hydrant Replacement Program is $241,500; and

WHEREAS, funds to perform this work are available in the water capital fund.

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. Authorize payment to Veolia and appropriate funds from the Water Capital Fund in the amount of $447,062 for the repairs at Gloria Way Well as well as the Hydrant Replacement Program; and

3. Finds the action being considered 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 15302 (construction and location of limited numbers of new, small facilities or structures; substantially the same purpose and capacity).

PASSED AND ADOPTED this 17th day of March 2026**,** by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Webster Lincoln, Mayor

ATTEST:

James Colin, City Clerk

APPROVED AS TO FORM:

John D. Lê, City Attorney

EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: March 17, 2026

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

SUBJECT: Approval of Administrative Amendment to Paragraph 2.2 of the Peninsula Clean Energy Joint Powers Agreement Reflecting the Name Change of Peninsula Clean Energy Authority to WestLight Energy

Recommendation

Adopt a resolution:

1. Approving an amendment to Paragraph 2.2 of the Peninsula Clean Energy Authority Joint Powers Agreement to reflect the new agency name previously approved by the Peninsula Clean Energy Authority Board of Directors on October 23, 2025;

2. Authorizing the Mayor or City Manager to execute any documents and take any actions necessary to effectuate the amendment of paragraph 2.2 of the Peninsula Clean Energy Joint Powers Agreement consistent with this Resolution; and

3. Finding that the proposed action 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.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Public Infrastructure and Utilities

Background

The City of East Palo Alto is a member agency of Peninsula Clean Energy, a community choice energy provider established through a Joint Powers Agreement (JPA) among cities and counties in San Mateo County. Peninsula Clean Energy provides electricity generation services to

participating jurisdictions, while Pacific Gas and Electric Company (PG&E) continues to deliver electricity and maintain transmission infrastructure.

On October 23, 2025, the Peninsula Clean Energy Authority Board of Directors voted to adopt WestLight Energy as the agency's new market-facing name. The decision followed an extensive research and stakeholder engagement process evaluating how the agency's brand identity supports its long-term mission to accelerate decarbonization and expand clean energy programs across its service territory.

Through that process, the Board identified several challenges associated with the existing name, Peninsula Clean Energy. In particular, the agency's acronym, PCE, is frequently confused with PG&E, creating ongoing public confusion about the community choice energy program. In addition, the name "Peninsula Clean Energy" suggests a geographic scope that no longer fully reflects the agency's service territory.

As part of its October 23 action, the Board also directed that the Joint Powers Agreement be amended to formally reflect the new agency name. Member agencies must approve this administrative amendment in order to update the legal name within the JPA.

Analysis

The action before the City Council is not a reconsideration of the name change. The Peninsula Clean Energy Authority Board of Directors has already approved the transition to WestLight Energy. The action requested of member agencies is limited to approving a technical amendment to the JPA that updates the agency's legal name in Paragraph 2.2 and throughout the document.

Updating the JPA will ensure the governing document accurately reflects the agency's legal name and will allow the organization to proceed with implementing the rebrand. The transition is planned to coincide with the agency's ten-year anniversary and the rollout of its updated brand identity.

Approval of the resolution will ensure the City of East Palo Alto remains aligned with the governing documents of the Joint Powers Authority and will allow the agency to move forward with the coordinated implementation of its new name.

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 involve an entitlement.

Analysis of Levine Act Compliance: Not applicable.

Attachments

1. Resolution

RESOLUTION NO. XX– 2026

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

APPROVING AN ADMINISTRATIVE AMENDMENT TO PARAGRAPH 2.2 OF THE PENINSULA CLEAN ENERGY JOINT POWERS AGREEMENT REFLECTING THE NAME CHANGE OF PENINSULA CLEAN ENERGY TO WESTLIGHT ENERGY

WHEREAS, the Peninsula Clean Energy Authority ("Peninsula Clean Energy" or "Authority") was formed as a community choice aggregation agency ("CCA") on February 29, 2016, under the Joint Exercise of Powers Act, California Government Code sections 6500 et seq., among the County of San Mateo and its cities and towns, and later expanded to include the City of Los Banos in Merced County; and

WHEREAS, the Authority has grown to serve a diverse customer base across San Mateo County and the City of Los Banos; and

WHEREAS, on October 23, 2025, the Board of Directors of the Peninsula Clean Energy Authority (PCEA) adopted Resolution No. 2025-36 approving the selection of the new market-facing name of WestLight Energy and authorizing the amendment of its Joint Powers Agreement to reflect the same; and

WHEREAS, paragraph 2.2 of the Peninsula Clean Energy Joint Powers Agreement sets forth the name of the Authority; and

WHEREAS, amendment of Paragraph 2.2 of said Agreement requires approval of each Joint Powers Authority member including the City of East Palo Alto; and

WHEREAS, the City Council of the City of [Insert Name] finds that approving the amendment to Paragraph 2.2 of the Joint Powers Agreement reflecting Peninsula Clean Energy Authority's new market-facing name of WestLight Energy is in the best interest of the City and its residents.

BASED UPON THE EVIDENCE PRESENTED, the City Council of the City of East Palo Alto hereby finds and determines that the amendment to Paragraph 2.2 of the Peninsula Clean Energy Joint Powers Agreement reflecting its new market-facing name of WestLight Energy is appropriate and consistent with the City's participation in the Authority.

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

1. Approve the amendment to Paragraph 2.2 of the Peninsula Clean Energy Joint Powers Agreement to reflect the PCE Board of Directors adopted Resolution No. 2025-36 approving the selection of the new market-facing name of WestLight Energy;

2. Authorize the Mayor or City Manager to execute any documents and take any actions necessary to effectuate the amendment of paragraph 2.2 of the Peninsula Clean Energy Joint Powers Agreement consistent with this Resolution; and

3. Find that the proposed action 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 17th day of March 2026**,** by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Webster Lincoln, Mayor

ATTEST:

James Colin, City Clerk

APPROVED AS TO FORM:

John D. Lê, City Attorney

CONSENT ITEM 3.7

EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: March 17, 2026

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: John D. Lê, City Attorney

Donald Zhao, Interim Chief Building Official

Elena Lee, Interim Community & Economic Development Director

SUBJECT: Ordinance Adopting 2026 California Building Standards Code, Adopting Reach Codes for Existing Buildings, and Ratifying Ordinance No. 59-2025 of the 2025 District Fire Prevention Code

Recommendation

1. Waive the second reading and adopt an ordinance to amend various sections and provisions of the East Palo Alto Municipal Code, including:

    a. Chapters 15.04, 15.08, 15.10, 15.11, 15.12, 15.15, 15.16, 15.20, 15.25, 15.32, 15.58 to adopt by reference the 2025 California Building Standards Code, including the following 2025 California Codes and specified appendices: Administrative Code; Building Code volumes 1 and 11; Residential Code; Electrical Code; Mechanical Code; Plumbing Code; Energy Code; Historical Building Code; Existing Building Code; Green Building Standards Code; and Fire Code;

    b. Chapter 15.58 to adopt and ratify local amendments set forth in Menlo Park Fire Protection District Ordinance No. 59-2025;

    c. Chapter 15.32 pertaining to dangerous buildings;

    d. Chapter 15.25 (Energy Code) of the East Palo Alto Municipal Code to incorporate local amendments herein referred to as Reach Codes, which mandate cost-effective building requirements, including increasing building efficiency and requiring electric readiness, with findings demonstrating local amendments are reasonably necessary; and

e. Make any necessary conforming amendments, as the Council deems necessary.

2. Make any necessary conforming amendments, as the Council deems necessary; and

3. Find that the proposed action is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines sections 15061(b)(3), 15308, and 15183.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Promote Health & Public Safety

Analysis

On March 4, 2026, the City Council waived the first reading and introduced an ordinance amending various Chapters of the East Palo Alto Municipal Code, including the 2026 California Building Standards Code, Reach Codes for Existing Buildings, and ratifying Ordinance No. 59-2025 of the 2025 District Fire Prevention Code.

The City Council introduced the attached ordinance with the following vote:

AYES: Mayor Lincoln, Vice-Mayor Abrica, Councilmembers Barragan, Romero, and Dinan

NOES:

ABSENT:

ABSTAIN:

Fiscal Impact

There is no fiscal impact with the items described in this staff report.

Public Notice

The public was provided notice of this agenda item by posting the City Council agenda on the City's official bulletin board outside City Hall and making the agenda and report available at the City's website and at the San Mateo County Library located at 2415 University Avenue, East Palo Alto. The public also was provided notice of this agenda item by notice published in the San Mateo Daily Journal on February 14, 2026.

Environmental

This action is exempt from CEQA pursuant to CEQA Guidelines section 15061(b)(3) in that the standards set forth in the ordinance are more protective of the environment than the California Energy Code standards, and there is no possibility that the activity in question may have a significant effect on the environment. As a separate and independent basis, this action is exempt from CEQA pursuant to CEQA Guidelines section 15308 in that the standards set forth in the ordinance assure the maintenance, restoration, enhancement or protection of natural resources and the environment. In addition, CEQA Guidelines section 15183 (Projects Consistent with a Community Plan, General Plan, or Zoning) applies to the project in that the standards set forth in the Ordinance are consistent with the General Plan and the Climate Action Plan.

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. Ordinance - East Palo Alto 2025 Building Code Update (Amendments noted in Blue).
2. Ordinance - Menlo Park Fire District Fire Prevention Code 56-2025 (Amendments noted in Red).
3. Ordinance – Reach Code Local Amendments (Amendments noted in Purple).

ORDINANCE NO. _____

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

AMENDING MUNICIPAL CODE CHAPTERS 15.04, 15.08, 15.10, 15.11, 15.12, 15.15, 15.16, 15.20, 15.25, 15.32, 15.58 TO ADOPT BY REFERENCE THE 2025 CALIFORNIA BUILDING STANDARDS CODE, INCLUDING THE FOLLOWING 2025 CALIFORNIA CODES AND SPECIFIED APPENDICES: ADMINISTRATIVE CODE; BUILDING CODE VOLUMES 1 AND 11; RESIDENTIAL CODE; ELECTRICAL CODE; MECHANICAL CODE; PLUMBING CODE; ENERGY CODE; HISTORICAL BUILDING CODE; EXISTING BUILDING CODE; GREEN BUILDING STANDARDS CODE; AND FIRE CODE; INCLUDING RATIFICATION OF THE LOCAL AMENDMENTS SET FORTH IN MENLO PARK FIRE PROTECTION DISTRICT ORDINANCE NO. 59-2025; ADOPTING LOCAL "REACH" CODE AMENDMENTS AND FINDINGS JUSTIFYING LOCAL AMENDMENTS TO THE 2025 CALIFORNIA GREEN BUILDING STANDARDS CODE AND THE 2025 CALIFORNIA ENERGY CODE; AND AMENDING SECTION 15.32.010 PERTAINING TO DANGEROUS BUILDINGS

WHEREAS, each California city is required to adopt the California Building Standards Code and is authorized to do so by reference pursuant to Health and Safety Code section 17922 and Government Code section 50022.2; and

WHEREAS, local jurisdictions are responsible for enforcement of the California Building Standards Code and must enact local administrative regulations and amendments in order to implement the California Building Standards Code; and

WHEREAS, the City of East Palo Alto is adopting the 2025 California Building Standards Code as provided for and directed by the State of California; and

WHEREAS, California Health and Safety Code section 17958 requires that cities adopt building regulations that are substantially the same as those adopted by the California Building Standards Commission and contained in the 2025 California Building Standards Code; and

WHEREAS, the 2025 California Energy Code is Part 6 of the 2025 California Building Standards Code which implements minimum energy efficiency standards in buildings through mandatory requirements, prescriptive standards, and performance standards; and

WHEREAS, California Health and Safety Code Sections 17958.5, 17958.7 and 18941.5 provide that the City of East Palo Alto may make changes or modifications to the building standards for residential buildings contained in the 2025 California Building Standards Code based upon express findings that such changes or modifications are reasonably necessary because of local climatic, geological or topographical conditions,

subject to limitations and exceptions imposed by AB 130 which is effective from 2025 to 2031, as noted below; and

WHEREAS, human activities that release greenhouse gases into the atmosphere contribute to the increase of the worldwide average temperature, drought conditions, and duration of fire seasons; and

WHEREAS, according to the California Department of Forestry and Fire Protection, nine of the ten largest wildfires in California history have occurred since 2017, destroying nearly 10,000 structures and burning of more than 4.5 million acres; and

WHEREAS, these amendments are reasonably necessary because of health and safety concerns as City of East Palo Alto residents suffer from asthma and other health conditions associated with poor indoor and outdoor air quality exacerbated by the combustion of methane gas; and

WHEREAS, on or about September 20, 2016, the State of California enacted Senate Bill (SB) 32, which added Health and Safety Code Section 38566 to require greenhouse gas emissions to be reduced to 40 percent below 1990 levels by no later than December 31, 2030; and

WHEREAS, consistent with federal law stated in the Energy Policy and Conservation Act, the standards contained within this ordinance permit mixed fuel residential construction; and

WHEREAS, consistent with AB 130, the standards contained within this ordinance permit mixed fuel residential construction consistent with federal law while also incentivizing all-electric construction; and

WHEREAS, consistent with AB 130, the standards imposed by this ordinance incentivize electric equipment through the cost-effective installation of electric appliances while preserving energy-equivalent pathways for mixed-fuel residential appliances; and

WHEREAS, pursuant to Sections 17958.5 and 17958.7 of the Health and Safety Code, the proposed amendments align with the City of East Palo Alto's General Plan, which was adopted prior to June 10, 2025; and

WHEREAS, pursuant to Sections 17958.5 and 17958.7 of the Health and Safety Code, the proposed amendments are necessary to implement the local code amendment contained in this ordinance, which is adopted to align with General Plan and greenhouse gas emissions reduction strategy goals while permitting mixed-fuel residential construction and incentivizing electric construction; and

WHEREAS, the City adopted a greenhouse gas emissions reduction strategy when it completed a Climate Action Plan in 2010 with strategies for GHG reduction; and

WHEREAS, on October 4, 2016, the City Council adopted the City of East Palo Alto's General Plan that aligns with the emissions reduction goals in the proposed amendments, which includes Policy POC-8.1 calls for implementing and regularly updating the City's Climate Action Plan and Greenhouse Gas Inventory, Policy POC-8.4 directs the City to "prioritize the selection of green building design features that enhance the reduction of greenhouse gas emissions, Policy POC-7.1 calls for promoting citywide energy efficiency through strategies like retrofitting buildings with energy-efficient technology, the Climate Action Plan includes a target to decrease GHG emissions by 15% from the 2005 baseline of 140,500 metric tons of CO_2; and

WHEREAS, since the City of East Palo Alto's General Plan explicitly called for updating and implementation of the Climate Action Plan (2010) and expressly calls for a greenhouse gas emissions reduction strategy ("reduce per capita greenhouse gas emissions by 55% below 2005 levels by 2030, with a goal of achieving carbon neutrality by 2045."), on September 5, 2023, the City Council adopted the City of East Palo Alto's Community Climate Action Plan (2030) which includes various climate goals that align with the emissions reduction goals in the proposed amendments, including:

- Setting a targeted decrease of GHG emissions by 15% from the 2005 baseline of 140,500 metric tons of CO_2.
- Demanding a greenhouse gas emissions reduction strategy ("reduce per capita greenhouse gas emissions by 55% below 2005 levels by 2030, with a goal of achieving carbon neutrality by 2045.").
- Coordinate with BAAQMD proceeding on rules 9-4 and 9-6 (EW.2).
- Prioritize the selection of green building design features that enhance the reduction of greenhouse gas emissions; and

WHEREAS, in alignment with the Community Climate Action Plan, the local amendments to the 2025 California Energy Code establish requirements which will reduce demands for local energy resources, reduce regional pollution, and promote a lower contribution to greenhouse gas emissions; and

WHEREAS, Public Resources Code Section 25402.1(h)2 and Section 10-106 of the 2025 California Administrative Code establish a process which allows local adoption of energy standards that are more stringent than the statewide Standards, provided that a determination that the standards are cost effective is adopted at a public meeting and subsequently filed with the California Energy Commission, and the California Energy Commission finds that the standards will require buildings to be designed to consume less energy than permitted by the 2025 California Energy Code; and

WHEREAS, staff has reviewed the cost-effectiveness studies prepared by the California Statewide Codes and Standards Reach Code Program and finds them sufficient to show that the local modifications will comply with the requirements of Public Resources Code section 25402.1(h)(2) and Section 10-106 of the 2025 California Administrative Code; and

WHEREAS, based on these studies, the City Council finds that the local modifications are cost-effective and will require buildings to be designed to consume no more energy than permitted by the California Energy Code; and

WHEREAS, scientific evidence has established that methane gas combustion, procurement and transportation produce significant greenhouse gas emissions that contribute to global warming and climate change; and

WHEREAS, using electric appliances in buildings fueled by less greenhouse gas intensive electricity is linked to significantly lower greenhouse gas emissions; and

WHEREAS, the most cost-effective time to improve the energy efficiency and encourage electrification of existing buildings is during alterations and additions, allowing for electrical infrastructure that is installed alongside other relevant improvements; and

WHEREAS, the local amendments support the City of East Palo Alto's compliance with Bay Area Air District's amendments to Rule 9-4 and Rule 9-6, which limit the sale of nitrous oxide emitting water and space heating appliances, and would support one of the City's Climate Action Plan (2030) stated goals (EW 2.5: "Coordinate with BAAQMD proceeding on rules 9-4 and 9-6"); and

WHEREAS, because of the City of East Palo Alto's local climatic, geological and topographic conditions, the City Council finds and determines that amendment and additions to the code are reasonably necessary; and

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

SECTION 1. INCORPORATION OF RECITALS

The City Council finds that all the foregoing recitals are true and correct and incorporated herein by reference.

SECTION 2: PURPOSE AND INTENT

It is the purpose and intent of this Ordinance to adopt the local amendments to the 2025 California Energy Code (Title 24, Part 6) that provide local, cost effective standards for new residential, non-residential, and hotel and motel buildings that exceed the minimum standards of the 2025 California Energy Code to achieve energy savings, reduce local pollution, reduce greenhouse gas emissions, and address unique local climatic, geological, and topographical conditions.

SECTION 3: LOCAL CONDITIONS

The City Council makes the following findings regarding local climatic, geological, topographical, and environmental conditions related to the local amendments to the

California Energy Code, as described below (as set for more fully in **Exhibit A** to this Ordinance, which is incorporated by this reference as though fully set forth herein):

1. Each of the changes or modifications to measures referred to therein are reasonably necessary because of local climatic, geological, or topographical conditions in the area encompassed by the boundaries of the City of East Palo Alto, and the City Council adopts the following findings in support of local necessity for the changes or modifications:

a. Climatic: The City is located in Climate Zones 3 and 4 as established in the 2025 California Energy Code, Climate Zones 3 and 4 incorporate mostly coastal communities from Marin County to southern Monterey County including San Francisco. The City experiences precipitation ranging from 13 to 20 inches per year with an average of approximately 15 inches per year. Ninety- five percent of precipitation falls during the months of November through April, leaving a dry period of approximately six months each year. Relative humidity remains moderate most of the time. Temperatures in the summer average around 80 degrees Fahrenheit and in the winter in the mid 50 degrees Fahrenheit. Prevailing winds in the area come from the west with velocities generally in the 12 miles per hour range, gusting from 25 to 35 miles per hour.

   These climatic conditions along with the greenhouse emissions generated from structures in both the residential and nonresidential sectors requires exceeding the energy standards for building construction established in the 2025 California Buildings Standards Code. The City Council also adopted a Climate Action Plan that has a goal of reducing greenhouse gas emissions. In order to achieve and maintain this goal, the City needs to adopt policies and regulations that reduce the use of fossil fuels that contribute to climate change, such as natural gas in buildings, in new development.

   Human activities, such as burning natural gas to heat buildings, releases greenhouse gases into the atmosphere and causes an overall increase in global average temperature. This causes sea levels to rise, affecting the City's shoreline and infrastructure. Roughly 49% of the City remains in a regulatory flood inundation zone associated with the 100 -year sea level rise FEMA maps adopted April, 2019. San Francisquito Creek also runs through the City, which creates an increasing potential flooding risk with climate change as a result of human generated greenhouse gas emissions. East Palo Alto is vulnerable to sea level rise. Buildings that are directly vulnerable to sea level rise should avoid generating additional greenhouse gas emissions.

   The proposed Reach Codes would ensure that existing buildings improve efficiency or use cleaner sources of energy that are greenhouse gas free. Failure to address and substantially reduce greenhouse gas emissions creates an increased risk to the health, safety, and welfare of East Palo Alto residents.

b. Seismic/Geologic: The City of East Palo Alto is subject to earthquake hazard caused by its proximity to San Andreas fault. This fault runs from Hollister, through the Santa Cruz Mountains, epicenter of the 1989 Loma Prieta earthquake, then on up the San Francisco Peninsula, then offshore at Daly City near Mussel Rock. This is the approximate location of the epicenter of the 1906 San Francisco earthquake. The other fault is Hayward Fault. This fault is about 74 miles long, situated mainly along the western base of the hills on the east side of San Francisco Bay. Both of these faults are considered major Northern California earthquake faults which may experience rupture at any time. Thus, because the City is within a seismic area which includes these earthquake faults, the modifications and changes cited herein are designed to better limit property damage as a result of seismic activity and to establish criteria for repair of damaged properties following a local emergency. In the event of a natural disaster such as an earthquake or fire, the natural gas infrastructure in and around the City of East Palo Alto presents a risk to the life and safety of residents and first responders. Moreover, the electric grid system can be brought back online more swiftly than the natural gas pipeline when the community is recovering from such an event.

c. Topographic: The City of East Palo Alto is a low-lying contiguous portion of the San Francisco Bay, resulting in a natural receptor for storm and wastewater run-off. Also, the City is located in an area that has relatively high liquefaction potential given its proximity to the Bay. The surface condition consists mostly of stiff to dense sandy clay, which is highly plastic and expansive in nature. This potential for rupture of natural gas piping during a flooding or a seismic event increases the risk of fire. The aforementioned conditions within the City create hazardous conditions for which departure from the California Building Standards Code is warranted.

2. The modifications to the Energy Code included in this ordinance are consistent with AB 130 (2025) because they are necessary to implement a local code amendment that is adopted to align with a general plan approved on or before June 10, 2025, and that amendment permits mixed-fuel residential construction consistent with federal law while also incentivizing all-electric construction as part of an adopted greenhouse gas emissions reduction strategy adopted and implemented by a qualifying general plan. Specifically, :

a. The standards imposed by this ordinance align with a General Plan (2030) approved on or before June 10, 2025 as follows:

   i. The General Plan policy passed on October 4, 2016.
   ii. The General Plan:
      1. Calls for the implementation and regular updating of the City's Climate Action Plan (Policy POC-8.1), which in turn calls for the following subgoals:
         a) Setting a targeted decrease of GHG emissions by 15% from the 2005 baseline of 140,500 metric tons of CO_2.

b) Demands a greenhouse gas emissions reduction strategy ("reduce per capita greenhouse gas emissions by 55% below 2005 levels by 2030, with a goal of achieving carbon neutrality by 2045.")
c) Coordinate with BAAQMD proceeding on rules 9-4 and 9-6 (EW.2).

b. Directs the City to "prioritize the selection of green building design features that enhance the reduction of greenhouse gas emissions."The modifications to the Energy Code included in this Ordinance permit mixed-fuel residential construction consistent with federal law while also incentivizing all-electric construction. The single family and non-residential standards include cost effective compliance pathways for mixed-fuel and residential construction and do not require equipment efficiencies greater than the federally mandated minimum efficiencies in accordance with the federal standards enacted under the Energy Policy and Conservation Act.

The standards imposed by this Ordinance implement an adopted Greenhouse Gas Emissions Reduction Strategy as noted above.3. Pursuant to the Public Resources Code section 25402.1(h)(2) and Section 10-106 of the 2025 California Administrative Code, the City Council of East Palo Alto finds and determines the following: (1) The locally adopted energy efficiency standards contained in this ordinance are cost-effective, and (2) the efficiency standards in this ordinance will require buildings to be designed to consume less energy compared to the 2025 California Energy Code.

The energy standards imposed by this Ordinance are cost-effective, as supported by the "2025 Cost-Effectiveness Study: Single Family AC to Heat Pump Replacement", and the "2025 Nonresidential Alterations and AC to HP Cost-effectiveness Study" prepared by the California Energy Codes and Standards Statewide Utility Program.

SECTION 4: CHAPTER 15.04 - ADMINISTRATIVE CODE

The existing Chapter 15.04 of the East Palo Alto Municipal Code is hereby amended to read as follows. Sections and subsections that are not amended by this Ordinance are not included below and shall remain in full force and effect.

15.04.010 — Adoption by reference.

The "2025 California Administrative Code" is hereby adopted by reference as the Administrative Code of the City of East Palo Alto. All references to jurisdictional requirements are found in the East Palo Alto Municipal Code or other appropriate schedules.

SECTION 5: CHAPTER 15.08 - BUILDING CODE

15.08.010 — Adoption by reference.

The “2025 California Building Code” is hereby adopted by reference as the Building Code of the City of East Palo Alto. All references to jurisdictional requirements are found in the East Palo Alto Municipal Code or other appropriate schedules, including the following appendices: Chapter 1 Division II; Appendix H: Signs, the 2024 International Property Maintenance Code as referenced in section [A] 101.4.4., F, G, H, I, J, K, L, and M.

SECTION 6: CHAPTER 15.10 - RESIDENTIAL CODE

15.10.010 — Adoption by reference.

The “2025 California Residential Code” is hereby adopted by reference as the Residential Code of the City of East Palo Alto. All references to jurisdictional requirements are found in the East Palo Alto Municipal Code or other appropriate schedules.

SECTION 7: CHAPTER 15.11 - GREEN BUILDING STANDARDS CODE

15.11.010 — Adoption by reference.

The “2025 California Green Building Standards Code” is hereby adopted by reference as the Green Building Code of the City of East Palo Alto. All references to jurisdictional requirements are found in the East Palo Alto Municipal Code or other appropriate schedules.

SECTION 8: CHAPTER 15.12 - ELECTRICAL CODE

15.12.010 — Adoption by reference.

The “2025 California Electrical Code” is hereby adopted by reference as the Electrical Code of the City of East Palo Alto. All references to jurisdictional requirements are found in the East Palo Alto Municipal Code or other appropriate schedules.

SECTION 9: CHAPTER 15.15 - EXISTING BUILDING CODE

15.15.010 — Adoption by reference.

The “2025 California Existing Building Code” is hereby adopted by reference as the Existing Building Code of the City of East Palo Alto. All references to jurisdictional requirements are found in the East Palo Alto Municipal Code or other appropriate schedules.

SECTION 10: CHAPTER 15.16 - PLUMBING CODE

15.16.010 — Adoption by reference.

The “2025 California Plumbing Code” is hereby adopted by reference as the Plumbing Code of the City of East Palo Alto. All references to jurisdictional requirements are found in the East Palo Alto Municipal Code or other appropriate schedules.

SECTION 11: CHAPTER 15.20 - MECHANICAL CODE

15.20.010 — Adoption by reference.

The “2025 California Mechanical Code” is hereby adopted by reference as the Mechanical Code of the City of East Palo Alto. All references to jurisdictional requirements are found in the East Palo Alto Municipal Code or other appropriate schedules.

SECTION 12: CHAPTER 15.25 - ENERGY CODE

The City Council hereby amends and replaces Chapter 15.25 of the East Palo Alto Municipal Code to read as follows (with text in ~~strikeout~~ indicating deletion and underlined text indicating addition). Sections and subsections that are not amended by this Ordinance are not included below and shall remain in full force and effect.

15.25.010 Adoption by reference.

The City of East Palo Alto (“City”) hereby adopts by reference as the Energy Code of the City of East Palo Alto, the California Building Energy Efficiency Standards, 2025 Edition, Title 24, Part 6 of the California Code of Regulations (“2025 California Energy Code”) in its full form with the following amendments. All references to jurisdictional requirements are found in the East Palo Alto Municipal Code or other appropriate schedules.

One copy of the 2025 California Energy Code, as amended, is and shall be maintained on file in the office of the building official, for use and examination by the public.

15.25.020 Energy Code amendments. Energy Conservation Measures for Air Conditioner Alterations, Replacements and Installations in Existing Single-Family Buildings.

(a) Energy Code subsection 150.2(b)1C is hereby amended to read:

C. **Entirely new or complete replacement space-conditioning systems** installed as part of an alteration, shall include all the system heating or cooling equipment, including but not limited to: condensing unit cooling or heating coil, and air handler for split systems; or complete replacement of a packaged unit; plus entirely new or replacement duct system (Section 150.2(b)1Diia). Entirely new or complete

replacement space-conditioning systems shall meet the requirements of Sections 150.0(h), 150.0(i), 150.0(j)1, 150.0(j)2, 150.0(m)1 through 150.0(m)10; 150.0(m)12; 150.0(m)13, 150.1(c)7, ~~150.2(b)1Fii,~~ 150.2(b)1G, and TABLE 150.2-A. Additionally, where an entirely new or complete replacement space conditioning system includes a new or replacement air-cooled air conditioner in Climate Zones 1 through 14 and 16, it shall meet the applicable requirements of Section 150.2(b)1Fiv. Where an entirely new or complete replacement space conditioning system includes a new or replacement heat pump, it shall meet the applicable requirements of Section 150.2(b)1Fv.

(b) Energy Code subsection 150.2(b)1F is hereby amended to read and add new subsections 150.2(b)1F(iv) and 150.2(b)1F(v):

F. **Altered space-conditioning system - mechanical cooling.** Alterations which install new or replacement air-cooled air conditioners shall meet the applicable requirements of subsections i and iv. Alterations which install new or replacement heat pumps shall meet the applicable requirements of subsections i, ii, iii, and v. All other alterations to refrigerant containing components such as the compressor, condensing coil, evaporator coil, refrigerant metering device, or refrigerant piping, shall meet the applicable requirements of subsections i, ii, and iii: ~~When a space-conditioning system is an air conditioner or heat pump that is altered by the installation or replacement of refrigerant-containing system components such as the compressor, condensing coil, evaporator coil, refrigerant metering device or refrigerant piping, the altered system shall comply with the following requirements:~~

i. All thermostats associated with the system shall be replaced with setback thermostats meeting the requirements of Section 110.2(c).

ii. Air-cooled air conditioners in Climate Zones 2 and 8 through 15 and air-source heat pumps in all climate zones, including but not limited to ducted split systems, ducted package systems, small duct high velocity air systems, and minisplit systems, shall comply with Subsections a and b, unless the system is of a type that cannot be verified using the specified procedures. Systems that cannot comply with the requirements of 150.2(b)1Fii shall comply with Section 150.2(b)1Fiii.

Exception to Section 150.2(b)1Fii: Entirely new or complete replacement packaged systems for which the manufacturer has verified correct system refrigerant charge prior to shipment from the factory are not required to have refrigerant charge confirmed through field verification and diagnostic testing. The installer of these packaged systems shall certify on the Certificate of Installation

that the packaged system was pre-charged at the factory and has not been altered in a way that would affect the charge. Ducted systems shall comply with minimum system airflow rate requirement in Section 150.2(b)1Fiia, provided that the system is of a type that can be verified using the procedure specified in RA3.3 or an approved alternative in RA1.

a. Minimum system airflow rate shall comply with the applicable Subsection I or II below as confirmed through field verification and diagnostic testing in accordance with the procedures specified in Reference Residential Appendix Section RA3.3 or an approved alternative procedure as specified in Section RA1.

   I. Small duct high velocity systems shall demonstrate a minimum system airflow rate greater than or equal to 250 cfm per ton of nominal cooling capacity; or

   II. All other air-cooled air conditioner or air-source heat pump systems shall demonstrate a minimum system airflow rate greater than or equal to 300 cfm per ton of nominal cooling capacity; and

   Exception 1 to Section 150.2(b)1Fiia: Systems unable to comply with the minimum airflow rate requirement shall demonstrate compliance using the procedures in Section RA3.3.3.1.5; and the system's thermostat shall conform to the specifications in Section 110.12.

   Exception 2 to Section 150.2(b)1Fiia: Entirely new or complete replacement space conditioning systems, as specified by Section 150.2(b)1C, without zoning dampers may comply with the minimum airflow rate by meeting the applicable requirements in Tables-150.0-B or 150.0-C as confirmed by field verification and diagnostic testing in accordance with the procedures in Reference Residential Appendix Section RA3.1.4.4 and RA3.1.4.5. The design clean-filter pressure drop requirements of Section 150.0(m)12C for the system air filter device(s) shall conform to the requirements given in Tables150.0-B and 150.0-C.

b. The installer shall charge the system according to manufacturer's specifications. Refrigerant charge shall be verified according to one of the following options, as applicable.
   I. The installer and rater shall perform the standard charge verification procedure as specified in Reference Residential Appendix Section

RA3.2.2, or an approved alternative procedure as specified in Section RA1; or

II. The installer shall perform the weigh-in charging procedure as specified by Reference Residential Appendix Section RA3.2.3.1 provided the system is of a type that can be verified using the RA3.2.2 standard charge verification procedure and RA3.3 airflow rate verification procedure or approved alternatives in RA1. The ECC-Rater shall verify the charge using RA3.2.2 and RA3.3 or approved alternatives in RA1.

Exception 1 to Section 150.2(b)1Fiib: When the outdoor temperature is less than 55° F and the installer utilizes the weigh-in charging procedure in Reference Residential Appendix Section RA3.2.3.1to demonstrate compliance, the installer may elect to utilize the verification procedure in Reference Residential Appendix Section RA3.2.3.2. If the verification procedure in Section RA3.2.3.2 is used for compliance, the system's thermostat shall conform to the specifications in Section 110.12. Ducted systems shall comply with the minimum system airflow rate requirements in Section 150.2(b)1Fiia.

iii. Air-cooled air conditioners in Climate Zones 2 and 8 through 15 and air-source heat pumps in all climate zones, including but not limited to ducted split systems, ducted package systems, small duct high velocity, and minisplit systems, which are of a type that cannot comply with the requirements of 150.2(b)1Fiib shall comply with subsections a and b, as applicable.

a. The installer shall confirm the refrigerant charge using the weigh-in charging procedure specified in Reference Residential Appendix Section RA3.2.3.1, as verified by an ECC-Rater according to the procedures specified in Reference Residential Appendix RA3.2.3.2; and
b. Systems that utilize forced air ducts shall comply with the minimum system airflow rate requirement in Section 150.2(b)1Fiia provided the system is of a type that can be verified using the procedures in Section RA3.3 or an approved alternative procedure in Section RA1.

Exception to Section 150.2(b)1Fiii: Entirely new or complete replacement packaged systems for which the manufacturer has verified correct system refrigerant charge prior to shipment from the factory are not required to have refrigerant charge confirmed through field verification and diagnostic testing. The installer of these packaged systems shall certify on the Certificate of Installation that the packaged system was pre-charged at the factory and has not been altered in a way that would affect the charge. Ducted systems shall comply with minimum

system airflow rate requirement in Section 150.2(b)1Fiiib, provided that the system is of a type that can be verified using the procedure specified in Section RA3.3 or an approved alternative in Section RA1.

(c) Energy Code subsection 150.2(b)1F is hereby amended to add new subsection 150.2(b)1F(iv):

iv. New or replacement air-cooled air conditioners in Climate Zones 1 through 14 and 16 shall meet the requirements of Section 150.2(b)1Fiva or 150.2(b)1Fivb.

a. Systems with existing duct distribution systems shall meet the following requirements

I. In all climate zones, meet the airflow and fan efficacy requirements of Section 150.0(m)13B, 150.0(m)13C, or 150.0(m)13D.

Exception 1 to Section 150.2(b)1Fival: Single zone central forced air systems and zonally controlled central forced air systems may demonstrate compliance with an airflow greater than or equal to 300 CFM per ton of nominal cooling capacity.

II. In all climate zones, meet the refrigerant charge verification requirements of Section 150.2(b)1Fii; and

III. In all climate zones, vented attics shall have insulation installed to achieve a U-factor of 0.020 or insulation installed at the ceiling level shall result in an insulated thermal resistance of R-49 or greater for the insulation alone; luminaires not rated for insulation contact must be replaced or retrofitted with a fireproof cover that allows for insulation to be installed directly over the cover; and

Exception 1 to Section 150.2(b)1FivaIII: Dwelling units with at least R-38 existing insulation installed at the ceiling level.

Exception 2 to Section 150.2(b)1FivaIII: Dwelling units where the alteration would directly cause the disturbance of asbestos unless the alteration is made in conjunction with asbestos abatement.

Exception 3 to Section 150.2(b)1FivaIII: Dwelling units with knob and tube wiring located in the vented attic.

Exception 4 to Section 150.2(b)1FivaIII: Where the accessible space in the attic is not large enough to accommodate the required R-value, the entire accessible space shall be filled with insulation provided such installation does not violate Section 806.3 of Title 24, Part 2.5.

Exception 5 to Section 150.2(b)1FivaIII: Where the attic space above the altered dwelling unit is shared with other dwelling units and the requirements of Section 150.2(b)1FivaIII are not triggered for the other dwelling units.

IV. In all climate zones, air seal all accessible areas of the ceiling plane between the attic and the conditioned space in accordance with Section 110.7.

Exception 1 to Section 150.2(b)1FivaIV: Dwelling units with at least R-38 existing insulation installed at the ceiling level.

Exception 2 to Section 150.2(b)1FivaIV: Dwelling units where the alteration would directly cause the disturbance of asbestos unless the alteration is made in conjunction with asbestos abatement.

Exception 3 to Section 150.2(b)1FivaIV: Dwelling units with atmospherically vented space heating or water heating combustion appliances located inside the pressure boundary of the dwelling unit.

b. Systems with entirely new or complete replacement duct systems shall meet the following:

I. R-8 duct insulation shall be installed for all new ducts located in unconditioned space; and

II. In all climate zones, meet the airflow requirements of Section 150.0(m)13B, 150.0(m)13C, or 150.0(m)13D and demonstrate an air-handling unit fan efficacy of less than or equal to 0.35 W/CFM.

III. In all climate zones, meet the refrigerant charge verification requirements of Section 150.2(b)1Fii;

Exception 1 to Section 150.2(b)1Fiv: Where the capacity of the existing main electrical service panel is insufficient to supply the electrical capacity of a heat pump and where the existing main electrical service panel is sufficient to supply a new or replacement air conditioner, as calculated according to the requirements of California Electrical Code Article 220.83 or Article 220.87, systems shall comply with the applicable requirements of Sections 150.2(b)1Fi, 150.2(b)1Fii, and 150.2(b)1Fiii. Documentation of electrical load calculations in accordance with Article 220 must be submitted to the enforcement agency prior to permitting for both the heat pump and proposed air conditioner.

Exception 2 Section 150.2(b)1Fiv: Where the capacity of the existing main electrical service panel is insufficient to supply the electrical capacity of a heat pump and where the existing main electrical service panel is sufficient to supply a new or replacement air conditioner, as calculated according to the requirements of California Electrical Code Article 220.83 or Article 220.87, systems shall comply with the applicable requirements of Sections 150.2(b)1Fi, 150.2(b)1Fii, and 150.2(b)1Fiii. Documentation of electrical load calculations in accordance with Article 220 must be submitted to the enforcement agency prior to permitting for both the heat pump and proposed air conditioner.

(d) Energy Code subsection 150.2(b)1F is hereby amended to add new subsections 150.2(b)1F(v):

v. In all climate zones, heat pumps with supplementary heat, including, but not limited to, electric resistance heaters or gas furnace supplementary heating, shall

comply with Section 150.0(h)7 and shall lock out supplementary heating above an outdoor air temperature of no greater than 35°F.

(e) Energy Code subsection 150.2(b)2 is hereby amended to read as follows:

2. **Performance approach.**
The energy budget for alterations is expressed in terms of Long-term System Cost (LSC), and the altered component(s) and any newly installed equipment serving the alteration shall meet the applicable requirements of Subsections A, B, and C below.

A. The altered components shall meet the applicable requirements of Sections 110.0 through 110.9, Sections 150.0(a) through (l), Sections 150.0(m)1 through 150.0 (m)10, and Sections 150.0(p) through (q). Entirely new or complete replacement mechanical ventilation systems as these terms are used in Section 150.2(b)1L, shall comply with the requirements in Section 150.2(b)1L. Altered mechanical ventilation systems shall comply with the requirements of Section 150.2(b)1M. Entirely new or complete replacement space-conditioning systems, and entirely new or complete replacement duct systems, as these terms are used in Sections 150.2(b)1C and 150.2(b)1Diia, shall comply with the requirements of Sections 150.0(m)12 and 150.0(m)13.

B. The standard design for an altered component shall be the higher efficiency of existing conditions or the requirements stated in Table 150.2-G. For components not being altered, the standard design shall be based on the existing conditions. When the third party verification option is specified as a requirement, all components proposed for alteration for which the additional credit is taken, must be verified by a certified ECC-rater.

(f) Energy Code 150.2 Table 150.2-G is hereby amended to read as follows:

Table 150.2-G Standard Design for an Altered Component

Altered Component	Standard Design Without Third Party Verification of Existing Conditions Shall be Based On	Standard Design With Third Party Verification of Existing Conditions Shall be Based On
Ceiling Insulation, Wall Insulation, and Raised-floor Insulation	The requirements of Sections 150.0(a), (c), and (d). The requirements of Section 150.2(b)1J for altered ceilings and for entirely new or complete replacement duct systems where the air handler and ducts are located within a vented attic.	The existing insulation R-value

	The requirements of Section 150.2(b)1Fiv for alterations which include new or replacement air-cooled air conditioners.	
Fenestration	The requirements of Section 150.1(c)3A.	The existing fenestration U-factor and SHGC values as verified.
Window Film	The requirements of Section 150.1(c)3A.	The existing fenestration in the alteration shall be based on TABLE 110.6-A and TABLE 110.6-B.
Doors	The U-factor of 0.20. The door area shall be the door area of the existing building.	If the proposed U-factor is < 0.20, the standard design shall be based on the existing U-factor value as verified. Otherwise, the standard design shall be based on the U-factor of 0.20. The door area shall be the door area of the existing building.
Space-Heating and Space-Cooling Equipment	Table 150.1-A for equipment efficiency requirements; Section 150.2(b)1C for entirely new or complete replacement systems; Section 150.2(b)1F for refrigerant charge verification, airflow, and fan efficacy requirements. Section 150.2(b)1Fiv for new or replacement air-cooled air conditioners	The existing efficiency levels.
Air Distribution System – Duct Sealing	The requirements of Sections 150.2(b)1D and 150.2(b)1E	The requirements of Sections 150.2(b)1D and 150.2(b)1E
Air Distribution System –	~~The proposed efficiency levels.~~ The requirements of Sections 150.2(b)1D, and for new or	The existing efficiency levels.

Duct Insulation	replacement air-cooled air conditioners, Section 150.2(b)1Fiv.	
Water Heating Systems	The requirements of Section 150.2(b)1Hii	The existing efficiency level.
Roofing Products	The requirements of Section 150.2(b)1I.	The requirements of Section 150.2(b)1I
All Other Measures	The proposed efficiency levels.	The existing efficiency levels.

C. The proposed design shall be based on the actual values of the altered components.

15.25.030 Energy Code amendments. Energy Conservation Measures for Heating, Ventilation and Air Conditioner Replacements and Installations in Existing Nonresidential Buildings

(a) Energy Code subsection 141.0(b)2C is amended to add a new subsection iii to read as follows:

iii. In addition to the requirements in Section 141.0(b)2Cii above, new or replacement single zone packaged rooftop systems with direct expansion cooling with rated cooling capacity of 65,000 Btu/hr or more and less than 240,000 Btu/hr serving Financial Institution, Grocery, Library, Office, School, or Retail occupancies shall meet the applicable requirements specified in Table 141.0-E-1A or shall meet the performance compliance requirements of Section 141.0(b)3.

Table 141.0-E-1A – REQUIREMENTS FOR NEW OR REPLACMENT SZAC or SZHP, GREATER THAN 65,000 BTU/HR AND LESS THAN 240,000 BTU/HR

System Size	System Options
65,000 to 240,000 Btu/hr	SZHP or SZAC3

Notes to Table 141.0-E-1A

SZHP – Single Zone Heat Pump
SZAC3 – Single Zone Air Conditioner with Furnace + Heat Recovery Ventilator

Exception 1 to Section 141.0(b)2Ciii: Where the capacity of the existing main electrical service panel is insufficient to supply the electrical capacity of a heat pump and where the existing main electrical service panel is sufficient to supply a new or replacement air conditioner, as calculated according to the requirements of California Electrical Code Article 220. Documentation of electrical load calculations in accordance with Article 220 must be submitted to the enforcement agency prior to permitting for both the heat pump and proposed air conditioner.

Exception 2 to Section 141.0(b)2Ciii: Where a licensed structural engineer determines that the roof would need a structural upgrade to support the additional weight of an appropriately sized SZHP but would not need a structural upgrade to support an equivalent SZAC.

15.25.040 Energy Code amendments. Increased Energy Performance and Electric Readiness Requirements for Additions and Alterations in Single Family Buildings

(a) Energy Code subsection 100.0 is amended to add a new subsection (i) to read as follows:

(i) Single Family Building Remodel Energy Reach Code - Purpose and Intent.

In addition to all requirements of the California Energy Code applicable to Single Family building additions and alterations, the energy efficiency, renewable energy, and electric readiness measures specified in Sections 150.0(w) and 150.0(x) shall be required for certain single family additions and alterations.

(b) Energy Code subsection 100.1(b) is amended to include the following definitions:

COVERED SINGLE FAMILY PROJECT shall mean any project in a Single Family residential building originally permitted for construction before 1992 that includes an alteration, addition or combined alteration and addition, that has an affected floor area that covers 1,000 square feet or greater.

LOW POWER LEVEL 2 ELECTRIC VEHICLE (EV) CHARGING RECEPTACLE is a 208/240-volt 20-ampere minimum branch circuit and a receptacle.

(c) Energy Code Section 150.0 Mandatory Features and Devices is amended as follows:

Single-family residential buildings shall comply with the applicable requirements of Sections 150.0(a) through 150.0(~~v~~x).

NOTE: The requirements of Sections 150.0(a) through 150.0(v) apply to newly constructed buildings. Sections 150.2(a) and 150.2(b) specify which requirements of Sections 150.0(a) through 150.0(~~v~~x) also apply to additions or alterations.

(a) Energy Code subsections 150.0(a) through 150.0(v) remain in full effect.

(b) Energy Code Section 150.0 is amended to add a new section 150.0(w) as follows:

(w) A Covered Single Family Project shall install a set of measures from the Measure Menu Table, Table 150.0-J, to achieve a total Measure Point Score that is equal to or greater than the Target Score in Table 150.0-I. In addition, all mandatory measures listed in Table 150.0-J shall be installed. Measure verification shall be explicitly included as an addendum to the Certificate of Compliance to be filed pursuant to 2025 Title 24, Part 6, Section 10-103.

Installed measures shall meet the specifications in Table 150.0-K. Unless otherwise specified, the requirements shall apply to the entire dwelling unit, not just the additional or altered portion. Measures from the Measure Menu table that are to be installed to satisfy requirements under the California Energy Code, Title 24, Part 6, may not count towards compliance with these requirements. Where these requirements conflict with other California Energy Code requirements, the stricter requirements shall prevail.

Exception 1 to 150.0(w): Creation of a new accessory dwelling unit or junior accessory dwelling unit that is within the existing space of a single family dwelling or accessory structure and includes an expansion of not more than 150 square feet beyond the same physical dimensions as the existing accessory structure. An expansion beyond the physical dimensions of the existing accessory structure shall be limited to accommodating ingress and egress. Or, if the project would not otherwise be a Covered Single Family Project were it not for the inclusion of an accessory dwelling unit or junior accessory dwelling unit that meets the criteria above.

Exception 2 to 150.0(w): Mobile Homes, Manufactured Housing, or Factory-built Housing as defined in Division 13 of the California Health and Safety 12 Code (commencing with Section 17000 of the Health and Safety Code).

Exception 3 to Section 150.0(w): The project is solely related to any of the following: a repair as defined by Title 24 Part 2 Section 202; medically necessary improvements; seismic safety improvements; safety improvement to remove a known hazard; roofing projects; fenestration projects; or Emergency Housing pursuant to Appendix P of the California Building Code.

Exception 4 to 150.0(w): If the applicant demonstrates, using Commission-certified compliance software as specified by Section 10-109(c) and Section 10-116, that the Energy Budget of the Proposed Building Design would be less than or equal to the Energy Budget of the building under the project if it included any set of measures that would achieve compliance under this Section 150.0(w).

Exception 5 to 150.0(w): A Covered Single Family Project, other than an addition, that would not otherwise be subject to this section 150.0(w) but for

installation of solar PV, solar water heating, EV charging, electrical upgrades for solar PV or EV charging, or energy storage.

Exception 6 to 150.0(w): If the dwelling unit has previously installed measures from the Measure Menu, Table 150.0-I, and compliance can be demonstrated to the Planning Manager or designee, then these measures shall not be required to be newly installed, and appropriate credit shall be included in the applicable compliance calculations.

Exception 7 to 150.0(w): A measure that is necessary for compliance is prohibited because of a covenant or other deed restriction on the property, such as a homeowners association covenant.

Exception 8 to 150.0(w): The applicant may request an exemption to any requirements of this chapter which would impair the historic integrity of any building listed on a local, state, or federal register of historic structures, as determined by the Planning Manager or designee and as regulated by the California Historic Building Code (Title 24, Part 8). In making a determination of exemption, the Planning Manager or designee may require the submittal of an evaluation by an architectural historian or similar expert.

Exception 9 to 150.0(w): Due to conditions specific to the project, it is technically or economically infeasible to achieve compliance, the City Manager or designee may reduce the Target Score and/or waive some or all of the mandatory requirements.

Exception 10 to 150.0(w):

If the project includes circumstances which constitute hardship or infeasibility, the applicant may request an exemption. In applying for an exemption, the burden is on the applicant to show hardship or infeasibility. Circumstances that constitute hardship or infeasibility shall include one or more of the following:

a. That the cost of achieving compliance exceeds 20% of the valuation of the cost of the project;

b. That it is technically infeasible to achieve compliance through all packages due to conditions specific to the project;

c. That strict compliance with these standards would create or maintain a hazardous condition(s) and present a life safety risk to the occupants.

1. Application. Based on the following, the applicant shall identify in writing the specific requirements of the standards for compliance that

the project is unable to achieve and the circumstances that make it a hardship or infeasible for the project to comply with this chapter. The applicant may not petition for relief from any requirement of the 2025 California Energy Code (Title 24, Part 6) and referenced standards, or the 2025 California Green Building Standards (Title 24, Part 11) of the California Building Standards Code. Granting of exemption. If the City Manager or designee determines that it is a hardship or infeasible for the applicant to fully meet the requirements of this chapter and that granting the requested exemption will not cause the building to fail to comply with the 2025 California Energy Code (Title 24, Part 6) and referenced standards, or the 2025 California Green Building Standards (Title 24, Part 11) of the California Building Standards Code, the authority having jurisdiction shall determine the minimum feasible threshold of compliance reasonably achievable for the project. If an exemption is granted, the applicant shall be required to comply with this chapter in all other respects and shall be required to achieve the threshold of compliance determined to be achievable by the Planning Manager or designee.

2. Denial of exemption. If the Planning Manager or designee determines that it is reasonably possible for the applicant to fully meet the requirements of this chapter, the request shall be denied, and the applicant shall be notified of the decision in writing. The project and compliance documentation shall be modified to comply with the standards for compliance.

3. Appeal. Any aggrieved applicant or person may appeal the determination of the chief building official regarding the granting or denial of an exemption or compliance with any other provision of this chapter. An appeal of a determination of the Planning Manager or designee shall be filed in writing with the Planning Manager.

Table 150.0-I: TARGET SCORES

	Target Score
Climate Zone *3*	12

Table 150.0-J: MEASURE MENU

ID	Measures	Measure Points
E1	Lighting Measures	Mandatory
E2	Water Heating Package	2
E3	Air Sealing	2
E4	R-49 Attic Insulation	4
E5	Duct Sealing	3
E6	New Ducts, R-8 Insulation + Duct Sealing	6
E7	Windows	4
E8	Wall Insulation	5
E9	R-19 Raised floor insulation	9
E10	R-30 Raised floor insulation	10
FS1	Heat Pump Water Heater Replacing Gas	12
FS2	High Eff. Heat Pump Water Heater Replacing Gas	13
FS3	Heat Pump Water Heater Replacing Electric	5
FS4	High Eff. Heat Pump Water Heater Replacing Electric	6
FS5	Heat Pump Space Conditioning System	18
FS6	High Eff. Heat Pump Space Conditioning System	19
FS7	Dual Fuel Heat Pump Space Conditioning System	18
FS8	Heat Pump Clothes Dryer	1
FS9	Induction Cooktop	1
PV	Solar PV and Electric Readiness	13

Table 150.0-K: MEASURE SPECIFICATIONS

ID	Measure Specification
	Energy Efficiency Measures
E1	Lighting Measures – Install lighting with an efficiency of 45 lumens per watt or greater in all interior and exterior screw-in fixtures. Install photocell, occupancy sensor or energy management system controls that meet the requirements of 150.0(k)3 in all outdoor lighting permanently mounted to a residential building or to other buildings on the same lot.
E2	Water Heating Package: Insulate all accessible hot water pipes with pipe insulation a minimum of ¾ inch thick. This includes insulating the supply pipe leaving the water heater, piping to faucets underneath sinks, and accessible pipes in attic spaces or crawlspaces. Upgrade fittings in sinks and showers to meet current California Green Building Standards Code (Title 24, Part 11) Section 4.303 water efficiency requirements. Exception: Upgraded fixtures are not required if existing fixtures have rated or measured flow rates of no more than ten percent greater than 2025 California Green Building Standards Code (Title 24, Part 11) Section 4.303 water efficiency requirements.
E3	Air Sealing: Seal all accessible cracks, holes, and gaps in the building envelope at walls, floors, and ceilings. Pay special attention to penetrations including plumbing, electrical, and mechanical vents, recessed can light luminaires, and windows. Weather-strip doors if not already present. Verification shall be conducted following a prescriptive checklist that outlines which building aspects need to be addressed by the permit applicant and verified by an inspector. Compliance can also be demonstrated with blower door testing conducted by a certified ECC Rater no more than three years prior to the permit application date that either: a) shows at least a 30 percent reduction from pre-retrofit conditions; or b) shows that the number of air changes per hour at 50 Pascals pressure difference (ACH50) does not exceed ten for Pre-1978 vintage buildings and seven for 1978 to 1991 vintage buildings. If combustion appliances are located within the pressure boundary of the building, conduct a combustion safety test by a certified ECC Rater or a professional certified by the Building Performance Institute, in accordance with the BPI Technical Standards for the Building Analyst Professional.
E4	R-49 Attic Insulation: Attic insulation shall be installed to achieve a weighted assembly U-factor of 0.020 or insulation installed at the ceiling level shall have a thermal resistance of R-49 or greater for the insulation alone. Recessed downlight luminaires in the ceiling shall be covered with insulation to the same depth as the rest of the ceiling. Luminaires not rated for insulation contact must be replaced or fitted with a fire-proof cover that allows for insulation to be installed directly over the cover. Exception: In buildings where existing R-30 is present and existing recessed downlight luminaires are not rated for insulation contact, insulation is not required to be installed over the luminaires.

E5	Duct Sealing: Air seal all space conditioning ductwork to meet the requirements of the 2025 Title 24, Part 6, Section 150.2(b)1E. The duct system must be tested by a ECC Rater no more than three years prior to the Covered Single Family Project permit application date to verify the duct sealing and confirm that the requirements have been met. This measure may not be combined with the New Ducts and Duct Sealing measure in this Table. Exception: Buildings without ductwork or where the ducts are in conditioned space.
E6	New Ducts, R-8 insulation + Duct Sealing: Replace existing space conditioning ductwork with new R-8 ducts that meet the requirements of 2025 Title 24 Section 150.0(m)11. This measure may not be combined with the Duct Sealing measure in this Table. To qualify, a preexisting measure must have been installed no more than three years before the Covered Single Family Project permit application date.
E7	Windows: Replace at least 50% of existing windows with high performance windows with an area-weighted average U-factor no greater than 0.27.
E8	R-15 Wall Insulation: Install wall insulation in all exterior walls to achieve a weighted U-factor of 0.095 or install wall insulation in all exterior wall cavities that shall result in an installed thermal resistance of R-15 or greater for the insulation alone.
E9	R-19 Floor Insulation: Raised-floors shall be insulated such that the floor assembly has an assembly U-factor equal to or less than U-0.037 or shall be insulated between wood framing with insulation having an R-value equal to or greater than R-19.
E10	R-30 Floor Insulation: Raised-floors shall be insulated such that the floor assembly has an assembly U-factor equal to or less than U-0.028 or shall be insulated between wood framing with insulation having an R-value equal to or greater than R-30.
Fuel Substitution and Solar PV Measures	
FS1	Heat Pump Water Heater (HPWH) Replacing Gas: Replace existing natural gas water heater with a heat pump water heater that meets the requirements of Sections 110.3 and 150.2(b)1.H.iii.b.
FS2	High Efficiency Heat Pump Water Heater (HPWH) Replacing Gas: Replace existing natural gas water heater with heat pump water heater with a Northwest Energy Efficiency Alliance (NEEA) Tier 3 or higher rating that also meets the requirements of Sections 110.3 and 150.2(b)1.H.iii.c.
FS3	Heat Pump Water Heater (HPWH) Replacing Electric: Replace existing electric resistance water heater with a heat pump water heater that meets the requirements of Sections 110.3 and 150.2(b)1.H.iii.b.
FS4	High Efficiency Heat Pump Water Heater (HPWH) Replacing Electric: Replace existing electric resistance water heater with heat pump water heater with a Northwest Energy Efficiency Alliance (NEEA) Tier 3 or higher rating that also meets the requirements of Sections 110.3, and 150.2(b)1.H.iii.c.

FS5	Heat Pump Space Conditioning System: Replace all existing gas and electric resistance primary space heating systems with a heat pump system that meets the requirements of Sections 110.2, 150.2(b)1.C, 150.2(b)1.E, 150.2(b)1.F, and 150.2(b)1.G.
FS6	High Efficiency Heat Pump Space Conditioning System: Replace all existing gas and electric resistance primary space heating systems with an electric-only heat pump system that meets the requirements of Sections 110.2 and 150.2(b)1.C, 150.2(b)1.E, 150.2(b)1.F, and 150.2(b)1.G and one of the following: A. A ducted heat pump system with a SEER2 rating of 16.5 or greater, an EER2 rating of 12.48 or greater and an HSPF2 rating of 9.5 or greater; or B. A ductless mini-split heat pump system with a SEER2 rating of 16.0 or greater, an EER2 rating of 12.0 or greater and an HSPF2 rating of 9.0 or greater
FS7	Dual Fuel Heat Pump Space Conditioning System: Install a heat pump space conditioning system that meets the requirements of Sections 110.2 and 150.2(b)1.C, 150.2(b)1.E, 150.2(b)1.F, and 150.2(b)1.G and either: A. Replaces all existing gas and electric resistance primary heating systems with a hybrid gas and electric heat pump system, or B. Is an electric-heat pump system in tandem with a gas furnace and controls to use the gas furnace for backup heat only.
FS8	Heat Pump Clothes Dryer: Replace existing electric resistance or gas clothes dryer with heat pump dryer with no resistance element and cap gas line.
FS9	Induction Cooktop: Replace all existing gas and electric resistance stove tops with induction stove top and cap the gas line.
PV	Solar PV + Electric Readiness: Install a solar PV system that meets the requirements of Section 150.1(c)14. In addition, for existing PV systems that had been installed prior to the application date of the current project, meet at least two of the electric readiness requirements in Section 150.0(x)1-6, regardless of whether they are otherwise required and regardless of the exceptions to Section 150.0(x).

(d) Energy Code Section 150.0 is amended to add 150.0(x) to read as follows:

(x) **Electric Readiness for Alterations and for Electric Readiness Credit for Solar PV Measure in Table 150.0-K**

1. Electric range. Where branch circuits or receptacles are added or altered in a kitchen and the work requires an electrical permit, install electrical components in accordance with the California Electrical Code. The electrical components shall include either of the following:

A. A 125 volt, 20 amp electrical receptacle that is connected to the electric panel with a 120/240 volt 3 conductor branch circuit rated at 50 amps minimum, within 3 feet from the appliance and accessible to the appliance with no obstructions. Both ends of the unused conductor shall be labeled with the word "spare" and be electrically isolated. Space shall be reserved for a single pole circuit breaker in the electrical panel adjacent to the circuit breaker for the branch circuit and labeled with the words "Future Use".

B. A pathway for a future 240 volt 50 amp minimum branch circuit that shall consist of either conductors or raceway from the main electrical service panel. The main electric panel shall have space reserved to allow for the installation of a double pole circuit breaker for a future electric range installation. The reserved space shall be permanently marked as "For Future 240V use". The raceway or conductors shall terminate at a junction box within 3 feet of the appliance. The blank cover shall be identified as "240V ready".

2. Electric dryer. Where a branch circuit is added or altered within 3 feet of a gas or propane clothes dryer and the work requires an electrical permit, install electrical components in accordance with the California Electrical Code. The electrical components shall include either of the following:

A. A dedicated 125 volt, 20 amp electrical receptacle that is connected to the electric panel with a 120/240 volt 3 conductor branch circuit rated at 30 amps minimum, within 3 feet from the appliance and accessible to the appliance with no obstructions. Both ends of the unused conductor shall be labeled with the word "spare" and be electrically isolated. Space shall be reserved for a single pole circuit breaker in the electrical panel adjacent to the circuit breaker for the branch circuit and labeled with the words "Future Use"; or,

B. A pathway for a future 240 volt 30 amp minimum branch circuit that shall consist of either conductors or raceway from the main electrical service panel. The main electric panel shall have space reserved to allow for the installation of a double pole circuit breaker for a future heat pump dryer

installation. The reserved space shall be permanently marked as “For Future 240V use”. The raceway or conductors shall terminate at a junction box within 3 feet of the appliance. The blank cover shall be identified as “240V ready”.

3. **Heat pump water heater**.

   A. If wall framing is removed or replaced within 3 feet of a gas or propane water heating appliance, space suitable for the future installation of a heat pump water heater (HPWH) shall be provided. The space shall be at least 2.5 feet by 2.5 feet wide and 7 feet tall and shall include a condensate drain that is no more than 2 inches higher than the base of an installed water heater and allows natural draining without pump assistance or installed piping or tubing within 3 feet of the water heater location to a condensate drain or exterior location. If pump assistance is needed, a receptacle on a 120 volt, minimum 15 amp branch circuit for a condensate pump must be available within 3 feet of the water heater location.

   B. Where branch circuits are altered or added within 3 feet of an existing gas or propane water heater or within 10 feet of the designated future location of a heat pump water heater as required under Section 150.0(x)3A, and the work requires an electrical permit, install electrical components in accordance with the California Electrical Code. The electrical components shall include either of the following:

      i. A dedicated 125 volt, 20 amp electrical receptacle that is connected to the electric panel with a 120/240 volt 3 conductor, 10 AWG copper branch circuit rated at 30 amps minimum, within 3 feet from the water heater and accessible to the water heater with no obstructions. Both ends of the unused conductor shall be labeled with the word “spare” and be electrically isolated. Space shall be reserved for a single pole circuit breaker space in the electrical panel adjacent to the circuit breaker for the branch circuit and labeled with the words “Future 240V Use”; or

      ii. A pathway for a future 240 volt 30 amp minimum branch circuit that shall consist of either conductors or raceway from the main electrical service panel. The main electric panel shall have space reserved to allow for the installation of a double pole circuit breaker for a future HPWH installation. The reserved space shall be permanently marked as “For Future 240V use”. The pathway shall terminate at a junction box within 3 feet of the appliance. The blank cover shall be identified as “240V ready”.

4. **Outdoor gas appliances.** Where a gas line is added or extended to any pool water heater, spa water heater, sauna, fireplace, outdoor cooking appliance,

or outdoor heating system, install infrastructure and reserve physical space to accommodate future installation of an electric equivalent of that system that serves the same function, as certified by a registered design professional or licensed electrical contractor.

A. Install conduit designed to serve a future electric appliance(s) with the same function, including the appropriate voltage, phase, minimum amperage, and an electrical receptacle or junction box within five feet of the appliance that is accessible with no obstructions, in accordance with manufacturer requirements and the California Electrical Code. In lieu of or in addition to conduit, electrically isolated branch circuit wiring may be installed; and

B. Label both ends of the unused conduit or conductors “For Future Electrical Appliance”; and

C. Reserve circuit breakers in the electrical panel(s) for each branch circuit, appropriately labeled; and

D. Designate physical space for future electric appliances, including equipment footprint, on the construction drawings. The footprint necessary for future electric appliances may overlap with the location of currently designed combustion equipment.

Exception to Section 150.0(x)4: Generator systems used for emergency power generation.

5. Battery Storage. As a measure qualifying the Solar PV credit under 150.0(w), meet the requirements A through D below.

A. At least one of the following shall be provided:

i. ESS ready interconnection equipment with a minimum backed up capacity of 60 amps and a minimum of four ESS supplied branch circuits, or

ii. A dedicated raceway from the main service to a panelboard (subpanel) that supplies the branch circuits in 150.0(s)2. All branch circuits are permitted to be supplied by the main service panel prior to the installation of an ESS. The trade size of the raceway shall be not less than one inch. The panelboard that supplies the branch circuits (subpanel) must be labeled “Subpanel shall include all backed-up load circuits.”

B. A minimum of four branch circuits shall be identified and have their source of supply collocated at a single panelboard suitable to be supplied by the ESS. At least one circuit shall supply the refrigerator, one lighting circuit shall be located near the primary egress, and at least one circuit shall supply a sleeping room receptacle outlet.

C. The main panelboard shall have a minimum busbar rating of 225 amps or sufficient capacity a battery storage system and circuits in paragraphs A and B above.

D. Sufficient space shall be reserved to allow future installation of a system isolation equipment/transfer switch within 3 feet of the main panelboard. Raceways shall be installed between the panelboard and the system isolation equipment/transfer switch location to allow the connection of backup power source.

6. All-Electric Plan. As a measure qualifying the Solar PV credit under 150.0(w), provide a plan including single line diagrams and calculations for electrification of the equipment below. Calculations shall be in accordance with California Electrical Code Article 220.83 or 220.87.

A. All appliances with gas stub outs including space conditioning, water heating, range, and clothes dryer;

B. Low Power Level 2 EV charger; and

C. Battery storage system rated at 240 volts, 60 amp minimum.

Exception 1 to Section 150.0(x): The project is solely related to any of the following: a repair as defined by Title 24 Part 2 Section 202; medically necessary improvements; seismic safety improvements; safety improvement to remove a known hazard; or Emergency Housing pursuant to Appendix P of the California Building Code.

Exception 2 to Section 150.0(x): If an electrical permit is not otherwise required for the project other than compliance with this section.

Exception 3 to Section 150.0(x): Where upgrades to the existing electrical panel or utility service are not proposed, electrical panel capacity shall not be required to exceed the existing utility electrical service to the building to meet compliance with this section. Capacity and overcurrent protection spaces shall be reserved to the extent allowable under the existing electrical panel capacity. Tandem overcurrent protection devices shall be used to the extent permissible under the California Electrical Code.

Exception 4 to Section 150.0(x): Mobile Homes, Manufactured Housing, or Factory-built Housing as defined in Division 13 of the California Health and Safety 12 Code (commencing with Section 17000 of the Health and Safety Code).

Exception 5 to Section 150.0(x): Creation of a new accessory dwelling unit or junior accessory dwelling unit that is within the existing space of a single family dwelling or accessory structure and includes an expansion of not more than 150 square feet beyond the same physical dimensions as the existing accessory structure. An expansion beyond the physical dimensions of the existing

accessory structure shall be limited to accommodating ingress and egress. Or, if the project would not otherwise be a Covered Single Family Project were it not for the inclusion of an accessory dwelling unit or junior accessory dwelling unit that meets the criteria above.

(e) Energy Code subsection 150.2(a) is amended to read as follows:

(a) Additions. Additions to existing single-family residential buildings shall meet the requirements of Sections 110.0 through 110.9, Sections 150.0(a) through (n), (p), (q), (w), (x), and either Section 150.2(a)1 or 2.

Exception 1 to Section 150.2(a): Additions of 300 square feet or less are not required to comply with the roofing requirements of Section 150.1(c)11.

Exception 2 to Section 150.2(a): Existing inaccessible piping shall not require insulation as defined under Section 150.0(j)1.

Exception 3 to Section 150.2(a): Space-conditioning system. When heating or cooling will be extended to an addition from the existing system(s), the existing heating and cooling equipment need not comply with Part 6. The heating system capacity must be adequate to meet the minimum requirements of CRC 303.10.

Exception 4 to Section 150.2(a): Space-conditioning system ducts. When any length of duct is extended from an existing duct system to serve the addition, the existing duct system and the extended duct shall meet the applicable requirements specified in Section 150.2(b)1Di and 150.2(b)1Dii.

Exception 5 to Section 150.2(a): Additions 1,000 square feet or less are not required to comply with the ventilation cooling requirements of Section 150.1(c)12.

Exception 6 to Section 150.2(a): Photovoltaic systems, as specified in Section 150.1(c)14, are not required for additions.

(f) Energy Code subsections 150.2(a)1-150.2(a)2 remain in full effect.

(g) Energy Code subsection 150.2(b) is amended to read as follows:

(b) Alterations. Alterations to existing single-family residential buildings or alterations in conjunction with a change in building occupancy to a single-family residential occupancy shall meet the requirements of Sections 150.0(w) and (x), and either Item 1 or 2 below.

(h) Energy Code subsections 150.2(b)1-150.2(b)2 remain in full effect as amended by this ordinance.

SECTION 14: CHAPTER 15.32 - DANGEROUS BUILDINGS

Section 15.32.010 of the East Palo Alto Municipal Code is hereby amended to read as follows.

15.32.010 - Uniform Code for the Abatement of Dangerous Buildings.

The code of rules and regulations known and designated as the “Uniform Code for Abatement of Dangerous Buildings,” 1997 Edition, published by the International Conference of Building Officials, to provide a just, equitable and practical method, to be cumulative to, with and in addition to, any other remedy provided by the building code, housing code, or otherwise available at law, whereby buildings or structures which from any cause endanger the life, limb, health, morals, property, safety or welfare of the general public or their occupant, may be required to repair, vacate or abate, and applies to all dangerous buildings, as defined in this chapter, which are now in existence or which may hereafter become dangerous in the city, printed in book form and filed in the office of the clerk of the city council of the city, is adopted and by reference incorporated in this chapter as if fully set forth, as the abatement code of the city.

SECTION 15: CHAPTER 15.58 - FIRE CODE

15.58.010 — Adoption by reference.

The "2025 California Fire Code" is hereby adopted by reference as the Fire Code of the City of East Palo Alto. All references to jurisdictional requirements are found in the East Palo Alto Municipal Code or other appropriate schedules.

15.58.020 — Ratification.

Menlo Park Fire Protection District Ordinance No. 59-2025 is hereby ratified and adopted by reference as a local amendment to the “2025 California Fire Code.”

SECTION 16: CALIFORNIA ENVIRONMENTAL QUALITY ACT

The City Council finds that adoption of this Ordinance is exempt from CEQA pursuant to CEQA Guidelines section 15061(b)(3) in that the standards set forth in the ordinance are more protective of the environment than the California Energy Code standards, and there is no possibility that the activity in question may have a significant effect on the environment. As a separate and independent basis, this action is exempt from CEQA pursuant to CEQA Guidelines section 15308 in that the standards set forth in the ordinance assure the maintenance, restoration, enhancement or protection of natural resources and the environment. In addition, CEQA Guidelines section 15183 (Projects Consistent with a Community Plan, General Plan, or Zoning) applies to the project in that

the standards set forth in the Ordnance are consistent with the General Plan and the Climate Action Plan.

SECTION 17: **IMPLIED REPEAL.**

Any provision of the East Palo Alto Municipal Code inconsistent with this Ordinance, to the extent of such inconsistencies and no further, is hereby repealed or modified to the extent necessary to effectuate this Ordinance.

SECTION 18: **REFERENCES TO PRIOR CODE**

Unless superseded and repealed (express or implied), references in City forms, documents and regulation to the chapters and sections of the former City codes, shall be construed to apply to the corresponding provisions contained within this Ordinance.

SECTION 19: 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 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 20: EFFECTIVE DATE

This Ordinance shall become effective 30 days after the second public hearing, or as provided for by applicable law.

SECTION 21: PUBLICATION

Within fifteen (15) days of tis adoption, the Ordinance shall be posted in three (3) public places within the City of East Palo Alto, and the Ordinance, or summary of the Ordinance prepared by the City Attorney, shall be published in a local newspaper used to publish official notice for the City of East Palo Alto prior to the effective date.

This Ordinance was introduced at the March 3, 2026 meeting of the City Council of the City of East Palo Alto.

PASSED AND ADOPTED this _____ day of _____, 202[ ] by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Webster Lincoln, Mayor

ATTEST:

_____
James Colin, City Clerk

APPROVED AS TO FORM:

_____
John D. Lê, City Attorney

Exhibit A

Findings Supporting Local Amendments to the California Energy Code, Title 24, Part 6 Section 17958 of the California Health and Safety Code provides that the City may make changes to the provisions in the uniform codes that are published in the California Building Standards Code. Sections 17958.5 and 17958.7 of the Health and Safety Code require that for each proposed local change to those provisions in the uniform codes and published in the California Building Standards Code which regulate buildings used for human habitation, the City Council must make findings supporting its determination that each such local change is reasonably necessary because of local climatic, geological, or topographical conditions.

Regarding the Energy Code, local jurisdictions have the authority to adopt local energy efficiency ordinances—or reach codes—that exceed the minimum standards defined by Title 24 as established by Public Resources Code Section 25402.1(h)2 and Section 10-106 of the Building Energy Efficiency Standards, provided the City Council finds that the requirements of the proposed ordinance are cost-effective and do not result in buildings consuming more energy than is permitted by Title 24.

Local building regulations having the effect of amending the uniform codes, which were adopted by the City prior to November 23, 1970, were unaffected by the regulations of Sections 17958, 17958.5 and 17958.7 of the Health and Safety Code. Therefore, amendments to the uniform codes which were adopted by the City Council prior to November 23, 1970, and have been carried through from year to year without significant change, need no required findings. Also, amendments to provisions not regulating buildings used for human habitation, including amendments made only for administrative consistency, do not require findings.

Code: California Energy Code, Title 24, Part 6					
Section(s)	**Title**	**Add**	**Deleted**	**Amended**	**Jurisdiction (See below for Key)**
100.0	Scope			X	C & E
100.1	Definitions and Rules of Construction			X	C & E
141.0	Additions, Alterations and Repairs to Existing Nonresidential and Hotel/Motel Buildings, to			X	C & E

	Existing Outdoor Lighting and to Internally and Externally Illuminated Signs				
150.0	Mandatory Features and Devices			X	C & E
150.2	Energy Efficiency Standards for Additions and Alterations to Existing Single-Family Residential Buildings			X	C & E

Key:

A Administrative

This is an administrative amendment to clarify and establish civil and administrative procedures, regulations, or rules to enforce and administer the activities by the East Palo Alto Community Development Department. These administrative amendments do not need to meet HSC 18941.5/17958/13869 per HSC 18909(c).

C Climatic

The local amendments are justified on the basis of a local climatic conditions in East Palo Alto. The City is located in Climate Zones 3 and 4 as established in the 2025 California Energy Code, Climate Zones 3 and 4 incorporate mostly coastal communities from Marin County to southern Monterey County including San Francisco. The City experiences precipitation ranging from 13 to 20 inches per year with an average of approximately 15 inches per year. Ninety- five percent of precipitation falls during the months of November through April, leaving a dry period of approximately six months each year. Relative humidity remains moderate most of the time. Temperatures in the summer average around 80 degrees Fahrenheit and in the winter in the mid 50 degrees Fahrenheit. Prevailing winds in the area come from the west with velocities generally in the 12 miles per hour range, gusting from 25 to 35 miles per hour.

These climatic conditions along with the greenhouse emissions generated from structures in both the residential and nonresidential sectors requires exceeding the energy standards for building construction established in the 2025 California Buildings Standards Code. The City Council also adopted a Climate Action Plan that has a goal of reducing greenhouse gas emissions. In order to achieve and maintain this goal, the City needs to adopt policies and regulations that reduce the use of fossil fuels that contribute to climate change, such as natural gas in buildings, in new development.

Human activities, such as burning natural gas to heat buildings, releases greenhouse gases into the atmosphere and causes an overall increase in global average temperature. This causes sea levels to rise, affecting the City's shoreline and infrastructure. Roughly 49% of the City remains in a regulatory flood inundation zone associated with the 100 -year sea level rise FEMA maps adopted April, 2019. San Francisquito Creek also runs through the City, which creates an increasing potential flooding risk with climate change as a result of human generated greenhouse gas emissions. East Palo Alto is vulnerable to sea level rise. Buildings that are directly vulnerable to sea level rise should avoid generating additional greenhouse gas emissions.

The proposed Reach Codes would ensure that existing buildings improve efficiency or use cleaner sources of energy that are greenhouse gas free. Failure to address and substantially reduce greenhouse gas emissions creates an increased risk to the health, safety, and welfare of East Palo Alto residents.

G **<u>Seismic/Geological</u>**

The local amendments are justified on the basis of local seismic and geological conditions in East Palo Alto. The City of East Palo Alto is subject to earthquake hazard caused by its proximity to San Andreas fault. This fault runs from Hollister, through the Santa Cruz Mountains, epicenter of the 1989 Loma Prieta earthquake, then on up the San Francisco Peninsula, then offshore at Daly City near Mussel Rock. This is the approximate location of the epicenter of the 1906 San Francisco earthquake. The other fault is Hayward Fault. This fault is about 74 miles long, situated mainly along the western base of the hills on the east side of San Francisco Bay. Both of these faults are considered major Northern California earthquake faults which may experience rupture at any time. Thus, because the City is within a seismic area which includes these earthquake faults, the modifications and changes cited herein are designed to better limit property damage as a result of seismic activity and to establish criteria for repair of damaged properties following a local emergency. In the event of a natural disaster such as an earthquake or fire, the natural gas infrastructure in and around the City of East Palo Alto presents a risk to the life and safety of residents and first responders. Moreover, the electric grid system can be brought back online more

swiftly than the natural gas pipeline when the community is recovering from such an event.

E Environmental

The local amendments improve the public health and welfare by promoting the environmental and economic health of the City through the design, construction, maintenance, operation and deconstruction of buildings and sites by incorporating green practices into all development. The local amendments are consistent with the goals of the Energy Code and help achieve the following goals:

- Increase energy efficiency in buildings;
- Increase resource conservation;
- Provide durable buildings that are efficient and economical to own and operate; and
- Promote the health and productivity of residents, workers, and visitors to the city.

T Topographic

The local amendments are justified on the basis of local topographic conditions in East Palo Alto. The City of East Palo Alto is a low-lying contiguous portion of the San Francisco Bay, resulting in a natural receptor for storm and wastewater run-off. Also, the City is located in an area that has relatively high liquefaction potential given its proximity to the Bay. The surface condition consists mostly of stiff to dense sandy clay, which is highly plastic and expansive in nature. This potential for rupture of natural gas piping during a flooding or a seismic event increases the risk of fire. The aforementioned conditions within the City create hazardous conditions for which departure from the California Building Standards Code is warranted.

EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: March 17, 2026

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Matt Vining, Utility Manager

SUBJECT: Notice of Probable Violation: Underground Safety Board Decision

Recommendation

Adopt a resolution directing the City Manager to enroll Public Works Staff ("Respondent") in the California Board of Underground Safety's Education Course.

Executive Summary

Following an investigation into the matter of a reported failure to respond to a utility locate request from a regional notification center in one of three ways before a legal excavation by a subcontractor for PG&E within East Palo Alto city limits on December 4, 2023, the Office of Energy Infrastructure Safety, Underground Safe Excavation Board (the Board) issued a Notice of Probable Violation (NOPV) to the City of East Palo Alto (Respondent) on September 15, 2025. A separate NOPV was sent to the City of East Palo Alto's water operation and maintenance provider, Veolia Water, as they were also being classified as a Respondent to the NOPV. The City of East Palo Alto provided a response to the NOPV. On November 17, 2025, the Board considered this case as Case No. C233385010. Board members found that Respondents are in violations of Government Code sections 4216.3(a)(1)(A) and 4216.3 (c)(1)(A). The Board had recommended that the City of East Palo Alto City Council order affected City Staff to take the Board's education course and pay a penalty of $5,000. Staff, including the City Attorney's office and Public Works Division, instead recommend that the City Council order the Respondent to attend the Board's safety course and not issue a $5,000 fine.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Public Infrastructure and Utilities

Background

On September 15, 2025, City of East Palo Alto staff received a NOPV from the California Underground Safety Board. The Board investigator concluded an investigation of an incident on December 4, 2023, near 2206 Clarke Avenue at the nearby cross street of Bell Street. The investigator concluded that on December 4, 2023, the City of East Palo Alto, nor its operation and maintenance provider, Veolia Water (named as a separate Respondent in this case), responded to a locate request from a regional notification center in one of three ways before the legal excavation start date and time: (1) Locate and mark the work area, (2) Provide information about the location of subsurface installation, or (3) state that no installations are within the work area before the legal start work time of ticket 2023113000319-000.

Utility Construction Services, a subcontractor for PG&E, reported the City of EPA and Veolia Water to the Board on December 4, 2023, after not receiving any markings or notifications of City of EPA water lines in their delineated work zone. Utility Construction was scheduled to install new electrical facilities underground for PG&E. Utility Construction Services put in their USA (Dig Alert, 811) ticket on November 20, 2023. According to the Board investigation, neither the City of EPA nor Veolia Water responded to this USA ticket within the required 3 business days.

On December 19, 2023, the Board investigator began their investigation. They first spoke with City of East Palo Alto employee Kevin Lewis, and he stated that the City was unable to complete the USA markings due to staffing issues. He further explained that it was the City's contractual expectation that Veolia perform the work. Nevertheless, Mr. Lewis assured the investigator that he would personally go out and complete the USA ticket as his schedule permits but certainly within a week's time. On December 22, 2023, keeping to his word, Mr. Lewis voluntarily responded to the USA ticket in question and marked City of EPA underground water lines in the delineated work zone, as Veolia Water at this point had refused to perform the locating services for this or any USA tickets in this time frame. He then responded to the Board investigator that he had completed the USA ticket.

It was not until December 6, 2024, that the Board investigator reached out to Anthony Harper at Veolia Water via email. Mr. Harper responded on December 9, 2024, via email and stated that the City of EPA handles USA marking of its facilities and provided the Board investigator with contact information for City of EPA Public Works employees.

The Board investigator reached out to Mr. Lewis at the City of EPA on Dec 11, 2024, and Mr. Lewis was able to clarify that the parties have an outstanding disagreement as to who was contractually obligated to perform underground infrastructure locating. Mr. Lewis told the Board investigator that over the last year or so, Veolia had refused to perform locating services, as Veolia insists, they were not contractually obligated and considered it a liability.

Since this investigation, the City of East Palo Alto continues to perform its own underground locating services, and has not missed any USA tickets, after having cleared out the backlog of requests and built up capacity to do so.

The Board investigator found that the City of East Palo Alto took 14 days to respond to the USA ticket in question. The Board investigator also found that Veolia Water never responded at all to the USA ticket in question.

There were no injuries, deaths, or property damage reported due to the failure of not responding to the USA ticket. The subcontractor who submitted the USA request did not begin excavation until all underground utilities had been marked.

Based on the foregoing facts, on September 15, 2025, the City of East Palo Alto received the NOPV from the Board investigator via mail. The NOPV stated the City was in probable violation of Government Code sections 4216.3(a)(1)(A) and 4216.3 (c)(1)(A). The NOPV provided information on the Board's public hearing on this matter that would take place on November 17, 2025. The Board would determine whether the violations occurred and whether the penalties proposed in the NOPV were appropriate. The Board would then recommend the penalties to the local enforcement body, which in this case would be the City Of East Palo Alto City Council. The proposed penalties that were recommended by the Board investigator were:

- Mandatory completion of the Board's safety education course.
- A financial penalty, amount to be determined by the board.

The City of East Palo Alto was allowed to respond to the NOPV within 30 business days in one of 4 ways:

1. No Contest
2. Contest in Writing
3. Contest in Writing and Request Informal Hearing
4. Reservation of Rights to Contest Violation with the Enforcement Agency, in this case the enforcement agency being the City of East Palo Alto City Council.

The City Attorney and Public Works Division chose to contest in writing, and responded with the letter attached as Attachment 4 Letter: Contest in Writing.

The City Attorney and Public Works Division asserted in the letter that the City did respond to the USA Ticket once they realized their operations and maintenance provider, Veolia Water, was not going to respond, and given that no injuries or property damage was reported, and given that the City has a 100% response rate to USA tickets to the time of this letter, that the matter be excused by the Board for all parties involved.

The City Attorney and Utility Manager attended the Board public hearing on November 17, 2025 at 1 p.m. The Board unanimously decided that a violation had taken place, and issued a financial penalty of $5000 and required attendance of the Board's educational safety course. During the hearing, even after multiple hand raises and attempts to speak, neither the City Attorney nor the Utility Manager was allowed to comment or reply to the Board's comments.

City staff received the Board's decision by mail on February 11, 2026.

Analysis

On November 17, 2025, the Board considered this case as Case No. C233385010. Board members found that Respondents are in violations of Government Code sections 4216.3(a)(1)(A) and 4216.3 (c)(1)(A). The Board recommends that the City of East Palo Alto City Council order to take the Board's education course and pay a penalty of $5,000.

The violations are summarized as follows:

- Government Code section 4216.3(a)(1)(A): failed to respond to a locate request from a call center one of three ways before the legal excavation start date and time: (1)locate and mark the work area, (2) provide information about the location of subsurface installation, or (3) state that no installations are within the work area.

- Government Code Section 4216.3(c)(1)(A): failed to provide electronic positive response through the regional notification center prior to the legal start date and time.

The City of East Palo Alto City Council is the enforceable body of this action. Stated another way, the Underground Safety Board has recommendation authority rather than authority to impose a penalty upon the City. Gov't Code Sec. 4216.6(e) ("[T]he Dig Safe Board shall enforce this article on persons other than those listed in subdivisions (c) and (d)").

Staff does not recommend issuance of a penalty for this violation for several reasons. First, during the hearing before the Underground Safety Board, City staff in attendance witnessed the Board rule that another city (South San Francisco) receive no penalty but an order to enroll in education courses only for the same (if not more egregious) violation. Indeed, the Board was planning to do the same when the City's matter came before the Board, when a Board member inexplicably convinced the Board to reverse course for reasons that remain a mystery to staff. Second, and more importantly, the legal standard that the Board is supposed to follow when issuing penalties counsels in favor of lenity here. Specifically, the applicable law states that imposition of penalties must be "graduated" and since there is no record that the City has ever violated the Dig Law, prior to the current violation, immediate imposition of financial penalties contradicts applicable law. (Gov. Code Sec. 4216.19(e)). Furthermore, just as the Underground Board is to be guided by penalty factors, we believe the City should as well, and those factors favor the City in this instance, including (1) the type of violation and its gravity, (2) the degree of culpability, (3) the operators or excavator's history of violations, (4) the operator's or excavator's history of work conducted without violations, (5) the efforts taken by the violator to prevent violation and, once the violation occurred, the efforts taken to mitigate the safety consequences of the violation. (Gov. Code Sec. 4216.19(e)). Because the violation consisted only of delay in excavation (no injury, death or property damage), the City plausibly believed Veolia was contractually responsible, it had no history of violations (and a history of compliance), and the City (Kevin) moved with deliberate speed when it was apparent action was required to rectify the issue.
City Staff recommends City Council give direction to the City Manager to only order the enrollment of affected Public Works Staff in the Underground Safety Board educational Course.

City Staff recommends City Council reject the financial penalty of $5000.

Fiscal Impact

Fiscal impact could be $5000 to the EPA General Water Fund if City Council orders the financial penalty recommended by the Underground Safety Board.

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 by the City Council is 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: No, as the proposed action does not involve a penalty.

Analysis of Levine Act Compliance: Not applicable.

Attachments

1. Notice of Probable Violation Part A.
2. Notice of Probable Violation Part B.
3. Contestation in Writing.
4. Board Decision on Notice of Probable Violation.
5. Resolution.

State of California – A Natural Resources Agency

Gavin Newsom, Governor

OFFICE OF ENERGY INFRASTRUCTURE SAFETY
UNDERGROUND SAFETY BOARD
715 P Street, 15th Floor | Sacramento, CA 95814
916.902.6000 | *www.energysafety.ca.gov*

MEMBERS
Bill Johns, Chair
Travis Clausen, Vice Chair
Marshall Johnson
Amparo Muñoz
Shant Simonian
Dave Sorem

EXECUTIVE OFFICER
Brittny Branaman (Acting)

By U.S. mail to the addresses below and electronic mail

September 15, 2025

NOTICE OF PROBABLE VIOLATION

City of East Palo Alto
1960 Tate Street
East Palo Alto, California 94303

City of East Palo Alto
150 Tara St
East Palo Alto, California 94303

rperez@cityofepa.org; klewis@cityofepa.org

Case No.: C233385010
Location of Violation: 2206 Clarke Avenue, Nearby Cross Street: Bell Street, East Palo Alto, California 94303

Date of Violation: December 4, 2023

Dear City of East Palo Alto:

You are receiving this Notice of Probable Violation (Notice) as a result of an investigation conducted pursuant to Government Code section 4216 *et seq.* The California Underground Safety Board (Board) investigator has concluded an investigation of an incident on December 4, 2023, near 2206 Clarke Avenue, Nearby Cross Street: Bell Street, East Palo Alto, California 94303, and found the following violations of Government Code sections 4216.3(a)(1)(A) and 4216.3(c)(1)(A):

Government Code § 4216.3(a)(1)(A): Failure to respond to a locate request from a call center in one of three ways before the legal excavation start date and time: (1) locate and mark the work area, (2) provide information about the location of subsurface installation, or (3) state that no installations are within the work area.

Government Code § 4216.3(c)(1)(A): Failure to provide Elective Positive Response before the legal start date and time.

On December 4, 2023, the City of East Palo Alto did not respond to a locate request from a regional notification center in one of three ways before the legal excavation start date and time: (1) locate and mark the work area, (2) provide information about the location of subsurface installation, or (3) state that no installations are within the work area before the legal start date and time of ticket 2023113000319-000. The City of East Palo Alto did not provide an electronic positive response before the legal start date and time of ticket 2023113000319-000.
The evidence establishing these facts is attached to the enclosed report of investigations.

Hearing and Referral to Enforcement Agency

During the Board's public meeting on **November 17, 2025**, at **1:00 p.m.**, the Board will determine whether the violations occurred and whether the penalties proposed in this Notice are appropriate. You may contest the violations and proposed penalties noted in the below section at this meeting. The location of the meeting will be in Sacramento, California.

California Natural Resources Agency Building
Auditorium – First Floor
715 P Street
Sacramento, California 95814

Should the Board determine that a probable violation exists, the Board will refer your case with either the proposed penalties below or new recommended penalties to the appropriate state or local agency for enforcement pursuant to Government Code section 4216.6(c) (Enforcement Agency). The Board's recommendation to the Enforcement Agency will include its finding of probable violation and recommended penalties. The Board's recommendation does not constitute a final determination of your case. The Enforcement Agency has discretion to accept, amend, or reject the Board's recommendation, in whole or in part, through its own investigations pursuant to Government Code section 4216.6(c).

The Enforcement Agency for this case is:
City of East Palo Alto City Council
2415 University Avenue
East Palo Alto, California 94303

Proposed Penalty

Any penalties provided in this Notice, including corrective actions, are only proposals by Board investigator(s) and do not require any corrective action or payment at this time. Your Enforcement Agency will provide the final determination to and instructions for any penalty.

Pursuant to Government Code section 4216.6, violation of Government Code section 4216 *et seq.* by an operator or excavator may be subject to a maximum penalty of $10,000 for negligent violation, or $50,000 for knowing and willful violation. Knowing and willful violation of Article 2 that results in damage to a gas or hazardous liquid pipeline subsurface installation and that results in the escape of any flammable, toxic, or corrosive gas or liquid may be subject to a maximum penalty of $100,000.

The Board Staff are recommending the below corrective action and penalties:

Mandatory completion of the Board's education course. Please see https://energysafety.ca.gov/what-we-do/underground-safety-board/education-course/for more information.

A financial penalty, the amount to be determined by the Board.

A corrective action to be determined by the Board.

The proposed penalties are merited, on December 4, 2023, the City of East Palo Alto did not respond to a locate request from a regional notification center in one of three ways before the legal excavation start date and time: (1) locate and mark the work area, (2) provide information about the location of subsurface installation, or (3) state that no installations are within the work area before the legal start date and time of ticket 2023113000319-000. The City of East Palo Alto did not provide an electronic positive response before the legal start date and time of ticket 2023113000319-000.

Response to this Notice

Enclosed as part of this Notice is a document titled *RESPONSE TO A NOTICE OF PROBABLE VIOLATION*. Please carefully review this document and note the response options. All materials you submit in response to this enforcement action are subject to public disclosure. You have 30 business days from September 15, 2025, to submit your written response to the Board. Your response to this Notice must be received by the Board no later than October 28, 2025.

If you do not respond within 30 business days, this constitutes a waiver of your right to contest the Board's determination on whether there is Probable Violation in this case and to refer the case to the Enforcement Agency with the Board's recommendation.

Sincerely,

/s/ Anona Bonner

Anona Bonner
Chief of Investigations |Underground Safety Board

Proposed hearing date: **November 17, 2025**

RESPONSE TO A NOTICE OF PROBABLE VIOLATION

Case Number: C233385010
Name: City of East Palo Alto

The provisions of California Code of Regulations, Title 19, Division 4, Chapter 3, governs the Notice of Probable Violation (Notice) proceeding before the California Underground Safety Board (Board). Specifically, 19 CCR section 4252 provides your response options upon the receipt of a Notice.

Be advised that all material submitted by you in response to a Notice are subject to public disclosure.

Please select from one of the response options listed below. You have 30 business days to submit your written response to the Underground Safety Board. Failure to submit a written response will be considered by the Board as a "No Contest" response. Please attach this form with your selection to your response. If you choose "Contest in Writing" or "Contest in Writing and Request Informal Hearing," please also include you written explanation and documents that may be referenced in your written explanation or informal hearing. For all options, Board investigators may present the basis for your probable violation on the date of the public meeting as provided in your Notice, and the Board will review your case and vote to determine whether a probable violation exist and whether the corrective action and/or penalty proposed by the Board staff is appropriate at the meeting.

Response Options

___ No Contest
You do not contest the violations or the penalty. If you choose to not contest the violations or the penalty, you will waive your right to request the Board to reconsider its decision or recommendation issued.

___ Contest in Writing
You wish to contest either the violation, the penalty, or both by providing the Board with written explanations and other records supporting the explanation. You will submit the written explanations and records, if any, with your written response within 30 business days of receiving this Notice. Your response must not exceed 10 pages (excluding exhibits) in length and must be on 8.5" x 11" white paper, double-spaced, and in a font size no smaller than 11-point. You must submit the original and 12 physical copies of the written explanation and records to the address below or submit one (1) copy electronically to enforcement.dig@energysafety.ca.gov. You may request an extension to the page limit by submitting a request to the Board staff within 5 days of receiving this Notice. The Board staff will notify you of its determination with respect to the page

limit extension request within 10 days of you submitting the request. The Board will review and vote on your case on the date of the public meeting provided in the Notice.

___ Contest in Writing and Request Informal Hearing
You wish to contest either the violation, the penalty, or both with oral argument at an informal hearing during a public Board meeting. You will submit with your written response, written explanations, information, or other materials you wish to reference in your oral hearing. Your response must not exceed 10 pages (excluding exhibits) in length and must be on 8.5" x 11" white paper, double-spaced, and in a font size no smaller than 11-point. You must submit the original and 12 physical copies of the written explanation and records to the address below or submit one (1) copy electronically to enforcement.dig@energysafety.ca.gov.

Your hearing would be during the public meeting noted in the Notice, on November 17, 2025, at 1:00 p.m., and the location of the meeting will be in Sacramento, California.

California Natural Resources Agency Building
Auditorium – First Floor
715 P Street
Sacramento, California 95814

Please note that your oral hearing may not start exactly at the time provided as there may be multiple hearings during one Board meeting. You may request to reschedule your hearing no later than 15 business days from your hearing date. Your request to reschedule a hearing may be granted no more than once and only for good cause.

You may participate in person or through a virtual meeting platform. You will have 15 minutes to present your reasons for contesting the allegation or reasons that may support a modification or elimination of the penalty or corrective action. During your hearing, conducted pursuant to Section 4253 of Title 19 of the California Code of Regulations, board investigators may present the basis for your Notice of Probable Violation. You will be granted up to 15 minutes to respond to the Notice and up to 5 minutes to respond to any Board staff rebuttal. You may arrange, at your expense, for a stenographer or court reporter to transcribe the informal hearing. You must provide a copy of any transcription to the Board.

The Board will issue a decision at,

- The informal hearing;
- Thereafter within 45 business days of the informal hearing; or
- At a subsequent Board public meeting where a quorum of the Board is present.

The Board will adopt the issued written decision at the hearing or a subsequent public meeting. The Board's decision is effective upon the adoption of the written decision.

___ **Reservation of Rights to Contest Violation with the Enforcement Agency**
You contest the violation, the penalty, or both, but do not wish to present your comments to the Board. You request that the Board refer the case to the appropriate state or local agency that would conduct the enforcement of the probable violation pursuant to Government Code section 4216.6(c) (Enforcement Agency), and you will reserve the right to contest the violation, the penalty, or both before the Enforcement Agency. The Board will review and vote on your case to determine whether a probable violation exists and whether the corrective action and/or penalty proposed by the Board staff is appropriate at the public meeting noted in your Notice. Should the Board determine a probable violation exists, the Board will refer your case to the Enforcement Agency.

Board Contact Information:

Please direct all formal correspondence, including your written response to the Notice, to the Board either via email at enforcement.dig@energysafety.ca.gov or via mail to the following address:

Office of Energy Infrastructure Safety
Underground Safety Board
715 P St., 15th Floor
Sacramento, CA 95814 .

Please provide your written response within 30 business days of receiving this Notice. If a response is provided via mail, the mailed response must be received by the Board within 30 business day.

Penalties
Any penalties, including corrective actions, are only proposals by Board staff, and do not require any current corrective action or payment at this time. Your Enforcement Agency will provide the final determination to and instructions for any penalty. Please do not include any proof of compliance with proposed corrective actions or payment of a proposed penalty with your written response.

ADA Compliance
The California Underground Safety Board complies with the Americans with Disabilities Act ("ADA") by ensuring that the facilities are accessible to persons with disabilities, and providing this Notice and information given to the members of the California Underground Safety Board in appropriate alternate formats when requested. If you need further assistance, including disability-related modifications or accommodations, you may contact the

Underground Safety Board no later than seven (7) calendar days before a scheduled hearing at (916) 902-6000. California Relay Service is available by dialing 711.

CALIFORNIA UNDERGROUND SAFETY BOARD

INVESTIGATION REPORT

Date: March 8, 2024
Case No.: C233385010

Violations:

The City of East Palo Alto (Member Code CTYEPA)

Government Code § 4216.3(a)(1)(A): Failure to respond to a locate request from a call center in one of three ways before the legal excavation start date and time: (1) locate and mark the work area, (2) provide information about the location of subsurface installation, or (3) state that no installations are within the work area.

Government Code § 4216.3(c)(1)(A): Failure to provide Electronic Positive Response before the legal start date and time.

Veolia North America, LLC (Member Code AWSEPA)

Government Code § 4216.3(a)(1)(A): Failure to respond to a locate request from the regional notification center in one of three ways before the legal excavation start date and time: (1) locate and mark the work area, (2) provide information about the location of subsurface installation, or (3) state that no installations are within the work area.

Government Code § 4216.3(c)(1)(A): Failure to provide Electronic Positive Response before the legal start date and time.

Executive Summary:

On December 4, 2023, Utility Construction Services, Inc., submitted a complaint to the California Underground Facilities Safe Excavation Board (Board) that the City of East Palo Alto had not field marked in response to locate requests related to installation of new electric facilities. Utility Construction Services identified four tickets that the City of East Palo Alto had not responded to, resulting in delays for Utility Construction Service Inc. This investigation report documents ticket 2023113000319-000, which is one of those four tickets.

Two operators are involved because Veolia North America, LLC operates the City of East Palo Alto's water service pursuant to a contract with the city.

The City of East Palo Alto and Veolia North America, LLC did not provide an electronic positive response before the legal start date and time of ticket 2023113000319-000. Both operators

also refused to respond to locate requests from the regional notification center before the legal start date and time for ticket 2023113000319-000.

The City of East Palo Alto eventually field marked the work area eighteen days after the legal start date and time for ticket 2023113000319-000, which is the subject of this investigation report.

No injuries or fatalities occurred.

Reporting Party Information:
Utility Construction Services Inc.
263 S. Maple Avenue
South San Francisco, California 94080

Date of Incident:
December 4, 2023

Location of the Incident:
2206 Clarke Avenue
Nearby Cross Street: Bell Street
East Palo Alto, California 94303

Operators:
City of East Palo Alto
1960 Tate Street
East Palo Alto, California 94303

Veolia North America, LLC
1475 E Bayshore Road
East Palo Alto, California 94303

Excavator:
Utility Construction Services Inc.
263 S. Maple Avenue
South San Francisco, California 94080

Facility Types Damaged:
None

Investigation:

Notification of the Incident

On December 4, 2023, the Underground Safety Board Case Management System received damage notification number C233385010 from Utility Construction Services Inc. The notification stated:

"CITY OF EAST PALO ALTO HAS NOT RESPONDED TO THE ACTIVE TICKET TO MARK THEIR UTILITIES (WATER). THE CITY HAS STATED THAT THEY LOST THEIR CONTRACTOR FOR LOCATES AND MARK AND ARE UNABLE TO RESPOND. THEY HAVE NOT GIVEN A TIME FRAME FOR WHEN THEY WILL BE ABLE TO RESPOND NOR HAVE THEY RETURNED ANY OF OUR CALLS WHEN WE HAVE FOLLOWED UP. WE HAVE ASKED FOR THEM TO WORK WITH US WITH OUR THIRD PARTY GPR CONTRACTOR AND PROVIDE AS-BUILTS BUT THEY HAVE DENIED THIS AS WELL. THEY HAVE NOW BECOME NON-RESPONSIVE.
UNABLE TO ENTER TICKET NUMBER ABOVE BUT TICKET IS ACTIVE." (Exh. 1.)

The case was assigned to Amy Morford (Investigator).

Identity of the Excavator

Government Code § 4216(h) defines an excavator to be "any person, firm, contractor or subcontractor, owner, operator, utility, association, corporation, partnership, business trust, public agency, or other entity that, with their own employees or equipment, performs any excavation."

Utility Construction Services Inc. Is licensed by the California Contractor's State License Board, license number 1037581 (A-General Engineering). (Exh. 2.)

Identity of the Operator

Government Code section 4216(o) defines an operator to be "any person, corporation, partnership, business trust, public agency, or other entity that owns, operates, or maintains a subsurface installation."

The City of East Palo Alto (Member Code CTYEPA) and Veolia North America, LLC (Member Code AWSEPA) were two of eight operators listed as "Members Operator Notified" on the regional notification ticket 2023113000319-000. (Exh. 3.)

Project Background

Pacific Gas & Electric (PG&E) contracted with Utility Construction Services to install new electric facilities at 2206 Clarke Avenue, East Palo Alto, California 94303.

Ticket and Locate Request Created on November 30, 2023

Government code section 4216.2(b) requires an excavator to notify the regional notification center of planned excavation unless an emergency exists.

On November 30, 2023, Utility Construction Services contacted the regional notification center indicating they intend to dig near 2206 Clarke Avenue, East Palo Alto, California. (Exh. 3.) In response, the regional notification center created ticket 2023113000319-000 at 7:39 a.m. on November 30, 2023. The ticket required operators to locate and field mark and provide an electronic positive response before the legal excavation start date and time of 5:01 p.m. on December 4, 2023. (Exh. 3.)

City of Palo Alto and Veolia North America, LLC Did Not Respond to the Ticket Before the Legal Excavation Start Date and Time

Government Code section 4216.3(a)(1)(A) requires operators to respond to locate requests by field marking the work area, providing information about the location of subsurface installations in the work area, or indicating that no subsurface installations are in the work area.

Government Code section 4216.3(c)(1)(A) requires an operator to provide an electronic positive response through the regional notification center before the legal start date and time of a ticket.

Ticket 2023113000319-000 required operators to respond before 5:01 p.m. on December 4, 2023. (Exh. 3.) The following two members did not respond before that time:

- The City of Palo Alto (Member Code CTYEPA)
- Veolia North America, LLC (Member Code AWSEPA) (Exh. 4.)

Neither of these operators responded to the locate request.

On December 19, 2023, the Investigator spoke via telephone with Kevin Lewis (Lewis), Public Works Supervisor with the City of East Palo Alto. Lewis stated the City of East Palo Alto was unable to mark utilities due to staffing issues. (Exh. 5)

On December 9, 2024, Anothony Harper (Harper), Project Manager II with Veolia North America, LLC replied by email to Information Request IR-2024-180 dated December 6, 2024. Harper stated the City of East Palo Alto handles marking facilities and electronic positive responses and provided the Investigator with email addresses for Humza Javed and Kevin Lewis. (Exh. 6.)

Further, neither operator provided an electronic positive response. For both operators, the regional notification center's records indicate "(999) Member did not respond by the required time". (Exh. 4.)

The City of East Palo Alto and Veolia North America, LLC Marking, Locating and Electronic Positive Response Clarification

On December 9, 2024, at 12:18 p.m., the Investigator emailed Lewis asking if the City of East Palo Alto is responsible for locating and marking and submitting electronic positive responses for Veolia North. (Exh. 7.)

On December 11, 2024, at 3: 26 p.m., the Investigator spoke to Lewis via telephone regarding an email response by Anthony Harper, Project Manager II with Veolia North referring the Investigator to contact Lewis with the City of East Palo Alto to address why Veolia North's facilities were not marked and the electronic positive response was not submitted for ticket 2023113000319-000. (Exh. 8.) Lewis stated that Veolia North refuses to mark and locate even though the City of East Palo Alto contracts them to run the water department and facilitate their facilities. (Exh. 8.)

On December 11, 2024, the Investigator sent Lewis a follow-up email. (Exh. 9.) On December 11, 2024, Lewis responded to the Investigator with Veolia North contact information and stated, "Basically over the last year or so Veolia Water has refused to provide the City of East Palo Alto with water utility markings per USA. From what I understand, Veolia insist that it's become a liability issue that they do not want any part of." (Exh. 9.)

The City of East Palo Alto and Veolia North America, LLC Contract

On December 13, 2024, the Investigator emailed Richard Perez (Perez), Utility Manager with the City of East Palo Alto, requesting a copy of the contract between the City of East Palo Alto and Veolia North America, LLC. (Exh. 10.)

On December 13, 2024, the Investigator emailed Harper with Veolia North requesting a copy of the contract between the City of East Palo Alto and Veolia North America, LLC. (Exh. 11.)

On December 13, 2024, the Investigator spoke to Perez with the City of East Palo Alto who stated he would check with upper management and the city's legal department regarding obtaining a copy of the contract between the City of East Palo Alto and Veolia North. (Exh. 12.)

On December 13, 2024, Harper contacted the Investigator by email and stated, "Veolia holds a "Lease" with the City. The City of East Palo Alto directly handles all line locating and 811/USA work. Veolia does not handle that work. Please contact the City if you have any questions as Veolia can't speak on behalf of the City." (Exh. 13.)

On January 6, 2025, the Investigator received an email from Perez with a PDF copy of the Agreement for Lease of the City Water System to AWE 2001, April 19. (Exh. 14.)

On March 18, 2025, Perez emailed the Investigator a PDF copy of Resolution No. 56 – 2020, A Resolution of the City Council of the City of East Palo Alto. (Exh. 15.) On November 11, 2018, the City Council authorized the City Manager to notify American Water Enterprises in writing

of the City of East Palo Alto's consent to assignment of the Agreement for Lease of Real Property (Water System) from American Water Enterprises to Veolia, subject to condition outlined in City Council Resolution 5052. (Exh. 15.)

In summary, the original lease agreement between the City of East Palo Alto and American Water Works Company, Inc. was transferred to Veolia North America, LLC and in effect until May 21, 2026. The contract wasn't changed but the water permit was transferred to Veolia North America, LLC via the California State Water Resources Control Board (SWRCB) and the City adopted the transition. Veolia North America, LLC began the onsite transition from American Water Works in June 2020. (Exh. 15.)

Veolia North America, LLC, is an Operator Per Government Code section 4216(o)

Government Code section 4216(o) defines an operator to be "any person, corporation, partnership, business trust, public agency, or other entity that owns, operates, or maintains a subsurface installation."

The Agreement for Lease of Real Property (Water System) contract, Section 7. A Operation of Water System, Repair, Maintenance and Operation cites, "The Company shall operate the Water System and pay all costs and expensed relating to its operation, provided, however, that if the total annual maintenance and repair costs exceed $110,00, the excess costs shall be considered System Improvements and shall be included in Capital Charges charged to the customers in the year following the year incurred pursuant to Section 9 of this Lease. City shall not be obligated to pay any cost or expense in connection with or related to the management, operation, improvement, repair or maintenance of the Water System during the Term of this Lease except for any Environmental Liabilities as defined in Section 3. The Company shall undertake any System Improvements and repairs and perform routine and emergency maintenance of the Water System in accordance with customary utility practices. All System Improvements to the Water System shall be subject, however, to the procedures set forth in Section 9 hereof. (Exh. 14 Section 7.A, Page 5.)

The City of East Palo Alto's Reason for Not Responding to the Ticket

On December 19, 2023, the Investigator received an email from Kevin Lewis, Public Works Supervisor, with the City of East Palo Alto, who stated that he reviews tickets but was not in charge of water utility locates. He stated the water department was managed by Veolia North America, LLC, which was responsible for locating and marking utilities. (Exh. 16.)

On December 19, 2023, the Investigator spoke with Lewis via phone and requested a point of contact for Veolia North America, LLC and a manager or supervisor above him with the City of East Palo Alto. Lewis stated the City understands the importance of locating utilities, but it was experiencing staffing issues. Lewis did not have a point of contact for Veolia North America, LLC. (Exh. 5.)

The City of East Palo Alto Field Marked the Work Area on December 22, 2023

Lewis informed the investigator that Lewis was a locating professional and was personally going to locate and mark the work area by the end of the week, which was December 22, 2023. Lewis confirmed he would notify the Investigator when the work area was field marked. (Exh. 5.)

(Note: Lewis also stated he would locate and mark tickets 2023112802631-000 and 2023112902821-000, submitted by Utility Construction Services. These tickets are for locations unrelated to this investigation.)

On December 26, 2023, Lewis informed the investigator by telephone he had located and marked 2206 Clarke Avenue, East Palo Alto, California, on December 22, 2023. (Exh. 17.)

The City of East Palo Alto (Lewis) completed the locate and field mark requirement fourteen working days after the legal start date and time for ticket 2023113000319-000. (Exh. 17.)

On December 13, 2024, the Investigator spoke with Perez who stated the City of East Palo Alto had hired a locator and would be providing equipment and training. (Exh. 12.)

On December 26, 2023, Investigator notified Jason Weidler of Utility Construction Services that the City of East Palo Alto had field marked the work area. (Exh. 18.) On March 1, Weidler confirmed the City of East Palo Alto had field marked the work area. (Exh. 19.)

Findings:

1. The City of East Palo Alto (Member Code CTYEPA) did not respond to a locate request from a call center in one of three ways before the legal excavation start date and time: (1) locate and mark the work area, (2) provide information about the location of subsurface installation, or (3) state that no installations are within the work area before the legal start date and time of ticket 2023113000319-000.
2. The City of East Palo Alto (Member Code CTYEPA) did not provide an electronic positive response before the legal start date and time of ticket 2023113000319-000.
3. Veolia North America, LLC, (Member Code AWSEPA) did not respond to a locate request from a call center in one of three ways before the legal excavation start date and time: (1) locate and mark the work area, (2) provide information about the location of subsurface installation, or (3) state that no installations are within the work area before the legal start date and time of ticket 2023113000319-000.
4. Veolia North America, LLC (Member Code AWSEPA) did not provide an electronic positive response before the legal start date and time of ticket 2023113000319-000.

Investigator	Supervisor
Amy Morford	Anona Bonner
Signature	Signature
/s/ Amy Morford	/s/Anona Bonner

Exhibit List:

Exhibit No.	Description	Date	Received From
1.	Incident Report submitted to the Underground Safety Board	Received on 12/04/2023	Jason Weidler, President, Utility Construction Services Inc.
2.	Contractor's License Detail for License No. 1037581 obtained from the Contractor's State License Board website Utility Construction Services	Downloaded on 12/11/2023	California Contractors State License Board website at https://www.cslb.ca.gov/onlineservice/checklicensell/checklicense.aspx
3.	New Ticket 2023113000319-000	Downloaded from USAN Website on 12/06/2023 Received on 4/21/2025	Investigator Nick White, USAN Member Services Manager
4.	Electronic Positive Response for ticket 2023113000319-000	Received on 9/25/2024	Nick White, USAN Member Services Manager
5.	Record of telephone conversation with Kevin Lewis, Public Works Supervisor, City of East Palo Alto	Telephone conversation conducted by Amy Morford on 12/19/2023	Kevin Lewis, Public Works Supervisor, City of East Palo Alto
6.	Information Request and reply from Veolia North America, LLC	Received on 12/9/2024	Anthony Harper, Project Manager II, Veolia North America, LLC

7.	Email to Kevin Lewis, Public Works Supervisor, City of East Palo Alto	Emailed on 12/9/2024	
8.	Record of telephone conversation with Kevin Lewis, Public Works Supervisor, City of East Palo Alto	Telephone conversation conducted by Amy Morford on 12/11/2024	Kevin Lewis, Public Works Supervisor, City of East Palo Alto
9.	Follow-up email to and from Kevin Lewis, Public Works Supervisor, City of East Palo Alto	Emailed and received on 12/11/2024	Kevin Lewis, Public Works Supervisor, City of East Palo Alto
10.	Email to Richard Perez, Utility Manager, East Palo Alto requesting contract	Emailed on 12/13/2024	
11.	Email to Anthony Harper, Project Manager II, Veolia North America, LLC requesting contract	Emailed on 12/13/2024	
12.	Record of telephone conversation with Richard Perez, Utility Manager, East Palo Alto	Telephone conversation conducted by Amy Morford on 12/13/2024	Richard Perez, Utility Manager, East Palo Alto
13.	Email response regarding contract from Anthony Harper, Project Manager II, Veolia North America, LLC regarding contract	Received on 12/13/2024	Anthony Harper, Project Manager II, Veolia North America, LLC requesting contract

14.	Email from Richard Perez, Utility Manager, East Palo Alto with city contract attached	Received on 1/6/2025	Richard Perez, Utility Manager, East Palo Alto
15.	Email from Richard Perez, Utility Manager, East Palo Alto regarding Veolia North America, LLC contract transfer clarification	Received on 3/19/2025	Richard Perez, Utility Manager, East Palo Alto
16.	Email from Kevin Lewis, Public Works Supervisor, City of East Palo Alto	Received on 12/19/2023	Kevin Lewis, Public Works Supervisor, City of East Palo Alto
17.	Record of telephone conversation with Kevin Lewis, Public Works Supervisor, City of East Palo Alto	Telephone conversation conducted by Amy Morford on 12/26/2023	Kevin Lewis, Public Works Supervisor, City of East Palo Alto
18.	Email to and from excavator Jason Weidler, President, Utility Construction Services, Inc.	Emailed on 12/26/2023 Received on 1/2/2024	Jason Weidler, President, Utility Construction Services, Inc.
19.	Email from excavator Jason Weidler, President, Utility Construction Services, Inc.	Received on 3/01/2024	Jason Weidler, President, Utility Construction Services, Inc.

Exhibit 1

Notification Information Report

Information for Notification Number:- C233385010

Date Logged to CRM:- 12/4/2023 9:05 AM

Complaint/Incident Information	
Incident/Complaint Description	CITY OF EAST PALO ALTO HAS NOT RESPONDED TO THE ACTIVE TICKET TO MARK THEIR UTILITIES (WATER). THE CITY HAS STATED THAT THEY LOST THEIR CONTRACTOR FOR LOCATES AND MARK AND ARE UNABLE TO RESPOND. THEY HAVE NOT GIVEN A TIME FRAME FOR WHEN THEY WILL BE ABLE TO RESPOND NOR HAVE THEY RETURNED ANY OF OUR CALLS WHEN WE HAVE FOLLOWED UP. WE HAVE ASKED FOR THEM TO WORK WITH US WITH OUR THIRD PARTY GPR CONTRACTOR AND PROVIDE AS-BUILTS BUT THEY HAVE DENIED THIS AS WELL. THEY HAVE NOW BECOME NON-RESPONSIVE. UNABLE TO ENTER TICKET NUMBER ABOVE BUT TICKET IS ACTIVE 2023111304043-000
Incident Date	11/15/2023 5:02 AM
Incident State	CA
Incident County	San Mateo
Incident Place	East Palo Alto
Incident St from Address	2206
Incident St to Address	2206
Incident Street	Clarke Ave
Incident Cross1	Bell
Incident Location	
Type of Complaint	No response/Late response
Other Complaint Detail	NONE
Notification Number	C233385010
Notification Created	12/4/2023 9:04 AM
Notification Type	complaint
Damage Injury	Undefined
Damage Death	Undefined
Damage Fire Evacuation	Undefined
Damage Facility Type	
Damage Equipment	

Reporter Information	
Reporter First Name	Jason
Reporter Middle Name	
Reporter Last Name	Weidler
Reporter Company	Utility Construction Services
Reporter Email	jasonw@ucs-llc.com
Reporter Phone	8054400562
Reporter Address	263 S. Maple Ave
Reporter Address 2	
Reporter City	South San Francisco
Reporter State	CA
Reporter Zip	94080

Other Party Information	
First Name	
Middle Name	
Last Name	
Company	City of East Palo Alto
Address	
City	East Palo Alto
State	CA
Zip Code	
Email	
Phone	6508537253

Ticket Entry	
Ticket Number	
Ticket Type	
Revision	
Created	
Account	
Channel	
Work Date	
Response Required	
Response Due	
Expires	
One Year	
Priority	
Priority Number	
Category	
Lookup	
State	
County	
Place	
Work area zip code	
St to address	
St from address	
Street	
Cross 1	
Cross 2	
How delineated	
Excav st walk	
Work Type	
Boring	
Explosives	
Vacuum	
Permit	
Work Order	
Done For	
Remarks Type	
Company Name	
Address1	
Address2	
City	

State	
Zip Code	
Phone	
Phone ext	
Caller	
Caller Language	
Cell	
Email	
Contact Name	
Contact Phone	
Contact Phone Ext	
Contact Cell	
Contact Email	
Location	
Comments	
Map URL	MAP URL of Notification Number C233385010

Ticket GPS Coordinates

Caller GPS Coordinates		
Name	Latitude	Longitude

Best Fit Rectangle GPS Coordinates		
Name	Latitude	Longitude

Contractor's License Detail for License # 1037581

DISCLAIMER: A license status check provides information taken from the CSLB license database. Before relying on this information, you should be aware of the following limitations.

- CSLB complaint disclosure is restricted by law (B&P 7124.6). If this entity is subject to public complaint disclosure click on link that will appear below for more information. Click here for a definition of disclosable actions.
- Only construction related civil judgments reported to CSLB are disclosed (B&P 7071.17).
- Arbitrations are not listed unless the contractor fails to comply with the terms.
- Due to workload, there may be relevant information that has not yet been entered into the board's license database.

Business Information

UTILITY CONSTRUCTION SERVICES INC
263 S MAPLE AVE
SOUTH SAN FRANCISCO, CA 94080
Business Phone Number:(707) 312-1297

Entity Corporation
Issue Date 03/30/2018
Expire Date 03/31/2026

License Status

This license is current and active.

All information below should be reviewed.

Classifications

A - GENERAL ENGINEERING

Bonding Information

Contractor's Bond

This license filed a Contractor's Bond with TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA.

Bond Number: 106586562

Bond Amount: $25,000

Effective Date: 01/01/2023

Contractor's Bond History

Bond of Qualifying Individual

This license filed Bond of Qualifying Individual number **107790090** for JASON CALDWELL WEIDLER in the amount of **$25,000** with TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA.

Effective Date: 04/01/2023

BQI's Bond History

Workers' Compensation

This license has workers compensation insurance with the ACE AMERICAN INSURANCE COMPANY

Policy Number:WCUC54509236
Effective Date: 09/15/2023
Expire Date: 09/15/2024
Workers' Compensation History

Other

- Personnel listed on this license (current or disassociated) are listed on other licenses.

Personnel List | Other Licensees

Is this your license?
Does any of the information need to be corrected/updated?

Find out how to make changes to your license info

Online Services Quick Hits

- Check a License or HIS Registration
- Find My Licensed Contractor
- Frequently Asked Questions
- Forms and Applications
- Guides and Publications
- CSLB Laws and Regulations
- List of All CSLB Fees
- License Classifications
- Contractor Newsletter
- Application Status
- Application Status (Secured)
- Application Status by Personnel Name
- Application Status by Business Name
- CSLB Email Login

Online Services



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Exhibit 3

From: Nick White
To: Morford, Amy@EnergySafety
Subject: Re: Dig Safe Board Result #16119821
Date: Monday, April 21, 2025 10:55:57 AM
Attachments: image002.png
2023113000319-000.PDF
2023113000319-001.PDF
2023113000319-002.PDF
2023113000319-002_PositiveResponse_20250421_105309.pdf

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hello Amy,

Please see attached and let me know if you need anything else.

Thank you.

USAN 811

Nick White
Member Services Manager
O: 925-222-6501
W: undergroundservicealert.org
4005 Port Chicago Hwy #100 Concord, CA 94520
Members University

NEW DAMAGE PREVENTION PORTAL

Manage Your Area Of Interests | Respond To Your Tickets | Update Your Membership Information All In One Place

This message contains confidential information and is intended only for the intended recipients. If you are not an intended recipient you should not disseminate, distribute or copy this e-mail. Please notify us immediately by e-mail if you have received this e-mail by mistake and delete this e-mail from your system. E-mail transmission cannot be guaranteed to be secure or error-free as information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete, or contain viruses. Therefore we do not accept liability for any errors or omissions in the contents of this message, which arise as a result of e-mail transmission. If verification is required please request a hard-copy version.

From: Formsite <noreply@fs26.formsite.com>
Date: Monday, April 21, 2025 at 10:20 AM
To: Nick White <nick.white@usan.org>

Subject: Dig Safe Board Result #16119821

Complaint Number (if known)	C233385010
Full Name	Amy Morford
Phone Number	2797891815
Email	Amy.Morford@energysafety.ca.gov
What information are you requesting?	Ticket
Ticket number (if known)	2023113000319
Revision number(s) range (example - All or 000-005)	000
Do you have more tickets?	No
Do you need copies, if so which ones?	Ticket(s)
Location Description	2206 Clarke Avenue Nearby Cross Street: Bell Street East Palo Alto, CA 94303
Address/Street	2206 Clarke Avenue
Cross Street	Bell Street
City	East Palo Alto 94303
Do you know the Excavator Information?	Yes
Excavator/Contractor Company Name	Utility Construction Services
Excavator's/Contractor's Name	Jason Weidler
Excavator's/Contractor's Phone Number	8054400562
Excavator's/Contractor's Email	jasonw@ucs-llc.com

This email was sent as a result of a form being completed.
Report unwanted email.



UNDERGROUND SERVICE ALERT
NORTHERN CALIFORNIA & NEVADA

Ticket #: 2023113000319 Revision: 000

Ticket Status: Original
Transmission ID 1
Ticket Type: Normal
Response Required: Yes

Excavator Details

Contact: Jason Weidler **Phone:** 650-416-8099 **Mobile:** Not Supplied
Company: Utility Construction Services **Email:** jasonw@ucs-llc.com
Excavator Type: Utility Crew (operator non-muni / in-house crew) **Language:** Not Supplied
Address: 263 S Maple Ave South San Francisco California 94080 **Excavator ID:** 10378

Dig Site and Ticket Details



Open Map

Latitude/Longitude: 37.466139 -122.134421
GIS coordinate system: WGS84 (WKID 4326)

Previous Ticket #		**Rev.#**	
Submitted	11/30/2023 07:39	**Medium**	WEB
Work Begin Date	12/04/2023 17:01		
Legal Start Date	12/04/2023 17:01		
Ticket Expiration	12/28/2023 23:59		
Work Duration	Unknown		
Address/Location	2206 Clarke Ave		
City/Town/Place	East Palo Alto		
County	San Mateo County		
State	CA	**Zip Code**	94303
Nearby Cross Street	Bell St.		
Subdivision/Lot			
Delineated Method	White Paint		
Work Type	Utilities - Distribution		
Work Activity	Electric - Install New Facilities		
Excavation Method	Mechanical/Multiple Methods		
Anticipated Depth	Unknown		
Boring	No	**Explosive**	No
Street/Sidewalk	Yes	**Pavement Only**	No
Vacuum Excavation	Yes		
Project Owner	Pacific Gas & Electric		
Permit			
Job #/Name	35364590		
Onsite Contact Name	Dan Curl		
Onsite Contact Phone	6502289614		

Ticket Action Reason:

Excavator Remarks:

Starting at the face of curb on the southside of the intersection at Bell St & Clarke Ave go 170' south down private drive ending in front of address 2210 Clarke Ave. maps show the street needing to be located as Bell St although non of the address on that drive are associated with Bell St. Please reach out to Dan if you have any questions 650-228-9614.

Additional Information

Log in to One Call Access and click Positive Response on the menu to view responses from member facility operators and confirm that all operators have responded before you begin digging. **https://onecallca.undergroundservicealert.org.**

Be sure the work location is accessible to facility owners/operators and their contract locators.

- Review your ticket details and utility members notified. If you notice anything that is in error or incorrect, please login to your One Call Access account and amend or create a new ticket to include the correct and accurate information. It is your responsibility to provide clear and accurate information on every ticket
- Do not proceed with your work until the legal start date/response due date has passed and ALL facility owners/operators have responded.
- When working within 24" tolerance zone of any facility marking, you are required by state law to hand dig and expose and protect the facility.
- If you make contact with a line even scrapes, nicks, dents or other contact, you are required to report it to 811 and the facility operator immediately.
- If you would like free training regarding the 811 process and state excavation laws, please visit **www.811pro.com.**
- If you need assistance, please contact us visiting **www.undergroundservicealert.org**, or **information@usanorth811.org.**

Members Operator Notified

Total members impacted: 8

Seq. No.	Authority Name	Phone	Status
7759104	ATT Distribution - California	5106452929	Notification Sent
7759098	City of East Palo Alto	6508537253	Notification Sent
7759099	Comcast	3233425552	Notification Sent
7759100	East Palo Alto Sanitary District	6507143869	Notification Sent
7759101	MCI WorldCom California	8006249675	Notification Sent
7759102	Pacific Gas & Electric	9166392054	Notification Sent
7759097	Veolia North America	6503222083	Notification Sent
7759103	West Bay Sanitary District	6503210384	Notification Sent

----------End of Member List----------

Ticket Revision History

Total revision history showing: 1

REV	DATE/TIME	STATUS	TYPE	USER	MEDIUM
000	11/30/2023 7:39:51 AM	Original	Normal	UCS	Web

----------End of Revision History----------

----------End of Transmission----------

Exhibit 4

From: Nick White
To: Morford, Amy@EnergySafety
Subject: Re: EPR Requst
Date: Wednesday, September 25, 2024 3:29:24 PM
Attachments: image001.png
image003.png
20231130003319-002_PositiveResponse_20240925_152740.pdf

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hello Amy,

Please see attached and let me know if you need anything else.

Thank you.

USAN 811

Nick White
Member Services Manager
O: 925-222-6501
W: undergroundservicealert.org
4005 Port Chicago Hwy #100 Concord, CA 94520

NEW DAMAGE PREVENTION PORTAL

Manage Your Area Of Interests | Respond To Your Tickets | Update Your Membership Information All In One Place

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From: Morford, Amy@EnergySafety <Amy.Morford@energysafety.ca.gov>
Date: Wednesday, September 25, 2024 at 7:45 AM
To: Nick White <nick.white@usan.org>
Subject: EPR Requst

Good morning,

I'm requesting the EPR for ticket 2023113000319.

Thank you,

Amy Morford
Senior Policy Investigator
Underground Investigations Division
Amy.Morford@energysafety.ca.gov
Direct: 279-789-1815



OFFICE OF ENERGY
INFRASTRUCTURE
SAFETY

USAN

2023113000319-002 2206 Clarke Ave, East Palo Alto, CA 94303

Legal start date	Created on	Downloaded at
04 Dec 2023, 05:01 PM	25 Jan 2024, 12:59 PM	25 Sep 2024, 03:27 PM

6/8
RECEIVED

Created by
UCS

Reference
35364590

UTILITY NAME	RESPONSE CODE	UTILITY NOTES	STATION CODE	RECEIVED
ATT Distribution - California	004	Response by UtiliQuest	ATTDNORCAL	25 Jan 2024, 01:27 PM
City of East Palo Alto	000	Utility is yet to provide a suitable response code for this revision.	CTYEPA	25 Jan 2024, 01:01 PM
Comcast	001	No notes provided	COMNCA	25 Jan 2024, 01:39 PM
East Palo Alto Sanitary District	003	Existing Markings Adequate	EPASAN	12 Feb 2024, 09:59 AM
MCI WorldCom California	010	No notes provided	MCIWSA	25 Jan 2024, 01:04 PM
Pacific Gas & Electric	004	No notes provided	PGEBEL	25 Jan 2024, 01:15 PM
Veolia North America	000	Utility is yet to provide a suitable response code for this revision.	AWSEPA	25 Jan 2024, 01:01 PM
West Bay Sanitary District	001	OUT OF WBSD service area	WBASAN	25 Jan 2024, 02:50 PM

2023113000319-002 (Renewal) - Revised on: 25 Jan 2024, 12:59 PM

STATION CODE	STATION NAME	RESPONSE DATE	RESPONSE CODE	RESPONSE DESCRIPTION	COMMENTS
ATTDNORCAL	ATT Distribution - California	25 Jan 2024, 01:27 PM	004	Response by UtiliQuest	Response by UtiliQuest
ATTDNORCAL	ATT Distribution - California	25 Jan 2024, 01:01 PM	000	Utility is yet to provide a suitable response code for this revision.	Utility is yet to provide a suitable response code for this revision.
CTYEPA	City of East Palo Alto	23 Feb 2024, 09:15 PM	888	Utility did not provide a response code before the response due date. No response is required.	Utility did not provide a response code before the response due date. No response is required.
CTYEPA	City of East Palo Alto	25 Jan 2024, 01:01 PM	000	Utility is yet to provide a suitable response code for this revision.	Utility is yet to provide a suitable response code for this revision.

COMNCA	Comcast	25 Jan 2024, 01:39 PM	001	No notes provided	No notes provided
COMNCA	Comcast	25 Jan 2024, 01:01 PM	000	Utility is yet to provide a suitable response code for this revision.	Utility is yet to provide a suitable response code for this revision.
EPASAN	East Palo Alto Sanitary District	12 Feb 2024, 09:59 AM	003	Existing Markings Adequate	Existing Markings Adequate
EPASAN	East Palo Alto Sanitary District	25 Jan 2024, 01:01 PM	000	Utility is yet to provide a suitable response code for this revision.	Utility is yet to provide a suitable response code for this revision.
MCIWSA	MCI WorldCom California	25 Jan 2024, 01:04 PM	010	No notes provided	No notes provided
MCIWSA	MCI WorldCom California	25 Jan 2024, 01:01 PM	000	Utility is yet to provide a suitable response code for this revision.	Utility is yet to provide a suitable response code for this revision.
PGEBEL	Pacific Gas & Electric	25 Jan 2024, 01:15 PM	004	No notes provided	No notes provided
PGEBEL	Pacific Gas & Electric	25 Jan 2024, 01:01 PM	000	Utility is yet to provide a suitable response code for this revision.	Utility is yet to provide a suitable response code for this revision.
AWSEPA	Veolia North America	23 Feb 2024, 09:15 PM	888	Utility did not provide a response code before the response due date. No response is required.	Utility did not provide a response code before the response due date. No response is required.
AWSEPA	Veolia North America	25 Jan 2024, 01:01 PM	000	Utility is yet to provide a suitable response code for this revision.	Utility is yet to provide a suitable response code for this revision.
WBASAN	West Bay Sanitary District	25 Jan 2024, 02:50 PM	001	OUT OF WBSD service area	OUT OF WBSD service area
WBASAN	West Bay Sanitary District	25 Jan 2024, 01:01 PM	000	Utility is yet to provide a suitable response code for this revision.	Utility is yet to provide a suitable response code for this revision.

2023113000319-001 (Renewal) - Revised on: 28 Dec 2023, 09:38 PM

STATION CODE	STATION NAME	RESPONSE DATE	RESPONSE CODE	RESPONSE DESCRIPTION	COMMENTS
ATTDNORCAL	ATT Distribution - California	28 Dec 2023, 09:54 PM	004	Response by UtiliQuest	Response by UtiliQuest
ATTDNORCAL	ATT Distribution - California	28 Dec 2023, 09:39 PM	000	Utility is yet to provide a suitable response code for this revision.	Utility is yet to provide a suitable response code for this revision.

CTYEPA	City of East Palo Alto	25 Jan 2024, 01:01 PM	999	Utility did not provide a response code before the response due date.	Utility did not provide a response code before a new revision was received.
CTYEPA	City of East Palo Alto	28 Dec 2023, 09:39 PM	000	Utility is yet to provide a suitable response code for this revision.	Utility is yet to provide a suitable response code for this revision.
COMNCA	Comcast	28 Dec 2023, 09:50 PM	001	No notes provided	No notes provided
COMNCA	Comcast	28 Dec 2023, 09:39 PM	000	Utility is yet to provide a suitable response code for this revision.	Utility is yet to provide a suitable response code for this revision.
EPASAN	East Palo Alto Sanitary District	04 Jan 2024, 07:51 AM	003	Existing Markings Adequate	Existing Markings Adequate
EPASAN	East Palo Alto Sanitary District	28 Dec 2023, 09:39 PM	000	Utility is yet to provide a suitable response code for this revision.	Utility is yet to provide a suitable response code for this revision.
MCIWSA	MCI WorldCom California	28 Dec 2023, 09:42 PM	010	No notes provided	No notes provided
MCIWSA	MCI WorldCom California	28 Dec 2023, 09:39 PM	000	Utility is yet to provide a suitable response code for this revision.	Utility is yet to provide a suitable response code for this revision.
PGEBEL	Pacific Gas & Electric	28 Dec 2023, 09:54 PM	004	No notes provided	No notes provided
PGEBEL	Pacific Gas & Electric	28 Dec 2023, 09:39 PM	000	Utility is yet to provide a suitable response code for this revision.	Utility is yet to provide a suitable response code for this revision.
AWSEPA	Veolia North America	25 Jan 2024, 01:01 PM	999	Utility did not provide a response code before the response due date.	Utility did not provide a response code before a new revision was received.
AWSEPA	Veolia North America	28 Dec 2023, 09:39 PM	000	Utility is yet to provide a suitable response code for this revision.	Utility is yet to provide a suitable response code for this revision.
WBASAN	West Bay Sanitary District	29 Dec 2023, 10:07 AM	001	No notes provided	No notes provided
WBASAN	West Bay Sanitary District	28 Dec 2023, 09:39 PM	000	Utility is yet to provide a suitable response code for this revision.	Utility is yet to provide a suitable response code for this revision.

2023113000319-000 (New) - Revised on: 30 Nov 2023, 07:39 AM

STATION CODE	STATION NAME	RESPONSE DATE	RESPONSE CODE	RESPONSE DESCRIPTION	COMMENTS

ATTDNORCAL	ATT Distribution - California	02 Dec 2023, 09:09 AM	010	Response by UtiliQuest	Response by UtiliQuest
ATTDNORCAL	ATT Distribution - California	30 Nov 2023, 07:40 AM	000	Utility is yet to provide a suitable response code for this revision.	Utility is yet to provide a suitable response code for this revision.
CTYEPA	City of East Palo Alto	04 Dec 2023, 05:15 PM	999	Utility did not provide a response code before the response due date.	Utility did not provide a response code before the response due date.
CTYEPA	City of East Palo Alto	30 Nov 2023, 07:40 AM	000	Utility is yet to provide a suitable response code for this revision.	Utility is yet to provide a suitable response code for this revision.
COMNCA	Comcast	02 Dec 2023, 09:05 AM	010	No notes provided	No notes provided
COMNCA	Comcast	30 Nov 2023, 07:40 AM	000	Utility is yet to provide a suitable response code for this revision.	Utility is yet to provide a suitable response code for this revision.
EPASAN	East Palo Alto Sanitary District	06 Dec 2023, 08:08 AM	010	Locate Area Marked	Locate Area Marked
EPASAN	East Palo Alto Sanitary District	04 Dec 2023, 05:15 PM	999	Utility did not provide a response code before the response due date.	Utility did not provide a response code before the response due date.
EPASAN	East Palo Alto Sanitary District	30 Nov 2023, 07:40 AM	000	Utility is yet to provide a suitable response code for this revision.	Utility is yet to provide a suitable response code for this revision.
MCIWSA	MCI WorldCom California	30 Nov 2023, 07:42 AM	001	No notes provided	No notes provided
MCIWSA	MCI WorldCom California	30 Nov 2023, 07:40 AM	000	Utility is yet to provide a suitable response code for this revision.	Utility is yet to provide a suitable response code for this revision.
PGEBEL	Pacific Gas & Electric	02 Dec 2023, 09:35 AM	010	No notes provided	No notes provided
PGEBEL	Pacific Gas & Electric	30 Nov 2023, 07:40 AM	000	Utility is yet to provide a suitable response code for this revision.	Utility is yet to provide a suitable response code for this revision.
AWSEPA	Veolia North America	04 Dec 2023, 05:15 PM	999	Utility did not provide a response code before the response due date.	Utility did not provide a response code before the response due date.
AWSEPA	Veolia North America	30 Nov 2023, 07:40 AM	000	Utility is yet to provide a suitable response code for this revision.	Utility is yet to provide a suitable response code for this revision.
WBASAN	West Bay Sanitary District	30 Nov 2023, 01:03 PM	001	OUT OF WBSD service area	OUT OF WBSD service area

Downloaded at 25 Sep 2024, 03:27 PM

WBASAN	West Bay Sanitary District	30 Nov 2023, 07:40 AM	000	Utility is yet to provide a suitable response code for this revision.	Utility is yet to provide a suitable response code for this revision.

Downloaded at 25 Sep 2024, 03:27 PM

Exhibit 5

CALIFORNIA UNDERGROUND FACILITIES SAFE EXCAVATION BOARD
INVESTIGATION DIVISION
RECORD OF CONVERSATION

DATE: 12/19/2023

CASE NO: C233385010

DATE/TIME OF CONVERSATION: 12/19/2023 9:45 a.m.

LOCATION OF CONVERSATION: Phone

NAME/ADDRESS OF PARTY:
Kevin Lewis
Public Works Supervisor
City of East Palo Alto
1960 Tate Street
East Palo Alto, CA 94303
klewis@cityofepa.org
650-441-2050

NARRATIVE:

The City of East Palo Alto has not responded to an active ticket to mark their water utilities. On December 19, 2023, the board investigator received an email from Kevin Lewis, Public Works Supervisor for the City of East Palo Alto. Lewis stated that he reviews all or most of the tickets pertaining to East Palo Alto but was not the responsible party for water utility locates.

CONVERSATION:

Amy Morford – Investigator
Operator – Kevin Lewis, City of East Palo Alto

On December 19, 2023, at approximately 9:45 a.m. The investigator contacted Lewis via phone who stated the City of East Palo Alto was unable to mark utilities due to staffing issues. Per Lewis, locating and marking had been delegated to the city's water department, Violia North America.

The investigator asked Lewis for a point of contact for Violia North America and a manager or supervisor above him with the City of East Palo Alto. Lewis stated he didn't have a contact for Violia North America. However, he was a locating professional and was personally going to locate and mark ticket number 2023113000319 by the end of the week as well as tickets 2023112802631-000 and 2023112902821-000 submitted by Utility Construction Services.

Lewis confirmed he would notify the investigator when 2206 Clarke Avenue was marked and forward pictures.

End of Record

Investigator Name	Supervisor Name
Amy Morford	Brittny Branaman

Exhibit 6

State of California – A Natural Resources Agency

Gavin Newsom, Governor

OFFICE OF ENERGY INFRASTRUCTURE SAFETY
UNDERGROUND SAFETY BOARD
715 P Street, 20th Floor | Sacramento, CA 95814
916.902.6000 | www.energysafety.ca.gov

MEMBERS
Amparo Munoz, Chair
Bill Johns, Vice Chair
Randy Charland
Marshall Johnson
Dave Sorem
Carl Voss

EXECUTIVE OFFICER
Tony Marino

TRANSMITTED VIA ELECTRONIC MAIL

Request Date: December 06, 2024

Response Due: December 21, 2024

To: Veolia North America
Alan Craft
2415 University Avenue
East Palo Alto, California 94303
925-832-9416

Investigator: Amy Morford

Send your response to the investigator at this email address:

Amy.Morford@energysafety.ca.gov

Information Request Number: Underground Safety-IR-2024-180

Subject: Request for information pertaining to an unmarked facility, Utility Construction Services ticket #2023113000319-000, 2206 Clark Avenue, East Palo Alto, December 4, 2023.

We received an electronic positive response (EPR) notification from the Regional Notification Center. For ticket #2023113000319-000, on December 4, 2023, Veolia North America (AWSEPA) was issued a 999 EPR code, utility did not provide a response code before the response due date at 2206 Clark Avenue, East Palo Alto.

AWSEPA	Veolia North America	04 Dec 2023, 05:15 PM	999	Utility did not provide a response code before the response due date.	Utility did not provide a response code before the response due date.

As part of our investigation, we are attempting to determine why you were not able to locate and mark before the legal start date.

REQUESTS

1. Provide all documents that relate to the above incident. This includes work orders, reports, photographs, dispatch logs, etc.

2. Provide all documents that relate to any communications between Veolia North America and USA North regarding the incident above. This includes all tickets, electronic positive responses, and emails.

3. Provide the contact names, phone numbers, and email addresses of employees familiar with the incident above.

INSTRUCTIONS

a. Provide all information in your possession, custody, or control, or the possession, custody, and/or control of your affiliates or agents, that is responsive to these requests by the due date identified above.
b. Identify the personnel (employees, consultants, agents, etc.) who provided information responsive to each of the information requests by stating the full name, business address, and title of each person.
c. If you do not know the exact answer to any of the requests above, please so indicate and provide your best estimate.
d. Provide data in its original format (i.e., PDF, Excel, GIS shapefile, etc.), unless otherwise specified in the request.

From:	Harper, Anthony
To:	Morford, Amy@EnergySafety
Subject:	Unmarked facility at 2206 Clark Avenue, East Palo Alto, on December 4, 2023
Date:	Monday, December 9, 2024 8:39:02 AM
Attachments:	2024.12.06_02_Information Request to Operator Veolia North America City of East Palo Alto.docx

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Amy,

The City of EPA handles that. Please contact Humza or Kevin, see their emails below.

hjaved@cityofepa.org
klewis@cityofepa.org

Also, please update your form, Alan Craft is a Veolia employee and we are not located at that address. You would need to direct that to the city personnel and that is the address for City Hall.

Respectfully,

--
Anthony Harper
Project Manager II
Municipal & Commercial
VEOLIA NORTH AMERICA

cell +1 812 217 8524

anthony.harper@veolia.com
www.veolianorthamerica.com



Exhibit 7

From: Morford, Amy@EnergySafety
To: klewis@cityofepa.org
Subject: FW: Unmarked facility at 2206 Clark Avenue, East Palo Alto, on December 4, 2023
Date: Monday, December 9, 2024 12:18:00 PM
Attachments: 2024.12.06_02_Information Request to Operator Veolia North America City of East Palo Alto.docx

Hi Kevin,

I'm working on some loose ends regarding an incident involving unmarked facilities at 2206 Clark Avenue, East Palo Alto.

I last spoke with you on December 26, 2023, and you had located and marked facilities for this incident.

Veolia North America did not provide an Electronic Positive Response. Does Veolia North America locate and mark its facilities? Is the City of East Palo Alto responsible for locating and marking for Veolia North America?

Clarification on this matter is appreciated.

Thanks,

Amy Morford
Senior Policy Investigator
Amy.Morford@energysafety.ca.gov
Direct: 279-789-1815
Office of Energy Infrastructure Safety

From: Harper, Anthony <anthony.harper@veolia.com>
Sent: Monday, December 9, 2024 8:38 AM
To: Morford, Amy@EnergySafety <Amy.Morford@energysafety.ca.gov>
Subject: Unmarked facility at 2206 Clark Avenue, East Palo Alto, on December 4, 2023

You don't often get email from anthony.harper@veolia.com. Learn why this is important

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Amy,

The City of EPA handles that. Please contact Humza or Kevin, see their emails below.

hjaved@cityofepa.org

klewis@cityofepa.org

Also, please update your form, Alan Craft is a Veolia employee and we are not located at that address. You would need to direct that to the city personnel and that is the address for City Hall.

Respectfully,

--
Anthony Harper

Project Manager II
Municipal & Commercial
VEOLIA NORTH AMERICA

cell

+1 812 217 8524

anthony.harper@veolia.com
www.veolianorthamerica.com



Exhibit 8

CALIFORNIA UNDERGROUND FACILITIES SAFE EXCAVATION BOARD
INVESTIGATION DIVISION
RECORD OF CONVERSATION

DATE: 12/11/2024

CASE NO: C233385010

DATE/TIME OF CONVERSATION: 12/11/2024 3:26 p.m.

LOCATION OF CONVERSATION: Phone

NAME/ADDRESS OF PARTY:
Kevin Lewis
Public Works Supervisor
City of East Palo Alto
1960 Tate Street
East Palo Alto, CA 94303
klewis@cityofepa.org
650-441-2050

CONVERSATION:

Amy Morford – Investigator
Operator – Kevin Lewis, City of East Palo Alto

On December 11, 2024, at approximately 3:26 p.m. the Investigator contacted Lewis via phone regarding Veolia North America's failure to provide an Electronic Positive Response (EPR) to the ticket 2023113000319-000.

The Investigator explained to Lewis that Alan Craft, Project Manager with Veolia North America, had been sent a request for information. Anthony Harper, Project Manager II with Veolia North America, responded to the request, stating the City of East Palo Alto handles their EPRs.

Lewis stated that Veolia North America refuses to mark and locate even though the City of East Palo Alto contracts them to run the water department and facilitate their facilities. Lewis is a locate specialist and has been doing what he can to mark and locate tickets over the past year.

Lewis requested the Investigator send him an email to which he will reply with Veolia North America's contact information.

End of Record

Investigator Name	Supervisor Name

Amy Morford	Anona Bonner

Exhibit 9

From: Kevin Lewis
To: Morford, Amy@EnergySafety
Subject: Re: Follow-Up Email Regarding Veolia North America
Date: Wednesday, December 11, 2024 7:46:03 PM
Attachments: image001.png

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi Amy
I came across this information in addition to what I previously sent you.

Anthony Harper
Project Manager II
Municipal & Commercial
VEOLIA NORTH AMERICA
cell +1 812 217 8524
anthony.harper@veolia.com

I think that this would be everything.

Thank you again,

Kevin

> On Dec 11, 2024, at 7:02 PM, Kevin Lewis <klewis@cityofepa.org> wrote:
>
> Hi Amy
>
> Thank you for reaching out to me.
> Please review the managers information below
>
> Veolia North
> Manager: Anthony Harper
> anthony.harper@veolia.com
>
> Basically over the last year or so Veolia Water has refused to provide the City of East Palo Alto with water utility markings per USA.
>
> From what I understand, Veolia insist that it's become a liability issue that they do not want any part of.
> …and so I have been tasked with marking the water utilities sense I know the utility quite well, although very overwhelming at times.
>
> I am sure that they do not have a competent person capable of this task, which is based on my argument if under contract.
>
> Any appropriate help that you could advise or provide would be greatly

appreciated.

Thank you, Amy

Sincerely,

Kevin L
650 441 2050
Engineering Division
Public Works Supervisor
City Inspector/Field Engineer

On Dec 11, 2024, at 3:33 PM, Morford, Amy@EnergySafety <Amy.Morford@energysafety.ca.gov> wrote:

Hi Kevin,

Thank you for taking the time to speak with me today.

Please provide a brief description of what is occurring with Veolia North America's mark and locate situation and any contact information you have.

Thank you,

Amy Morford
Senior Policy Investigator
Underground Investigations Division
Phone: 279-789-1815
www.energysafety.ca.gov
<image001.png>

CAUTION: This e-mail originated from outside of the organization. Do not click links or open attachments unless you validate the sender and know the content is safe.

Exhibit 10

From: Morford, Amy@EnergySafety
To: rperez@cityofepa.org
Cc: klewis@cityofepa.org
Subject: Case C233385010 Veolia Contract with City of EPA
Date: Friday, December 13, 2024 9:38:00 AM
Attachments: image001.png

Good morning,

Does the City of East Palo Alto contract with Veolia North America to operate and maintain the City's water infrastructure as indicated on the following website?

https://www.eastpaloaltowater.com/pages/about/about-veolia

If yes, provide a copy of the contract.

Thank you,

Amy Morford
Senior Policy Investigator
Underground Investigations Division
Phone: 279-789-1815
www.energysafety.ca.gov
OFFICE OF ENERGY INFRASTRUCTURE SAFETY

Exhibit 11

From: Morford, Amy@EnergySafety
To: anthony.harper@veolia.com
Subject: Case C233385010 Veolia Contract with City of EPA
Date: Friday, December 13, 2024 9:48:00 AM
Attachments: image001.png

Hello,

My name is Amy Morford, and I represent the Investigations Division of the Underground Safety Board. I am the investigator assigned to gather information regarding an unmarked facility on December 4, 2023, at 2206 Clark Avenue, in East Palo Alto, ticket #2023113000319-000.

On December 9, 2024, you responded to an information request via email stating that the City of East Palo Alto handles Electronic Positive Responses.

Does Veolia have a contract with the City to operate and maintain the City's water infrastructure, as indicated on the following website?

https://www.eastpaloaltowater.com/pages/about/about-veolia

If yes, provide a copy of the contract.

Thank you,

Amy Morford
Senior Policy Investigator
Underground Investigations Division
Phone: 279-789-1815
www.energysafety.ca.gov
OFFICE OF ENERGY INFRASTRUCTURE SAFETY

Exhibit 12

CALIFORNIA UNDERGROUND FACILITIES SAFE EXCAVATION BOARD
INVESTIGATION DIVISION
RECORD OF CONVERSATION

DATE: 12/13/2024

CASE NO: C233385010

DATE/TIME OF CONVERSATION: 12/13/2024 9:56 a.m.

LOCATION OF CONVERSATION: Phone

NAME/ADDRESS OF PARTY:
City of East Palo Alto
Richard Perez, Utility Manager
1960 Tate Street
East Palo Alto, CA 94303
rperez@cityofepa.org

CONVERSATION:

Amy Morford – Investigator
Operator – Richard Perez, City of East Palo Alto

On December 13, 2024, at approximately 9:56 a.m. the Investigator spoke with Richard Perez (Perez) via phone regarding Veolia North America's failure to provide an Electronic Positive Response (EPR) to the ticket 2023113000319-000.

Perez stated he started with the City of East Palo Alto in September 2024 and is working with Kevin Lewis to understand the city's 811 locate and mark responsibilities. The city has hired a locator and will be providing equipment and training.

Perez requested the Investigator send him the ticket and EPR related to this incident. Regarding the Investigator's contract request between the City of East Palo Alto and Veolia North America, Perez stated he would need to check with management above him and the city's legal department.

End of Record

Investigator Name	Supervisor Name
Amy Morford	Anona Bonner

Exhibit 13

From: Harper, Anthony
To: Morford, Amy@EnergySafety
Subject: Re: Case C233385010 Veolia Contract with City of EPA
Date: Friday, December 13, 2024 10:50:53 AM
Attachments: image001.png

You don't often get email from anthony.harper@veolia.com. Learn why this is important

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Amy,

Veolia holds a "Lease" with the City. The City of East Palo Alto directly handles all line locating and 811/USA work. Veolia does not handle that work. Please contact the City if you have any questions as Veolia can't speak on behalf of the City.

Respectfully,

On Fri, Dec 13, 2024 at 9:48 AM Morford, Amy@EnergySafety <Amy.Morford@energysafety.ca.gov> wrote:

> Hello,
>
> My name is Amy Morford, and I represent the Investigations Division of the Underground Safety Board. I am the investigator assigned to gather information regarding an unmarked facility on December 4, 2023, at 2206 Clark Avenue, in East Palo Alto, ticket #2023113000319-000.
>
> On December 9, 2024, you responded to an information request via email stating that the City of East Palo Alto handles Electronic Positive Responses.
>
> Does Veolia have a contract with the City to operate and maintain the City's water infrastructure, as indicated on the following website?
>
> https://www.eastpaloaltowater.com/pages/about/about-veolia
>
> If yes, provide a copy of the contract.

Thank you,

Amy Morford

Senior Policy Investigator

Underground Investigations Division

Phone: 279-789-1815

www.energysafety.ca.gov



--

Anthony Harper
Project Manager II
Municipal & Commercial
VEOLIA NORTH AMERICA

cell +1 812 217 8524

anthony.harper@veolia.com
www.veolianorthamerica.com



Exhibit 14

From: Richard Perez
To: Morford, Amy@EnergySafety
Subject: RE: Case C233385010 Veolia Contract with City of EPA
Date: Monday, January 6, 2025 2:02:37 PM
Attachments: image002.png
image003.png
EPA Agreement For Lease of the City Water System to AWE 2001 April 19.pdf

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Good afternoon, see attached. If there is anything else I can provide, please let me know.

Thank you.

Richard Perez
Utility Manager
Phone (650) 853-3117
Email rperez@cityofepa.org
Web www.cityofepa.org
1960 Tate Street
East Palo Alto, CA 94303

From: Morford, Amy@EnergySafety <Amy.Morford@energysafety.ca.gov>
Sent: Friday, January 3, 2025 2:08 PM
To: Richard Perez <rperez@cityofepa.org>
Subject: FW: Case C233385010 Veolia Contract with City of EPA

Hi Richard,

I'm following up Veolia North and their relationship with the City of East Palo Alto.

Any updates on obtaining a copy of the contract to establish what the relationship is?

Thanks,

Amy Morford
Senior Policy Investigator
Underground Investigations Division
Phone: 279-789-1815
www.energysafety.ca.gov

OFFICE OF ENERGY INFRASTRUCTURE SAFETY

From: Morford, Amy@EnergySafety
Sent: Friday, December 13, 2024 4:17 PM
To: Richard Perez <rperez@cityofepa.org>
Subject: RE: Case C233385010 Veolia Contract with City of EPA

Hi Richard,

We received an electronic positive response (EPR) notification from the Regional Notification Center. For ticket #2023113000319-000, on December 4, 2023, Veolia North America (AWSEPA) was issued a 999 EPR code, utility did not provide a response code before the response due date at 2206 Clark Avenue, East Palo Alto.

As part of our investigation, we are attempting to determine why Veolia North America was not able to locate and mark before the legal start date.

I have attached the ticket and EPR for reference.

Veolia North states they hold a "Lease" with the city. The City of East Palo Alto handles all line locating and 811/USA work.

Please reach out if you have any questions.

Amy Morford
Senior Policy Investigator
Underground Investigations Division
Phone: 279-789-1815
www.energysafety.ca.gov
OFFICE OF ENERGY INFRASTRUCTURE SAFETY

From: Richard Perez <rperez@cityofepa.org>
Sent: Friday, December 13, 2024 10:07 AM
To: Morford, Amy@EnergySafety <Amy.Morford@energysafety.ca.gov>
Cc: Kevin Lewis <klewis@cityofepa.org>
Subject: RE: Case C233385010 Veolia Contract with City of EPA

You don't often get email from rperez@cityofepa.org. Learn why this is important
CAUTION: This email originated from outside of the organization. Do not click

links or open attachments unless you recognize the sender and know the content is safe.

Good morning, thank you for the call. I'll hold for further information as discussed.

Thank you.

Richard Perez
Utility Manager
Phone (650) 853-3117
Email rperez@cityofepa.org
Web www.cityofepa.org
1960 Tate Street
East Palo Alto, CA 94303

From: Morford, Amy@EnergySafety <Amy.Morford@energysafety.ca.gov>
Sent: Friday, December 13, 2024 9:38 AM
To: Richard Perez <rperez@cityofepa.org>
Cc: Kevin Lewis <klewis@cityofepa.org>
Subject: Case C233385010 Veolia Contract with City of EPA

Good morning,

Does the City of East Palo Alto contract with Veolia North America to operate and maintain the City's water infrastructure as indicated on the following website?

https://www.eastpaloaltowater.com/pages/about/about-veolia

If yes, provide a copy of the contract.

Thank you,

Amy Morford
Senior Policy Investigator
Underground Investigations Division
Phone: 279-789-1815
www.energysafety.ca.gov
OFFICE OF ENERGY INFRASTRUCTURE SAFETY

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CAUTION: This e-mail originated from outside of the organization. Do not click links or open attachments unless you validate the sender and know the content is safe.

AGREEMENT FOR LEASE OF REAL PROPERTY (WATER SYSTEM)

THIS AGREEMENT FOR LEASE OF REAL PROPERTY (WATER SYSTEM) ("Lease") is entered into as of April 9, -, 2001, between THE CITY OF EAST PALO ALTO, a municipal corporation of the State of California ("City"), and AMERICAN WATER SERVICES, INC., a Delaware corporation (the "Company"), a wholly-owned non-regulated subsidiary of American Water Works Company, Inc.

WITNESSETH:

WHEREAS, through the Water System, City provides water service to approximately 3,800 domestic and industrial customers in the Service Area;

WHEREAS, City desires to lease the Water System to the Company, and the Company desires to lease the Water System from City, for the period and upon the other terms and conditions set forth herein;

WHEREAS, the Company intends to utilize its local affiliate, Cal-Am, to operate, maintain and manage the Water System; and

WHEREAS, the Company and Cal-Am possess the resources, capacity and expertise to operate, maintain and manage the Water System.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and for good and valuable consideration, the receipt and adequacy of which the parties hereby acknowledge, City and the Company hereby agree as follows:

Section 1. Defined Terms.

For purposes of this Lease, the following terms shall have the meanings set forth below:

"*Cal-Am*" means California-American Water Company, an investor-owned water utility regulated by the CPUC that provides water service to approximately 105,000 domestic and industrial customers in six separate water systems located in Monterey County, Los Angeles County, Ventura County and San Diego County that also is a wholly-owned subsidiary of American Water Works Company, Inc.

"*Capital Charge*" means the cost to be charged to the customers of the Water System to recover the Capital Costs and other costs related to System Improvements.

"*Capital Costs*" means the cost of financing, designing, permitting and constructing recommended System Improvements and other costs associated therewith.

"*Commencement Date*" means the effective date upon which City assumes ownership of the East Palo Alto County Waterworks District.

"*CPUC*" means the California Public Utilities Commission.

"*Environment*" means soil, land, surface or sub-surface strata, surface waters (including navigable waters, oceans, streams, ponds, drainage basins and wetlands), groundwater, drinking water supply, stream sediments, ambient air, plant and animal life, and any other environmental medium or natural resource.

"*Environmental Law*" means any Legal Requirements designed to minimize, prevent, punish or remedy the consequence of actions or omissions that damage or threaten the Environment or public health and safety.

"*Environmental Liabilities*" means any costs, expenses or liabilities relating to or arising from any violation of any Environmental Law, including, without limitation, any potential or actual environmental clean up or remediation of any Hazardous Substances that may be located on any property that constitutes part of the Water System, or that enter the water delivered to customers by the Water System, or any investigation of or environmental reports prepared with respect thereto.

"*Financial Report*" means that report required pursuant to Section 6D.

"*Franchise Fee*" means the franchise fee required pursuant to Paragraph 6B.

"*Governmental Body*" means any governmental officer, agency, authority or entity.

"*Government Charges*" means any new City, State or federally imposed charges, taxes, license or permit fees, including, without limitation, the imposition of a possessory interest tax on the Company's interest in the Water System.

"*Gross Revenues*" means the service charges, water charges and miscellaneous charges generated by the Water System and described in the City's Schedule of Rates for Water Service actually collected by the Company in a particular period. The term Gross Revenues specifically excludes utility tax collections and service connection charges and facility buy-in charges as described in the City's Schedule of Rates for Water Service and Surcharges.

"*Hazardous Substance*" means any substance, material or waste which is defined as "hazardous waste," "hazardous material," "hazardous substance," "extremely hazardous waste," "restricted hazardous waste" or similar term under any provision of any federal, state or local law and includes, without limitation, hydrocarbons, petroleum, gasoline, crude oil or any products, by-products or fractions thereof.

"*Initial Rates*" means the Water Service Rates to customers in effect immediately prior to the Commencement Date.

"*Legal Requirement*" means any federal, state, local, municipal or other administrative order, constitution, law, ordinance, principle of common law, regulation, statute, order or other legal requirement.

"b*Lease Payment*" means the lease payment required pursuant to Paragraph 6A.

"*Net Capital Investment*" means the amount of capital funds invested by the Company for System Improvements, less principal sum payments.

"*Operations Report*" means that report required pursuant to Section 7F.

"*Request for Rate Relief*" means a written request for rate relief provided by the Company to City pursuant to which the Company shall propose to City reasonable rates and charges.

"*Service Area*" means that certain real property described on Exhibit A attached hereto and in which the Water System is located (as such service area may change from time to time during the term of this Lease).

"*System Improvements*" means necessary capital improvements, replacements, or repairs to the Water System.

"*System Improvement Report*" means that report required pursuant to Section 9.

"*Term*" means that period commencing on the Commencement Date and ending 25 years thereafter, unless terminated earlier as provided in this Lease.

"*Water System*" means that certain real property, easements and rights of way and those certain pipes, mains, pumps and appurtenant facilities (including, without limitation, buildings, pump houses, sheds and other structures) constituting all of City's water system within the Service Area, as more specifically described in Exhibit B attached hereto.

"*Water Service Rates*" means those rates for water service charged to customers of the Water System.

Section 2. Lease of Water System.

City hereby leases to the Company, and the Company hereby leases from City, the Water System described in Exhibit B with such additions or improvements to the Water System that may occur from time-to-time while this Lease is in effect. City agrees to provide the Company with copies of maps, drawings, plans and specifications of the Water System, along with customer service and account records in a form acceptable to both parties, at least 30 days prior to the Commencement Date, defined below. The Company agrees to use its best efforts to keep all customer information confidential, whether received from City or developed during the Term of the Lease.

Section 3. Revenues and Expenses.

Except as set forth hereafter, City shall be obligated to pay all expenses that relate to the operation of the Water System that are incurred or accrue prior to or after the Term. In addition, City shall pay to the Company any portion of the Operation and Maintenance Service Fee and any other fees due to Cal-Am under the terms of the Service Agreement between Cal-Am and the East Palo Alto County Waterworks District dated July 25, 2000, for the period prior to the Term of this Agreement. The Company shall be obligated to pay all expenses that relate to the

operation of the Water System that are incurred or accrue during the Term. In no event, however, shall the Company be liable or responsible for any Environmental Liabilities unless the Company has caused the violation of the Environmental Laws that created the Environmental Liabilities. City shall be liable and responsible for all such Environmental Liabilities not caused by the Company and shall indemnify and hold harmless the Company from all costs and expenses arising therefrom.

Section 4. Use of Water System.

Subject to the provisions of this Lease, the Company agrees to use the Water System to furnish potable water service and water service for fire protection to all customers in the Service Area in accordance with all applicable Legal Requirements that are in effect during the Term.

The Company may not retire, sell, transfer, convey, or encumber any real property or personal property of the Water System without the prior written consent of City, which consent may not be unreasonably withheld.

The Company is granted the exclusive right to provide water service to customers within the City corporate limits. The City agrees not to allow the creation of additional investor-owned or mutual water companies within the City's corporate limits.

Section 5. Title

All System Improvements to the Water System during the Term shall become part of the Water System and title to such System Improvements shall immediately vest in City. Any other property added to or incorporated into the Water System by the Company pursuant to its obligations under this Lease or which are added by new developments shall be deemed part of the Water System for purposes of this Lease and title to such property shall immediately vest in City. The Company shall not own the Water System or any part thereof.

Section 6. Payments and Transfers of Other Funds to the City

A. Lease Payment. As consideration of the Lease of the Water System, the Company shall pay the City an annual Lease Payment in an amount equal to six percent (6%) of the annual Gross Revenues generated by the Water System. The Company shall make Lease Payments to the City on the fifteenth (15th) business day of each month equal to six percent (6%) of the prior month's Gross Revenues.

B. Franchise Fee. In addition, the Company shall pay the City an annual Franchise Fee equal to five percent (5%) of the annual Gross Revenues generated by the Water System. The Company shall pay Franchise Fees to the City on the fifteenth (15th) business day of each month equal to five percent (5%) of the prior month's Gross Revenues.

C. Utility Tax. The Company shall collect the City's utility tax and transfer all such collections to the City on the fifteenth (15th) business day of each month.

D. Financial Report. The Company shall on annual basis provide City a reasonably detailed Financial Report on the Water System that presents in all material respects the financial

position of the Water System. The Financial Report shall contain a balance sheet and related statements of income, cash flow and capital investment by the Company that conform to accounting principles generally accepted in the United States of America. The Company shall deliver the Financial Report to City sixty (60) days after the close of the fiscal year.

E. Financial Audit. City shall have the right to conduct at any time, at City's expense, an audit of the financial statements of the Water System. The Company shall provide any accounting, financial, or other report or information related to the Company's operation and maintenance of the Water System reasonably requested by City.

Section 7. Operation of Water System.

A. Repair, Maintenance and Operation: The Company shall operate the Water System and pay all costs and expenses relating to its operations, provided, however, that if the total annual maintenance and repair costs exceed $110,000, the excess costs shall be considered System Improvements and shall be included in Capital Charges charged to the customers in the year following the year incurred pursuant to Section 9 of this Lease. City shall not be obligated to pay any cost or expense in connection with or related to the management, operation, improvement, repair or maintenance of the Water System during the Term of this Lease except for any Environmental Liabilities as defined in Section 3. The Company shall undertake any System Improvements and repairs and perform routine and emergency maintenance of the Water System in accordance with customary utility practices. All System Improvements to the Water System shall be subject, however, to the procedures set forth in Section 9 hereof.

B. Customer Service Obligations: The Company shall have the following customer service obligations: sending monthly or bimonthly bills, at the Company's election, to all customers receiving water service in the Service Area; payment processing; responding to customer inquiries on water service, bills, leaks or other concerns; collecting bills; processing applications for new or transfers of service; collecting customer deposits for new service; collecting construction meter deposits; investigating customer complaints.

C. Emergency Service Obligations: The Company shall have the following emergency service obligations while the Lease is in effect: maintaining 24 hour on-call response to emergency calls or customer inquiries; providing an emergency or natural disaster operations plan; maintaining an emergency communications system; providing or having access to equipment required to perform emergency repair work to vital system equipment and water mains.

D. Water Quality Testing Obligations: The Company shall have the following water quality testing obligations while the Lease is in effect: performing, or causing to be performed, by a State of California certified laboratory and all water sampling, analysis, testing and reporting required for water sources, distribution mains or customer premises by the U.S. Environmental Protection Agency, State of California Department of Health Services and Office of Drinking Water and the County Environmental Health Department, or acts of the U.S. Congress or California Legislature; scheduling and collecting water samples to test for microbiological, inorganic and organic constituents; transportation to a certified lab; preparing monitoring plans; sample collection training; reporting to appropriate regulators; record keeping;

analysis interpretation; special or emergency sample collection and analysis, and emergency notification to affected customers, if required; preparing and distributing all published and distributed customer reports on water quality; new well or water source sampling and analysis; response to customer inquiries on water quality; coordination of cross-connection control and potential contamination issues; conducting an annual system survey with the California State Department of Health Services; obtaining any necessary permits and compliance with appropriate air district regulations; providing hazardous materials control program, and ensuring all operator certification compliance with State and Federal requirements.

E. Other Service Obligations: The Company shall have the following additional service obligations while the Lease is in effect: implement a water conservation program; maintain distribution system maps and plat maps; prepare any required urban water management plans; and in general, to do all such acts and perform all such services that are required to operate the Water System in a manner similar to that which is customary and standard in the water utility industry, subject, however, to the provisions of this Lease.

F. Operations Report: The Company shall on annual basis provide City a reasonably detailed Operations Report on the Company's operation and maintenance of the Water System. The Operations Report shall include but not limited to reports on customer inquiries, bad debt, conservation activities, meter replacements, water testing results, system leaks and other pertinent Operations and Maintenance activities and data related to the Water System. The Company shall deliver the Operations Report to City sixty (60) days after the close of the fiscal year. The Company shall periodically provide City any other report or information related to the Company's operations and maintenance of the Water System that is reasonably requested by City.

G. General Operation: Unless inconsistent with the specific terms of this Lease, the Company shall operate the Water System according to the procedures which are customary and standard in the water utility industry and in compliance with all Legal Requirements.

Section 8. Rates and Charges.

A. Rate Relief. During the first three years of the Term of this Lease, without the prior written consent of City, the Company may not increase the Water Service Rates, except for the extraordinary rate relief described in Paragraph 8B, the surcharges described in Paragraph 8C and the Capital Charges for System Improvements described in Section 9. The Company shall propose to City reasonable rates and charges from time-to-time thereafter for water service for customers served by the Water System by a Request for Rate Relief. The Request for Rate Relief shall: (i) be submitted in writing and in the format set forth in Exhibit C; (ii) include pertinent work papers used to develop the Request for Rate Relief; and (iii) set forth the reasons that support the Company's Request for Rate Relief. The Company shall be entitled to recover in its Water Rates all necessary and reasonable costs related to performing the services set forth in this Lease and a fair and reasonable rate of return. The Company shall be entitled to earn an after-tax rate of return of eight percent (8%) on Gross Revenues. If in any year the Company's after-tax rate of return is below 8% ("Shortfall Year"), the City agrees to enact Water Rates that will provide such a return to the Company in the calendar year following the Shortfall Year. All Requests for Rate Relief by the Company shall require approval by City, which approval shall

not be unreasonably withheld. Any disapproval shall state detailed reasons therefor. In determining reasonable rates and charges for water service, City shall consider all relevant information, including current CPUC approved rates and current proposed rates for the water companies operated by Cal-Am.

B. Extraordinary Rate Relief. City shall act on all Requests for Rate Relief within 60 days of receipt of the request. In cases of natural disaster, other emergencies, acts of God or other extraordinary events (including, without limitation, new governmental rules, regulations or permit requirements), City recognizes that extraordinary rate relief on an expedited basis may be necessary and City agrees to expeditiously consider any such reasonable Request for Relief. If City does not act on any Request for Rate Relief either within the 60 day period or on a expedited basis, as the case may be, and such Rate Relief eventually is approved or ordered, the water rates and charges shall be adjusted to recover from customers over a reasonable period of time such amounts as are necessary to restore the Company to the same financial position it would have been in had the rate increase been effective at the end of such 60 day period.

C. Surcharges. Notwithstanding the foregoing, the Company may upon written notice to the City, pass through to customers in the Service Area by means of a surcharge included on customer bills, in a manner substantially similar to that permitted by the CPUC, any increase in Government Charges or any increase in the cost of water or power (to the extent not already reflected in rates) and any property tax levied against the Company as a result of this Lease (as discussed in Section 20 below). Any surcharges also may include the additional amount that the Company will have to pay to City as a Lease Payment or Franchise Fee as a result of the increased water or power cost or Government Charges. The Company shall promptly pass through in a manner substantially similar to that permitted by the CPUC any decreases in water or power costs or Government Charges. The Company shall, at City's request, provide City with any information which City may reasonably request documenting any increases or decreases in the cost of water or power or any new Government Charges. The Company may also impose conservation or rationing penalties on those customers exceeding their allocations, if mandatory water rationing involving penalties is imposed on Water System customers by any water district or other Governmental Body.

Section 9. System Improvements.

Subject to the terms and conditions contained in this Section, the Company shallinvest a maximum of $10 million in the Water System for System Improvements during the first 10 years of this Lease. Further, the Company shall use its best efforts to obtain on behalf of the City, or to assist the City in obtaining, government grants and low-interest loans for System Improvements. The Company shall provide City with a reasonably detailed System Improvement Report recommending, on a priority basis, System Improvements to be undertaken in the following year to preserve or upgrade the Water System. The Company shall deliver the System Improvement Report to City prior to the commencement of the City's fiscal year to which it relates so that City may incorporate it into its budget for the applicable year. All System Improvements must be reviewed and approved by City in writing prior to any implementation thereof, which writing shall specify the source of the necessary funds to make the System Improvements (*e.g.*, City funds, government grants or low-interest loans or Company funds). If for any reason this Lease

is terminated prior to the expiration of the Term, the Company shall have no further obligation to invest funds in the Water System beyond the funds invested at the date of termination.

The annual System Improvements Report shall also contain a proposed Capital Charge, which shall be billed to the customers of the Water System as a surcharge.City shall institute such a Capital Charge to recover all financing and other costs related to System Improvementsfor the Water System. The Company shall be entitled to recover in a Capital Charge all necessary and reasonable financing and other costs related to the Net Capital Investment in the Water System, including but not limited to (i) recovery of financing costs related to the debt portion of the Net Capital Investment (ii) a fair and reasonable return on the equity portion of the Net Capital Investment; and (iii) recovery of the principal sum of the Net Capital Investment at an annual rate of four percent (4%) of the Net Capital Investment. The recovery period shall be adjusted to provide full recovery over the remaining term of the Lease. The Company shall not be obligated to fund or construct any System Improvements unless City approves a Capital Charge recommended by the Company for such System Improvements.

If this Lease is terminated for any reason, , then City shall be required to pay the Company the Net Capital Investment, plus any unpaid financing or other costs related to the Net Capital Investment. City shall make payment to the Company prior to the effective termination date of this Lease.

Section 10. Evaluation of System.

The Company, upon reasonable advance written request of City or its agent, shall permit City or City's agent to conduct a comprehensive inspection of the Water System, including, but not limited to, field inspections, maintenance records and reports, customer complaints and System Improvement installations schedule and plans, in order to assess the condition of the Water System.

If City determines that all or part of the Water System is not being operated or maintained in accordance with customary industry standards, City shall provide written notice to the Company describing the deficiencies which City wishes to be corrected. The Company, shall within 75 days thereafter, file with City its written response describing which deficiencies the Company agrees need to be corrected together with a plan to correct those deficiencies.

If the Company, in its written response to City, disagrees with any or all of the deficiencies described in City's notice or if the Company does not agree to the plan for deficiency corrections proposed by City, the parties shall negotiate in good faith in an attempt to resolve all disputed issues. If agreement cannot be reached between the parties on any or all disputed issues, then the parties agree to submit the unsolved issues to arbitration in accordance with the provisions set forth in Section 30 below.

Section 11. Water Supply.

The City shall assign to the Company and the Company shall accept, the rights and duties of all water supply contracts with respect to the Water System that the City holds at the Commencement Date which previously have been reviewed and approved by the Company, including the Master Water Sales Contract with the San Francisco Public Utilities Commission.

Any bills or invoices received by the City pursuant to such contracts for water delivered after the Commencement Date shall be promptly forwarded to the Company for payment. If assignment or transfer of any other supply or operating contracts is deemed necessary by either the Company or City, City shall cooperate with the Company in completing such assignment or transfer for the duration of this Lease. The City also acknowledges that the Company will receive and deliver water in the Water System from Hetch Hetchy reservoir that will be treated by the City of San Francisco, and the Company shall not be liable or otherwise responsible for the quality of any such water as delivered to it by the City of San Francisco.

Section 12. Customer Billing and Collections.

A. The Company shall bill and collect the charges to customers receiving water through the Water System in accordance with the City's Schedule of Rates for Water Service and administrative rules that govern Water Service Rates, billing and collection of water service charges, which Water Service Rates may be adjusted from time-to-time pursuant to Sections 8 and 9. The Company may propose, however, revisions to City's administrative rules governing billing, collection, payment and credit and City shall approve such revisions if they are reasonable and comply with laws applicable to municipality-owned water systems. The Company shall submit any proposed revisions of such rules to City for prior approval.

B. To the extent required by law, the Company shall bill and collect on behalf of City from Water System customers any additional amounts which City may assess as a City user's tax on such customers and shall promptly pay all such amounts to City.

C. City agrees to cooperate with the Company in collecting unpaid/delinquent accounts and, when necessary and legally appropriate, impose property tax liens against customers whose accounts have been unpaid for an unreasonable period of time. In doing so, City shall not be obligated, however, to pursue collection proceedings on behalf of the Company. The City authorizes the Company to act on its behalf in exercising all powers and remedies available to the City in collecting unpaid/delinquent accounts.

D. The meters of all customers in the Service Area shall be read prior to the Commencement Date in accordance with a schedule agreed upon by City and the Company. All monies received by either City or the Company pertaining to water service furnished prior to the Commencement Date shall be and remain the property of City. Payments of Gross Revenues received by either City or the Company for water service furnished during the Term shall be and remain the property of the Company. If City receives any such payments it shall turn them over to the Company. Payments collected by the Company on accounts that were delinquent prior to the Commencement Date shall be delivered to City. Upon expiration or earlier termination of the Term, the amounts due through such expiration or termination date from all customers shall be calculated by the Company and, in lieu of collection and retention of such amounts by the Company, the Company shall be promptly paid such amount by City less a reasonable amount for bad debts based on the collection history of the customers in the Service Area.

Section 13. Insurance.

A. Obligations of the Company. During the Term, the Company at its own cost and expense shall maintain insurance, issued by a carrier or carriers as follows:

(1) Commercial general liability insurance in the single limit amount of not less than $5,000,000, written on an occurrence basis. This insurance shall include coverage for injury (including death) or damage to persons and/or property arising out of the operations of the Company pursuant to this Lease. The policy shall include coverage for liability assumed under this Lease for personal injury, property damage and all other insurable claims as an "insured contract" for the performance of the Company's obligations under this Lease.

(2) Workers' compensation insurance, or a certificate of self-insurance, insuring against liability under the Workers' Compensation Insurance and Safety Act now in force in California, or any act hereafter enacted as an amendment or supplement thereto or in lieu thereof. This insurance shall fully cover all persons employed by the Company in connection with its operations under this Lease for claims of injury (including death) arising in connection with their employment by the Company pursuant to its operation and management of the Water System.

(3) Automobile (vehicle) liability insurance on an occurrence basis for bodily injury and/or property damage in a single limit amount of not less than one million dollars ($1,000,000).

B. All policies of insurance required by this Lease shall contain an endorsement in favor of City.

C. The parties shall periodically review from time-to-time the insurance required hereby to determine if increases in the minimum limits of such insurance are necessary.

D. All insurance shall be written under policies issued by insurers of recognized responsibility, licensed or permitted to do business in the State of California and reasonably acceptable to City.

E. All policies of insurance shall provide that such policies may not be canceled or materially changed without at least 30 days' prior written notice to the Company and to City. A certificate of insurance shall be delivered to City, prior to the Commencement Date and the expiration dates of expiring or non-renewed policies.

F. The limits of insurance required by this Lease or as carried by the Company shall not limit the liability of the Company nor relieve the Company of any obligation hereunder.

G. The Company shall cause each insurance policy obtained by it to provide that the insurance company waives all rights of recovery by way of subrogation against City in connection with any damage covered by any policy.

Section 14. Periodic Reviews.

Either party shall have the option to request a meeting at least 180 days prior to the expiration of each five year period of the Term to evaluate the performance of the Company under the Lease and the financial feasibility for the Company to continue the Lease under its existing terms in light of past events and anticipated future events. If either party requests such a meeting, the parties shall negotiate in good faith on all issues relating to the terms of the Lease or performance under the lease, as to which they may disagree. After the conclusion of these good faith negotiations, either party shall be entitled to terminate the Lease by providing the other party with written notice of termination at least 60 days prior to the 5th, 10th, 15th or 20th anniversary of the Commencement Date, as the case may be, if such party reasonably concludes that it is not in its best interest to continue the Lease.

Section 15. Liens and Encumbrances.

City shall keep the Water System and all revenues arising from its operation free and clear of all liens, security interests and encumbrances except for those consented to by the Company. The Company shall keep its leasehold interest in the Water System created pursuant to this Lease free and clear of all liens, security interests and encumbrances, except for those consented to by the City.

Section 16. Surrender Upon Expiration or Termination.

Upon expiration or termination of this Lease, the Company agrees that it shall surrender to City the Water System in good order and condition and in a state of repair that is consistent with prudent use and maintenance, subject to the City having approved the System Improvements and related Capital Charges proposed from time-to-time by the Company.

Section 17. Representations and Warranties.

A. Representations and Warranties of City. City hereby represents and warrants to the Company that:

(1) City is duly organized and an existing municipal corporation under the laws of the State of California and is duly authorized to execute and deliver this Lease.

(2) City has the power, authority and legal right to enter into and perform this Lease and the execution, delivery and performance hereof by the City (i) have been duly authorized by City, acting by and through its City Council and Mayor, (ii) do not require any other approvals by any Governmental Body, (iii) will not violate any Legal Requirement applicable to City, and (iv) do not constitute a default under, or result in the creation of, any lien, charge, encumbrance or security interest upon the Water System or any agreement or instrument to which City is a party that relates to the Water System or by which the Water System may be bound or affected.

(3) City owns the Water System free and clear of all liens, security interests and encumbrances.

(4) This Lease has been duly entered into by City and constitutes a legal, valid and binding obligation of City, enforceable against City in accordance with its terms.

(5) There is no action, suit or proceeding, at law or in equity, before or by any court or governmental authority, pending or threatened against City, or otherwise affecting the Water System, wherein an unfavorable decision, ruling or finding would materially adversely affect the performance by City of its obligations hereunder, or which, in any way, would adversely affect the validity or enforceability of this Lease, the operation of the Water System by the Company or any other agreement or instrument entered into by City in connection with the transactions contemplated hereby.

(6) The Water System is being operated in compliance, in all material respects, with all Legal Requirements. Except as described in Exhibit D, there are no outstanding complaints, orders, citations, notices or orders of violation or non-compliance issued with respect thereto under any Legal Requirements, nor does City know or have reasonable grounds to know of any facts which could give rise to a notice of non-compliance under any Legal Requirements.

(7) The Water System is being operated in accordance with all Legal Requirements and all applicable permits have been obtained with respect thereto. City has no knowledge of any proceeding or application which has been instituted or which is pending to amend the terms of any permit issued in connection with or with respect to the operation and maintenance of the Water System. All permit applications required to be filed and all permit fees required to be paid in connection with the Water System have been filed and paid, as applicable.

(8) City has no knowledge of any claim, proceeding, suit or demand alleging responsibility for damage to or destruction of tangible property, including the loss of use resulting therefrom or bodily injury, sickness, disease or death, in any way related to the operation and maintenance of the Water System.

(9) The Water System has been operated and it is in compliance with all material terms of the agreements and contracts relating to its operation and no party thereto is in material violation of or in default thereunder.

(10) The City represents and warrants that the Water System is in compliance with all applicable Legal Requirements and has been designed, installed and maintained to allow continued operation to meet all applicable Legal Requirements currently in existence or known to become effective during the term of this Lease and the Water System does not pose a known undue risk of liability to the Company as its operator. The City further represents and warrants that there is no soil or groundwater contamination or any other condition, defect, occurrence, threatened occurrence or event that could produce soil or groundwater contamination associated with the Water System or that could violate any Environmental Laws except as specifically identified and described on Exhibit E attached hereto.

B. Representations and Warranties of the Company. The Company hereby represents and warrants to City that:

(1) The Company is a corporation duly organized and existing under the laws of the State of Delaware and is qualified to do business in the State of California.

(2) The Company has the power, authority and legal right to enter into and perform its obligations set forth in this Lease, and the execution, delivery and performance hereof (i) have been duly authorized, (ii) do not require the approval of any Governmental Body, (iii) will not violate any Legal Requirements applicable to the Company or any provisions of the organizational documents of the Company, and (iv) do not constitute a default under or result in the creation of, any lien, charge, encumbrance or security interest upon any assets of the Company under any agreement or instrument to which the Company is a party or by which the Company or its assets may be bound or affected.

(3) This Lease has been duly entered into and constitutes a legal, valid and binding obligation of the Company, fully enforceable against the Company in accordance with its terms.

(4) There is no action, suit or proceeding, at law or in equity, before or by any court or governmental authority, pending or, to the best of the Company's knowledge, threatened against the Company, wherein an unfavorable decision, ruling or finding would materially adversely affect the performance by the Company of its obligations hereunder, or which, in any way, would adversely affect the validity or enforceability of this Lease, the operation of the Water System by the Company or any other agreement or instrument entered into by the Company in connection with the transactions contemplated hereby.

Section 18. Default and Remedies.

A. The occurrence of any of the following shall constitute a default by the Company:

(1) If the Company fails to make any payment to City or to any third party required by this Lease as and when due, or to obtain and maintain any insurance required by this Lease, where such failure continues for 30 days following receipt of written notice from City specifying the failure;

(2) If the Company fails to perform any of its other covenants or agreements contained in this Lease, where such failure continues for 60 days following receipt of written notice from City specifying the failure;

(3) Notwithstanding subsection (2) above, in the case of a failure to perform which cannot feasibly be cured within 60 days (for example, a major repair to the Water System), a default shall only occur if the Company fails to commence and diligently proceed toward full performance of the cure within 60 days following receipt of written notice from City specifying the failure, or if the Company fails to complete such performance within a reasonable time thereafter; or

(4) If (a) the Company becomes bankrupt or insolvent or makes any general arrangement or assignment for the benefit of creditors; (b) if the Company becomes a "debtor" as defined in 11 U.S.C. Section 141 or any successor statute thereto (unless, in the case of a petition filed against the Company, the same is dismissed within 90 days); (c) if a trustee or receiver is

appointed to take possession of substantially all of the Company's assets or of the Company's interest in this Lease and possession is not restored to the Company within 60 days; or (d) if a writ of attachment or execution is levied on, or there is a judicial seizure of, substantially all of the Company's assets or of the Company's interest in this Lease and such seizure is not discharged within 60 days.

B. If City shall default in performing any of its covenants or agreements contained herein, including the unreasonable withholding of approval of Requests for Rate Relief, and such default shall continue for a period of 60 days after receipt by City from the Company of written notice specifying the nature of the default, then the Company may at its option, upon 60 days written notice, cancel and terminate this Lease. In the case of a default which cannot feasibly be cured within 60 days, if City fails to commence performance and diligently proceed toward full performance within 60 days after receipt of notice by the Company of City's failure to perform or fails to complete performance within a reasonable time thereafter, the Company may, upon 60 days prior written notice, terminate this Lease. The Company shall be entitled to all legal and equitable remedies provided by law if it terminates this Lease in accordance with this Paragraph 18B.

C. In the event of a default by the Company, the City may terminate this Lease on 60 days prior written notice. Alternatively, the City may elect to not terminate the Lease during the duration of the default and shall have the right to continue receiving payments hereunder and other required performances by the Company when due hereunder.

D. Notwithstanding any provision of this Section 18 to the contrary, if a default or failure to perform by the Company poses a threat to public health or safety, City shall so notify the Company, and if the Company fails to take corrective action within the time specified in such notice, City may enter the Water System and take all necessary action at the Company's expense. The Company shall promptly reimburse City for its costs.

E. Each party's performance under this Lease shall be excused if the party is unable to perform because of causes beyond its reasonable control, including but not limited to Acts of God, the acts of civil or military authority, floods, earthquakes, riots, strikes, interruption of water deliveries from the San Francisco Public Utilities Commission and commercial impossibility. In the event of any such force majeure, the Company will notify the other party within 24 hours of the existence of such force majeure event and shall be required to resume performance of its obligations under this Agreement upon the termination of the force majeure event.

F. Any disputes regarding the occurrence of a default hereunder, or the consequences thereof, shall be subject to the provisions of Section 30 below regarding arbitration.

Section 19. Discharge of Liens.

The Company shall pay and discharge all claims for materials, parts, labor, water, power and other consumables and supplies furnished at the Company's request upon or to the Water System and to keep the Water System free and clear of all liens resulting from such claims. City

agrees to pay and discharge all claims and obligations for materials, parts, labor, water, power and other consumables and supplies furnished at City's request upon or to the Water System prior to the commencement of the Term of this Lease.

Section 20. Taxes and Assessments; Possessory Interest.

The Company shall pay all taxes, assessments, fees, levies, charges, license or permit fees and other government charges of any kind or nature while this Lease is in effect levied, charged, assessed or imposed upon or against the Water System. The City shall pay all taxes, assessments, fees, levies, charges, license or permit fees and other government charges of any kind or nature levied, charged or imposed upon or against the Water System prior to the Commencement Date of the Lease. Without limiting the generality of the foregoing, the Company acknowledges that this Lease may create a possessory interest which may be subject to property taxation and that the Company may be subject to the payment of property taxes levied on such interest. Any such tax shall be the sole responsibility of the Company; provided, however, the Company may include any such property tax as a surcharge to be billed to customers pursuant to Paragraph 8C.

Section 21. Compliance with Law.

Except as otherwise provided in this Lease, the Company shall, at the Company's sole cost and expense, diligently and in a timely manner, comply in all material respects with all applicable laws, which term is used in this Lease to include all Legal Requirements. The Company shall notify City in writing (with copies of any documents involved) of any threatened or actual claim, notice, inquiry, citation, warning, complaint or report pertaining to or involving failure by the Company or the Water System to comply with any Legal Requirements.

Section 22. Hazardous Substances.

A. The Company shall not cause any release, generation, manufacture, storage, treatment, transportation, or disposal of Hazardous Substance on, in, under, or from the Water System in violation of any Legal Requirement. If the Company does cause any release or disposal of any Hazardous Substance on, in, or under the Water System, the Company, at its own cost and expense, will immediately take such action as is necessary to detain the spread of and remove the Hazardous Substance to the complete satisfaction of City and other appropriate Governmental Bodies. The Company shall promptly notify City of any release or disposal (of which the Company has knowledge or becomes aware) of any Hazardous Substance on, in, under or from the Water System.

B. The Company shall indemnify, defend (with counsel reasonably acceptable to City) and hold City and City's officers, agents and employees, free and harmless from and against, all losses, liabilities, obligations, penalties, claims, litigation, demands, defenses, costs, judgments, suits, proceedings, damages , disbursements or expenses of any kind (including attorneys' and experts' fees and expenses and fees and expenses incurred in investigating, defending, or prosecuting any litigation, claims, or proceeding) that may at any time be imposed upon, incurred by, asserted, or awarded against City in connection with or arising from or out of:

(1) any breach of any covenant or agreement of the Company contained or referred to in this Section 22;

(2) any violation or claim of violation by the Company of any Legal Requirement that is finally adjudicated to be a violation of a Legal Requirement, except a claim that this Lease or any City ordinance violates a Legal Requirement; or

(3) the imposition of any lien on the Water System for the recovery of any Clean Up Costs relating to the release or threatened release of any Hazardous Substance by the Company.

The expiration or termination of this Lease and/or the termination of the Company's right to possession shall not relieve the Company from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the Term hereof by reason of the Company's operation and management of the Water System.

C. City shall, at its sole expense, conduct a Phase I environmental assessment on the Water System prior to or within 14 days of the Commencement Date. If the environmental assessment concludes that there is a reasonable chance that soil or groundwater contamination in violation of applicable legal standards or other violation of a Legal Requirement exists on or below property included in the Water System, the City shall, at its sole expense, conduct a Phase II environmental assessment within 60 days of receipt of the Phase I assessment report in order to confirm the existence of and characterize the problem. The City shall be solely responsible for any future investigation, testing or remediation required as a result of conditions discovered in the Phase I or Phase II environmental assessments and shall conduct any such remediations in coordination with the Company's operation of the Water System.

D. City shall indemnify, defend (with counsel reasonably acceptable to the Company) and hold the Company and its officers, agents, employees, shareholders and affiliates free and harmless from and against, all losses, liabilities, obligations, penalties, claims, litigation, demands, defenses, costs, judgments, suits, proceedings, damages, disbursements or expenses of any kind (including attorneys' and experts' fees and expenses, fees and expenses incurred in investigating, defending, or prosecuting any litigation, claims, or proceeding, and the cost of site investigation, testing and Clean Up Costs) that may at any time be imposed upon, incurred by, asserted, or awarded against the Company in connection with or arising from or out of:

(1) any Hazardous Substance on, in, under, or affecting all, or any portion of the Water System (including, without limitation, the imposition of any lien for the recovery of any Clean Up Costs), excluding any Hazardous Substance released, generated, manufactured, stored, treated, transported or disposed of by the Company or its affiliates;

(2) any breach of any covenant or agreement of City contained or referred to in this Section 22;

(3) any violation or claim of violation by City or any other entity or person, other than the Company or its affiliates of any Legal Requirement; or

(4) the imposition of any lien on the Water System for the recovery of any Clean Up Costs relating to the release or threatened release of any Hazardous Substance other than by the Company.

The expiration or termination of this Lease shall not relieve City from liability under any indemnity provisions of this Lease.

E. The notice and other procedures set forth in Section 23 below shall govern all indemnification claims and rights under this Section 22.

Section 23. Indemnity.

The Company shall hold City, and its officers, agents and employees, free and harmless of and from, and to defend, indemnify, and protect City, and its officers, agents and employees, against all liability, loss, claims, actions, demands, damage, expense, costs (including, without limitation, reasonable attorneys' fees and all costs and fees of litigation and its threat) asserted against City of any kind or nature arising out of or in any way connected with any misrepresentation, breach or inaccuracy of any representation or warranty or material nonfulfillment of or material failure to comply with any agreement, condition or covenant on part of the Company under this Lease, to the maximum extent permitted by law ("Indemnified Losses"). The expiration or termination of this Lease shall not relieve the Company from liability under any indemnity provisions of this Lease.

City shall hold the Company, and its officers, agents, employees, shareholders and affiliates, free and harmless of and from, and to defend and indemnify the Company, and its officers, agents and employees, against all liability, loss, claims, actions, demands, damage, expense, costs (including, without limitation, all costs and fees of litigation and its threat) asserted against the Company of any kind or nature arising out of or any way connected to the ownership or operation of the Water System occurring or accruing prior to or after the Term, including the condition (known or unknown) of the Water System facilities, or any material misrepresentation, breach or inaccuracy of any representation or warranty, or material nonfulfillment or material failure to comply with any agreement, condition or covenant on the part of City under this Lease or any actions or omissions of the City or its employees, agents or officials, to the maximum extent permitted by law ("Indemnified Losses"). The expiration or termination of this Lease shall not relieve the City from liability under any indemnity provisions of this Lease.

If there is asserted any claim, liability or obligation that in the judgment of a party indemnified above (an "Indemnified Party") may give rise to any Indemnified Losses, such Indemnified party shall give the party from whom indemnity is sought (the "Indemnitor") notice within 30 days of the assertion of any claim, liability or obligation, or within 30 days of receipt of notice of the filing of any lawsuit, arbitration action or other proceeding based upon such assertion, or, with respect to a claim not yet asserted against the Indemnified party, promptly upon the determination by the Indemnified Party of the existence of the same, and shall give Indemnitor a reasonable opportunity of assuming the defense of such claim, liability or obligation, using counsel acceptable to the Indemnified Party; provided, however, that the Indemnified Party shall have the right to participate in such defense. Failure by the Indemnified

Party to give timely notice pursuant to this Section shall not relieve the Indemnitor of its obligations, except to the extent that the Indemnitor is actually prejudiced by such failure to give timely notice. No settlement or adjustment shall be made without the Indemnified Party's prior written consent, which consent shall not be unreasonably withheld. If Indemnitor fails to contest in good faith any such claim, liability or obligation, the Indemnified Party shall have the right to defend, settle or pay the same and pursue its remedies for indemnities against Indemnitor hereunder. The Indemnified Party shall cooperate with Indemnitor in any such defense which Indemnitor elects to assume in the event Indemnitor makes such request to the Indemnified party and such request is reasonable, provided Indemnitor will hold the Indemnified Party harmless from all of its reasonable out-of-pocket expenses, including reasonable attorneys' fees, incurred in connection with the Indemnified Party's cooperation. In the event of a disagreement among the parties as to whether any claim, liability or obligation may give rise to an Indemnified Loss, then the Indemnified Party shall have the right to defend, settle or pay the same, and/or to pursue its remedies against Indemnitor hereunder; provided, however, that Indemnitor shall have the right to participate in such defense, and no settlement or adjustment shall be made without Indemnitor's prior written consent, which consent shall not be unreasonably withheld.

Neither party shall be liable to the other party for indirect or consequential damages.

Section 24. City's Access.

City and City's agents shall have the right to enter the Water System at any time in the case of an emergency, and otherwise at reasonable times and on reasonable prior notice for the following purposes (i) to determine whether the Water System is in good condition as required by this Lease and whether the Company is complying with its obligations under this Lease, (ii) to serve, post or keep posted any notices required or allowed by law or under this Lease, and (iii) as City may otherwise reasonably deem necessary.

Section 25. California Law.

This Lease shall be governed by the laws of the State of California without regard to conflict of laws principles.

Section 26. Notices.

Any notice or communication required or permitted hereunder, shall be deemed to have been given if in writing and (a) delivered in person, (b) delivered by confirmed facsimile transmission, (c) sent by overnight carrier, postage prepaid with return receipt requested, or (d) mailed by certified or registered mail, postage prepaid with return receipt requested, addressed as follows:

City: City of East Palo Alto

2415 University Avenue
East Palo Alto, California 94303
Attn: City Manager

The Company: American Water Services, Inc.

10000 Sagemore Drive, Suite 10101
Marlton, New Jersey 08043
Attn: President

With a copy to: California-American Water Company

880 Kuhn Drive
Chula Vista, California 91914
Attn: President

or such other address and to the attention of such other person as a party may notice to the others in accordance with this Section 25. Any such notice or communication shall be deemed received on the date delivered personally or delivered by facsimile transmission, on the first Business Day after it was sent by overnight carrier, postage prepaid with return receipt requested or on the third Business Day after it was sent by overnight carrier, postage prepaid with return receipt requested.

Section 27. Waiver.

The waiver by City of any breach by the Company of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach of the same or any other term, covenant or condition hereof. The waiver by the Company of any breach by City of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach of the same or any other term, covenant or condition hereof.

Section 28. Merger and Modification.

This Lease sets forth the entire agreement between the parties with respect to the subject matter hereof, and supersedes all other oral or written provisions. This Lease may be modified or terminated only in a writing signed by all parties.

Section 29. Assignment.

The Company shall not assign this Lease or sublet the Water System or any portion thereof without the consent of City, which consent shall not be unreasonably withheld; provided, however, that City's consent shall not be required in connection with any assignment by the Company of any of its rights or obligations hereunder to, or otherwise utilize, Cal-Am or any other affiliated company which is controlled by, controls, or under common control with the Company.

Section 30. Arbitration.

All controversies, claims, disputes or counter-claims arising under or relating to this Lease or any resulting transaction, whether it involves a disagreement about its meeting, interpretation, application, performance, breach, termination, enforceability or validity and whether based on statute, tort, contract, common law or otherwise ("Dispute") shall be determined exclusively by binding arbitration in San Mateo County, California, before one

arbitrator. The arbitration shall determine all questions of arbitrability, including, without limitation, the scope of this agreement to arbitrate, the subject matter of the Dispute, whether an agreement to arbitrate exists and, if so, whether it covers the Dispute in question, and any other form of disagreement or conflict among the parties to this Lease, whether such Dispute existed prior to, or arises after the date of this Lease.

The arbitration shall be governed by the American Arbitration Association ("AAA") under its commercial arbitration rules, provided that the person eligible to be selected as the arbitrator shall be limited to an attorney-at-law who has practiced law for at least 15 years as an attorney in California specializing in either general commercial litigation or general corporate and commercial or utility matters. Any party may commence arbitration at any time, subject to the obligations to negotiate disagreements contained in this Lease, by giving written notice to the other party that such dispute has been referred to arbitration under this Lease. The arbitrator shall be selected by the joint agreement of the parties, subject to the standards set forth above, but if they do not so agree, within 20 days following the notice referred to above, then the selection shall be made pursuant to the AAA Rules from the panel of arbitrators that meet the qualifications set forth above maintained by such association. The parties shall be entitled to conduct discovery in connection with the Dispute in accordance with the Federal Rules of Civil Procedure. Within 10 days following the appointment of the arbitrator, each party shall furnish the arbitrator with a statement of the matters in dispute. The arbitrator shall commence the hearing within 20 days of receiving such statement and shall complete the arbitration and file his/her decision within 60 days following his/her appointment. The cost of arbitration, including the arbitrators fees and the fees and costs of counsel, shall be allocated by the arbitrator in his/her decision. If the arbitrator determines that the dispute and arbitration, or either, is not the result of good faith on the part of any party, then the arbitrator may make an additional award to the other party for such sums as the arbitrator may in his/her discretion determine as a reasonable damage figure.

The award of the arbitrator shall be binding and conclusive upon the parties and may be entered in any state or federal court within San Mateo County, California. There shall be no right of appeal from the award of the arbitrator.

The party and the arbitrator may not disclose the existence, content or results of any arbitration without the prior consent of all of the parties, except as required by any Legal Requirement.

Section 31. Attorneys' Fees.

If any party to this Lease commences legal proceedings or arbitration to interpret this Lease, to enforce any of its terms or for damages for its breach, the prevailing party shall be entitled to recover reasonable attorneys' fees.

Section 32. Execution.

This Lease is effective upon full execution. It is the product of negotiation and therefore shall not be construed against any party.

Section 33. Counterparts.

This Lease may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original, but all together shall constitute but one and the same Lease.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed and attested by their proper officers thereunto duly authorized, and their official seals to be hereto affixed, as of the day and year first above written.

CITY OF EAST PALO ALTO

By: _____
CITY MANAGER

Approved to Form and Content:

By: _____
CITY ATTORNEY

THE COMPANY:

AMERICAN WATER SERVICES, INC.,
a Delaware corporation

By: _____
PRESIDENT

Exhibit 15

From: Richard Perez
To: Morford, Amy@EnergySafety
Subject: RE: Case C233385010 Veolia Contract with City of EPA
Date: Wednesday, March 19, 2025 9:03:11 AM
Attachments: image002.png
image003.png
Reso 5052 Consent Transfer AWE to Veolia.pdf
Reso 56-2020 Consent re Assignment to Veolia.pdf

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Good morning Amy, thank you for your message. See my responses below and attachments.

Thank you.

Richard Perez
Utility Manager
Phone (650) 853-3117
Email rperez@cityofepa.org
Web www.cityofepa.org
1960 Tate Street
East Palo Alto, CA 94303

From: Morford, Amy@EnergySafety <Amy.Morford@energysafety.ca.gov>
Sent: Tuesday, March 18, 2025 1:38 PM
To: Richard Perez <rperez@cityofepa.org>
Subject: RE: Case C233385010 Veolia Contract with City of EPA

Hi Richard,

The contract you provided was agreed upon in 2001 between the City of East Palo Alto and American Water Services, Inc.
Correct, this is the original lease agreement under AWS that was transferred to Veolia and still in effect.

After some online research, I found that in 2018, Veolia North acquired from American Water Works Company, Inc. the rights to 23 water treatment and energy service contracts.
This is true, East Palo Alto was one of the last to transition from AWS, If memory serves, It was around June 2020 that Veolia was onsite beginning the transition which lasted to about October 2020.

Veolia's East Palo Alto operation began on June 1, 2025
This is incorrect, see above comment.

Was the contract updated with the name change?
The contract itself was never changed; however, the water permit was transferred to Veolia via the SWRCB and the City adopted the transition.

Amy Morford
Senior Policy Investigator
Underground Investigations Division
Phone: 279-789-1815
www.energysafety.ca.gov



OFFICE OF ENERGY
INFRASTRUCTURE
SAFETY

RESOLUTION NO. 56 – 2020

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

AUTHORIZING THE CITY MANAGER TO EXECUTE ANY AND ALL NECESSARY DOCUMENTS, IN A FORM TO BE APPROVED BY THE CITY ATTORNEY, TO COMPLETE THE ASSIGNMENT OF THE AGREEMENT FOR LEASE OF REAL PROPERTY FROM AMERICAN WATER ENTERPRISES TO VEOLIA NORTH AMERICA, LLC

WHEREAS, the City of East Palo Alto ("City") and American Water Services, Inc. ("AWS"), also known as American Water Enterprises ("AWE"), are parties to an Agreement for Lease of Real Property (Water System) dated May 22, 2001 ("Lease Agreement"), under which AWE leases, operates and maintains the City's water system; and

WHEREAS, the Lease Agreement was amended on July 19, 2016, and expires on May 21, 2026; and

WHEREAS, on June 13, 2018, City staff met with representatives of AWE and Veolia North America, LLC ("Veolia") regarding a proposed assignment of American Water's lease interest in the City's water system to Veolia; and

WHEREAS, pursuant to Section 29 of the Lease Agreement, the City must consent to a proposed assignment of the Lease Agreement before American Water may assign the Lease Agreement, and the consent shall not be unreasonably withheld; and

WHEREAS, on November 11 2018, the City Council authorized the City Manager to notify American Water Enterprises in writing of the City of East Palo Alto's consent to assignment of the Agreement for Lease of Real Property (Water System) from American Water Enterprises to Veolia, subject to conditions outlined in City Council Resolution 5052; and

WHEREAS, for the past year, the City, AWE and Veolia worked with the State Water Resources Control Board (WRCB), Division of Drinking Water on revising the Domestic Water Supply Permit to reflect Veolia as the new operator of the water system; and

WHEREAS, on January 30, 2020, the WRCB issued the City of East Palo Alto Permit No. 02-17-20p-4110024 ("Revised Permit") for operation of the Water System; and

WHEREAS, the WRCB issued the Revised Permit due to the need to reflect the purchase agreement between AWE and Veolia North America, LLC, and the permit recognizes Veolia as the Water System operator effective January 31, 2020; and

WHEREAS, in light of WRCB's issuance of the Revised Permit recognizing Veolia as the Water System operator and the progress made on the transition by AWE and Veolia, City staff recommends issuance of a final City Notification of Consent to Assignment, effective January 31, 2020; and

WHEREAS, the letter will identify any outstanding transition items, however, these remaining issues will no longer serve as a condition precedent to completion of the assignment.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO HEREBY authorizes the City Manager to execute any and all necessary documents, in a form to be approved by the City Attorney, to conclude the assignment of the "Agreement for Lease of Real Property" from American Water Enterprises to Veolia North America, LLC.

PASSED AND ADOPTED this 21st day of April 2020, by the following vote:

AYES: Abrica, Gauthier, Moody, Romero, and Wallace-Jones

NOES:

ABSENT:

ABSTAIN:

Regina Wallace-Jones, Mayor

ATTEST:

Walfred Solorzano, City Clerk

APPROVED AS TO FORM:

Rafael E. Alvarado Jr., City Attorney

RESOLUTION NO. 5052

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO CONSENTING TO THE ASSIGNMENT OF THE WATER LEASE FROM AMERICAN WATER SERVICE TO VEOLIA

WHEREAS, the City and American Water Services, Inc. (AWS), also known as American Water Enterprises (AWE), are parties to that certain Agreement for Lease of Real Property (Water System) dated May 22, 2001 (the "Lease Agreement"), under which AWS leases, operates and maintains the City's Water System; and

WHEREAS, the Lease Agreement was amended on July 19, 2016, and expires on May 21, 2026; and

WHEREAS, on June 13, 2018, City staff met with representatives of AWE and Veolia North America (Veolia) regarding a proposed assignment of American Water's lease interest in the City's water system to Veolia; and

WHEREAS, pursuant to Section 29 of the Lease, the City must consent to a proposed assignment of the Lease Agreement before American Water may assign the Lease Agreement, and the consent shall not be unreasonably withheld; and

WHEREAS, on July 9, 2018, Staff sent a letter to both AWE and Veolia to remind them that pursuant to Section 29 of the Lease Agreement the City must consent to a proposed assignment of the Lease Agreement before American Water may assign the Lease Agreement to any third party; and

WHEREAS, to assist the City in its evaluation of Veolia's capabilities to assume AWE's obligations under the lease agreement, City staff requested the following documentation:

- Veolia's Statement of Qualifications and experience managing water systems, including contact information from five municipalities similar to East Palo Alto.
- Veolia's Operations and Maintenance Plan to take over AWE's contractual obligations.
- Veolia's staffing plan, and management structure, including staff qualifications, experience and licenses.
- Financial operating structure including Veolia's.
- AWE-Veolia proposed transition plan and schedule; and

WHEREAS, in order to evaluate the reasonableness of the consent request, the City performed its own due diligence regarding technical, operation and financial impacts of the proposed assignment; and

WHEREAS, the City's due diligence process included analyses by Erler & Kalinowski, Inc. (EKI) and Vavrinek Trine Day & Co. LLP ("VTD") to identify potential concerns with the proposed assignment; and

WHEREAS, the City requested Erler & Kalinowski, Inc. (EKI) to evaluate key aspects of Veolia's qualifications related to the operation and management of potable water systems and to provide the City with a recommendation; and

WHEREAS, as part of the due diligence work, EKI reviewed all documents that were provided by Veolia to the City, for (1) reasonableness and completeness, and (2) for information on Veolia's technical expertise and experience in operating similar systems; and

WHEREAS, EKI has prepared a brief technical memorandum with a summary of conversations with the references, a description of additional information required from Veolia, and a general recommendation to the City regarding Veolia's technical qualifications to operate and maintain the City's water system; and

WHEREAS, Vavrinek Trine Day & Co. LLP performed a financial due diligence; and

WHEREAS, based on the information provided, Veolia appears to be a competent company with decades of experience in operating water treatment and distribution facilities, and has demonstrated technical and managerial capability at a corporate level to operate the City's Water System; and

WHEREAS, a successful operation of the City Water system will be highly dependent on the actual operators and local managers hired by Veolia, and the retention of those employees; and

WHEREAS, if the City should decide to consent to the assignment of the Lease Agreement to Veolia, it is critical that the City make a condition of consenting to the lease assignment, the development and implementation of a City-specific transition plan acceptable to the City; and

WHEREAS, the transition plan should include a detailed on-boarding and training program for current American Water employees and new employees that Veolia may hire to operate the City's Water System and include several public community meetings to get feedback on customer service during the transition.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO HEREBY authorizes the City Manager to notify American Water Enterprises in writing of the City of East Palo Alto's consent to assignment of the "Agreement for Lease of Real Property (Water System)" from American Water Enterprises to Veolia, subject to the following condition: Veolia shall develop and implement a City-specific transition plan that is acceptable to the City Manager, and is consistent with the typical transition plan outlined in Veolia's Statement of Qualifications, attached to this resolution as Exhibit A.

PASSED AND ADOPTED this 8th day of November 2018, by the following vote:

AYES: **ROMERO, RUTHERFORD, ABRICA, MOODY**
NOES: **NONE**
ABSENT: **GAUTHIER**
ABSTAIN: **NONE**

SIGNED:

Ruben Abrica

Ruben Abrica, Mayor

ATTEST:

María Buell, City Clerk

APPROVED AS TO FORM:

Rafael E. Alvarado Jr., City Attorney

VEOLIA

EXHIBIT A

Statement of Qualifications

Meeting Expectations

- Corporate Capabilities and Ability to Perform O&M Services – Veolia is a leader in the delivery of O&M services in North America, and we will offer our clients access to our regional, national and international base of resources and expertise to effectively meet the needs of your operations. Our firm's base of experience covers four decades, and we offer a regional staff base of over 525 operations, maintenance, technical, business and other professionals. These regional resources are further supported by our North American staff base of over 3,330, with almost 2,550 of that number being O&M staff.
- Financial Qualifications – With 45 years of experience in providing O&M services to municipal clients throughout North America, Veolia has the capacity and resources needed to carry out all of the contractual commitments that will be required. We are part of a national company serving 165 municipal clients, with current operations responsibility for water operations that are capable of supplying over 793 MGD of potable water to meet the needs of more than 4.2 million people. Through this work Veolia ranks as the largest and most successful O&M provider in the industry, with the most projects/contracts, the largest municipal market share (35%), and the highest revenues ($632 million). Veolia in North America is also part of a global company, Veolia Environnement, a company with a 164-year history in the water industry. In 2016 our company realized over $25.7 billion, providing the financial stability and resources that will support our work in delivering on our O&M commitments.
- Technical Approach – The plan and approach that we will put in place for our client operations builds on our firm's unmatched based of operations experience and is tailored to the client's specific needs. Veolia develops an understanding of your facilities and operations, and we apply the knowledge and expertise of our technical resources to shaping a plan that will ensure effective process control, laboratory QA/QC, solids management, system maintenance and capital improvement planning.

Veolia in North America – Experience Profile

- 165 Municipal and Clients
  - 84 Municipal Water Treatment Facilities
    - 2,782 Miles of Distribution System Lines
    - 86 Water Pump Stations
    - 187 Water Wells
  - 189 Municipal Wastewater Treatment Facilities
    - 6,376 Miles of Collection System Lines
    - 1,166 Wastewater Pump Stations
    - 42 Industrial Pretreatment Programs
    - 15 Billing/Collection Operations
    - 23 Meter Reading Operations - 147,399 Meters Read
    - 4 Public Works Operations (other than Water/Wastewater)
  - 5 Operations Assistance/Peer Performance Solutions Contracts
- 100 Industrial Clients
  - 75 Industrial Wastewater Treatment Facilities
  - 25 Industrial Water Treatment Facilities
- 793 Million Gallons Water Treated Daily Capacity
- 1.7 Billion Gallons Wastewater Treated Daily Capacity
- 180,510 Dry Tons of Biosolids Processed/Year
- 19.3 Million+ Population Served Daily

Experience & Resources Needed to Deliver on Our Commitments

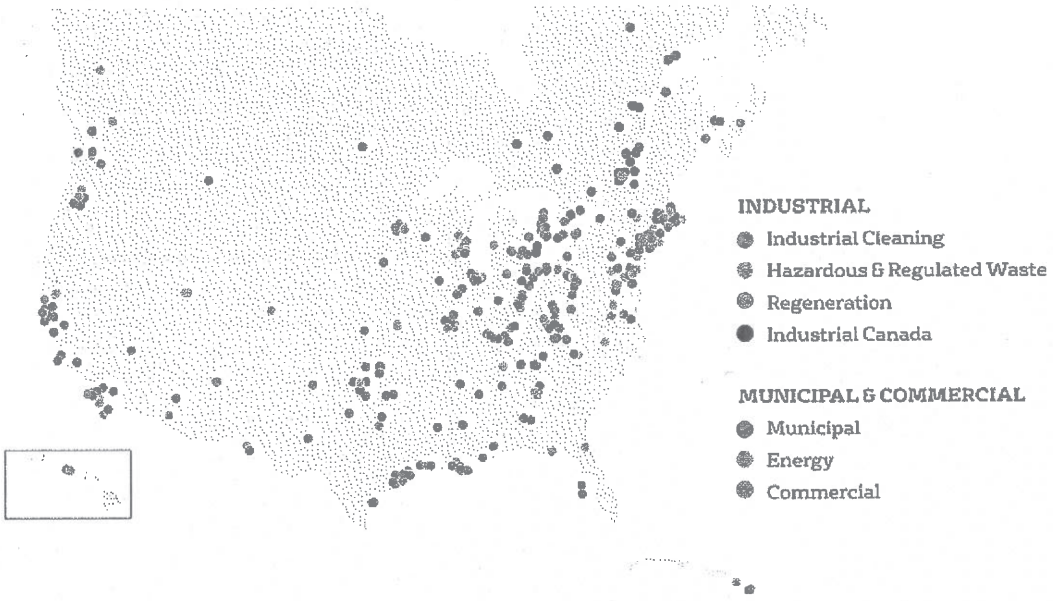
Veolia has provided operations, maintenance and management (O&M) and related services to clients in North America for more than 45 years, and today our company has operations responsibility for some 295 clients.

This work includes operation of more than 260 wastewater treatment plants treating over 1.7 billion gallons of wastewater flows each day to meet the needs of more than 5.7 million people. We also provide O&M services to 165 municipal clients, with current operations responsibility for water operations that are capable of supplying over 793 MGD of potable water to meet the needs of more than 4.2 million people.

Veolia ranks as the largest and most successful O&M provider in the industry, with the most projects/contracts, the largest municipal market share (35%), and the highest revenues ($632 million).

Veolia in North America is also part of a global company, Veolia Environnement, a company with a 164-year history in the water industry. Today, our global parent company provides services in three core areas: water, waste management and energy. In 2016 our company realized over $25.7 billion, providing the financial stability and resources that will support our work in delivering on our O&M commitments.

Veolia delivers quality services across our wide network of utility and industrial facilities



Local staff will be supported, as needed, by our firm's regional staff to meet the routine and emergency needs of the operations. Regional staff numbers more than 525. Our total North American staff base numbers over 7,800, which, in turn, is part of the global Veolia group with over 163,000 employees.

Location Providing Services for Project

Your facility and Veolia's Team will be supported by the business, technical, management and other resources that our firm has in Region operations group, as well as those from the North American resource base of our firm. Veolia's corporate resources include specialty teams that will routinely work with your local O&M teams:

- **Technical Support/Services Group** – This group is composed of some of the leading experts in the water and wastewater industry, which is a key advantage to partnering with Veolia. This team of operations and engineering experts allows our O&M teams to tap into the knowledge base and resources of Veolia in North America and globally. This group is responsible for centralizing technical knowledge, coordinating technical resources, integrating training and applying the best practices for Veolia's project work on a national basis.
- **Capital Program Management (CPM)** – Veolia's CPM group provides engineering design and construction support services for the implementation and management of upgrades, improvements and other capital project work at Veolia-operated and managed facilities. This group is composed of senior-level engineering design and construction professionals who are able to effectively manage and implement design and construction projects, drawing on a combination of in-house resources and expertise along with that of local firms (pre-qualified subcontractors) that provide design, construction and related expertise.
- **Energy Expertise and Resources** – Veolia's water and wastewater operations are part of our company's Municipal and Commercial operations group that also includes the operations and resources of Veolia Energy. This group specializes in the operations and maintenance of energy, central heat and power and related operations for municipal and commercial facilities. They also provide specialized expertise and

support for Veolia's water and wastewater operations in the areas of energy conservation, power systems usage and efficiency, as well as with the purchase and management of power and related energy systems consumables. This energy operations team provides engineering, operations and other experts that are another example of the key base of support resources that our local teams can call upon.

This means that Veolia provides a large staff base at the local, regional and national levels that will be available to support the routine and emergency needs of our operations team. The way in which we will bring the resources and expertise of our team to the benefit of your operations will be through the O&M, management and support team that we will commit to this project.

Resources and Capacity

Experience with Contract Municipal Water Operations

Veolia takes a business-like approach to managing the facilities we operate, always remaining focused on requirements of our customer. We are also mindful of the quality assurance and quality control issues important to regulatory agencies.

This balance of quality, cost control and commitment sets Veolia apart from other firms and is the reason we remain the largest contract operator of water and wastewater facilities in North America. Our O&M team will work to ensure that the community's demands for both quality and quantity are met.

Our firm provides the staff, chemicals, consumables and other tools required to provide a full-service approach to managing municipal utility operations. We also guarantee to meet or exceed all permit requirements and provide for comprehensive maintenance management.

Veolia's operational philosophy is that no facility can operate properly without a superior maintenance program, and our maintenance philosophy is to provide a level of maintenance that exceeds your expectations and experience. Our goal in these efforts is to provide reliability centered maintenance to ensure the equipment necessary for operations is available when needed and functions as required. Our firm's maintenance programs are designed to address the corrective and preventive maintenance needs of equipment and structures using a computerized maintenance management system (CMMS).

The elements of a comprehensive maintenance program provide for dependability and reliability, ensuring that facilities and equipment are properly maintained, getting the most from the client's capital investment.

Veolia's technical and management approach for the O&M of your water facilities will be based upon a strong legacy foundation of qualified staff, industry expertise, proven management methods, supporting resources and an overall commitment to operating excellence and asset preservation.

To deliver this type of approach, we will use the business and operations management tools that our firm has developed and refined to ensure the ongoing success of the water operations that we manage. These tools and approaches are used by our operations and management teams to effectively monitor, control and track operations and financial performance.

Some of the other elements of Veolia's O&M services approach include:

- Regulatory Compliance - Veolia works with our O&M customers to ensure that they maintain environmental and regulatory compliance while we assume full responsibility for our violations. Regulatory compliance becomes our company's business when we enter into an outsourcing agreement, an agreement under which we guarantee compliance within the design parameters of a given facility. We also provide the systems and engineering capabilities to add any needed flexibility within a given system, and we comply with local, state and federal laws and regulations.

  Veolia's experience provides us the advantage of a great deal of first-hand and detailed knowledge about water and wastewater systems. We also understand the requirements of both State and Federal water quality regulations.

- Safety - Safety is Veolia's highest priority, and our company's emphasis on safety has resulted in a safety culture throughout our organization that is reflected in a strong record of performance. Our safety program

is focused on ensuring the safety of our O&M personnel and protecting equipment, treatment processes and the public.

Veolia's safety approach begins with a corporate and management commitment to ensure that staff receive proper training and are committed to safe work practices. Our commitment states that no operation can be successful or considered excellent if it is not operated at the highest level of safety. Through the effective application of this approach, our firm maintains an industry-leading record of performance in the area of safety and compliance. Implementing this philosophy has had a profound and positive impact on safety performance, and our firm continues to set the industry standard for safety, outperforming national averages (as shown on the safety performance graphic, above).

- Customer Service - Veolia works with the communities that we serve to ensure responsive customer service. We offer unmatched experience in all aspects of customer service, including water meter reading, meter repair and replacement, service turn-on and shut-off, billing and collections, and/or call center management. In total, our firm provides formal customer service support for some 30 of our current municipal contract O&M projects in the U.S. These services address the needs of a customer service base that numbers over 140,000 accounts. Our employees will have contact with the citizens of Quincy and are trained on how to interact with all customers.
- Community Relations & Community Involvement - Veolia makes a commitment to being part of the local community and a good corporate citizen in each of the communities where we operate. From supporting local schools to providing facility tours to creating websites and literature, our firm provides public and community relations programs that are designed to help strengthen the local understanding of water and other environmental issues. Veolia's commitment in a given community may take the form of contributions of time, money and materials for community programs; plant tours and open houses targeted to community and school groups; scholarship programs focused toward providing students in need with the resources to pursue a career in environmental protection; and educational initiatives. We also work with community associations and elected officials to build community understanding and support for project initiatives.

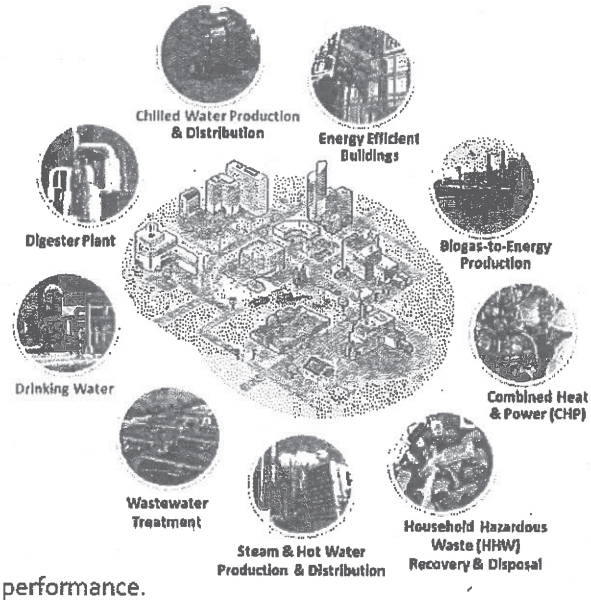
These are all part of the comprehensive approach that Veolia delivers under our O&M partnerships and are a core part of our record of success as the leading operations provider in North America over the past four and a half decades.

Experience with Energy Services and Operations

Veolia is one of the largest independent single-source providers of comprehensive energy related solutions in the world. Veolia's expertise and operational practices in critical environments contribute to the optimization of efficiencies and dramatic reduction in greenhouse gases for customers worldwide. Our energy consulting services division has over 400 clients and over 250+ engineers and energy experts on staff.

- **District Energy Networks:** Veolia owns, operates, and maintains thermal energy networks which provide highly efficient district heating and cooling to several major business districts in cities such as Boston, Philadelphia, Baltimore, Trenton, Oklahoma City, Tulsa, Kansas City, and more.
- **CHP / Central Plants / Microgrids / Renewables / Distributed Energy:** Veolia develops, operate, and optimizes combined heat & power (CHP) systems and onsite, central energy plants, microgrids, solar PV, battery storage, and other Distributed Energy Assets for both new and existing facilities. Projects can be delivered through multiple contracting models.
- **Technical Facilities Management & Energy Operations:** Veolia provides O&M outsourcing services for facilities that have significant requirements for energy and sustainable building performance. This offers access best-in class operators, efficiencies, and risk mitigation while shifting internal resources to core activities.

- **Turnkey Energy Efficiency Projects:** We identify and implement turnkey energy savings and retro commissioning opportunities for our clients. We support our clients through all phases of design and implementation, and support performance based projects.
- **Commissioning Services:** Veolia provides a full suite of Commissioning Services to ensure facilities with 24/7 functionality requirements are fully operational and performing reliably and efficiently. We also work with developers of new buildings to ensure critical building systems are functioning for operations turnover.
- **Smart Building Solutions:** Through real-time metering and integration with BMS systems, Veolia employs data analysts to monitor real-time usage and identify opportunities to optimize performance. Over 15,000 meters are monitored on a monthly basis.

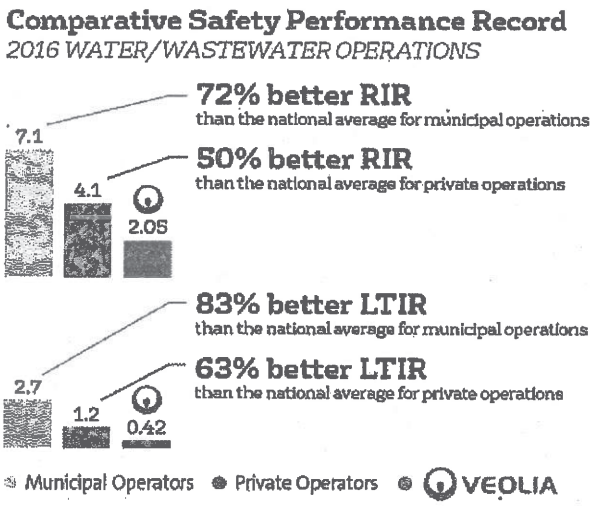


- **Enterprise Energy Management:** Veolia manages over $2 Billion in annual energy spend for large facility portfolios. Services span from from producing tenant bills, managing metering data, consolidating and validating invoices, identifying efficiency opportunities, and advising on energy purchasing strategies

Other Information

At our core, Veolia is a utility manager and service provider, and we understand the need for uncompromising service and reliability. Under our O&M services approach, we provide the range of capabilities and services that are required for the operations of the community's utilities.

Veolia's traditional business model is the delivery of turnkey O&M solutions for water, wastewater and other environmental facilities. Our company is also part of a national and international firm that brings unmatched capabilities, resources and expertise in the O&M of water and wastewater utilities.



The majority of our current water and wastewater O&M partnerships have been in place for five or more years, and our longest-running municipal operation in the U.S. is with the City of Burlingame, California – the very first municipal wastewater O&M partnership in the U.S. That contract began in 1972 and continues today with a record of 10 renewals and expanded scope.

Our experience also includes two of the largest O&M projects in North America in recent years – the ongoing wastewater contract for Milwaukee, Wisconsin, and the completed water system O&M contract with Indianapolis, Indiana.

Veolia also uses tools and approaches that assist both our operations and management teams to effectively monitor, control and track operations and financial performance. Our proprietary Process Control Management

Program (PCMP) tool allows O&M staff to routinely review (and respond to as necessary) critical operations parameters.

In addition, the PCMP is used to define proper operating ranges at the plant operator level, as well as key parameters that directly or indirectly impact operating costs. This allows Veolia's O&M team to operate water and wastewater processes within the defined range so that costs are effectively controlled and/or reduced.

Veolia's Cost of Goods Sold (COGS) program is a tool designed to help our Project Managers, Area Managers and Technical Managers better identify and control process parameters that directly or indirectly impact O&M costs.

The COGS program uses an approach similar to the PCMP program and allows management to routinely review (and respond to as necessary) a few critical parameters.

In addition, these programs define proper operating range, at the plant operator level, for key parameters that directly or indirectly impact operating costs. Therefore, if the operator operates a process within the defined range, costs will be controlled and/or reduced.

Additionally, as part of a global company, Veolia provides access to experts that offer unmatched technical support and know-how.

Our company is the manufacturer and supplier of more than 350 technologies in the area of treatment processes, mobile treatment systems, as well as tools and management approaches for operations, customer service and asset management.

Through our company's affiliations with equipment manufacturers and suppliers of virtually every technology required for water and wastewater treatment, Veolia can provide the right technology solution for most every need. Our clients get answers directly from the people who manufacture and service the industry's leading equipment brands, providing them with ongoing access to time- and money-saving expertise, technology and equipment.

These are all benefits that are woven into our Technical Plan and approach that we will be able to bring to the City to enhance your utility operations and provide reliable services to your customers.

Operations, Maintenance and Management

Our established **facility management philosophy** is centered on four core principles: 1) **environmental compliance;** 2) **service performance;** 3) **safety;** and 4) **equipment preservation**. The safety of our personnel and environmental protection of the City's systems will continue to be our highest priorities. Our technical approach to O&M services is guided by a comprehensive portfolio of proven Management Systems (see **Table 2.3-10 in Subsection F – Management Plans**). Veolia has developed a tailored approach for operations of facilities, and the focus is our expertise and technical O&M methods:

1. **Demonstrated Environmental Compliance** – Hundreds of awards at our facilities across the US, many of them from environmental agencies for perfect compliance with the applicable regulations for that site show our commitment to meeting and exceeding the expectations and requirements of our permits.
2. **Proven Service Performance** – Beyond our proven service performance for compliance and safety, our O&M team has developed and upgraded management tools and processes, including but not limited to: CMMS, SCADA, PCMP, asset management and Customer Service, Emergency Response plans and operations/reporting in order to enhance performance and deliver greater value to our partners.
3. **Safety and Environmental Health** – Our safety culture exceeds all industry standards and provides another cornerstone of the O&M success achieved by Veolia. Protecting our staff and the environmental health of the communities we serve is paramount to satisfying our service goals.

4. **Equipment Preservation** – We focus on protecting and preserving the assets we are entrusted with, through our customized CMMS and asset management program that ensures the necessary preventative maintenance is performed on all equipment to extend its life

Veolia's Commitment to Operations, Support and Management

Our commitment comes with full access to our resources that include all of the modern tools and approaches that our Veolia personnel (over 163,000 strong) have developed in the plants that our company operates throughout the world. Veolia has continually operated water/ wastewater facilities for over four decades in the U.S., maintaining facilities to the highest standard of care, and that expectation is ongoing in our partnerships with all the communities we serve.

Veolia's Commitment to Maintenance and Asset Management

We recognizes that the City has entrusted their assets to Veolia and expects a level of comprehensive care that protects the assets, reduces life cycle costing and preserves equipment life expectancy. We also understand that the public continues to expect the City and Veolia to guarantee their infrastructure is safe, reliable, cost effective and sustainable for current and future generations. As such, CMMS/asset management is an integral part of our formalized business system to effectively manage the maintenance, repair and replacement of assets at all our facilities.

Long-Term Environmental Compliance

We have a proven approach to ensuring long-term compliance with environmental regulations and permit conditions. Ensuring Environmental compliance is fundamental to Veolia's long term performance strategy, and safeguarding water resources, raw materials and energy resources, while limiting the impacts of our activities on air quality, soil pollution; public waters ways and groundwater. Long-term environmental compliance is integral to supporting the communities we serve.

Below we outline the core elements of our Long-Term Environmental Compliance and Environmental Management programs, but, first, we list an example of the awards for a few facilities

Table 2.3-8 - Veolia Wastewater Environmental Compliance and Safety Awards for just a few facilities

15 Awards	33 Awards	60 Awards
Cle Elem, Washington	Gresham, Oregon	Vancouver, Washington
Gresham Wastewater Treatment Facilities, Oregon		
2016 - WEF Project Excellence Award - WEF 2016 - Utility of the Future Today - NACWA 2006, 2007, 2008, 2013, 2014, 2015, 2016 - Peak Performance Award – Gold (x7) - NACWA		
2015 - NCPPP Service Award - National Council for Public-Private Partnerships 2015 - Environmental Project of the Year – Less than $5 Million - American Public Works Association – Oregon Chapter 2015 - Biogas Project of the Year - American Biogas Council		
2013 - Energy Savings Recognition (77 homes/year) - Energy Trust of Oregon 2013 - Engineering Excellence Honor Award (Thickener Building Reuse 2012) - American Council of Engineering Companies of Oregon 2012, 2013 - USCOM PPP Sustainability award (x2) - U.S. Conference of Mayors 2013 - Great Business Award for Sustainability - City of Gresham 2013 - OPEX Award - First Place for Best Large Municipal Project (2012) - Veolia North America		
2012 - Peak Performance Award – Silver - NACWA 2012 - No Lost Time (4 Years) - PNCWA 2012 - Sustainability Award - PNCWA		
2009, 2010, 2011 - Platinum Award (x3) – 5, 6 & 7 Years - NACWA 2011 - George W. Burke Jr. Facility Safety Award - WEF 2011 - OPEX Award - First Place for Best Large Municipal Project - Veolia North America		

Table 2.3-8 - Veolia Wastewater Environmental Compliance and Safety Awards for just a few facilities
2006, 2010 - Safety Award for Zero Lost-Time Incidents, Division B - PNCWA
2008 - Distinguished Service Award - National Council for Public-Private Partnerships 2008 - Operator of the Year (Darren Eki) - PNCWA
2007 - The Julian Award – CoGeneration - American Public Works Association 2007 - Award for Excellence CoGenerator Replacement Project - The League of Oregon Cities
2006 - NPDES Permit Compliance Award - PNCWA
Vancouver Wastewater Treatment Facilities, Washington
2015- Clark County Green Business Award - Clark County Environmental Services
2008, 2014 - George W. Burke Jr. Safety Award (x3) - Water Environment Federation (WEF) 2014- Sustainability Award - PNCWA 2012, 2013, 2014 - Peak Performance Platinum Award (x3) – 5 Years or More of 100% Compliance - National Association of Clean Water Agencies (NACWA)
2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013 - Outstanding Wastewater Treatment Plant Award (Westside and Marin Park) (x8) - Washington DOE
2012- Top Workplace Award - The Oregonian and Workplace Dynamics 2008, 2009, 2012 - Division A – Zero Lost-Time-Incidents Award (x3) - PNCWA
2011 - High Performance Energy Management - Bonneville Power Administration and Energy Smart Industrial
2010 - Regional Operational Excellence Award and National Operational Excellence Award – Large Project Category - Veolia North America
2008- Best Overall Safety Program – Veolia West Region
2003, 2007 - Regional Operational Excellence Award (x2) – Large Project Category - Veolia West Region 2007- Safety Award – Most Improved Safety Program - Veolia West Region 2007- Zero Lost-Time-Incidents Award - Veolia North America
2005- Outstanding Wastewater Treatment Plant Award (Westside) - Washington DOE
Outstanding Wastewater Treatment Plant Award (Marine Park) - Washington DOE North America OPEX Award - Large Plant - Veolia North America West Region OPEX Award - Large Plant - Veolia North America Public-Private Partnership Award - National Council for Public-Private Partnerships Ten years No Lost-Time Accidents - Pacific Northwest Pollution Control Association (PNPCA) Perfect Compliance Award (x3) - Washington DOE Exemplary Performance Award (x2) - Washington DOE Safety Award - Zero Lost-Time Incidents (x11) and Five Years of Lost Time Free Accidents - PNPCA, Division. B Operations Challenge - First Place Overall - PNPCA Safety Award - Collection Systems Operations & Maintenance Excellence Award Finalist - EPA Region VI O&M Excellence Award - Washington DOE One to Ten Years Zero Lost-Time Incidents - Division Award - Washington DOE Safety Award (x3) and Safety Award (Westside) and Safety Award (Eastside) - PNPCA, Division. B
Cle Elum Wastewater Treatment Facilities, Washington
2015- Excellence Award Washington Department of Ecology (DOE) 2005, 2008, 2016 - Outstanding Performance Award (x3) - DOE
2006, 2010 – Regional Operational Excellence Award (x2) and National Operational Excellence Award (x2) – Small Project Category - Veolia North America (Competed with 86 small Veolia projects across the country)
2008, 2009 - Safety Award (x2) for 5 & 6 Years without Lost-Time or Recordable Incidents – Small Plant Category - Pacific Northwest Clean Water Association of Washington, Oregon and Idaho (PNCWA)
2004, 2005, 2006, 2007 - Safety Award (x4) for 1, 2, 3 & 4 Years without Lost-Time or Recordable Incidents – Small Plant Category - Veolia North America
2003 - Plant Built with 45,725 Man Hours without a Lost-Time Incident Award - Veolia North America

Operators are Front Line Stewards for Environmental Compliance

The State provides the backbone for environmental protection management through requirements of review and knowledge of regulations for Operator certification. The management tools that Veolia provides, such as Hach WIMS and the PCMP program support our operators by enabling them to identify potential issues for mitigation and reversal before non-compliance.

Veolia Staff Experienced in Environmental Compliance & Future Regulations

Our operation stewards are supported by a management and supervisory team that will be directly involved in the Gresham partnership and have extensive experience in the environmental arena. Howard Hamilton, Mike Greene, P.E., Aaron Winer, Ed Dix and Melissa Sandvold have a combined experience level well in excess of 100 years, working directly and effectively with environmental regulatory agencies. Veolia staff has developed close relations with State, Federal and local regulatory agencies.

Environmental Management Process

Environmental compliance is a top-level commitment and priority for Veolia at each O&M project. Our regulatory compliance record is among the best in the industry, and we accept responsibility for achieving environmental compliance within the design and operating capabilities of each treatment facility. The key to success is having a detailed understanding of our environmental interactions, reducing our impacts and improving our controls. As such, the cornerstones of our program center on:

- Establishing appropriate policies and procedures which reduces variation and improves efficiency.
- Identifying environmental aspects (interactions).
- Setting targets and plans for improvements to deliver continual enhancements to our service.
- Knowing our legal requirements to mitigate legal and contractual nonconformance.
- Measuring and controlling environmental impacts.
- Hiring and maintaining competent and trained employees improves efficiency, reduces costs, minimizes unproductive time and leads to better job satisfaction while protecting the environment.
- Being prepared for emergencies so no event is insurmountable.
- Conducting self-assessments to help focus on quality, safety and environmental improvement initiatives.
- Addressing system non-conformance issues to ensure future prevention.

To ensure successful environmental compliance, Veolia uses the following tools and procedures:

Excellence through Digital Management

Compliance Management System – Veolia uses the **e3** Environmental Management Information System (EMIS) software by **e3 Solutions Inc.**, harmonizing issue and task reporting to assist facility and corporate personnel in proactively **tracking and ensuring compliance** with environmental, health and safety requirements in a timely and complete manner. **e3** is specifically used to:

- Organize and summarize all compliance requirements.
- Track issues and tasks critical to effective management.
- Track environmental items from identification through resolution.
- Assist with organizing and tracking contract deliverables.

Incident Tracking – Veolia uses the Triple I database tool to document, communicate, monitor, report and manage environmental incidents, work-related injuries and illnesses, vehicle and property damage occurrences, and near-miss events. Our policy requires timely reporting to all vested parties.

Regulatory Compliance Tracking Database – Veolia has a national contract with Citation Publishing, Inc., for the CyberRegs™ service, which is a comprehensive, online database of federal, state and international government regulations, statutes and related data, including the Federal Register, Code of Federal Regulations, and state



The City of Gresham, Oregon, and Veolia North America have been recognized by the National Council for Public-Private Partnerships (NCPPP) for the wastewater treatment plant's Net Zero Energy accomplishment. Veolia North America CEO, Bill DiCroce (center), receives the 2015 service award from the NCPPP for Gresham's wastewater treatment plant, with Anita Molino, NCPPP chairman (left) and Art Smith, NCPPP president (right).

H&S regulations. Using this tool and our in-house resources, Veolia's Gresham staff will have 24/7 access to up-to-date information on regulated environmental, OSHA health and safety, process safety and risk management requirements for your wastewater treatment plant.

Environmental Commitment

Environmental Compliance Manual – Veolia's Environmental Compliance Manual (ECM) sets forth all aspects of environmental compliance.

Management Philosophy

We pride ourselves on serving as guardians of the environment, so we continually examine our activities and their impacts. We understand our responsibility is for **comprehensive environmental stewardship** that includes accountability for fines resulting from negligence on our part, and we take a proactive and responsible approach to regulatory requirements and changes, both in client notifications and responsive action.

We maintain a zero-tolerance culture toward avoidable incidents, which include preventable permit compliance excursions. **Our expectation is 100% compliance** with all achievable regulatory permit limits. When an unexpected or unavoidable event does occur, we swiftly take appropriate corrective action and restore your facilities to compliant operation.

Site Specifics

Veolia has a comprehensive Process Control Management Plan and Unit Process Strategies to identify and modify processes to ensure compliance. Veolia Process Control is reviewed each week and process operating parameters adjust to meet changing conditions. Other important factors are to insure all necessary equipment is mechanically maintained and ready in a standby state. The process control management plant is audited annually by outside Veolia technical support staff to ensure staff are following necessary protocols and have following the necessary plans to maintain ongoing compliance. Technical support is always available by phone and will make site visits as needed to support the project. We are also connected to our global Veolia Technical Support Bulletin were we can share information, problems and solutions for our facilities.

Future Regulatory Changes and Mitigation

Veolia recognizes changes in environmental regulations can result in more restrictive limitations and or expectations. In the event of a regulatory change that results in more restrictive limits, Veolia will make all efforts possible in meeting the revised requirements with existing facilities, staffing levels and compensation. If Veolia is unable to meet the new regulatory requirements by process modifications alone, it will notify the City and discuss the need for facility improvements and/or additional costs associated with meeting the new requirements. If additional costs are necessary to meet enhanced requirements, Veolia will document and itemize all relevant cost changes and provide that information to the City. Veolia understands the City has the right to engage a third party to evaluate any proposed changes in compensation.

Veolia closely monitors the regulatory environment and participates in various committees and organizations to stay abreast of near term and long-term potential regulatory changes that may affect facility operations.

Our approach to regulatory requirements and changes in permit limits and standards is premised on our technical understanding of the situation, identifying potential solutions to be presented and discussed with the City and applicable regulatory authorities.

F. Facility Plans

Veolia recognizes the need for Facilities Plans, including Customer Service and Emergency Response; Staffing and Training; Operation and Maintenance (O&M); Safety and Security; Transition; Repair and Replacement, and Asset Management.

Each of the example plans below have been developed for various sites and the appropriate ones will be developed for East Palo Alto when Veolia takes over.

Example Facility plans written plans or programs at our sites. These in-place written documents provide the guidance to implement the various O&M activities at the Facilities and ensure timely compliance with all applicable laws and regulations.

Veolia - Management Systems	
Management System	**Veolia Written Plan or Program**
Administration	Contract Services Agreement (SA) Technical/Financial Proposal
Chemicals	Chemical Handling Manual
Communications	Crisis Communications Manual
Compliance	Environmental Compliance Manual Storm Water Pollution Prevention Manual
Financial	Cost-of-Goods Sold (COGS) Program Accounting & Financial Cost Reports
Health & Safety	Health and Safety Policy Manual Site Specific Safety Plans Contractor Safety Management Plan Fleet Safety and Compliance Manual Emergency Action Plan Manual
Laboratory	Laboratory Chemicals Hygiene Manual Quality Assurance Program Manual
Operations	Operating Equipment Manuals (OEMs) Operations and Maintenance Plan (O&M Plan) Standard Operating Procedures (SOPs) Process Control Mgmt. Plan
Maintenance	CMMS Users Guide Asset Management Plan Repair and Replacement (R&R) Program Capital Plan
Personnel	Human Resources Training Guide & Forms
Public Relations	Customer Service Plan Facility Tours Standard Operating Procedure
Regulatory Compliance	NPDES Effluent Discharge – Triple I & e3 MIS Systems Immediate Notification Protocol Matrix NPDES Permit Oregon DEQAir Discharge Permit Storm Permit
Reporting	Annual Operations and Maintenance Report Annual Part 503 Biosolids Report Air Emissions Discharge Report Monthly Discharge Monitoring Report (DMR) Monthly Operating Report (MOR)
Risk & Security	Risk Management Plan Spill Prevention Control & Countermeasure Facility Security Guidance (FSG) Document
Subcontractors	Subcontracting Firms & Activity Reports

Customer Service and Emergency Response Plan



Customer Service

"Customer First" is a charter and commitment that Veolia maintains for all our operations – recognizing that we are a part of the community and have a commitment to be a good corporate citizen. We will ensure our partner, the City, is informed and consulted as to any activity, problem, or circumstance that threatens the safety, health, or welfare of the customers or the Facility. A complaint record log is kept to document any complaints received and includes contact information, time, date and nature of the nuisance, duration, characteristics, weather conditions, process information, identification of staff member taking the call and follow-up actions that were taken, including City and/or regulatory notification.

Odor and Noise Management – Veolia strives to operate the facilities to minimize odors and continue to maintain compliance. Once per day, the Operators follow the fence-line and investigate any odors. Veolia will endeavor to the extent possible to control noise and be a "good neighbor." Veolia performs routine sound-level surveys using a dosimeter and analyzes the results with respect to OSHA workplace rules. Industry best management practices are applied where practicable. We hold all vendors and subcontractors to the same standards. Veolia has never received a nuisance noise complaint at any of the area facilities we run.

Emergency Response Plan

A fundamental component of Veolia's operational services is our advanced planning and rapid responses to storms, emergencies and variances. Veolia has an **established and proven emergency response program** and has coordinated emergency response in the area. We will establish a site specific Emergency Response Plan (ERP) that is used to address emergencies at all levels.

Our ERP is supplemented by a number of other plans, procedures and policies: Risk Management Plan, Safety Data Sheets, Sample Chain of Custody Procedures, and others as needed to address events.

The ERP will detail emergency operations procedures, including on-call backup capability to be utilized during an emergency event and will address at a minimum:

Chemical Spills
Personnel Emergencies
Fire and Explosions
Pipe, Valve, or Pump Failure
Equipment and Process Failure
Power Failure
Acts of God (e.g., Hurricanes, Wind Storms, Volcanoes, Ice Storms, Wind Storms and Floods)
Emergency Telephone Numbers
Emergency Equipment Inventory
Records Preservation including Industrial Waste Sampling and Monitoring
Physical Security
Coordinating Instructions with Public Safety Agencies

Chemical Spills – In the event of an incident or non-routine release of a hazardous substance in excess of its Reportable Quantity (RQ), the EHS&S Manager or operator in charge implements the Hazardous Substance Spill Prevention and Response Plan. They take immediate action to assure personnel safety and then stop the release and remedy any effects. The EHS&S Manager also reports the incident immediately to the regional office per Veolia's crisis management reporting protocol and the appropriate federal, state and local agencies as required.

Fire – In addition to the ERP, Veolia has a written Fire Protection Plan to be reviewed by City Fire Departments. The manual is based upon the policies and practices of organizations such as the National Fire Protection

Association (NFPA), Underwriters Laboratory (UL), various insurance and insurance brokerage companies, and where applicable, OSHA Regulations.

Storms, Earthquakes, Floods, Volcanoes – Veolia has established and implemented an Emergency Action Plan (EAP) in accordance with 29 CFR 1910.38 and 8 CCR 3220. The EAP requires periodic evacuation drills to test the effectiveness of the Plan. The plan covers evacuation and shelter planning, off-site protective actions, response capabilities, responsibilities and action plans for man-made and natural disasters.

Pipe, Valve or Pump Failure – Most systems have built in redundancy and isolation to protect against further damage or injury during a failure and to contain any spills. Veolia relies on an alarming system as well as operator rounds to notify Operators of issues within the systems and additional resources are on call and can be rapidly deployed in the event of an incident. This, along with solid relationships with local contractors and vendors and a planned CMMS system with tracked critical and spare parts inventory, allows for quick effective resolution of any of these failure scenarios.

Equipment and Process Failure – Equipment failures can many times be prevented through use of our asset management program. By tracking trends on the critical equipment for vibration, oil analysis and thermography, many "failures" can be predicted and resolved well in advance of a complete failure, minimizing or deleting downtime on important equipment. For items that fail prematurely however, Veolia tries to maintains an inventory of spare parts for all critical equipment as well as national vendor agreements in place for quick delivery of needed repair parts for unanticipated failures. In all instances, whether predicted or emergency, Veolia documents SOPs to cover needed process adjustments, additional process tankage, chemical additions and or diagnostic sampling to minimize impacts of these failures.

Emergency Telephone Numbers – Our current ERP details Communication Procedures and contains contact information for all persons and agencies that would need to be contacted, notified, consulted or collaborated with in the instance of an emergency. Vendor telephone numbers and contact information are included in the document.

Emergency Equipment Inventory – The ERP outlines the Equipment and Chemical Supplies and Emergency Equipment inventory that will continue to be maintained to respond to incidents. The individual Action Plans for specific types of incidents contain detailed equipment requirements.

Coordinating Instructions with Public Safety Agencies – Veolia's ERP addresses Communications Procedures and includes contact lists for all applicable organizations as well as Communications Procedures, Role of the Information Officer (IO), Internal Notification, External Notification, Critical Customer Notification and Public/Media Notification. Veolia also has a Crisis Management and Alert Procedure which contains Incident Flowcharts and Risk Assessment Questionnaires that assist staff in managing the correct courses of action.

Security – Any fencing is inspected monthly to insure integrity. Veolia maintains all alarms systems on the site buildings. Our proposed onsite staff, as well as supporting resources, are available to respond to emergencies 24 hours a day/7 days a week/365 days a year. Our locally residing Environmental Health, Safety and Security (EHS&S) Manager provides training, monitoring, recordkeeping, knowledge of and compliance with all local, state and federal environmental, health, safety and security rules and regulations. He is responsible for organizing, planning and training staff on emergency response procedures.

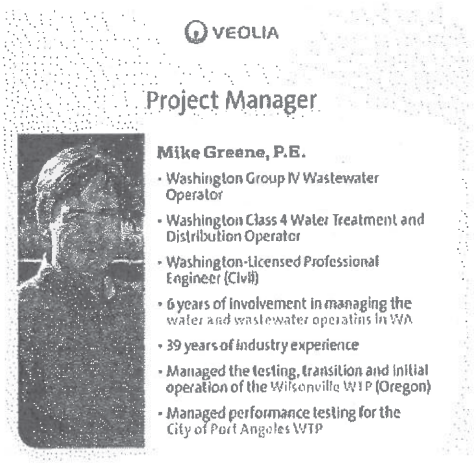
Transition Plans / Staffing Structures

Veolia understands that transitions are always difficult and having continuity in staff and confidence in their expertise is paramount. We will focus on using the current staff at the location with support from our entire nationwide resources. They will also be provided with ongoing training that is focused on enhancing current skills and building new skills that provide for career-advancement opportunities.

The staff will work under the leadership of the experienced management team that Veolia is committing to this project.

Leading Veolia's O&M team for the City's operations will be **Aaron Winer**, as our full-time **Area Manager**, and **Mike Greene, P.E. and Howard Hamilton**, as the regional **Subject Matter Experts** for our **Water** sites. These individuals work under the direction and management of **Melissa Sandvold** as the Vice President of Operations for Veolia.

All of the above mentioned employees are experienced operations leaders and Mike and Howard are certified specialists in Water systems.



Aaron Winer has been in water and wastewater since 1995. His experience includes 17 years with Veolia and 6 years working in the public sector. That work includes time in municipal wastewater operations, industrial operations, laboratory, storm water, industrial pretreatment, project management and always with a focus on safety. Aaron's entire career has involved work in Northern California, from the Bay Area to Northern Sacramento Valley and Sacramento/San Joaquin Delta. He has been involved in project management, business development and Area Management overseeing multiple projects in Northern California – Bay Area. His certifications include: CA State Water Resources Control Board Grade V Municipal Wastewater Treatment Plant Operator • California Water Environment Association Grade IV Environmental Compliance Inspector. • California Water Environment Association Grade II Industrial Waste Treatment Plant Operator. • California Water Environment Association Grade I Laboratory Technician. • MA Grade IV Municipal Wastewater Treatment Plant. Mr Winer has years of working in the field and is looking forward to expanding his experience to water systems, customer service and billing.

Mike Greene has over 40 years of engineering and water/wastewater operations experience, and he manages a regional team in the West that serves our water and wastewater operations in the region. Mike oversaw the startup and commissioning of the Wilsonville, Or Water facility in and recently lead Veolia's efforts in managing the Water/Wastewater and Customer Service groups in Rialto, Ca. Mike's licenses and certifications include: Professional Engineer (P.E.), Washington – Civil, Professional Engineer (P.E.), Oregon - Civil & Environmental, Water Treatment Plant Operator (WTPO 4), Washington, Water Distribution Manager (WDM 4), Washington, Wastewater Treatment Operator (WWT IV), Washington, Wastewater Treatment Operator (WWT IV), Oregon, Wastewater Collections Operator (WWC IV), Oregon, Water Treatment Operator (WT IV) w/Filtration Endorsement, Oregon, Water Distribution Operator (WD IV), Oregon. Mike continues to focus on the efficiency, reliability and sustainability of the systems in his support region.

Howard Hamilton is Veolia's Operations and Maintenance Manager for the region with over 30 years of experience, his licenses and certifications include: Oregon:Water Treatment-4, Water Distribution-4, Wastewater Treatment-4, Wastewater Collections-4 Washington: Water Treatment-4, Water Distribution-4, Wastewater Treatment-4 Idaho: Wastewater Treatment-4, Wastewater Collections-4, Hawaii: Wastewater Treatment-4. Howard is based at our water treatment O&M project site in Wilsonville, Oregon and assists with regional projects with day-to-day operation's needs, with a focus on ensuring process optimization and compliance.

Melissa Sandvold, is Veolia's Vice President of Operations and is based in our regional office in Vancouver, Washington. She has worked with the company in increasingly responsible roles since 1997 and is a Group IV Wastewater Operator in the State of Washington. She has management and support responsibility for many of our current water, wastewater and energy utility operations in the West region. Prior to this role, Ms. Sandvold worked as a manager for two of Veolia's longest running O&M contracts, including a 37-year wastewater O&M contract with the City of Vancouver, Washington, and a more than 20-year O&M partnership with Sioux City, Iowa. The operations at Vancouver included three wastewater treatment facilities, including: two activated sludge facilities (22.4-MGD and 16-MGD) and a 4-MGD multi-stage aerated industrial lagoon. Ms. Sandvold served as the Plant Manager for that operation for five years, and then attained regional management responsibility.

This management team will be responsible for implementing the transition plan and approach outlined in this document. Veolia has successfully used this type of a plan to transition large and small operations and staff groups

to our firm over several decades, while ensuring no service disruptions related to critical operations during the process and a smooth, transparent conversion for existing staff.

During the transition process, Veolia will put into place the tools and approaches that are needed to effectively manage the day-to-day operations.

Specialists and Technical Staff That Will Support the Project

The City will also be supported by other key Veolia technical and management resources in the region, including but not limited to:

- **Veolia's Technical Support Group** – This group includes highly experienced operators, managers and Subject Matter Experts (SMEs), including:
  - **Ed Dix** – He is Veolia's Regional Technical Director who is based at our regional office in Vancouver, Wa. Mr. Dix will coordinate Veolia's vast network of technical experts and global best practices to optimize our O&M performance at the project. He is a licensed Grade IV Wastewater Treatment Operator in Oregon and works as part of a team that focuses on providing support for research and development activities; providing validation of design/build (DB) and design/build/operate (DBO) operations, maintenance and management projects; providing expertise for complex and demanding projects; sizing and process validation; and providing assistance with project execution, compliance, facilities commissioning and operations.
  - **Melissa Demsky, P.E.** – She is Veolia's Regional Asset Management Director and is based at our regional office in Vancouver, Wa. Ms. Demsky directs the work of our dedicated asset management experts and global best practices to extend the life of water and wastewater equipment and optimize CMMS and capital programs performance at the project. She is a licensed Grade II Wastewater Treatment Operator in Oregon, Group II Wastewater Operator in Washington, and a registered Professional Chemical Engineer in California.
  - **Matt Beltran** – He is Veolia's Regional Safety/Laboratory Manager and is based at our regional office in Vancouver, Wa. Mr. Beltran would be responsible for working with our Project Manager and O&M team in East Palo Alto on the development of a site-specific safety and compliance plan along with staff training. He is a Washington Group II Wastewater Treatment Plant Operator, a Certified Instructor in CPR, AED, First Aid, Confined Space, Confined Space Rescue and High Angle Rescue. Mr. Beltran is also an OSHA 8-hour General Industry/Veolia-Certified Safety Professional.
  - **Capital Program Management (CPM)** – Veolia's CPM group is composed of senior-level engineering design and construction professionals who provide construction support services for upgrades, improvements and other capital project work at Veolia-operated and managed facilities. We also partner with engineering design firms and provide construction management services as the owner's representative. The CPM group manages and implements design and construction projects, drawing on a combination of in-house resources and expertise along with local firms (pre-qualified subcontractors) that provide design, construction and related expertise.

  These resources are indicative of the types of local experts and specialty teams that Veolia can mobilize to support the operations in East Palo Alto. A wealth of resources also exists across our Veolia North America staff that can provide technology experience sharing from more than 500 sites and technical expertise groups in engineering, operations, emerging technologies, asset management and sustainability.

Transition Plan and Approach

During the transition process, Veolia will develop a specific transition schedule, coordinated with the City of East Palo Alto and the local staff.

This ensures that the schedules, key milestone and core tasks meet the expectations of the group. Our typical transition schedule in the table below includes:

- Working with the client and staff on a detailed transition plan at the start of the process.
- Coordinating with regulatory authorities and project stakeholders, as appropriate.
- Developing operations, laboratory/testing and maintenance procedures as necessary.
- Establishing the site-specific Safety Program and Emergency Management Plan.
- Setting up information management systems, accounting and finance programs, and administrative functions.
- Performing inventory audits, including equipment and spare parts and consumables such as chemicals and other supplies.
- Establishing relationships with suppliers and support subcontractors and current staff.
- Identifying spare equipment parts needs and coordinating with vendors that would support those needs.
- Transferring records, including the O&M manuals, equipment manuals and support materials, the as-built design documents, and other related documents.
- Implementing Veolia's tools, including computerized process control and maintenance and management.
- Developing standard operations procedures (SOPs) for the operations.
- Securing contractually required transition documents.
- Executing the employee hiring and transition process.

This transition schedule/approach will be implemented by an experienced Transition Team, formed from the management technical and other professionals that are part of our regional staff. This team would be responsible for completing the transition of O&M responsibility, from AWE to our O&M team.

Veolia's Area Manager, Aaron Winer, would work on the development of the plans, programs and systems required for the transition and operations process during the timeframe that he would be on-site working with the staff to complete.

During the transition process Veolia would establish the tools and procedures required to address regulatory reporting and emergency management. We would also complete an inventory of the facilities, equipment and consumables, and develop relationships with suppliers and subcontractors that would be used for the support of the operations. Additionally, during this time, we would provide orientation and training for the O&M staff, and, of course, answer any questions and address any concerns to ensure a comfort level of expectations and goals moving forward.

Table 2.3-3. Veolia – Typical Transition Schedule – Some items vary based on individual needs

Task	Team Member	Delivery Date
Transition of employees to the project and hiring of new staff to fill any staffing vacancies	Veolia - Human Resources Manager, Project Manager and On-site Supervisor	Immediate and ongoing with status updates provided to the City

Key Objectives for a Successful Transition

- Establishing Safe, Reliable and Secure Facilities
- Developing Strong Customer Service Focus
- Building Relationships with All Project Stakeholders
- Completing the Transition Process – Smoothly and on Schedule with all Deliverables
- Forming a partnership with the City of East Palo Alto

Table 2.3-3. Veolia – Typical Transition Schedule – Some items vary based on individual needs		
Task	**Team Member**	**Delivery Date**
Vendor Setup and Training with the Accounting Software (Coupa)	Veolia - Off-site Administrative Support, Project Manager and On-site Supervisor	Immediately with ongoing training
Meet with the City in a workshop to develop their specific Transition Plan	Veolia - Vice President of Operations, Project Manager and On-site Supervisor	Within 30 days of the start of contract
Safety Review of Site Specific Safety Policies	Veolia - Project Manager and On-site Supervisor (with support from the Transition Team, as needed)	During first 30 days
Computerized Maintenance Management System (CMMS) Kick-Off and Requirements Workshop	Veolia - Project Manager, On-site Supervisor and Regional Director of Asset Management	Within 30 days of project startup
Provide Monthly Safety Training	Veolia - Project Manager and On-site Supervisor (with support from the Transition Team, as needed)	Ongoing, starting at project startup
Review the Transition/Project Startup Plan and Other Deliverables with the City's managers	Veolia - Vice President of Operations, Project Manager and On-site Supervisor	Every 30 days, from startup through completion
Develop Customer Service and Emergency Response Plan	Veolia - Project Manager and On-site Supervisor (with support from the Transition Team, as needed)	30 days from contract start
Develop Site-specific Safety and Security Plan	Veolia - Project Manager and On-site Supervisor (with support from the Transition Team, as needed)	30 days from contract start
Review all Regulatory Correspondence and discuss with the City's managers	Veolia - Vice President of Operations, Project Manager and On-site Supervisor	30 days from contract award.
Perform Inventory (vehicles, equipment, spare parts, chemicals, fuel and supplies/materials)	Veolia - Project Manager and On-site Supervisor (with support from the Transition Team, as needed)	First day of project (following the completion of transition).
Inventory Requirements & Procurement Vendor Review	Veolia - Project Manager and On-site Supervisor (with support from the Transition Team, as needed)	30 days from contract award.
Perform a Laboratory Audit	Veolia - Laboratory QA/QC Manager, with Project Manager and On-site Supervisor	Within 30 days of project startup.
Perform a Safety Audit	Veolia – Regional Health & Safety Manager, with Project Manager and On-site Supervisor	Within 30 days of project startup.
Configure the Data Management Software (HAC WIMS)	Veolia - Project Manager, On-Site Supervisor and Technical Specialists	Within 60 days of project startup.
Complete a system-wide Sampling and Analysis Plan	Veolia - Project Manager and On-site Supervisor (with support from the Transition Team, as needed)	60 days from contract award.
Perform Photo or Video Inventory (facilities)	Veolia - Project Manager and On-site Supervisor (with support from the Transition Team, as needed)	Within 90 days of project startup.
Operations and Maintenance Plan (including Standard Operating Procedures)	Veolia - Project Manager and On-site Supervisor (with support from the Transition Team, as needed)	Within 120 days of project start up.
Initial Condition Assessment	Veolia - Project Manager, On-site Supervisor and Regional Director of Asset Management	120 days after start date.

Table 2.3-3. Veolia – Typical Transition Schedule – Some items vary based on individual needs		
Task	Team Member	Delivery Date
Delivery of the CMMS System	Veolia - Project Manager, On-site Supervisor and Regional Director of Asset Management	120 days after start date.
Complete Repair and Replacement Program for coordinated Review with City Staff	Veolia - Project Manager , On-site Supervisor and Regional Director of Asset Management (with support from the Transition Team, as needed)	120 days from contract award

Veolia's transition schedule, as presented above, is not meant to be all-inclusive but rather is representative of the key activities in which we would engage in preparation for the transition. Veolia would also remain flexible in terms of this schedule and the startup date in order to fully accommodate your schedule and coordinate with the City's needs.

The transition process would also involve a number of other key responsibilities including (but are not limited to):

- **Coordination with Regulatory and Other Agencies and Facility Staff** - Regulatory coordination. Veolia's excellent relationships with regulatory agencies in the State of California provide a basis for communication and a cooperative working environment with regard to this key task.
- **Inventories** - Plant inventories, including equipment, supplies, and spare parts, would be conducted by Veolia's Transition Team. Selected portions of these inventories would be entered into tracking databases for replenishment, as appropriate. Deficiencies in the inventories, if any, would be filled, to ensure continuity and quality of service to the City from the start.
- **Relationships with Suppliers and Subcontractors** - As part of this approach, Veolia would also capitalize on existing supplier and vendor relationships for our operations/projects in the region and would look to retain those vendors that are local and can provide the best value under this new contract. Suppliers of the equipment and systems would be contacted as part of the system inventory evaluation in order to ensure that all products are on record within our systems. This process ensures, for example, that lubricants for each piece of equipment are accurately identified and cross-checked and that adequate supplies of that lubricant are on hand.
- **Spare Parts & Equipment** - Spare equipment parts would be identified and coordinated with vendors and suppliers to ensure that critical pieces of equipment would not experience downtime.
- **Transferring Records** - Veolia would begin the transfer of records during the transition process. These records would include regulatory data, permits, monitoring reports, and other hard-copy correspondence, as well as hard-copy technical data. We would also begin implementing our CMMS program plan for discussion with the City and transferring existing equipment inventory, warranty and maintenance history information into our databases. Operations data records would likewise be established in the data management system, and both systems would be set up by our specialists.

Over our firm's more than four decades of water and wastewater industry experience here in the U.S., Veolia has performed more than 350 transitions, involving over 5,000 employees nationally. Whether transitioning one individual or hundreds of staff, we work to ensure sensitivity to the needs of the employees being transitioned while guaranteeing no interruption in water or wastewater services to the community. The entire process is efficient and focused on continuity of service.

Veolia's Human Resources approach is focused on investing in our employees through compensation and training programs, which in turn results in compliant, cost-effective operations with fewer illnesses and injuries. Our training programs offer staff increased opportunities for advancement, leading to greater compensation.

During the transition process, Veolia's Human Resources specialists would work to meet the needs of new employees. Critical to the success of these efforts will be extensive communications with employees to answer any

questions and to dispel any concerns. Orientation meetings would be conducted for all new employees in order to review policies, training plans, business contract issues and priorities, and safety priorities.

Employee Training and Development

Veolia's training programs are focused on ensuring that all employees are afforded the opportunity to hone existing skills and acquire new skills. We work to ensure that all employees have the training needed to: operate the facilities and maintain the systems to meet all regulatory requirements; operate the facilities and maintain the systems in accordance with the highest standards for efficiency, effectiveness, sustainability and safety; and, demonstrate the skills required for outstanding job performance to participate in growth opportunities.

Regular training is an essential element of any well-run facility, and Veolia intends to institute a program that incorporates core-competency training to ensure continuing superior work performance and safety. This training would cover all elements of plant operations and maintenance; process theory; plant safety; and hazardous materials handling and management. Our firm's established in-house training programs mean that project staff can immediately receive the necessary training to meet expected or new regulatory requirements.

Veolia also supports continuing education of our employees through tuition-reimbursement programs. We view training and education as an evolutionary process with the objective of creating and maintaining a skilled workforce and the operation of all facilities in a safe and compliant manner.

The commitment to training and employee development/growth starts at the transition phase and then continues over the life of the O&M agreement, using established Veolia programs and procedures that include:

- Employee Retention and Growth Plan - Veolia views our employees as our most important asset, and we provide a strong employee retention and promotion program. Staff members receive competitive wages and benefits, as well as superior training and career advancement opportunities. Our in-house and sponsored external training programs offer employees increased opportunities for advancement and greater compensation. Opportunities for career advancement are also available to our staff by being part of a global company that has operations and projects throughout the U.S. and the world.

- Orientation & Personnel Matters - Veolia's expert team of Human Resource specialists work to meet the needs of new and existing employees. Critical to the success of these efforts is extensive communication with transitioning employees to answer any questions and to dispel any concerns. Orientation meetings are also conducted for all new employees to review company policies, training plans, business contract issues and safety priorities.

- Employee Development Opportunities - Veolia's corporate philosophy and strategies identify our employees as the foundation of our business growth and success. Our company strives to maintain a satisfied and productive team of employees through effective leadership, fair and competitive wages and benefits, and close attention to individual employee priorities of training and development.

- Training and Education Program - It is the mission of the Veolia training program to ensure that all employees are afforded opportunities to enhance their skills and acquire new knowledge. Regular training is an essential element of any well-run facility, and for this new project Veolia would institute a program that incorporates core-competency training to ensure continuing superior work performance and safety, including plant operations and maintenance; process theory; plant safety; and hazardous materials training.

  The following provides a general description of our training plan and approach:

  - Safety Training - Veolia is strongly committed to safety training. When we assume operations, a training program is conducted covering topics such as hazard communication, chemical handling, lock-out/tag-out, confined space and other required subjects. Refresher courses are held annually. Additionally, Veolia's facilities have at least one safety training class per month for all employees. With in-house local Safety professionals certified to train for confined space entry, CPR and First Aid, we can not only provide quality training for plant staff but also to other City personnel for added benefit and cost savings to the City.

  - Operations Training - Plant-specific technical training is designed to provide an understanding of plant

systems and processes and subsystems operation, as well as a foundation for vendor training. Plant operations and maintenance activities change as new processes and equipment develop and regulations/limits become increasingly restrictive. The Veolia training program ensures that staff are prepared to meet these challenges safely, confidently and effectively. Our training programs are site-specific, addressing unique facility and staff needs. As appropriate, training programs offered by state agencies and local colleges supplement site-specific seminars.

- Certification Training - Veolia encourages all O&M personnel to continue furthering their certifications. Although we cannot require them to advance their current certifications, we offer incentives and compensation awards for doing so to promote their success and that of the facility operation as well as advancement opportunities. We also periodically offer in-house training by in-house staff and support operator attendance at state-sponsored certification training programs.

- Maintenance Training - Veolia is committed to ensuring that our employees understand not only the most current maintenance procedures and methodologies, but also the larger issues of life-cycle costs and asset management strategies. Our maintenance training program centers on tools such as predictive maintenance; vibration, vibration audit and thermography testing approaches; instrumentation and control systems; laser alignment; as well as general maintenance training courses. Training is offered using a combination of in-house, vendor and consultant training programs and courses.

- Management and Supervisory Training - In the best-selling book *First, Break All the Rules*, organizational authority and best-selling author Marcus Buckingham book reminds us that "employees leave managers, not companies." Veolia recognizes that our front-line supervisors are among our organization's most strategic and critical assets, and supervisory training is offered as part of management and supervisory training.

- Veolia views training as an evolutionary process with the objective of creating and maintaining a skilled work force and the operation of all facilities in a safe and compliant manner. The focus of our training program is on ensuring that the O&M staff at your facility are prepared to meet challenges safely and effectively.

At the end of the day, the most successful partnerships are formed with open and transparent communications and this requires successful and appropriately trained staff. Veolia invests in their managers and staff to support these ongoing partnerships with the water communities that we serve, as listed below:

Project Name	Client Name	Location	Population Served	Year (Start/End)	Scope	Facilities and Services
Ashburnham - Winchendon	Ashburnham-Winchendon Joint Water and Sewer Authority	Ashburnham, MA	15,000	2001/ 2021	O&M	2-MGD Surface WTP 2 Pump Stations Sludge Disposal
Ashfield-Colborne-Wawanosh	Township of Ashfield-Colborne-Wawanosh	Goderich, ON	630	2004/ 2020	O&M	0.506-MGD - 5 Separate Groundwater Systems 6 Wells 4 Well Houses Distribution System (8 kilometers/5 miles)

Atlanta-Fulton County Water	Atlanta-Fulton County Water Resources Commission	Alpharetta, GA	465,000	1991/ 2020	O&M	90-MGD Surface WTP Raw Water Pump Station w/5 pumps (200 MGD) Four 5.5-million gallon Clearwells Reservoir Maintenance (495 and 450 MG)
Belle Haven Apartments	Bellmore Non-Profit Housing	Wroexter, ON	50	2011/ Annually Renewable (ongoing)	O&M	Potable Water System
Boonville	City of Boonville	Boonville, IN	12,560	1995/ 2022	O&M	2.9-MGD Ground WTP 4 Water Wells (2.9 MGD) Distribution System (115 miles) 3 Booster Pump Stations 3 Elevated Water Storage Tanks (1.5 MG) 2 Clearwells (2.3 MG) Meter Reading/Replacement --- 2.9-MGD Activated Sudge WWTP 15 Lift Stations Collection System (91 miles) Collection System Rehabilitation Septage Receiving Biosolids Land Application -- 417 dtpy CSO Management --- Public Works Fleet Maintenance
Brockton	City of Brockton	Brockton, MA	110,000	1988/ 2020	O&M	24-MGD Surface WTP 1.3-MGD Surface WTP Raw Water Pump Stations (40 MGD) 2 Ground Storage Tanks (11.4 MG) 1-MGD Water Well (inactive) --- 20.49-MGD Tertiary WWTP 3 Pump Stations Industrial Pretreatment Program Septage Receiving Biosolids Disposal - 4151 dtpy

Brockton.	Corporation of the Municipality of Brockton	Brockton, ON	4,950	2006/ 2021	O&M	1.88-MGD WTP 0.057-MGD WTP 0.037-MGD WTP Distribution System (42 kilometers/26 miles) --- 7.5-MLD (1.98-MGD) WWTP 1 Pump Station Collection System (66 kilometers/41 miles) Biosolids Land Application Program (239 dtpy)
Buffalo	City of Buffalo	Buffalo, NY	258,960	2010/ 2020	O&M	160-MGD Surface WTP Distribution System (805 miles) 2 High-Lift Pump Stations (310 MG capacity) 2 Booster Pump Stations Underground Asset Management Meter Reading Billing/Collection/Customer Service
Canby	City of Canby	Canby, OR	16,870	2005/ 2021	O&M	8-MGD Surface WTP
Cascade/Lake Tapps	Cascade Water Alliance	Bellvue, WA		2012	O&M	Reservoir Management (White River-Lake Tapps Reservoir)
Chattahoochee	Chattahoochee Valley Water Supply District	Lanett, AL	26,000	1994/ 2020	O&M	12-MGD Surface WTP Raw Water Pump Station (14 MGD) 4 Pump Stations Clear Well (0.5 MG) Master Meter Reading
Country Village Mobile Home Park	Doersam Homes Ltd	Walkerton, ON	50	2011/ (Annually Renewable))Ongoing	O&M	Very small potable water system
Discovery Bay	Discovery Bay Community Services District	Discovery Bay, CA	14,000	2009/ 2021	O&M	5.76-MGD WTP 3.67-MGD WTP 4 Wells 6 Water Storage Tanks Distribution System (53 miles) --- 2.356-MGD Oxidation Ditch WWTP Collection System (50 miles) 15 Lift Stations Land Application of Biosolids - - 70 dtpy

East Orange	City of East Orange Board of Water Commissioners	East Orange, NJ	22,000	2015/ (annually renewable) Ongoing	O&M/ Management Assistance	18.5 MGD Well System 18 Wells Water Transmission System (15 miles) Water Distribution System (115 miles) 1 Pump Station 2 Storage Tanks 1,000 Fire Hydrants --- Collection System (100 miles) Stormwater System (33 miles)
Edwardsville	City of Edwardsville	Edwardsville, IL	37,230	1987/ 2018	O&M	9.936-MGD Ground WTP 2 Pump Stations 7 Wells (7.85) 4 Water Storage Tanks (2.86 MG) --- 4.28-MGD Envirex Activated Sludge WWTP 33 Pump Stations CSO Management Biosolids Land Application Program - 506 dtpy
El Reno	City of El Reno	El Reno, OK	17,990	2017/ 2022	O&M	6.8-MGD Softening Water Treatment Plant 3 Water Storage Tanks/Towers 23 Water Wells --- 2-MGD SBR Wastewater Treatment Plant Sludge Disposal --- IPP Sampling/Inspections CMOM Implementation Water Flow Meter Study/Replacement Program
Elwha River	National Park Service	Port Angeles, WA		2009/ 2019	O&M	53-MGD Surface WTP (inactive) Access Road Maintenance
Fort Monroe	Commonwealth of Virginia/Fort Monroe Authority	Fort Monroe, VA	600	2012/ 2022	O&M	Water Distribution System (18.6 miles) Collection System (14 miles) Stormwater System (3.6 miles) 14 pump stations Meter Reading Streets Department

Freeport	City of Freeport	Freeport, TX	12,700	1995/ 2025	DBO	0.43-MGD WTP 7 Water Wells (1 active) Purchase 2 MGD Potable Water Distribution System (41 miles) 2 Water Pump Stations 2 Water Towers 2 Booster Stations --- 2.25-MGD Extended Aeration Trickling Filter WWTP 0.03-MGD Activated Sludge WWTP 30 Lift/Pump Stations Collection System (54 miles) Industrial Pretreatment Program Biosolids Disposal - 459 dtpy
Galaxy Centre	Rio Can Property Services	Owen Sound, ON		2005/ (annually renewabl e) Ongoing	O&M	0.01-MGD Groundwater Treatment Plant
Gloucester	City of Gloucester	Gloucester, MA	30,534	2009/ 2024	O&M	Industrial Pretreatment Program 29 Pump Stations 440 Grinder Pump Stations 1,272 STEP Tanks Residuals Management --- 5-MGD Surface WTP 5-MGD Surface WTP 1.2-MGD Surface WTP (seasonal satellite plant) 5 Surface Water Reservoirs 3 Water Storage Tanks 1 Booster Pump Station 2 Raw Water Transfer Stations
Goderich	Town of Goderich	Goderich, ON	8,000	2000/ 2020	O&M	12,000 m3d (3.17-MGD) Surface WTP Distribution System (62 km/41 miles) Clearwell (1.5 MG) Elevated Storage Tower (1.3 MG) Water Meter Maintenance Customer Service --- 9,050-m3d (2.4-MGD) Activated Sludge WWTP Collection System (59 km/36 miles) 7 Pump Stations

						Leachate Transfer Facility Sludge Disposal -- 1,334 dtpy
Greenfield	City of Greenfield	Greenfield, MN	500	2012/ (Annually Renewable) Ongoing	O&M	0.36-MGD Ground WTP Distribution System (3 miles) Finished Water Storage Meter Reading Billing --- 0.2-MGD Extended Aeration WWTP 3 Pump Stations Collection System (5 miles)
Haldimand Water	Haldimand County	Nanticoke, ON		2010/ 2018	O&M	3.83-MGD (14,500 m3d) Surface WTP 3.6-MGD (13,636 m3d) Surface WTP 1 Booster Station 1 Finished Water Storage Facilities 2 Standpipes 2 Rechlorination Stations
Hardinsburg	City of Hardinsburg	Hardinsburg, KY	15,235	1995/ 2026	O&M	1.2-MGD Surface WTP 2.0-MGD RO Ground WTP 4 Pump Stations 3 Wells Distribution System (284 miles) 3 Elevated Water Towers/2 standpipes/1 clear well (1.7 MG) Meter Reading Meter Replacement Program Customer Service --- 0.732-MGD Extended Aeration, Oxidation Ditch WWTP 5 Pump Stations Collection System (20 miles) Biosolids Liquid Land Application Program - 7.3 dtpy --- Full Public Works Sanitation
Huron-Kinloss	Township of Huron-Kinloss	Huron-Kinloss, ON	5,373	2003/ 2021	O&M	4.014-MGD Groundwater System Water Distribution System (100 km/62 miles) 11 Wells 8 Pump Stations 2 Wastewater Lagoons (0.356 MGD)

						2 Collection Systems (15 miles)
IRG - Pearl River	IRG - Pearl River	Pearl River, NY		2016/ 2021	O&M	3.1-MGD Water Treatment System 8 Water Wells --- Industrial Pretreatment Waste --- 23-MW Cogeneration Facility 18,000 tons Chilled Water Capacity 60,000-gpm District Condenser Water System Electrical Disbribution System (70 miles) 24 Standby Generators (12.5Kw - 24 MW)
Irving Oil-Grand Bay	Irving Oil	Grand Bay, NB	92	2003/ (Annually Renewable) Ongoing	O&M	Deep Well Potable Water Treatment Station 4,000 Gallon Storage Reservoirs Distribution System (0.75 miles)
Irving Oil-Milton	Irving Oil	Nova Scotia, NS	20	2003/ (Annually Renewable) Ongoing	O&M	Deep Well Potable Water Treatment Station 4,000 Gallon Storage Reservoir Distribution System (0.29 miles)
Joint Powers	Joint Powers Water Board	Albertville, MN	21,150	1998/ 2018	O&M	10-MGD Ground WTP 8 Wells (0.8 -1.4 MGD each) Distribution System (15 miles) Booster Pump Station 3 Finished Water Storage Tanks Meter Reading Billing/Collection Customer Service

Junction City	City of Junction City	Junction City, KS	26,000	1989/ 2020	O&M	10-MGD Ground WTP 10 Wells (10 MG) 1 Pump Station 2 Above-ground Water Storage Tanks 2 Underground Storage Reservoir 1 Plant Reservoir --- 2.5-MGD Activated Sludge wwtp 2.5-MGD Domestic/Industrial wwtp Industrial Pretreatment Program Septage Receiving Biosolids Land Application Program - 990 dpty
Latimer County	Latimer County	Red Oak, OK	500	2007/ 2027	O&M	0.18-MGD Surface WTP Distribution System (122 miles) Meter Reading
Leominster	City of Leominster	Leominster, MA	42,000	1983/ 2027	O&M DB Cap Imp	4-MGD Surface WTP 2-MGD Surface WTP 1.2-MGD Surface WTP Wellfield (1.6 MGD) Raw Water Pump Station 1 Chlorination Station 3 Clear Wells; 3 Storage Tanks --- 9.3-MGD Advanced Secondary Activated Sludge WWTP 9 Pump Stations Industrial Pretreatment Program Septage Receiving Sludge Hauling - 1,396 dtpy
Lighthouse Cove Campground	Lighthouse Cove Campground	Ontario, ON		2001/ (Anually Renewable) Ongoing	O&M	0.011-MGD Deep Water Well System
Lincoln	Town of Lincoln	Lincoln, RI	21,105	2017	O&M	Collection System (107 miles) 32 Pump Stations
Lynn Water	Lynn Water & Sewer Commission	Lynn, MA		1987/ 2022	Labor Only	15-MGD Surface WTP 3 Water Towers 20-MG Low Service Reservoir
Moncton	City of Moncton	Turtlecreek, NB	125,000	2000/ 2019	DBOT/F O&M	30-MGD Multi-media, High-rate Filtration Surface WTP 1 Pump Station Capital Program

Moore	Moore Public Works Authority	Moore, OK	60,600	1993/ 2026	O&M	37 Water Wells (6.249 MGD total) 5 Water Towers/1 Underground Storage Tank (6.6 MG) Distribution System (397 miles) Watershed Management 1 Pump Station 2 Booster Stations Meter Reading Customer Service --- 9-MGD SBR WWTP Collection System (295 miles) Collection System Rehabilitation 8 Pump/Lift Stations Industrial Pretreatment Program Biosolids Land Application Program - 1,970 dtpy
Morris-Turnberry	Municipality of Morris-Turnberry	Morris-Turnberry, ON	479	2007/ (Annually Renewable) Ongoing	O&M	Deep Water Well System 1 Pump Station
New London	City of New London	New London, CT	47,140	2008	O&M	9-MGD Surface WTP Distribution System (233 miles) 6 Reservoirs (25,000 acres) 5 pump stations 5 Finished Water Storage Tanks Meter Reading Billing/Collection --- 10-MGD Activated Sludge WWTP Collection System (122 miles) 8 Pump Stations
North Huron	Township of North Huron	North Huron, ON	4,500	2016/ 2021	O&M	3.19-MGD Ground WTP (12.9-MLD) 0.32-MGD Ground WTP (1.2-MLD) Distribution System (41.7 km/25 miles) 5 Wells 0.9-MGD (3,400-m3d) Activated Sludge WWTP 0.193-MGD (730-m3d) Activated Sludge WWTP Collection System (44 km/27

						miles) 2 Pump Stations
Pine Lake Campground	Pine Lake Campground	Ontario, ON		2001/ (Annually Renewable) Ongoing	O&M	0.045-MGD 3 Deep Water Wells Treatment System
Pittsburgh International Airport	Allegheny County Airport Authority	Pittsburgh, PA		1989/ 2020	O&M	0.012-MGD Groundwater Remediation Facility Environmental Consulting Engineering Support Field Services Emergency Response
Sackville	Town of Sackville	Sackville, NB	6,500	2007/ 2019	O&M	1.69 MGD Ground WTP
Smugglers' Notch	Village at Smugglers' Notch	Jefferson, VT	2,900	1989/ 2018	O&M	0.15-MGD Surface/ground WTP Distribution System (5 miles) 3 Pressure Booster Stations 8 Wells (0.8 MG) --- 0.04-MGD Living Machine WWTP 0.168-MGD Secondary Lagoon WWTP Collection System (7 miles) 5 Lift Stations Effluent Irrigation (40 acres of forest)
South Bruce	Municipality of South Bruce	Teeswater, ON	2,700	2011/ 2019	O&M	2 Drinking water well systems (.956 MGD) 2 Distribution systems (10.5 kilometers/14 miles) --- 0.255-MGD (966 m3/d) activated sludge WWTP 0.357-MGD SBR WWTP Collection System 5 Pump stations Biosolids Land Application Program (24 dtpy)

Springboro	City of Springboro	Springboro, OH	20,000	1989/ 2029	D/O&M	7-MGD Anthracite Multi-media Ground WTP 4 Elevated Water Towers (3.5 MG) 6 Wells (2.5 MG) 5 Water Booster Stations Customer Service --- 4-MGD Eimco A2C WWTP Collection System (90 miles) Collection System Rehabilitation 10 Wastewater Pump
Stringfellow Superfund Site	California Department of Health	Riverside, CA		2006/ 2019	O&M	0.187 Groundwater Remediation WTP
Sturbridge	Town of Sturbridge	Sturbridge, MA	4,800	1989/ 2019	O&M	1.6-MGD Ground WTP 0.468-MGD Ground WTP 4 Wells (2.068 MG) 3 Water Storage Tanks (2.23 MG) 2 Booster Stations Distribution System (28 miles) Meter Reading/Installation Customer Service --- 1.3-MGD BioiMag/Co-Mag Extended Aeration WWTP 10 Pump Stations Collection System (28 miles) 750 Grinder Pump Stations Septage Receiving Industrial Leachate Biosolids Disposal
Tampa Bay Water	Tampa Bay Water	Tampa, FL	2,500,000	2000/ 2023	DBO and O&M	120-MGD Actiflo Surface WTP
Tampa Bay Water	Tampa Bay Water	Tampa, FL	2,500,000	2002/ 2023	O&M	15-BG Reservoir O&M
Tampa Bay Water-Keller	Tampa Bay Water	Tampa, FL		2002/ 2020	Maintenance	30-MGD Hydrogen Sulfide Removal Ground WTP
Tupelo	Northeast Mississippi Regional Water Supply District	Fulton, MS	58,132	1990/ 2018	O&M	18-MGD Surface WTP Distribution System (48 miles) 3 Pump Stations 2 Booster Stations 1 Raw Water Pump Station (18 MGD) 3 Elevated Storage Towers (1.5 MG) 2 Ground Storage Tanks (6 MG)

Westboroug h Water	Town of Westborough	Westboroug h, MA	44,750	1996/ 2021	O&M	3.5-MGD Multi-media Filtration Surface/Ground WTP 2-MGD Greensand Iron/Manganese Removal Plant Raw Water Pump Station (2.6 MGD) Pressure Booster Station 9 Wells (3.31 MG) Water Storage Tanks (7.5 MG)
Wildwood Campground	Wildwood by the River Campground	Ontario, ON		2002/ (Anually Renewabl e) Ongoing	O&M	0.092-MGD (350 m3/d) Deep Water Well Treatment System
Wilsonville	City of Wilsonville	Wilsonville, OR	40,370	2001/ 2022	O&M	15-MGD Actiflo Surface WTP Advanced Asset Management
Wurtland Distribution	City of Wurtland	Wurtland, KY	1,100	1994/ 2018	O&M	Disbribution System (20 miles) Meter Reading

Project references with contact information will be provided in a spreadsheet with emails and phone numers.

Internal control policies for use at the site will be provided in separate PDF's for review by the City.

For Financial and accounting purposes, Veolia utilizes SAP as a recognized and certified accounting system. The IT ERP system details have been requested from our Paris headquarters and these documents along with answers to any further questions the City may have will be forwarded as they become available.

Exhibit 16

USA Utility Locates

Kevin Lewis <klewis@cityofepa.org>
Tue 12/19/2023 6:49 AM

To:Morford, Amy@EnergySafety <Amy.Morford@energysafety.ca.gov>
Cc:Humza Javed <hjaved@cityofepa.org>

[You don't often get email from klewis@cityofepa.org. Learn why this is important at https://aka.ms/LearnAboutSenderIdentification]

Dear Ms. Morford

I hope this email finds you well.
I would like to begin by stating that our water utilities are of concern.
I am not the responsible party for our water utility locates, although I review all/or most of the tickets that pertain to East Palo Alto.

Our water department is operated by Violia North America and it has been their soul responsibility for locating and marking.

Although i am a locating professional, as of immediate recent i have stepped into locating for various reasons of clarity between the city and its water contracted services.

At this point and time I cannot answer your questions provided thereof, but will be more than happy to discuss with you my most recent locating role via contact.

Sincerely,

Kevin L
650-441 2050
klewis@cityofepa.org
Engineering Division
Public Works Superviser

1960 Tate Street
East Palo Alto CA 94303

Exhibit 17

CALIFORNIA UNDERGROUND FACILITIES SAFE EXCAVATION BOARD
INVESTIGATION DIVISION
RECORD OF CONVERSATION

DATE: 12/26/2023

CASE NO: C233385010

DATE/TIME OF CONVERSATION: 12/26/2023 12:16 p.m.

LOCATION OF CONVERSATION: Phone

NAME/ADDRESS OF PARTY:
Kevin Lewis
Public Works Supervisor
City of East Palo Alto
1960 Tate Street
East Palo Alto, CA 94303
klewis@cityofepa.org
650-441-2050

CONVERSATION:

Amy Morford – Investigator
Operator – Kevin Lewis, City of East Palo Alto

On December 26, 2023, at approximately 12:16 p.m., the Investigator spoke with Kevin Lewis via telephone, who stated he had located and marked 2206 Clarke Avenue in East Palo Alto on December 22, 2003.

End of Record

Investigator Name	Supervisor Name
Amy Morford	Wayne Brenner

Exhibit 18

From: Jason Weidler
To: Morford, Amy@EnergySafety
Cc: Dan Curl; Miguel Guzman; Brian Fukayama
Subject: RE: Contact Info for East Palo Alto?
Date: Tuesday, January 2, 2024 8:30:02 AM
Attachments: image002.png

> You don't often get email from jasonw@ucs-llc.com. Learn why this is important

Hi Amy,

Thank you for help to get this resolved.

Happy New Year!

Jason

Jason Weidler | **President**
Utility Construction Services, Inc.
(805) 440-0562 mobile | JasonW@ucs-llc.com
263 S. Maple Ave, South San Francisco CA 94080

UTILITY CONSTRUCTION

From: Morford, Amy@EnergySafety <Amy.Morford@energysafety.ca.gov>
Sent: Tuesday, December 26, 2023 1:57 PM
To: Jason Weidler <JasonW@ucs-llc.com>
Cc: Dan Curl <DanC@ucs-llc.com>; Miguel Guzman <miguelg@ucs-llc.com>; Brian Fukayama <brianf@ucs-llc.com>
Subject: [External] Re: Contact Info for East Palo Alto?

This Message Is From an External Sender
This message came from outside your organization.

Good Afternoon,

Just following up. 2206 Clarke Ave and Bell Street has been marked as of Friday 12/22/23. K. Lewis confirmed this morning with photos.

As for invoicing the City for the GPR locating due to their lack of response, I cannot give you legal advice. That would need to be discussed with your legal department.

Amy Morford
Investigator
Amy.Morford@energysafety.ca.gov
Direct: 279-789-1815

Office of Energy Infrastructure Safety [energysafety.ca.gov]
715 P Street, 20th Floor
Sacramento, CA 95814

OFFICE OF ENERGY INFRASTRUCTURE SAFETY

From: Jason Weidler <JasonW@ucs-llc.com>
Sent: Tuesday, December 19, 2023 3:35 PM
To: Morford, Amy@EnergySafety <Amy.Morford@energysafety.ca.gov>
Cc: Dan Curl <DanC@ucs-llc.com>; Miguel Guzman <miguelg@ucs-llc.com>; Brian Fukayama <brianf@ucs-llc.com>
Subject: RE: Contact Info for East Palo Alto?

You don't often get email from jasonw@ucs-llc.com. Learn why this is important [aka.ms]

Amy,

No excavating has taken place in the PUE and no damages have occurred.

We did hire a third party to come out and perform GPR to locate and mark out the water services with the hopes that the City would work with us and provide as-builts as well as the okay to proceed with the GPR markings being completed but then all correspondence from them ceased. All the water is marked out we just need the City to confirm. With that, would we have any right to invoice the City for the GPR locating due to their lack of response?

Thank you for the update and your efforts to help move this along.

Jason

From: Morford, Amy@EnergySafety <Amy.Morford@energysafety.ca.gov>
Sent: Tuesday, December 19, 2023 4:08 PM
To: Jason Weidler <JasonW@ucs-llc.com>
Cc: Dan Curl <DanC@ucs-llc.com>; Miguel Guzman <miguelg@ucs-llc.com>; Brian Fukayama <brianf@ucs-llc.com>
Subject: [External] Re: Contact Info for East Palo Alto?

This Message Is From an External Sender

This message came from outside your organization.

Hi Jason,

I spoke with Kevin Lewis, Public Works Supervisor, today. He will be responsible for all markings moving forward. The Ticket 2023113000319-000 2206 for 2206 Clarke Ave and Bell Street will be marked by the end of this week, possibly by tomorrow. He will confirm with pictures and I can let you know.

Lewis also stated he would also mark by end of week Tickets 2023112802631-000 and 2023112902821-000 These are for the same location at 1700 E Bayshore Road & O'Conner Street. They were created one day apart.

Can you confirm that NO work (excavating) or damages have occurred at the 2206 Clarke Ave and Bell Street location?

Thanks ~ Amy

From: Jason Weidler <JasonW@ucs-llc.com>
Sent: Tuesday, December 19, 2023 2:55 PM
To: Morford, Amy@EnergySafety <Amy.Morford@energysafety.ca.gov>
Cc: Dan Curl <DanC@ucs-llc.com>; Miguel Guzman <miguelg@ucs-llc.com>; Brian Fukayama <brianf@ucs-llc.com>
Subject: RE: Contact Info for East Palo Alto?

> You don't often get email from jasonw@ucs-llc.com. Learn why this is important [aka.ms] [gcc02.safelinks.protection.outlook.com]

Good afternoon Amy,

Just checking in to see if there are any updates from the City of East Palo Alto. Our Customer, PG&E is starting to receive phone calls from the Applicant asking about the time frame for their project to start. I was hoping you might have some info for us.

Thank you,

Jason

Jason Weidler | **President**

Utility Construction Services, Inc.

(805) 440-0562 mobile | JasonW@ucs-llc.com

263 S. Maple Ave, South San Francisco CA 94080

UTILITY CONSTRUCTION

From: Dan Curl <DanC@ucs-llc.com>
Sent: Wednesday, December 13, 2023 9:14 AM
To: Morford, Amy@EnergySafety <Amy.Morford@energysafety.ca.gov>
Cc: Jason Weidler <JasonW@ucs-llc.com>; Justin Lucero <JustinL@ucs-llc.com>; Miguel Guzman <miguelg@ucs-llc.com>; Brian Fukayama <brianf@ucs-llc.com>
Subject: RE: Contact Info for East Palo Alto?

Hello Amy, I initially started talking to J.P with the water department before being referred to Kevin Lewis with the City. J.P's contact is 360-921-5674. We were unable to make contact with Kevin Lewis. Let me know if there's any additional info I can provide.

Dan Curl

(650 228-9614 mobile | danc@ucs-llc.com

From: Jason Weidler <JasonW@ucs-llc.com>
Sent: Tuesday, December 12, 2023 5:00:36 PM
To: Morford, Amy@EnergySafety <Amy.Morford@energysafety.ca.gov>; Justin Lucero <JustinL@ucs-llc.com>
Subject: Re: Contact Info for East Palo Alto?

Justin,

Would you please provide the name(s) and contact numbers of those that you spoke with at the City of East Palo Alto when attempting to get support for marking the water?

Thanks,

Jason

Jason Weidler | **President**

Utility Construction Services, Inc.

(805) 440-0562 mobile | JasonW@ucs-llc.com

263 S. Maple Ave, South San Francisco CA 94080

From: Morford, Amy@EnergySafety <Amy.Morford@energysafety.ca.gov>
Sent: Tuesday, December 12, 2023 4:53 PM
To: Jason Weidler <JasonW@ucs-llc.com>
Subject: [External] Contact Info for East Palo Alto?

This Message Is From an Untrusted Sender

You have not previously corresponded with this sender.

Hi Jason,

Do you have a point of contact for the City of East Palo Alto?

Name, number, address, email address?

Thanks ~ Amy

Amy Morford

Investigator

Amy.Morford@energysafety.ca.gov

Direct: 279-789-1815

Office of Energy Infrastructure Safety

715 P Street, 20th Floor

Sacramento, CA 95814

OFFICE OF ENERGY INFRASTRUCTURE SAFETY

Exhibit 19

From: Jason Weidler
To: Morford, Amy@EnergySafety
Cc: Dan Curl; Miguel Guzman; Brian Fukayama
Subject: RE: Contact Info for East Palo Alto?
Date: Friday, March 1, 2024 8:54:48 AM
Attachments: image002.png

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CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi Amy,

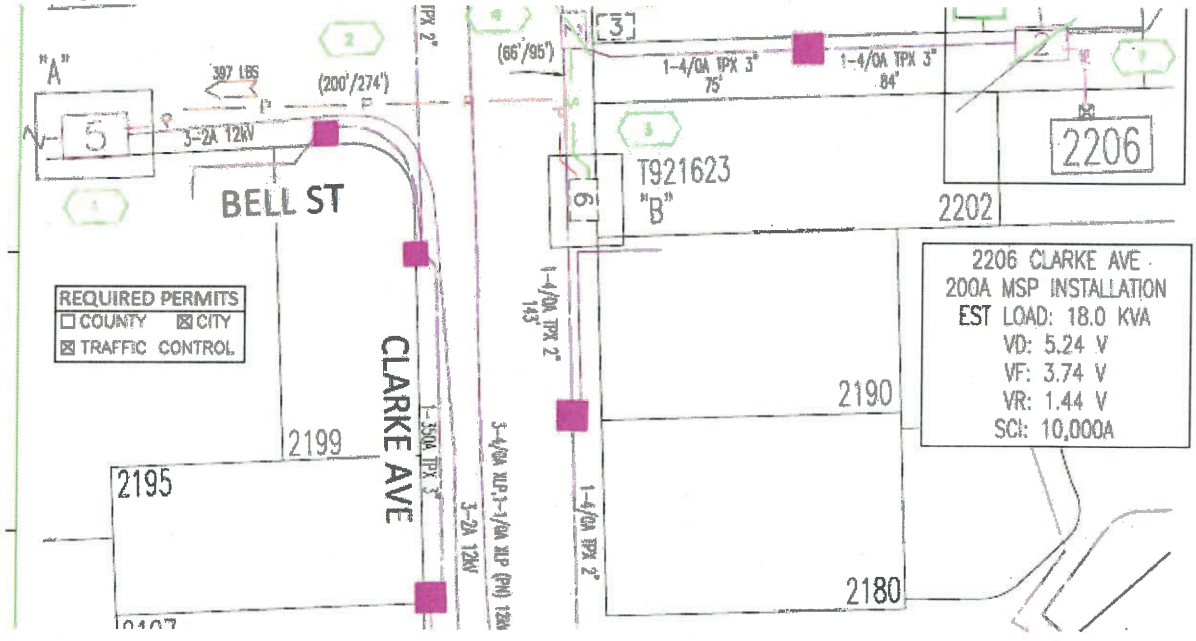
Please responses in red below and let me know if anything further is needed.

Thank you,

Jason

Jason Weidler | President
Utility Construction Services, Inc.
(805) 440-0562 mobile | JasonW@ucs-llc.com
263 S. Maple Ave, South San Francisco CA 94080

Drawing of area worked



From: Morford, Amy@EnergySafety <Amy.Morford@energysafety.ca.gov>
Sent: Thursday, February 29, 2024 5:42 PM
To: Jason Weidler <JasonW@ucs-llc.com>
Cc: Dan Curl <DanC@ucs-llc.com>; Miguel Guzman <miguelg@ucs-llc.com>; Brian Fukayama <brianf@ucs-llc.com>
Subject: [External] RE: Contact Info for East Palo Alto?

This Message Is From an External Sender

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Hi Jason,

I'm tying up loose ends on this case and have a few more questions.

2206 Clarke Ave and Bell Street was marked as of Friday 12/22/23 by K. Lewis from the City of East Palo Alto. Were the markings sufficient? Yes, Marks were sufficient.

Is your work at 2206 Clarke Ave and Bell Street completed? Yes

If yes, what dates did you start and complete your work at 2206 Clarke Ave and Bell Street? Work began on 11.27.23 but was stalled due to mark and locate response. Work completed on 02.04.24

Where did the excavation take place? From Clarke Ave and Bell Street intersection to 2206 Clarke Ave? This is correct. See drawing for area covered.

What equipment was used during the excavation at the job site? Mechanical excavation method using mini excavator

The original Electronic Positive Response notification from USA North issued Veolia North America a late notice on 12/04/23 at 5:15 pm. Did Veolia North America mark the delineated area? If yes, do you know when they marked? Here are our 3 ticket numbers for the project. 2023111304043-004; 2023112800561-003; 2023113000319-002. Veolia NA is one of the members listed to respond but I do not know when they delineated the area.

Please reach out if you have any questions.

Thank you,

Amy Morford
Investigator | Underground Investigations Division
Amy.Morford@energysafety.ca.gov
Direct: 279-789-1815

Office of Energy Infrastructure Safety [energysafety.ca.gov]
715 P Street, 20th Floor
Sacramento, CA 95814

OFFICE OF ENERGY INFRASTRUCTURE SAFETY

From: Jason Weidler <JasonW@ucs-llc.com>
Sent: Tuesday, January 2, 2024 8:30 AM
To: Morford, Amy@EnergySafety <Amy.Morford@oeis.onmicrosoft.com>
Cc: Dan Curl <DanC@ucs-llc.com>; Miguel Guzman <miguelg@ucs-llc.com>; Brian Fukayama <brianf@ucs-llc.com>
Subject: RE: Contact Info for East Palo Alto?

You don't often get email from jasonw@ucs-llc.com. Learn why this is important [aka.ms]

Hi Amy,

Thank you for help to get this resolved.

Happy New Year!

Jason

Jason Weidler | President
Utility Construction Services, Inc.
(805) 440-0562 mobile | JasonW@ucs-llc.com
263 S. Maple Ave, South San Francisco CA 94080

UTILITY CONSTRUCTION

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Subject: [External] Re: Contact Info for East Palo Alto?

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Good Afternoon,

Just following up. 2206 Clarke Ave and Bell Street has been marked as of Friday 12/22/23. K. Lewis confirmed this morning with photos.

As for invoicing the City for the GPR locating due to their lack of response, I cannot give you legal advice. That would need to be discussed with your legal department.

Amy Morford
Investigator
Amy.Morford@energysafety.ca.gov
Direct: 279-789-1815

Office of Energy Infrastructure Safety [energysafety.ca.gov] [gcc02.safelinks.protection.outlook.com]
715 P Street, 20th Floor
Sacramento, CA 95814

CALIFORNIA
OFFICE OF ENERGY INFRASTRUCTURE SAFETY

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Sent: Tuesday, December 19, 2023 3:35 PM
To: Morford, Amy@EnergySafety <Amy.Morford@energysafety.ca.gov>
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Subject: RE: Contact Info for East Palo Alto?

You don't often get email from jasonw@ucs-llc.com. Learn why this is important [aka.ms] [gcc02.safelinks.protection.outlook.com]

Amy,

No excavating has taken place in the PUE and no damages have occurred.

We did hire a third party to come out and perform GPR to locate and mark out the water services with the hopes that the City would work with us and provide as-builts as well as the okay to proceed with the GPR markings being completed but then all correspondence from them ceased. All the water is marked out we just need the City to confirm. With that, would we have any right to invoice the City for the GPR locating due to their lack of response?

Thank you for the update and your efforts to help move this along.

Jason

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Subject: [External] Re: Contact Info for East Palo Alto?

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Hi Jason,

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Thanks ~ Amy

From: Jason Weidler <JasonW@ucs-llc.com>
Sent: Tuesday, December 19, 2023 2:55 PM
To: Morford, Amy@EnergySafety <Amy.Morford@energysafety.ca.gov>
Cc: Dan Curl <DanC@ucs-llc.com>; Miguel Guzman <miguelg@ucs-llc.com>; Brian Fukayama <brianf@ucs-llc.com>
Subject: RE: Contact Info for East Palo Alto?

You don't often get email from jasonw@ucs-llc.com. Learn why this is important [aka.ms] [gcc02.safelinks.protection.outlook.com] [gcc02.safelinks.protection.outlook.com]

Good afternoon Amy,

Just checking in to see if there are any updates from the City of East Palo Alto. Our Customer, PG&E is starting to receive phone calls from the Applicant asking about the time frame for their project to start. I was hoping you might have some info for us.

Thank you,

Jason

Jason Weidler | **President**

Utility Construction Services, Inc.

(805) 440-0562 mobile | JasonW@ucs-llc.com

263 S. Maple Ave, South San Francisco CA 94080

UTILITY CONSTRUCTION

From: Dan Curl <DanC@ucs-llc.com>
Sent: Wednesday, December 13, 2023 9:14 AM
To: Morford, Amy@EnergySafety <Amy.Morford@energysafety.ca.gov>
Cc: Jason Weidler <JasonW@ucs-llc.com>; Justin Lucero <JustinL@ucs-llc.com>; Miguel Guzman <miguelg@ucs-llc.com>; Brian Fukayama <brianf@ucs-llc.com>
Subject: RE: Contact Info for East Palo Alto?

Hello Amy, I initially started talking to J.P with the water department before being referred to Kevin Lewis with the City. J.P's contact is 360-921-5674. We were unable to make contact with Kevin Lewis. Let me know if there's any additional info I can provide.

Dan Curl

(650 228-9614 mobile | danc@ucs-llc.com

From: Jason Weidler <JasonW@ucs-llc.com>
Sent: Tuesday, December 12, 2023 5:00:36 PM
To: Morford, Amy@EnergySafety <Amy.Morford@energysafety.ca.gov>; Justin Lucero <JustinL@ucs-llc.com>
Subject: Re: Contact Info for East Palo Alto?

Justin,

Would you please provide the name(s) and contact numbers of those that you spoke with at the City of East Palo Alto when attempting to get support for marking the water?

Thanks,

Jason

Jason Weidler | **President**

Utility Construction Services, Inc.

(805) 440-0562 mobile | JasonW@ucs-llc.com

263 S. Maple Ave, South San Francisco CA 94080

From: Morford, Amy@EnergySafety <Amy.Morford@energysafety.ca.gov>
Sent: Tuesday, December 12, 2023 4:53 PM
To: Jason Weidler <JasonW@ucs-llc.com>
Subject: [External] Contact Info for East Palo Alto?

This Message Is From an Untrusted Sender

You have not previously corresponded with this sender.

Hi Jason,

Do you have a point of contact for the City of East Palo Alto?

Name, number, address, email address?

Thanks ~ Amy

Amy Morford

Investigator

Amy.Morford@energysafety.ca.gov

Direct: 279-789-1815

Office of Energy Infrastructure Safety

715 P Street, 20th Floor

Sacramento, CA 95814



OFFICE OF ENERGY
INFRASTRUCTURE
SAFETY

October 28, 2025

VIA EMAIL

c/o Anona Bonner, Chief of Investigations

Office of Energy Infrastructure Safety

Underground Safety Board

715 P St., 15th floor

Sacramento, CA 95814

Subject: Case Number C233385010 Notice of Probable Violation

Dear Honorable Chair and Members of the Underground Safety Board:

We appreciate your public service. We understand the purpose of this Board and its charge. The City remains committed to compliance. In sum, the City asks that this Board carefully consider the evidence in light of the legal standard before imposing any monetary penalties, which the City submits is not warranted by these facts.

The City of East Palo Alto is in receipt of a "Notice of Probable Violation" ("Notice") for Case No. C233385010 dated September 15, 2025. City staff are contesting said notice for the reasons stated below. The Notice highlights two probable violations: 1) failure to a locate request, and 2) failure to provide "Elective Positive Response". Investigations staff contends that "proposed penalties are merited" (education and penalties) but the City is unable to find in the Notice any law or facts sufficient to warrant the proposed monetary penalties or further pursuit of an investigation.

No Further Investigation is Required Under These Facts

As noted by investigations staff, the Board's jurisdiction falls under the "Call Before You Dig" Law (Gov. Code Sec. 4216 et seq.) (hereinafter "Dig Law"). The Dig Law vests authority in the Board to recommend penalties, but it also provides guardrails for when investigations should be referred to the Board. As to the latter, before pursuing an investigation, the Dig Law requires consideration of certain factors, including whether the matter is settled and whether enforcement is even necessary for protection of property and public safety:

> (c) In determining ***whether to pursue*** an investigation, the board shall consider ***whether the parties have settled the matter*** and *whether further enforcement is necessary as a* ***deterrent*** to maintain the ***integrity of subsurface installations and to protect the safety*** of excavators and the public. (Gov. Code Sec. 4216.19, subd.(c) (Emphasis added.).

City staff is unable locate evidence in the record that would merit referral of the Board for investigation. The City only has two records that form the basis for investigations staff's recommendation ("Notice of Probable Violation," dated September 15, 2025, Parts A and B, attached hereto as Attachments A and B, respectively). (*Although the City is choosing a "paper hearing," if the Board is relying on any evidence that has not been shared with the City, including oral testimony (from either investigations staff or anyone) or records (e.g., responses from Veolia), to ensure the City's due process rights are preserved and respected, the City would ask that the Board provide the City an opportunity for rebuttal, either orally or in writing).*

In either event, based on the available record, certain facts would seem to point in the other direction. As discussed more fully below, the matter was eventually settled between the parties, the City has resolved to cause compliance with the Dig Law regarding future dig requests (under protest to preserve contractual rights), and no harm or property damage resulted from a minor delay in response time.

The Dig Law Does Not Support Penalties Under These Facts

The Dig Law requires negligent, or "knowing and willful" failures. But City staff is unclear on what facts in the record go toward those legal standards. The City is entitled to know not only the alleged violation but the ***specific facts*** relevant to the legal standard upon which the Board is relying for its ultimate decision. Below, the City has marshalled facts and paired them with appropriate the legal standard for the Board's consideration.

In December of 2023, the City of East Palo Alto (City) received an 811 Dig Alert ticket to locate underground water facilities for excavation to take place on Clarke Ave. The City of East Palo Alto is the owner of its water system; however, it has a lease agreement (Agreement) for operations and maintenance of its water system through Veolia Water Company (Veolia).

During the time of this incident when a request was submitted for USA marking on Clarke Avenue, Veolia, due to internal process changes, unilaterally discontinued locating underground water facilities for the City. According to Veolia, their legal team determined that locating underground facilities was not in the scope of operations and maintenance of the EPA water system, and thus not covered in the Agreement.

Although this issue is outside of the scope of this administrative matter, the parties are still working through this contractual issue, but the City raises it here only to provide context for the delay in responding to the locate request in question.

Ultimately, despite its position concerning its contractual rights, the City balanced the rights of all, including the public's right to remain safe from dangerous digs, by voluntarily assuming the task under protest to preserve its legal rights. Once the City was made aware of the need to respond to locate requests for underground water facilities and was made aware of Veolia's refusal to do so, its staff started expeditiously working on getting proper staffing to 'catch up' on Dig Alert tickets that had not been marked out, including those that may have been overdue.[1]

Since the December 2023 incident, the City has independently taken up this responsibility, though under protest, and have continued to complete all Dig Alert tickets for EPA underground water facilities in a timely manner to present. Moreover, the City has had six additional field staff take underground locating training and get certified. The City has now a total of eight staff certified for Dig Alert USA locating.

In the end, the delay was modest, in light of the circumstances, as can be seen from the timeline below:

> **Due Date for response to USA Locate Request: Dec 4, 2023 (Request Submitted on November 30).**

[1] To be clear, the City's decision to perform such work in no way is an admission or waiver concerning any contractual rights or responsibilities it may have or that of Veolia. In other words, the work the City performed was done under protest and performed to avoid further liability under the Dig Law alone. Such actions should not constitute an interpretation, admission or waiver of rights and responsibilities of either party under the Lease.

- **Dec 12, 2023:** Investigator asks for City contact information from contractor (Veolia).
- **Dec 19, 2023:** Investigator calls Mr. Lewis (City) after getting report from contractor (Veolia). Mr. Lewis responds by email stating that he is not responsible for locating and identifying contractor as responsible party (Veolia). Mr. Lewis further states that the City could not complete the task due to staffing issues. Mr. Lewis then tells investigator that he will go mark this ticket by the end of the week (December 22).
- **December 22, 2023**: Mr. Lewis marked the location in compliance with the Dig Law.
- **Dec 26, 2023:** Investigator emails Veolia (contractor) and lets them know that Mr. Lewis marked in response to the USA Locate Request on **Dec 22,** with photos.

Once initially contacted by the investigator, the City, through Mr. Lewis, immediately committed to respond to the locate request with a date certain (December 22, 2023). It took the City only 14 working days to respond. And most significantly, ***no damage or injury was reported*** from the alleged failures to respond.

The Dig Law contains the factors to be considered before imposing penalties. First, imposition of penalties must be "graduated" and as such the City wonders why an immediate recommendation of financial penalties has been made. (Gov. Code Sec. 4216.19(e)). Second, the City understands the following to be the relevant penalty factors:

(1) The type of violation and its gravity.

(2) The degree of culpability.

(3) The operators or excavator's history of violations.

(4) The operator's or excavator's history of work conducted without violations.

(5) The efforts taken by the violator to prevent violation and, once the violation occurred, the efforts taken to mitigate the safety consequences of the violation.

The gravity of the violation favors the City as no injuries or property damage was reported. The City's culpability is low because it had a reasonable basis for not completing the locate requests, as noted above. It takes time for the City to build capacity and redundancy in this role. The City faced a difficult choice: waive contractual rights or face penalties. The City is unaware of any evidence of its prior violations and has enjoyed years without a regulatory incident. As to prevention and mitigation, as noted above, the City has built up capacity and voluntarily taken action to ensure compliance, including training up and certifying several employees to respond to dig requests.

Given the summary above, and noting the extenuating circumstances , the City is requesting this matter be excused by the Board for all parties involved.

Thank you,

Humza Javed
Director, Public Works
City of East Palo Alto

Attachment(s):

1. "Notice of Probable Violation," dated September 15, 2025, Parts A and B, attached hereto as Attachments A and B)

Docusign Envelope ID: A0E78C93-CDF6-4FC0-B3E2-CA48560E5CA7

Decision 2025_11_C233385010-1

California Underground Facilities Safe Excavation Board

In the Matter of City of East Palo Alto, Respondent	Case No. C233385010

DECISION REGARDING NOTICE OF PROBABLE VIOLATION

The Office of Energy Infrastructure Safety, California Underground Facilities Safe Excavation Board (the Board) issued a Notice of Probable Violation (NOPV) to City of East Palo Alto (Respondent) on September 15, 2025. Respondent submitted a response to the NOPV. On November 17, 2025, the Board considered Case No. C233385010. Board members Clausen, Johns, Johnson, Muñoz, Simonian, and Sorem participated in the decision.

FINDINGS

Having considered the investigation report and the Respondent's response, the Board finds that violations of Government (Gov.) Code sections 4216.3(a)(1)(A) and 4216.3(c)(1)(A) occurred.

VIOLATION SUMMARY

Gov. Code section 4216.3(a)(1)(A): failed to respond to a locate request from a call center in one of three ways before the legal excavation start date and time: (1) locate and mark the work area, (2) provide information about the location of subsurface installation, or (3) state that no installations are within the work area.

Gov. Code section 4216.3(c)(1)(A): failed to provide electronic positive response through the regional notification center prior to the legal start date and time.

JURISDICTION

When the Board finds a probable violation of the Dig Safe Act (Gov. Code section 4216 et seq.), the Board must transmit the investigation results and any recommended penalty to the appropriate agency identified in Gov. Code section 4216.6, subsection (c) or (d). This matter is subject to the jurisdiction of the City of East Palo Alto City Council which may accept, amend, or reject this Board's recommendation.

Re: City of EPA, D. 2025_11_C233385010-1

SANCTIONS

The Board RECOMMENDS that the City of East Palo Alto City Council order Respondent to take the Board's education course and pay a penalty of $5,000.

The following factors were considered relevant to this sanction determination:

- Respondent's violations were serious.
- Respondent should benefit from taking the Board's education course.

DocuSigned by:
William R. Johns
D5AB0FDF865C487...
William Johns, Chair

Date: 2/2/2026

California Underground Facilities Safe Excavation Board
Education Course

About the Course
The Underground Safety Board's education course is an instructor-led, online course designed to teach effective communication and the requirements for safe excavation around buried subsurface installations.

The course is approximately four hours in duration. The Board hold its education course online via a teleconference platform. The course is offered free of charge. Students are expected to print or electronically access course materials.

Mandatory Course Attendance
If you have been ordered to take the Board's Education Course, please send a request for course access. See "Course Access" below for details.

If the Board has recommended that your jurisdictional authority (CSLB, OSFM, CPUC) impose a requirement for you to take the Board's Education Course, you may schedule a course upon or after receiving a Notice of Probable Violation or a Decision from the Board. This may be done in advance of your jurisdiction completing its enforcement process, however your participation in the course does not forestall the enforcement process.

Course Access
To arrange for your attendance at a course, please email the following information to enforcement.dig@EnergySafety.ca.gov:

- Your Case Number.
- Your Company Name.
- The Issue Date of the Notice of Probable Violation.
- The Issue Date of any Underground Safety Board, Contractors State License Board, Public Utilities Commission, State Fire Marshal, or local governing board's Decision related to your case.
- The number of people you wish to schedule for the course.
- The timeframe in which you are required to take the course (you may take the course prior to your jurisdictional authority's order to do so).

Please write "Education Course Scheduling Request: [Your Company Name]" in the subject line of the email.

Information about the education course may also be accessed at the following website:
https://energysafety.ca.gov/what-we-do/underground-safety-board/education-course/

RESOLUTION NO. XX– 2026

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

AUTHORIZING THE CITY MANAGER TO ENROLL PUBLIC WORKS STAFF IN THE CALIFORNIA UNDERGROUND SAFETY BOARD EDUCATION COURSE IN RESPONSE TO CASE NO. 233385010

WHEREAS, on December 4, 2023, a subcontractor for Pacific Gas & Electric Company (PGE) submitted a locate request through the regional notification center (USA/Dig Alert, 811) for underground utility markings near 2206 Clarke Avenue in the City of East Palo Alto; and

WHEREAS, the City of East Palo Alto and its operations and maintenance provider, Veolia Water, were identified as facility operators responsible for responding to the locate request; and

WHEREAS, the City did not provide a response to the locate request within the required statutory timeframe due to staffing shortages and an ongoing contractual dispute regarding responsibility for underground utility locating services; and

WHEREAS, City staff subsequently marked the underground water facilities on December 22, 2023, prior to any excavation commencing, and no injuries, property damage, or service interruptions occurred as a result of the delayed response; and

WHEREAS, on September 15, 2025, the Office of Energy Infrastructure Safety, Underground Safe Excavation Board ("Board") issued a Notice of Probable Violation (NOPV) to the City of East Palo Alto alleging violations of Government Code Sections 4216.3(a)(1)(A) and 4216.3(c)(1)(A); and

WHEREAS, the City submitted a written response contesting the alleged violations; and
WHEREAS, on November 17, 2025, the Board considered the matter as Case No. C233385010 and determined that violations occurred, recommending that the City complete the Board's education course only; and

WHEREAS, pursuant to Government Code Section 4216 et seq., the City Council of the City of East Palo Alto serves as the local enforcement body for this matter; and

WHEREAS, City staff has since implemented corrective measures and reports a 100% response rate to all USA tickets following the incident; and

WHEREAS, the City Council finds that completion of the Board's education course will further strengthen compliance efforts and promote public safety; and

WHEREAS, the City Council determines that assessment of a financial penalty is not warranted under the circumstances given the absence of injury or damage and the corrective actions taken.

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

1. Authorize the City Manager to enroll the appropriate Public Works personnel in the Underground Safe Excavation Board's education course in compliance with the Board's recommendation in Case No. 233385010.

2. The City Manager shall maintain administrative procedures and staffing sufficient to ensure full compliance with Government Code Section 4216 et seq., including timely response and electronic positive response to all regional notification center locate requests.

PASSED AND ADOPTED this 17th day of March 2026**,** by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Webster Lincoln, Mayor

ATTEST:

James Colin, City Clerk

APPROVED AS TO FORM:

John D. Lê, City Attorney

EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: March 17, 2026

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 February 24, 2026, minutes.

Attachments

1. February 24, 2026, Minutes

EAST PALO ALTO CITY COUNCIL
SPECIAL MEETING MINUTES

Tuesday, February 24, 2026, 6:00 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 Lincoln at 6:00 PM.

Attendee Name	Title	Status	Arrived
Webster Lincoln	Mayor	Present	
Ruben Abrica	Vice Mayor	Present	
Carlos Romero	Councilmember	Present	
Mark Dinan	Councilmember	Present	
Martha Barragan	Councilmember	Present	

2. APPROVAL OF THE AGENDA

Councilmember Dinan moved to amend the agenda by moving item 12.2 (trilateral memorandum of understanding with the county of San Mateo and EPA Can Do) up to be heard first, citing time pressure on the item. Councilmember Romero seconded the motion.

Motion by Councilmember Dinan, seconded by Councilmember Romero, to approve the amended agenda moving item 12.2 to be heard first. Motion carried unanimously.

3. APPROVAL OF CONSENT CALENDAR

Motion by Councilmember Dinan, seconded by Councilmember Barragan, to approve the consent calendar as presented. Motion carried unanimously.

3.1 FY 2025-26 Second Quarter Treasury Report

3.2 Appointments to BAWSCA Board and Bay Area Regional Water System Financing Authority (RFA)

3.3 City Council Meeting Minutes

4. CLOSED SESSION

5. PUBLIC COMMENT

The following speakers provided public comments:

- Javanni Brown Austin
- Joan Wright
- Ravneel Chaudhary
- Daniel Barrera
- Marianna Sumina
- Danae Moreno
- Mario

Summary of Public comments:

Several community members provided public comment on items not on the agenda. Javanni Brown Austin addressed the need to focus on supporting queer youth in the community rather than getting caught up in procedural matters. Multiple speakers raised concerns about habitability issues in rental housing, parking enforcement, and various community issues. Speakers emphasized the importance of proper enforcement of existing laws and protecting vulnerable community members.

6. ADJOURN CITY COUNCIL REGULAR MEETING TO THE JOINT SUCCESSOR AGENCY BOARD SPECIAL MEETING

7. JOINT SUCCESSOR AGENCY BOARD POLICY AND ACTION

7.1 Approval of Defeasance of Series 2015A Tax Allocation Refunding Bonds and Authorization to Implement Actions Necessary for Dissolution of the Successor Agency

Finance Director Tomo Oku presented this item, with assistance from Jaime Trejo from PFM Financial Advisors. The proposal involved the early retirement of the successor agency's last enforceable obligation - the Series 2015A tax allocation refunding bonds with approximately $9.6 million outstanding.

The item was previously presented to the county oversight board on February 9th, which directed the successor agency to move forward. The early defeasance would generate about $1.2 million in net savings to taxing entities collectively, while resulting in a temporary $3 million general fund revenue reduction for the city over fiscal years 2025-26 and 2026-27. The estimated net fiscal benefit to the city would be about $7.6 million through fiscal year 2032-33. Jaime from PFM explained the revenue restoration goal, noting that due to a California Supreme Court case (Chula v. Sandoval), the city was losing approximately $980,000 annually in residual revenue. The defeasance would be completed in two phases - June 2026 and January 2027.

Councilmember Romero asked clarification questions about approval requirements from other taxing entities and confirmed the $7.6 million figure was not net present value. Councilmember Abrica expressed strong support, noting this had been a long-standing goal to dissolve the successor agency and maximize property tax revenue for the city.

Motion by Councilmember Abrica, seconded by Councilmember Romero, to approve the resolution for early defeasance of Series 2015A Tax Allocation Refunding Bonds and authorization to implement actions necessary for dissolution of the successor agency. Motion carried unanimously.

8. ADJOURN JOINT SUCCESSOR AGENCY BOARD SPECIAL MEETING TO THE EAST PALO ALTO REGULAR MEETING

9. INFORMATIONAL REPORTS

9.1 Discuss Ordering the Submission of a Measure on Term Limits for a Future Municipal Election

John D. Le, City Attorney, provided an oral presentation explaining that East Palo Alto, as a general law city, has authority to impose term limits but must submit it at a regularly scheduled election. If approved, term limits would only apply prospectively. The clerk presented various options from other cities and sought council direction on key provisions.

Several council members expressed support for giving voters the opportunity to decide on term limits. Councilmember Dinan strongly supported term limits as good governance, suggesting it would bring new ideas and energy to the council. Mayor Lincoln supported three consecutive terms with a one-term cooloff period.

Councilmember Romero opposed term limits, arguing they reduce experience, create greater influence for lobbyists, reduce accountability in final terms, and lead to greater polarization. He noted East Palo Alto voters already effectively impose term limits by voting out incumbents when desired.

Councilmember Abrica supported having voters decide but preferred waiting for a presidential election to maximize voter participation rather than a June primary. Councilmember Barragan wanted more information about costs and timing options.

Multiple community members provided public comment both supporting and opposing term limits. Supporters argued for regular turnover and new leadership, while opponents raised concerns about losing experienced representatives and the community's existing ability to vote out incumbents.

The following speakers provide public comments regarding this item:

- Ravneel Chaudhary
- Gail Dixon
- Mario
- Luis Rosas
- Michael Francois

- Fili
- Marianna Sumina
- Mr. Best
- Adrienne Bryant
- Praise Olatunde

Staff indicated they would return with cost information and details for council consideration at the March meeting if the council wished to move forward with a June 2026 ballot measure.

10. SPECIAL PRESENTATIONS

11. PUBLIC HEARINGS

11.1 Residential Permit Parking Program Ordinance (RPP) First Reading

Batool Zaro, Senior Engineer introduced the item and Michelle Hunt from Hexagon Transportation Consultants presented the residential permit parking ordinance, explaining this was the culmination of work dating back to a 2020 mobility study. The ordinance would create a framework for establishing residential permit parking areas but would not automatically impose restrictions anywhere.

Hunt clarified that recent changes removed automatic implementation language and restored resident petition processes, removed voter registration as proof of residency, and provided for one free permit per residence with council discretion to impose fees later.

Council members expressed mixed views on timing, with some preferring to see results from the upcoming parking enforcement contract before implementing permit parking. There was discussion about increasing free permits to two per household to account for tenant households that typically receive only one parking space from landlords.

Councilmember Dinan supported the framework as preparation for future needs, anticipating demand would increase once parking enforcement begins. Councilmember Abrica emphasized not forcing permits on residents and ensuring adequate enforcement of existing laws first.

Multiple community members provided public comment raising concerns about costs, impacts on families, and the need for enforcement of existing regulations rather than new requirements.

The following speakers provide public comments regarding this item:

- Ravneel Chaudhary
- Gail Dixon
- Michael Francois
- Isabel Lopez Ysmael
- Laura Rubio
- Nicole Stewart Crooks
- Karla Facundo
- Margaret Blackwell
- Adrienne Bryant
- JS
- Mr. Best
- Marianna Suminca

Motion by Councilmember Dinan, seconded by Councilmember Abrica, to waive first reading and introduce the residential permit parking ordinance. Motion carried 4-1, with Councilmember Romero voting no, stating it was premature without seeing parking enforcement results first.

12. POLICY AND ACTION

12.1 Introduction of Chapter 5.76 – Sidewalk Vendors Ordinance

Assistant to the City Manager Denise Garcia presented the updated sidewalk vendors ordinance following extensive community outreach. The ordinance would establish regulations for sidewalk vending while providing educational and financial assistance through a proposed pilot program.

Garcia explained that staff conducted evening outreach with county health officials in January, finding increasing numbers of local vendors who wanted to comply with regulations if the process was simplified. The ordinance includes bilingual assistance, education-first enforcement with warnings before fines, and proposed partnerships with Renaissance Entrepreneurship Center for training.

City Attorney John Le provided additional comments from public counsel regarding keeping fees affordable, concerns about insurance requirements, reducing distance requirements, and providing flexibility in operating hours.

Council members generally supported the framework while requesting modifications. There was discussion about adjusting hours to accommodate morning vendors (starting at 7 AM instead of 9 AM) and extending evening hours to 10 PM. Members also wanted to explore scaled insurance requirements rather than the full commercial levels initially proposed.

Many community vendors provided public comment in both English and Spanish, emphasizing their desire to operate legally while requesting affordable fees, flexible hours, and support navigating the permit process. Several suggested creating a designated vendor area where multiple vendors could operate together.

Some community members raised concerns about vendors operating in residential areas and impacts on established businesses, while others emphasized these were hardworking families trying to make a living.

The following speakers provided public comments:

- Lourdes Best
- Adirenne
- Alejandro Gonzales
- Nicole Stewart Crooks
- Mario
- Ravneel Chaudhary
- Gladys
- Luis Rosas
- Tania Jazmin Gonzales
- Virgina Valencia
- Guadalupe Martinez
- Cristopher Ibarra
- Laura Rubio

Motion by Councilmember Abrica, seconded by Councilmember Romero, to waive first reading and introduce the sidewalk vendors ordinance with direction to staff to provide flexibility on hours through city manager regulations and explore scaled insurance options. Motion carried unanimously.

12.2 Trilateral Memorandum of Understanding with the County of San Mateo and EPACANDO to Facilitate Affordable Housing Development and Expansion of Martin Luther King Jr. Park

City Manager Melvin E. Gaines presented this item as advancing the city's strategic priority of negotiating acquisition of the Beach Street property. The proposal would establish a framework for a three-way partnership to facilitate both affordable housing development and MLK Park expansion through property exchanges.

The city would potentially transfer its University Avenue property (currently housing the county's reentry center) in exchange for the county's Beach Street property for park expansion. EPACANDO would acquire an adjacent property to enable a larger affordable housing development combining both sites.

Gaines emphasized the MOU is non-binding and does not authorize development or commit the city to exchanges - those would require future council approvals. The arrangement could facilitate 60+ units of 100% affordable housing on a transit corridor while allowing park expansion.

Council members expressed strong support for this long-sought goal. Councilmember Abrica thanked staff and EPACANDO for making progress on an issue discussed for many years. Councilmember Dinan noted this represented a win-win-win situation, though he wished the county would simply transfer the land directly.

Mayor Lincoln asked clarifying questions about why EPACANDO's acquisition was conditioned on the MOU, which EPACANDO representatives explained was due to the small parcel size making it unsuitable for standalone development.

Community members provided mixed public comment, with some supporting the affordable housing and park expansion goals, while others questioned the process and impacts on existing residents.

The following speakers provided public comments:

- Gail Dixon
- Michael Mashack
- Michael Francois
- Mario
- Mr. Best
- Lourdes Best

Motion by Councilmember Romero, seconded by Mayor Lincoln, to adopt the resolution authorizing the trilateral memorandum of understanding. Motion carried unanimously.

13. COUNCIL REPORTS

13.1 Call for Review by the City Council of a Decision by the Planning Commission to Not Approve Two Separate Applications to Develop 1675 Bay Road (Townhome and Mixed Use)

This item addressed whether the council would review the planning commission's decisions to deny two development applications at 1675 Bay Road. City Attorney explained the difference between a call for review (hearing the matter de novo) versus an appeal (reviewing the planning commission record).

Councilmember Dinan argued strongly for calling the projects for review, stating the planning commission illegally denied projects required under state law and that the city faced potential penalties. He emphasized these were affordable housing projects that would generate needed revenue for the city.

Councilmember Abrica opposed making legal determinations about the planning commission's actions before reviewing the record, preferring to let the filed appeal proceed through normal processes. Councilmember Romero expressed concerns about predetermined positions and fairness to the development review process.

Community members provided public comment both supporting and opposing the call for review, with some defending the planning commission's work and others arguing the council needed to address state law compliance.

The following speakers provided public comments regarding this item:

- Armando Murillo
- Fili
- Curtis Monette
- Ravneel
- Fili
- Marianna Sumina
- Adrienne Bryant
- Mario
- Luis Rosas

Motion by Councilmember Dinan, seconded by Mayor Lincoln, to call for review of the planning commission decisions. Motion failed 2-3, with Councilmembers Romero and Abrica voting no and Councilmember Barragan abstaining.

Additional reports:

Councilmember Abrica provided a remembrance of Reverend Jesse Jackson, who recently passed away, noting his visits to East Palo Alto and his work for social and economic justice, particularly his efforts to increase minority hiring in high-tech companies.

14. ADJOURNMENT

Mayor Lincoln adjourned the meeting at 11:22 PM.

CONSENT ITEM 3.10

EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: March 17, 2026

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: James Colin, City Clerk

SUBJECT: César E. Chavez Proclamation

Recommendation

Present the proclamation.

Attachments

1. Proclamation

PROCLAMATION OF THE CITY OF EAST PALO ALTO
CELEBRATING CÉSAR E. CHAVEZ BIRTHDAY, HIS LEGACY AND THAT OF FARMWORKERS AND THE WORK OF THE CHAVEZ FAMILY VISION INC. ORGANIZATION

WHEREAS, *César E. Chavez (March 31, 1927- April 23, 1993) was born near Yuma Arizona to Librado Chavez and Juana Estrada and lived/ worked in farms where he experienced and witnessed the oppressive treatment of migrant farmworkers of all ethnic backgrounds, and*

WHEREAS, *after serving in the United States Navy in 1944 he married Helen Fabela and they moved to San Jose California to raise a family, and in the 1950's César E. Chavez became a community organizer helping to improve the life of neighborhoods in his community and rose to be the director of the statewide Community Services Organization (CSO), and*

WHEREAS, *in 1962 stirred by the injustices and inhumane treatment of farmworkers, César E. Chavez founded the National Farm Workers Association and was joined by Dolores Huerta, Larry Itliong, and others to form the UFW-United Farm Workers Union, and*

WHEREAS, *the United Farm Workers with César E. Chavez leadership in the 1960's and '70s organized boycotts, marches, hunger strikes and education campaigns for social justice and human rights, and*

WHEREAS, *in East Palo Alto the César E. Chavez Academy was one of the first schools in the nation named in his honor in 1993, after his passing, and*

WHEREAS, *members of his family including Rita Chavez Medina, his elder sister, were present at the naming celebration at an all school assembly attended by community leaders, officials, parents and staff of the Ravenswood City Elementary School District, as well as representatives of the UFW, and*

WHEREAS, *on the 29th of March of 2018 the Comité Latino and the Asociación Familiar de la Tercera Edad (Family Seniors Association) held a public reception honoring the life and legacy of César E. Chavez at the East Palo Alto City Hall, with honored guests from the Chavez Family Vision organization, including Doña Rita Chavez Medina, and daughter Barbara Medina-Aranda, and*

WHEREAS, *in 2019 after a yearlong community struggle by Comunidad Unida para una Mejor Educación with support from the Chavez Family Vision board, the Ravenswood School District authorities were stopped from removing the name César Chavez from the school.*

NOW THEREFORE, BE IT RESOLVED, *that the City Council of East Palo Alto, hereby recognizes César E. Chavez birthday on March 31, 2026 and his legacy of social justice, and labor and human rights work on behalf of all people and also recognizes the work of the Chavez Family Vision Inc. organization in maintaining that legacy, and encourages the community of East Palo Alto to celebrate and continue the work of social, racial and economic justice. Sí Se Puede!*

Dated: March 17, 2026

Webster Lincoln, Mayor

EAST PALO ALTO SANITARY DISTRICT STAFF REPORT

DATE: **March 17, 2026**

TO: Honorable Members of the City of East Palo Alto City Council, Governing Board to the East Palo Sanitary District, a Subsidiary of the City of East Palo Alto

VIA: Melvin E. Gaines, General Manager

BY: Tomohito Oku, District Treasurer
Jessica Y Caballero, Financial Services Manager

SUBJECT: **Cash Disbursement Report for January 2026**

Recommendation

Accept the cash disbursement report required pursuant to California Health and Safety Code Section 6794.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Governance, Organizational Strength, and Fiscal Sustainability
Priority: Public Health, Safety, and Quality of Life

Background

On November 15, 2023, the San Mateo Local Area Formation Commission ("LAFCo") unanimously approved the City of East Palo Alto's application requesting that the East Palo Alto Sanitary District ("District" or "EPASD") be made a subsidiary of the City of East Palo Alto.

On October 1, 2024, the reorganization of the District as a subsidiary of the City of East Palo Alto (City), and the City Council its governing board, became effective. Prior to and since that time, staff has worked diligently toward a peaceful and smooth transition. To that end, one aspect of that transition has required staff to review local rules and regulations of EPASD that may require amendment in light of the reorganization.

California Health and Safety Code (H&S) Section 6794 allows the Board to adopt a procedure

that provides for checks or warrants to pay claims and demands without approval by the Board of Directors before payment if the District Treasurer determines that the demands are payable within the District's approved budget.

On December 3, 2024, the Board adopted an ordinance amending various provisions of the Sanitary District Code including Section 303 Appointed Positions, which authorizes District Treasurers to perform duties including the deposit and withdrawal of funds of the District, issuance of checks or warrants to pay claims and demands without approval by the Board before payment if the District Treasurer determines that the demands are payable within the District's approved budget.

Furthermore, H&S Section 6794 requires staff to present cash disbursements to the Board at the next regular Board meeting and seek Board approval if demands exceed the District's approved budget.

This staff report is provided for informational purposes and details all cash disbursements for the month ending January 31, 2026, as approved by the District Treasurer. As of January 31, 2026, actual expenses remain within the District's approved budget. Year-to-date expenditures total $3.6 million, compared to the adopted budget of $6.6 million, representing 55% of the budget spent to date.

Analysis

The following cash disbursements have been approved by the District Treasurer pursuant to the District Code Section 303, and are hereby reported to the Board:

EPASD Cash Disbursement Reports
For Period Ending January 31, 2026

Vendor Name	Invoice Number	Description	Check Amount	Check Issue Date
ADP	H848	EPASD PAYROLL FEES	$ 52.85	1/29/2026
ADP	H848	EPASD PAYROLL FEES	$ 52.85	1/29/2026
ADP	H848	ADP TAX EPASD	$ 84.00	1/29/2026
AppleOne, Inc	01-7223689	Staffing Services	$ 1,517.28	1/9/2026
AppleOne, Inc	01-7225775	Staffing Services	$ 1,512.96	1/14/2026
AppleOne, Inc	01-7229060	Staffing Services	$ 1,521.60	1/23/2026
AppleOne, Inc	01-7233021	Staffing Services	$ 1,521.60	1/30/2026
ARIAS F ELECTRIC INC	1447	Electrical work at EPASD	$ 717.79	1/9/2026
CITY OF PALO ALTO	7800007576	3rd Quarter FY25-26 O & M of RWQCP	$ 522,470.80	1/15/2026
COMCAST	1003193289	Reccurring charges for ACC#708960844 EPASD JAN 2026	$ 421.31	1/14/2026
COMCAST	5362 1/26	Recurring charges for ACCT#8155 20 007 0165362 for JAN 2026 EPASD	$ 465.90	1/9/2026
Everon, LLC	160180965	Service at EPASD Brivo upgrade	$ 1,869.05	1/9/2026
FlexTG LLC	4552982-CAL	Copier	$ 137.09	1/30/2026
FREYER & LAURETA INC.	26-005	On Call EPASD Master Plan update	$ 9,653.25	1/14/2026
Green Source Janitorial	1/1/2026	Monthly Janitorial Services Jan 2026	$ 1,953.00	1/14/2026
PACIFIC GAS & ELECTRIC	2164215266-0 12/2025	PACIFIC GAS & ELECTRIC EPASD 2164215266-0 for DEC 2025	$ 237.38	1/9/2026
PACIFIC GAS & ELECTRIC	2205881930-5 01/26	PACIFIC GAS & ELECTRIC EPASD 2205881930-5 FOR 12/16/25-1/14/26	$ 388.20	1/30/2026
Recology San Mateo County	59955062	Waste for month of Dec 2025	$ 327.25	1/14/2026
RR Pro Painting Inc.	2024094	First floor pinting EPASD	$ 6,800.00	1/14/2026

Manual Checks have three-digit check numbers.

EPASD Cash Disbursement Reports
For Period Ending January 31, 2026
(Continued)

Vendor Name	Invoice Number	Description	Check Amount	Check Issue Date
U.S.BANK CORPORATE PAYMENT SYSTEM	Dec-25	Microsoft Teams for EPASD	$ 8.00	1/14/2026
U.S.BANK CORPORATE PAYMENT SYSTEM	Dec-25	Microsoft Teams for EPASD	$ 20.00	1/14/2026
U.S.BANK CORPORATE PAYMENT SYSTEM	Dec-25	Catering for Meeting 11.13.2025	$ 68.91	1/14/2026
U.S.BANK CORPORATE PAYMENT SYSTEM	Dec-25	APWA Luncheon	$ 65.00	1/14/2026
U.S.BANK CORPORATE PAYMENT SYSTEM	Dec-25	Catering for Meeting 11.19.2025	$ 21.97	1/14/2026
U.S.BANK CORPORATE PAYMENT SYSTEM	Dec-25	EPASD Membership	$ 16.47	1/14/2026
U.S.BANK CORPORATE PAYMENT SYSTEM	Dec-25	General Office Supplies	$ 18.75	1/14/2026
VEOLIA WATER NORTH AMERIC	385576 1/26	WATER BILL FOR EPASD FOR 12/6/25-1/6/26 acct#385576	$ 257.43	1/23/2026
VEOLIA WATER NORTH AMERIC	386303 1/26	Charges for account 386303 12/6/25-1/5/26 EPASD	$ 4.19	1/23/2026
WEST BAY SANITARY DISTRIC	2025/26-058	Maintenance services agreement Dec 2025	$ 136,789.49	1/14/2026
Grand Total			$ 688,974.37	

Manual Checks have three-digit check numbers.

Fiscal Impact

There is no budget impact by this action as the year-to-date cash disbursements did not exceed the District's approved 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 not a "project" under California Environmental Quality Act (CEQA) pursuant to CEQA Guideline section 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: No, as the proposed action involves no entitlement.

Analysis of Levine Act Compliance: Not applicable.

Attachments: None.

EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: March 17, 2026

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Denise J. Garcia, Assistant to the City Manager

Shiri Klima, Assistant City Manager

SUBJECT: Implementation Plan for the Economic Development Strategic Plan

Recommendation

Staff recommends the City Council:

1. Approve Option A as the City's Five-Year Implementation Plan for the Economic Development Strategic Plan (EDSP), focusing on initiatives achievable with current staffing and limited consultant support.

2. Recognize Option B as a potential future expansion of the City's economic development program should the Council elect to establish dedicated economic development staffing, including an Economic Development Manager and an Economic Development Specialist.

3. Provide feedback on implementation priorities and identify any initiatives the Council would like incorporated into the final plan.

4. Direct staff to return during the Fiscal Year (FY) 2026-27 budget process with staffing and funding recommendations should the Council wish to expand the program consistent with Option B.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Land Use, Economic and Workforce Development

Background

During the City Council Priority Setting Sessions for Fiscal Years (FY) 2023 – 2025 and FY 2025 – 2027, the City Council reaffirmed its commitment to "Promote Housing, Economic and Workforce Development," including development of an Economic Development Strategic Plan.

On January 6, 2026, the City Council unanimously adopted the East Palo Alto Economic Development Strategic Plan (EDSP). The EDSP provides a 10-year roadmap to strengthen East Palo Alto's economic resilience, support local businesses and entrepreneurs, expand workforce opportunities, and position the City for long-term fiscal sustainability.

The EDSP was developed with support from HR&A Advisors and Kearns & West and shaped by extensive research, data analysis, and community input.

The EDSP outlines three overarching goals:

- Boost homegrown businesses and entrepreneurs to generate community wealth.
- Attract businesses and private investment to expand jobs and fiscal stability.
- Make East Palo Alto investment-ready by unlocking key sites, improving infrastructure, and enhancing the City's brand.

Under these goals, the EDSP identifies 20 initiatives, including eight "must-do" actions considered critical to launching East Palo Alto on a path toward inclusive economic growth.

When adopting the EDSP, the City Council directed staff to return with a Five-Year Implementation Plan detailing timelines, resource needs, and staffing implications for advancing these initiatives.

Analysis

To develop the Five-Year Implementation Plan, staff worked with Regional Government Services (RGS) economic development consultant, Brian Moura, to review the EDSP initiatives and determine which actions could be implemented with existing resources.

- **Attachment 1** lists the 20 recommended initiatives identified in the EDSP along with their recommended implementation timeline (Years 1-2 (Quick Wins), Years 3-5 (Mid Term), and Years 6-10 (Long Term)).

- **Attachment 2** identifies eight "Must Do" initiatives.

During preparation of the implementation plan, staff made several adjustments to reflect operational realities and regional best practices:

- Updated position titles from Business Development Manager to Economic Development Manager and from Business Ambassador to Economic Development Specialist to align with common Bay Area economic development roles and provide more flexibility in the position duties.

- Revised the recommended staffing sequence so that the Economic Development Manager would be hired before an Economic Development Specialist if additional staff are authorized. While more expensive, this approach adds more Economic Development expertise to the City program in the short term.

- Added four Economic Development initiatives that support ongoing economic development program management:
    - Create an EPA Business eNewsletter
    - Conduct outreach Meetings with local businesses
    - Present an Annual Economic Development Report to City Council
    - Evaluate City membership in regional economic development organizations.

To bring the EDSP into actionable steps, staff developed two implementation approaches that differ primarily in staffing capacity and program scale.

Comparison of Implementation Options

Category	Option A – Current Capacity (Recommended)	Option B – Expanded Economic Development Program
Program Approach	Focus on foundational initiatives and quick wins achievable with existing staff and consultant support	Accelerated implementation of EDSP initiatives supported by dedicated economic development staff
Staffing	Existing staff with limited consultant support	Economic Development Manager and Economic Development Specialist
Implementation Pace	Gradual, focused on business support and process improvements	Faster implementation of EDSP initiatives including marketing, business attraction, and workforce pipeline development
Key Activities	Permit streamlining, small business outreach, workforce development partnerships, incubator programming, public space activations	All Option A initiatives plus business attraction, marketing campaigns, business district outreach, investment promotion, and workforce pipeline initiatives.
Fiscal Impact	Minimal near-term cost	Significant ongoing staffing and program investment
Expected Outcomes	Improves business climate and establishes a foundation for economic development. Delivers visible wins but limits the City's ability to attract major investment and unlock strategic sites.	Positions East Palo Alto as a competitive regional economic development player capable of attracting new investment and jobs. Lays the groundwork for transformative economic growth

Key Initiative Comparison

The following table illustrates how the scope of implementation differs between the two options.

Implementation Area	Option A – Current Capacity	Option B – Expanded Program
Business Services	Streamline business licenses and street vendor permits	Streamline permit processes and develop Small and Micro Business Guide

Implementation Area	Option A – Current Capacity	Option B – Expanded Program
Business Outreach	Outreach meetings with Gateway businesses	Outreach meetings across all business districts and sectors
Communications	EPA Business eNewsletter	Business eNewsletter plus dedicated business development landing page
Economic Development Reporting	Annual Economic Development Report to City Council	Annual report plus expanded performance tracking
Business Support Programs	Program incubator space in Gateway Retail Center	Incubator space plus Shop Local campaign and expanded small business programming
Investment Promotion	Limited marketing and small activations	Launch “Choose EPA” investment portal and marketing campaigns
Workforce Development	Coordinate with workforce development partners	Connect regional talent pipelines with EPA job and entrepreneurship opportunities

Five-Year Timeline Comparison

The following table illustrates the timing of different implementation steps for both options.

Year	Option A – Current Capacity	**Option B –** Includes all initiatives in Option A while adding new initiatives
Year 1	Streamline business license and street vendor permits; coordinate with workforce development partners; launch EPA business eNewsletter; continue outreach meetings with Gateway businesses	Expanded workforce development partnerships; expanded business outreach; develop Small and Micro Business Guide
Year 2	Create simple permits or pre-approved zones for temporary uses; promote East Palo Alto through small activations; present first Annual Economic Development Report	Expanded outreach across all business districts; create business development landing page; promote East Palo Alto through site activations
Year 3	Program City-owned incubator space in Gateway Retail Center; evaluate membership in Chamber of Commerce and regional organizations; continue annual reporting	Launch Shop Local campaign; develop comprehensive “Choose EPA” investment portal.
Year 4	Activate key public spaces and underutilized sites through events and temporary uses; continue annual reporting	Connect regional talent pipelines with local job opportunities; expand place-making activations at public and underutilized private spaces
Year 5	Update development incentives to encourage priority uses; establish EPA Construction Accelerator; continue annual reporting	Update development incentives and entitlements; establish EPA Construction Accelerator

Based on current staffing capacity and competing operational priorities, staff recommends Option A as the most feasible near-term implementation strategy. Option B may be considered in the future if the City Council chooses to establish a dedicated economic development program in light of other operational priorities.

The two 5 Year Implementation Plan options are attached to this report as **Attachment 3** and **Attachment 4**. They include staffing plan, key initiatives, estimated resources required,

expected outcomes, timeline implementation, and measurable metrics.

Program Staffing

Most City staff are currently operating at or near capacity and cannot assume significant additional responsibilities associated with implementing the EDSP. The Assistant to the City Manager positions collectively have approximately 0.20 full time equivalent (FTE) of capacity that can be dedicated to this effort. However, sustained and expanded economic development program management would require additional resources.

The City currently has remaining consulting hours with Regional Government Services (RGS) that can support initial implementation efforts the remainder of FY 2025-26. If the Council follows the recommended Option A, staff anticipates issuing a Request for Proposals (RFP) for on-call economic development consulting services beginning in FY 2026–27. Staff estimates an annual cost of $100,000 to $150,000 for on-call services to support economic development initiatives, regardless of whether Council selects Option A or Option B.

Next Steps

If Option A is selected:

1. Staff will finalize the Five-Year EDSP Implementation Plan based on Council feedback.
2. Staff will begin implementing Year 1 initiatives under Option A using existing resources.
3. If the Council wishes to expand the program (Option B), staff will prepare staffing and funding proposals during the FY 2026–27 budget cycle. The Council should not select Option B absent a complete budget picture that includes other operational requests.

If the Council wishes to expand the program consistent with Option B, staff would return during the FY 2026–27 budget process with detailed funding proposals.

Preliminary Cost Estimates for Option B Include:

Item	Estimated Annual Cost
Economic Development Manager	$142,864 – $173,652 + benefits
Economic Development Specialist	$107,148 – $130,239 + benefits
Shop Local Campaign	$25,000
Professional Memberships and Conferences	$5,000
Regional Economic Development Memberships	TBD
On-Call Consulting Support	$100,000 – $150,000

Fiscal Impact

Selecting Option A would have no immediate fiscal impact, as the initial activities can be supported through existing staff time and remaining consultant hours.

If the Council wishes to expand the program consistent with Option B, staff would return during the FY 2026–27 budget process with detailed funding proposals.

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

Attachment 1 – EDSP Initiatives, Roadmap & Timeline (recommended by HR&A)
Attachment 2 – EDSP 8 Must Do Initiatives (recommended by HR&A)
Attachment 3 – Option A – 5 Year EDSP Implementation Plan (Current Capacity)
Attachment 4 – Option B – 5 Year EDSP Implementation Plan (Additional Staff & Funding)

LEGEND

- Quick-win
- Mid-term
- Long-term
- Sequence
- Continued Implementation / Updates

	Lead	Resource	Y1-2	Y3-5	Y6-10
1A.1 Create a small/micro business guide	CEDD / Small Biz Ambassador	$			
1B.1 Streamline business licensing / permitting processes	Finance/Permitting	$			
2A.1 Create a dedicated business development landing page	CEDD / BizDev Manager	$			
2B.1 Work with workforce development partners to provide industry-aligned trainings	CEDD / Nonprofit partner	$			
1B.2 Create simple permits or pre-approved zones for temporary uses	Finance/Permitting	$			
3A.1 Promote EPA as a place to live, work, and visit through activations	City Manager's Office	$			
1A.2 Program City-owned incubator space in Gateway Retail Center	CEDD / Nonprofit partner	$$			
1B.3 Appoint an EPA Business Ambassador	City Manager's Office	$$			
1B.4 Create a "Shop Local" campaign and program	CEDD / Small Biz Ambassador	$			
2A.2 Launch a more comprehensive "Choose EPA" portal	CEDD / BizDev Manager	$$			
2B.2 Connect regional talent pipeline with EPA job/entrepreneurship opportunities	CEDD / BizDev Manager	$			
3A.2 Regularly activate key public spaces and underutilized private spaces	CEDD	$$			
3B.1 Update development requirements and entitlements to incentivize priority uses	CEDD	$			
3B.2 Establish an EPA Construction Accelerator	City Manager's Office / CEDD	$$			
1A.3 Establish EPA Business Commons	City Manager's Office / CEDD	$$$			
2A.3 Expand CEDD team to include an Economic Development Manager	City Manager's Office	$$			
2B.3 Establish a physical job-training hub	City Manager's Office / CEDD	$$$			
3B.3 Fund public infrastructure improvements	City Manager's Office / CEDD	$$$			
3B.4 Fill funding / financing gaps for catalytic projects	City Manager's Office / CEDD	$$			
3A.3 Engage professional branding consultant	City Manager's Office / CEDD	$$			

DRAFT

CRITICAL INITIATIVES

The full EDSP outlines 20 initiatives across three goals. Among them, **eight "must-do" moves** are especially critical to launching EPA on an inclusive growth path.

1.	Create a **small/micro business guide** (1A.1).	Quick Win
2.	**Streamline business licensing / permitting processes** (1B.1).	Quick Win
3.	Create a dedicated **business development landing page** (2A.1). *Over time, further expand this into a more comprehensive **"Choose EPA" portal** (2A.2).*	Quick Win
4.	Work with workforce development partners to provide **industry-aligned trainings** (2B.1).	Quick Win
5.	**Promote EPA** as a place to live, work, and visit through activations (3A.1).	Quick Win
6.	**Update development requirements and entitlement process** to incentivize priority uses (3B.1).	Mid-Term
7.	Appoint an **EPA Business Ambassador** (1B.3). *Over time, further grow the team to include an **Economic Development Manager** (2A.3).*	Mid-Term
8.	**Fund public infrastructure** improvements (3B.3).	Long-Term

DRAFT

OPTION A - 5 Year EDSP Implementation Plan (Current Capacity)

Plan	***Initiative***	***Yr 1***	***Yr 2***	***Yr 3***	***Yr 4***	***Yr 5***
1B-1	Streamline Business License & Street Vendor Permits	X				
2B-1	Work with Workforce Development Partners - Industry Aligned Training	X				
1B-2	Create Simple Permits or Pre-Approved Zones for Temporary Uses		X			
3A-1	Promote EPA as a place to live, work, and visit through activations		X			
1A-2	Program City-owned incubator space in Gateway Retail Center			X		
3A-2	Regularly activate key public spaces and underutilized private spaces				X	
3B-1	Update development requirements & entitlements to incentivize priority uses					X
3B-2	Establish an EPA Construction Accelerator					X
New	Create EPA Business eNewsletter	X				
New	Continue Outreach Meetings with Gateway Businesses	X				
New	Develop & Present Annual Economic Development Report to City Council		X			
New	Analyze EPA Membership in Chamber of Commerce & SF Peninsula Bureau			X		

OPTION B - 5 Year EDSP Implementation Plan (Additional Staff & Funding)

Plan	*Initiative*	*Yr 1*	*Yr 2*	*Yr 3*	*Yr 4*	*Yr 5*
1A-1	Create a Small and Micro Business Guide	X				
1B-1	Streamline Business License, Street Vendor & Permitting Processes	X				
2A-1	Create a Dedicated Business Development Landing Page		X			
2B-1	Work with Workforce Development Partners - Industry Aligned Training	X				
1B-2	Create Simple Permits or Pre-Approved Zones for Temporary Uses		X			
3A-1	Promote EPA as a place to live, work, and visit through activations		X			
1A-2	Program City-owned incubator space in Gateway Retail Center			X		
1B-3	Appoint an Economic Development Manager		X			
1B-3	CALED, Mtgs & Conferences for Economic Development Manager		X			
1B-4	Create a Shop Local Campaign and Program			X		
2A-2	Launch a more comprehensive “Choose EPA” portal			X		
2B-2	Connect regional talent pipeline with EPA job/entrepreneurship opportunities				X	
3A-2	Regularly activate key public spaces and underutilized private spaces				X	
3B-1	Update development requirements to incentivize priority uses					X
3B-2	Establish an EPA Construction Accelerator					X
New	Create EPA Business eNewsletter	X				
New	Outreach Meetings with Businesses by Business District & Sector (incl Gateway)		X			
New	Develop & Present Annual Economic Development Report to City Council		X	X	X	X
New	Analyze EPA Membership in Chamber of Commerce & SF Peninsula Bureau			X		

POLICY AND ACTION 13.2

EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: March 17, 2026

TO: Honorable Chair and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Michelle Huang, Associate Planner
Yajaira Morales, Housing Project Manager
Karen Camacho, Housing & Economic Development Manager
Elena Lee, Interim Community & Economic Development Director
Shiri Klima, Assistant City Manager

SUBJECT: 2025 Annual Housing Element Progress Report and 2025 General Plan Annual Progress Report

Recommendation

The City Council should adopt a resolution stating the following:

1. Accepting the 2025 Housing Element Annual Progress Report, 2025 General Plan Annual Progress Report, and Housing Successor to the Redevelopment Agency Annual Report; and

2. Directing staff to submit the 2025 Housing Element Annual Progress Report, 2025 General Plan Annual Progress Report, and Housing Successor to the Redevelopment Agency Annual Report to the appropriate State authorities; and

3. Finding that the acceptance and submittal of the 2025 Housing Element Annual Progress Report, 2025 General Plan Annual Progress Report, and Housing Successor to the Redevelopment Agency Annual Report are exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guideline Sections 15061(b)(3) and 15306 and none of the exceptions set forth in CEQA Guidelines Section 15300.2 apply to this Project.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with the following priorities:

- Comprehensive Housing
- Land Use, Economic and Workforce Development

Background

This staff report combines the following two annual progress reports:

- Housing Element Annual Progress Report (Housing Element APR)
- General Plan Annual Progress Report (General Plan APR)

These reports must be submitted to the relevant State agencies - California Department of Housing and Community Development (HCD) and to the Governor's Office of Land Use and Climate Innovation (LCI) (formerly the Office of Planning and Research or OPR) – by April 1st of each year, after they have been presented to the local legislative body for their review and acceptance.

The Planning Commission heard a special presentation on the Housing and General Plan APRs on February 23, 2026. The Commission voted unanimously to recommend that the City Council authorize the submittal of the two APRs to the State.
The Council's action is limited to receiving and filing the Annual Progress Report for transmittal to HCD and does not provide a procedural mechanism to amend the Housing Element or establish new housing programs, policies, or priorities, which are established in the 5-year Affordable Housing Strategy (last adopted in February 2024) and the 2-year City Council Strategic Priorities, last adopted in June 2025. Please note this item is placed on the Consent Calendar consistent with the City's past practice for Housing Element Annual Progress Reports, as the report is informational in nature and required to be submitted to the California Department of Housing and Community Development (HCD).

Housing Element APR

The Housing Element[1] outlines the City's plan to meet its affordable and market-rate housing production goals, referred to as the Regional Housing Needs Allocation (RHNA). This allocation is determined by HCD, the State Department of Finance (DOF), and the regional Councils of Government (COGs). The State agencies calculate statewide housing needs based on population projections and regional population forecasts used in preparing regional transportation plans.

The Association of Bay Area Governments (ABAG)/Metropolitan Transportation Commission (MTC) is then responsible for distributing the RHNA to the Bay Area local governments using an allocation methodology that is consistent with development and growth patterns. East Palo Alto's RHNA 6 for the 2023-2031 Housing Element is 829 housing units (see Table 2). In other words, per State law, East Palo Alto must facilitate the development of 829 housing units by 2031.

[1] https://www.cityofepa.org/housing/page/housing-element-update-1

The RHNA is divided into four income categories that encompass all levels of housing needs. HCD publishes the income data for all counties each year. Please note that RHNA does not include Extremely Low Income (ELI), which is defined as up to 30% of AMI, as a separate category; income levels up to 50% of the Area Median Income (AMI) include both the Extremely Low and Very Low Income (VLI) categories. The State Income Limits for San Mateo County for 2025 are shown in Table 1 below:

TABLE 1: 2025 SAN MATEO COUNTY INCOME LIMITS

Income Level	Number of Persons in Household					
	1	2	3	4	5	6
Extremely Low (<30% AMI)	$40,600	$46,400	$52,200	$58,000	$62,650	$67,300
Very Low (31% - 50% AMI)	$67.700	$77,400	$87,050	$96,700	$104,450	$112,200
Low (51% - 80% AMI)	$108.300	$123,800	$139,250	$154,700	$167,100	$179,500
Moderate (81% - 120% AMI)	$156,750	$179,100	$201,500	$223,900	$241,800	$259,700
Above Moderate (>120% AMI)	NA	NA	NA	NA	NA	NA

See San Mateo County Department of Housing: 2025 Income Limits

The East Palo Alto RHNA for each income range is shown in Table 2 below. RHNA compliance is based on building permits issued, and RHNA does not allow substitution across income categories. Therefore, permitting more low-income units does not reduce the obligation for Above Moderate Income units, and vice versa.

TABLE 2: EAST PALO ALTO 2023-2031 REGIONAL HOUSING NEEDS ALLOCATION (RHNA 6)

Income Level	# of Units	% of Total
Extremely Low (< 30% AMI)	165	20%
Very Low (31% - 50% AMI)		
Low (51% - 80% AMI)	95	11%
Moderate (81% - 120% AMI)	159	19%
Above Moderate (> 120% AMI)	410	50%
Total	**829**	**100%**

The 2023-2031 Housing Element, approved by City Council on March 19, 2024[2], and certified by HCD on April 29, 2024, identifies development sites that could accommodate up to 1,933 total housing units, which significantly exceed the RHNA and are distributed among all income

[2] March 19, 2024 City Council Meeting: https://d3n9y02raazwpg.cloudfront.net/cityofepa/16abdc1d-c609-11ee-8fe8-0050569183fa-3408cd31-ecd7-4429-9d91-65986d552499-1710432004.pdf

categories. The City's Affordable Housing Strategy (2024-2028)[3], which was approved on February 6, 2024, is a five-year plan that implements the Housing Element and related programs.

Government Code Section 65400 requires all jurisdictions to prepare a Housing Element Annual Progress Report (Attachment 1, Exhibit A) to detail the implementation of their Housing Elements. The Housing Element APR addresses the following topics:

- Progress on achieving the City's Very-Low Income (VLI), including Extremely Low Income (ELI), and Low-Income (LI) housing goals.
- Progress on achieving the City's Moderate Income (MOD) and Above Moderate-Income (Above-MOD) housing goals.
- Progress on accomplishing the Housing Element policies, programs, and implementation plan (Chapter 6 of Housing Element) to increase, preserve, and improve the supply of affordable housing; support single- and multifamily- home repairs; invest in activities to end homelessness; promote equitable development; create healthy and sustainable communities and neighborhoods; further fair housing objectives; and update development regulations to comply with applicable State laws.

General Plan APR

The General Plan is the City's long-term vision for future growth and development, providing a comprehensive guide for decision-making on land use and other development and planning issues through established goals, policies, and programs. The City adopted its General Plan, VISTA 2035, on October 4, 2016. VISTA 2035 can be found on the City's website at the following link: https://www.cityofepa.org/planning/page/vista-2035-general-plan.

Government Code Sections 65400 and 65700 mandate that all cities and counties submit annual reports to the Governor's Office of Land Use and Climate Innovation on the status of their General Plans. For each city or county, this report is submitted separately from the Housing Element APR and addresses all other components of the General Plan. It is intended to provide the State with an overview of statewide trends in land-use decision-making, planning, and development.

The General Plan APR should demonstrate progress on the City's overall implementation program or specific measures associated with the implementation of each section of the General Plan. It should also contain an overview of any major planning activities undertaken in 2024, such as Development Code updates, master environmental assessments, specific plan amendments, and major development applications.

Analysis

Housing Element Progress in 2025

In 2025, the City issued 159* residential building permits, including non-deed restricted Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs). The issuance

[3] East Palo Alto's Affordable Housing Strategy: https://www.ci.east-palo-alto.ca.us/housing/page/affordable-housing-strategy

of a building permit is the stage in which units may be counted toward the City's progress in achieving its RHNA allocation, even if that unit is never actually built. The City's overall progress in achieving its RHNA 6 goals from 2023 to present is shown in Table 3 below. Note that Extremely Low-Income ADU/JADU units are not counted separately in the RHNA or on the Housing Element APR and so are included in the Very Low-Income Total.

TABLE 3: RHNA 6 PROGRESS

Income Level	RHNA 6 Allocation	2023	2024	2025	Total Progress 2023 to 2025	Percentage by Income Category
ELI (<30% AMI)	165	0	0	41	41	**54%**
VLI (31% - 50% AMI)		0	26	22	48	
LI (51% - 80% AMI)	95	5	8	84	97	**102%**
MOD (81% - 120% AMI)	159	2	7	5	14	**9%**
Above-MOD (>120% AMI)	410	7	8	6	21	**5%**
Total	**829**	**14**	**49**	**158**	**221**	**27 %**

**Note that Colibri Commons, aka 965 Weeks, received a building permit in 2023 that was previously unaccounted for, and received a certificate of occupancy in December 2025, so it is now being accounted for in 2025.*

Thus, the City has met 27% of its RHNA 6 housing goal by the end of 2025, which is the third year of the 2023-2031 Housing Element cycle. As nearly half of the cycle's time has passed, the City is behind where it ought to be in permitting these units, but the City could catch up in the next five years.

The 27% is not spread out evenly across income levels, however. The City has permitted 54% of its required Extremely Low and Very Low Income housing (collectively), as well as over 100% of its required Low-Income housing. In contrast, the City has only permitted 9% of its required Moderate Income housing and 5% of its required Above Moderate Income housing. These numbers do not preclude the City from building more housing for the three lower-income groups, but the current progress does suggest the City should focus its efforts on building more Moderate and Above Moderate Income housing in the next five years to meet RHNA requirements.

Projects in the Pipeline – Entitled Units or Units with the Streamlined Ministerial Approval Process Bill (SB 35) or HOME Act (SB 9) Preliminary Ministerial Review

While only projects that received building permits in 2025 will be counted towards the City's RHNA progress, the Housing Element APR also identifies projects at other stages of development, including projects that have received entitlements or other (earlier stage) permits. California Senate Bills (SB) 9 and 35 streamline housing development by requiring ministerial approval for qualifying projects, bypassing discretionary review. Both laws require projects to conform to objective design standards before advancing directly to the building permit stage. The City has worked closely with developers to streamline the permitting of all housing applications, specifically taking projects to entitlement hearings within 3-9 months.

Entitled Projects

These are shown in Table A2 of Attachment 1. Please note that the SB 35 and SB 9 projects, as described below, are listed as "entitled" projects for the purposes of the APR, even though they are subject only to ministerial (building) permits.

In 2025, the City received applications for several market-rate housing projects. All "net new" residential developments in East Palo Alto, except for SB 9 projects, are subject to the Inclusionary Housing Ordinance, which requires 20% of units in any project be provided as deed-restricted affordable housing.

- 812 Green Street: In October 2025, the Planning Commission approved a five-lot fee-simple subdivision at 812 Green Street within the R-LD Single-Family Residential zoning district. The project subdivides an approximately 0.87-acre parcel into five residential lots, all exceeding the 5,000 square foot minimum lot size requirement. The existing single-family residence on Green Street has been retained, and four new two-story single-family homes are developed toward the rear of the parcel.
- Four Corners Mixed-Use and Townhome Projects: Sand Hill Partners proposed to subdivide the existing parcel at 1675 Bay Road into two lots to develop the 1) Four Corners Mixed-Use project and 2) the Four Corners Townhome project within the Ravenswood Business District/4 Corners Specific Plan area. The Mixed-Use project consists of 168 residential units and 5,500 square feet of retail. The Townhome project comprises 106 townhome units. The two Four Corners projects were subject to streamlined review consistent with Assembly Bill (AB) 130. Both projects were unable to obtain approval by the Planning Commission on February 9, 2026. However, the City Council considered the the projects on appeal on March 3, 2026, and granted them both.

SB 35 Projects

SB 35, effective since 2018, requires cities to approve residential and mixed-use projects with at least 10% affordable units as ministerial (building) permits if zoning standards are met. Since SB 35 projects are subject to *ministerial* (meaning staff-approved for building permits if they meet clear, objective criteria), rather than *discretionary* (meaning a Planning entitlement that can

require Planning Commission or City Council approval) review, they are not considered "entitled" planning applications. SB 35 projects are first reviewed by the Planning Division for conformance with the City's existing objective development and design standards. If found to conform to all objective development and design standards, applicants are cleared to proceed to submit immediately for building permits. As discussed above, SB 35 projects are listed as entitled in the APR table for the purpose of reflecting the City's RHNA progress.

One SB 35 project (851 Weeks), which was cleared to the building permit stage in 2024, submitted a building permit application in Oct 2025. No SB 35 applications were received in 2025.

SB 9 Projects

SB 9 projects are also streamlined by requiring only *ministerial (building permit),* rather than *discretionary (planning entitlement),* approval. These projects are initially reviewed by the Planning Division for conformance with the City's existing objective development and design standards. Once conformance is affirmed, the project applicant would be clear to submit immediately for a ministerial building permit. SB 9 allows up to two primary units on single-family lots and permits lot splits. Accessory dwelling units (ADU) may also be included, consistent with local and State ADU laws. Two residential projects received SB 9 planning clearance to proceed directly to the building permit stage throughout 2025 for a total of eight (8) units.

In 2025, two SB 9 projects are under review at the building permit stage: 898 Bell St and 1257 Laurel Ave.

- 898 Bell St – expansion of an existing dwelling, a detached 997-sf ADU and one above moderate 1,269- sf second unit with an attached 793-sf accessory dwelling unit (ADU).
- 1257 Laurel Ave - an SB 9 urban lot split from one to two lots on an 8,232-sf lot. 4,411-sf Parcel 1 retains the 960-sf existing single-family residence. 3,821-sf Parcel 2 contains the construction of a 1,011-sf single-family dwelling and a 310-sf detached ADU.

On September 16, 2025, the East Palo Alto City Council considered and adopted an ordinance, effective October 16, 2025, amending the City's Inclusionary Housing Ordinance (IHO) to facilitate lot splits pursuant to SB 9. The City's IHO requirements, including the requirement to pay any in-lieu fees for developments with four or fewer units, are not applied to projects for which an SB 9 lot split is sought and approved administratively by the City. The IHO will be returning to a Council Study Session on March 24, 2026.

Projects Under Review

The units under project review are not yet reflected in the Housing Element APR but are important to contextualize the unit counts shown in this staff report and capture housing development trends.

Further progress on VLI, LI, and MOD units is anticipated from these developments due to the City's Inclusionary Housing program, as mentioned earlier, which requires 20% of units to be provided as deed-restricted affordable housing.

Table 4 below shows the additional housing units in the City's development "pipeline" against the remaining RHNA. The chart captures the development projects that the Planning Division is most likely to be engaged with in 2026.

Please note that Table 4 includes projects in the pre-application phase, for which the Inclusionary Housing obligation has yet to be finalized. For these projects, unit estimates are calculated by applying the 20% standard on-site Inclusionary Housing requirement and are only intended for reference. As these are preliminary estimates, they should be interpreted more as an illustration of potential RHNA progress than an exact estimate for 2026.

TABLE 4: UNIT PIPELINE ESTIMATES BY DEVELOPMENT

Development	Type of Project	Status	Above-MOD	ELI	VLI	LI	MOD	Units Total
O'Keefe and Manhattan	Rental/For Sale	Pre-App	TBD					1,071
812 Green	Single Family	Approved	5					5
842 Green	Single Family	Under Review	4					4
Bayshore and Newell	Rental/For Sale	Pre-App	TBD					772
1010 Runnymede	Single Family	Under Review	TBD					10
1620 Bay Road	Rental	Pre-app	TBD					135
Four Corners Mixed Use	Rental	Approved				25		180
Four Corners Townhome	For Sale	Approved					11	106
Harvest: The Landing	Commercial	Under Review	TBD					95
EPA Waterfront	Mixed-use	Under Review	TBD					299
801 Donohoe	Co-op	Under Review	TBD					17
1933 Pulgas	Condos	Under Review	49			5	4	58
2120-2160 Euclid	Rental	Under Review		43	43	340	4	430
Estimated Pipeline Unit Total (at least)			**58**	**43**	**43**	**370**	**19**	**3,182**

Of note of the projects listed in Table 4, there are five large residential and mixed-use projects that include a significant number of housing units. The Landing, EPA Waterfront, Four Corners Mixed-Use, Four Corners Townhome, and 2120-2160 Euclid have submitted formal applications and are currently under review. As described in more detail below, three preliminary applications were submitted in 2025, including the 1620 Bay Road, O'Keefe and Manhattan Improvements, and West Bayshore and Newell Improvements projects:

- 1620 Bay Road: The project proposed to develop a four-story building with 135 single-room occupancy (SRO) rental units. The ground floor common amenities include a lobby, office spaces, a multipurpose room with a commercial grade kitchen, and bicycle room.
- O'Keefe and Manhattan Improvements: The O'Keefe–Manhattan Improvements project proposes a total of 1,071 residential units. This includes the renovation of 221 existing units, along with the development of 392 net new mixed-income rental apartments and 114 new for-sale townhomes.

- West Bayshore and Newell Improvements: The West Bayshore-Newell Improvements project proposes a total of 772 residential units. This includes the renovation of 315 existing units, along with the development of 253 net new mixed-income rental apartments and 60 new for-sale townhomes.

Other Updates: RBD Specific Plan, Impediments to Housing Production, and Moderate-Income Units

Ravenswood/4 Corner (RBD) Specific Plan

As mentioned in previous APRs, the Emerson and Harvest projects mentioned above are in the Ravenswood/4 Corner (RBD) Specific Plan area[4]. The combined unit count of these proposals would exceed the original housing maximum of 835 units allowed in the original 2014 RBD, which was one reason prompting the City to update its Specific Plan. While these projects are within the RBD Specific Plan area, these sites are not necessary for meeting the RHNA. On December 17, 2024, the updated RBD Specific Plan was approved by the City Council to permit up to 1,600 new housing units in the plan area, which now allows the three applications to be processed. The General Plan and Development Code were also amended for consistency with the Specific Plan.

This high level of development interest and activity indicates that the City may be able to meet its RHNA goals if the City can address its infrastructure challenges, as described further below. However, current economic conditions outside of the City's control may impact the feasibility of these projects from being constructed in the immediate future.

Impediments to Housing Production

State law requires that jurisdictions identify any significant impediments to the production of housing units. Prior to 2018, the key impediment within the City's Control was the Temporary Water Moratorium (Ordinance No. 399), which was adopted in July 2016 and ended in July 2018. This resulted in the suspension of progress on several housing-related projects. With several developments in the pipeline, a critical impediment to further housing development in East Palo Alto was infrastructure-related. Pipeline projects had faced significant uncertainties as the City and developers of affected projects worked with the East Palo Alto Sanitary District (EPASD) to resolve infrastructure capacity issues. After much public discussion, the City submitted an application to the San Mateo Local Area Formation Commission (LAFCo) to make EPASD a subsidiary district of the City of East Palo Alto. On November 15, 2023, LAFCo unanimously approved the City's application and reaffirmed this decision, unanimously, upon a request for reconsideration. Following the protest period, LAFCo finalized its approval, and EPASD became a subsidiary of the City on October 1, 2024.

[4] The Sand Hill project was withdrawn and replaced with two smaller projects, the Four Corners Townhome and Mixed Use projects. These two applications were approved by the City Council on March 3, 2026 upon appeal.

The East Palo Alto City Council serves as the designated Board of Directors for the EPASD and has appointed a Citizen Advisory Committee to provide an additional forum for public input. West Bay Sanitary District, a local special district that serves adjacent communities, has been contracted to operate the sanitary sewer system within the City. With this governance change, a major impediment to the City's development pipeline, including barriers to housing production, has been mitigated.

In addition, while the City has largely met its water supply needs, water distribution and storage remain a challenge. However, the City has taken major steps to improve the water distribution system. On October 4, 2022, the City approved the 2022 Water System Master Plan ("WSMP") and appropriated nearly $8.4 million to design and build several key City water infrastructure projects over the next few years and provide an overall plan for potable water infrastructure improvements for the next twenty years. The City has also secured several funding sources for major capital improvements to improve water distribution for the entire City, including an $8 million State allocation, $1.5 million of which went toward water infrastructure improvements along University Avenue and Weeks Street, and the rest of which went toward construction and permanent costs for the 136-unit affordable housing development, Colibri Commons (formerly known as 965 Weeks).

Moderate-Income Units

Many jurisdictions are challenged to develop more housing units for Moderate-Income households, defined as those earning at or below 120% of the County's Median Income, as funding sources for Moderate-Income units are limited. For its RHNA 6, the City is required to develop 159 Moderate-Income units by 2031.

Given the number of market-rate, for-sale residential developments currently in the pipeline, the City's Inclusionary Housing program is likely to continue to add significantly to the production of Moderate-Income units. There have been several projects since adoption of the Inclusionary Housing Ordinance in 2019 that include for-sale units in the 80-120% AMI range, such as 2020-2160 Euclid and 1933 Pulgas (see Table 4 Pipeline Projects).

Other Key Accomplishments & Initiatives Likely to Increase Housing Production

Accessory Dwelling Units

In 2023, the City implemented multiple initiatives to increase the production of ADUs, which can serve as a source of "naturally" affordable housing for Moderate-Income households. For example, the City and its partners completed their "ADU Streamlining" initiative, funded by an SB 2 Planning Grant, and continue to meet to discuss additional streamlining options. The City amended its ADU ordinance (East Palo Alto Municipal Code Chapter 18.96) in November 2020 and again in February 2024 to align with new State laws. These laws include SB 897 (effective January 1, 2023), AB 1033, SB 976 and AB 1332 (all effective January 1, 2024), which have greatly incentivized ADU production. Additional Development Code amendments to reflect 2024 State legislative updates were approved on March 18, 2025.

With the collaborative efforts with East Palo Alto Community Alliance and Neighborhood Development Organization (EPACANDO), which administered the City's CalHome ADU/JADU Program and supported two households in developing ADUs deed-restricted at 80% AMI, the ADU streamlining work has continued, even in the absence of additional State funding sources. City staff have maintained monthly meetings with the ADU Technical Working Group. Although the SB 2 grant funding of this program has come to an end, it has played a crucial role in establishing a process to continue this work beyond the grant.

The City is participating with San Mateo County and other cities within the County and has launched an ADU Resource Center that includes online resources, webinars, model ADU plans, public outreach, and consultation with property owners who are interested in constructing ADUs. Additionally, a potential financial assistance program is being explored. A consultant firm has been hired to coordinate these efforts with guidance from an ADU Working Group, comprised of representatives from the cities, of which East Palo Alto's Housing staff is a participant. Best practices and lessons learned from other programs in the State are also being researched.

At the beginning of 2025, EPACANDO and the City reapplied to CalHome to secure additional funding and continue supporting local homeowners in building accessory dwelling units. However, the City's proposal was not selected, and the subsequent FY 25-26 State budget eliminated future CalHome funding.

Progress on the City's Five-Year Affordable Housing Strategy

Based on the Draft Revised Housing Element, an updated Affordable Housing Strategy (AHS) was prepared to cover the next five-year period from 2024 to 2028. The previous AHS covered the period from 2019 to 2023. The AHS sets program priorities for meeting East Palo Alto's affordable housing needs and recommends funding levels and sources for implementing the Housing Element policies and programs.

On February 6, 2024, the City Council discussed and adopted the AHS for 2024-2028, providing direction on budget allocations to support housing programs, which were considered during the adoption of the Fiscal Year 2024-2025 City budget. The City Council also reviewed the policies and programs in the AHS, which were carried over from the Housing Element, and directed revisions to certain policies and programs. The AHS was subsequently updated to incorporate comments from Councilmembers and was posted online following the certification of the Housing Element on April 29, 2024.

In June 2025, the East Palo Alto City Council adopted its Strategic Priorities for FY 2025–2029 and a focused Work Plan for FY 2025–2027. The Work Plan prioritizes the following projects and programs:

- Ch-1: Complete construction of 965 Weeks/Colibri Commons
- Ch-2: Develop and launch a home repair program
- Ch-3: Establish rent registry for both rent-stabilized and market-rate rental units
- Ch-4: Research feasibility of a financial empowerment & foreclosure prevention program
- Ch-5: Research feasibility of a first-time homebuyer assistance program

- Ch-6: Research feasibility of a residential rental inspection program
- Ch-7: Update the Inclusionary Housing Ordinance
- Ch-8: Update the Development/Zoning Code

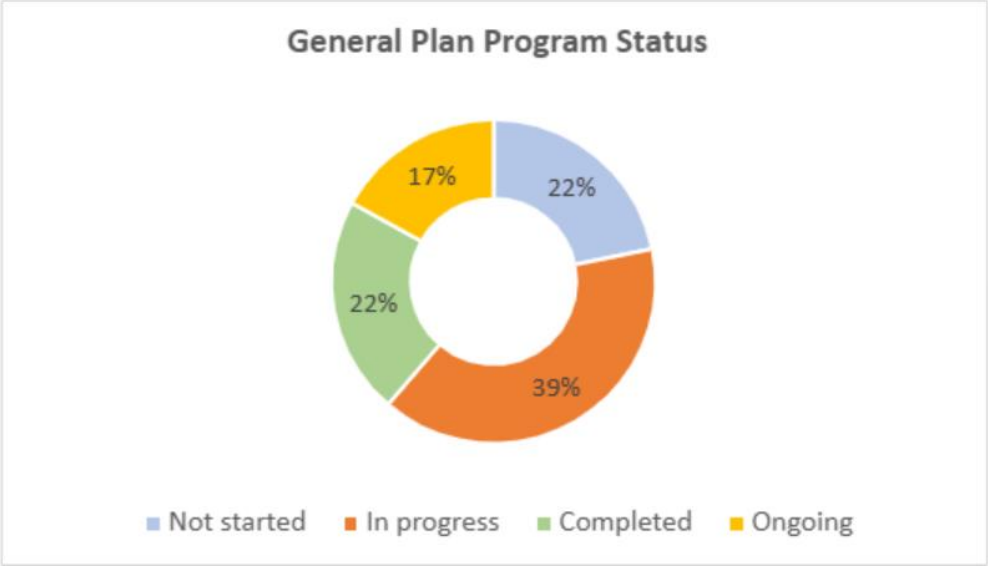
See Table D in Attachment 1, Exhibit for an update on the progress of these goals.

2025 General Plan Annual Progress Report

The Vista 2035 General Plan (General Plan) is the City's vision or constitution for its future growth. In addition to the Housing Element, the General Plan consists of several distinct sections: Land Use and Urban Design; Economic Development; Transportation, Health and Equity; Parks, Open Space, and Conservation; Infrastructure Services and Facilities; Safety and Noise; and the Westside Area Plan. The City of East Palo Alto made significant progress on a number of projects in 2024 to address certain General Plan Programs, as identified in Chapter 12 of the General Plan, Implementation Programs. The report presents and summarizes the City's major efforts to update and implement the General Plan. The City is currently in the process of updating the Safety Element and the Environmental Justice (Health and Equity) Elements.

Currently, 22% of the programs have been completed, 39% of the programs are in progress, 17% of the programs are ongoing, and 22% of the programs have not started or are in the pipeline. Table 5 shows the status of the implementation of each section of the VISTA 2035 General Plan.

TABLE 5



The General Plan includes high level policies to guide land use decisions, as well as a list of implementation programs the City will carry out to accomplish policy and programmatic goals. Several Citywide key projects are highlighted below:

General Plan Element Updates

Per Government Code Section 65302, the General Plan is mandated to address seven elements as required of all jurisdictions in California, in addition to an eighth element – Environmental Justice – specific to East Palo Alto and other cities that have been identified as disadvantaged communities. The last General Plan update was adopted by the City Council in October 2016. The updated efforts of the Safety Element and Environmental Justice Element will increase the General Plan's compliance with OPR Guidelines.

Safety Element and Environmental Justice Element Community Outreach

In partnership with Climate Resilient Communities (CRC), City staff conducted a series of community engagement activities throughout 2025 to solicit resident and community member input on the draft Environmental Justice and Safety Element goals and policies. Three in-person community workshops were held in May, June, and July 2025 at the East Palo Alto YMCA to engage residents in the draft Environmental Justice Element goal and policy approaches. These sessions were well attended by residents and local community members and generated valuable feedback. A bilingual, multi-jurisdictional virtual community workshop was hosted in May 2025 to review the vulnerability assessment findings and collect feedback on the draft Safety Element resilience strategies. To further expand outreach, staff and CRC participated in tabling events at the Bloomhouse Farmers Market on three consecutive Wednesdays from August 25 through September 2, 2025, to gather additional community input on the draft policy approaches for both the Safety and Environmental Justice Elements.

Development Code Updates

The City Council adopted the Development Code Amendment (ZTA24-001) on March 18, 2025. This update included various changes, including additional updates to the ADU regulations for consistency with legislative updates and other streamlining efforts. The Code Amendment introduced a new Permit Adjustment process under Chapter 18.87 of the East Palo Alto Municipal Code. The Permit Adjustment permit establishes an administrative procedure that allows the Director to approve minor modifications to previously approved development permits, minor building additions, accessory structures, minor site improvements, permit extensions, and other small-scale changes that do not alter the land use, intensity, or overall project character. Permit adjustments are streamlined because the amendment was adopted to improve processing efficiency by removing the 15-day appeal period and providing regulatory flexibility for minor project changes. Following the 30-day effective period after City Council adoption, staff implemented the Permit Adjustment permit in April 2025. Since April 2025, staff have processed 17 Permit Adjustment permits and 17 ADU preliminary reviews.

US101/ University Avenue Pedestrian Overcrossing and Interchange Project

Construction of the US101/University Avenue Overcrossing and Interchange began in 2024 and continued through 2025. During April 2025, construction activities progressed with the contractor completing median work and starting installations of bridge chain link railing and bridge lighting.

Installation of ADA compliant ramps and upgraded traffic signals also commenced during this period, and the contractor maintained a clean and orderly job site to ensure public safety and minimize disruptions. The project includes construction of a new pedestrian overcrossing north of the existing University Avenue bridge, a Class I bikeway connecting to Woodland Avenue and Donohoe Street, widening and reconstruction of freeway on and off ramps, roadway improvements along University Avenue, traffic signal modifications, new street lighting, intersection improvements, and landscaping and irrigation. The project was funded through a combination of federal, State, and local sources, including the HPP Grant, SB 1 Grant, SMCTA funds, and Stanford Recreation Mitigation Grants, and construction was administered by the City of East Palo Alto in coordination with Ghirardelli Associates. The project was successfully completed in late 2025, and a ribbon cutting ceremony for the new pedestrian bridge was held in November 2025, with project partners highlighting the collaborative effort and the value of improved multimodal transportation access for the East Palo Alto community.

Citywide Bus Stop Improvement Project

The City completed the Signage and Bus Shelter Project in June 2025. This project upgraded pedestrian and transit-oriented infrastructure by installing consistently branded bus shelters and wayfinding signage at key locations to enhance safety, accessibility, and rider comfort. The improvements support increased use of public transit, improved streetscape aesthetics, and clearer informational guidance for residents and visitors. The project advances the City's broader goals of promoting multimodal transportation and improving mobility options.

University Avenue and Weeks Street Water Main Construction

Construction of the University Avenue and Weeks Street 12-inch Water Transmission Main Project began in 2025 and continued throughout the year. This project increases water capacity within the City's distribution system to address potential emergency supply shortfalls and future demand, improve flow and pressure, and enhance overall system reliability. The crew installed the new 12-inch water main, service laterals, hydrants, and completed pipeline abandonment, concrete restoration, and paving restoration work. The project, including landscape and median restoration, pressure testing, and roadway striping, was completed.

Woodland Avenue Waterline and City of Palo Alto Interconnect Project

The Woodland Avenue Waterline and City of Palo Alto Interconnect Project construction continued in 2025, establishing a critical emergency intertie with the City of Palo Alto's water system. This interconnection provides a contingency water supply if East Palo Alto's primary connection to the Hetch Hetchy Aqueduct is disrupted, improving regional water security and system redundancy. The project includes abandonment of existing smaller-diameter pipes and installation of a new 12-inch water main and associated infrastructure to improve water delivery, system reliability, and overall network resiliency.

POLICY AND ACTION 13.2

City Manager Office (CMO) Administration Office: Organizational Capacity and Strategic Implementation

During FY 2024 – 25, the CMO division became fully staffed with the addition of an Assistant City Manager and two Assistants to the City Manager, enhancing coordination, project delivery, and cross-departmental support. The division successfully launched the Economic Development Strategic Plan, incorporating integrated data collection and community engagement to ensure economic development priorities are evidence based and community informed. In addition, the division presented the Emergency Preparedness Program and an updated Emergency Operations Plan to City Council to strengthen citywide readiness, coordination, and response planning.

The City Council adopted the Development Fee Nexus Study Update and the Financial Feasibility Analysis in March 2025,[5] providing an updated analytical foundation to update development impact fees to fund transportation, water system, storm drainage, parks and recreation, and public facility improvements. The Nexus Study Update established the maximum justifiable development impact fees that can be charged to developers to fund the capital improvement projects that are necessary to meet the public facility and infrastructure demands of new development. The Financial Feasibility Analysis evaluated the impact of the maximum fees on project feasibility. Cities can choose to set impact fees at less than the maximum allowed to achieve or balance land use, economic development, fiscal, community benefits, and other important policy objectives Staff further oversaw the transition of EPASD to City governance, ensuring continuity and integration into City operations, and advanced the library fundraising strategy in partnership with the San Mateo County Library Foundation to support long-term library investment and community resources. Staff are currently completing a nexus study to update sanitary sewer impact fees, and another nexus study to update commercial linkage fees and study housing impact fees.

Data and Technology Improvement

In FY2025, the City strengthened its information technology capacity by transitioning IT support services in-house and onboarding its first IT Manager, improving internal technical leadership and service responsiveness. Staff supported key housing and planning programs by providing data integration and validation for Rent Registry project, enhancing data quality, system reliability, and reporting accuracy.

The City also upgraded core IT infrastructure, including servers and storage, resulting in improved system performance, scalability, reliability, and energy efficiency. In addition, staff deployed automated cybersecurity tools and resolved user support issues in timely manner to ensure secure and uninterrupted technology services across departments. The City convened its first IT Governance Committee and initiated development of a comprehensive IT Strategic

[5] Adopted Development Fee Nexus Study and Development Impact Fee Financial Feasibility Analysis available at: https://www.cityofepa.org/publicworks/page/city-wide-development-impact-fee-program.

Plan to guide future technological investments and improvements. That IT Strategic Plan, which should lay out the next five years of critical IT projects, is scheduled to come before the City Council for approval this spring.

Community Service Division: Community Programs and Resident Engagement

The Community Service Division engaged 1,821 participants through Summer Parks Activation programming, increasing access to seasonal recreation and community activities. Staff enhanced the annual Holiday Tree Lighting event in partnership with the Police Toy Drive, supporting the distribution of more than 1,000 toys and bicycles to children and families. During FY2024-25, the division completed Phase One of the Utility Box Art program, advanced the Martin Luther King Jr. Park Master Plan process, and initiated development of a Youth Commission to strengthen youth civic engagement and community representation. The division partnered with EPACENTER and the YMCA to expand dance and youth sports programming, increasing both program variety and participation opportunities for residents. The division served more than 3,200 seniors through nutrition programs and trainings focused on health, wellness, and social connection, and completed the Age-Friendly Action Plan with next step implementation priorities aligned with the Senior Advisory Committee.

Next Steps

Comments and feedback from the Planning Commission will be incorporated in the staff report and the APRs are scheduled to be presented to the City Council on March 17, 2026. If the APRs are approved at that Council meeting, City staff will subsequently submit these annual reports to the applicable State agencies before or by the April 1, 2026, deadline.

Fiscal Impact

There is no fiscal impact associated with this staff report.

Public Notice

The public was provided notice of this agenda item by posting the City Council agenda on the City's official bulletin board outside City Hall and making the agenda and report available at the City's website.

Environmental

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.

Additionally, on an independent basis, the action being considered is categorically exempt from CEQA, pursuant to CEQA Guideline section 15306 (Information Collection) as it consists entirely of basic data collection which does not result in a serious or major disturbance to an

environmental resource. The action being considered is the preparation, review, and submittal of reports as required by Government Code Section 65400.

Furthermore, none of the exceptions set forth in CEQA Guidelines Section 15300.2 apply to the APRs.

Government Code § 84308

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

Analysis of Levine Act Compliance: Not applicable.

Attachments

1. Resolution

Exhibits
A. 2025 Housing Element Annual Progress Report Implementation Charts
B. 2025 General Plan Annual Progress Report Implementation Charts
C. Housing Successor to the Redevelopment Agency Annual Report

RESOLUTION NO. 2025–

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

ACCEPTING THE HOUSING ELEMENT ANNUAL PROGRESS REPORT, GENERAL PLAN ANNUAL PROGRESS REPORT, AND HOUSING SUCCESSOR TO THE REDEVELOPMENT AGENCY ANNUAL REPORT, AND DIRECTING THE CITY MANAGER TO FILE THE REPORTS WITH THE APPROPRIATE STATE AUTHORITIES

WHEREAS, Government Code Section 65400 requires the City of East Palo Alto ("City") to file an annual progress report ("Housing Element Annual Progress Report") documenting the progress in the City's implementation of housing programs, using forms and definitions recommended by the California Department of Housing and Community Development ("Department"), with the Governor 's Office of Land Use and Climate Innovation (LCI) by April 1st of each year; and

WHEREAS Government Code Sections 65400 and 65700 require that the City file an annual report ("General Plan Annual Progress Report") documenting progress in the City's implementation of its General Plan with the Office of Land Use and Climate Innovation by April 1st of each year; and

WHEREAS, Health and Safety Code Section 34176 requires the City to file an annual report ("Housing Successor to the Redevelopment Agency Annual Report") describing how the City, acting as Successor to the former Redevelopment Agency of the City of East Palo Alto, has utilized its former Redevelopment Agency funds for housing activities in conformance with the Health and Safety Code; and

WHEREAS, on February 23, 2026, the City of East Palo Alto Planning Commission recommended that the City Council direct the City Manager to file the above-referenced reports with the appropriate State authorities.

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

1. Accept the 2025 Housing Element Annual Progress Report, 2025 General Plan Annual Progress Report, and Housing Successor to the Redevelopment Agency Annual Report; and

2. Direct staff to submit the 2025 Housing Element Annual Progress Report, 2025 General Plan Annual Progress Report, and Housing Successor to the Redevelopment Agency Annual Report to the appropriate State authorities; and

3. Find that the acceptance and submittal of the 2025 Housing Element Annual Progress Report, 2025 General Plan Annual Progress Report, and Housing Successor to the Redevelopment Agency Annual Report is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guideline Sections 15061(b)(3) and 15306 based on evidence in the administrative record, and none of the exceptions set forth in CEQA Guidelines Section 15300.2 apply to this Project.

PASSED AND ADOPTED on this March 17th day of March 2026, by the following vote**:**

AYES:

NOES:

ABSENT:

ABSTAIN:

Webster Lincoln, Mayor

ATTEST:

James Colin, City Clerk

APPROVED AS TO FORM:

John D. Lê, City Attorney

Exhibit A

Jurisdiction	East Palo Alto	
Reporting Year	2025	(Jan. 1 - Dec. 31)
Planning Period	6th Cycle	(mm/dd/yyyy - mm/dd/yyyy)

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

Note: "+" indicates an optional field

Cells in gray contain auto-calculation formulas

Table A2
Annual Building Activity Report Summary - New Construction, Entitled, Permits and Completed Units

| Project Identifier | | | | Unit Types | | Affordability by Household Incomes - Completed Entitlement | | | | | | | | | | | | | | | | Affordability by Household Incomes - Building Permits | | | | | | | | | | | | | | | | Affordability by Household Incomes - Certificates of Occupancy | | | | | | | | | | | | | | | | Streamlining | Historic Sites | Infill | Housing with Financial Assistance and/or Deed Restrictions | | Housing without Financial Assistance or Deed Restrictions | | Term of Affordability or Deed Restriction | Demolished/Destroyed Units | | | | Density Bonus | | | | Notes |
|---|---|---

Jurisdiction	East Palo Alto	
Reporting Year	2025	(Jan. 1 - Dec. 31)
Planning Period	6th Cycle	01/31/2023 - 01/31/2031

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

This table is auto-populated once you enter your jurisdiction name and current year data. Past year information comes from previous APRs.

Please contact HCD if your data is different than the material supplied here

Table B
Regional Housing Needs Allocation Progress
Permitted Units Issued by Affordability

		1	Projection Period	2									3	4
Income Level		**RHNA Allocation by Income Level**	**Projection Period - 06/30/2022-01/30/2023**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**Total Units to Date (all years)**	**Total Remaining RHNA by Income Level**
Acutely Low	Deed Restricted	-	-	-	-	-	-	-	-	-	-	-	-	-
	Non-Deed Restricted			-	-	-	-	-	-	-	-	-		
Extremeley Low	Deed Restricted	-	-	-	-	-	-	-	-	-	-	-	2	-
	Non-Deed Restricted		-	-	2	-	-	-	-	-	-	-		
Very Low	Deed Restricted	165	-	-	-	-	-	-	-	-	-	-	**32**	**133**
	Non-Deed Restricted		5	10	7	8	-	-	-	-	-	-		
Low	Deed Restricted	95	-	-	-	-	-	-	-	-	-	-	**22**	**73**
	Non-Deed Restricted		4	7	7	4	-	-	-	-	-	-		
Moderate	Deed Restricted	159	-	-	-	-	-	-	-	-	-	-	**24**	**135**
	Non-Deed Restricted		5	6	8	5	-	-	-	-	-	-		
Above Moderate		410	3	9	3	5	-	-	-	-	-	-	**20**	**390**
Total RHNA		**829**												
Total Units			**17**	**32**	**27**	**22**	**-**	**-**	**-**	**-**	**-**	**-**	**98**	**731**

*For years prior to 2025, Acutely Low-Income units are reported within the Extremely Low-Income category

*For jurisdictions that received RHNA determinations for the current cycle prior to the passage of AB 3093 (September 19, 2024):
- You were not allocated Acutely Low-Income and Extremely Low-Income RHNA targets, therefore the allocations in Field 1 are listed as "0"
  - If you wish to set your own targets in these income categories for informational purposes, contact HCD staff at apr@hcd.ca.gov.
- All Acutely Low-Income and Extremely Low-Income units reported during the cycle are counted towards Very-Low Income RHNA progress

*For years prior to 2025, data on deed-restricted vs. non-deed restricted Extremely Low-Income units is approximated from whether the projects reported any deed-restricted Very Low-Income Units. If you wish to edit this historical data for accuracy or have any questions about the data, you may login to HCD's online APR system, or contact HCD staff at apr@hcd.ca.gov.

Please Note: Table B does not currently contain data from Table F or Table F2 for prior years. You may login to the APR system to see Table B that contains this data.

Please note: The APR form can only display data for one planning period. To view progress for a different planning period, you may login to HCD's online APR system, or contact HCD staff at apr@hcd.ca.gov.

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

Jurisdiction	East Palo Alto	
Reporting Year	2025	(Jan. 1 - Dec. 31)

Table D

Program Implementation Status pursuant to GC Section 65583

Housing Programs Progress Report

Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.

1	2	3	4	5	6	7	8	9
Name of Program	**Objective**	**Projected Completion Date in Housing Element**	**Applicable Cycle**	**Status of Program Implementation**	**Program Implementation Details**	**Quantified Outcomes: Category**	**Quantified Outcomes: Count**	**Supporting Documents**
1.0.	**Objective:** Implement measures to reduce overall processing times for residential development applications while maintaining robust community outreach and engagement. **Policy 1.0:** Track and review planning approval and building permit processes for residential projects. Establish actions for streamlining, clarifying, and simplifying the approval and permit processes, including the design review process. Seek input from developers and other stakeholders to identify ways to improve and streamline development review.	12/31/2026	6th Cycle	In Progress	Started in 2023. Planning Division updated the SB 9 checklist and website in Summer 2023. The ADU Ordinance amendment introduces the Preliminiary Ministerial Review (PMR) Clearance process for the streamlined ministerial review projects. Latest updates to the ADU Ordinance align with state legislation in terms of accessory units in multi-family developments. The Building Division utilizes the TRAKiT permit system to track the progress of each permit and its plan check process, where applicable. Each review cycle begins once the submittal package is deemed complete and routed to the relevant divisions. The standard review timeframe is 30 days, with reduced turnaround times for subsequent reviews based on departmental capacity.	Units	22	TRAKiT Permit System - Permit Routing Reports available upon request
1.1	**Objective:** Implement measures to reduce overall processing times for residential development applications while maintaining robust community outreach and engagement. **Policy 1.1:** Develop objective development and design standards that will be consistent with adopted findings of approval for all single-family and multi-family developments that simplify, clarify, and improve approval certainty and reduce the time for permit processing. Establish a time schedule for expedited ministerial or administerial approval of projects that comply with objective design standards, zoning standards, and development regulations. Ensure compliance with SB35, SB330, Housing Accountability Act, and other applicable state laws for qualifying projects.	12/31/2025	6th Cycle	In Progress	Staff, working with consultants, have drafted objective development standards for residenetial developments. These standards will be scheduled for Planning Commission by April 2026. City Council approved objective development and design standards for accessory dwelling unit in December 2023 to expedite permit process and to comply with all applicable strate laws. Process improvement ongoing to expedite the planning permitting process.	Meetings	1	Contact Planning staff at Planning@cityofepa.org
1.2	**Objective:** Implement measures to reduce overall processing times for residential development applications while maintaining robust community outreach and engagement. **Policy 1.2:** Implement existing processing guidelines and checklists for projects that qualify for by-right, ministerial, or administrative approval and CEQA exemption under SB 35, SB330, Housing Accountability Act, and other applicable state laws.	12/31/2031	6th Cycle	Continuous	Beginning in 2025, new and converted ADUs under 800 sqft are now submitted through the building permit process as part of the streamlined ADU process. In 2025, the Planning Division implemented the Permit Adjustment Review (PAJ) process to facilitate streamlined review of minor conversions and additions, plan and sign modifications, accessory structures, fences, and minor temporary uses.	Units	34	https://www.cityofepa.org/sites/default/files/fileattachments/planning/page/22067/attachment_1-_cc_ordinance_3.18.2025.pdf

1.3	**Objective:** Implement measures to reduce overall processing times for residential development applications while maintaining robust community outreach and engagement. **Policy 1.3:** Program: Review and adjust building permit review and approval procedures as needed to comply with the streamlining requirements in AB2234.	12/31/2026	6th Cycle	Completed	Beginning in 2025, new and converted ADUs under 800 sqft are now submitted through the building permit process as part of the streamlined ADU process.	Units	17	Contact Building staff at building@cityofepa.org
1.4	**Objective**: Implement measures to reduce overall processing times for residential development applications while maintaining robust community outreach and engagement. **Policy 1.4:** Develop standards to prioritize, incentivize, and expedite processing of residential projects that commit housing units for special needs populations such as the developmentally disabled, single-female head of households, at-risk youths, large family households, extremely low-income households, and unhoused individuals.	12/31/2031	6th Cycle	Continuous	Planning Division obtained funding for objective design standards and is working on objective design standards to expedite processing.	Other	1	Contact Planning staff at Planning@cityofepa.org
1.5	**Objective:** Incentivize affordable housing development. **Policy 1.5:** Pursuant to Government Code 65583.2 (h) and (i), sites that require rezoning to meet the RHNA for lower-income households and sites carried over from the 2015-2023 Housing Element to accommodate the needs of lower-income households shall be rezoned within the statutory deadline prescribed in Government Code 65583.2 (c). The rezoning shall commit to 20% lower-income units, minimum densities, and objective development standards, and complying projects shall not require discretionary approval. One site is carried over from the 2014-2022 Housing Element – a 0.65-acre parcel at 851 Weeks with an existing zoning of 22-40 units/acres and a pending application for a 79-unit SB 35 project. If a project contains at least 20% lower-income units and complies with objective development standards, discretionary approval shall not be required. ***Target:*** *January 2024: For 851 Weeks, approve SB35 project or designate site for by-right approval for a qualifying project by Spring 2024*	12/31/2024	6th Cycle	Completed	The 79-unit SB 35 senior housing project submitted for building permit in Oct 2025. A 136 unit 100% affordable housing project completed construction in Sept 2025.	Units	215	https://www.midpen-housing.org/property/colibri-commons/
1.6	**Objective:** Incentivize affordable housing development. **Policy 1.6:** Seek and support financial resources from state, regional, and county housing programs, tax credits, and other sources that provide funding assistance for affordable housing projects to cover design and development costs and off-site public facility and infrastructure improvements. ***Target:*** *Annually survey Notices of Funding Availability (NOFAs) and work with developers to apply for funds for affordable housing projects and supporting public improvements. Prioritize assistance for projects in lower-resource areas as defined by AFFH analysis (including, but not limited to, westside of State Highway 101 and south of Bay Road/west of University Avenue)*	12/31/2031	6th Cycle	Continuous	Ongoing. In 2025, the City used the $100,000 award from the County of San Mateo's Equity Innovation Fund to develop its Affordable Housing Preservation NOFA and Guidelines. On May 6, 2025, the Council appropriated $2,050,0000 toward the Affordable Housing Preservation Program, which is anticipated to launch in early 2026 to support the acquisition/rehabiliation of housing and conversion into affordable housing.	Other	1	Affordable Housing Preservation webpage: https://www.cityofepa.org/housing/page/affordable-housing-preservation May 6, 2025 City Council Meeting: cityofepa.granicus.com/player/clip/168?view_id=1&meta_id=24458&redirect=true

1.7	**Objective:** Encourage smaller-scale housing that is relatively more affordable, including duplexes/triplexes and market-rate accessory dwelling units (ADUs). **Policy 1.7:** Study feasibility and desirability of waiving or reducing fees or delaying payment of permit fees and development impact fees for ADUs and small projects, e.g., two or fewer units.	12/31/2024	6th Cycle	Completed	In 2024, staff initatiated conversations about one "next phase" streamlining effort potentially being the adoption and adaption of the objective architectrual compatibility standards developed for ADUs to SB 9, SB 10/SB 864 projects. A similar effort would involve the customization of the Preliminary Ministerial Review (PMR) clearance forms for other ministerial projects.	Other	1	https://www.cityofepa.org/planning/page/state-housing-bills
1.8	**Objective:** Encourage smaller-scale housing that is relatively more affordable, including duplexes/triplexes and market-rate accessory dwelling units (ADUs). **Policy 1.8**: Develop outreach materials targeting smaller developers aimed at informing future applicants and improving the quality of Planning and Building applications received.	12/31/2024	6th Cycle	Completed	City Council considered in March 2025 a staff recommendation to reduce impact development fees for large ADUs over 750 square feet.	Other	1	https://d3n9y02raazwpg.cloudfront.net/cityofepa/7db5dc18-ddc8-11ef-a9e2-005056a89546-3408cd31-ecd7-4429-9d91-65986d552499-1742328563.pdf
1.9	**Objective**: Encourage smaller-scale housing that is relatively more affordable, including duplexes/triplexes and market-rate accessory dwelling units (ADUs). **Policy 1.9:** Develop outreach materials targeting smaller developers aimed at informing future applicants and improving the quality of Planning and Building applications received.	12/31/2024	6th Cycle	Completed	Ongoing. Planning and Building staff have been updating and improving the city website to show resources. Planning website also updated to explain various streamlining opportunities as provided by State law.	Other	1	https://www.cityofepa.org/planning ; https://www.cityofepa.org/building
1.10.	**Objective:** Encourage smaller-scale housing that is relatively more affordable, including duplexes/triplexes and market-rate accessory dwelling units (ADUs). **Policy 1.10:** Implement a preapproved and modular ADU designs program or participate in proposed 21 Elements clearinghouse to facilitate streamlined review and reduce design costs of ADUs.	12/31/2024	6th Cycle	In Progress	Started in 2023. City Building, Planning and Housing staff initiated conversations with 21 Elements/Community Planning Collaborative (CPC) on the steps required to implement preapproved ADU plans. The CDC collaborated with San Mateo cities to launch an ADU Resource Center to assist homowners in building an ADU. The city also participates in a ADU working group to provide other resources such as workshops, webinars, and financing options. The Building Division website is to be update to guide residents to ADU resource center.	Units	6	TRAKiT Permit System - CAP2025-0001 through CAP2025-0006
1.11	**Objective:** Encourage smaller-scale housing that is relatively more affordable, including duplexes/triplexes and market-rate accessory dwelling units (ADUs). **Policy 1.11:** Develop proposals for relaxing or allowing flexible zoning standards (e.g., building setbacks and height, open space, parking, and density) to facilitate the development of 5 SB 9 and small infill housing projects to increase housing opportunities and housing types throughout the community. ***Target:*** *Assist property owners to approve eight (8) SB9 units during the 6th cycle Housing Element Period; focus on opportunity sites in lower-density residential neighborhoods (e.g., under-utilized lots over 10,000 square feet in size.*	12/31/2025	6th Cycle	In Progress	Staff continues to implement the ADU Ordinance amendment that relaxes open space requirements in the R-LD single family residential zoning. Beginning in 2025, new and converted ADUs under 800 sqft are now submitted through the building permit process as part of the streamlined ADU process.	Units	17	Contact Planning staff at Planning@cityofepa.org

1.12	**Objective:** Incentivize production of deed-restricted ADUs, including deed-restricted units, to add to the City's affordable housing stock. **Program 1.12:** Develop an expedited legalization process for unpermitted second units. Identify zoning amendments to reduce the impediment to building ADUs, such as setback and open space standards.	12/31/2025	6th Cycle	In Progress	Beginning in 2025, new and converted ADUs under 800 sqft are now submitted through the building permit process as part of the streamlined ADU process.	Other	17	Contact Building staff at building@cityofepa.org
1.13	**Objective**: Incentivize production of deed-restricted ADUs, including deed-restricted units, to add to the City's affordable housing stock. **Policy 1.3:** Support and participate in a potential county-wide initiative to create a resource center to effectively educate homeowners, provide resources, and promote the construction of ADUs.	12/31/2024	6th Cycle	Completed	The City has been a member of the Resource Center since 2024, and has allocated funding annually to continue participation.	Other	1	https://smcadu.org/
1.14	**Objective:** Incentivize production of deed-restricted ADUs, including deed-restricted units, to add to the City's affordable housing stock. **Policy 1.14:** Seek available public and private sources of rehabilitation/repair funding and strengthen partnership with organizations (e.g., Habitat for Humanity, Rebuilding Together, and others) to produce ADUs. Seek assistance for correcting code compliance issues to legalize or upgrade existing ADUs. ***Target:*** *Annually research available funds and partnerships, and implement incentives with the goal of approving at least 115 new or legalized ADUs in single-family zoning districts during the 6th cycle Housing Element period*	12/31/2031	6th Cycle	Continuous	Started in 2023. On March 21, 2023, Housing staff presented to City Council all available public and private sources of rehabilitation/repair funding and received direction to explore FIHPP and REAP 2.0, and other state and regional funding sources.	Other	1	Contact Housing staff at Housing@cityofepa.org
1.15	**Objective**: Develop long-term, sustainable funding sources that are flexible and may be used for affordable housing production and preservation and to prevent displacement and homelessness. **Policy 1.15:** Implement the 2022 approval of Measure L which increased and expanded the City's existing Gross Receipts Tax on rental residential properties for affordable housing and support programs.	12/31/2024	6th Cycle	Completed	Completed in 2023. The City started collecting Measure L funding in 2023.	Other	1	https://www.cityofepa.org/finance/page/business-license
1.16	**Objective:** Develop long-term, sustainable funding sources that are flexible and may be used for affordable housing production and preservation and to prevent displacement and homelessness. **Program 1.16:** Update the City's five-year Affordable Housing Strategy (AHS) to implement the 6th cycle Housing Element goals, policies, and programs and to sets priorities for allocation of the City's affordable housing revenue sources for a finite period (1 year to 5 years). Establish priorities to implement fair housing policies and programs in low resource neighborhoods per the AFFH analysis. ***Target:*** *Adopt the AHS with numerical goals and place-based funding priorities to implement the goals, policies, and programs in the Housing Element.*	12/31/2024	6th Cycle	Completed	Started in 2023; Completed in 2024. City staff held a community meeting on November 16, 2023, updated the Planning Commission on December 11, 2023, and issued a city-wide survey from November 2023 to January 2024. The City's 2024-2028 Affordable Housing Strategy was adopted on February 6, 2024.	Meetings	3	https://www.cityofepa.org/housing/page/affordable-housing-strategy

1.17	**Objective:** Develop long-term, sustainable funding sources that are flexible and may be used for affordable housing production and preservation and to prevent displacement and homelessness. **Policy 1.17:** Collaboratively (Planning, Housing, and Public Works) pursue state grant funds wherever possible to support affordable housing projects and programs and to address homelessness in the City. ***Target:*** *Annually research available funds for affordable housing projects and homelessness programs. Prioritize funds to assist lower-resource areas and the unhoused population*	12/31/2031	6th Cycle	Continuous	Ongoing. The City applied for the Encampment Resolution Funding (ERF-2-R and ERF-3-R) in 2024. However, the applications were denied. The City did not apply 2025 given limited staffing capacity.	Other	1	Contact Housing staff at Housing@cityofepa.org
1.18	**Objective:** Take reasonable measures to reduce the cost of development for fully affordable housing developments. **Policy 1.18:** Use the opportunity of the Ravenswood Business District (RBD) Specific Plan Update or initiate a city-wide study on the feasibility and desirability of fee waivers or reductions or deferred fee payments for fully affordable housing projects; additionally, consider providing City financial assistance to cover these fees.	12/31/2031	6th Cycle	Continuous	On March 4, 2025, the City Council adopted a Nexus Study Update and updated development impact fees covering parks and trails, public facilities, transportation, storm drainage, and water capacity public infrastructure improvements. The updated fees were established pursuant to the Mitigation Fee Act (AB 1600) and other applicable state laws. The Nexus Study Update, Updated Fee Schedule, which became effective on May 5, 2025. Certain ADU fees were reduced or waived.	Other	1	https://www.cityofepa.org/finance/page/comprehensive-fee-schedule https://www.cityofepa.org/publicworks/page/city-wide-development-impact-fee-program
1.20.	**Objective:** Take reasonable measures to reduce the cost of development for fully affordable housing developments. **Policy 1.20:** Incorporate parking reductions into the City's Transportation Demand Management Program including compliance with AB2097 and related state laws that eliminates parking minimums within one-half mile major transit stops and radius and parking maximums for affordable housing projects.	12/31/2025	6th Cycle	Completed	During project review, any projects with 10 or more units will be required to prepare a Transportation Demand Management Plan. The TDM Plan would be reviewed by the City's TDM program administrator for consistency with City requirements and would identify measures to reduce single-occupant vehicle trips and support alternative transportation modes.	Meetings	1	https://www.ci.east-palo-alto.ca.us/publicworks/page/transportation-demand-management-tdm
1.21	**Objective**: Encourage housing on sites zoned for mixed use in the Ravenswood/4 Corners Specific Plan Area. **Policy 1.21:** For sites within the RBD Specific Plan Area, study feasibility and effectiveness of an RBD-specific density bonus, relaxed zoning controls, minimum densities (particularly for mixed-use sites), streamlined subdivision approvals, and by-right or ministerial approvals. Incorporate provisions into the Specific Plan Update and Development Code amendments that are planned for City Council adoption in Summer 2024. (See also related Program 10.8)	12/31/2024	6th Cycle	Completed	The RBD/4 Corners Specific Plan was adopted in December 2024 which increased the potential for up to 1,600 new housing units in the Specific Plan area (and potentially more if state density bonus llaw is exercised), with policies and development standards to support residential and mixed-use development.	Other	1	https://www.cityofepa.org/planning/page/ravenswood4-corners-specific-plan-adopted-12172024

1.23	**Objective:** Leverage available public lands for affordable housing development where feasible and beneficial to the community. **Program 1.23:** Work with County of San Mateo to complete land swap and determine feasibility of the County developing affordable housing, encouraging permanent supportive housing development, at 2277 University. Comply with Surplus Lands Act. (This project is not included in Sites Inventory but could potentially be constructed during Housing Element 6th Cycle.) *End of 2024: complete and execute Exchange Agreement with the County of San Mateo.* *• End of 2025: complete due diligence and environmental review, and make Surplus Lands Act findings pursuant to Government Code Section 54222(f) prior the exchange of properties.* *• End of 2026: With submittal of development application, process planning approvals and building permits as needed.* ***Target:** Support the County in redeveloping the property for at least ten (10) housing units, or whatever is found feasible, encouraging the County to develop permanent supportive housing.*	12/31/2026	6th Cycle	In Progress	Underway. City Council adopted a resolution on 7/18/2023 finding 2277 exempt from the Surplus Lands Act to allow a property swap with San Mateo County for 1266 Beech Street. The state HCD concured with the Council's exempt finding on 9/28/2023, allowing the Planning Commission to find the land swap in conformance with the City's 2035 General Plan at a public hearing on 12/11/2023. Staff will continue to undertake certain due deligence measures including provision of title reports, appraisal reports, phase one reports, and geotechnical reports, and begin a final round of negotiations with the County. These negotiations are still ongoing, with several meetings held in 2025 between the City and the County, and an MOU underway in early 2026, and the goal to complete the property swap by the end of 2026 or early 2027.	Other		Contact Community & Economic Development staff at CED@cityofepa.org
1.24	**Objective:** Leverage available public lands for affordable housing development where feasible and beneficial to the community. **Program 1.24:** Work with Ravenswood City School District to facilitate the development of the district-owned parcel at 2120-2160 Euclid Avenue as affordable public school employee housing. Comply with the Surplus Lands Act.	12/31/2026	6th Cycle	In Progress	Started in 2023. Planning staff answered school district's preliminary questions in 2023. Planning Commission Study Session on Ravenswood School District's 2120-2160 Euclid Ave preliminary application held on February 26, 2024. Formal application filed mid 2024 and was put on pause due to a change in developer. The school district has found a new developer and a resubmittal is expected in the first half of 2026.	Units	430	https://www.cityofepa.org/planning/project/2120-2160-euclid-avenue-mixed-use-affordable-housing-design-review-and-parcel-map
1.25	**Objective**: Incentivize "missing middle" housing, or smaller-scale housing that is affordable to households at 80-120% of Area Median Income. **Policy 1.25:** Revise City zoning and subdivision standards to increase compatibility with SB 9 (e.g., flexible zoning standards for setbacks, open space, heights, and density) and make process improvements to encourage application of SB 9 on appropriately zoned parcels. Conduct informational outreach to property owners whose properties are prime candidates for SB 9 projects, including informing them of the by-right or ministerial approval process.	12/31/2025	6th Cycle	In Progress	City continues to educate homeowners about SB 9 through the City website and has updated its webpages to inform the public about new housing legislation, including SB 684 and SB 1123.	Units		https://www.cityofepa.org/planning/page/state-housing-bills
1.26	**Objective:** Monitor progress on Housing Element Policies, Programs, and Sites Inventory. **Policy 1.26:** Annually review overall progress and effectiveness in meeting RHNA and evaluate progress in meeting Housing Element policies and programs; include information in Annual Progress Report to HCD. Track the production of inclusionary housing units, ADUs, SB 9 units, and housing for special needs populations. If the City is not making sufficient progress in meeting its Housing Element goals and its RHNA for affordable units by 2027 (i.e., at least 130 lower-income units under construction or completed by 2027), consider alternative land use strategies within six months. Possible actions include amending policies and programs, defining new actions, or identifying alternative housing sites, including rezoning if necessary, and strategies to facilitate a variety of housing choices, such as encouraging missing middle zoning (small-scale multi-unit projects), adaptive reuse, and additional ADUs and/or JADUs.	12/31/2031	6th Cycle	Continuous	Ongoing. City reviewed RHNA progress and effectiveness during Housing Element Update process including January 23, 2023 Planning Commission meeting, February 9, 2023 Planning Commission meeting, and February 21, 2023 City Council public hearing.	Meetings	2	Contact Housing staff at Housing@cityofepa.org

2.1	**Objective:** Promote financial literacy as a means of encouraging homeownership and support first-time homebuyers. **Policy 2.1:** In partnership with non-profit partners, the City will develop a homebuyer support program or programs tailored to the needs of lower and moderate-income households in East Palo Alto. Prioritize outreach to neighborhoods with a proportionally higher percentage of rental households such as the westside of State Highway 101.	12/31/2031	6th Cycle	In Progress	The 5-year Affordablity Housing Strategy adopted by the City Council in December 2023, includes developing a homebuyer support program, and Measure JJ was approved by East Palo Alto voters in November 2024 to amend Measure L to target revenue, along with other priroities, for programs to preserve and promote homeownership. In 2025, City staff began research on a potential First Time Homebuyer Program, which will be presented to City Councill in Summer 2026.	Other		Contact Housing staff at Housing@cityofepa.org
2.2	**Objective:** Promote financial literacy as a means of encouraging homeownership and support first-time homebuyers. **Policy 2.2:** With the assistance of the City's grant coordinator, seek and apply for funds from state, federal, and other sources to create and finance this program.	12/31/2031	6th Cycle	In Progress	In late 2025, staff drafted a worplan and started researching first-time homeownership programs. Staff anticipate to present to Council the research findings in Summer 2026.	Other		Contact Housing staff at Housing@cityofepa.org
2.3	**Objective**: Create pathways to affordable homeownership opportunities. **Policy 2.3:** One pathway to homeownership is through tenant purchase of their buildings either on their own or through a community land trust. The City hopes to create a program that will facilitate a minimum of two single family and one multi-family tenant purchases between 2024 and 2028.	12/31/2024	6th Cycle	Completed	Between 2021-2023, City Council considered a potential Opportunity to Purchase Ordinance to create a pathway to homeownership through tenant purchase. On December 5, 2023, City Council rejected the policy in a 3-2 vote. The meetings held were: 7/2021-9/2021 (9 affinity group meetings with 67 participants and 2 focus group meetings with 19 participants); 10/5/2021 (Policy&Action); 11/16/2021 (Public Hearing); 12/1/2021 (virtual community meeting); 12/7/2021 (Public Hearing); 12/22/2021 (Public Hearing); 1/25/2022 (Public Hearing); 3/1/2022 (Public Hearing); 5/30/2023 (Community Forum); 6/13/2023 (Policy Disussion); 07/18/2023 (City Council Policy Discussion); 08/2023 (Virtual Policy Overview); 10/3/2023 (Public Hearing); 11/7/2023 (First Reading Public Hearing); 12/5/2023 (Second Reading Public Hearing).	Meetings	25	https://www.epatoday.org/post/opportunity-to-purchase-act-is-voted-down
2.4	**Objective:** Advocate for homebuyer and homeownership programs at the regional level. **Policy 2.4:** Advocate for the homebuyer and homeownership programs, including shared and sweat equity models, at the Federal, State, County, and regional levels.	12/31/2031	6th Cycle	Continuous	No reportable actions in 2025.	Other		Contact Housing staff at Housing@cityofepa.org
3.1	**Objective:** Ensure that the City's deed-restricted affordable housing and Below Market-Rate (BMR) portfolio remain well-maintained and monitored. **Program 3.1:** Continue working with the BMR Administrator on the existing BMR Program contract and draft a Request for Proposals (RFP) for the next phase of BMR Program management, and evaluating, as needed, the Local Preference guideline, to maintain the 53 existing BMR units and add 8 rental or for-sale inclusionary housing units.	12/31/2031	6th Cycle	Continuous	Ongoing. Housing staff continued working with BMR Administrator on monitoring existing BMR units and meeting on a bi-weekly basis to discuss program compliance cases.	Meetings	24	Contact Housing staff at Housing@cityofepa.org

3.2	**Objective**: Improve data on affordability of the City's rental housing stock outside of the Rent Stabilized portfolio. **Program 3.2:** With the allocated City Council funding, implement the rent registry program.	12/31/2024	6th Cycle	In Progress	Ongoing. Started in 2023. CEDD staff conducted research on implementation of potential rent registry program. CEDD staff continue to work towards a citywide rent registry program. A vendor was selected for the registry database and so far the Rent Stabilization Program has migrated their data and has launched their portal to transition properties under the RSO. Approximately 2500 rent stabilized units will be registered in the new database.	Units	2500	https://slate.tolemi.com/c/east-palo-alto-ca
3.3	**Objective:** Leverage County initiatives and affordable housing resources to increase public awareness of affordable housing opportunities in East Palo Alto **Program 3.3:** Work with the County of San Mateo and landlords to list all affordable housing projects and inclusionary units on Doorway, a new regional platform for searching and applying for affordable housing and finding affordable housing resources and conduct proactive outreach to East Palo Alto residents.	12/31/2031	6th Cycle	Continuous	Ongoing. Housing staff worked with Eden Housing to list LightTree Apartments on regional housing platform.	Units	185	https://www.midpen-housing.org/property/colibri-commons/
3.4	**Objective:** Protect and preserve the City's supply of rent-stabilized affordable housing units. **Policy 3.4:** Continue to support the function of the Rent Stabilization Board (RSB) to enforce the City's Rent Stabilization Ordinance to protect tenants from unreasonable rent increase, to protect tenants from unlawful evictions, and to allow landlords sufficient rental income for maintenance and operating expenses and capital improvements.	12/31/2031	6th Cycle	Continuous	Ongoing. Rent Stabilization staff continued to implement the Rent Stabilization and Just Cause for Eviction ordinance in 2025. Rent Stabilization staff continued to hold regular RSB meetings, address complaints brought before staff, and completed a program wide audit to ensure owners were compliant with required reportings.	Other	8	RSB agendas and staff reports can be found at https://www.cityofepa.org/agenda
3.5	**Objective:** Protect and preserve the City's supply of rent-stabilized affordable housing units. **Policy 3.5:** The City will monitor any changes to state law related to rent stabilization and if possible, update the Rent Stabilization Ordinance to provide greater protections.	12/31/2031	6th Cycle	Continuous	Ongoing. Rent Stabilization staff and City Attorney's Office continued monitoring changes to state law.	Other	1	Contact Rent Stabilization Program staff at RentProgram@cityofepa.org
4.1	**Objective**: Connect the creation of new jobs in the City from commercial development to the creation of new housing at the appropriate affordability levels. **Policy 4.1:** As part of the Ravenswood Business District/4 Corners (RBD) Specific Plan update, develop a requirement to build new housing at specified levels of affordability based on a numerical linkage to office/R&D square footage in Ravenswood Business District (RBD).	12/31/2024	6th Cycle	Completed	The Specific Plan update was adopted in December 2024 and includes a community benefits program with an identified priority for developers to provide or finance additional affordable housing units beyond the City's existing IHO requirements or commercial linkage fees in exchange for an increase in development capacity or floor area ratio (FAR) for non-residential projects.	Other	1	https://www.cityofepa.org/planning/page/ravenswood4-corners-specific-plan-adopted-12172024
4.2	**Objective:** Connect the creation of new jobs in the City from commercial development to the creation of new housing at the appropriate affordability levels. **Program 4.2:** Participate in countywide nexus study led by 21 Elements to update the existing Commercial Linkage Fee.	12/31/2031	6th Cycle	In Progress	Through 21 Elements, East Palo Alto is particpating in a "Grand Nexus and Feasiblity Study" to explore inclusionary housing requirements which will also include examining commercial linkage fee programs. San Mateo County is taklng the lead on the project with grant and financial support from cities; Stategic Economics was selected after a comepetive procurement process in 2025; the City Council approved entering into an MOU with the County and Strategic Economics on October 21, 2024, and a kick-off meeting began January 2026.	Meetings		See October 21, 2025 City Council Meeting (Item 12.2): https://d3n9y02raazwpg.cloudfront.net/cityofepa/221d99bd-ddd1-11ef-a9e2-005056a89546-3408cd31-ecd7-4429-9d91-65986d552499-1761095099.pdf

4.3	**Objective**: Promote the preservation of existing housing stock and rehabilitation of housing that is at-risk due to age, structural deficiencies, etc. **Policy 4.3:** Develop a preservation strategy that addresses funding sources, identification of properties, and partnerships that can lead to preservation of affordable housing in East Palo Alto. Prioritize assistance to lower resource neighborhoods identified in the AFFH analysis (including, but not limited to, westside of State Highway 101, south of Bay Road west of University Avenue, and multi-family housing on southside of Bay Road east of University Avenue.) ***Target****: Identify properties and reach out to organizations to achieve the minimum targets in Policy 4.6 during the 6th cycle Housing Element period.*	12/31/2026	6th Cycle	Completed	On March 21, 2023, City Council reviewed potential preservation funding sources and directed staff to pursue FIHPP, REAP 2.0, and other funding sources. City Council directed staff to develop preservation guidelines and to eventually establish preservation fund. In 2025, City Council allocated funding toward a preservation fund and staff developed a Preservation NOFA that will be released in early 2026.	Other	1	https://www.cityofepa.org/housing/page/affordable-housing-preservation
4.4	**Objective:** Promote the preservation of existing housing stock and rehabilitation of housing that is at-risk due to age, structural deficiencies, etc. **Policy 4.4:** Identify and maintain a list of at-risk units and substandard buildings throughout the City. Ensure property owners comply with the State Preservation Notice Law. Actively engage with property owners to reach agreements to preserve at-risk units and properly maintain their properties. Through these efforts, the City hopes to improve 13 substandard or at-risk units between 2024 and 2028.	12/31/2031	6th Cycle	Continuous	Started in 2023. An updated list of substandard buildings was provided in the 2023-2031 Housing Element. Working on a set of Preservation Guidelines so that if the City were to develop a Notice of Funding Availability to preserve affordable housing, these guidelines will aid in that process. See the webpage for more details: https://www.cityofepa.org/housing/page/affordable-housing-preservation	Units		https://www.cityofepa.org/housing/page/affordable-housing-preservation
4.5	**Objective:** Promote the preservation of existing housing stock and rehabilitation of housing that is at-risk due to age, structural deficiencies, etc. **Policy 4.5:** Study improvements to the City's process for addressing code violations on residential properties, including, but not limited to, unpermitted second units.	12/31/2025	6th Cycle	In Progress	Code enforcement staff do an interative and incremental improvement of their processes based on situations that arise.	Other		Contact Code Enforcement staff at Buildign@cityofepa.org
4.6	**Objective:** Promote the preservation of existing housing stock and rehabilitation of housing that is at-risk due to age, structural deficiencies, etc. **Policy 4.6:** Create and fund a City housing rehabilitation program for City Council consideration that covers both single-family homes and multi-family apartments to preserve affordable housing opportunities, encourage proper maintenance and repairs, promote renovation, and increase energy conservation. Prioritize neighborhoods with a concentration of units in need of rehabilitation per Housing Element, Section 2.12.2.D (including, but not limited to, westside of State Highway 101, south of Bay Road west of University Avenue, and multi-family housing on southside of Bay Road east of University Avenue). End of 2025: Bring a proposal for City Council consideration of a possible pilot program of up to $100,000 to leverage matching funds. • 2026: Implement program per City Council approval. • Ongoing: Continue funding the program beyond the pilot period based on available matching opportunities. • Resource implications: Allocate eligible local funds; provide staffing or contract assistance to administer program; seek grants other financial assistance; explore partnerships for leveraging staffing and resources	12/31/2026	6th Cycle	In Progress	Ongoing. On May 6, 2025, the Council appropriated $2,050,0000 toward the Affordable Housing Preservation Program, which is anticipated to launch in early 2026 to support the acquisition/ rehabiliation of housing and conversation into affordable housing. The City also secured $34,000 in the Equity Innovation Fund as seed funding for the Affordable Housing Preservation program, for a total funding amount of $2,084,000.	Other	1	May 6, 2025 City Council Meeting: cityofepa.granicus.com/player/clip/168?view_id=1&meta_id=24458&redirect=true https://www.cityofepa.org/housing/page/home-repairs

4.7	**Objective:** Support housing stability of existing lower-income homeowners and enable the community's seniors to age in place. **Program 4.7:** Research establishing and funding a City home repairs program to assist low-income homeowners with major repairs and rehabilitation to address acute safety and livability issues. The program would also assist seniors to "age-in-place" and install necessary accessibility improvements. Develop a public outreach plan and also inform homeowners of financial assistance available from other agencies such as energy conservation and electrification incentives. Prioritize assistance to seniors and lower-resource neighborhoods identified in AFFH analysis (including, but not limited to, westside of State Highway 101 and south of Bay Road west of University Avenue). The City has a goal of assisting a five to ten low-income homeowners between 2024 and 2028.	12/31/2025	6th Cycle	In Progress	Started in 2024, the City started formulating program criteria and guidelines to implement to these programs in 2025. In 2025, Housing staff initated conversations with San Mateo County staff about their potential administration of $125K from the City Coucil for minor home repairs services for low-income seniors. The City Council had approved this funding allocation on March 5, 2024, and approved entering into an MOU with the County on February 3, 2025. The County issued its NOFA in December 2025 with a deadline of January 2026, and the City is currently in the process of participating in the County's selection process. The City's funding will start supporting local households starting in July 2026. In 2026, code enforcement staff will direct property owners to this Minor Home Repairs program. In addition, in late 2025, City staff initiated a workplan and research for a potential Major Home Repairs program to support more homeowners.	Other	1	March 5, 2024 City Council meeting (Item 9.2): www.cityofepa.granicus.com/player/clip/70?view_id=1&redirect=true February 3, 2026 staff report (Item 3.3): https://d3n9y02raazwpg.cloudfront.net/cityofepa/b132ed89-d239-11f0-bb28-005056a89546-3408cd31-ecd7-4429-9d91-65986d552499-1769561568.pdf https://www.cityofepa.org/housing/page/home-repairs
4.8	**Objective:** Support housing stability of existing lower-income homeowners and enable the community's seniors to age in place. **Program 4.8:** Continue to implement public accessibility improvements in accordance with the City's ADA Compliance Plan and amend Municipal Code Chapter 14.10 – Reasonable Accommodations and Development Code Chapter 18.98 – Reasonable Accommodations as needed to comply with applicable state laws.	12/31/2031	6th Cycle	Continuous	Planning staff has continued to work with Public Works and Building staff to implement public accessibility improvements in accordance with current ADA laws on development projects.	Units	3	Contact Planning staff at Planning@cityofepa.org.
4.9	**Objective:** Support housing stability of existing lower-income homeowners and enable the community's seniors to age in place. **Policy 4.9:** Study models of foreclosure prevention at the local level in similarly sized cities, whether through local investment or leveraging outside funding; evaluate establishing a mortgage assistance program for low-income households.	12/31/2025	6th Cycle	In Progress	In 2024, the City closely monitored development of FIHPP and identified potential qualifying properties, and worked with local organizations to prepare for FIHPP resources. However, in 2025, FIHPP was no longer funded. On July 28, 2025, the City of East Palo Alto ("City") issued a Request for Proposals (RFP) for qualified organization(s) or firm(s) to provide foreclosure prevention services. On October 21, 2025, City Council approved a 1-year pilot foreclosure prevention program to assess staffing and resource needs to administer foreclosure prevention services to residents.	Other		October 21, 2025 City Council meeting (Item 12.1): https://d3n9y02raazwpg.cloudfront.net/cityofepa/221d99bd-ddd1-11ef-a9e2-005056a89546-3408cd31-ecd7-4429-9d91-65986d552499-1761095099.pdf
4.10	**Objective:** Promote community/cooperative ownership of land and housing in East Palo Alto **Program 4.10:** Evaluate opportunities to support and/or leverage local community land trusts (CLTs) to create community ownership of new or preserved affordable housing, e.g., through scattered-site ADUs, small inclusionary projects, sweat equity projects (such as Habitat for Humanity or Rebuilding Together, and others), or preservation projects.	12/31/2025	6th Cycle	Completed	On May 7, 2024 The City approved a one year entension for Palo Mobile Estates Loan program to be administered by EPACANDO until May, 2025, that implemented a community land trust model to preserve units.Unfortunately, no residents sought the City loans and the program ended in 2025. A summary of the program outcomes were presented to City Council on May 6, 2025.	Other	1	May 6, 2025 City Council Meeting (Item 17.1): https://d3n9y02raazwpg.cloudfront.net/cityofepa/94f20569-ddc9-11ef-a9e2-005056a89546-3408cd31-ecd7-4429-9d91-65986d552499-1746574528.pdf

4.11	**Objective:** Prevent displacement due to high housing cost burden and barriers to housing, such as rental deposits. **Policy 4.11:** Continue to appropriate funds and consider increasing funds for direct emergency financial assistance or rent relief to be administered by a qualified organization identified through a Request for Proposals (RFP) process. Conduct proactive public outreach, particularly to lower-income households and neighborhoods where a high housing cost burden has been documented in the fair housing assessment. To support this effort, the City will seek out a permanent source of funds for rental assistance.	12/31/2024	6th Cycle	Completed	On July 28, 2025, the City issued a Request for Proposals (RFP) for qualified organization(s) or firm(s) to provide direct rental and financial assistance, legal services, and foreclosure prevention services for resident anti-displacement services. This RFP was based on the City's desire to protect residents from displacement and homelessness, as well as to fulfill the intent of Measure JJ, a tax approved by the voters in November 2024, expected to generate $1.45 million annually. The City received five RFP proposals on August 18, 2025. The City awarded the five contracts on October 21, 2025 as follows: 1) EPACANDO for a one-year foreclosure prevention pilot program; 2) CLSEPA and Legal Aid of San Mateo County for legal services and unlawful detainer assistance; and 3) CLSEPA, WeHOPE, and Samaritan House for rental assistance. Services will be provided from 2026 to 2028.	Other	1	https://www.cityofepa.org/housing/page/anti-displacement-services-0
4.12	**Objective:** Prevent displacement due to high housing cost burden and barriers to housing, such as rental deposits. **Program 4.12:** Develop a proposal for City Council consideration for a direct financial assistance program for first and last month's rent/security deposit assistance. End of 2025: Provide recommendations to City Council on a potential direct financial assistance program for rental deposit assistance.	12/31/2025	6th Cycle	Completed	In November 2024, East Palo Alto voters passed Measure JJ, a special tax to fund anti-displacement services and rental assistance. On Apri 1, 2025, staff reported out on the anti-displacement services provided funded by previous versions of the tax (Measure O and L) and an overview of potential uses of Measure JJ. On October 21, 2025, the City Council approved funding 5 contracts with Measure JJ funds, for a final total of nearly $3.5M over the next three years (January 2026-January 2029). 45% of that funding is specifically dedicated for financial and rental assistance and security deposits.The goal is to help fund approximately 300 households annually, or 900 over the three years.	Other	1	Anti-Displacement Resources webpage with selected agencies: https://www.cityofepa.org/rent-stabilization/page/anti-displacement-resources ; April 1, 2025 City Council Meeting (Item 9.1): cityofepa.granicus.com/player/clip/161?view_id=1&meta_id=22215&redirect=true ; October 21, 2025 City Council Meeting (Item 12.1): cityofepa.granicus.com/player/clip/210?view_id=1&meta_id=30531&redirect=true ;
4.13	**Objective:** Implement an effective and fair housing compliant Local Preference Policy **Policy 4.13:** Complete and enforce guidelines on City's existing Local Preference Policy.	2024	6th Cycle	Completed	On January 21, 2025, City Council adopted a resolution adopting an updated Local Preference Policy. The Local Preference Policy was implemented for the Colibri Commons, a 136-unit 100% affordable housing development built on formerly vacant city-owned land. Colibri Commons houses individuals and families earning 30% to 60% AMI, and individuals with disabilities or those who were formerly experiencing homelessness. The City was able to negotiate a 60% live/work/formerly displaced local preference requirement with the County of San Mateo, based on a disparate impact study MidPen funded and the County's AHF 12 NOFA underwriting policies, which allow city-imposed local preferences proportionally based on the relative City and County financial contributions. Of the total 136 units, 16 were set aside for Special Needs (with State/Federal funding), and 60% of the remaining 120 (72) were local preference, with the remaining 40% (48 units) open pool. Colibri Commons started its marketing in April 2025, and its tenant file intake process in June 2026. By January 2026, it was able to achieve full occupancy, with 61% meeting the City's Local Preference.	Other	1	January 21, 2025 City Council staff report (Item 13.2): https://d3n9y02raazwpg.cloudfront.net/cityofepa/94e4089d-b8b8-11ef-ab4b-005056a89546-3408cd31-ecd7-4429-9d91-65986d552499-1737515580.pdf Local Preference Policy: https://www.cityofepa.org/housing/page/local-preference Colibri Commons: https://www.midpen-housing.org/wp-content/uploads/2025/04/Colibri-Commons-FAQ-and-Fact-Sheet-FINAL.pdf

4.14	**Objective:** Provide access to living wage jobs to allow residents to afford to remain to live in East Palo Alto. **Program 4.14**: Through Measure HH, a parcel tax on large office developments approved by East Palo Alto residents in 2018, implement a Pilot Workforce Development Program to provide job training, apprenticeships, and job placement services to residents through partnerships with community-based non-profit organizations and private companies. Programs shall include proactive outreach to East Palo Alto residents, and service agreements shall define performance goals and metrics and required deliverables. • Spring 2023: Execute agreements with organizations for an 18-month pilot period to provide job training, job placement services, and support services for at least 80 East Palo Alto residents. Require that service providers provide language access to trainings in Spanish. • Ongoing: Allocate funds upon submittal of quarterly invoices and performance reports; monitor success of meeting performance goals and quantified metrics. • Summer/Fall 2024: At the end of the 18-month pilot period, evaluate the effectiveness of the program to continue the program with modifications and enhancements as deemed appropriate ***Target:*** *Assist at least eighty (80) East Palo Alto residents through the Pilot Workforce Development Program during 2024-2025. Evaluate continuing and expanding the program beyond 2025.*	12/31/2025	6th Cycle	Completed	Pilot Workforce Development Program approved by the City Council in October 2022 with authorization of Measure HH funds and City Manager to enter into agreements with three organizations. In March 2023, after an RFP process, the City awarded three organizations a total of $775,215 in Measure HH funds for a Pilot Workforce Development Program, to serve a total of 80 students in 18 months. In September 2024, the City Council allocated additional funds and extended the Pilot Program to May 2025, to serve an additional 40 students. The City then extended the terms of the programs to December 31, 2025. A consultant was also obtained to evaluate the Pilot Program and recommend program improvements and modifications, as needed, to continue the program beyond the pilot period with Measure HH funds. The program evaluation was completed by June 2025. The City is working on issuing another RFP in early 2026 for workforce development services.	Persons	120	Measure HH Pilot Worforce Development Program reports: https://www.cityofepa.org/econdev/page/measure-hh-pilot-workforce-development-program.
5.1	**Objective:** Adopt policies and programs to address environmental justice issues in the community **Program 5.1:** Update the Environmental Justice Element (Health and Equity) in the City's General Plan to include a comprehensive set of policies and programs and an implementation plan to address environmental justice issues and public outreach, engagement, and transparency; scope of work to include a robust community engagement process is integrated into the preparation of this Element.	12/31/2025	6th Cycle	Completed	Staff, in partnership with Climate Resilient Communities (CRC), conducted three community workshops in May, June, and July 2025 at the East Palo Alto YMCA to engage residents on the draft Environmental Justice Element goal and policy approaches. All the sessions were well attended by local residents and community members. In addition, staff and CRC conducted outreach at the Bloomhouse Farmers Market on three consecutive Wednesdays from August 25 - September 2, 2025, to gather additional feedback from residents and community members on the draft policy appraches for both the Safety and Environmental Justice Elements.	Meetings	6	https://www.cityofepa.org/planning/page/environmental-justice-element-update
5.2	**Objective:** Address water and sewer system constraints to housing production, to the extent they are within the City's control, through targeted capital and governance improvements. **Program 5.2:** Establish and implement a plan to address the San Mateo County Local Agency Formation Commission (SMCLAFCo) Municipal Service Review and to resolve the delays to housing development caused by issues with the East Palo Alto Sanitary District.	12/31/2024	6th Cycle	Completed	The East Palo Alto Sanitary District (EPASD) became a City subsidiary in October 2024. Since becoming a City subsidiary, EPASD has adopted an updated Sewer System Master Plan (Capital Improvement Program) which is being used to update sewer connection fees. These fees are fundamental to will-serve letter issuance. EPASD is actively issuing will-serve letters to development projects.	Other	1	Contact Engineering Staff: Engineering@cityofepa.org

5.3	**Objective:** Address water and sewer system constraints to housing production, to the extent they are within the City's control, through targeted capital and governance improvements. **Program 5.3:** Implement the Water System Master Plan adopted in 2022 and complete the first-phase capital improvements in the plan. Update the Urban Water Management Plan to conform with the Master Plan and ensure adequate water service to parcels identified as developable in the Housing Element Sites Inventory (adequate water supply but water infrastructure upgrades may be needed for certain locations.) *End of 2022: City Council adoption of Water System Master Plan (completed).* *• End of 2023: Complete construction of University Ave. and Cooley Ave. 12-in Water Transmission Main.* *• End of 2023: Complete Pad D Standby Well construction.* *• End of 2025: Purdue Ave. 16-inch transmission main, which includes installation of a new turnout connection to the SFPUC (San Francisco Public Utilities Commission) system to feed the Ravenswood Business District.*	12/31/2025	6th Cycle	Completed	WSMP identified University / Weeks Project, NTP was April 29, 2204 areas of project encompassed University Ave, Weeks St and Cooley Ave. The project included 8,630 feet of 12inc, 10 feet of 8inch, 600 feet of 6 inch, all PVC/C900 with 163 service connections, 13 Fire Hydrants and 48, 12inch gate valves, 3, 8inch gate valves and 5, 6inch gate valves.	Other	1	https://www.cityofepa.org/publicworks/page/capital-improvement-program https://www.cityofepa.org/publicworks/project/16-water-transmission-main-project-purdue-avenue
5.4	**Objective:** Address water and sewer system constraints to housing production, to the extent they are within the City's control, through targeted capital and governance improvements. **Policy 5.4:** Work with water and sewer service providers to adopt a policy that prioritizes water and sewer capacity allocations to affordable housing projects and low-income households in accordance with state law (SB1097). *2023: Coordinate with water and sanitary sewer service providers to adopt policy. Implementation of policy will be dependent on each service provider.*	12/31/2023	6th Cycle	Completed	The City has adequate water supply to meet the projected development demand in long range planning documents, including the Housing Element. The East Palo Alto Sanitary District is a City subsidiary as of October 2024. The EPASD Board adopted a sewer system management plan that prioritizes system improvements and capacity increases based on existing system deficiencies and projected growth, including affordable housing projects.	Other	1	https://www.cityofepa.org/publicworks/page/sanitary-district-frequently-asked-questions
5.5	**Objective:** Minimize new housing in highest-risk areas prone to flooding/sea level rise or due to environmental contamination. **Program 5.5:** Leverage community partnerships to utilize and maintain data and maps wherever possible to monitor areas subject to flooding and identify sites for future development and to comply with Government Code 65302.	12/31/2031	6th Cycle	Continuous	The City received the annual Community Rating System recertification, a voluntary incentive program that recognizes and encourages community floodplain management practices. Certification provides for owners to continue to qualify for discounted flood insurance premium rates. Rate reductions reflect that the community has undertaken efforts to reduce flood risk and fosters comprehensive floodplain management.	Other	1000	Contact Engineering Staff: Engineering@cityofepa.org
5.6	**Objective:** Minimize new housing in highest-risk areas prone to flooding/sea level rise or due to environmental contamination. **Program 5.6:** Develop environmental "overlay" map with most up-to-date data to avoid housing in at-risk areas or with prescribed mitigation measures.	12/31/2023	6th Cycle	Completed	Started in 2023. Working with staff, Placeworks (the EJ Element consultants) mapped Disadvantaged Communities in the City. The mapping was finalized February 2024 and discussed at community workshops on May 23, 2024 and September 26, 2024, and refined appropriatedly with community input.	Other	1	Contact Planning staff at Planning@cityofepa.org

5.7	**Objective:** Expand and establish programs to promote fair housing practices for East Palo Alto residents **Program 5.7:** Implement fair housing and anti-eviction programs using Measure O and other qualifying local revenue sources to fund community-based organizations to provide legal services, financial assistance, case management, referrals, proactive community outreach (social media, workshops, flyers), resource information, and a staff a citizen advocacy committee. The City Council has allocated over $200,000 toward anti-displacement and fair housing programs.	12/31/2024	6th Cycle	Completed	Measure O Anti-Displacement contracts provided financial assistance until 2024. See Policy 4.12 for updates.	Other	1	https://www.cityofepa.org/rent-stabilization/page/rent-stabilization-program
5.8	**Objective:** Expand and establish a program to promote fair housing practices for East Palo Alto residents. **Policy 5.8:** Continue to support agencies such as Project Sentinel, Community Legal Services in East Palo Alto, and Legal Aid at Work that provide consultation and landlord/tenant mediation services for residents.	12/31/2031	6th Cycle	Continuous	City's resources webpage has been updated, and staff continue to provide referrals when inquiries come in. Community Legal Services (CLSEPA) – Assisted 348 households with Legal Representation and/or Legal Advice in Unlawful Detainer (Eviction) cases; 80% of residents who received eviction prevention services remained in their home. Nuestra Casa – Provided case management to 267 cases & created a housing resource guide. Youth United for Community Action (YUCA) – Provided tenant education to 593 residents & held 9 tenant rights workshops. Samaritan House - $91,241 in rental assistance distributed to 49 households	Other	1	https://www.cityofepa.org/rent-stabilization/page/housing-assistance-fair-housing-and-other-resources Outcomes summarized in April 1, 2025 staff report (Item 9.1): https://d3n9y02raazwpg.cloudfront.net/cityofepa/f93e9fcb-ddc8-11ef-a9e2-005056a89546-3408cd31-ecd7-4429-9d91-65986d552499-1743533834.pdf
5.9	**Objective:** Expand and establish programs to promote fair housing practices for East Palo Alto residents. **Policy 5.9:** Prioritize providing fair housing and support services to special needs populations such as extremely low-income households, persons with disabilities, female heads of households, large family households, seniors, at-risk youths, and households at-risk of homelessness. Target proactive public outreach to lower resource neighborhoods such as western and northern areas in East Palo Alto or projects where there is a higher presence of special needs populations based on the fair housing analysis. The City has a goal of providing fair housing and support services for a minimum of 20 special needs individuals or households between 2024 and 2028. *Ongoing: Conduct proactive outreach with targeted outreach to special needs populations. Coordinate with Measure O service providers that are under contract with City to provide anti-displacement services.*	12/31/2031	6th Cycle	Continuous	See Policy 4.11.	Other	1	https://www.cityofepa.org/housing/page/anti-displacement-services-0
5.10	**Objective:** Prioritize flood control, infrastructure, and transportation improvements in lower-resource areas. **Policy 5.10:** Pursue funding and prioritize neighborhoods of concentrated need for future investment, which may include but is not limited to rehabilitation, safe routes to schools, parks, transit, and active transportation. Evaluate the distribution of infrastructure and transportation investment by higher versus lower need areas when updating the Capital Improvement Program (CIP). Assess the needs in lower-resource areas and implement actions to ensure an equitable distribution of investment.	12/31/2031	6th Cycle	In Progress	No reportable actions in 2025.	Other		Contact Engineering Staff: Engineering@cityofepa.org

5.11	**Objective:** Prioritize flood control, infrastructure, and transportation improvements in lower-resource areas. **Policy 5.11:** Support local and regional flood control and infrastructure projects that benefit existing and future residents. Prioritize improvement projects that benefit high need and lower-resource areas as identified in AFFH analysis.	12/31/2031	6th Cycle	In Progress	Ongoing. The City continued to support thr SFJPA on regional flood control and infrastructure projects.	Meetings	10	Contact Engineering Staff: Engineering@cityofepa.org
6.1A	**Objective:** Strengthen monitoring and enforcement of habitability issues. **Policy 6.1A:** Annually review the City's habitability complaints and the Rent Stabilization Ordinance's rules and regulations and forward any recommended changes or updates for enforcing habitability issues to the City's Rent Stabilization Board.	12/31/2031	6th Cycle	Continuous	Rent Stabilization Program conducted a habitability petition presentation to educate tenants about their rights, leading to an increase in petitions submitted to the department. Throughout 2025 Rent Stabilization heard a large consolidated habitability petition which affected 30 apartment homes. Not only was the consolidated petition heard but the individual hearings also took place.	Other	30	Contact Rent Stabilization Program staff at rentprogram@cityofepa.org.
6.1B	**Objective:** Strengthen monitoring and enforcement of habitability issues. **Policy 6.1B:** Continue to use code enforcement to support housing preservation and neighborhood quality and identify housing maintenance issues. Refer property owners with compliance needs to the City's programs for rehabilitation assistance. *• Ongoing: Continue investigating code enforcement inquiries and complaints and, where appropriate, assist homeowners and property owners in making code corrections, repairs, and improvements.* *• Resource implications: Resources for repairs and improvements could be available to eligible homeowners and property owners through the housing rehabilitation program created under Policy 4.3*	12/31/2031	6th Cycle	In Progress	Code Enforcement and Rent Stabilization Program staff continued to collaborate on code enforcement cases. In 2025, Housing staff initated conversations with San Mateo County staff about their potential administration of $125K from the City Coucil for minor home repairs services for low-income seniors. The City Council had approved this funding allocation on March 5, 2024. In 2026, code enforcement staff will direct property owners to this Minor Home Repairs program.	Other	1	March 5, 2024 City Council meeting (Item 9.2): www.cityofepa.granicus.com/player/clip/70?view_id=1&redirect=true February 3, 2026 staff report (Item 3.3): https://d3n9y02raazwpg.cloudfront.net/cityofepa/b132ed89-d239-11f0-bb28-005056a89546-3408cd31-ecd7-4429-9d91-65986d552499-1769561568.pdf https://www.cityofepa.org/housing/page/home-repairs
6.2	**Objective:** Incorporate amenities into multifamily housing that support households with children. **Policy 6.2:** Determine the most effective means of incentivizing or requiring childcare facilities in new affordable housing developments and commercial developments.	12/31/2024	6th Cycle	Completed	The RBD Specific Plan adopted in December 2024 includes childcare centers as a permissible use and could be proposed as a community benefit by a developer to receive additional development capacity or fIloor area ratio (FAR).	Other	1	https://www.cityofepa.org/planning/page/ravenswood4-corners-specific-plan-adopted-12172024
6.3	**Objection**: Improve energy conservation and reduce the carbon footprint of residential buildings. **Program 6.3:** Implement the East Palo Alto Reach Codes, which became effective in January 2021 and apply to all new construction and substantial rehabilitations and additions; continue to explore expanding building electrification requirements and support incentive programs for retrofitting existing buildings *Spring 2023: Present recommendation to City Council to adopt amendments to Reach Code.* *• Ongoing: Continue to educate developers and property owners on Reach Code requirements and review building permits for compliance of Reach Code regulations.*	12/31/2024	6th Cycle	Completed	The EPA Reach Code was updated in 2023. City Council meetings were held on June 4, 2024 and June 18, 2024.	Meetings	2	June 4, 2024 City Council meeting (Item 8.1) https://d3n9y02raazwpg.cloudfront.net/cityofepa/01b86809-d802-11ee-98bb-0050569183fa-3408cd31-ecd7-4429-9d91-65986d552499-1717547219.pdf June 18, 2024 City Council adoption (Item 3.3): https://d3n9y02raazwpg.cloudfront.net/cityofepa/483462f6-d802-11ee-98bb-0050569183fa-3408cd31-ecd7-4429-9d91-65986d552499-1718238341.pdf
6.4	**Objective**: Improve earthquake readiness and resilience. **Program 6.4:** Complete and implement the recently updated Multi-Jurisdictional Local Hazard Mitigation Plan. *• Ongoing staff work program.*	12/31/2031	6th Cycle	Continuous	The most recent LHMP was updated in October 2021 as part of a multijurisdictional process.	Other		https://www.ci.east-palo-alto.ca.us/econdev/page/local-hazard-mitigation-plan

6.5	**Objective:** Improve earthquake readiness and resilience. **Program 6.5:** Update the City's Safety Element to address earthquakes, flooding, and other natural and manmade hazards; consider policies such as studying the inventory of the soft-story housing stock and establishing a seismic retrofit program to address these buildings; establishing a program for remediation of lead-based paint in older residential buildings; and incorporating targeted outreach to vulnerable and special needs populations to ensure their needs are well-addressed. *2024 Completion: Coordinated effort through 21 Elements with participation of multiple cities in San Mateo County. Begin community engagement in Summer 2023 and coordinate with update of Environmental Justice Element. • Resource implications: Obtain budget allocation from City Council to fund City's share of consultant contract in Spring 2023.*	12/31/2031	6th Cycle	Completed	A bilingual multijurisdictional virtual community workshop was hosted in May 2025 to review the vulnerability assessment findings and provide feedback on the draft resilience strategies. Staff and CRC conducted outreach at the Bloomhouse Farmers Market on three consecutive Wednesdays from August 25 - September 2, 2025, to gather additional feedback from residents and community members on the draft policy appraches for both the Safety and Environmental Justice Elements.	Meetings	5	Planning Staff has been working with the project consultant PlaceWorks making edits to the administrative draft of the Safety Element. Staff is anticipating a public draft will be released in mid Quarter 1 of 2026 for public review period
6.6	**Objective:** Ensure implementation and enforcement of flood protection and prevention measures. **Policy 6.6:** Continue to disseminate information through onsite resources and workshops to homeowners, property owners, and developers on FEMA, state, and local regulations on floodplain construction and management practices.	12/31/2031	6th Cycle	Continuous	Ongoing. The City maintains an updated website with storm information and flood preparation resources. Storm preparation guides were sent out via citywide newsletter with updates before and during each major storm. The City coordinated with developers on meeting floodplain construction requirements which exceed FEMA's baseline CRS requirements. Resources are mailed out to homeowners affected and an infomational item was presented at a public	Other		Contact Public Works staff at Engineering@cityofepa.org
6.7	**Objective:** Ensure implementation and enforcement of flood protection and prevention measures. **Policy 6.7**: Continue to participate in FEMA's Community Rating System Program to ensure that new housing development complies with floodplain construction standards with submission of required certifications.	12/31/2031	6th Cycle	Continuous	Ongoing. The City continues to submit its CRS report to FEMA and received approval. Where applicable, building permits are reviewed for compliance with floodplain requirements.	Other		Contact Public Works staff at Engineering@cityofepa.org
7.1	**Objective:** Incorporate special housing needs into City-supported future affordable housing developments. **Policy 7.1**: For affordable housing projects located near high-quality transit, on City-owned land, with City subsidy, or where otherwise legally defensible, require developers of affordable housing to demonstrate how they will serve people with disabilities in the development. *• Upon the next appropriate affordable housing development:* *o Require a minimum percentage of Acutely Low-Income and Extremely Low-Income units with varying bedroom counts to serve the housing needs of special needs populations.* *o Require developers to affirmatively market accessible units to disability-serving organizations in San Mateo County (i.e., Golden Gate Regional Center, Housing Choices Coalition for Person with Developmental Disabilities, Center for Independence of Individuals with Disabilities, the Mental Health Alliance, and others).* *o Encourage developers to coordinate onsite supportive services funded by the Golden Gate Regional Center.* *• By 2031, reach 40 new Extremely Low-Income (ELI) units for residents with developmental disabilities.*	12/31/2031	6th Cycle	In Progress	New developments like Four Corners Townhome and Mixed-Use include ADA parking spaces. The two mentioned projects are scheduled on February 9, 2026 for Planning Commission review.	Meetings		Contact Planning staff at Planning@cityofepa.org

7.2	**Objective:** Provide housing solutions for unhoused residents in East Palo Alto. **Program 7.2:** Finalize the Master Temporary Use Permit (MTUP) process for the temporary housing program rollout that includes City coverage of permit fees to provide housing for individuals experiencing homelessness in the community. *• Council authorized this program in December 2022.* *• First Quarter 2023: Create page on City website for potential applicants with contact information and supplemental TUP application. (Completed in 2022)* *• First Quarter 2023: Authorize staff to use housing funds (from Transient Occupancy Tax) to cover permit fees and additional City expenses for Master TUP for temporary housing (Completed Dec. 2022)* *• First quarter 2023: Reach out to faith communities in East Palo Alto to raise awareness of the Master TUP and encourage applications.* *• End of 2024: Assist at least 10 RVs through Master TUP program. • Resource implications: Housing and Planning staff time; an additional appropriation of $60,000 in Transient Occupancy Tax revenue to fund permit fees and cover additional City expenses for Master TUP applications, up to a maximum of $15,000 per application.*	12/31/2024	6th Cycle	Completed	Process finalized and published on City website in 2023. City is still seeking applications for MTUP process.	Other	1	https://www.ci.east-palo-alto.ca.us/planning/page/master-tup-temporary-shelters
7.3	**Objective:** Provide housing solutions for unhoused residents in East Palo Alto. **Program 7.3:** Evaluate lessons learned and options for longer-term, holistic solutions to RVs parked in public right of way with the conclusion of the RV Safe Parking Program. *• Ongoing: Continue monthly meetings with City staff, County of San Mateo, and Life Moves and Project WeHOPE to assess options for RVs parked in the public right of way in the coming year, with a view towards concluding the RV Safe Parking Program in April 2023.* *• Early 2024: Work with Project WeHOPE to report on the successes and lessons learned from the RV Safe Parking Program from 2019-2023. Make recommendations to the City Council.*	12/31/2024	6th Cycle	Completed	Completed in 2023. The City's RV Safe Parking Program closed in October 2023, and staff providing a final report with lessons learned in the November 31, 2023 staff report.	Other	1	November 31, 2023 staff report: https://cityofepa.granicus.com/player/clip/46?view_id=1&meta_id=3434&redirect=true
7.4	**Objective:** Provide housing solutions for unhoused residents in East Palo Alto. **Program 7.4:** Research all available public funding sources to address homelessness and consider City investment of funds for homeless outreach, case management and supportive housing to supplement the countywide system. *• Ongoing: research and report to City Council on funding opportunities that can support the City's homelessness response.*	12/31/2024	6th Cycle	Completed	The City was rejected for the Encampment Resolution Funding Grant ERF-3 in August 2024.	Other	1	Contact Housing staff at Housing@cityofepa.org
7.5	**Objective:** Provide housing solutions for unhoused residents in East Palo Alto. **Policy 7.5:** Pursue expansion of support programs for unhoused residents by establishing partnerships with other public agencies, private corporations and foundations, and non-profit service providers. *• 2023 and Ongoing: Continue to seek opportunities for partnerships and financial assistance.*	12/31/2031	6th Cycle	Continuous	Ongoing. The City continues to meet on a monthly basis with the County of San Mateo and core service providers to address homelessness and encampments in the City.	Other	1	Contact Housing staff at Housing@cityofepa.org

7.6	**Objective:** Provide housing solutions for unhoused residents in East Palo Alto. **Policy 7.6:** Continue to support the low barrier navigation center and emergency shelter operated by WeHope, a community-based non-profit organization, which provides an interim shelter and supportive services for unhoused individuals. Accommodate the special needs of at-risk youths, households with children, and persons with disabilities. *• Ongoing: Continue support to WeHope to operate low barrier navigation center and emergency shelter. • 2026: Explore opportunities to establish a facility that can cater to special needs populations.*	12/31/2031	6th Cycle	Completed	On March 18, 2025, Council adopted the Development Code Amendment to include low barrier navigation centers are permitted by right to be consistent with AB101.	Meetings	1	https://d3n9y02raazwpg.cloudfront.net/cityofepa/7db5dc18-ddc8-11ef-a9e2-005056a89546-3408cd31-ecd7-4429-9d91-65986d552499-1742328563.pdf
7.7	**Objective:** Reduce overcrowding and unsafe housing conditions related to housing affordability in East Palo Alto. **Policy 7.7:** Develop options for incentivizing deeply affordable housing units that serve larger household sizes, such as allowing additional density or other relaxed or flexible zoning regulations.	12/31/2024	6th Cycle	In Progress	The City is implementing State Density Bonus Law and updated development code that provide additional incentives.	Other	1	Contact Planning staff at Planning@cityofepa.org
7.8	**Objective:** Reduce overcrowding and unsafe housing conditions related to housing affordability in East Palo Alto. **Policy 7.8:** Continue to require residential projects to include Extremely Low-Income housing units through the City's Inclusionary Housing Program and encourage production of deed-restricted ADUs serving Extremely Low and Very Low-Income households as an Inclusionary Housing Alternative Compliance option instead of paying in-lieu fees for fractional units.	12/31/2031	6th Cycle	Continuous	Ongoing. Housing staff continues to encourage production of deed-restrcited ADUs serving ELI and VLI households as Alternative Compliance Options for Inclusionary Housing requirements.	Other	1	https://www.cityofepa.org/housing/page/inclusionary-housing
8.1	**Objective:** Make the City website, social media, and newsletter a reliable source of housing information and make parallel efforts to reach residents through mailers and in-person meetings. **Program 8.1:** Improve and maintain the Housing website as a primary means of communicating the City's efforts around housing. Expand proactive measures to inform homeowners, landlords, and tenants about available local and County housing resources and supportive services.	12/31/2031	6th Cycle	Continuous	Ongoing. Housing staff continues to update and maintain the Housing website, and find other means to communicate with homeowners, landlords and tenants, including mailers, City newsletter, and social media updates.	Other	1	https://www.cityofepa.org/housing
8.3	**Objective:** Incorporate language accessibility/language justice into City materials and meetings. **Policy 8.3:** Provide translation of materials and interpretation of City Council, Planning Commission, Rent Stabilization, and other City meetings in alignment with City's Language Policy.	12/31/2031	6th Cycle	Continuous	Ongoing. City provides Spanish interpretation services at City Council and Rent Stabilization meetings, and at Planning Commission meetings as requested.	Other	1	https://www.ci.east-palo-alto.ca.us/rent-stabilization/page/rent-stabilization-program
9.1	**Objective:** Maintain sufficient Housing Division staff to implement Housing Element programs. **Policy 9.1:** Regularly assess the level of staffing or contract assistance to ensure that sufficient staffing is committed to implementing the policies and programs in this Affordable Housing Strategy in a timely manner. *• Ongoing: Annual review staffing and contract needs during the budget process based on Housing Element work program for the following fiscal year and include sufficient funds in Community Economic Development Department budget, • Resource implications: Budget for necessary staff and contract costs.*	12/31/2031	6th Cycle	Continuous	The City entered into a contract in 2024 with HEART for staff augmentation hours as needed. The contract will continue through January 2027. The City also hired a Temporary Housing Specialist to add Housing support in FY 25-26.	Other	1	Contact Housing staff at housing@cityofepa.org

9.2	**Objective:** Seek efficiencies and collaborative staffing and resource opportunities to simultaneously implement the Housing Element programs and other Housing Division responsibilities. **Program 9.2:** Join with other cities in San Mateo County to share housing staff to support longer-term housing initiatives and programs. Along with other San Mateo County communities, access the services of the HEART of San Mateo County's new Housing Consulting Services program, so as to access additional housing expertise and staffing.	12/31/2024	6th Cycle	Completed	Worked with HEART of San Mateo County's Housing Consulting Services to conduct City's 2024-2028 Affordable Housing Strategy Update. Entered into three year agreement from 2023-2026 for services.	Other	1	https://21elements.org/wp-content/uploads/2023/12/Q-A-Share-Housing-Staff-.pdf
9.3	**Objective:** Work in close collaboration with the Planning Division to more efficiently achieve both divisions' goals and workplan items. **Program 9.3:** Collaboratively update the City's Development Code to align Planning and Housing objectives, with an emphasis of resolving inconsistencies and ensuring consistency with the City's General Plan. *• End of 2023: Begin Development Code updates. • End of 2025: Complete Development Code updates (amendments may be phased) • Resource implications: Funds available in the existing contract with 21 Elements but may require an additional appropriation by the City Council or other grant sources.*	12/31/2025	6th Cycle	Completed	Along with approval of the RBD Specific Plan update in December 2024, General Plan and Development Code updates were concurrently enacted to ensure internal consistency between the General Plan, Specific Plan, and zoning regulations.	Other	1	https://www.cityofepa.org/planning/page/adopted-general-plan-development-code
9.4	**Objective:** Seek financing sources for affordable housing construction and preservation. **Policy 9.4**: As Notices of Funding Availability (NOFA) are issued (typically annually), proactively work with the City's grant coordinator to selectively apply for regional, state, and federal grants to finance qualifying affordable housing projects and to fund East Palo Alto housing programs, such as housing rehabilitation program and first-time homebuyers' program *• Ongoing: Annually survey available funding programs and NOFAs and agency announcements.*	12/31/2031	6th Cycle	Continuous	In 2023, Housing staff researched potential regional, state and federal funding sources for affordable housing, and established a plan for applying to local County funding sources. In 2025, the City did not apply for additional funding due to a reduction in state funding.	Other		Contact Housing staff at housing@cityofepa.org
9.5	**Objective:** Monitor Housing Element Implementation Plan **Policy 9.5:** Review the Housing Element's Sites Inventory annually to assess progress in achieving the City's RHNA affordable housing allocation and as needed, identify additional sites or adjusting development policies, programs, and priorities. *• Ongoing: Evaluate during preparation of Annual Progress Report for Housing Element.*	12/31/2031	6th Cycle	Continuous	Ongoing. The Planning Commission and City Council annually review RHNA progress and effectiveness during the Housing Element Update process in February/March.	Meetings	2	March 10, 2025 Planning Commission Meeting: https://d3n9y02raazwpg.cloudfront.net/cityofepa/367916c9-d2d3-11ef-a9e2-005056a89546-29a637e7-42e3-4737-b76d-b5307e52bbc0-1741307261.pdf ; March 18, 2025 City Council meeting: https://d3n9y02raazwpg.cloudfront.net/cityofepa/7db5dc18-ddc8-11ef-a9e2-005056a89546-3408cd31-ecd7-4429-9d91-65986d552499-1742328563.pdf
9.6	**Objective:** Monitor the Inclusionary Housing Ordinance **Program 9.6:** Evaluate the effectiveness of the Inclusionary Housing Ordinance (IHO) in producing affordable units and the financial impact of the inclusionary requirements and Alternative Compliance Options on residential development. Evaluate the effect of changing economic, development, and financing conditions and the cumulative financial impact of development impact fees and exactions. Following completion of the evaluation, amend the IHO to reduce constraints within six months if necessary. Continue to assess the financial impact of the IHO on individual projects and implement further measures to reduce the barriers to housing production and achieve the City's RHNA if needed.	12/31/2031	6th Cycle	Continuous	On July 18, 2023, City Council adopted an amendment to in-lieu fees calculation methodology including using the Construction Cost Index for change in rental in-lieu fees, and a 3-year average of interest rates for the ownership in-lieu fees to reduce volatility. City has started and will complete a nexus study and financial feasbility analysis in 2024 to update the City's development impact fees. As part of the financial feasibility analysis, the inclusionary housing requirements in the IHO will be included along with other development fees and exactions	Other		https://www.cityofepa.org/finance/page/comprehensive-fee-schedule

10.1	**Objective:** Require replacement housing to be provided for applicable housing developments. **Policy 10.1:** For applicable development projects that will be removing residential units, a replacement housing program for lower-income households in accordance with State requirements (Government Code 65583.2(g)).	12/31/2025	6th Cycle	Continuous	Ongoing. Planning staff continue to work with applicants to ensure compliance.	Units	160	
10.2	**Objective:** Update zoning and development standards as needed for Emergency Shelters. **Program 10.2:** Emergency Shelters - Evaluate current sites, development standards, and approval process and amend the Development Code to comply with Assembly Bill 2339 and other applicable state laws. Amend the Development Code to address zoning requirements, update the definition of emergency shelters, ensure sufficient capacity for emergency shelters in zones with proximity to transportation and homelessness services, establish objective development standards, and comply with all other requirements of AB 2339.	2/18/2024	6th Cycle	Completed	Consistent with the requirements of AB 2339, Emergency Shelters have been included as a by right use in the Industrial Transition zone in the RBD/4 Corners Specific Plan which was aopted by Council in December 2024. Additionally, a zoning amendment to allow Emergency Shelters in commercial zoning districts was approved by Council on February 18, 2025.	Meetings	1	https://d3n9y02raazwpg.cloudfront.net/cityofepa/0daf4fce-da78-11ef-a9e2-005056a89546-3408cd31-ecd7-4429-9d91-65986d552499-1739911836.pdf
10.3	**Objective:** Update zoning as needed for By-Right Permanent Supportive Housing. **Program 10.3:** Update zoning to so that Permanent Supportive Housing would be allowed by-right in residential and mixed-use zoning districts, as required by the State (Government Code 65651).	2/18/2024	6th Cycle	Completed	Zoning amendment to allow supportive housing and transitional housing started in 2024 and was approved by Council on February 18, 2025	Meetings	1	https://d3n9y02raazwpg.cloudfront.net/cityofepa/0daf4fce-da78-11ef-a9e2-005056a89546-3408cd31-ecd7-4429-9d91-65986d552499-1739911836.pdf
10.4	**Objective:** Update zoning and development standards to comply with state laws. **Program 10.4:** Update zoning and the definition of a "housekeeping unit" to comply with the state Employee Housing Act and adopt a "barrier-free" definition that does not subject persons with disabilities to special regulations.	12/31/2024	6th Cycle	Not Yet Started	No reportable actions in 2025.	Other		Contact Planning staff at Planning@cityofepa.org
10.5	**Objective:** Update zoning and development standards to comply with state laws. **Program 10.5:** Amend the ADU ordinance to comply with State law, pending formal comment from HCD. Further actions include programs and policies to facilitate construction of ADUs (refer to Policies/Programs 1.7 to 1.14 for specifics). Consider additional measures to remove zoning impediments such as relaxing side and rear yard setback and open space standards and facilitating conversion of unpermitted accessory structures to ADUs. The City has a goal of approving at least 72 ADUs between 2024 and 2028.	12/31/2024	6th Cycle	Completed	This effort started in 2023 with the drafting the ADU objective architectural compatibility standards to provide clear design guidelines to better facilitate the constructions of ADU. The standards were adopted in Feb 2024. Beginning in 2025, new and converted ADUs under 800 sqft are now submitted through the building permit process as part of the streamlined ADU process.	Other	1	https://www.cityofepa.org/planning/page/accessory-dwelling-units-adus
10.6	**Objective:** Update zoning as needed for residential care facilities and group homes (7+). **Program 10.6:** Update zoning regulations for residential care facilities and group homes (7+) to comply with state law and to reduce barriers for establishing facilities for special needs populations such as persons with disabilities, including revising existing spacing constraints.	12/31/2024	6th Cycle	Completed	Work on zoning amendment to facilitate the approval of both small and large Residential Care Facilities started in 2024 and was approved by Council on March 18, 2025. Supportive housing is also included in the amendments as a by right use in any zone where residential uses are allowed under the same provisions that apply to all residential development.	Meetings	1	https://d3n9y02raazwpg.cloudfront.net/cityofepa/0daf4fce-da78-11ef-a9e2-005056a89546-3408cd31-ecd7-4429-9d91-65986d552499-1739911836.pdf

10.7	**Objective:** Update other zoning ordinance regulations to comply with latest state law and reduce impediments for residential development. **Program 10.7:** Review zoning ordinance regulations for compliance with the current state laws and reduce development impediments or provide incentives such as standards pertaining to parking, open space, density bonuses, and objective design standards. Implement Policies/Programs 1.1 to 1.6, 1.18. 1.20, 1.21 and 1.25 for a comprehensive multi-prone approach to reduce regulatory constraints, improve development processing, create incentives for housing development, and reduce, mitigate, and not constrain housing supply, cost, and ability to achieve maximum densities.	2/18/2025	6th Cycle	Completed	Sarted in 2023. The ADU Ordinance amendment reduced the open space requirement and allowed the City's adopted ADU ordinance to be compliant with the current state laws. The update also introduced the Preliminiary Ministerial Review (PMR) Clearance for the streamlined project process. Additional amendments are being proposed to reconcile the city's development code with state legislation with respecct to ADU provisions for multi-family dwellings, approved by Coucil on March 18, 2025. In 2025, ADUs less than 800 sqft submit directly as a building permit.	Meetings	1	https://d3n9y02raazwpg.cloudfront.net/cityofepa/0daf4fce-da78-11ef-a9e2-005056a89546-3408cd31-ecd7-4429-9d91-65986d552499-1739911836.pdf
10.8	**Objective:** Adopt update to Ravenswood Business District/4 Corners Specific Plan to include residential uses at designated locations. **Program 10.8:** Adopt an update to RBD Specific Plan to allow residential and mixed-use development at designated locations in the plan area and address provisions as noted in other Housing Element and Affordable Housing Strategy policies/programs. Concurrently, rezone parcels for residential and mixed-use development. Additionally, establish by-right approval, minimum residential densities, objective design standards, minimum residential requirements for mixed use zoning, reduce parking set flexible open space standards for affordable housing, create a transportation demand management (TDM) program, streamline subdivision approvals, and undertake other re-zoning efforts to reduce development constraints and create incentives for developments catering to special needs populations. Further, the City will resolve inconsistencies between the General Plan and current Specific Plan, (See related Policy 1.21). The City's goal is to zone sites and define minimum densities and objective design standards to accommodate 1,350 to 1,600 housing units within the Specific Plan area.	12/31/2024	6th Cycle	Completed	The RBD Specific Plan was adopted in December 2024 and incorproates many of the measures in this Housing Element program, such as: rezoning parcels for residential and mixed-use development to allow up to 1,600 new residential units, establishing minimum residential densities; settng maximum parking standards; creating a RBD transporatation managemenrt associationn to overall TDM programs and compliance with the City's TDM ordinance; addressing development constraints for residential development; incentivizing the development of affordable housing over and above current IHO and commercial linkage fee requirements; and incentivizing providng housing units for special needs populations. The Specific Plan also plans for neighborhood retail uses, parks, multi-modal mobility improvements, and community and recreation facilities to serve future residents and workers. Along with adoption of the Specific Plan, General Plan and Development Code amendments were concurently enacted to resolve inconsistencies.	Other	1	https://www.cityofepa.org/planning/page/adopted-specific-plans
10.9	**Objective:** Facilitate single-room occupancy (SRO) and transitional supportive housing. **Program 10.9:** Develop procedures and review zoning regulations with the objective of encouraging and facilitating the development of SRO projects and transitional supportive housing at suitable locations. The City's goal is to streamline zoning regulations as needed, identify potential funding, and reach out to developers (e.g., through a request for proposals or qualifications) to construct an SRO or supportive housing project on a suitable site in the City with convenient transit service.	2/18/2025	6th Cycle	Completed	Work on this policy has begun with a zoning amendment to facilitate supportive and transitional housing by making them a use by right in any zone that allows residential uses, and to subject them to the same regulations as other residential uses. The amendment was approved by Council on March 18, 2025. Other efforts, including the identification of funding sources and outreach to developers will begin after the adoption of the amendment.	Meetings	1	https://d3n9y02raazwpg.cloudfront.net/cityofepa/0daf4fce-da78-11ef-a9e2-005056a89546-3408cd31-ecd7-4429-9d91-65986d552499-1739911836.pdf
10.10.	**Objective:** Ensure General Plan and zoning consistency. **Policy 10.10:** During the 6 th cycle Housing Element, ensure that the General Plan land use designation and zoning are consistent for all properties included in the City's RHNA Sites Inventory. *• Ongoing: As development projects are reviewed, process any General Plan or zoning amendments as necessary to achieve consistency.*	12/31/2031	6th Cycle	Completed	The Ravenswood Business District/4 Corners Specific Plan was approved on December 17, 2024 to ensure consistency.	Other	1	https://www.cityofepa.org/planning/page/ravenswood4-corners-specific-plan-adopted-12172024

Jurisdiction	East Palo Alto
Reporting Year	2025 (Jan. 1 - Dec. 31)
Planning Period	6th Cycle 01/31/2023 - 01/31/2031

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

Table A
Housing Development Applications Submitted

Project Identifier					Unit Types		Date Application Submitted	Proposed Units - Affordability by Household Incomes										Total Approved Units by Project	Total Disapproved Units by Project	Streamlining	Historic Sites	Density Bonus Law Applications		Application Status	Project Type	Notes
1					2	3	4	5										6	7	8	9	10	11		12	13	14
Prior APN+	Current APN	Street Address	Project Name+	Local Jurisdiction Tracking ID	Unit Category (SFA,SFD,2 to 4,5+,ADU,MH)	Tenure R=Renter O=Owner	Date Application Submitted (see instructions)	Acutely Low-Income Deed Restricted	Acutely Low-Income Non Deed Restricted	Extremely Low-Income Deed Restricted	Extremely Low-Income Non Deed Restricted	Very Low-Income Deed Restricted	Very Low-Income Non Deed Restricted	Low-Income Deed Restricted	Low-Income Non Deed Restricted	Moderate-Income Deed Restricted	Moderate-Income Non Deed Restricted	Above Moderate-Income	Total PROPOSED Units by Project	Total APPROVED Units by project	Total DISAPPROVED Units by Project	Please select state streamlining provision/s the application was submitted pursuant to.	Is this project located on a site with an associated historical designation as outlined in Government Code Section 65400(a)(2)(N) and reported on Table L?	Did the housing development application seek incentives or concessions pursuant to Government Code section 65915?	Were incentives or concessions requested pursuant to Government Code section 65915 approved?	Please indicate the status of the application.	Is the project considered a ministerial project or discretionary project?	Notes+
Summary Row: Start Data Entry Below								0	0	0	0	0	0	103	0	11	0	286	400	87	29						
																0	0		0	0							
63345100	63345100	1017 BEECH ST	1017 BEECH ST	BLD2025-0087	ADU	R	6/6/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Pending	Ministerial	TO CLEAR A VALUATION:
63264160	63264160	1065 RUNNYMEDE ST	1065 RUNNYMEDE ST	BLD2025-0162	ADU	R	11/24/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Pending	Ministerial	DETACHED ADU, 1000 SQ
63533120	63533120	111 WISTERIA DR	111 WISTERIA DR	BLD2025-0128	ADU	R	9/4/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Pending	Ministerial	TO CLEAR A VIOLATION: M
62123300	62123300	1182 WESTMINSTER AVE	1182 WESTMINSTER AVE	BLD2025-0130	ADU	R	9/11/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Pending	Ministerial	EXPANSION OF BEDROOM
63561280	63561280	120 ABELIA WAY	120 ABELIA WAY	PMR25-002	ADU	R	1/23/2025	0	0	0	0	0	0	0	0	0	0	1	1	1	0	NONE	No	No	N/A	Approved	Ministerial	NEW DETACHED ADU
62116080	62116080	1219 JERVIS AVE	1219 JERVIS AVE	BLD2025-0145	ADU	R	10/13/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Pending	Ministerial	(N) 792 SQ FT ADU ABOVE
62117030	62117030	1257 LAUREL AVE	1257 LAUREL AVE	BLD2025-0042	ADU	R	4/3/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Pending	Ministerial	(N) 310 SQ FT DETACHED
62115050	62115050	1269 WESTMINSTER AVE	1269 WESTMINSTER AVE	PMR25-005	ADU	R	3/4/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Disapproved	Ministerial	NEW DETACHED ADU
63522090	63522090	1363 CAMELLIA DR	1363 CAMELLIA DR	BLD2025-0028	ADU	R	3/4/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Pending	Ministerial	CONVERSION OF (E) 347 S
63522070	63522070	1371 CAMELLIA DR	1371 CAMELLIA DR	PMR25-001	ADU	R	1/9/2025	0	0	0	0	0	0	0	0	0	0	1	1	1	0	NONE	No	No	N/A	Approved	Ministerial	NEW ADU
63562070	63562070	139 ABELIA WAY	139 ABELIA WAY	BLD2025-0091	ADU	R	6/17/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Pending	Ministerial	CONSTRUCT A (N) 2B2B 1
63551410	63551410	160 GARDENIA WAY	160 GARDENIA WAY	BLD2025-0040	ADU	R	3/27/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Pending	Ministerial	ADD DETACHED ADU OF 5
63481070	63481070	1637 WOODLAND AVE	1637 WOODLAND AVE	BLD2025-0027	ADU	R	3/3/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Pending	Ministerial	(N) DETACHED ADU WITH
63515230	63515230	1785 WOODLAND AVE	1785 WOODLAND AVE	AA25-019	ADU	R	12/23/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Disapproved	Ministerial	VOID
63562300	63562300	2 CAMELLIA CT	2 CAMELLIA CT	BLD2025-0095	ADU	R	6/23/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Pending	Ministerial	DETACHED 616 SQ FT ADI
63363430	63363430	2178 COOLEY AVE	2178 COOLEY AVE	BLD2025-0012	ADU	R	1/30/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Pending	Ministerial	TO CLEAR A VIOLATION: L
63363350	63363350	2195 CLARKE AVE	2195 CLARKE AVE	BLD2025-0184	ADU	R	12/31/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Pending	Ministerial	(N) PRIMARY BEDROOM &
63182050	63182050	2216 DUMBARTON AVE	2216 DUMBARTON AVE	BLD2025-0092	ADU	R	6/17/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Pending	Ministerial	CONVERT DETACHED GAI
63302420	63302420	2230 EUCLID AVE	2230 EUCLID AVE	BLD2025-0066	ADU	R	5/13/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Pending	Ministerial	TO CLEAR A VIOLATION: L
63191020	63191020	2260 DUMBARTON AVE	2260 DUMBARTON AVE	PMR25-008	ADU	R	4/14/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Disapproved	Ministerial	THE CONSTRUCTION OF A
63195110	63195110	2275 GLEN WAY	2275 GLEN WAY	BLD2025-0104	ADU	R	7/11/2025	0	0	0	0	0	0	0	0	0	0	1	1	1	0	NONE	No	No	N/A	Approved	Ministerial	CONVERT EXISTING DETA
62132140	62132140	2329 POPLAR AVE	2329 POPLAR AVE	BLD2025-0141	ADU	R	10/1/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Pending	Ministerial	CONVERTIG (E) 427SQ FT
63341320	63341320	2335 CONNOLLY WAY	2335 CONNOLLY WAY	BLD2025-0152	ADU	R	10/30/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Pending	Ministerial	(N) 721 SQ FT ADU ON SE
63114020	63114020	2496 ILLINOIS ST	2496 ILLINOIS ST	BLD2025-0067	ADU	R	5/13/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Pending	Ministerial	(N) 999 SQ FT DETACHED
63561060	63561060	3 DAPHNE CT	3 DAPHNE CT	PMR25-016	ADU	R	6/12/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Withdrawn	Ministerial	JADU GARAGE CONVERSI
63414110	63414110	323 WISTERIA DR	323 WISTERIA DR	BLD2025-0070	ADU	R	5/14/2025	0	0	0	0	0	0	0	0	0	0	1	1	1	0	NONE	No	No	N/A	Approved	Ministerial	NEW SINGLE STORY DET/
63404070	63404070	355 AZALIA DR	355 AZALIA DR	BLD2025-0090	ADU	R	6/17/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Withdrawn	Ministerial	TO CLEAR A VIOLATION: L
63413040	63413040	365 LARKSPUR DR	365 LARKSPUR DR	BLD2025-0021	ADU	R	2/14/2025	0	0	0	0	0	0	0	0	0	0	1	1	1	0	NONE	No	No	N/A	Approved	Ministerial	(N) 850 SQ FT DETACHED
63197010	63197010	401 RUNNYMEDE ST	401 RUNNYMEDE ST	BLD2025-0076	ADU	R	5/19/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Pending	Ministerial	TO CLEAR A VIOLATION: C
63202220	63202220	511 SACRAMENTO ST	511 SACRAMENTO ST	BLD2025-0026	ADU	R	2/27/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Pending	Ministerial	DETACH ADU; NEW DETAC
63302280	63302280	575 BELL ST	575 BELL ST	BLD2025-0160	ADU	R	11/18/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Pending	Ministerial	LEGALIZE DETACHED RES
63362670	63362670	871 BELL ST	871 BELL ST	BLD2025-0054	ADU	R	4/29/2025	0	0	0	0	0	0	0	0	0	0	1	1	1	0	NONE	No	No	N/A	Approved	Ministerial	ADU AT REAR OF PROPEF
63221210	63221210	871 WEEKS ST	871 WEEKS ST	BLD2025-0046	ADU	R	4/23/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Pending	Ministerial	TO CLEAR A VIOLATION:C
63363250	63363250	898 BELL ST	898 BELL ST	BLD2025-0007	ADU	R	1/15/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Pending	Ministerial	CONSTRUCTION OF 2 (N)
63344070	63344070	998 GARDEN ST	998 GARDEN ST	BLD2025-0185	ADU	R	12/31/2025	0	0	0	0	0	0	0	0	0	0	1	1	0	1	NONE	No	No	N/A	Pending	Ministerial	REBUILD (N) ONE STORY
63373110	63373110	812 GREEN ST	DR19-020/TTM19-002	SFD	O	7/18/2019	0	0	0	0	0	0	0	0	0	0	4	4	4	0	NONE	No	No	N/A	Approved	Discretionary	5 LOT SUBDIVISION WITH
63344070	63344070	998 GARDEN ST	998 GARDEN ST	BLD2025-0185	SFD	O	12/31/2025	0	0	0	0	0	0	0	0	0	0	1	1	1	0	NONE	No	No	N/A	Approved	Discretionary	REBUILD (N) ONE STORY
62115050	62115050	1269 WESTMINSTER AVE	1269 WESTMINSTER AVE	ADR25-010	SFD	O	2/28/2025	0	0	0	0	0	0	0	0	0	0	1	1	1	0	NONE	No	No	N/A	Approved	Discretionary	ONE NEW SFR ON VACAN
63262080	63262080	1010 RUNNYMEDE	1010 RUNNYMEDE	DR25-011/TTM25-002	5+	O	11/25/2025	0	0	0	0	0	0	0	0	0	0	10	10			NONE	No	Yes	N/A	Pending	Discretionary	10 LOT SUBDIVISION; SEE
63221240	63221240	851 WEEKS	851 WEEKS	BLD2025-0144	MH	R	10/13/2025	0	0	0	0	0	0	78	0	0	0	1	79	79	0	NONE	No	Yes	Yes	Approved	Ministerial	SB 35 (N) 5 STORY 79 UNI
63111250	63111250	1675 BAY	871 WEEKS ST	DR25-004	SFA	O	5/23/2025	0	0	0	0	0	0	0	0	11	0	95	106	0	0	NONE	No	Yes	N/A	Pending	Discretionary	SB330 AB130 - 106 UNIT A
63111250	63111250	1675 BAY	898 BELL ST	DR25-007	MH	R	5/27/2025	0	0	0	0	0	0	25	0	0	0	143	168	0	0	NONE	No	Yes	N/A	Pending	Discretionary	SB330 AB130 - 168 UNIT M

General Plan Annual Progress Reporting
Reporting Year: 2025 Jan 2025 - Dec 2025

Table 12-1: Time Frame Guide

Estimated Date of Completion	
Short	*1 – 5 years*
Medium	*5 – 10 years*
Long	*10+ years*
Ongoing	*Recurring or continuous action*

Table 12-2: Land Use and Urban Design Programs

	Description	Priority	Time Frame	Responsibility	Status	% Completion	Target Adoption	FY Adopted	Comments
1.	**Review and evaluation.** Work with department managers and directors in evaluating the effectiveness of the General Plan in its role in guiding city operations, development review, master planning, and budgeting. A summary of this discussion and evaluation shall be reported to the City Council on an annual basis.	High	Medium	Planning	In progress	50%			
2.	**Specific Plan Consistency.** Following adoption of the General Plan, review the existing, adopted Specific Plans and make changes to ensure consistency with the General Plan.	High	Short	Planning/CEDD	Completed	100%	2024	2024	RBD Specific Plan Update Adopted in 2024
3.	**Weeks Design guidelines.** Update the existing design guidelines for infill projects in the Weeks neighborhood.	Medium	Medium	Planning	Not started	0%			
4.	**Citywide design guidelines.** Update and adopt citywide design guidelines.	Medium	Medium	Planning	In progress	30%			Obtained grant funding for objective design standards.
5.	**Way-finding and signage.** Release an RFP to develop a way-finding program that provides directional signage, boundary markers, and monument signs for important institutions and activities within the community.	High	Short	Public Works	Not started	0%			monument signage to be evaluated with the University Avenue Grand corridor project.

Table 12-3: Economic Development Programs

	Description	Priority	Time Frame	Responsibility	Status	% Completion	Target Adoption	FY Adopted	Comments
1.	**Economic development strategic plan.** Develop a long-term economic development strategic plan that develops and retains businesses and a strong middle class.	High	Long	City Manager/CEDD	Completed	100%		2026	The City contracted with HR&A Advisors to lead the development of the Economic Development Strategic Plan. The final plan, which included 3 goals, 20 strategic initatives to acheive the goals, and the City's exiting conditions, was formally adopted by the City Council on January 6, 2026.
2.	**Local hire.** Support local hiring and local businesses by implementing the City's First Source Hiring and Local Business Enterprise policies. Review and update (if necessary) the First Source Hiring Ordinance and policies to acknowledge the effects of the dissolution of the Redevelopment Agency.	High	Medium	CEDD & Administrative Services	Completed	100%		2021	

3.	**Small business support.** Develop and staff a program that supports small and local businesses. Prepare and circulate a small business assistance resource guide.	Medium	Ongoing	City Manager/CEDD	Ongoing	50%			As part of the Economic Development Strategic Plan, staff will work on creating a small/micro business guide to support small businesses.

Table 12-4: Transportation Programs

	Description	Priority	Time Frame	Responsibility	Status	% Completion	Target Adoption	FY Adopted	Comments
1.	**Update City Street Standards.** Update existing standards for City streets, focusing on achieving traffic safety, complete streets, and livability goals.	Medium	Medium	Planning/Public Works	In progress	50%			Some complete streets goals adopted as part of long range planning documents.
2.	**Transportation Demand Management Requirements.** Review and update the City's Transportation Demand Management requirements for existing and new development.	High	Short	Planning	Completed	100%		2021	TDM ordinance adopted.
3.	**Transportation Impact Fee Nexus Study.** Establish a transportation impact fee on new development, to raise funds for needed improvements to all modes of transportation.	High	Short	Planning/Public Works	Completed	100%		2025	updated in 2025
4.	**Neighborhood Traffic and Parking Management Plans.** Conduct neighborhood traffic and parking management plans for areas with reported parking and circulation problems to identify appropriate parking management programs (such as Residential Parking Permits and Parking Benefit Districts) and/or traffic calming measures.	High	Long	Planning/Public Works	In progress	80%	2026		The permit program ordinance adoption is scheduled in 2026.
5.	**Complete Streets Projects.** Conduct and implement complete streets projects along priority traffic calming corridors and in conjunction with implementation of other bicycle, pedestrian and transit improvements.	Low	Long	Planning/Public Works	Ongoing	50%			Complete streets design features are implemented in every transportation related capital project
6.	**Performance Monitoring.** Periodically monitor the performance of Plan implementation using service standards and targets included in the Circulation Element.	Medium	Ongoing	Planning/CEDD/Public Works	Ongoing	100%			
7.	**Update Bicycle Plan.** Update and implement the Interim Bicycle Transportation Plan (2011).	Low	Long	Planning/Public Works	Ongoing	50%			Work is ongoing; bike lanes are installed with various capital improvements projects.
8.	**Pedestrian Master Plan.** Complete a Pedestrian Master Plan that helps close key gaps in the pedestrian network and improve the pedestrian realm.	Low	Long	Planning/Public Works	In progress	50%			A citywide sidewalk assessment will be completed in 2026
9.	**Bay Access Master Plan.** Update and implement the Bay Access Master Plan.	Low	Long	Planning/Public Works	In progress				
10.	**University Avenue Alternatives Study.** Conduct an Alternatives Study for the redesign of University Avenue, focusing on complete streets concepts.	Medium	Long	Planning/Public Works	In progress	25%	2026		The work associated with the Grand Corridor Project began in 2025 and is estimated to be completed in 2026.
11.	**Wayfinding Plan.** Develop and implement a bicycle and pedestrian wayfinding program.	Low	Long	Planning/Public Works	Not started	0%			

12.	**Additional SR2S projects.** Prepare grant applications for future SR2S and SRTS cycles based upon "Existing Conditions" report.	High	Short	Public Works	Ongoing	100%			On going; applications are submitted as various grant cycles open.

Table 1

	Description	Priority	Time Frame	Responsibility	Status	% Completion	Target Adoption	FY Adopted	Comments
1.	**Citywide "health check-up."** Every five years, conduct a community health assessment regarding the overall health and quality of life of those who live and work in East Palo Alto.	Medium	Long	Planning	Not started	0%			
2.	**Health fitness challenges**. Create and implement health fitness challenges for City employees to encourage healthy living.	Medium	Short	City Manager	In progress	10%			Pending.
3.	**Soda tax ordinance.** Explore the possibility of a sugar sweetened beverage tax in the City. Revenue generated from the tax could be appropriated for wellness and health programs in the City.	High	Short	City Manager	Completed	100%			Considered implications of a soda tax and determined it's not feasible at this time.
4.	**Residential smoking ordinance.** Adopt an ordinance to prohibit smoking in multi-family buildings.	High	Short	City Manager	Not started	0%			CMO will explore how this activity can be incorporated into the Work Plan.
5.	**Public smoking ordinance.** Adopt an ordinance to prohibit smoking in public spaces, including parks, plazas, and on public property.	High	Short	City Manager	Completed	100%			
6.	**Living wage ordinance.** Adopt an ordinance that ensures that all businesses in the City pay their employees a wage that can support a family at, or above, the poverty level.	High	Short	City Manager	Completed	100%			
7.	**Year-round farmer's market.** Pursue funding and partner with local organizations to provide a year-round farmers market in the City, and seek out additional vendors to participate in the market.	Medium	Ongoing	Planning	Ongoing	100%		Ongoing annually farmers	Planning staff continues to work with Fresh Approach and has approved annual Temporary Use Permits to support the Wednesday Bloomhouse Farmers Market.
8.	**Annual health fair.** Host an annual Health Day Fair with information, health care screenings and services, and activities celebrating an active lifestyle. The event should be sponsored by the City and involve a wide range of service providers.	Low	Ongoing	Planning	Ongoing	100%		Ongoing annually health day fair	Planning staff continues to process annual Temporary Use Permits for Health Day fairs. City staff also participates in Health Day events by tabling and providing information on healthy lifestyle resources and upcoming community events.
9.	**Healthy food at city buildings and events.** Develop guidelines to require that healthy foods are served at city-sponsored events and in City vend-ing machines.	Medium	Short	City Manager	In progress	30%	Jan-27		CMO has drafted guidelines to promote serving of healthy foods at City-sponsored events; under review.
10.	**Town hall meetings**. Hold bi-annual town hall meetings to implement the General Plan. Publicize the meetings widely and in multiple languages.	Low	Ongoing	Planning	Ongoing	100%			each month, and City Council hearings are held on the first and third Tuesdays.

Table 1

	Description	Priority	Time Frame	Responsibility	Status	% Completion	Target Adoption	FY Adopted	Comments
1.	**Coordination with the San Francisquito Creek Joint Powers Authority (JPA).** Work with the JPA on the construction of a new park or open space between Camelia Drive and the levee (south of O'Connor St).	High	Short	Public Works	Not started	0%			

2.	**Shared use agreement with School District.** Create a formal shared use agreement with the Ravenswood City School District whereby the public and organizations (such as youth and adult intramural leagues) can access school fields/property after normal school hours.	High	Short	City Manager	In Progress	80%	2026		City staff are working with the School District to approve a joint use agreement in early 2026. Staff prepared a draft agreement and is waiting for approval from the School District.
3.	**Agreement with Don Edwards San Francisco Bay National Wildlife Refuge.** Establish a formal cooperative agreement with the Don Edwards San Francisco Bay National Wildlife Refuge and develop programs to encourage public recreational use of the Bay Trail and trails in and adjacent to the Baylands Nature Preserve and the South Bay Salt Pond Restoration Project.	Medium	Medium	City Manager	Not started	0%			No target adoption date yet.
4.	**Agreement to Manage Cooley Landing.** Continue to maintain an agreement for a non-profit or other entity to manage Cooley Landing	Medium	Ongoing	City Manager	Not Started	0%			No target adoption date yet.
5.	**Bird-safe design**. Adopt bird-safe design guidelines for new buildings and structures adjacent to the Bay.	Medium	Medium	Planning	Not started	0%			
6.	**Light pollution guidelines.** Adopt guidelines for outdoor lighting located adjacent to wildlife areas that will keep the amount of light that reaches wildlife habitat areas to a minimum.	Low	Medium	Planning	Not started	0%			
7.	**Community space fund**. Maintain development fee programs to accumulate funds for the acquisition and improvement of parks and public gathering places and facilities.	Medium	Medium	City Manager/CEDD	Completed	100%			
8.	**Tree Planting program.** Partner with local non-profit organizations to implement a tree planting program (planting of trees on City owned property).	High	Short	Public Works	Completed	100%			Partnership with Canopy.
9.	**Citizen reporting.** Create a program and/or methods for residents to monitor and report vandalism along with maintenance issues in parks and public Right-of-Way.	High	Short	Public Works	Completed	100%			
10.	**Feral Cat Program.** Work with partners to consider establishment of a year round cat program or fund one as cats prey on the salt water harvest mouse which is a Federally protected species in accordance with the ESA. This condition originates in the Cooley Landing environmental clearance document.	Medium	Medium	Public Works	In progress	50%			going to work with MidPen open space on this item

Table 12-7: Infrastructure, Services, and Facilities Programs

	Description	Priority	Time Frame	Responsibility	Status	% Completion	Target Adoption	FY Adopted	Comments
PUBLIC FACITILIES									
1.	**Development impact fees.** Adopt nexus-based impact fees that mitigate the cost of providing infrastructure and public facilities to serve new development. Address infrastructure improvements that are necessitated by new development – including for water, sewer, stormwater, and utilities. Seek additional funding mechanisms as necessary.	High	Ongoing	Planning/CEDD/Public Works	Completed	100%		2025	
2.	**Outside community funding.** Create an outreach program or plan to match Silicon Valley donors and funding dollars to community needs such as schools, public space improvements, jobs training, or support for artists.	Medium	Ongoing	City Manager	Not started	0%			No target adoption date yet.

3.	**TOT program evaluation.** Seek an independent evaluation of the Measure C Program/Transient Occupancy Tax program.	Low	Short	City Manager	In progress	50%			Measure C Program evaluation was completed before adoption of this General Plan. TOT evaluation not yet started.
4.	**New teen center.** Work with local service providers, such as the YMCA, to create a "teen center" for East Palo Alto teens. The teen center could provide tutoring and mentorship programs and provide a safe and affordable place for youth after school and on weekends.	High	Long	City Manager	In progress	25%			CMO is exploring programming with EPACENTER and via the City's youth commission/task force to advance this goal.
PUBLIC SAFETY									
1.	**Crime reduction plan.** Develop a long-term crime reduction plan that addresses: Prevention, Intervention, Enforcement, and Sustainability. The plan will also identify the role of the community and City in the strategy, and identify the resources necessary to implement strategy.	High	Short	Police	Not started	0%			
2.	**Emergency Preparedness Plan.** Update the City's Emergency Preparedness Plan every 5 years.	Medium	Ongoing	Police/City Manager	Ongoing	80%	2026		The City is working in conjunction with the County to update the current Emergency Operation Plan. Updates to the plan are expected to take place before the end of the 2025 - 2026 fiscal year.
3.	**Community-based policing.** Implement the community-based policing initiative championed by the Police Chief, including attendance at community meetings, having the Police Department participate in community events and beautification projects, and leading programs such as Neighborhood Watch.	Medium	Ongoing	Police	Ongoing	100%			
4.	**Data-Driven policing.** Continue to use technology to track and target gun violence.	Medium	Ongoing	Police	Ongoing	100%			
5.	**CERT Program.** Develop a community emergency response team (CERT) training program to provide training to City personnel and conduct informational workshops for the community. Provide additional information to the community about available resources and materials.	High	Short	Police/City Manager	Ongoing	100%			City staff are working with Menlo Fire, who administers the CERT program for our community, to promote the program and get more residents involved.
6.	**Comprehensive crime analysis.** Complete the comprehensive analysis of crime in the City (utilizing the RIMS system).	Medium	Ongoing	Police	Ongoing	50%			
7.	Signal pre-emption for emergency response. Install traffic signal pre-emption technology for police/emergency vehicles.	High	Short	Police	Not started	0%			
8.	**Anti-graffiti program.** Implement an anti-graffiti program, which includes identifying all locations in the City with chronic graffiti, establishing a removal program, and exploring civil sanctions against chronic violators.	Low	Medium	Police/Public Works	Ongoing	50%			Maintenance team continues to remove identified graffiti from public infrastructure within 72 hours.
9.	**Multi-media emergency notification system.** Adopt and fund system to increase timely and accurate notifications to the community. Seek an adequate cost-effective system to replace the current system.	Low	Short	Police	In progress				

10.	**Crime Prevention through Environmental Design.** Develop a development manual to provide basic requirements and incentives for the inclusion of design features in new development to reduce potential for crime. These features could include well-lighted parking areas, open landscaping, limited access into and between buildings, and limited access to rooftops.	Medium	Short	Planning	Completed	100%		2024	
WATER INFRASTRUCTURE									
1.	**Emergency water connections.** Explore the feasibility of establishing an emergency intertie with the following outside water systems: • City of Palo Alto (completed in 2025) • Palo Alto Park Mutual Water Company • O'Connor Tract Co-op Water Company The City currently has no source of water if the City's connection with the Hetch Hetchy Aqueduct is severed.	High	Short	Public Works	In progress	50%			An emergency inertie has been re-established with the City of Palo Alto in 2025
2.	**Groundwater Management Plan.** Complete the Groundwater Management Plan, as required by State law. Oversee the completion of the Plan and provide materials and resources as needed.	Medium	Short	Public Works	Completed	100%			
3.	**Urban Water Management Plan.** Develop an updated Urban Water Management Plan (UWMP) to support long-term water resource planning and ensure adequate water supplies are available to meet existing and future water demands of the land uses contemplated under the Land Use Element. (Every 5 years).	Low	Ongoing	Public Works	Ongoing	100%	2026		Next one due in 2026 is underway
4.	**Water Master Plan.** Update the 2010 Water Master Plan to guide the implementation of appropriate water supply and water distribution projects (must be updated per statutory requirements every ten years).	Low	Long	Public Works	Completed	100%	2032	2022	
5.	**Water supply.** Develop additional domestic water supplies to address current and future needs, including: • Completing the Gloria Way Well and treatment facility • Exploring additional municipal wells such as Pad D • Completing the monitoring program • Exploring storm water capture and reuse • Explore recycled water generation and distribution facilities and opportunities • Explore water demand offset regulations for new and intensified development • Evaluate the contract with American Water Enterprises and formulate future strategy.	High	Ongoing	Public Works	Ongoing	100%			
6.	**Water conservation and recycling.** Update the building code to allow and encourage water recycling, graywater use, water efficiency, and other conservation measures not already permitted under CalGreen.	Medium	Medium	Planning	Completed	100%		2024	
7.	**Water user fees.** Update existing user fees for water to fund needed system upgrades and explore water demand offset regulations for new or intensified development.	Medium	Medium	Planning/ CEDD	Completed	100%			
SEWER/STORMWATER INFRASTRUCTURE									
1.	**Sewer and Stormwater user fees.** Update existing user fees for sewer and stormwater to fund needed system upgrades and, to the extent feasible, allow for waste water recycling and stormwater capture for beneficial use.	Medium	Medium	Public Works	In progress	60%	2027		Could be as early as Fall 2026, Nexus Study is almost complete and then will need to go to CC for approval.
FLOODING									
1.	**Levee and creek maintenance.** Negotiate an agreement with Santa Clara Valley Water District (SCVWD) for maintenance of the San Francisquito Creek enhanced levee and creek banks from Highway 101 to the border with Menlo Park.	Medium	Short	Public Works	Completed	100%			

2.	**Coastal flooding analysis.** Complete an analysis of the City's vulnerability to coastal flooding and sea level rise. Inspect and review the levees in the Baylands.	Low	Short	Public Works	In progress	30%			
3.	**Upstream San Francisquito Creek flood protection project.** Work with the San Francisquito Creek Joint Powers Authority (SFCJPA) on the planning and design of flood control improvements upstream of Highway 101.	High	Long	Public Works	In progress	30%			

Table 12-8: Safety and Noise Programs

	Description	Priority	Time Frame	Responsibility	Status	% Completion	Target Adoption	FY Adoption	Comments
1.	**Flood control master plan**. Prepare a flood control master plan to assess the adequacy of the City's flood control system as a whole. Implement improvements as warranted and as feasible. Seek outside funding as available to implement improvements.	High	Short	Public Works	Not started	0%			
2.	**Fire buffer zones**. Work with property owners near hazard areas to implement and maintain buffer zones from the riskiest areas and adopt fire code revisions when appropriate.	Medium	Short	Planning	Not started	0%			
3.	**Hazard Mitigation Planning/HMGP Grant.** Adopt and develop both a Multi-hazard Mitigation plan and a Recovery Action Plan to guide growth and development in the event of a widespread destructive event.	High	Short	Planning/Public Work	In progress	30%			Hazard Mitigation Plan development underway.
4.	**Coordinated emergency response**. Implement coordinated emergency response planning with the Menlo Park Fire Protection District, major transportation agencies, and adjacent jurisdictions.	Medium	Ongoing	Police/City Manager/Public Works	Ongoing	100%			
5.	**Hazardous emergency plan**. Develop and implement a multi-hazard emergency plan for accidents involving hazardous materials.	Medium	Medium	Public Works	Not started	0%			
6.	**Noise Ordinance**. Amend the Noise Ordinance to require that interior noise levels attributable to exterior sources shall not exceed 45 dB (Ldn or CNEL) when the outdoor noise level exceeds 60 dB (Ldn or CNEL)[1] for all new hotels, motels, dormitories, apartment houses, and single-family dwellings.	Medium	Short	Planning	Not started	0%			
7.	**Quiet asphalt.** Select a "quieter" pavement that also meets other criteria established by the City for pavements for use in resurfacing roadways. Require its use in future capital projects.	Low	Medium	Public Works	Ongoing	25%			To be implemented as part of ongoing projects. Additionaly, this mobility goal was included in the Four Corners Specific Plan.
8.	**Public disaster training**. Conduct training exercises about earthquakes, fires, floods, and other natural and man-made disasters that are most likely to strike East Palo Alto.	Medium	Ongoing	City Manager/Community Programs	Ongoing	100%		Ongoing Citywide Training	All City staff participated in the Great Shakeout earthquake drill which took place on Oct 16, 2025. The Utility Manager hosted an Earthquake Preparedness Tabletop Exercise on Nov 12, 2025 and the City's Emergency Preparedness team hosted an EOC Workshop Refresher and Flood Tabletop Exercise on Dec 11, 2025. This is an ongoing effort and the City continues to prioritize training staff and eventually, the community, to prepare themselves for disasters.

Physical Improvements

The table below identifies physical improvements to implement the General Plan's vision and policies, organized by Plan Chapter. Physical improvements are consistent with each chapter's goals and policies, though not every chapter has associated physical improvements.

Table 12-9: Transportation Physical Improvements

	Description	Priority	Time Frame	Responsibility	Status	% Completion	Target Adoption	FY Adoption	Comments
1.	**Highway 101 Pedestrian / Bicycle Overcrossing.** This project is intended to link the residents of the Woodland Neighborhood with City services and recreation opportunities on the other side of the freeway. Coordinate with Caltrans on the design and construction and seek grant funding for construction costs.	High	Medium	Public Works	Completed	100%			
2.	**University Avenue Interchange.** This project will provide for the widening of the University Avenue/US 101 overpass to provide safer pedestrian and bicycle travel and more efficient vehicle travel.	High	Medium	Public Works	Completed	100%			
3.	**Bay Road improvements.** Coordinate with PG&E and East Palo Alto Sanitary District on the Bay Road Improvement Phase II/III. Construct the necessary roadway and infrastructure improvements in order to revitalize the Ravenswood TOD Specific Plan area and provide the foundation for an active "main street" environment, including street paving, pedestrian and bicycle improvements, landscaping improvements, streetscape improvements, and undergrounding of utilities.	High	Medium	Public Works	Completed	100%			
4.	**Street Light Upgrade Project.** Complete the Street Light Upgrade Project, including a luminosity study to identify locations where additional new street lights need to be installed, and the installation of LED lights.	High	Medium	Public Works	In progress	25%			A Citywide Lighting Assessment study will be performed in 2026. Following the completion of the study, the citywide lighting improvement scope will be bid out/ scheduled.
5.	**Signage and Striping Improvements.** Install new signage and striping to improve vehicular, pedestrian and bicycle safety throughout the City.	Medium	Medium	Public Works	In progress	25%			Scope ongoing as part of ongoing capital improvements projects.
6.	**Pedestrian Accessibility Improvements.** Improvements include but are not limited to corner ramps. Americans with Disabilities Act (ADA) and California State Law require these improvements.	Medium	Medium	Public Works	In progress	30%			Scope ongoing as part of ongoing capital improvements projects.
7.	**Institute Traffic Calming Program.** This includes the planning and construction of speed bumps, bulb outs and other traffic calming devices to reduce speed through residential zones and to increase safety, with priority corridors identified in Figure 7 of the Circulation Element, in coordination with other City Departments.	High	Medium	Public Works	Ongoing	50%			Scope ongoing as part of ongoing capital improvements projects. Additiobnally two mini-roundabouts, combined with other concrete improvements, have been installed on Pulgas Avenue which is a Traffic Calming Priority Corridor.
8.	**Bay Road Phase II.** Build the Bay Road Phase II project, which will build a multimodal roadway with attractive streetscape along Bay Road between Clarke Ave. and the entrance to Cooley Landing.	High	Medium	Public Works	Completed	100%			
9.	**Bicycle and Pedestrian Improvements.** Improvements include the installation of enhanced signage, striping and loop detectors for bicycles.	High	Long	Public Works	In progress	50%			Scope ongoing as part of ongoing capital improvements projects.
10.	**Curb and gutter program.** Close all sidewalk network gaps, as outlined in Figure 6 of the Circulation Element (Existing Pedestrian Network and Sidewalk Gaps) with new sidewalks, curbs, and gutters	High	Medium	Public Works	In progress	50%			Scope ongoing as part of ongoing capital improvements projects.

11.	**University Avenue Resurfacing and Signal Upgrade.** This project provides for pavement resurfacing, restriping, upgrading of traffic signals and various other improvements on University Avenue.	High	Medium	Public Works	In progress	50%	2026		Work at the University and Runnymede intersection awarded and anticipated to be completed in 2026.
12.	**New Loop Road.** Complete a new loop road around the north and east of University Village that will connect University Avenue to the Ravenswood Employment District.	Medium	Medium	Public Works	Not started	0%			Project was determined to be infeasible and thus has been removed
13.	**Euclid Avenue Tunnel Assessment and Investigations**. The purpose of this project is to assess the viability of restoring and re-opening the tunnel under Highway 101 at Euclid Avenue, which is currently closed.	Low	Short	Public Works	Not started	0%			
14.	**Safe Routes to Schools.** Complete Safe Routes to School projects as outlined in the Safe Routes to School Plan (2003).	High	Medium	Public Works	In progress	50%			Scope ongoing as part of ongoing capital improvements projects.
15.	**Street Resurfacing Program/PMP.** Continue to resurface streets to maintain the City's pavement condition index score.	High	Medium	Public Works	Ongoing	50%			Ongoing capital project
16.	**Major Street Reconstruction.** This project provides for the reconstruction of damaged City streets during the ten-year life of the Capital Improvement Plan (CIP).	Low	Long	Public Works	Ongoing	50%			Ongoing capital project
17.	**Newell Bridge.** Continue to offer staff time to further the joint project for the replacement of the Newell Bridge. Advocate for the needs of the East Palo Alto community.	Medium	Medium	City Manager/ Public Works	In progress	50%			Construction is underway

Table 12-10: Parks, Open Space, and Conservation Physical Improvements

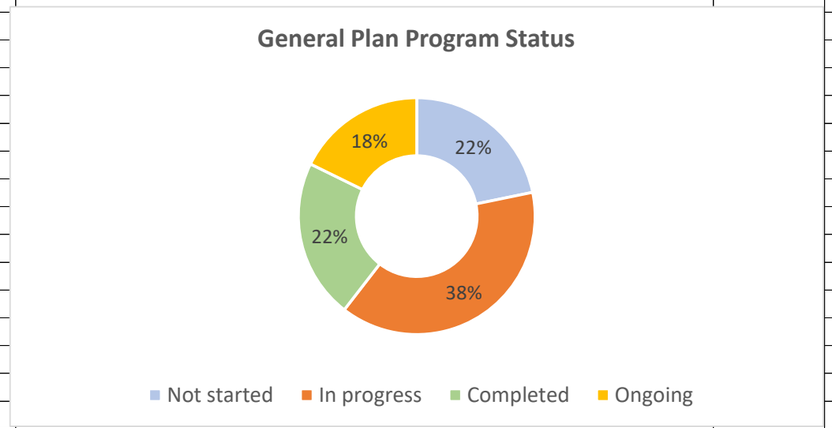
	Description	Priority	Time Frame	Responsibility	Status	% Completion	Target Adoption	FY Adoption	Comments
1.	**Develop new citywide parks.** Create new, formalized park space in the following locations: • Vacant parcel to the north of Martin Luther King Park • The informal open space at the termination of Purdue St and Demeter St • Vacant parcel adjacent to Verbena Dr • Part of the existing Palo Alto Park Mutual Water Association land at Oakwood Dr and Garden St.	Medium	Ongoing	Planning/City Manager	In progress	30%			City is in active negotiations with SMC for ownership of MLK Park adjacent property; exploring the feasibility of the other developments
2.	**Finalize Richard May field.** Coordinate with the St. Francis of Assisi Church to facilitate the construction of the Richard May fields.	High	Short	Planning	Completed	100%			
3.	**Bay Trail Access.** Improve access to the Bay Trail in the locations below. Add signage, seating, and other amenities. • Eastern end of Weeks St • Eastern end of Beech St • Eastern end of Cypress St • Eastern end of Daphne St • Southern end of Verbena Dr.	Medium	Ongoing	Public Works	In progress	30%			To be included as part of the Safer Bay Project
4.	**Right-of-way conversions.** Convert the following into public linear parks: • Hetch Hetchy right-of-way between Rutgers St and Purdue Ave (Hetch Hetchy Aqueduct Linear Park) • UP railroad right-of-way near the Ravenswood Family Health Annex • Abandoned alley that runs along the back of parcels between Holland St and East Bayshore Rd • Alley that runs diagonally from East Bayshore Rd and Laurel Ave • Unused alley between rear of lots and Menlo Park city limits (behind Alberni St).	High	Varies by project	Planning/Community Services	In progress	10%			
5.	**Bay Access Master Plan.** Complete the trails identified in the Bay Access Master Plan, including the Ravenswood Bay Trail link, and along SF Creek between O'Connor and University Avenue.	High	Medium	Planning	In progress	30%			
6.	**Park access.** Improve access to the following parks and fields, by unlocking gates, adding entrances, removing fences or improving sidewalks/paths and bathrooms:	Medium	Medium	Community Services/	In progress	30%			

6.	• Martin Luther King Junior Park • Cesar Chavez Elementary/Richard May Field • Track/sports field at Costano Elementary School.	Medium	Medium	Public Works	In progress	20%			
7.	**Bay Trail viewing platforms.** Construct elevated viewing platforms along the Bay Trail.	Medium	Medium	Public Works	Completed	100%			
8.	**No-feeding signage.** Post signs notifying the public that feeding of wild animals, including feral cats, is prohibited.	Medium	Medium	Public Works	Not started	0%			
9.	**Wildlife-proof waste containers.** Provide animal-proof garbage containers in wildlife areas where human activity is or may be frequent, including at Cooley Landing and entry points to the Bay.	Medium	Medium	Public Works	In progress	25%			
10.	**Cooley Landing.** Complete the final phase of the Cooley Landing project (construct elevated viewing piers or platforms and improve access to the waterfront). Identify and secure funding for this phase.	Medium	Medium	Public Works	Not started	0%			
11.	**Park improvements.** Implement various upgrades identified in the Community Facilities & Parks Master Plan (FA-01) in the following parks: • **Joel Davis Park.** Identified needs are to upgrade the picnic area, replace playground equipment, install bathrooms and upgrade the playfield. (Completed) • **Jack Farrell Park.** Identified needs are to install new play equipment, security cameras, security fencing, a concrete seat wall, upgrades to the existing building, upgrades to the picnic area and upgrades to existing playfields and courts. • **Bell Street Park.** Identified needs are new park lighting, a concrete stage, new restrooms, security cameras, security fencing, new bathrooms, new play equipment, new picnic area, a drinking fountain and upgraded playfields.	Low	Long	Public Works/Community Services	In progress	30%			Joel Davis Park- Restrooms completed and installed outdoor fitness equipment Jack Farrell Park- Cameras are installed and drinking fountain upgraded; Several Park projects in the works
12.	**New Ravenswood trails.** Construct the approximately 4.5 miles of trails and improved pedestrian sidewalks identified in the Ravenswood TOD Specific Plan.	Low	Long	Public Works	In progress				
13.	**San Francisquito Creek park/trail.** Convert the land bordering San Francisquito Creek into a neighborhood park and/or trail.	Medium	Medium	Public Works	Not started	0%			The SFCJPA Creek Reach II project will dictate the future layout of the land adjacent to the creek.
14.	**Baylands Park.** Construct improvements to enhance access and usability of existing open space in the Baylands. Resolve issues related to site ownership structure, liability, uses of the site, access to the site and facilities, operation of programs, planning, development, construction, and maintenance costs.	Low	Long	Public Works	Not started	0%			
15.	**New Ravenswood parks.** Build the approximately 25 acres of open space and parks identified in the Ravenswood TOD Plan.	Low	Long	Public Works	Not started	0%			

Table 12-11: Infrastructure, Services, and Facilities Physical Improvements

	Description	Priority	Time Frame	Responsibility	Status				Comments
	PUBLIC FACILITIES								
1.	**Police Department and Corporation Yard.** Relocate the Police Station at 141 Demeter Street and the Corporation Yard at 150 Tara Street to a different location outside of the Special Flood Hazard Area or in an area that will have continual access.	High	Short	Public Works	In progress	0%			
2.	**New facilities in Ravenswood TOD Specific Plan Area.** Construct the three major community facility improvements identified in the Ravenswood TOD Specific Plan: a recreation center, a community center at 4 Corners and a library expansion. Issue RFPs for design, construction, and management of these new facilities.	Medium	Long	City Manager/ Public Works	In progress				City is exploring opportuntities within Ravenswood 4 Corners Specific Plan for municipal facilities including library, police facility, and civic center
3.	**Performing arts center.** Develop a performing arts center and/or cultural center(s) that includes indoor and outdoor performance areas.	Low	Long	City Manager	Completed	100%			

4.	**Community Development building improvements. Improve** the physical condition of the Community Development Department building through needed upgrades.	High	Short	Public Works	In progress	75%	2026		Project is currently in the final phase of construction
WATER INFRASTRUCTURE									
1.	**Gloria Way well retrofit.** Assess the hydrological condition of the existing well at Gloria Way / Bay Road and install the necessary treatment systems to utilize this well for additional water supply.	High	Short	Public Works	Completed	100%			
2.	**New water storage tanks.** Construct two new storage tanks with the capacity to meet emergency supply needs for the current and anticipated future population of the City. Identify potential locations for one storage tank on the east side of Highway 101 and one storage tank on the west side of Highway 101.	High	Medium	Public Works	In progress	50%			Water storage tank siting study underway.
3.	**Second groundwater well.** Construct a 1,000 gallon per minute (GPM) groundwater well and associated iron-manganese treatment system to supplement the City's existing water supply (in addition to Gloria Way).	High	Medium	Public Works	Not started	0%			Design has been completed.
4.	**Water main replacement.** Continue to replace deficient water mains in the City's water delivery system as funding is secured, improving available fire flow throughout the system.	High	Ongoing	Public Works	In progress	10%			This is long term effort, however the City is making significant progress. Over 7,000 linear feet of new watermain projects were completed in the last three years.
5.	**Water meter replacement.** Replace water meters, water meter boxes, and lids as specified in the Water System Master Plan.	High	Ongoing	Public Works	In progress	75%			Ongoing; Veolia is scoped to replace water meters city wide. Over 70% of the project is complete.
6.	**Water valve replacement.** Perform regular maintenance on or replace the 908 existing valves in the City's water system.	Medium	Ongoing	Public Works	In progress	25%			
7.	**Groundwater monitoring.** Install a monitoring network to monitor saline levels and other factors that could impact the City's groundwater resources.	High	Short	Public Works	In progress	50%			
PUBLIC SAFETY									
1.	**New Police Department building.** Establish and/or construct a permanent facility for the East Palo Alto Police Department (current facility is leased). Seek grant funding for this project.	Medium	Long	Police	In progress	30%			
SEWER/STORMWATER INFRASTRUCTURE									
1.	**Martin Luther King Jr. Park stormwater project.** Construct a storage chamber, tertiary treatment system and irrigation pump at Martin Luther King Jr. (MLK) Park to reuse storm water to irrigate the park.	Low	Medium	Public Works	Not started	0%			
2.	**O'Connor Pump Station improvements.** Complete recommended safety and reliability improvements to the existing pump station. Replace the existing pump station during San Fransiquito Creek levee construction.	High	Short	Public Works	In progress	25%			This project has multiple phases. The City is currently designing the project to replace multiple pumps and making major electrical improvements city.
3.	**O'Connor Pump Station replacement.** Replace the existing pump station during San Fransiquito Creek levee construction.	Medium	Long	Public Works	In progress	15%			Phase II of this project will be designed in the future and a scope has been developed.
4.	**Runnymede Storm Drain.** Complete the second phase of the Runnymede project, which consists of dredging the existing storm drainage canal from the Runnymede Street outfall to the detention pond at the O'Connor Pump Station, and extending culverts from Bay Road.	High	Short	Public Works	Completed	100%			
5.	**University Village outfalls.** Complete the repair and maintenance of three storm drain outfalls located near the University Village neighborhood (eastern end of Purdue Avenue, the northern end of Fordham Street and the eastern end of Stevens Avenue).	Medium	Medium	Public Works	Not started	0%			
6.	**Storm Drain Master Plan implementation**. Implement necessary improvements to the City's storm drain system identified in the Storm Drain Master Plan. Utilize the master plan for making long-term strategic decisions on new drain infrastructure investments, and regularly update.	High	Long	Public Works	In progress	25%			
7.	**Sewer Master Plan implementation.** Implement the necessary improvements to the City's sanitary sewer system identified in the 2015 Sewer Master Plan Update for the East Palo Alto Sanitary District.	Medium	Long	Public Works	In progress	10%			An updated Sewer system master plan was adopted in 2025. Priority projects will begin design in 2026.



Not started	27
In progress	48
Completed	27
Ongoing	22

HOUSING SUCCESSOR TO THE REDEVELOPMENT AGENCY ANNUAL REPORT REGARDING THE LOW AND MODERATE INCOME HOUSING ASSET FUND FOR FISCAL YEAR 2024-25 PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34176.1(f) FOR THE CITY OF EAST PALO ALTO

This Housing Successor Annual Report (Report) regarding the Successor Housing Low and Moderate Income Housing Asset Fund (LMIHAF) has been prepared pursuant to California Health and Safety Code Section 34176.1(f) and is dated as of March 17, 2026. This Report sets forth certain details of the housing activities of the City of East Palo Alto, successor to the former Redevelopment Agency of the City of East Palo Alto during Fiscal Year 2024-25. The purpose of this Report is to provide the governing body of the Housing Successor an annual report on the housing assets and activities of the Housing Successorunder Part 1.85, Division 24 of the California Health and Safety Code, in particular sections34176 and 34176.1 (Dissolution Law).

The following Report is based upon information prepared by Housing Successor staff and information contained within the independent financial audit of the Income Housing Asset Fund which was completed on December 26, 2025 and presented to the City Council on January 6, 2026. Further, this Report conforms with and is organized into sections I. through XIII., inclusive, pursuant to Section 34176.1(f) of the Dissolution Law:

I. **Loan Repayments:** The amount the city, county or city and county receivedpursuant to subparagraph (A) of paragraph (3) of subdivision (b) of Section 34191.4 (loan repayments).

II. **Amount Deposited into LMIHAF:** This section provides the total amount of funds deposited into the LMIHAF during the Fiscal Year. Any amounts deposited for items listed on the Recognized Obligation Payment Schedule (ROPS) must be distinguished from the other amounts deposited.

III. **Ending Balance of LMIHAF:** This section provides a statement of the balance inthe LMIHAF as of the close of the Fiscal Year. Any amounts deposited for items listed on the ROPS must be distinguished from the other amounts deposited.

IV. **Description of Expenditures from LMIHAF:** This section provides a description of the expenditures made from the LMIHAF by category during the Fiscal Year. The expenditures are to be categorized.

V. **Statutory Value of Assets Owned by Housing Successor:** This section provides the statutory value of real property owned by the Housing Successor, the value of loans and grants receivables, and the sum of these two amounts.

VI. **Description of Transfers:** This section describes transfers, if any, to another housing successor agency made in previous Fiscal Year(s), including whether the funds are

unencumbered and the status of projects, if any, for which the transferred LMIHAF will be used. The sole purpose of the transfers must be for the development of transit priority projects, permanent supportive housing, housing for agricultural employees or special needs housing.

VII. **Project Descriptions:** This section describes any project for which the Housing Successor receives or holds property tax revenue pursuant to the ROPS and the status of that project.

VIII. **Status of Compliance with Section 33334.16:** This section provides a status update on compliance with Section 33334.16 for interests in real property acquired by the former redevelopment agency prior to February 1, 2012. For interests in real property acquired on or after February 1, 2012, provide a status update on the project.

IX. **Description of Outstanding Obligations under Section 33413:** This section describes the outstanding inclusionary and replacement housing obligations, if any, under Section 33413 that remained outstanding prior to dissolution of the former redevelopment agency as of February 1, 2012 along with the Housing Successor's progress in meeting those prior obligations, if any, of the former redevelopment agency and how the Housing Successor's plans to meet unmet obligations, if any. Additionally, in the report posted to the agency's website, the agency must post implementation plans of the former redevelopment agency.

X. **Income Test:** This section provides the information required by Section 34176.1(a)(3)(B), or a description of expenditures by income restriction for five-year period, with the time period beginning January 1, 2014 and whether the statutory thresholds have been met.

XI. **Senior Housing Test:** This section provides the percentage of units of deed-restricted rental housing restricted to seniors and assisted individually or jointly by the Housing Successor, its former redevelopment Agency, and its host jurisdiction within the previous 10 years in relation to the aggregate number of units of deed-restricted rental housing assisted individually or jointly by the Housing Successor, its former Redevelopment Agency and its host jurisdiction within the same time period. For this Report the ten-year period reviewed is January 1, 2007 to January1, 2017.

XII. **Excess Surplus Test:** This section provides the amount of excess surplus in the LMIHAF, if any, and the length of time that the Housing Successor has had excess surplus, and the Housing Successor's plan for eliminating the excess surplus.

XIII. **Homeownership Units:** An inventory of homeownership units assisted by the former redevelopment agency or the housing successor that are subject to covenants or restrictions or to an adopted program that protects the former redevelopment agency's investment of moneys from the Low- and Moderate-Income Housing Fund pursuant to subdivision (f) of Section 33334.3. This inventory shall include all of the following information:

(A) The number of those units.

(B) The number of the units lost to the portfolio in the last fiscal year and the reason for those losses.

(C) Any funds returned to the housing successor as part of an adopted program that protects the former redevelopment agency's investment of moneys from the Low and Moderate Income Housing Fund.

(D) Whether the housing successor has contracted with any outside entity for the management of the units and, if so, the identity of the entity.

I. LOAN REPAYMENT

The Housing Successor received $133,137 of loan repayments pursuant to subparagraph (A) of paragraph (3) of subdivision (b) of Section 34191.4.

II. AMOUNT DEPOSITED INTO LMIHAF

A total of $283,979 of program income was deposited into the LMIHAF during the Fiscal Year consisting of $73,544 in Sponsoring Entity loan repayments from ROPS and $210,435 of interest income including $3,172 unrealized gains from investments.

III. ENDING BALANCE OF LMIHAF

At the close of the Fiscal Year, the ending balance in the LMIHAF was $10,713,216.

IV. DESCRIPTION OF EXPENDITURES FROM LMIHAF

The following is a description of expenditures from the LMIHAF by category:

Expenditure	Amount
Administrative and Legal Fees	$99,868
Homeless Prevention and Rapid Rehousing Services	$74,059
Housing Development	
Extremely -Low Income Units (0-30% AMI)	$0
Very-Low Income Units (31-50% AMI)	$0
Low Income Units (51-60% AMI)	$0
Unrestricted Units (Manager's units)	$0
Expenditures of Acquisition and Predevelopment	$0
Total LMIHAF Expenditures in Fiscal Year 24-25	$173,928

California Health and Safety Code Section 34176.1 allows for 5% of the total $11,163,316 gross value of Housing Successor assets, or $558,166 to be used on monitoring and administrative expenditures. The Housing Successor continues to monitor expenditures from the LMIHAF.

V. STATUTORY VALUE OF ASSETS OWNED BY HOUSING SUCCESSOR IN LMIHAF

Under the Dissolution Law and for purposes of this Report, the "statutory value of real property" means the value of properties formerly held by the former redevelopment agency as listed on the housing asset transfer schedule approved by the Department of Finance as listed in such schedule under Section 34176(a)(2), the value of the properties transferred to the Housing Successor pursuant to Section 34181(f), and the purchase price of property(ies) purchased by the Housing Successor. Further, the value of loans and grants receivable is included in these reported assets held in the LMIHAF.

The following provides the statutory book value of assets owned by the HousingSuccessor.

Asset Description	As of End of Fiscal Year
Statutory Value of Real Property Owned by Housing Successor	$2,603,735
Value of Loans and Grants Receivable	$7,203,961
Cash and Investments	$1,355,620
Total Value of Housing Successor Assets	$11,163,316

VI. DESCRIPTION OF TRANSFERS

The Housing Successor did not make any LMIHAF transfers to other Housing Successor(s) under Section 34176.1(c)(2) during the Fiscal Year.

VII. PROJECT DESCRIPTIONS

The Housing Successor does not receive or hold property tax revenue pursuant to the ROPS.

VIII. STATUS OF COMPLIANCE WITH SECTION 33334.16

Section 34176.1 provides that Section 33334.16 does not apply to interests in real property acquired by the Housing Successor on or after February 1, 2012; however, this Report presents a status update on the projects related to such real property.

With respect to interests in real property acquired by the former redevelopment agency prior to February 1, 2012, the time periods described in Section 33334.16 shall be deemedto have commenced on the date that the Finance Department approved the property as a housing asset in the LMIHAF; thus, as to real property acquired by the former redevelopment agency now held by the Housing Successor in the LMIHAF, the Housing Successor must initiate activities consistent with the development of the real property for the purpose for which it was acquired within five years of the date the DOF approved such property as a housing asset.

Property Address	Date of Acquisition	Status of Housing Successor Activity
965 Weeks Street	July 15, 2009	In July of 2018, the City issued a Request for Proposal (RFP) to identify an affordable housing developer to develop 965 Weeks Street (the Property). In September and October 2018, the City, with consultation from a team of knowledgeable professionals reviewed, interviewed, and further deliberated on which developer to select on the City's behalf to develop the Property into a thriving affordable housing community. In November 2018, the City Council selected Mid Peninsula Housing as the entity to develop the affordable housing project. The City entered into an Exclusive Negotiation Agreement (ENA) with MidPen Housing in June 2019, and in December 2019, the project received its entitlements. The Disposition, Development, and Loan Agreement (DDLA), which included a loan commitment in the minimum amount of approximately $715,000 from the City's LMIHAF, was executed December 15, 2020. An amendment to the DDLA, which allocated an additional $6,500,000 in state funds for the development, was executed on October 1, 2023. In March 2023, the City paid $1,000,000 in water infrastructure improvements that directly benefitted the Project.

IX. DESCRIPTION OF OUTSTANDING OBLIGATIONS PURSUANT TO SECTION 33413 Replacement Housing.

No Section 33413(a) replacement housing obligations were transferred to the Housing Successor during the Fiscal Year.

Inclusionary/Production Housing.

No Section 33413(b) inclusionary/production housing obligations were transferred to the Housing Successor in the Fiscal Year.

X. EXTREMELY-LOW INCOME TEST

Section 34176.1(a)(3)(B) requires that the Housing Successor must require at least 30% of the LMIHAF to be expended for development of rental housing affordable to and occupied by households earning 30% or less of the AMI. If the Housing Successor fails to comply with the Extremely-Low Income requirement in any five-year report, then the Housing Successor must ensure that at least 50% of the funds remaining in the LMIHAFbe expended in each fiscal year following the latest fiscal year following the report on households earning 30% or less of the AMI until the Housing Successor demonstrates compliance with the Extremely-Low Income requirement.

Staff made an additional financial contribution using Housing Successor funds for the 965 Weeks affordable housing project in 2023, funding 42 extremely low-income units, 93 low-income units, and 1 above-moderate manager's unit. The City intends to continue to abide by the requirements of Section 34176.1.

XI. SENIOR HOUSING TEST

The Housing Successor is to calculate the percentage of units of deed-restricted rental housing restricted to seniors and assisted by the Housing Successor, the former redevelopment agency and/or the City within the previous 10 years in relation to the aggregate number of units of deed-restricted rental housing assisted by the Housing Successor, the former redevelopment agency and/or City within the same time period. If this percentage exceeds 50%, then the Housing Successor cannot expend future funds in the LMIHAF to assist additional senior housing units until the Housing Successor or City assists and construction has commenced on a number of restricted rental units that is equal to 50% of the total amount of deed-restricted rental units.

The Housing Successor has not funded any senior housing units in the previous 10 years.

XII. EXCESS SURPLUS TEST

Excess Surplus is defined in Section 34176.1(d) as an unencumbered amount in the account that exceeds the greater of one million dollars ($1,000,000) or the aggregate amount deposited into the account during the Housing Successor's preceding four Fiscal Years, whichever is greater.

The following provides the Excess Surplus test for the preceding five Fiscal Years.

	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	Total
Beginning Balance	$11,239,500	$11,299,418	$11,156,992	$10,366,960	$10,603,165	$11,239,500
Add: Deposits	$557,734	$221,046	$586,692	$593,967	$283,979	$2,243,418
(Less) Expenditures	$ (497,816)	$(363,472)	$(1,376,754)	$(357,732)	$(173,928)	$(2,769,702)
(Less) Encumbrances	$9,177,279	$ 9,539,371	$9,548,186	$9,385,457	$9,549,272	$9,549,272
Unencumbered Balance	$2,122,139	$1,617,621	$818,744	$1,217,708	$1,163,944	$1,163,944

The LMIHAF does not have an Excess Surplus. The unencumbered amount of $1,163,944 does not exceed the minimum amount allowed which is greater of one million dollars ($1,000,000) or the aggregate amount deposited into the account during the Housing Successor's preceding four Fiscal Years ($1,959,439).

XIII. HOMEOWNERSHIP UNITS

The Housing Successor is to provide an inventory of homeownership units assisted by the former redevelopment agency or the housing successor that are subject to covenants or restrictions or to an adopted program that protects the former redevelopment agency's investment of moneys from the Low and Moderate Income Housing Fund pursuant to subdivision (f) of Section 33334.3.

A. Number of Homeownership Units as of 6/30/18: 85

B. Homeownership Units lost after February 1, 2012: 0

C. $0 single family loan funds were returned to the housing successor since February 2012 as part of an adopted program that protects the former redevelopment agency's investment of moneys from the Low and Moderate Income Housing Fund.

The Housing Successor contracted with an outside entity to manage the City's Below Market Rate (BMR) program. The BMR administrator conducted a comprehensive analysis of the City's BMR portfolio to ensure all of the units referenced above were monitored, and determined that of those 85 homeownership units, 53 were subject to the City's deed restrictions. No homes have been lost out of the City's BMR portfolio since 2012. This means that the 53 City-owned homeownership units have not yet had an expiration of affordability covenants, have not been lost due to foreclosure, nor sold in violation of the resale agreement. The City monitors the availability of the remainder non-profit sponsored, permanently affordable units, including those built by Habitat for Humanity, as important community assets. The BMR administrator's report analyzing the homeownership units in the housing successor loan portfolio was presented to City Council on April 5, 2022 and again on February 20, 2024. No other reported updates as of December 31, 2025.