



EAST PALO ALTO CITY COUNCIL SPECIAL MEETING AGENDA

Tuesday, January 23, 2024, 6:30 PM
EPA Government Center
2415 University Avenue, First Floor
East Palo Alto, CA 94303

NOTICE

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

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

Please click this URL to join

<https://us06web.zoom.us/j/89764023017>

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: 897 6402 3017

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

1. **CALL TO ORDER AND ROLL CALL**
2. **APPROVAL OF THE AGENDA**
3. **APPROVAL OF CONSENT CALENDAR**

1. **Annual Information Technology Software Licenses Purchase**

Recommendation:

Adopt a resolution:

1. Authorizing the City Manager to award software licenses from the following vendors:
 - a. CDW-G in an amount not to exceed \$8,000
 - b. Connection in an amount not to exceed \$53,500
 - c. DLT in an amount not to exceed \$3,000
 - d. ESRI in an amount not to exceed \$4,500
 - e. Trace3 in an amount not to exceed \$74,000
2. Waving the formal bid procedures under section 2.84.070(D) of the Municipal Code; and
3. Excluding these purchases from the consideration for future purchasing under the City's Purchasing Limits Guideline.

Government Code § 84308

Applicability of Levine Act: Yes.

Analysis of Levine Act Compliance: The signatory for the agreements would be Stacy Thompson, Sr. Director of Finance, Trace3. Staff has requested the signatory for CDW-G, Connection, DLT, and ESRI and will notify the Council once they are made aware.

2. **Authorize an Agreement with Xpress Bill Pay to Provide Credit Cards Payment**

Recommendation:

Adopt a resolution:

1. Authorizing the City Manager to award to, negotiate and execute an agreement with Xpress Bill Pay in a term of three years, in a form approved by the City Attorney, for a monthly fee of \$29 and any other additional transactional fees, as set forth therein;
2. Finding that special circumstances exist that warrant disregarding bid procedures pursuant to section 2.84.070(D) of the East Palo Municipal Code.
3. Authorizing the City to pass back the Credit Card Transaction Fee to customers who choose to use Credit Cards for payment.

Government Code § 84308

Applicability of Levine Act: Yes.

Analysis of Levine Act Compliance: The signatory for the agreements is Keith Jenkins, CEO/President Xpress Bill Pay. Staff is unaware of any other parties or participants relevant to the Council's consideration of this item.

3. Authorize an Agreement with HF&H Consultants, LLC to Prepare Financial Projections of Solid Waste Collection Service Rates in Amount Not to Exceed \$49,885

Recommendation:

Adopt a resolution:

1. Authorizing the City Manager to award and to negotiate and execute an agreement with HF&H Consultants, LLC, in a form approved by the City Attorney, for a term not to exceed 18 months, in an amount not-to-exceed Forty-Nine Thousand Eight Hundred and Eighty-five Dollars (\$49,885); and
2. Finding that special circumstances exist that warrant disregarding bid procedures pursuant to section 2.84.070(D) of the East Palo Municipal Code.

Government Code § 84308

Applicability of Levine Act: Yes.

Analysis of Levine Act Compliance: The signatory for the agreements would be Rick Simonson, Senior Vice President, HF&H. Staff is unaware of any other parties or participants relevant to the Council's consideration of this item.

4. Proclamation of the City of East Palo Alto Commemorating The 30th Anniversary of Free at Last

Recommendation: Accept the proclamation.

Gov't Code § 84308: Not applicable

- 4. CLOSED SESSION - NONE**
- 5. PUBLIC COMMENT**
- 6. INFORMATIONAL REPORTS - NONE**
- 7. SPECIAL PRESENTATIONS - NONE**
- 8. PUBLIC HEARINGS - NONE**

9. **POLICY AND ACTION**

1. **Commission Appointments**

Recommendation: Interview the applicants for the Rent Stabilization Board and the Senior Advisory Committee; and appoint applicants for Regular or Alternate Seats.

Gov't Code § 84308: Not applicable

2. **Council Strategic Priorities Reporting Bi-Annual Update**

Recommendation:

Receive an informational report regarding project status of City Council FY 2023-24 & 2024-25 Strategic Priorities.

Gov't Code § 84308: Not applicable

3. **2024 Transient Occupancy Tax (TOT) Grants Update**

Recommendation:

1. Accept the recommendation of the Community Grants Review Panel to increase the range of TOT grant disbursements from up to \$16,000 to up to \$50,000 per grantee for organizations that meet the criteria set forth by Council and TOT ordinance; and
2. Provide direction on additional requirements for grant applicants larger than \$20,000 for 2024 Transient Occupancy Tax (TOT) Grants Program.

Gov't Code § 84308: Not applicable

10. **COUNCIL REPORTS**

11. **ADJOURNMENT**

Upcoming meetings:

Meeting	Date	Time
Special Retreat Meeting	February 3, 2024	9:00 AM
Regular Meeting	February 6, 2024	6:30 PM
Regular Meeting	February 20, 2024	6:30 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: January 16, 2023

ATTEST:

James Colin

City Clerk



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: January 23, 2024

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Greg Henry, Senior Management Analyst
Jimmie Tulabing, Senior Information Technology Analyst

SUBJECT: Annual Information Technology Software Licenses Purchase

Recommendation

Adopt a resolution:

1. Authorizing the City Manager to award software licenses from the following vendors:
 - a. CDW-G in an amount not to exceed \$8,000
 - b. Connection in an amount not to exceed \$53,500
 - c. DLT in an amount not to exceed \$3,000
 - d. ESRI in an amount not to exceed \$4,500
 - e. Trace3 in an amount not to exceed \$74,000
2. Waving the formal bid procedures under section 2.84.070(D) of the Municipal Code; and
3. Excluding these purchases from the consideration for future purchasing under the City's Purchasing Limits Guideline.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Ensure Our Financial and Organizational Health

Background

The City's Information Technology Division (provided through a contract with Redwood City) (IT) handles all software license purchasing, ensuring that City are effective. Each year, the City purchases a collection of software licenses to be used by staff.

IT has conducted its annual review of all citywide review of annual software license and maintenance/technical support services from multiple vendors. The vendors listed below have met the City's policy requirements for contracting and are providing ongoing maintenance and technical support services for software.

Staff requests spending authorization to cover the annual renewal of the software license agreements with those vendors.

Description	Cost	Vendor	Notes
Adobe Acrobat	8,000	CDW-G	PDF software
Apex One	2,000	Connection	Anti-Virus Software
Azure Active Directory P2	14,000	Connection	Log-In management
Barracuda 690 Backup	15,000	Connection	Renewal of backup to cloud
Microsoft inTune	9,000	Connection	Mobile Device Management (MDM)
Ruckus	500	Connection	WiFi maintenance renewal
VMWare	13,000	Connection	Virtual Machine Software renewal
AutoCAD	3,000	DLT	Computer Aided Design software (Engineering)
ArcGIS	4,500	ESRI	Geographic Information System Software (Planning, Engineering)
Barracuda e-mail security	14,000	Trace3	Advanced Threat Protection, Encryption, Data Protection & Archiving
Microsoft Office 365	60,000	Trace3	Office Applications
Total	143,000		

Analysis

Purchasing software licenses generally must be through a third-party vendor (as opposed to the provider directly). The prices are mostly consistent across all vendors and there would be some staff time involved in migrating these purchases to a new vendor. The City maintains year-to-year purchasing with these licenses. By allowing these purchases without bidding and excluding these purchases from the City's Purchasing Limits Guideline, the Council will provide the Information Technology division with needed flexibility and timeliness for future purchases.

This report is prepared to ensure that City Council is aware of the overall levels of IT software

CONSENT ITEM 3.1

purchases citywide for FY-2023/24, and that the City Council has the opportunity to review and approve.

The request for spending authorization is presented in a consolidated fashion rather than previously as multiple reports on a throughout the year, requesting Council approval for the routine payment of ongoing maintenance and support services for software currently being used city-wide. This increases staff efficiency in processing and administering payments.

Fiscal Impact

There is no budget appropriation with this request (all items were budgeted). The following table summarizes the commitment to each vendor:

Vendor	Amount
CDW-G	8,000
Connection	53,500
DLT	3,000
ESRI	4,500
Trace3	74,000

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

Awarding this contract is not a project under The California Environmental Quality Act (Section 21000, et. seq. of the California Public Resources Code, hereafter CEQA) because the action has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

Government Code § 84308

Applicability of Levine Act: Yes.

Analysis of Levine Act Compliance: The signatory for the agreements would be Stacy Thompson, Sr. Director of Finance, Trace3. Staff has requested the signatory for CDW-G, Connection, DLT, and ESRI and will notify the Council once they are made aware.

Attachments

CONSENT ITEM 3.1

1. Resolution.

RESOLUTION NO. XX– 2024

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

AUTHORIZING THE CITY MANAGER TO PURCHASE SOFTWARE LICENSES FROM THE FOLLOWING VENDORS FOR FISCAL YEAR 2023-24, CDW-G IN AN AMOUNT NOT TO EXCEED \$8,000, CONNECTION IN AN AMOUNT NOT TO EXCEED \$53,500, DLT IN AN AMOUNT NOT TO EXCEED \$3,000, ESRI IN AN AMOUNT NOT TO EXCEED \$4,500, TRACE3 IN AN AMOUNT NOT TO EXCEED \$74,000; WAIVING THE FORMAL BID PROCEDURES UNDER SECTION 2.84.070(D) OF THE MUNICIPAL CODE; AND EXCLUDING THESE PURCHASES FROM THE CONSIDERATION FOR FUTURE PURCHASING UNDER THE CITY’S PURCHASING LIMITS GUIDELINE.

WHEREAS, the City purchases its software licenses on a year-to-year basis; and

WHEREAS, many of the City’s software licenses cannot be purchased directly from the producer, and require a third-party vendor; and

WHEREAS, the cost per license is generally the same regardless of vendor; and

WHEREAS, it is inefficient for staff to migrate existing licenses to a new third-party vendor; and

WHEREAS, the City intends to purchase the following licenses, from the listed third-party vendors at the listed cost:

Description	Cost	Vendor
Adobe Acrobat	8,000	CDW-G
Apex One	2,000	Connection
Azure Active Directory P2	14,000	Connection
Barracuda 690 Backup	15,000	Connection
Microsoft inTune	9,000	Connection
Ruckus	500	Connection
VMWare	13,000	Connection
AutoCAD	3,000	DLT
ArcGIS	4,500	ESRI
Barracuda e-mail security	14,000	Trace3
Microsoft Office 365	60,000	Trace3

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

1. Finds the foregoing recitals are true and correct, and are incorporated by this reference into this action; and
2. Authorizing the City Manager to purchase software licenses from the following vendors for Fiscal Year 2022-23
 - a. CDW-G in an amount not to exceed \$8,000
 - b. Connection in an amount not to exceed \$53,500
 - c. DLT in an amount not to exceed \$3,000
 - d. ESRI in an amount not to exceed \$4,500
 - e. Trace3 in an amount not to exceed \$74,000
3. Finds that special circumstances exist that warrant disregarding bid procedures pursuant to section 2.84.070(D) of the East Palo Municipal Code; and
4. Excluding these purchases from the consideration for future purchasing under the City's Purchasing Limits Guideline.
5. Find that the proposed action does not constitute a "project" with the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines sections 15378(b)(4) and (5) in that it is a governmental fiscal, organizational or administrative activity that will not result in direct or indirect changes in the environment.

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

AYES:

NOES:

ABSENT:

ABSTAIN:

Antonio D. Lopez, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

John D. Lê, City Attorney



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: January 23, 2024

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Bo-Kyoung Kim, Financial Services Manager
Greg Henry, Senior Management Analyst

SUBJECT: Authorize an Agreement with Xpress Bill Pay to Provide Credit Cards Payment

Recommendation

Adopt a resolution:

1. Authorizing the City Manager to award to, negotiate and execute an agreement with Xpress Bill Pay in a term of three years, in a form approved by the City Attorney, for a monthly fee of \$29 and any other additional transactional fees, as set forth therein;
2. Finding that special circumstances exist that warrant disregarding bid procedures pursuant to section 2.84.070(D) of the East Palo Municipal Code; and
3. Authorizing the City to pass through the Credit Card Transaction Fee to customers who choose to use Credit Cards for payment.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Ensure Our Financial and Organizational Health

Background

Historically, the City of East Palo Alto has not accepted credit card transactions for fees, penalties, and fines, relying on conventional methods, predominantly cash and check. Recently, however, recognizing the need for modernization and enhanced accessibility, the city has strategically introduced software web portals for various functions such as business licenses, park reservations, and imminent additions like solar panel permits. These portals allow for credit card payments. However, for in-person transactions related to planning, building, public works,

and police fees and penalties, the City continues lack a credit card payment method.

The recent integration of the Caselle Enterprise Resource Program (ERP) signifies a pivotal advancement in the city's financial infrastructure. This system not only streamlines operations but also introduces true Point of Sale (PoS) functionality. With this progressive leap, the city now has the opportunity to incorporate credit card payments seamlessly into its transactional landscape.

Staff propose Xpress Bill Pay our partner for credit card payment integration. Notably, Xpress Bill Pay stands out as the sole credit card payment provider that seamlessly integrates with the Caselle system. This strategic collaboration enhances the city's financial ecosystem, offering both residents and businesses a more efficient and contemporary payment experience. As East Palo Alto embraces this forward-looking approach, it underscores its commitment to technological innovation and improved service delivery.

Analysis

Xpress Bill Pay stands out as an exemplary credit card provider for cities utilizing Caselle as their ERP system. The seamless integration between Xpress Bill Pay and Caselle enhances the overall financial management experience for municipalities.

One of the primary advantages of choosing Xpress Bill Pay for credit card processing in a Caselle-driven environment is the comprehensive integration between the two systems. Caselle is a robust ERP solution tailored for local government needs, covering areas such as finance, utility billing, and general administration. As Xpress Bill Pay is the only company that seamlessly integrates with Caselle, use of this vendor would not only create a unified platform for managing credit card transactions within the City's financial ecosystem, but would also mean that that the City is unlikely to achieve the same result with another vendor, thereby rendering formal bidding unnecessary.

The integration ensures that data flows effortlessly between Caselle and Xpress Bill Pay, reducing manual efforts and minimizing the risk of errors. This synergy between the ERP system and the credit card provider streamlines processes related to billing, payments, and financial reporting. The City can leverage this integration to enhance efficiency, accuracy, and transparency in their financial operations.

Another noteworthy aspect is the user-friendly interface offered by Xpress Bill Pay. Staff will be able to easily navigate the system, making payments or accessing relevant financial information with minimal effort. This simplicity contributes to increased user adoption, reducing the learning curve for city staff interacting with the payment system.

In addition to integration and user-friendliness, Xpress Bill Pay prioritizes security – a critical aspect when dealing with sensitive financial information. The platform adheres to industry-leading security standards, safeguarding credit card data and ensuring compliance with regulations such as the Payment Card Industry Data Security Standard (PCI DSS). This commitment to security aligns with the stringent requirements often imposed on municipal financial systems.

CONSENT ITEM 3.2

Furthermore, Xpress Bill Pay offers flexibility in payment options, catering to the diverse needs of residents. Whether citizens prefer credit cards, debit cards, or other payment methods, Xpress Bill Pay accommodates various options, enhancing accessibility and convenience. This flexibility aligns with the inclusivity goals of municipal services, ensuring that residents can make payments in a way that suits their preferences and financial capabilities. While the system does not currently accept phone payment (such as Apple pay or Google pay) there are Xpress customers currently testing those payment options. When those types of payments methods are added, the City will update to include.

From a financial management perspective, Xpress Bill Pay provides robust reporting and analytics features. Integration with Caselle allows for real-time visibility into financial transactions, enabling city officials to make data-driven decisions. The reporting capabilities also facilitate auditing and compliance efforts, supporting the city in adhering to regulatory requirements and financial best practices.

Xpress Bill Pay is the best credit card provider for cities utilizing Caselle as their ERP system. The seamless integration, user-friendly interface, emphasis on security, flexibility in payment options, and robust financial reporting make Xpress Bill Pay a standout choice for municipalities.

Transaction Fee

Each credit card transaction comes with a transaction fee. Should the City go forward with accepting credit card payments, staff request that the Council authorize the transaction fee be charged back to the customer. Xpress bill pay has a 3.5% transaction fee. To prevent City revenues from being reduced, this transaction fee would be added to the underlying City fee. For instance, currently a Certificate of Compliance for a subdivision from the Planning Department is \$5,027. Should a resident choose to pay with a credit card, and the Council authorize the passthrough, they would need to pay \$5,202.95 to include the cost of the transaction fee.

Fiscal Impact

This item was budgeted and will not require a budget appropriation. Ongoing fees to the City are a monthly fee of \$29, and a charge per transaction for returned transactions. Staff are requesting that transactions fees be pass-through to customers, which would prevent those costs from born by the City.

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

CONSENT ITEM 3.2

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 agreements is Keith Jenkins, CEO/President Xpress Bill Pay. Staff is unaware of any other parties or participants relevant to the Council's consideration of this item.

Attachments

1. Resolution.
2. Proposal.

RESOLUTION NO. XX– 2024

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

AUTHORIZING THE CITY MANAGER TO AWARD TO, NEGOTIATE, AND EXECUTE AN AGREEMENT WITH XPRESS BILL PAY IN A TERM OF THREE YEARS, IN A FORM APPROVED BY THE CITY ATTORNEY , FOR A MONTHLY FEE OF \$29 AND ANY OTHER ADDITIONAL TRANSACTIONAL FEES, AS SET FORTH THEREIN, AND FINDING THAT SPECIAL CIRCUMSTANCES EXIST THAT WARRANT DISREGARDING BID PROCEDURES PURSUANT TO SECTION 2.84.070(D) OF THE EAST PALO MUNICIPAL CODE AND AUTHORIZING THE CITY TO PASS BACK THE CREDIT CARD TRANSACTION FEE TO CUSTOMERS WHO CHOOSE TO USE CREDIT CARDS FOR PAYMENT.

WHEREAS, the City collects payment directly from residents and businesses that operate in the City in form of fees, penalties and fines; and

WHEREAS, the ability to collect payment using credit cards would improve the public's ability to pay fees, penalties and fines; and

WHEREAS, there is an associated transaction fee for use of credit cards; and

WHEREAS, the transaction fee should be born be the resident or business that choose credit cards as their payment method; and

WHEREAS, the City Manager recommends dispensing with formal bid procedures pursuant to Municipal Code Section 28.84.70(D) due to the special circumstances that only Xpress Bill Pay fully integrates with the City's Caselle Enterprise Resource Program Finance system.

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

1. Finds the foregoing recitals are true and correct, and are incorporated by this reference into this action; and
2. Authorizes the City Manager to award and to negotiate and execute an agreement with Xpress Bill Pay in a term of three years, in a form approved by the city attorney , for a monthly fee of \$29 and any other additional transactional fees, as set forth therein; and
3. Finds that special circumstances exist that warrant disregarding bid procedures pursuant to section 2.84.070(D) of the East Palo Municipal Code; and
4. Authorizes the City to pass back the Credit Card Transaction Fee to customers who choose to use Credit Cards for payment; and

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

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

AYES:

NOES:

ABSENT:

ABSTAIN:

Antonio D. Lopez, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

John D. Lê, City Attorney

City of East Palo Alto

Greg Henry
2415 University Avenue, East Palo Alto, CA 94303

Prepared By: Kempton Schmitz

Date: November 22, 2023

Recurring Monthly Fees

<u>Description</u>	<u>Rate</u>
Transaction Fees: (assessed directly to Customers)	
Credit/Debit Card (per transaction)*	3.50%
EFT or eCheck Payment (per transaction)	\$1.50
800 Live Operator Assisted Phone Payment (per transaction)	\$1.25
EFT Returned Items if applicable: (assessed to the Organization)	
Invalid account or unable to locate account (per return)	\$7.00
NSF, Account closed, or Account frozen (per return)	\$14.00
Customer stop payment (per return)	\$30.00
Support, Maintenance & Hosting: (assessed to the Organization)	\$100.00
Price includes: all end user and administration support via the Xpress Bill Pay toll-free 800 number, upgrades, hosting, and maintenance.	
Monthly Service Fee: (assessed to the Organization)	\$29.00
TOTAL:	Based upon activity

Setup Charges

<u>Qty</u>	<u>Description</u>	<u>Price</u>
1	Initial Setup, Configuration, and Development Price includes: Online Payment, Auto Pay, and Card Swipe Modules. You will have the ability to accept the following payments: credit/debit cards, electronic funds transfers (EFTs), and bank bill pays.	Included in Caselle quote
1	On-site Training Price includes: one 8 hour day of training. <i>NOTE: You shall reimburse roundtrip airfare and book hotel. Typically only one 8 hour day of training is necessary.</i>	Included in Caselle quote + airfare/hotel
TOTAL:		Included in Caselle quote EXCEPT for airfare/hotel.

Additional Services Available**Online AR Statements Display/Payment****Forms Builder Pricing (customizable online payment forms):**

<u>Tier</u>	<u># of Published Forms</u>	<u>One-Time Setup Fee</u>	<u>Recurring Monthly Fee</u>
1	1	\$500.00	\$10.00
2	5	\$1,000.00	\$50.00
3	10	\$1,500.00	\$75.00
4	25	\$2,500.00	\$150.00
5	Unlimited	\$5,000.00	\$5.00 per form (minimum \$150.00)

Additional Equipment Available**Credit Card Swipe Terminals (per unit) \$75.00**

**If you are interested in any of our additional services or equipment, please contact us for pricing.*

*****This quote is valid for 60 days*****



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: January 23, 2024

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager, or John D. Lê, City Attorney

BY: Greg Henry, Senior Management Analyst

SUBJECT: Authorize an Agreement with HF&H Consultants, LLC to Prepare Financial Projections of Solid Waste Collection Service Rates in Amount Not to Exceed \$49,885

Recommendation

Adopt a resolution:

1. Authorizing the City Manager to award to, negotiate and execute an agreement with HF&H Consultants, LLC, in a form approved by the City Attorney, for a term not to exceed 18 months, for the preparation of financial projections of Solid Waste Collection Service Rates in an amount not-to-exceed Forty-Nine Thousand Eight Hundred and Eighty-five Dollars (\$49,885); and
2. Appropriating Forty-Nine Thousand Eight Hundred and Eighty-five Dollars (\$49,885) from the General Fund reserves; and
3. Finding that special circumstances exist that warrant disregarding bid procedures pursuant to section 2.84.070(D) of the East Palo Municipal Code.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Promote Health & Public Safety

Priority: Ensure Our Financial and Organizational Health

Background

CONSENT ITEM 3.3

The City is a member of the South Bayside Waste Management Authority (SBWMA), a Joint Powers Authority formed in 1982 and comprised of twelve Member Agencies. The mission of the SBWMA is to provide cost-effective waste reduction, recycling, and solid waste collection services to its Member Agencies.

As a Member Agency of the SBWMA, the City entered into an exclusive solid waste collection Franchise Agreement with Recology San Mateo County (Recology). The SBWMA facilitates the franchise services procurement process and negotiates key terms of a Model Franchise Agreement. Each Member Agency may negotiate certain optional services and terms and enters into a Franchise Agreement with Recology. On June 19, 2018, the City Council approved an Amended and Restated Franchise Agreement with Recology for a 15-year term through January 1, 2036.

While the Franchise Agreement with Recology constitutes a large portion of the City's total solid waste collection costs, there are several other components to the monthly service rates charged. Annually, Recology submits a "Rate Application" outlining the requirements, schedules, and assumptions pertaining to the most recent cost of service data for the SBWMA Member Agencies. Major cost categories include:

- Recology Services Compensation - the contractually allowed costs, plus defined increases/decreases, allowed under the SBWMA Master Franchise Agreement and applied to each Member Agency Franchise Collection Agreement. As noted above, that agreement was recently amended.
- Disposal & Processing Fees - fees for disposal activity managed by the SBWMA such as the Ox Mountain Disposal Agreement, Shoreway Operations Agreement, and other contracts for composting and processing activities.
- Agency Fees - City-specific charges for local programs, franchise fees, etc. The fees include costs associated with the Clean City Program, related to outreach, compliance, and support.

The City regularly performs analysis and review of the City's commercial and residential solid waste collection service rates. On June 15, 2021 the City Council adopted a resolution increasing commercial and residential solid waste and collection service rates with an initial increase for July 1, 2021 followed by increases each January 1st through January 1, 2025 for all commercial service customers and residential property owners within the City. It is necessary that the City perform an in-depth study of program costs - and perform a projection of future rates- given anticipated cost increases due to the Amended and Restated Franchise Agreement, costs associated with new regulatory requirements, and increases in SBWMA disposal and processing fees.

Regarding Disposal and Processing Fees, following implementation of SB 1383, an organics disposal regulation, the cost of disposal has increased significantly for members of SBWMA. At the time of the last rate increase (approved June 15, 2021), the rates included a significant increase for disposal costs (6.5% whereas the increase was 3.5% in a normal year). However, the disposal costs, proposed by the SWBMA finance board (<https://rethinkwaste.org/wp->

<content/uploads/2023/10/RETHINKWASTE-BOD-BOD-FINANCE-STUDY-SESSION-10262023.pdf>) are set to increase by 18.5%. Therefore, the rates set by the City in 2021 are no longer sufficient to support the City's garbage collection program, and need to be revised.

Analysis

Solid waste service rates are considered property-related fees and therefore require a Proposition 218 process in order to increase. In brief, a Proposition 218 process requires statutory public (customer) noticing and ballot processes in order to implement cost of service rate increases. As a result, specialized industry finance expertise is recommended to properly assess and provide data to support reasonable projections of future costs, and potential service cost increases. HF&H Consultants, LLC (HF&H) has demonstrated the requisite expertise to perform this analysis.

The scope of work proposed by HF&H includes five tasks, as follows:

1. **Project Initiation (\$2,510)**
This Task is primarily data collection and goal review.
2. **5-year Garbage Collection Fund Financial Projections (\$10,880)**
This Task will establish the overall financial projection and determine how much total rate revenue is needed to keep the solid waste program properly funded.
3. **5-year Financial Projections for New Agreement and Services (\$7,000)**
This Task will build upon the previous task to develop rates which will collect the desired rate revenue, splitting the revenue between commercial and residential customers.
4. **Communication of Findings (\$9,580)**
This Task will provide the City with the required report and model needed for the Proposition 218 process.
5. **Optional Review and Update (\$19,915)**
This Task will provide an update to the rates, at the City's discretion, in fiscal year 2024-25.

The initial cost of the rate study to bring the City rates in line with costs will be \$29,970. The Optional Task 5, at \$19,915 would allow the City to review the rates again next year if needed as the effects of SB 1383 are still unknown and additional review might be required next year. This addition is solely to the benefit of the City, is at City staff discretion to utilize and would only be used if there are severe unanticipated changes to costs within a year of the rates being set. It provides a discount a new study in that case.

In recommending the agreement in the maximum amount of \$49,885, the City did not perform bid procedures as outlined in the City's Purchasing Ordinance. The City's Purchasing Ordinance allows for dispensing with bid procedures under Municipal Code section 2.84.070(D), which reads that bidding may be dispensed:

"When other special circumstances require, and the City Manager recommends disregarding bid procedures, and City Council approval is obtained to disregard bid

CONSENT ITEM 3.3

procedures and which expressly authorizes negotiations with one or more firms, persons, corporations, partnerships and/or associates for entities.”

The City Manager recommends dispensing with bid procedures due to HF&H's unique specialized knowledge of the current and Amended Franchise Agreement. HF&H served as a member of the Model Franchise Agreement negotiating team on behalf of SBWMA and served as a consultant to the Franchise Agreement Extension Committee during the negotiation process. Therefore, HF&H is uniquely qualified and informed about the financial implications related to the SB 1383. HF&H performed the City's rate study in 2021 and has detailed knowledge of the City's solid waste services cost structure. Further, HF&H are preparing rate increases for the following other municipalities in SBWMA: Redwood City, Foster City, Hillsborough, San Mateo, San Mateo Co. & North Fair Oaks, and West Bay Sanitary District, where many of the costs are shared, allowing the City to benefit from an economy of scale. .

Fiscal Impact

This item was not budgeted and will require a budget appropriation from the General Fund reserve of in the full amount of \$49,885 for this fiscal year.

Public Notice

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

Environmental

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

Government Code § 84308

Applicability of Levine Act: Yes.

Analysis of Levine Act Compliance: The signatory for the agreements would be Rick Simonson, Senior Vice President, HF&H. Staff is unaware of any other parties or participants relevant to the Council's consideration of this item.

Attachments

1. Resolution.
2. Proposal.

RESOLUTION NO. XX– 2024

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

AUTHORIZING THE CITY MANAGER TO AWARD TO, NEGOTIATE AND EXECUTE AN AGREEMENT WITH HF&H CONSULTANTS, LLC, IN A FORM APPROVED BY THE CITY ATTORNEY, FOR A TERM NOT TO EXCEED 18 MONTHS, FOR THE PREPARATION OF FINANCIAL PROJECTIONS OF SOLID WASTE COLLECTION SERVICE RATES IN AN AMOUNT NOT-TO-EXCEED FORTY-NINE THOUSAND EIGHT HUNDRED AND EIGHTY-FIVE DOLLARS (\$49,885); APPROPRIATING FORTY-NINE THOUSAND EIGHT HUNDRED AND EIGHTY-FIVE DOLLARS (\$49,885) FROM THE GENERAL FUND RESERVES; AND FINDING THAT SPECIAL CIRCUMSTANCES EXIST THAT WARRANT DISREGARDING BID PROCEDURES PURSUANT TO SECTION 2.84.070(D) OF THE EAST PALO MUNICIPAL CODE.

WHEREAS, the City of East Palo Alto last adjusted solid waste rates in June 2021; and

WHEREAS, due in part to SB 1383, an organics disposal regulation, South Bayside Waste Management Authority (SBWMA), a Joint Powers Authority formed in 1982 of which the City is a Member Agency, is experiencing unprecedented and unexpected cost increases which must be passed on to member agencies and thus City customers; and

WHEREAS, Recology, the City's solid waste collection provider is also experiencing cost increases; and

WHEREAS, the City Manager recommends dispensing with formal bid procedures pursuant to Municipal Code Section 28.84.70(D) due to the special circumstances that HF&H provides unique insight into solid waste rates and costing due to their relationship with SBWMA and Recology and further are currently engaged with a many other Member Agencies of SBWMA to provide solid waste rate schedules providing an economy of scale, can thus provide this service at a reasonable cost.

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

1. Finds the foregoing recitals are true and correct, and are incorporated by this reference into this action; and
2. Authorizes the City Manager to award and to negotiate and execute an agreement with HF&H consultants, LLC, in a form approved by the city attorney, for a term not to exceed 18 months, for the preparation of financial projections of Solid Waste Collection Service Rates in an amount not-to-exceed Forty-Nine Thousand Eight Hundred And Eighty-Five dollars (\$49,885); and
3. Appropriates Forty-Nine Thousand Eight Hundred and Eighty-five Dollars (\$49,885) from the General Fund reserves; and
4. Finds that special circumstances exist that warrant disregarding bid procedures pursuant to section 2.84.070(D) of the East Palo Municipal Code; and

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

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

AYES:

NOES:

ABSENT:

ABSTAIN:

Antonio D. Lopez, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

John D. Lê, City Attorney



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: January 23, 2024

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: James Colin, City Clerk

SUBJECT: Proclamation of the City of East Palo Alto Commemorating The 30th Anniversary of Free at Last

Recommendation

Present the proclamation.

Gov't Code § 84308: Not applicable

PROCLAMATION OF THE CITY OF EAST PALO ALTO COMMEMORATING THE 30TH ANNIVERSARY OF FREE AT LAST

WHEREAS, Thirty years ago FREE AT LAST was formed to make a positive difference in the lives of thousands of individuals in need; and

WHEREAS, January 19, 2024, has been set aside as a day to recognize and celebrate FREE AT LAST for continuing to provide intervention, treatment, and referral services to those individuals; and

WHEREAS, FREE AT LAST was founded by individuals who selflessly and wholeheartedly continue to give of themselves in time, energy and expertise; and

WHEREAS, FREE AT LAST was originally funded by the Evelyn Green fellowship program grant in the amount of \$15,000; and

WHEREAS, FREE AT LAST was formed in response to the dire need for HIV street outreach and testing referral services for high-risk individuals in East Palo Alto, East Menlo Park and Redwood City; and

WHEREAS, FREE AT LAST founders developed a successful intervention and recovery treatment program to provide services to those in need of drug and alcohol abuse counseling; and

WHEREAS, against the words of naysayers FREE AT LAST founders continued in their quest to provide a myriad of services to individuals and families such as group counseling programs, residential living programs for single men, women, and women; with children, a drop-in counseling program; and

WHEREAS, FREE AT LAST founders have raised and spent millions of dollars to administer these programs and to ensure that all individuals in need of such assistance are guaranteed access to the quality services provided; and

WHEREAS, FREE AT LAST consistently demonstrates a commitment to HIV prevention education and community recovery services in San Mateo County, and will continue for many years to provide quality services to those in need.

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of East Palo Alto, does hereby recognize and congratulate FREE AT LAST on its Thirtieth Anniversary and commends the countless hours of service and selfless dedication by its Founders, Board, and staff.

Dated: January 23, 2024



Antonio D. Lopez, Mayor



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: January 23, 2024
TO: Honorable Mayor and Members of the City Council
VIA: Melvin E. Gaines, City Manager
BY: James Colin, City Clerk
SUBJECT: Commission Appointments

Recommendation

Interview the applicants for the Rent Stabilization Board and the Senior Advisory Committee; and appoint applicants for Regular or Alternate Seats for both bodies.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority No. 1: Promote Housing, Economic and Workforce Development
Priority No. 3: Promote Health & Public Safety
Priority No. 4: Ensure Our Financial and Organizational Health

Background

The City Council of the City of East Palo Alto is seeking candidates to make the following appointments:

POLICY AND ACTION ITEM 9.1

Rent Stabilization Board appointments for the following terms:

Regular Seat No. 4: From May 18, 2021, through May 31, 2024 (Due to resignation)

Senior Advisory Committee appointments:

Regular Seat No. 4: From May 31, 2023, through May 5, 2026

Alternate Seat: From May 31, 2023, through May 5, 2026

The application period was initially open from April 27 through May 12, 2023, and was later extended due to a lack of applicants. The City accepted applications electronically via the SurveyMonkey platform. The City conducted outreach through its social media outlets in hopes of attracting more applicants, and additionally, engaged in in-person outreach efforts to ensure a comprehensive approach to the outreach process. These outlets included various newsletters disseminated to over 4,000 residents, Facebook ads, and the City website.

Selection Process

In order to ensure an efficient and transparent Brown Act compliant selection process, the procedure for review is as follows:

1. City Council will review the applications attached to the December 5, 2023, agenda.
2. City Council will be provided an electronic voting form at the beginning of the agenda item from the City Clerk.
3. City Council will conduct interviews.
4. City Council will make its selections by motion.

Gov't Code § 84308: Not applicable

Attachments

1. Senior Advisory Committee Applications
2. Rent Stabilization Board Applications

#3

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Tuesday, December 19, 2023 1:13:07 AM
Last Modified: Tuesday, December 19, 2023 1:26:34 AM
Time Spent: 00:13:27
IP Address: [REDACTED]

Page 1: Senior Advisory Committee Application

Q1

Name

Quynh Pham

Q2

Home Address

[REDACTED]

Q3

City

East Palo alto

Q4

E-mail Address

[REDACTED]

Q5

Phone Number

[REDACTED]

Q6

Yes

Are you available to attend regular Committee meetings
scheduled for the first Wednesday of each month?

Q7

Why would you like to serve on the Senior Advisory Committee?

I would like to raise awareness regarding the importance of nutrition, healthy living choices across all age groups. My experience as a nurse for the adult population and interest in holistic, non pharmaceutical approach to health makes me the perfect advocate for evaluating and recommending effective senior programs.

#6

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Wednesday, November 29, 2023 12:04:39 PM
Last Modified: Wednesday, November 29, 2023 12:08:21 PM
Time Spent: 00:03:42
IP Address: [REDACTED]

Page 1: Rent Stabilization Board Application

Q1

Name

Julian A. Garcia

Q2

Home Address

[REDACTED]

Q3

City

East Palo Alto

Q4

E-mail Address

[REDACTED]

Q5

Phone Number

[REDACTED]

Q6 Yes

Are you available to attend regular Board meetings
scheduled for the second Wednesday of every month at
7:00 pm?

Q7

Why would you like to serve on the Rent Stabilization Board?

I am a resident of the west side of East Palo Alto and would like to help my tenant community by serving on the rent board.

#8

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Friday, December 01, 2023 5:09:03 PM
Last Modified: Friday, December 01, 2023 5:12:41 PM
Time Spent: 00:03:38
IP Address: [REDACTED]

Page 1: Rent Stabilization Board Application

Q1

Name

Armando soria

Q2

Home Address

[REDACTED]

Q3

City

East palo alto

Q4

E-mail Address

[REDACTED]

Q5

Phone Number

[REDACTED]

Q6 Yes

Are you available to attend regular Board meetings
scheduled for the second Wednesday of every month at
7:00 pm?

Q7

Why would you like to serve on the Rent Stabilization Board?

Serving on a rent stabilization board can be a way for me to contribute to their community and address issues related to housing affordability and stability. It can be a way to advocate for fair and reasonable rent policies, protect tenants' rights, and ensure that housing remains affordable for residents. Growing up in East Palo Alto, CA, I have firsthand experience with the challenges and importance of affordable housing, which could be a motivating factor for wanting to serve on a rent stabilization board.



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: January 23, 2024
TO: Honorable Mayor and Members of the City Council
VIA: Melvin E. Gaines, City Manager
BY: Brenda Olwin, Special Projects
Greg Henry, Senior Management Analyst
SUBJECT: Council Strategic Priorities Reporting Bi-Annual Update

Recommendation

Receive an informational report regarding project status of City Council FY 2023-24 & 2024-25 Strategic Priorities.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Ensure Our Financial and Organizational Health

Background

The City Council conducts an annual Priority Setting process to designate high-priority initiatives, ordinances, and/or projects. The goal of the Priority Setting process is to allow the administration to focus limited staff and financial resources on initiatives that the City Council identifies as the highest priorities. The Council held a Priority Setting session during its January 21, 2023 City Council Retreat and officially approved the Council Strategic Priorities for Fiscal Years 2023-24 and 2024-25 on April 18, 2023.

Prior to this year's Priority Setting process, scheduled for February 3, 2024, staff are implementing a significant improvement in community reporting practices—the Strategic Priorities Work Plan (Work Plan). This tool helps foster transparency, accountability, and informed decision-making within our community. Going forward, the Work Plan will be updated to reflect progress each quarter and provided to the City Council and public.

Analysis

The Work Plan serves as a comprehensive update on the status of the Council's named priorities, offering a detailed overview of the status of strategic direction. Notably for each goal, the Work Plan includes information related to:

- Lead department
- Project Status
 - o Completed, In-Progress, On-Hold
 - o Projects marked as Operational are discussed below.
- Project Status Notes – a brief description and status of each Priority goal and/or project.

Through this reporting process, we aim to enhance understanding of project scope, facilitate collaboration, and ensure that our collective efforts contribute meaningfully to the growth and well-being of our city based on Council's directives and intentions established during the Priority setting process.

Strategic Priorities Update

On April 18, 2023, the City Council adopted the following priorities:

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

Each priority has a number of goals, or specific projects, associated with that priority. Some of the goals are nondiscretionary, typically state or court mandated, but are included due to their impact.

December 31, 2023, marks the 6-month mark of staff implementing these priorities. From the seven priorities, Council identified 26 goals with 64 sub-goals or components. Of the 64 sub-goals, five were completed, 39 are in progress and 14 are on hold. The remaining six sub-goals have been identified by staff as operational, ongoing operations. As part of the planned Priority Setting process scheduled for February 3, staff will ask the Council to consider transitioning these goals off the Strategic Priority document. Staff will also propose modifying many of the sub-goals and limit updates to goals and projects. This does not mean that the work on these items would be discontinued, but rather it would occur on an operational level and given the lack of a specific end date or defined completion, would not be suited for the Strategic Priority document.

Table 1. Status Summary

Project/Goal Status	Count
On-hold	14
In-progress	39
Complete	5
Operational	6
Total	64

Those 64 sub-goals are grouped by Priority as described in Table 2 below.

Table 2. Project/Goal Count by Priority



At the Department level, the 64 sub-goals are concentrated in the City Manager's and Public Works departments. This concentration in the City Manager's Office is due to Council Priorities cross-departmental nature. Public Works leads Capital Projects which are another main area for goals across multiple Priorities.

Table 3. Goals/Projects by Department

Department	Number of Goals/Projects¹
City Manager's Office	18.5
Public Works	22
Community and Economic Development	8
Community Services	4.5
Finance	4.5
Human Resources	2.5
Information Technology	1
Police	3
Total	64

Consideration of Changes to the Priorities found in the Update Document

While this document is not intended to initiate the Council priority setting process, while developing this reporting Document, staff found several structural clarification and standardization changes which we will be asking Council to consider during the February 2024 priority setting process. These clarifications include considering:

- Reframing or renaming certain priorities to differentiate from the underlying goals and establish priorities as more comprehensive in scope.
- Reframing or removing the goal-projects identified as “Operational” status to standardize goals-projects to include a target or metric of accomplishment.
- Re-grouping or combining certain goals, which are related or are subordinate to other listed goals, or which are simply a list of goal-phases.

These proposed changes are contained in status notes of the Reporting Document.

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

¹ Shared projects are counted as half a project for each co-leading department.

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.

Analysis of Levine Act Compliance: Not applicable

Attachments

1. Council Strategic Priorities Reporting Bi-Annual Update

Promote Housing, Economic & Workforce Development				
Goal	Lead/Co-Lead	Status	Status Notes	
1 Implement Measure HH Employment & First Source Hiring Programs				
1.1 Launch program, monitoring and evaluation through early 2025	CDD	In-Progress	(1) Measure HH program consists of \$0.76M contracts with Street Code Academy, Job Train, and Live in Peace collaborating to create local workforce development and job training pilot programs. Programs are launched and status is updated quarterly and available online: https://www.ci.east-palo-alto.ca.us/econdev/page/measure-hh-pilot-workforce-development-program . Target Completion: August 2024. (2) First Source Hiring: Outside attorney to develop draft of program guidelines. Target Completion: November 2024.	
2 Continue to Implement the City's Affordable Housing Strategy				
2.1 Present TOPA/COPA recommendations and other opportunities to promote homeownership	CDD	In-Progress	On December 6, 2023, the proposed TOPA/COPA ordinance was not adopted by Council. Project effort consisted of two years of community outreach meetings, Council presentations, research, ordinance drafting, responding to public queries, etc. Effort supported by a fellow (Partnership for the Bay's Future), CMO and CAO. Fellow will continue to look for funding opportunities and other ways to promote homeownership for remainder of fellowship period ending May 2024.	
2.2 Complete the updated Housing Element	CDD-CMO	In-Progress	Housing Element adopted by Council February 2023 and the third draft is currently in State review process. Item will be presented to Council approximately February 2024 after State completes 60 day review period. Effort supported by multiple city staff including CMO and CAO. Target Completion: Winter 2024.	
2.3 Implement the updated Housing Element	CDD	Operational	This project is considered an operational activity.	
2.4 Update Affordable Housing Strategy	CDD	In-Progress	Update the 2019-2023 Affordable Housing Strategy for the 2024-2028 period. Staff is initiating community outreach and draft of updated plan. Targeted Completion Plan Update: February 2024.	
(a) Identify future pipeline affordable housing projects			Part of 2.4 above. Notice of Funding Availability planned approximately June 2024.	
2.5 Establish Rent Registry for both stabilized and market-rate rental units.	CDD	In-Progress	Report to Council seeking program direction planned approximately March 2024. Issuance of draft request for proposal (RFP) for outside program management planned issuance June 2024. Staff are exploring potential registry options (meeting with other cities, speaking with vendors, etc.)	
3 Create an Economic Development Strategy Focusing on Small and Micro Businesses	CDD	On-hold	Planned issuance of request for proposals (RFP) for an Economic Development Strategy approximately March 2024.	
3.2 Ensure regional partners are fully engaged with supporting EPA businesses				
3.3 Work with local small and micro businesses to identify areas of greatest need/support				
3.4 Begin providing greater support for local businesses				
3.5 Develop an Economic Development Strategy for Council consideration and adoption				
4 Cummings Loft Small Business Administration Space Improvements	PW	In-Progress	The City was awarded a \$0.5M grant from the Small Business Administration to improve the former Redevelopment Agency's space at Cummings Loft for use as a local incubator space. City staff issued a request for design proposals - and to date have not received bid interest. Project will be re-advertised. Target Completion of design: December 2024.	
5 Implement Program to Distribute Community Resource Funds Grant	CMO	On-hold	This is a City-sponsored grant program. In May 2023, staff presented a framework for the program and Council directed that the funds be allocated to four different service areas. Staff will develop a request for proposal (RFP) once eligibility requirements and outcomes are defined. Target Completion: TBD	

Implement Comprehensive Transportation and Mobility Plan			
Goal	Lead/Co-Lead	Status	Status Notes
1 Implement the Comprehensive Transportation and Mobility Plan			
1.1 Implement Short-term Improvements as Identified in the Final Mobility Report	PW	Complete	Practical short-term measures implemented and completed approximately Spring 2023.
1.2 Implement Mid-term Improvements as Identified in the Final Mobility Report	PW	In-Progress	Mid-term improvement elements to be implemented over 5+ years. \$1.0M grant applied for University Avenue Corridor improvements will study mid-term strategies. City in regular contact with other entities regarding Facebook Willow Village development.
1.3 Initiate a Parking Permit Pilot Program with an initial focus on addressing abandoned vehicles	PW	In-Progress	In collaboration with Police Department, tentative pilot program adoption by June 2024.
2 Begin Construction of the University Overpass Project			
2.1 Bid Construction documents	PW	Complete	Project Bidding complete in early 2023.
2.2 Construction phase of the project	PW	In-Progress	Contract awarded and construction began in Fall 2023. Target Completion: December 2024.
3 Analyze Funding Strategies for Public Infrastructure Including Streets, Parks, & Utilities			
3.1 Seek out design funding for East Bayshore sidewalk improvements from the SMCTA	PW	In-Progress	City awarded \$400,000 grant for design phase. Requests for proposals (RFP) for design services to be completed and advertised. Target Completion: December 2024.
3.2 Seek out construction funding for East Bayshore sidewalk improvements	PW	On-hold	Staff is actively seeking construction funds for the project. Remaining design funds (3.1 above) may be allocated toward construction costs.
3.3 Seek out Highway grant funds for University Ave. safety improvements	PW	In-Progress	City awarded \$1.2M grant and design phase is initiated. Design planned completion is April 2024. Construction estimated to occur August 2024 through February 2025.
3.4 Continue work with consultant to identify and apply for grants	PW	Operational	This project is considered an operational activity. With Ken Brown consultants, staff seek and review federal and state grant opportunities as occur. Currently, staff is at capacity to implement and build projects for several previously awarded grants.
3.5 Implement updated water capital surcharges	PW-CMO	Complete	Council adopted updated charges in March 2023.

Promote Health & Public Safety				
Goal		Lead/Co-Lead	Status	Status Notes
1	Enhance Flood Protection for Residents, Businesses, and Property Owners			
1.1	Coordinate with partner agencies to fund and complete Reach 2 improvements	PW	In-Progress	The Reach 2 Project is led and coordinated by the San Francisquito Creek (SFC) JPA. The total project cost estimate is \$60M, and is approximately 70% funded. The project consists of four main construction elements planned to occur between Summer 2024 and 2026. City staff are in contact with SFC-JPA and agency partners on a regular basis.
1.2	Implement \$22M Safer Bay Project Grant w/ San Francisquito Creek JPA	PW	On-hold	The Safer Bay Project is a multi-benefit, multi-jurisdictional collaboration led and coordinated by the SFC-JPA. The SFC-JPA is conducting technical and scientific studies in anticipation of releasing a draft Environmental Impact Report in 2025. The City has been awarded a FEMA grant of \$17.5M and provided \$4.5M in local match to support \$22M in local construction costs related to the project. City grant project is on-hold pending completion of other project phases.
1.3	Coordinate with City of Palo Alto on the Newell Street Bridge Replacement Project	PW	In-Progress	Represents a \$16M sub-project of the SFC-JPA Reach 2 Project above. City of Palo Alto is lead agency. Project plans and specifications complete, and currently seeking additional grant funding. East Palo Alto staff are working with Palo Alto to coordinate design completion. Upon design completion, the project will be bid for the construction phase in Summer 2024.
2	Resolve Sanitary District Incorporation Matter			
2.1	Implement necessary actions for LAFCo consideration of EPASD becoming City subsidiary	CMO-PW	In-Progress	On November 15, 2023 the LAFCo Board passed Resolution 1312, designating EPASD as a subsidiary district of the City of East Palo Alto. A number of steps remain, with currently unknown timelines and outcomes, in order to formally establish the District as a subsidiary of the City. Following establishment, the City is planning to engage West Bay Sanitary District to oversee operational functions. Process will require significant support in Finance and Public Works, particularly during the initial transition period.
3	Develop a Community Emergency Preparedness and Education Initiative			
3.1	Build EPA CERT Team Membership	PD	In-Progress	City engaging with Menlo Fire District to re-establish EPA CERT in accordance with regulatory emergency protocols. Target Completion: Fall 2024
3.2	Establish emergency communication protocols with community partners	PD	In-Progress	In coordination with Menlo Park Fire District, researching social media and emergency alert notification channels with planned community outreach efforts to expand information access. Target Completion: Summer 2024.
3.3	Update Disaster Preparedness Plan	PD	In-Progress	Currently researching plan format and regulatory requirements with goal of simplifying current plan for ease of reference and use. Target Completion: Summer 2024.

Ensure Fiscal & Organizational Health				
Goal		Lead/Co-Lead	Status	Status Notes
1	Address Structural Deficit Through Fiscal Resiliency Measures			
1.1	Assess and Prepare for Utility Operational and Finance Needs	PW-FIN	In-Progress	This project is connected to Goal No. 2 above under Council Priority "Promote Public Health & Safety". Financing needs on-hold pending LAFCO decision. However, in addition to Sanitary Sewer operations, the City requires resources to provide cohesive oversight over all managed utilities (water, garbage and storm water management). Consideration of financing of utilities through rate increases or assessment districts is planned for 2024.
1.2	Analyze needs, strategies and community support for funding public infrastructure	CMO	In-Progress	With Lew Edwards consultants, City is conducting a series of community outreach meetings/communication to assess community interest related to both services and infrastructure. Target Completion: February 2024.
1.3	Perform Impact Fee Nexus Study	CMO-PW	In-Progress	Bid process complete and contract approved by Council in October 2023. Project kick-off implemented November 2023. Effort supported by temporary employee. Target Completion: July 2024.
2	Develop 10 Year Financial Projections			
2.1	Issue RFP to Hire Financial Projection Consultant	FIN	Complete	RFP complete and issued April 2023. Consultant hired and in contract.
2.2	Perform Study of Financial Projections	FIN	In-Progress	First phase of model-build issued and available for staff testing and revision process.
2.3	Prepare and Present Projections	FIN	In-Progress	Presentation planned for April 2024 Budget Message.
3	Plan and Implement an Enterprise Resource Planning (ERP) System			
3.1	ERP Implementation	FIN-CMO	In-Progress	In final planning implementation of Caselle accounting (G/L), payroll, and human resource systems. On-site training began October 2023, with go-live November/December 2023. Staff estimates significant training, and procedural and operational changes for approximately six to eight months following implementation. Implementation does not include other aspects of City's enterprise software systems, such as permitting system. As of December 31, 2023, 2,200 hours have been expended.
3.2	ERP Fully Implemented			
4	Focus on Staff Morale, Retention, Recruitment & Succession Planning			
4.1	Update the City's Personnel Policies and Procedures	CMO-HR	In-Progress	Draft document prepared. Citywide management and employee review process, including meet and confer elements, estimated to begin January 2024. Target Completion: Fall 2024. Effort supported by consultants, outside legal.
4.2	Launch Health & Wellness Initiative	CMO-HR	In-Progress	Launched outreach for virtual employee seminars; on-site health and wellness events first launch in October 2023. Effort supported by temporary employee.
4.3	Update the City's recruitment process	CMO-HR	Complete	Standardized operating procedures for the hiring process. Completed April 2023
4.4	Develop and Launch an Employee Training and Development Program	CMO-HR	In-Progress	Primarily consists of revamping employee orientation process, standardizing and auditing regulatory training requirements. New orientation standards implementation November 2023. Standardizing training implemented over six months phases beginning November 2023. Effort supported by temporary employee.
4.5	Issue RFP for Compensation Study	CMO-HR	On-hold	Project goal intended to be expanded to include and prioritize near-term capacity studies. Project initiation TBD.
5	Develop an Information Systems Master Plan			
5.1	Coordinate continuation or completion of contract services provided by Redwood City	CMO-IT	In-Progress	Redwood City agreed to a mid-term continuation plan. Staff expanding goal to include issuance of separate RFP to consider options for long-term operational needs. Target RFP Completion: January 2024.
5.2	Develop a citywide Information Systems Master Plan	CMO-IT	On-hold	Draft RFP prepared and under review; pending outcome of item 5.1 above.

Improve the City's Water Infrastructure				
Goal		Lead/Co-Lead	Status	Status Notes
1	Focus on Customer Service and Education			
1.1	Plan for Water System Operations in 2025	CMO	In-Progress	Current Water System Operator lease expires approximately April 2026, and current lease terms are under outside legal review. Project includes multi-departmental consideration of options for long-term operational needs, including RFP for consulting services to consider cost/considerations under differing options. Target Completion: March 2024.
2	Advance Key Water Infrastructure Projects			
2.1	Complete Construction of 12" Water Transmission Line on University Ave.	PW	In-Progress	Project construction planned to begin February 2024. Target Completion: November 2024
2.2	Complete Construction of Water Intertie at University/Woodland with Palo Alto	PW	In-Progress	Project construction planned to begin February 2024. Target Completion: July 2024
2.3	Identify Potential Locations for Additional Water Storage	PW	In-Progress	Staff preparing a request for proposal (RFP) to conduct a water tank siting study and provide analysis of options for water storage capacity of 3+ million gallons. Target Council Presentation: November 2024.
2.4	Investigate State and Federal Water Funding Opportunities, including WIFIA and DWSRF	PW-FIN	Operational	This project is considered an operational activity.
2.5	Proactively Design Additional Water Improvement Projects	PW	On-hold	This project involves working with the City's on-call consultant to design priority 1A water infrastructure projects identified in the Water Master Plan. This activity will begin upon completion of construction of the 12" watermain on University Avenue. (See 2.1 above)
2.6	Complete construction of 12" watermain on Weeks Street			Combined with 2.1 above.
2.7	Complete the woodland watermain gap project in addition to the water intertie			Combined with 2.2 above.

Develop and Implement a Comprehensive Facilities Plan				
Goal	Lead/Co-Lead	Status	Status Notes	
1	Coordinate with the Library District to Advance a New Library for East Palo Alto			
1.1	Identify and implement comprehensive funding strategy	CMO-CS	On-hold	On-hold pending progress of 1.2 below and conclusion of Community Outreach project in February 2024. Rough construction estimates are approximately \$40M. The City applied for a \$10M grant, and has no identified funding source at this time.
1.2	Initiate & oversee facility planning and design	PW-CMO	In-Progress	City applied for, and was awarded, a \$1.5M grant for design of the Library. It is anticipated City may need additional local match to complete the design. Library design RFP issued October 2023. Award of a design contract is anticipated in February 2024.
2	Investigate Options for Developing County Vacant Property Located on Beech Street			
2.1	Endeavor to Finalize Acquisition of County-Owned Beech Street Property	CDD	In-Progress	In final phase of property exchange and acquisition details. Target Completion: February 2024.
2.2	Advance Parks Master Plan Vision for MLK Jr. Park and Beech Street Property	CMO-PW	In-Progress	City preparing CEQA analysis for Master Plan, including potential Beech Street expansion - estimated Council study sessions in Spring 2024.
3	Develop a Detailed Strategy for the Location of the Future Police Department			
3.1	Conclude consideration of potential interim or long-term Police Department sites	CMO	In-Progress	Currently in discussions and exploring both interim and long-term site considerations. Target Completion: Winter 2024
3.2	Provide the Council recommendations for Police Department sites after October 2025	CMO	On-hold	On hold pending completion of 3.1 above. Site recommendations may include closed session presentation and negotiation.
3.3	Implement necessary actions to enable police department operations after October 2025	CMO	On-hold	On hold pending completion of 3.1 above.
4	Complete the City Hall Improvements Planning Process			
4.1	Resolve County consideration of 2415 University for City's exclusive or shared use	CMO	In-Progress	Continuing discussions.
4.2	Investigate potential partnership opportunities with future development projects	CDD-CMO	On-hold	On-hold pending completion of RBD Specific Plan, including related Impact Fee Study implications. Current economic conditions estimated to impact timing of available opportunities.
4.4	Bid and construct the City Hall TI at the former police evidence room	PW	On-hold	Workspace currently under County HVAC renovations. Staff is considering bidding this project together with PD and Tate facility improvements. Construction project estimated to begin Summer 2024.

Enhance Community Services and Parks for Residents				
Goal		Lead/Co-Lead		Status Notes
1	Foster Community Cultural Events & Activities			
1.1	Facilitate City Sponsored Events on Operational Basis	CMO-CS	Operational	This project is considered an operational activity. Total of eight events occurred in 2023; including City Anniversary celebration.
1.2	Consider organizational structure and external partnerships to best provide cultural events	CMO-CS	Operational	This project is considered an operational activity.
2	Completion and Implementation of the Parks Master Plan			
2.3	Advance Design of Martin Luther King, Jr. (MLK) Park Expansion Project			Refer to Goal 2.2 above under "Develop and Implement a Comprehensive Facilities Plan".
2.4	Advance Design of Bell Street Park Project in Partnership with Magical Bridge Foundation	CS-PW	On-Hold	Plan Phase I complete and project re-scaled and considered with community outreach. Phase II - on hold to consider best program outcomes.
2.5	Consider a pilot dog park program at an existing park or under utility power lines	CMO-CS	In-Progress	This sub-goal primarily is being considered with the MLK Park Expansion Plan. Refer to Goal 2.2 above under "Develop and Implement a Comprehensive Facilities Plan". For other potential sites, staff plans to engage community and vet potential options. Target Report Date: Spring 2024.
3	Focus on Youth Engagement			
3.1	Consider establishing a Youth Commission and/or youth appointees to City Boards/Commissions	CMO-CS	In-Progress	In September 2023, staff presented report and received Council direction to establish the framework for a Youth Commission. Staff is currently surveying surrounding communities and potential partners. Target Report Date: Spring 2024
3.2	Strengthen partnerships with outside organizations for comprehensive focus on youth issues	CMO-CS	On-hold	This goal on-hold pending 3.1 above, and upon completion of policy directives for Commission activities and oversight.
4	Engage with Community & Partner Agencies to Improve Educational Resources/Outcomes			
4.1	Explore Partnerships with School District & Other Entities Regarding Potential Joint Use	CMO-CS	In-Progress	Staff in discussion with school district to explore shared interests and potential financial options. Seeking shared facilities agreements with RSD. Target Report Date: Fall 2024.
4.2	Build Relationships with Foundations/Philanthropic Organizations to Identify Partnerships	CMO-CS	Operational	This project is considered an operational activity.



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: January 23, 2024

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Maurice Baker, Community Services Manager

SUBJECT: 2024 Transient Occupancy Tax Grants Update

Recommendation

1. Accept the recommendation of the Community Grants Review Panel to increase the range of TOT grant disbursements from up to \$16,000 to up to \$50,000 per grantee for organizations that meet the criteria set forth by Council and TOT ordinance; and
2. Provide direction on additional requirements for grant applicants larger than \$20,000 for 2024 Transient Occupancy Tax (TOT) Grants Program.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority No. 7: Enhance Community Services and Parks

Background

Chapter 3.68 of the Municipal Code, the uniform transient occupancy tax (TOT ordinance), establishes the imposition of a 12 percent tax on hotel rents for transient 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. In 2002, East Palo Alto voters modified the TOT ordinance requiring dedication of 10 percent of TOT revenue to affordable housing and 10 percent to children, youth and family services, including senior citizens (CYFS).

POLICY AND ACTION ITEM 9.3

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 senior citizens to promote individual and community health, recreation, and cultural arts, and;
2. Exclusively to 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.

\$1.2 Million + TOT CYFS Balance

Because of staff vacancies and the COVID-19 pandemic, the City did not issue TOT grants from 2019-22. This has led to additional CYFS funds being available. As of June 2023, the City has over \$1.2 million in CYFS funds that may be distributed.

Community Grants Review Panel

In Spring 2014, the City Council adopted a policy to use a Community Grants Review Panel (CGRP) comprised of East Palo Alto residents, business owners, and industry experts to review and rank applicants. The CGRP met on January 9, 2024, and recommended increasing the range of TOT grant awards from \$5,000 - 16,000 to \$5,000 - \$50,000. They made this recommendation for a number of reasons. First, it would allow the City to expand services to the community without impacting General Fund reserves, with the understanding that the requirements and disbursement process for funding would increase along with the amount of funding recommended. Second, the fund balance has grown to accommodate such a recommendation. Third, inflation has made an increase in grant funding necessary.

Staff agrees with the CGRP recommendations and justification. With these larger grants, staff is proposing additional award requirements to ensure that the goals and objectives of proposed projects are met by grant awardees throughout the project term.

Analysis

Staff is asking that the Council exercise its discretion to set the grant award threshold up to \$50,000 with additional requirements. In previous years, the grant requirements included:

1. Application (Narrative, Budget, and Logic Model)
2. Compliance Policies (Conflict of Interest Certification and MOU)
3. IRS Documents (501c3 Determination letter and Form 990 or 990 Exemption)

POLICY AND ACTION ITEM 9.3

4. Financials (Two years of Annual Budget, Financial Statements, Matching funds)
5. Miscellaneous (Organizational Chart, Board Members List, Executive Director)

In addition to the previous requirements, in light of the recommendation of the Community Grants Review Panel, staff recommends adding the following requirements for grants awarded above \$16,000:

6. Partial Disbursements (Initial payment, mid-point payment, and closeout)
7. Documented Site Visits
8. Key Performance Indicators (Check-In Sheets, Registration List, Mid-Point Survey, etc.)

For the 2024 TOT Round, staff convened the following Review Panel to participate in the rating of proposals:

- Adora Jessica Manalo- Four Season Hotel.
- Q. Smith- Community Resident.
- Michelle Goudeaux- Large Business Expert.
- Debra Turner- Small Business Expert/ Resident.
- **Normally the CGRP consists of five members,; however, the fifth member was unable to meet. A fifth member should participate in the proposal evaluation process.*

Recommended Allocations

In prior years, the City has distributed no more than \$150,000 in TOT grants to vetted and approved community organizations that serve East Palo Alto residents. If the Council approves staff's recommendation to allow larger grants, staff will likely propose more than \$150,000 be distributed.

Staff will not know the amount recommended to be distributed until grant proposals are received and evaluated. Staff will propose a total grant amount based on the number of qualified proposals, CYFS revenues, CYFS reserves, and staff's capacity to monitor proposed programs' efficacy. This may suggest spending down some of the CYFS reserves, currently above \$1.2 million. Current estimated CYFS revenue is \$250,000.

Fiscal Impact

There is no fiscal impact associated with this report. The fiscal year 2023-24 budget includes \$275,000 in the TOT fund for CYFS grants. Staff will return to the Council with funding recommendations after accepting and evaluating funding proposals. At that time, staff will report the fiscal impact associated with the proposed funding awards.

Government Code § 84308

Applicability of Levine Act: No.

Analysis of Levine Act Compliance: Not applicable

Attachments

POLICY AND ACTION ITEM 9.3

1. TOT Small Grants Application
2. Resolution

RESOLUTION NO. XX – 2023

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

AUTHORIZING THE CITY MANAGER TO ACCEPT THE RECOMMENDATION OF THE COMMUNITY GRANTS REVIEW PANEL TO INCREASE THE RANGE OF THE TRANSIENT OCCUPANCY TAX (TOT) GRANT DISBURSEMENTS FROM UP TO \$16,000 TO A MAXIMUM OF \$50,000 PER GRANTEE FOR ORGANIZATIONS THAT MEET THE CRITERIA SET FORTH BY COUNCIL AND TOT ORDINANCE AND PROVIDE DIRECTION ON ADDITIONAL REQUIREMENTS NEEDED FOR GRANTS APPLICANTS FUNDED ABOVE THE \$20,000 THRESHOLD

WHEREAS, the Community Services division of East Palo Alto has formerly provided funding through three mechanisms (Measure C, TOT, and Summer Park Activation) to support community-based organizations efforts to provide programming and services to residents; and

WHEREAS, with the sunseting of the Measure C parcel tax and the discontinuation of TOT funding during the pandemic and shortage of staff, there is only the TOT and Summer Park Activation Grants being disbursed to serve the purpose of providing support to organizations leading services to residents of East Palo Alto; and

WHEREAS, with the reserve that has been built that, it is the opinion of the Community Grants Review Panel to increase the disbursement of funding amounts from up to \$16,000 to a maximum of \$50,000 for organizations that meet the criteria set forth by Council and the TOT Ordinance, the group is comprised of: 1. Adora Jessica Manola (Four Seasons); 2. Q. Smith (Community Resident); 3. Michelle Goudeaux (Large Business Expert); 4. Debra Turner (Small Business Expert); and 5. **Normally the CGRP consists of five members,; however, the fifth member was unable to meet. A fifth member should participate in the proposal evaluation process;* and

WHEREAS, to account for inflation and increased opportunities to provide needed programming to our community without impacting the General Fund, staff had proposed additional requirements to properly ascertain the true benefits of the services being offered; and

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 accept the recommendation of the Community Grants Review Panel (CGRP) increase the range of funding for grants from up to \$16,000 to a maximum of up to \$50,000 per grantee through the Transient Occupancy Tax (TOT) Grants program.
3. Direct the City Manager to amend the existing requirements for grant applicants who receive funding above \$20,000, consistent with the TOT Ordinance and Council direction to include the following:
 - a. Application (Narrative, Budget, and Logic Model)
 - b. Compliance Policies (Conflict of Interest Certification and MOU)

- c. IRS Documents (501c3 Determination letter and Form 990 or 990 Exemption)
- d. Financials (Two years of Annual Budget, Financial Statements, Matching funds)
- e. Miscellaneous (Organizational Chart, Board Members List, Executive Director)
- f. Partial Disbursements (Initial payment, mid-point payment, and closeout)
- g. Documented Site Visits
- h. Key Performance Indicators (Check-In Sheets, Registration List, Mid-Point Survey, etc.).

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

AYES:

NOES:

ABSENT:

ABSTAIN:

Antonio Lopez, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

John D. Lê, City Attorney

REQUEST FOR APPLICATIONS



Submission Deadline

TOT Small Grant Applications
are due

Friday April 21,
2023

at 5:00 p.m.

TOT Summer Grants

FY2023-24

1. Introduction

The purpose of the City of East Palo Alto Small Grants Program-Transient Occupancy Tax Fund (TOT) is to provide grants to support non-profit organizations that provide enrichment programs and services to children, youth and families, including seniors.

About TOT

At the general municipal election held on November 5, 2002, voters in East Palo Alto modified the Transient Occupancy Tax (TOT) ordinance to provide a dedicated revenue stream for children, youth and family services, including senior citizens (CYFS). The TOT revenue is collected through a hotel tax which is submitted to the City on a monthly basis. Of the total monthly amount collected, 10% is set aside for CYFS. For 2023-24, the City Council has released \$150,000 for Summer Youth Program Grants, each of which may not exceed \$16,000, to be used by Community Based and Non-Profit Organizations.

“Children are one third of our population and all of our future.” ~Select Panel for the Promotion of Child Health, 1981

Historically TOT funds have been directed into summer programs for youth. The TOT Grants Program is driven by increasing evidence that summer-based programming, both academic and extracurricular, increases academic achievement, and promotes growth in social skills for children and youth.

2. Timeline and Important Elements

Estimated Funding Timeline	
Notice of Funding Availability (NOFA) Released	January 9, 2023
Mandatory Pre-Submission Applicant Orientation	January 26, 2023
Question Submission Ends	February 2, 2023
Applications Due (Late Applications will not be accepted.)	February 24, 2023
Applicant Review Process	March 6 – April 7 (Dates subject to change).
Award Announcement	Early to Late June 2017 (Dates subject to change).

Mandatory Pre-Submission Applicant Orientation

Interested applicants MUST have attend ONE of TWO Orientations. Orientations were held via remotely via Zoom in East Palo Alto Thursday, January 26, 2023 at 10:00am to 12:00 pm and from 1:30 pm to 3:30 pm.

The Pre-Submission Applicant Orientation will:

- Describe the City of East Palo Alto Grants Program and program requirements
- Respond to questions from potential applicants
- Review the application process

Questions and Inquiries

To ensure all applicants have access to the same information, grant staff will only answer application questions submitted via email by Thursday, February 2, 2023. All questions will be responded to in writing and posted to the City webpage by February 9, 2023. Submit questions to Maurice Baker at: mbaker@cityofepa.org.

3. Grant Details

Funding Available: The City Council has authorized up to \$150,000 for fiscal year 2023-24 which normally represents approximately ten-percent (10%) of the annual fund and is contingent on the quality and number of proposals received and funding available. Individual grants may not exceed \$16,000 and funding priority may be given to grantees or partners which exhibit matching funds or in-kind donations.

The City is specifically interested in programs that advance the following initiatives:

- Getting a Healthy Start and Entering School Ready to Learn
 - Reading at Grade Level by Third Grade
 - Keeping Kids on Track and Giving Them Second Chances
- The City also has a strong interest in STEAM programs. There may be opportunities for community based organizations to utilize the Cooley Landing Education Center to host environmental education programs at the facility.**

Eligible Applicants: Non-profit 501 (c)(3) organizations serving:

- Children/Youth
- Family Services
- Seniors

Applicants are required to submit proof of non-profit status. Current or past grant recipients may apply for grant funding.

TOT grants are competitive and must demonstrate an increase in both quality and access to programs for East Palo Alto children, youth and families, including seniors, and have to be publicly funded/supported summer programs that promote measurable improvement in academic and/or extracurricular capacity and/or promote a supportive community environment for families and/or seniors.

4. Contractual Requirements and Reporting:

Applicants are strongly encouraged to review these documents before applying for grant funding. All grantees will be required to list:

- Service category area;
- Track the number of clients served (Example: Sign-in/Out sheets or digital versions);
- Demographics (Example: race, age, language);
- Total hours provided;
- Program impacts; and
- All grantees, regardless of the type of grant, will be required to conduct a client satisfaction survey during the grant term and submit that feedback with the Closeout paperwork.
- Closeout reports are due 30 days after the close of your grant. Any funds not expended by the end of your grant are required to be returned to the City of East Palo Alto along with your Closeout Report.

In addition, recommended applicants must provide the following as a condition of grant award:

- Memorandum of Understanding (If you are partnering with another organization – not required for Small Grants): Partnering organizations are required to define their partnership by written agreement in the form of a Memorandum of Understanding (MOU). In addition to expressing a convergence of will between the parties, indicating an intended common line of action, roles and responsibilities; the MOU must identify a lead organization to represent the collaborative and receive payments on its behalf. The Lead Organization may be required to provide all requested legal documents including insurance to cover the work of the group. **Lead organizations are required to submit proof of current non-profit status.**
- Provide Proof of Insurance: Organizations seeking to do business with the City will be required, BEFORE the execution of a grant agreement, to provide evidence of insurance and maintain coverage throughout the life of the grant. Costs for required insurance may be included in the proposed program budget. Should a grant be awarded, grantees will be required to provide a Certificate of Insurance, which includes CURRENT: Workers Compensation, General Liability, Sexual Misconduct – if working with youth, and Automobile, in statutory amounts not less

than one million dollars (\$1,000,000.00). On a SEPARATE Endorsement Page, the City of East Palo Alto and its officers, agents, council members, and employees must be named as additionally insured.

5. Review, Evaluation, Selection Process, and Ranking:

Eligibility Review: City staff will review applications to ensure they meet minimum eligibility requirements and submittal standards. Only applications that are complete, meet eligibility requirements, and submittal standards will be forwarded for further considerations. Applicants not meeting these standards will be notified.

After a preliminary review by City staff, eligible proposals are presented to a Community Grants Review Panel (CGRP) for further review and ranking. The CGRP will present their rankings and recommendations for funding to the City Council. The City Council, which has final approval authority, then selects the slate of projects to be funded and informs the staff of its decision. The Grants Coordinator is responsible for administering the grants for the approved projects.

Application Format and Submission: Applications must be no longer than ten (10) pages plus attachments. **Applications will not be available online.** All submissions are due by 5:00 pm. on Friday, February 24, 2023.

Electronic submissions are required. Allow plenty of time for the system to upload documents. Submit applications:

- Via email to mbaker@cityofepa.org or;
- Via Drop Box to;
<https://www.dropbox.com/scl/fo/eb4rxm9bruincmu3r12rt/h?dl=0&rlkey=j71e11lpn9z2rf3ixyuyojkty>

Attachments should be in PDF format. All documents should be titled with the attachment designation followed by the applicant name. For example: Attachment A: ABC Organization: Application. Attachment B: ABC Organization: Narrative. If the file size is too large, break up the documents and send them in smaller groupings.

The award of a contract, and any allowed renewal or extension thereof, is subject to allotments made by the East Palo Alto City Council and subject to the availability of Transient Occupancy Tax (TOT) Funds. PLEASE NOTE THAT THE EAST PALO ALTO CITY COUNCIL MAY PARTIALLY FUND ANY CONTRACT RESULTING FROM THIS SOLICITATION. ANY FUNDS NOT EXPENDED BY THE END OF YOUR GRANT IS REQUIRED TO BE RETURNED TO THE CITY OF EAST PALO ALTO ALONG WITH YOUR CLOSEOUT REPORT.

Instructions: Submissions should be presented in the following order: **KEEP THIS FORM.**

CHECK LIST	
1. Application (pp. 7-8) • <u>Narrative (2 pages max)</u> • Describe your organization briefly. • Work Plan: For this project. • <u>Attachments (Submit as Word Documents – Use online forms)</u> • Budget • Logic Model	☐
• Measure C/TOT Compliance Policies a. <u>Conflict of Interest (COI) Certification – (Use online form)</u> b. <u>Memorandum of Understanding (MOU)</u> • Where a partnering, collaborative, and or subcontracting relationship is proposed, the submission must include an MOU between the partnering organizations, which documents the relationship and delineates tasks and or compensation for each party.	☐
• IRS documents a. <u>501(c)(3) Determination Letter:</u> Or Copy of fiscal agent's 501(c)(3) determination letter b. <u>Form 990 or 990 Exemption:</u> Last 2 years	☐
• Financials • <u>Annual Budget:</u> 2 years • <u>Financial Statements:</u> • Current YTD • Previous Year • <u>Matching Funds:</u> Commitment letter if applicable	☐
• Other • <u>Organizational Chart:</u> • The chart should include the primary applicants' Board of Directors, the entire project team (all partners), and illustrate the relationship between the partners. • <u>Board Members List:</u> Including titles and addresses. • <u>Executive Director Name:</u> Or equivalent employee.	☐



CITY OF EAST PALO ALTO –TOT
SMALL GRANT APPLICATION
COVERSHEET

PLEASE READ AND ANSWER ALL QUESTIONS ON THIS APPLICATION FORM.

Organizational Information

Legal Name Organization:	
Address of Organization:	
Website:	

Collaborating Organization:	
Website:	

*Attach additional sheet(s) if necessary.

Contact Information

Grant Administrator			
Email			
Phone		Fax	

Grant Request

Amount Requested: (Not to exceed \$16,000)	\$ _____
Total Project Budget: (For this project)	\$ _____
Matching funds/in-kind donations? (Yes/No) Circle one. If yes, amount?	\$ _____
What is your organization's total annual operating budget?	\$ _____
Please list the names of matching funding or in-kind donation sources:	

Have you received TOT funding previously? Yes ☐ No ☐ Year(s)? _____

Is that grant still active? Yes ☐ No ☐

If not, have you submitted your Closeout forms? Yes ☐ No ☐

Please indicate your service category: Summer Camp ☐ Leadership Development ☐

After School/Academic Support ☐ Career/Employment/Entrepreneurship ☐

Crisis Intervention ☐ Sports & Recreation ☐ Re-Entry/Diversion ☐

STEAM PROGRAM at Cooley Landing ☐ Seniors ☐

Target Demographic

Please check the appropriate box(es) indicating the target category and age group(s) (if appropriate) that will be served with the funds requested:

Check Target Category (categories):

Children ☐ | Youth ☐ | Families ☐ | Seniors ☐

Check Age Group(s):

☐ under 5, ☐ 5-10, ☐ 10-15, ☐ 15-18, ☐ 18 – 24, ☐ 25 – 64, ☐ 65 & up

Clients Served:

List the number of East Palo Alto Clients you intend to serve during this program: _____

List the total number of Clients you intend to serve during this program: _____

Summer Program Timeline

What are your dates of service for this program? START: _____ END: _____

What days/nights will you run your program? (Ex: M-F) _____ Hours? _____

Acknowledgement

☐ I have read the minimum compliance standards for the City of East Palo Alto TOT Grants Program and can demonstrate that my program meets all minimum standards.

☐ I agree to fully participate in the City of East Palo Alto's spirit of partnership (see Section I, Item F. Contractual Requirements and additional requirements as a funded organization.

☐ I certify that my agency is eligible to apply based on the criteria listed in the Request for Applications and agree to submit any follow up documentation needed to verify eligibility (including but not limited to a 501(c)(3) tax letter). The signatory declares that: 1. they are authorized to sign on behalf of all entities in the partnership (if applicable); 2. the application accurately outlines the extent, objectives, and methods of the project; and 3. the grant funds, if awarded, will be used solely for the purposes outlined in this application.

Signature of Authorized Representative

Date Signed

Printed Name

Title

NARRATIVE: Not to exceed 2 pages (Please use 12 PT Font with 1 inch margins on 8/12 x 11 inch paper). Please describe:

- Your project service category;
- goals and objectives – work plan;
- How many clients you intend to serve;
- project partners (if any);
- Project timeline;
- How this project helps your organization fulfill its broader organizational mission; (Please include your organization's mission statement);
- How proposed program activities will increase a young person's academic achievement or help positively develop their social skills. Evidence based strategies will be viewed favorably;
- Discuss how the services you will provide will offer a supportive community environment for families and/or seniors of East Palo Alto;
- Your organizational history and qualifications providing direct services to the target population;
- Lead staff, their qualifications; and
- The project's proposed budget and how it supports the overall objectives and activities. Include planned efforts to leverage funds and list potential funders. Budget should be reasonable, realistic, and consistent with your work plan. Projects that utilize matching funds will be given priority.

LOGIC MODEL: Not to exceed 3 pages (highlighting one (1) objective per sheet of legal size paper).

Using the Logic Model template, discuss up to three (3) measurable indicators/objectives focused on direct service programming and impact. The limited number makes the process simpler; more importantly, it makes everyone think hard about priorities.

The logic model draws a picture of your program or intervention; provides a graphic representation of the "theory of action" highlighting what is invested, what is done, and results. It will serve as the core of planning, evaluation, and setting mutual expectations for the grant.

In your responses, keep the following concepts in mind:

- Outputs: Outputs are the activities or deliverables that are to be accomplished as a result of a grant. Outputs are generally described as deliverables or milestones in a work plan or timeline. Outputs include things like number of workshops held, number of youth tutored, health management plan completed, etc.
- Outcomes: Outcomes are the measurable impacts or results of the work of the grant. While outputs are accomplished during the life of the grant, outcomes generally occur after the completion of the grant. It is useful to categorize outcomes as short and long-term. Outcomes include things like the numbers of youth served that are now in college, or the measure by which their grade point average has improved.

BUDGET: In an Excel spreadsheet, develop a project budget that outlines the funding request. Detail: TOT funds requested; note any matching funds; and list the organization's annual budget allocation to that activity. Examples of budget items include, but are not limited to, personnel, personnel benefits, sub-contractors/collaborative partners, supplies and materials, and equipment. Staff and personnel costs may not exceed fifteen (15%) of the total budget.