



# EAST PALO ALTO CITY COUNCIL REGULAR SESSION **AMENDED** AGENDA

Tuesday, November 18, 2025, 6:30 PM  
EPA Government Center  
2415 University Avenue, First Floor  
East Palo Alto, CA 94303

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## 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](mailto:cityclerk@cityofepa.org), submitting a speaker card at the meeting, or using the **RAISE HAND** feature when the Mayor or City Clerk call for public comment. Emailed comments should include the specific agenda item on which you are commenting.

Please click this URL to join

<https://us06web.zoom.us/j/88110358029>

Or join by phone:

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

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

Webinar ID: 881 1035 8029

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 FY 2025-26 First Quarter Treasury Report**

**Recommendation:** Accept and file the Cash Treasury Report for the month of September 2025.

**3.2 East Bayshore Road Pedestrian and Cyclist Safety Project Design Contract Amendment**

**Recommendation:**

Adopt a resolution:

1. Authorizing the City Manager to execute the first contract amendment, in a form approved by the City Attorney, with CSG Consultants Inc., for the East Bayshore Road Pedestrian and Cyclist Safety Project; to increase the contract budget by \$26,500 for a new not-to-exceed amount of \$446,331.50;
2. Appropriating \$26,500 of Capital Funds to fund the contract amendment; and
3. Finding that the project is exempt from the California Environmental Quality Act (CEQA) under Sections 15301, 15303, and 15304 of the CEQA Guidelines.

**3.3 City Council Meeting Minutes**

**Recommendation:**

Adopt the October 21, 2025 Minutes.

**3.4 Approval of Settlement Agreement**

**Recommendation:** By motion, approve and authorize the City Attorney to sign a settlement agreement in the matter of *Yu v. City of East Palo Alto (25-cv-06456)*.

- 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 BOARD MEETING CONSENT CALENDAR**

**7.1 Cash Disbursement Report for September 2025**

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

- 8. **ADJOURN EAST PALO ALTO SANITARY DISTRICT BOARD MEETING AND RECONVENE CITY COUNCIL REGULAR MEETING**
- 9. **INFORMATIONAL REPORTS**
- 10. **SPECIAL PRESENTATIONS**
- 11. **PUBLIC HEARINGS**

**11.1 990 Garden Alternative Compliance Option**

**Recommendation:** Recommendation

1. Approving the proposed Alternative Compliance Option for the residential development project located at 990 Garden Ave. (APN 063-344-420) to provide a 25% of In-Lieu Fee
2. Finding that the project 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, or alternatively, finding that a decision to deny a project is exempt from CEQA pursuant to Public Resources Code § 21080(b) (5).

**12. POLICY AND ACTION**

**12.1 FY 2026-27 Transient Occupancy Tax Grants Process**

**Recommendation:** Provide direction to staff regarding:

1. Fiscal Year (FY) 2026-27's total TOT budget for community grants; and
2. The maximum value of individual grants in FY 2026-27; and
3. Whether staff should continue to appoint the Community Grants Review Panel in the FY 2026-27 proposal review cycle; and
4. The scoring criteria and relative weight of each criterion for evaluating proposals in the FY 2026-27 proposal review cycle.

**13. COUNCIL REPORTS**

**14. ADJOURNMENT**

**Upcoming meetings:**

December 2, 2025	Regular Meeting	6:30 pm
December 9, 2025	Reorganization Meeting	6:00 pm
December 16, 2025	Regular Meeting	6:30 pm

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*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](http://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.*

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**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: November 7, 2025

AMENDED: November 14, 2025

ATTEST:

***James Colin***

\_\_\_\_\_  
City Clerk



# EAST PALO ALTO CITY COUNCIL STAFF REPORT

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**DATE:** November 18, 2025

**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:** FY 2025-26 First Quarter Treasury Report

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## **Recommendation**

Accept and file the Cash Treasury Report for the month of September 2025.

## **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. Finance staff provides quarterly reporting to the City Council indicating the summary of investments for the period and denoting the ability of the City to meet its expenditure requirements for the next three months.

## **Analysis**

This report covers primary cash and investments of the City. For investment purposes, City cash is pooled, except for bond proceeds, which are held in trust 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.

## CONSENT ITEM 3.1

Summary September 30, 2025				
	Average Maturity (YRS)	Average Earnings (QTR)	Deposit Value	Market Value
Petty Cash	n/a	n/a	\$ 10,800	\$ 10,800
Bank Checking	n/a	n/a	\$ 4,872,976	\$ 4,872,976
Local Agency Investment Fund	0.70	4.24%	\$ 10,567,147	\$ 10,587,537
San Mateo County Pool Investment	2.62	3.95%	\$ 26,525,940	\$ 26,878,470
CA Asset Management Program	0.12	4.39%	\$101,045,989	\$101,045,989
			<b>\$143,022,852</b>	<b>\$143,395,772</b>

As of September 30, 2025, the total deposit value of cash and investments equals \$143,022,852, including outstanding checks and other minor adjustments of \$596,568. Compared to the prior quarter ending in June 2025, the FY2025-26 first quarter (Q1) ending on September 30, 2025, total book value balance decreased by approximately \$15.4M. The overall decrease is primarily attributable to several significant one-time and timing-related payments made during the quarter, including:

- The annual CalPERS unfunded accrued liability (UAL) prepayment of (\$1.8M)
- The Annual Street Resurfacing Project (ASRP 2022/2023 – ST-07) payment to Goodfellow Bros. totaling (\$4.7M)
- The 2015A Refunding Bonds debt service payment of (\$1.4M)
- The FY 2025–26 San Francisquito Creek Joint Powers Authority (SFCJPA) member contribution of (\$1.2M)
- The FY 2025–26 PLAN JPA contribution of (\$1.0M)

Additionally, cash inflows decreased by approximately \$4.2 million compared to the prior quarter, as the June 2025 quarter included several large receipts such as the Redevelopment Property Tax Trust Fund (RPTTF) allocation for ROPS 25–26A (\$2.2 million) and Current Secured Property Tax collections (\$4.9 million) received in May 2025.

The following table shows a breakdown of cash and investment balance by fund type.

Summary September 30, 2025		
	Deposit Value	Market Value
General Fund (Inc. Petty cash of \$10,800)	\$ 42,536,193	\$ 42,536,193
General Sub-Funds (Committed/Restricted)	\$ 17,679,924	\$ 17,679,924
City Funds Restricted and Committed	\$ 82,343,853	\$ 82,343,853
Successor Agency Trust	\$ 462,883	\$ 462,883
Unrealized Gain/(Loss) on Investment Pools	\$ -	\$ 372,920
	<b>\$ 143,022,852</b>	<b>\$143,395,772</b>

## CONSENT ITEM 3.1

The deposit market value totals \$143,395,772 including an unrealized gain of \$372,920 reflecting treasury yields during the calendar year. All except for General Fund balance is restricted by either City Council or external parties for specific purposes. Unrestricted cash and investment balance under General Fund (\$42,536,193) including the contingency reserve may be used at Council discretion.

The table below reflects changes in rates since September 30, 2024, and compared to the previous month of August 2025, demonstrates a decrease in Long-term and Short-Term Treasury yields since September 30, 2024<sup>1</sup>:

	Sep-25	Aug-25	Sep-24
6-Month Treasury Bill	3.72	3.86	4.23
2-Year Treasury Note	3.60	3.59	3.66
5-Year Treasury Note	3.74	3.68	3.58

The City's portfolio is invested in the Local Agency Investment Fund (LAIF), the San Mateo County Treasurer's Pool, and the California Asset Management Program (CAMP). LAIF is a highly liquid investment pool operated by the State Treasurer, and the City has same-day access to the funds. The County Treasurer's Pool is less liquid, and the maturity and diversification of the underlying securities which in normally functioning markets is generally expected to result in higher yield. The CAMP Pool is a highly liquid investment pool directed by a Board of Trustees that provides same-day liquidity, competitive yields, and interest paid monthly. City staff does not control or direct the underlying investment of funds and each pool is managed by the respective agency's investment staff and oversight committee or board. June to September over quarter LAIF yields decreased from 4.27% for QE June 2025 to 4.24% for quarter-end (QE) September 2025 and San Mateo County Pool average gross pool earnings decreased from 4.05% for QE June 2025 to 3.95% for QE September 2025. San Mateo County Pool earnings are quoted on gross earnings. LAIF fair value factor increased from 1.0011 in the previous quarter to 1.0019. The County Pool factor increased from 1.0110 for QE June 2025 to 1.0132 for QE September 2025. As of September 2025, CAMP has an annualized yield of 4.36%, representing a decrease of 0.04% from the 4.40% yield reported in June 2025.

Based on the foregoing, pursuant to California Government Code Section 53646, the City shall meet its expenditure requirements for the next six months.

### **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

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<sup>1</sup> Daily US Treasury Yield Curve. Treasury.gov

## CONSENT ITEM 3.1

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.

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. Treasury Report QE September 2025

# Treasury Summary

## CITY AND SUCCESSOR AGENCY OF EAST PALO ALTO

### SUMMARY OF INVESTMENTS For Quarter Ended September 30, 2025

Category	Average Maturity		Average Interest Earnings For QTR	DEPOSIT AND BOOK VALUE	%	MARKET VALUE
	Days	Years				
<b>Cash and Investments</b>						
1. Petty Cash	na	na	0.000%	10,800	0.0%	10,800
2. On Demand Deposits (Wells Fargo checking)	na	na	0.000%	4,872,976	3.4%	4,872,976
3. Local Agency Investment Fund (LAIF)	254	0.70	4.240%	10,567,147	7.4%	10,587,537
4. San Mateo County Pool Investment	956	2.62	3.949%	26,525,940	18.7%	26,878,470
5. CA Asset Management Program	45	0.12	4.390%	101,045,989	70.5%	101,045,989
<b>Total Cash and Investments on Deposit</b>			<b>4.147%</b>	<b>143,022,852</b>	<b>100.0%</b>	<b>143,395,772</b>
General Fund (including petty cash of \$10,800)				42,536,193		42,536,193
General Sub - Funds (Committed/Reserved)				17,679,924		17,679,924
City Funds Restricted and Committed				82,343,853		82,343,853
Successor Agency Trust				462,883		462,883
Unrealized Gain/(Loss) on Investment Pools				-		372,920
<b>Total Book Balance</b>				<b>143,022,852</b>		<b>143,395,772</b>
<b>Bank to Book Adjustments</b>						
Checks Outstanding/Other AJE				596,568		596,568
<b>Total Book Adjustment</b>				<b>596,568</b>		<b>596,568</b>
<b>Total Cash and Investment Portfolio</b>				<b>143,022,852</b>		<b>143,395,772</b>

**CERTIFICATION:**

Pursuant to Government Code Section 53646, the City will meet its expenditure requirements for the next six months. Total funds invested represent the consolidation of all fund types, and availability of certain funds is restricted by law.

Tomohito Oku  
Director of Finance

11/5/2025  
Date

**For Reporting Information Regarding Investment Pools:**

- LAIF** <http://www.treasurer.ca.gov/pmia-laif/laif/index.asp>
- San Mateo County Pool** <http://sanmateocountytreasurer.org/index.html>
- CA Asset Management Program** <https://www.camponline.com/>



# **EAST PALO ALTO CITY COUNCIL STAFF REPORT**

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**DATE:** November 18, 2025

**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:** East Bayshore Road Pedestrian and Cyclist Safety Project Design Contract Amendment

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## **Recommendation**

Adopt a resolution:

1. Authorizing the City Manager to execute the first contract amendment, in a form approved by the City Attorney, with CSG Consultants Inc., for construction design support services for the East Bayshore Road Pedestrian and Cyclist Safety Project; to increase the contract budget by \$26,500 for a new not-to-exceed amount of \$446,331.50;
2. Appropriating \$26,500 of Capital Funds to fund the contract amendment; and
3. Finding that the project is exempt from the California Environmental Quality Act (CEQA) under Sections 15301, 15303, and 15304 of the CEQA Guidelines.

## **Alignment with City Council Strategic Plan**

This recommendation is primarily aligned with:

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

## **Background**

East Bayshore Road is a connector roadway that runs parallel to the US 101 freeway, in the north-south direction. The segment of East Bayshore Road between Euclid Avenue and Menalto Avenue lacks sidewalk and bike lanes. The East Bayshore Road Pedestrian and Cyclist Safety

Project aims to improve the roadway by constructing new sidewalks, curb ramps, bioretention planters; installation of trees, roadway rehabilitation, drainage improvements, as well as signage, striping and lighting improvements. The project is a city council priority and is budgeted in the City's 10-year Capital Improvement Plan.

In 2022, the City was awarded \$400,000 of Cycle 6 Pedestrian and Bicycle Program Funds through the County Transportation Authority (TA). Through Resolution 115-2022, the city council authorized a city-match in the amount of \$20,000.

On April 2, 2024, City Council adopted Resolution No. 29-2024 executed a contract with CSG Consultants Inc., in an amount not to exceed \$419,831.50 for professional engineering services to complete the design of the Project.

On March 18, 2025, City Council approved the project Plans, Specifications, and Estimate, and authorized the advertisement of the project.

On July 8, 2025, through Resolution 50-2025, the City Council awarded a construction contract to JJR, construction. The project is currently in the construction phase.

### **Analysis**

The project design has been completed by CSG Consultants, Inc. The project was fully funded using grant funds, other than the City match, and the grant performance period ended December 2024. Since the grant period lapsed prior to construction commencing, the City is no longer able to use the same funding source for the project. Because the original project funding source lapsed, staff recommends amending the design contract to include construction support using alternative funds. The requested support includes design support services during the construction phase which can include: review of submittals and change orders, attending construction meetings, resolving design issues encountered in the field, and general oversight to make sure the project is constructed in accordance with approved plans and specifications.

### **Fiscal Impact**

Staff recommends an additional appropriation in the amount of \$26,500 from CIP local fund for East Bayshore Road Pedestrian and Cyclist Safety Project Design Contract Amendment.

### **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 categorically exempt from the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines Section 15301(c) (rehabilitation or reconstruction of an existing roadway), as it involves rehabilitating existing roadways by erecting certain improvements to enhance safety. All improvements are proposed within the existing right of way and no expansion will occur of existing facilities.

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), and 15304 (Minor alterations to land).

The scope of work involves construction of new sidewalks, ADA complaint curb ramps, bioretention planters, installation of trees, roadway rehabilitation, drainage improvements, and improvements to signage, striping and lighting.

### **Government Code § 84308**

**Applicability of Levine Act:** No.

**Analysis of Levine Act Compliance:** Not applicable.

### **Attachments**

1. Resolution
2. Proposal

**RESOLUTION NO. xx – 2025**

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

**AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE THE FIRST CONTRACT AMENDMENT WITH CSG CONSULTANTS, INC., IN A FORM TO BE APPROVED BY THE CITY ATTORNEY, TO INCREASE THE NOT-TO-EXCEED AMOUNT BY \$26,500 FOR A NEW NOT-TO-EXCEED OF \$446,331.50 FOR DESIGN SUPPORT SERVICES DURING CONSTRUCTION FOR THE EAST BAYSHORE ROAD PEDESTRIAN AND CYCLIST SAFETY PROJECT**

**WHEREAS**, the City of East Palo Alto has identified pedestrian and bicycle safety concerns on East Bayshore Road from Euclid Avenue to Menalto Avenue; and

**WHEREAS**, the East Bayshore Road Pedestrian and Cyclist Safety Project (Project) aims to eliminate pedestrian and cyclist fatalities by providing safety improvements for active transportation; and

**WHEREAS**, the San Mateo County Transportation Authority (TA) issued a Call for Projects for the Cycle 6 Measures A and W Pedestrian and Bicycle Program on August 4, 2022; and

**WHEREAS**, the City was awarded \$400,000 of Cycle 6 Pedestrian and Bicycle Program Funds with an additional requirement for a \$20,000 City match, for the design of the Project; and

**WHEREAS**, on April 2, 2024, City Council adopted Resolution No. 29-2024 executed a contract with CSG Consultants Inc., in an amount not to exceed \$419,831.50 for professional engineering services to complete the design of the Project; and

**WHEREAS**, on March 18, 2025, City Council approved the project Plans, Specifications, and Estimate and authorized the advertisement of the project; and

**WHEREAS**, on July 8, 2025, City Council approved the project construction contract award to JJR Construction; and

**WHEREAS**, although the project was fully funded using grant funds, the grant performance period ended December 2024, thereby causing the grant period to lapse prior to construction commencing and depriving the City of a potential funding source for the project; and

**WHEREAS**, because the original funding source for the project has lapsed, staff recommends amending the design contract to include additional construction support services.

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

1. Finds the foregoing recitals are true and correct, and are incorporated by this reference into this action;
2. Authorizes the City Manager to execute the first contract amendment in a form approved by the City Attorney, with CSG Consultants Inc., for construction design support services for the East Bayshore Road Pedestrian and Cyclist Safety Project; to increase the contract budget by

\$26,500 for a new not-to-exceed amount of \$446,331.5;

3. Appropriates \$26,500 of Capital Funds; and
4. Finds that the project is exempt from the California Environmental Quality Act (CEQA) under Sections 15301 ,15303, and 15304 of the CEQA Guidelines.

**PASSED AND ADOPTED** this 18<sup>th</sup> day of November 2025, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

\_\_\_\_\_  
Martha Barragan, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
James Colin, City Clerk

\_\_\_\_\_  
John D. Lê, City Attorney



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Suite 255  
San Jose, CA 95118  
phone 650.522.2500  
fax 650.522.2599  
[www.csgegr.com](http://www.csgegr.com)

September 22, 2025

Batool Zaro

Project Manager

City of East Palo Alto Engineering Department

1960 Tate Street, East Palo Alto, CA 94303

## City of East Palo Alto

### Construction Support Work

The Engineering Department of the City of East Palo Alto is requesting that CSG provide construction support services for the East Bayshore Pedestrian and Bicycle Improvements Project. The requested support is anticipated to include assistance with coordination with the contractor, review of submittals and change orders, Request for Information and general oversight to make sure the project is constructed in accordance with approved plans and specifications. This project is a key component of the City's efforts to enhance mobility, improve safety, and encourage active transportation.

CSG scope of work is listed below:

### Construction Support Tasks

The planned scope of work includes a number of construction support activities including:

Task A - Submittal Review - Review and approve contractor submittals, shop drawings, and material certifications.

Task B - RFI Responses - Review and provide timely responses to Requests for Information (RFIs) from the contractor.

Task C - Change Order Review - Evaluate proposed change orders for cost, schedule, and technical impacts.

Task D - Utility Coordination - Assist with communication and coordination between the City, contractor, and utility companies.

Task E - Schedule Review - Monitor contractor schedules to ensure timely project delivery.

Task F - Progress Meetings - Attend and support regular construction meetings with the City and contractor.

Task G - Closeout Support - Support the City with punch list development, final inspections, and project acceptance.

### Task A - Submittal Review

Conduct a comprehensive review of contractor submittals, shop drawings, product data, and material certifications to verify compliance with the project plans, specifications, and applicable standards. This includes coordinating with design plans, providing timely responses to avoid construction delays, maintaining organized records of all submittals, and issuing approvals, or rejections.

### **Task B - RFI Responses**

Review and respond to contractor Requests for Information (RFIs) in a timely manner to avoid construction delays. This includes evaluating the contractor's inquiries for clarity, consulting with CSG design team as needed, and providing written responses that reference the project plans, specifications, and applicable standards. Responsibilities also include maintaining a log of all RFIs, tracking response times, and ensuring that issued responses are consistent, coordinated, and properly communicated to all stakeholders.

### **Task C - Change Order Review**

Review and evaluate all proposed change orders submitted by the contractor to determine their validity and impact on the project. This includes assessing the scope of the requested change, verifying associated costs and quantities, analyzing potential schedule implications, and compliance with the project's design intent, specifications, and regulatory requirements. Responsibilities also include coordinating with the City and CSG design team as needed, providing written recommendations, and maintaining clear documentation to support decision making and contract administration.

### **Task D - Utility Coordination**

Provide support in facilitating communication and coordination among the City, contractor, and utility companies to prevent conflicts and minimize construction delays. This includes verifying the locations of existing utilities, reviewing proposed utility connections or relocations, and ensuring compliance with utility provider requirements and project specifications. Responsibilities also include attending coordination meetings, documenting agreements or requirements from utility agencies, tracking utility work progress, and assisting in resolving unforeseen conflicts in the field to maintain schedule and cost control.

### **Task E - Schedule Review**

Review and monitor the contractor's construction schedule to make sure the project stays on track for timely completion. Responsibilities include coordinating with the contractor to resolve scheduling issues, providing recommendations to the City for corrective actions if needed.

### **Task F - Progress Meetings**

Attend remotely and actively participate in regular construction progress meetings with the City and contractor. Responsibilities include reviewing current project status, open submittals, RFIs, and outstanding issues. Support also includes assisting the City in leading or facilitating meetings when needed, ensuring that decisions are clearly communicated.

### **Task G - Closeout Support**

Provide assistance to the City during project closeout to make all construction activities complete in accordance with the contract documents and standards. Responsibilities include developing and maintaining a comprehensive punch list, coordinating with the contractor to address outstanding deficiencies, and conducting follow-up site visits to verify corrective actions.



3150 Almaden Expy  
Suite 255  
San Jose, CA 95118  
phone 650.522.2500  
fax 650.522.2599  
[www.csgr.com](http://www.csgr.com)

## COST PROPOSAL

CSG proposes the fee request with a not to exceed cost total of **\$26,500**.  
The breakdown for this fee, by task, is shown below.

<b>Tasks</b>	<b>Amount</b>
Task A - Submittal Review	\$11,500
Task B - RFI Responses	\$7,000
Task C - Change Order Review	\$2,500
Task D - Utility Coordination	\$1,500
Task E - Schedule Review	\$1,000
Task F - Progress Meetings	\$1,000
Task G - Closeout Support	\$2,000
<b>TOTAL FOR ALL TASKS A - G</b>	<b>\$ 26,500</b>

We look forward to continuing our partnership with the City to complete this project. If any questions arise, please contact me at 408-410-5922.

Sincerely,

**Michael Fisher**  
*Principal Engineer*



# EAST PALO ALTO CITY COUNCIL STAFF REPORT

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**DATE:** November 18, 2025  
**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

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## **Recommendation**

Adopt the November 4, 2025, minutes.

## **Attachments**

1. November 4, 2025, Minutes



# EAST PALO ALTO CITY COUNCIL REGULAR SESSION MINUTES

Tuesday, November 4, 2025, 6:30 PM  
EPA Government Center  
2415 University Avenue, First Floor  
East Palo Alto, CA 94303

## 1. CALL TO ORDER AND ROLL CALL

The City Council meeting was called to order by Mayor Barragan at 6:33 PM.

Attendee Name	Title	Status	Arrived
Martha Barragan	Mayor	Present	
Mark Dinan	Vice Mayor	Present	
Carlos Romero	Councilmember	Present	
Ruben Abrica	Councilmember	Late	6:50 PM
Webster Lincoln	Councilmember	Present	

## 2. APPROVAL OF THE AGENDA

A motion to approve the agenda was made by Vice Mayor Dinan, seconded by Councilmember Lincoln, and passed unanimously with Councilmember Abrica being absent.

## 3. APPROVAL OF CONSENT CALENDAR

Councilmember Romero pulled item 3.3 for discussion.

A motion to approve the consent calendar with those amendments was made by Councilmember Romero, seconded by Councilmember Abrica, and passed unanimously with Councilmember Abrica being absent.

### 3.1 City Council Meeting Minutes

### 3.2 Authorization to Award Agreement to Government Technology Group for Development of the City's Information Technology Strategic Plan

### 3.3 Fiscal Year 2025-26 City Council Strategic Priorities First Status Update

Councilmember Romero posed questions regarding this item. A motion to approve item 3.3 was made by Councilmember Romero and seconded by Vice Mayor Dinan and passed unanimously with Councilmember Abrica being absent.

## 4. CLOSED SESSION

### 4.1 CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION (Government Code Section 54956.9(d)(1).)

City Attorney, John D. Lê, confirmed that there was no reportable action, but that direction was given to staff.

**5. PUBLIC COMMENT**

The following speakers provided public comments:

- Gail Dixon
- Yahsmeen Abdusami
- Darlene Crumede
- CJEC

**6. INFORMATIONAL REPORTS**

**7. SPECIAL PRESENTATIONS**

**7.1 San Mateo County Library Presentation**

Ismael Betancourt, San Mateo County Libraries EPA Library Manager provided a presentation updating the Council on the library's work in East Palo Alto.

**8. PUBLIC HEARINGS**

**9. POLICY AND ACTION**

**9.1 Continued use of Automated License Plate Recognition Systems for Enhanced Public Safety**

Chief of Police, Jeff Liu, provided a presentation on item 9.1.

The following speakers provided public comments:

- Lavain Henderson
- Fili
- Danae Moreno
- Kenia Najjar
- Gail Dixon
- Mario
- Tiambe Jama
- JT
- Laura Rubio
- Ofelia Bello
- Edwin Magana Lopez
- Lourdes Best

After discussion, the Council decided to continue this item to the next meeting.

**10. COUNCIL REPORTS**

Councilmember Lincoln requested that the Council agendaize an item to discuss the inclusionary housing ordinance.

**11. ADJOURNMENT**

The meeting was adjourned at 8:22 PM.



# EAST PALO ALTO CITY COUNCIL STAFF REPORT

---

**DATE:** November 18, 2025  
**TO:** Honorable Mayor and Members of the City Council  
**BY:** John D. Lê, City Attorney  
**SUBJECT:** Approval of Settlement Agreement

---

## **Recommendation**

By motion, approve and authorize the City Attorney to sign a settlement agreement in the matter of *Yu v. City of East Palo Alto (25-cv-06456)*.

## **Alignment with City Council Strategic Plan**

This recommendation is primarily aligned with:

- Priority: Governance, Organizational Strength, and Fiscal Sustainability

## **Background**

On July 31, 2025, the City Clerk was served with a lawsuit by and through the Pacific Legal Foundation, who represents Mr. Wesly Yu.

The City retained legal counsel Michael Colantuono and Pamela Graham, Colantuono Highsmith Whatley LLP.

In September 2025, as part of a larger effort to facilitate SB 9 lot splits, the City Council adopted an amendment to the City's Inclusionary Housing Ordinance (Ordinance No. 06-2025) to exempt parcels that are given an approval under SB 9 from the Inclusionary Housing Ordinance. The amendment mooted Mr. Yu's claims.

The City's legal counsel informed Mr. Yu of the ordinance. Mr. Yu's counsel informed the City on October 20, 2025, that they intend to dismiss their suit, but would seek attorney's fees.

## **Analysis**

Although the City may vigorously defend its rights in a court of law, in the interest of conserving resources, the City Council has decided to settle this matter. Recently, the Council met in closed session to consider settlement options. At that time, direction was given to staff concerning how to proceed with settlement.

The City Attorney returns to open session to approve a payment of \$5,000 to settle the matter. The settlement agreement is available upon request.

### **Fiscal Impact**

The proposed settlement would involve payment of \$5,000, which will be covered from FY25-26 budget savings in General Fund. No new appropriation is necessary.

### **Public Notice**

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

### **Environmental**

The 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.

### **Government Code § 84308**

**Applicability of Levine Act:** No, as the proposed action is specifically exempted under the Levine Act.

**Analysis of Levine Act Compliance:** Not applicable.



# EAST PALO ALTO SANITARY DISTRICT STAFF REPORT

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**DATE:** November 18, 2025

**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 September 2025

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## **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

## EPASD BOARD MEETING CONSENT CALENDAR 7.1

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 informational and includes all cash disbursements for the month ending September 30, 2025, approved by District Treasurer. As of September 30, 2025, the actual expenses did not exceed the District’s approved budget.

### 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 September 30, 2025

Vendor Name	Description	Check Amount	Check Number	Check Issue Date
AA LOCK & ALARM INC.	Standard Service call, 1 key	\$ 337.53	73077	9/19/2025
ADP	PAYROLL FEES EPASD	\$ 49.85	819	9/30/2025
AppleOne, Inc	Staffing Services	\$ 1,517.28	73082	9/19/2025
AppleOne, Inc	Staffing Services	\$ 1,521.60	72980	9/5/2025
AppleOne, Inc	Staffing Services	\$ 1,521.60	73126	9/26/2025
AppleOne, Inc	Staffing Services	\$ 1,521.60	73126	9/26/2025
AppleOne, Inc	Staffing Services	\$ 3,319.03	72980	9/5/2025
AT&T	Monthly phone services charges Sep 2-Oct 1	\$ 255.91	73084	9/19/2025
BAY CENTRAL PRINTING	Business cards for Marissa	\$ 107.68	73086	9/19/2025
CALIF PUBLIC EMPLOYEES'	Misc first level GASB-68	\$ 350.00	820	9/30/2025
CALIF PUBLIC EMPLOYEES'	RATE PLAN 27114 Misc EPASD	\$ 389.61	820	9/30/2025
CALIF PUBLIC EMPLOYEES'	EPASD HEALTH PREMIUM SEP 2025	\$ 9,456.63	820	9/30/2025
Caltronics Business Systems	Equipment base charge and Usage	\$ 139.04	73089	9/19/2025
COMCAST	Recurring charges for ACC#905067630	\$ 407.65	73119	9/19/2025
COMCAST	Recurring charges for ACCT#8155 20 007 0165362 for SEP 2025 EPASD	\$ 449.89	73039	9/12/2025
FREYER & LAURETA INC.	Coordinated the final draft master plan, customer reviews, WBSD coordina	\$ 9,558.50	73097	9/19/2025
Green Source Janitorial	Monthly Janitorial Service Sep 2025	\$ 3,753.00	73007	9/5/2025
HOME DEPOT CREDIT SERVCIES	Repair irrigation line at EPASD	\$ 16.28	73153	9/26/2025
HOME DEPOT CREDIT SERVCIES	Parts for EPASD AC	\$ 48.09	73153	9/26/2025
HOME DEPOT CREDIT SERVCIES	Parts for EPASD AC	\$ 64.21	73153	9/26/2025
HOME DEPOT CREDIT SERVCIES	Replace window AC for EPASD server room	\$ 306.55	73153	9/26/2025

*\*Manual Checks have three-digit check numbers.*

# EPASD BOARD MEETING CONSENT CALENDAR 7.1

## EPASD Cash Disbursement Reports For Period Ending September 30, 2025 (Continued)

Vendor Name	Description	Check Amount	Check Number	Check Issue Date
LC Networks, Inc	EPASD	\$ 961.00	73052	9/12/2025
Michael Woo	Forensic Accounting Services for EPASD	\$ 343.75	73013	9/5/2025
PACIFIC GAS & ELECTRIC	PACIFIC GAS & ELECTRIC EPASD	\$ 17.09	73161	9/26/2025
PACIFIC GAS & ELECTRIC	PACIFIC GAS & ELECTRIC EPASD	\$ 18.74	73015	9/5/2025
PACIFIC GAS & ELECTRIC	PACIFIC GAS & ELECTRIC EPASD	\$ 276.35	73058	9/12/2025
Recology San Mateo County	Waste for month of AUG 2025 EPASD	\$ 206.80	73062	9/12/2025
U.S.BANK CORPORATE PAYMENT SYSTEM	letter mailed to waterboard	\$ 43.90	73070	9/12/2025
VEOLIA WATER NORTH AMERIC	WATER BILL FOR EPASD FOR 8/6/25-9/6/25acct#415720	\$ 31.13	73120	9/19/2025
VEOLIA WATER NORTH AMERIC	Charges for account 386303 8/6/25-9/5/25 EPASD	\$ 94.44	73120	9/19/2025
VEOLIA WATER NORTH AMERIC	Charges for account 386303 7/6/25-8/5/25 EPASD	\$ 367.18	73120	9/19/2025
VEOLIA WATER NORTH AMERIC	WATER BILL FOR EPASD FOR 724/25-8/24/25	\$ 645.56	73026	9/5/2025
WEST BAY SANITARY DISTRIC	Maintenance services agreement 7/2025	\$ 109,158.39	73116	9/19/2025
WEST BAY SANITARY DISTRIC	Maintenance services agreement 6/2025	\$ 144,487.59	73027	9/5/2025
WEST BAY SANITARY DISTRIC	Maintenance services agreement 8/2025	\$ 154,751.81	73116	9/19/2025

*\*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

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**DATE:** November 18, 2025

**TO:** Honorable Mayor and Members of the City Council

**VIA:** Melvin E. Gaines, City Manager

**BY:** Yajaira Morales, Housing Project Manager  
Karen Camacho, Housing and Economic Development Manager

**SUBJECT:** 990 Garden Inclusionary Housing Alternative Compliance Option

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## **Recommendation**

Adopt a resolution:

1. Finding that the proposed Alternative Compliance Option for the residential development project located at 990 Garden Street (APN 063-344-780, 790, 800, 810, 820, 830, and 840) to provide an In-Lieu Fee payment equivalent to 1.75 units, fulfills the project's inclusionary housing obligation under Section 18.37.080 of the East Palo Alto Municipal Code (EPAMC); and
2. Finding that the project 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, or alternatively, finding that a decision to deny a project is exempt from CEQA pursuant to Public Resources Code § 21080(b)(5).

## **Alignment with City Council Strategic Plan**

This recommendation is primarily aligned with:

- Priority: Comprehensive Housing

## **Background**

The 990 Garden Project is located on a 1.32-acre parcel in a single-family residential zone. The applicant, Garden Place LLC, originally proposed an eight-parcel subdivision with seven new single-family homes, each with an accessory dwelling unit (ADU). Under the City's Inclusionary

Housing Ordinance (IHO), the project must provide affordable housing units or pay In-Lieu Fees based on the number and type of units proposed.

On February 15, 2022, the City Council held a public hearing to consider the applicant's alternative compliance proposal. Instead of the standard requirement—one six-bedroom affordable single-family dwelling with an ADU and a partial In-Lieu Fee—the applicant proposed to build two attached affordable units (a four-bedroom and a three-bedroom) for sale to income-eligible households earning at or below 80% of Area Median Income (AMI), plus a 0.4-unit In-Lieu Fee. The Council approved the proposal by resolution, finding that it met the requirements of EPAMC Section 18.37.080(D).

Subsequently, on June 13, 2022, the Planning Commission approved the Lot Merger and Tentative Parcel Map. On May 7, 2024, the City Council approved the Final Tract Map and Subdivision Improvement Agreement, confirming all project conditions—including the inclusionary housing requirements—had been met.

The applicant has since proposed a new alternative compliance option. Rather than building affordable units, the applicant now proposes to pay an In-Lieu Fee equivalent to 1.75 units. This change reflects the applicant's plan to retire and sell the parcels, making on-site construction infeasible. The new proposal does not affect any previously approved entitlements. This hearing focuses solely on reconsidering the Inclusionary Housing Ordinance (IHO) portion of the project.

### **Analysis**

Under EPAMC Chapter 18.37, the Inclusionary Housing Ordinance, new residential developments must provide 20% of total units as affordable housing. Developers seeking alternative compliance must instead meet a 25% inclusionary requirement, subject to City Council approval. Acceptable alternatives include off-site construction, In-Lieu Fee payment, or other methods that demonstrate an equal or greater public benefit than on-site compliance.

For the 990 Garden project, which includes seven new for-sale units, the base and alternative compliance options are summarized below.

**Table 1: Inclusionary Housing Options Comparison**

Category	Base IHO Requirement (20%)	February 2022 Approved Alternative Compliance (25%)	Newly Proposed Alternative Compliance (25%)
<b>Applicable Code</b>	EPAMC § 18.37.050	EPAMC § 18.37.080(D)	EPAMC § 18.37.080(D)
<b>Units in Project</b>	7 for-sale single-family homes	7 for-sale single-family homes	7 for-sale single-family homes
<b>Required Affordable Units</b>	1.4 units (20%)	1.75 units (25%)	1.75 units (25%)
<b>Compliance Approach</b>	Construct 1 on-site affordable single-family home with an ADU + pay 0.4 In-Lieu Fee	Construct 2 attached affordable units (4-BR and 3-BR) + pay 0.4 In-Lieu Fee	Pay In-Lieu Fee only (equal to 1.75 units)
<b>Estimated FY 2025–26 In-Lieu Fee (For-Sale)</b>	$0.4 \times \$268,800 = \mathbf{\$107,520}$	$0.4 \times \$268,800 = \mathbf{\$107,520}$	$1.75 \times \$268,800 = \mathbf{\$470,400}$
<b>On-Site Affordable Housing Provided</b>	1 single-family unit (w/ ADU)	2 attached units	None
<b>Council Action</b>	Staff may approve, Council action N/A	Approved Feb 15, 2022	Pending consideration
<b>Public Benefit</b>	Meets standard IHO requirement	Provides two ownership units affordable $\leq$ 80% AMI	Provides equivalent public benefit via full In-Lieu Fee payment
<b>Staff Recommendation</b>	Baseline requirement	Previously approved	Recommend approval; meets § 18.37.080 criteria

**Base IHO Requirement (20%)**

Under the City’s Inclusionary Housing Ordinance, residential projects must dedicate 20% of new units as affordable housing. For the 990 Garden Project’s seven new single-family homes, this equals 1.4 affordable units.

The applicant would therefore need to:

- Construct one six-bedroom affordable single-family unit with an ADU, consistent with the project’s market-rate homes; and
- Pay an In-Lieu Fee equivalent to 0.4 units, estimated at \$107,520 based on the FY 2025–26 fee of \$268,800 per for-sale inclusionary unit.

This approach provides a tangible affordable home within the project while using an In-Lieu Fee to satisfy the fractional requirement.

**February 2022 Approved Alternative Compliance (25%)**

The City Council previously approved an alternative compliance option under EPAMC Section 18.37.080(D), which allows flexibility in exchange for meeting a higher inclusionary rate—25% instead of 20%.

Under this plan, the applicant committed to:

- Construct two attached affordable for-sale units (one four-bedroom and one three-bedroom) to be sold to households earning at or below 80% of the Area Median Income; and

- Pay an In-Lieu Fee equivalent to 0.4 units (again, \$107,520).

The City Council determined that this plan provided an equal or greater public benefit compared to the base requirement and approved it in February 2022.

### Newly Proposed Alternative Compliance (25%)

The applicant has since requested a new alternative compliance option. Instead of constructing any affordable units, the applicant proposes to:

- Pay an In-Lieu Fee equivalent to 1.75 inclusionary units, which totals \$470,400 based on the FY 2025–26 fee schedule.

This option meets the 25% inclusionary requirement through a full In-Lieu Fee payment rather than on-site development. The applicant cites retirement and plans to sell the parcels as reasons they can no longer undertake construction.

This is the first time an applicant for a project with five or more units in East Palo Alto has proposed satisfying the inclusionary requirement entirely through an In-Lieu Fee under the alternative compliance provisions. Staff has determined that this approach meets the requirements of EPAMC Section 18.37.080, which allows approval if the alternative provides an equal or greater public benefit. The proposed fee will support the City's broader affordable housing efforts through the Housing In-Lieu Fund.

Staff recommends City Council approval of the newly proposed alternative compliance option because it satisfies the City's inclusionary housing requirements, aligns with ordinance provisions, and contributes meaningful funding for future affordable housing projects.

### Fiscal Impact

City project to receive the inclusionary in-lieu fee in the amount of \$470,400 for this project which will be accounted in the Housing in-Lieu Fund. The In-lieu fee is due in full prior to building permits being issued and thus will be calculated depending on when payment is being made as the fee may change from fiscal year to fiscal year.

### Public Notice

The public was provided notice by publishing a notice in the November 7, 2025 Daily News and by making the agenda and report available on the City's website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

### Environmental

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

### Government Code § 84308

**Applicability of Levine Act:** Yes.

**Analysis of Levine Act Compliance:** The signatory for the application is Tony Carrasco, Manager, Garden Place LLC. Staff is unaware of any other parties or participants relevant to the Commission's consideration of this item.

**Attachments**

1. Resolution
2. Final Map with Design Proposal

**RESOLUTION NO. XX– 2025**

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

**APPROVING AN INCLUSIONARY HOUSING ALTERNATIVE COMPLIANCE OPTION  
FOR AN 25% IN-LIEU PAYMENT EQUIVALENT TO 1.75 INCLUSIONARY UNITS FOR  
THE RESIDENTIAL DEVELOPMENT PROJECT AT 990 GARDEN STREET**

**WHEREAS**, on November 19, 2019, the City Council of the City of East Palo Alto (“City Council”) adopted Ordinance No. 425 (“IHO”), adding Chapter 18.37 – Inclusionary Housing to the City of East Palo Alto Municipal Code; and

**WHEREAS**, on August 14, 2020, Garden Place LLC (“Applicant”) submitted an application for a residential development consisting of an eight-parcel subdivision that provides seven single-family dwellings, each with an Accessory Dwelling Unit (“ADU”), on a vacant lot on Garden Street (“Project”); and

**WHEREAS**, the Project is subject to the IHO, since it is a new residential development project; and

**WHEREAS**, the Project’s inclusionary obligation under the IHO is to provide one unit on-site, with an attached ADU, to be sold at an affordable price to a “Median-Income Household,” defined in the IHO as a household at or below 80% Area Median Income (“AMI”), and to provide an In-Lieu Fee Payment equal to 0.4 of a unit; and

**WHEREAS**, the IHO does not apply to ADUs, and the basis for including an ADU as part of the Project’s inclusionary obligation is to achieve equivalency with the market-rate lots in the Project, which include comparable sizing and amenities; and

**WHEREAS**, Section 18.37.080(D) of the East Palo Alto Municipal Code allows for an applicant of a residential development to propose an Alternative Compliance Option to meet its inclusionary obligation, and this Alternative Compliance Option must be approved by the City Council; and

**WHEREAS**, on February 15, 2022, the City Council conducted a public hearing and approved the Applicant’s request for an Alternative Compliance Option to provide two attached units, consisting of one four-bedroom unit and one three-bedroom unit, both restricted to sale to Median-Income Households, as defined in the Ordinance, as an Alternative Compliance Option for the Project; and

**WHEREAS**, on February 15, 2022, the City Council approved the abovementioned Alternative Compliance Option; and

**WHEREAS**, on June 13, 2022, as documented in Resolution No. PC 2022-07, subsequent to City Council approval, the Planning Commission reviewed and approved the Lot Merger and Tentative Parcel Map (LM21-001 and TPM21-002) for the Project; and

**WHEREAS**, on May 7, 2024, the City Council approved the Final Tract Map (FM23-001), including a Subdivision Improvement Agreement and a 25-foot street dedication; and

**WHEREAS**, on September 23, 2025, the Applicant met with the Housing Division to propose a new Alternative Compliance Option, electing to provide a 25% of the In-Lieu Fee equivalent to 1.75

inclusionary units; and

**WHEREAS**, the Alternative Compliance proposal to provide a 25% In-Lieu Fee payment meets the 25% alternative compliance requirement; and

**WHEREAS**, in accordance with EPAMC 18.37.050, all Inclusionary In-Lieu Fees must be paid in full prior to the issuance of any building permits for market-rate units.

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

1. Finding that the proposed Alternative Compliance Option for the residential development project (Project) located at 990 Garden Street (APN 063-344-780, 790, 800, 810, 820, 830, and 840) to provide an In-Lieu Fee Payment equivalent to 1.75 units, fulfills the project's inclusionary housing obligation under Section 18.37.080 of the East Palo Alto Municipal Code (EPAMC); and
3. Finding that the project 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, or alternatively, finding that a decision to deny a project is exempt from CEQA pursuant to Public Resources Code § 21080(b)(5).

**PASSED AND ADOPTED** this 18<sup>th</sup> day of November 2025, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

\_\_\_\_\_  
Martha Barragan, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
James Colin, City Clerk

\_\_\_\_\_  
John D. Lê, City Attorney

**OWNER'S STATEMENT**

WE HEREBY STATE THAT WE ARE THE OWNERS OF, OR HAVE SOME RIGHT, TITLE, OR INTEREST, IN AND TO THE REAL PROPERTY INCLUDED WITHIN THE SUBDIVISION SHOWN UPON THE HEREIN MAP; THAT WE ARE THE ONLY PERSONS WHOSE CONSENT IS NECESSARY TO PASS CLEAR TITLE TO SAID REAL PROPERTY; AND THAT WE HEREBY CONSENT TO THE PREPARATION AND RECORDATION OF SAID MAP AND SUBDIVISION AS SHOWN WITHIN THE DISTINCTIVE BORDER LINE. WE ALSO HEREBY OFFER TO DEDICATE, IN FEE SIMPLE, TO THE CITY OF EAST PALO ALTO FOR PUBLIC PURPOSES, A PORTION OF SAID REAL PROPERTY, SAID PORTION BEING SHOWN HEREON AS A "10' WIDE STREET DEDICATION".

WE ALSO HEREBY DEDICATE TO THE PUBLIC AN EASEMENT FOR EMERGENCY VEHICLE ACCESS EASEMENT, OVER LOT A, SHOWN HEREON AS "EVAE". LOT "A" IS RESERVED AS A PRIVATE STREET FOR THE COMMON USE OF THE FUTURE OWNERS OF THE SUBDIVISION, INCLUDING INGRESS/EGRESS AND CONSTRUCTION, MAINTENANCE, AND OPERATION OF PRIVATE UTILITIES, AND ANY OTHER USES, IN ACCORDANCE WITH THE DECLARATIONS OF COVENANTS, CONDITIONS, AND RESTRICTIONS GOVERNING THE SUBDIVISION. SAID LOT SHALL BE CONVEYED BY DEED TO THE HOMEOWNERS ASSOCIATION.

AS OWNERS: GARDEN PLACE LLC, A CALIFORNIA LIMITED LIABILITY COMPANY

ANTHONY CARRASCO  
MEMBER

RITA PARASNIS  
MEMBER

**OWNER'S ACKNOWLEDGMENT**

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA  
COUNTY OF \_\_\_\_\_

ON \_\_\_\_\_, 20\_\_\_\_, BEFORE ME, \_\_\_\_\_ A NOTARY PUBLIC

**PERSONALLY APPEARED**

WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND

NOTARY'S SIGNATURE: \_\_\_\_\_  
NAME OF NOTARY (PLEASE PRINT): \_\_\_\_\_  
PRINCIPAL COUNTY OF BUSINESS: \_\_\_\_\_  
MY COMMISSION NUMBER: \_\_\_\_\_  
MY COMMISSION EXPIRES: \_\_\_\_\_

**OWNER'S ACKNOWLEDGMENT**

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA  
COUNTY OF \_\_\_\_\_

ON \_\_\_\_\_, 20\_\_\_\_, BEFORE ME, \_\_\_\_\_ A NOTARY PUBLIC

**PERSONALLY APPEARED**

WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND

NOTARY'S SIGNATURE: \_\_\_\_\_  
NAME OF NOTARY (PLEASE PRINT): \_\_\_\_\_  
PRINCIPAL COUNTY OF BUSINESS: \_\_\_\_\_  
MY COMMISSION NUMBER: \_\_\_\_\_  
MY COMMISSION EXPIRES: \_\_\_\_\_

**SURVEYOR'S STATEMENT**

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF MR BB PATEL IN APRIL 2023. I HEREBY STATE THAT THIS MAP SUBSTANTIALLY CONFORMS TO THE CONDITIONALLY APPROVED TENTATIVE MAP: THAT THE SURVEY IS TRUE AND CORRECT AS SHOWN; THAT ALL MONUMENTS ARE OF THE CHARACTER AND OCCUPY THE POSITIONS INDICATED; AND THAT SAID MONUMENTS ARE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED.

ANDREW K. HOLMES, PLS 4428 DATE \_\_\_\_\_



**COUNTY RECORDER'S STATEMENT**

FILED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_ AT \_\_\_\_\_ M,

IN BOOK \_\_\_\_\_ OF MAPS, AT PAGE(S) \_\_\_\_\_, SAN MATEO COUNTY RECORDS.

AT THE REQUEST OF FIRST AMERICAN TITLE COMPANY.

FILE NO. \_\_\_\_\_ FEE \_\_\_\_\_

MARK CHURCH, COUNTY RECORDER

DEPUTY

**SOILS REPORT**

A SOILS REPORT HAS BEEN PREPARED BY EARTH SYSTEMS PACIFIC DATED MARCH 25, 2022 AND SIGNED BY AJAY SIINGH, REGISTERED PROFESSIONAL ENGINEER CERTIFICATE NO. GE 3057.

**TRUSTEE'S STATEMENT**

FIRST AMERICAN TITLE COMPANY, A CALIFORNIA CORPORATION, AS TRUSTEE UNDER THAT CERTAIN DEED OF TRUST RECORDED JULY 23, 2018 AS DOCUMENT NO. 2018-057266 O.R. SAN MATEO COUNTY, CALIFORNIA, DOES HEREBY CONSENT TO THE PREPARATION AND RECORDATION OF THIS MAP NO 2021-002 AND JOINS IN ALL OFFERS OF DEDICATION HEREON.

**TRUSTEE'S ACKNOWLEDGMENT**

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA  
COUNTY OF \_\_\_\_\_

ON \_\_\_\_\_, 20\_\_\_\_, BEFORE ME, \_\_\_\_\_ A NOTARY PUBLIC

**PERSONALLY APPEARED**

WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND

NOTARY'S SIGNATURE: \_\_\_\_\_  
NAME OF NOTARY (PLEASE PRINT): \_\_\_\_\_  
PRINCIPAL COUNTY OF BUSINESS: \_\_\_\_\_  
MY COMMISSION NUMBER: \_\_\_\_\_  
MY COMMISSION EXPIRES: \_\_\_\_\_

**CITY PLANNER'S STATEMENT**

I HEREBY STATE THAT ALL CONDITIONS OF APPROVAL OF THE TENTATIVE MAP, IMPOSED BY THE CITY PLANNING COMMISSION, HAVE BEEN MET.

ELENA LEE DATE \_\_\_\_\_  
PLANNING MANAGER

**CITY SURVEYOR'S STATEMENT**

I, ANNE-SOPHIE TRUONG, CITY SURVEYOR FOR THE CITY OF EAST PALO ALTO, DO HEREBY STATE THAT I HAVE EXAMINED THIS MAP AND I AM SATISFIED THAT THE SURVEY DATA SHOWN HEREON IS TECHNICALLY CORRECT.

ANNE-SOPHIE TRUONG, ACTING CITY SURVEYOR DATE \_\_\_\_\_  
PLS 8998



**CITY ENGINEER'S STATEMENT**

I, HUMZA JAVED, CITY ENGINEER OF THE CITY OF EAST PALO ALTO, HEREBY STATE THAT I HAVE EXAMINED THIS MAP; THAT THE MAP AS SHOWN IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAP AND ANY APPROVED ALTERATION THEREOF; THAT THE MAP CONFORMS TO CHAPTER 2 OF THE SUBDIVISION MAP ACT; AND THAT THE MAP COMPLIES WITH ANY LOCAL ORDINANCES APPLICABLE AT THE TIME OF APPROVAL OF THE TENTATIVE MAP.

ANWARBEG MIRZA, CITY ENGINEER DATE \_\_\_\_\_  
R.C.E. 79700



**CITY CLERK'S STATEMENT**

I HEREBY STATE THAT THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO DID, BY RESOLUTION ADOPTED AT A REGULAR MEETING ON \_\_\_\_\_, APPROVE THE WITHIN MAP, AND DID ACCEPT ON BEHALF OF THE PUBLIC, ANY REAL PROPERTY OFFERED FOR DEDICATION FOR PUBLIC USE IN CONFORMITY WITH THE TERMS OF THE OFFER OF DEDICATION SUBJECT TO THE CONDITION THAT THE CITY IS NOT RESPONSIBLE OR LIABLE FOR ANY COST OR EXPENSE FOR ANY OFFER ACCEPTED UNLESS AUTHORIZED BY SEPARATE ACTION OF THE CITY COUNCIL.

JAMES COLIN DATE \_\_\_\_\_  
CITY CLERK

**TRACT MAP NO 21-002**

AN 8 LOT SUBDIVISION  
(7 RESIDENTIAL LOTS AND 1 COMMON AREA LOT)

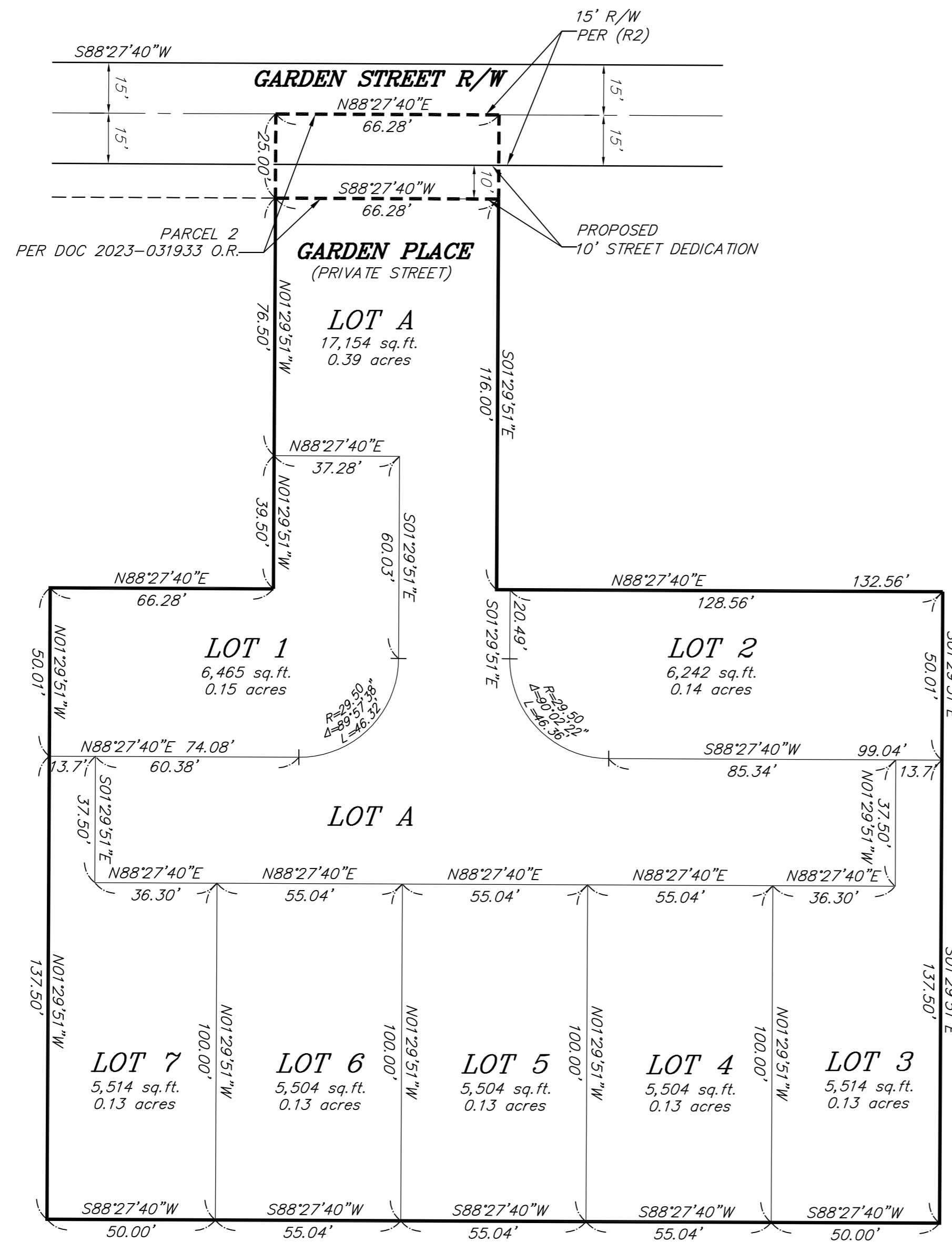
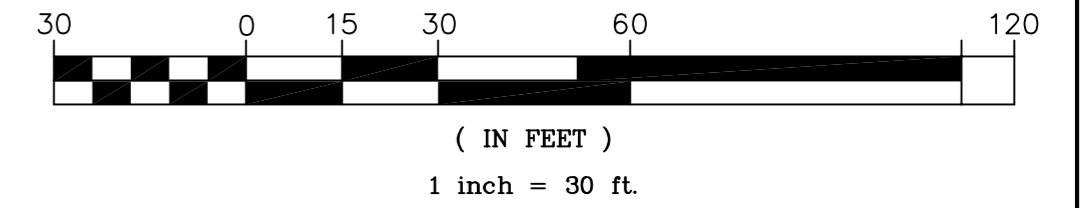
BEING A RESUBDIVISION OF A PORTION OF LOT 18, AS DESIGNATED ON THE MAP ENTITLED, "MAP OF FABER SUBDIVISION, SAN MATEO CO., CAL." FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, ON OCTOBER 23, 1912, IN BOOK 8 OF MAPS AT PAGE 31, AND AS DESCRIBED IN DOCUMENT NO. 2023-031933 O.R.

CITY OF EAST PALO ALTO SAN MATEO COUNTY CALIFORNIA

NOVEMBER 2023

**brad/holmes associates**  
777 WOODSIDE ROAD, SUITE 2A  
REDWOOD CITY, CA 94061  
PHONE: (650) 366-0216  
FAX: (650) 366-0298





- DISTINCTIVE BORDER (PARCEL ONE PER DOC NO. 2023-031933 O.R.)
- - - PARCEL TWO PER DOC NO. 2023-031933 O.R.
- LOT LINES
- - - CENTERLINE
- RIGHT OF WAY

1. THE AREA WITHIN THE BOUNDARY LINE IS 57,401 SQ.FT. 1.32 ACRES
2. ALL DISTANCES AND DIMENSIONS ARE IN FEET AND DECIMALS THEREOF.

**TRACT MAP NO 21-002**  
 AN 8 LOT SUBDIVISION  
 (7 RESIDENTIAL LOTS AND 1 COMMON AREA LOT)  
 BEING A RESUBDIVISION OF A PORTION OF LOT 18, AS DESIGNATED ON THE MAP  
 ENTITLED, "MAP OF FABER SUBDIVISION, SAN MATEO CO., CAL." FILED IN THE OFFICE  
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CITY OF EAST PALO ALTO      SAN MATEO COUNTY      CALIFORNIA

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NOVEMBER 2023



# EAST PALO ALTO CITY COUNCIL STAFF REPORT

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**DATE:** November 18, 2025

**TO:** Honorable Mayor and Members of the City Council

**VIA:** Melvin E. Gaines, City Manager

**BY:** Shiri Klima, Assistant City Manager  
Maurice Baker, Community Services & Recreation Manager

**SUBJECT:** FY 2026-27 Transient Occupancy Tax Grants Process

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## **Recommendation**

Provide direction to staff regarding:

1. Fiscal Year (FY) 2026-27's total TOT budget for community grants; and
2. The maximum value of individual grants in FY 2026-27; and
3. Whether staff should continue to appoint the Community Grants Review Panel in the FY 2026-27 proposal review cycle; and
4. The scoring criteria and relative weight of each criterion for evaluating proposals in the FY 2026-27 proposal review cycle.

## **Alignment with City Council Strategic Plan**

This recommendation is primarily aligned with:

- Priority: Parks, Recreation, and Community Facilities
- Priority: Public Health, Safety, and Quality of Life

## **Background**

Chapter 3.68 of the Municipal Code, the uniform transient occupancy tax (TOT) ordinance, imposes a 12 percent tax on “hotel” stays. Hotels are broadly defined and include hotels, motels, lodging houses, apartment houses, dormitory and other similar structures occupied by transients for dwelling, lodging or sleeping purposes. Transient stays are defined as stays for 30 or fewer consecutive days. This tax was originally imposed by the voters in 1998. In 2002, East Palo Alto

voters modified the TOT ordinance to require the dedication of 10 percent of TOT revenue to affordable housing and 10 percent to children, youth and family services, including senior citizens (CYFS).

According to the Municipal Code Section 3.68.150, CYFS revenues can only be used to:

1. Support comprehensive, integrated, and community-based systems of services and support systems for children, youth, and their families and seniors to promote individual and community health, recreation, and cultural arts, and;
2. Fund grants or loans to nonprofit service providers headquartered in East Palo Alto or for which a majority of clients served are East Palo Alto residents.

The FY 2026-27 TOT CYFS grants program process will begin with staff releasing a Request for Applications in January 2026. While the process to select organizations to fund will be completed during FY 2025-26, funds will not be disbursed until FY 2026-27; thus, this is the FY 2026-27 TOT CYFS process. As staff prepares to begin this process, we request the City Council's direction in the four areas: 1) FY 2026-27 TOT CYFS Grants Budget; 2) maximum FY 2026-27 individual grant value; 3) potential modifications to the Grants Review Panel; and 4) the scoring criteria and relative weight of each criterion for evaluating the proposals in the FY 2026-27 proposal review cycle.

### **Analysis**

The current process for the TOT CYFS grants program has been for staff to issue a Request for Applications. Once received, staff reviews the applications for completion. Staff sends complete applications to the five members of the Community Grants Review Panel, who individually score and rank each grant application over a two-week period. During the last process, staff provided the Panel with a rubric to score the applications. All reviewers come together with staff to finalize their scores, to discuss the benefits of each organization, and to determine the Panel's final recommendations to City Council.

During the FY 2025-26 Budget process, the City Council additionally funded the Lewis & Joan Platt East Palo Alto Family YMCA (\$175,000) and EPACENTER (\$70,000) using TOT funds outside of the standard TOT CYFS grants program process.

The FY 2026-27 process will begin with staff releasing a Request for Applications in January 2026. As staff prepares to begin this process, we request the City Council's direction in the four areas.

#### *1. FY 2026-27 TOT Community Grants Budget*

The City Council awarded \$171,000 in TOT grants during the FY 2023-24 process. During the FY 2024-25 process, the City Council increased that amount to \$454,089. In the FY 2025-26 process, the City Council awarded \$360,000 and later granted an additional \$245,000 of TOT Funds to the YMCA and EPACENTER during the Budget process. In total, Council awarded

\$605,000 TOT CYFS funds for disbursement in Fiscal Year 2025-26.

In the past three fiscal years, the TOT CYFS Fund has received an annual revenue of \$275,000 conservatively, not including interest. As of July 1, 2025, the fund balance was \$1,222,040 (unaudited), including the encumbrances carried forward. This amount was restated by Finance during the year-end closing process and may be adjusted pending final audit results. Including the \$605,000 expenditure, on July 1, 2026, the fund balance is projected to be \$927,540. An additional \$319,000 TOT CYFS revenue (without interest) is anticipated during FY 2026-27 (to be realized by June 30, 2027).

**Table 1: Projected FY 2025-26 TOT CYFS Fund Balance**

	Amount
Fund balance as of June 30, 2025 (unaudited)	1,222,040
FY2025-26 TOT revenue and interest	319,511
FY2025-26 adopted budget for TOT grants (previously approved by Council)	(605,000)
FY2025-26 adopted budget for Overhead	(9,011)
Fund balance projection as of June 30, 2026	<u>927,540</u>

Staff is not certain that TOT CYFS revenues will remain constant. The City only has one hotel, so revenues are unlikely to increase significantly, and they may decrease. Interest income is also volatile.

If TOT CYFS annual revenue continues to be \$319,000, the City Council could only continue awarding \$605,000 in TOT CYFS annual grants for three fiscal years. The fund would be almost depleted by the end of Fiscal Year 2028-29.

**Table 2: Expected Annual Fund Balance with Constant Revenue and Expenditures – FY 2026-27 to GY 2029-30**

Fiscal Year	Starting Balance	Earnings	Expenditures	Ending Balance
2026–27	\$927,540	\$319,000	\$605,000	<b>\$641,540</b>
2027–28	\$641,540	\$319,000	\$605,000	<b>\$355,540</b>
2028–29	\$355,540	\$319,000	\$605,000	<b>\$69,540</b>
2029–30	\$69,540	\$319,000	\$605,000	<b>-\$216,460</b>

In recent history, the City Council has awarded between \$171,000 and \$454,089 through the TOT CYFS process. As mentioned above, last year, the Council awarded \$360,000 in the FY 2025-26 TOT CYFS process and awarded an additional \$245,000 of TOT CYFS funds outside of the process. Since 2014, staff has not found many instances of the City Council awarding outside of the TOT CYFS grant process. In 2019, the Council awarded \$99,979 to the then-pilot program of Communities Overcoming Relationship Abuse (CORA). In 2024, the Council provided Creative Montessori Learning Center a \$150,000 short-term emergency loan, which they repaid. Ultimately, awarding outside of the TOT grant process has been rare for Council; however, reserving funds to do so for innovative programs or emergencies may be desired by

the City Council.

Staff requests that the City Council determine the total budget for the FY 2026-27 TOT CYFS grant cycle. In determining the total budget, the City Council should consider:

- The existing and projected TOT CYFS fund balance.
- Whether reserving funds for uses outside the TOT CYFS process is desired.
- The total number of organizations to fund. (With existing staff capacity, staff believes it can manage a maximum of 12 grants to organizations each year.)
- The maximum grant award that can be made to any individual awardee (further discussed below).

## *2. Maximum FY 2026-27 Individual Grant Value*

In 2023, the City Council awarded 11 grants at the value of \$16,000 each. In 2024, the City Council awarded 13 grants in various amounts. In 2025, the Council accepted the staff recommendation to award \$30,000 grants to a maximum of 12 organizations. The Council later directed staff to allocate \$175,000 to the YMCA; and an additional \$70,000 (in addition to its original award of \$30,000) to EPACENTER, so the City is managing 13 grants.

Staff requests that the Council provide direction on the value of each grant this year. We continue to recommend that grants be awarded to a maximum of 12 organizations, as this is an amount our limited Community Services Division staff can manage.

The City Council can lock all grants into a particular dollar value, or the Council can devise a disbursement formula.

- The maximum individual grant amount could be relative to the total budget, e.g., divide the total appropriation evenly by 12; or
- The City Council could determine different funding levels for different activities or some other measure.

As the FY 2025-26 out of process awards to EPACENTER and the YMCA exceeded the \$30,000 maximum allowed in the FY 2025-26 TOT CYFS process, the City Council should also determine whether those pilot programs, if continued, should be funded through this process or would again be funded outside of the TOT CYFS grant process. If the Council desires to consider continued funding to these programs through the TOT CYFS process, it should consider a maximum award of \$175,000. An award at that level could be made to a maximum of three organizations (\$525,000 total budget). As expressed in Table 2, above, a budget that high is not sustainable beyond a few years.

## *3. Potential Modifications to the Community Grants Review Panel*

At its January 24, 2014, Annual Retreat, the City Council considered whether staff should recruit for and implement a TOT Community Grants Review Panel. On May 20, 2014, the Council adopted that procedure as the formal way in which the Panel would be created. As explained in a June 14, 2016, staff report:

“City Council approved the use of a Community Grants Review Panel (CGRP) on May 20, 2014, to review, evaluate, and rank grant applications. The CGRP is comprised of residents, local business owners, and experts from local foundations that have a history of giving in East Palo Alto, other municipalities that issue grants to communities similar to East Palo Alto, and those with expertise in violence prevention strategies as it relates to youth and family services. The Four Seasons Hotel Management is also invited to participate. The purpose of the CGRP is to ensure an unbiased grant evaluation process.”

At that time, the participants were Mark Bingle of the Four Seasons (Large Business/ Resident); Debra Mendoza, Consultant (Expert); Marcia Perez, Immigration Attorney (Small Business/ Resident), Shawn Rosenmoss of the San Francisco Department of the Environment (Expert); and Jose Santos of the Grove Foundation (Expert/ Resident).

By 2019, the participants were Mika Barrett of the Four Seasons (Large Business); James T. Turner of Above All Insurance (Small Business/ Resident); Debra Mendoza; Marcia Perez; and Jose Santos.

In 2023, staff recommended that the Panel be comprised of Michelle Goudeaux of the Columbia Property Trust (Large Business); Debra Turner of Above All Insurance (Small Business/ Resident); Sarahi Espinoza-Salamanca of the Sobrato Organization (Expert); Q. Smith (Resident); and Marcia Perez. Although there was no formal change in policy, staff brought this recommendation to the City Council, and Council said no change should be made to the Panel at that time.

In 2025, staff selected to serve on the Panel: Alma Pulido of CZI (Expert); Adora Manalo of the Four Seasons (Large Business); Michelle Goudeaux; Debra Turner; and Q. Smith. Staff asked the Council informally about this Panel.

Staff requests Council direction on whether we should continue to select the Panel members.

#### *4. Scoring Criteria and Relative Weight in the FY 2026-27 TOT CYFS Process*

In 2025, for the first time, staff proposed a rubric to the Panel to score the proposals. This rubric was devised after the Request for Applications was released. When the Panel came together to discuss their individual scores, members of the Panel suggested improvements.

This year, to improve on the process, staff wants to ensure that the City Council agrees with the scoring criteria and the value placed on each criterion. Staff wants to include this information in the Request for Applications so the applicants focus on what is most important.

Last year, the criteria for scoring were:

- The majority of the program serves EPA residents – worth 25 points
- The total number of clients served (favoring larger programs) – worth 5 points
- Having measurable indicators or objectives focused on direct service programming and impact – worth 10 points

- Having a defined way to measure success – worth 5 points
- The likely short-term and long-term program impact with respect to physical wellness, mental and emotional wellness, social and community wellness, and academic/ career/ financial wellness – worth 10 points
- Projected program hours – worth 5 points

Thus, last year, the total possible was 60 points. The rubric from last year is attached for further detail. This year, staff requests direction from Council regarding your preferred scoring criteria and the relative weight of each such criterion.

### **Fiscal Impact**

There is no fiscal impact by this action. Staff will incorporate grant amounts per Council direction in the upcoming budget cycle for FY 2026-27.

### **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**

Finding that the proposed action does not constitute a "project" with the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines sections 15378(b)(4) and (5) in that it is a governmental fiscal, organizational or administrative activity that will not result in direct or indirect changes in the environment.

### **Government Code § 84308**

**Applicability of Levine Act: NO**

**Analysis of Levine Act Compliance:** Not applicable

### **Attachments**

1. 2025 Rubric

### TOT Proposal Grading Rubric

Element	Rubric	TOTAL Number of Points: 60	
			Point System
Majority of Program serves EPA Residents <i>(25 points possible)</i>	It is estimated that at least 20% of program participants are East Palo Alto Residents		0
	It is estimated that at least 20% - 39% of programming of program participants are East Palo Alto Residents		5
	It is estimated that at least 40% of program participants are East Palo Alto Residents		10
	It is estimated that at least 60% of program participants are East Palo Alto Residents		15
	It is estimated that at least 80% of program participants are East Palo Alto Residents		20
	It is estimated that at least 98% of program participants are East Palo Alto Residents		25
Projected clients served <i>(5 points possible)</i>	0-9 clients		0
	10-19 clients		1
	20-29 clients		2
	30-39 clients		3
	40-49 clients		4
	50+ clients		5
Indicators & Objective <i>(10 points possible)</i>	There are no measurable indicators or objectives focused on direct service programming and impact in the proposal		0
	There is one measurable indicator or objective focused on direct service programming and impact in the proposal		2
	There are two measurable indicators or objectives focused on direct service programming and impact in the proposal		4
	There are three measurable indicators or objectives focused on direct service programming and impact in the proposal. However these indicators and objectives do not have many details and are not fully clear or defined		6
	There are three measurable indicators or objectives focused on direct service programming and impact in the proposal. The indicators and objectives have a good amount of detail and are clearly defined.		8
	There are three measurable indicators or objectives focused on direct service programming and impact in the proposal. The indicators and objectives have a great amount of detail and are clearly defined.		10
Mechanism for Measurement <i>(5 points possible)</i>	There are no defined tools for measuring success.		0
	The tools for measuring success are mentioned vaguely or could be inferred.		1
	The tools for measuring success are stated in the proposal but are not detailed or practical.		2
	The tools for measuring success are stated in the proposal are detailed but not likely to be practical.		3
	The tools for measuring success are stated in the proposal in great detail and have a reasonable method for execution that will likely be deliverable.		4
	The tools for measuring success are clearly stated in the proposal in great detail, have a defined method of execution and proven track record of successfully recording data and will bring clear results of whether indicators or objectives were achieved.		5
Program Impact <i>(10 Points Possible)</i>	Likely <b>no positive impact</b> in the short-term or long-term on youth and families in East Palo Alto in any of the key positive impact factors (physical wellness, mental & emotional wellness, social & community wellness, and academic/career/financial wellness)		0
	The impact on youth and families in East Palo Alto would likely be <b>short-term</b> and negligible and only include <b>one</b> of the <b>key positive impact</b> factors (physical wellness, mental & emotional wellness, social & community wellness, and financial wellness).		2
	The program is likely to have a positive impact on East Palo Alto youth and their families in the <b>short term</b> with <b>potential for long-term</b> and will likely impact <b>at least two key positive factors</b> (physical wellness, mental & emotional wellness, social & community wellness, and financial wellness).		4
	The program is likely to have a positive impact on East Palo Alto youth and their families in the short term with potential for long-term and will likely impact <b>at least three key positive factors</b> (physical wellness, mental & emotional wellness, social & community wellness, and financial wellness).		6
	The program is <b>very likely</b> to have a positive impact on East Palo Alto youth and their families in the short term with potential for long-term and will likely impact <b>at least four key positive factors</b> (physical wellness, mental & emotional wellness, social & community wellness, and financial wellness).		8
	The program is <b>extremely likely</b> to have a positive impact on East Palo Alto youth and their families in the <b>short term</b> and <b>long-term</b> and will likely impact <b>ALL</b> key positive factors (physical wellness, mental & emotional wellness, social & community wellness, and financial wellness).		10
Projected Program Hours <i>(5 points possible)</i>	0-5 hours		0
	6-10 hours		1
	11-20 hours		2
	21-30 hours		3
	31-40 hours		4
	41+ hours		5

Wellness Factor	Description
Physical Wellness	Physical wellness is any activity that allows participants to move and be active in an age appropriate way or provides them with a nutrient rich diet that contributes to a healthy lifestyle. Positive physical wellness are activities that safely increase the heart rate and support bodily mobility (such as dancing, walking, sprinting, lifting weights, soccer, basketball and all other sports). Positive wellness in terms of diet often means receiving a full healthy meal (whole, unprocessed foods such as fruits,
Mental & Emotional Wellness	Mental and emotional wellness allow individuals to operate through their world with a sense of stability and positivity. Individuals are able to handle difficult social situations with grace, wisdom, and strength; allowing them to control their emotions as opposed to their emotions controlling them.
Social & Community Wellness	Social & emotional wellness are defined as activities that contribute to an individual's ability to socialize with others, build friendships, relationships and partnerships with diverse people. It allows people to build a strong social network and net that people can rely on in times of need and create
Academic, Career, & Financial Wellness	Academic, career, & financial wellness are defined as activities that help an individual gain knowledge, progress in their academic learning, gain new career skills, and have the potential to help the participant grow financially.