EAST PALO ALTO CITY COUNCIL
REGULAR SESSION AMENDED
AGENDA

Tuesday, January 21, 2025, 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/84045176860

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: 840 451 76860

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

REQUESTS TO APPEAR REMOTELY

Pursuant to Government Code Section 54953, members of the body may appear remotely for the following reasons:

a. Teleconference Exception (Gov't Code § 54953(b)): None.
b. Just Cause (Gov't Code § 54953(f)(A)(i)): Mayor Martha Barragan, contagious illness, Gov't Code § 54953(j)(2)(B)).
c. Emergency Circumstances (Gov't Code § 54953(f)(A)(ii) (Approval Required)): None.

1. CALL TO ORDER AND ROLL CALL

2. APPROVAL OF THE AGENDA

3. APPROVAL OF CONSENT CALENDAR

3.1 Monthly Cash Treasury Report for November 2024

Recommendation: Accept and file the Cash Treasury Report for the month of November 2024.

3.2 Primary Grant Agreement for San Mateo County Transportation Authority Measure A and W

Recommendation:

Adopt a resolution authorizing the execution of a primary grant agreement with the San Mateo County Transportation Authority for future Measure A and Measure W funding.

3.3 Clarification on the 2025 City Council Meeting Calendar

Recommendation:

Approve the revisions to the 2025 City Council meeting calendar to correct scheduling errors and address conflicts.

3.4 Consent to Joint Representation

Recommendation: Adopt a resolution authorizing the City Attorney to execute a consent letter agreeing to the joint representation by Goldfarb & Lipman of City of East Palo Alto and Habitat for Humanity, regarding 1532 Ursula Way.

3.5

Authorization to Amend Telepath Corporation contract to Increase Purchase Order for Installation of Emergency Communication Equipment with Maintenance Services.

Recommendation:

Adopt a resolution authorizing the City Manager to amend the current contract with Telepath Corporation of Fremont, California, in a form approved by the City Attorney, for an Increase Purchase Order for installation of police vehicle emergency and radio equipment with maintenance services for the Police Department for three years with two one -year options to extend in the amount not to exceed $86,157.38 per year for a total not to exceed amount of $430,786.90.85 over five years.

3.6 City Council Meeting Minutes

Recommendation:

Adopt the January 7, 2025, City Council Meeting Minutes.

3.7 Mayoral Committee Appointments and Assignments

Recommendation:

By motion, update or confirm existing appointments and assignment list to regional boards, committees, and commissions, and direct staff to file a revised appointments and assignments list with affected agencies.

4. CLOSED SESSION

5. PUBLIC COMMENT

6. INFORMATIONAL REPORTS

7. SPECIAL PRESENTATIONS

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

9. APPROVAL OF EPASD BOARD MEETING CONSENT CALENDAR

9.1 EPASD Cash Disbursement Report

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

9.2 Clarification on EPASD Advisory Committee Meeting Schedule

Recommendation: Approve the updated meeting schedule for the East Palo Alto Sanitary District (EPASD) Advisory Committee to avoid conflicts with other committee meetings. The Advisory Committee will now meet on the fourth Wednesday of every even month at 6:30 PM instead of the previously proposed first Wednesday of every even month.

9.3 Appointment of EPASD Advisory Committee Alternate Seat

Recommendation: Appoint Larry Moody to the alternate position for the East Palo Alto Sanitary District (EPASD) Advisory Committee for the term 2025-2028, with a subsequent term of 2028-2031.

10. EPASD POLICY AND ACTION

10.1 Adopting a Resolution regarding EPASD Board Member Compensation

Recommendation:

1. Take one of the following actions:
    a. Adopt a resolution setting Board member compensation in amount not exceed $100 per day and adopt an ordinance repealing Ordinance No. 48; or
    b. Adopt a resolution directing staff to notice a public hearing to determine board member compensation exceeding $100 (up to $150) per day; and
2. Find that the action is exempt from the California Environmental Quality Act (CEQA) because it is not a “project” pursuant to 15378(b)(4) and (b)(5). Adopting Board member compensation is a fiscal activity that does not involve any commitment to any specific project which may result in a potentially significant impact on the environment. Repealing a prior compensation ordinance is an organizational or administrative activity of government that will not result in direct or indirect physical changes in the environment.

11. ADJOURN EAST PALO ALTO SANITARY DISTRICT BOARD MEETING AND RECONVENE CITY COUNCIL REGULAR MEETING

12. PUBLIC HEARINGS

13. POLICY AND ACTION

13.1 Accept Annual Financial Reports for Fiscal Year 2023-24

Recommendation:

Adopt a resolution accepting and directing staff to file the State Controller’s Office the Annual Financial Reports for Fiscal Year 2023-24, including:

1. Annual Comprehensive Financial Report (ACFR),
2. Single Audit Report,
3. Measure A Fund Report,
4. Measure C Fund Report,
5. Measure HH Fund Report,
6. Measure W Fund Report, and
7. Report on Agreed-Upon Procedures Applied to Appropriations Limit Schedule (Fiscal Year 2024-25).

13.2 Implementation of 2020 Local Preference Policy

Recommendation:

Adopt a resolution:

1. Adopting an updated Local Preference Policy that applies to City subsidized affordable housing units, density bonus units, and units produced through the City's Inclusionary Housing Ordinance;
2. Directing the City Manager to adopt updated guidelines to administer the Local Preference Policy and take any other action with respect to the policy consistent with the resolution and its purpose; and
3. Updating the Local Preference Policy to be non-durational and applied only to the extent that other funding sources for the project permit such preferences.

13.3 2025 Summer Park Activation Recommendations

Recommendation:

Adopt a resolution authorizing the City Manager to award, negotiate, and execute contracts with the following eleven (11) organizations listed alphabetically to provide programming for the 2025 Summer Park Activation series, in a form approved by the City Attorney, for various amounts, for a total, not-to-exceed amount of $178,000:

1. Bay Area Urban Eagles (up to $16,000)
2. Camp Doza (up to $16,000)
3. East Palo Alto Boxing Club (up to $16,000)
4. East Palo Alto Razorbacks (up to $18,000)
5. East Palo Alto T-Ball & Pitching Machine (up to $18,000)
6. East Palo Alto Tennis & Tutoring (up to $18,000)
7. Lewis & Joan Platt East Palo Alto YMCA (up to $16,000)
8. Silverscape Ventures formerly Sign Gypsies (up to $12,000)
9. Step It Up Dance (up to $12,000)
10. Streetcode Academy (up to $18,000)
11. Youth Community Services (up to $18,000)

13.4 Update on Code Enforcement Priorities

Recommendation:

Receive a report from staff concerning Code Enforcement.

14. COUNCIL REPORTS

15. ADJOURNMENT

Upcoming meetings:

Council Teambuilding Retreat	February 1, 2025	9:00 am
Regular Meeting	February 4, 2025	6:30 pm
Regular Meeting	February 18, 2025	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 10, 2025
AMENDED: January 14, 2025

ATTEST:

James Colin
City Clerk

CONSENT ITEM 3.1

EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: January 21, 2025

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Tomohito Oku, Finance Director
Bo-kyoung Kim, Finance Services Manager
Jessica Y Caballero, Senior Accountant

SUBJECT: Monthly Cash Treasury Report for November 2024

Recommendation

Accept and file the Cash Treasury Report for the month of November 2024.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority No. 4: Ensure Our Financial and Organizational Health

Background

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

Analysis

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

Report does not include petty cash, or the California State Community Infrastructure Program (SCIP) bond proceeds held by a trustee in the name of the City. For investment purposes, City cash is pooled, except for bond proceeds held by a trustee. The City does not have, nor is it legally required to have, separate bank accounts for each individual fund. However, all cash is segregated in the City's accounting records. Monthly cash transactions for the monthly period ending November 30, 2024, are as follows:

Account	Beginning Balance	Receipts	Disbursements	Interest Allocation	Inter-Account Transfers	Ending Balance
Wells Fargo Bank	2,444,263.87	2,219,466.39	(3,213,521.62)	-	-	1,450,208.64
LAIF	10,219,875.42	-	-	-	-	10,219,875.42
San Mateo County Pool	26,521,004.53	480,269.91	-	-	-	27,001,274.44
CAMP	101,256,760.16	-	-	404,239.03	-	101,660,999.19
Total	**140,441,903.98**	**2,699,736.30**	**(3,213,521.62)**	**404,239.03**	**-**	**140,332,357.69**

The Wells Fargo cash balance reflects the book value balance (i.e., total outstanding checks not cashed are deducted from the account balance). The month-to-date cash and investment balance decreased by approximately $0.1M compared to the balance as of October 31, 2024.

November receipts, a total of approximately $2.2M, consist of Four Seasons Hotel Transient Occupancy Tax ($0.3M), Veolia water vendor ($0.3M), Woodland Park Euclid Improvements project ($0.3M), Tax distribution ($0.3M), grant reimbursement from the San Mateo County Transportation Authority (SMCTA) for the East Bayshore Road Pedestrian Improvements project ($0.2M), and other various receipts.

November disbursements, a total of approximately $3.2M, primarily consist of Payroll costs ($1.2M), Axon Enterprise for police's body-worn cameras ($0.1M), Kaiser Foundation Health Plan ($0.1M), and other recurring operating expenditures.

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

	Nov-24	Oct-24	Nov-23
6-month Treasury Bill	4.30	4.31	5.18
2-year Treasury Note	4.13	4.16	4.73
5-Year Treasury Note	4.05	4.15	4.31

Local Agency Investment Fund (LAIF) average monthly effective yields were 4.477% in November compared to 4.518% in October 2024. San Mateo County monthly gross earnings for November were 3.768% compared to 3.862% in October 2024. The County Pool earnings estimates for FY 24-25 are at 3.85%. As of November 2024, the current annualized yield for CAMP is 4.81% compared to 5.01% in October 2024.

Staff believes the City has investment liquidity and anticipated revenues to meet the City's anticipated expenditure requirements for the ensuing six months.

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

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

Summary November 30, 2024		
	Deposit Value	Market Value
General Fund (Inc. Petty cash of $10,800)	$ 36,892,822	$ 36,892,822
General Sub-Funds (Commited/Reserved)	$ 17,864,854	$ 17,864,854
City Funds Restricted and Committed	$ 86,058,069	$ 86,058,069
Successor Agency Trust	$ 499,472	$ 499,472
Unrealized Gain/(Loss) on Investment Pools	$ -	$ 141,498
	$ 141,315,217	**$ 141,456,715**

The book market value totals $141,456,715 including an unrealized gain[2] of $141,498, reflecting treasury yields during the calendar year. All except for the General Fund balance is restricted by either City Council or external parties for specific purposes. Unrestricted cash and investment balance under General Fund ($36,892,822) may be used at Council discretion.

Fiscal Impact

None. This report is informational.

Public Notice

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

Environmental

The action being considered does not constitute a "Project" within the meaning of the California Environmental Quality Act (CEQA), pursuant to CEQA Guideline section 15378 (b)(4), in that it is related to government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

Government Code § 84308

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

Analysis of Levine Act Compliance: Not applicable.

[2] Investment Fair Market Value (FMV) factor is provided on a quarterly basis. Thus, as of June 30, 2024, FMV factor is used to calculate Unrealized Gain on Investments.

CONSENT ITEM 3.2

EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: January 21, 2025

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Nancy Murguia, Management Analyst
Humza Javed, Public Works Director

SUBJECT: Primary Grant Agreement for San Mateo County Transportation Authority Measure A and W

Recommendation

Adopt a resolution authorizing the execution of a primary grant agreement with the San Mateo County Transportation Authority for future Measure A and Measure W funding.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Improve Public facilities and Infrastructure

Background

Historically, the San Mateo County Transportation Authority (SMCTA) has executed separate funding agreements and memoranda of understanding for each of their project awards and use of Measure A and Measure W funds for transportation programs and projects through San Mateo County.

To streamline and expedite future contracting processes, the SMCTA has developed a new primary grant agreement (PGA) through which the SMCTA and city project sponsors will document the structure of the relationship and related obligations.

To be eligible for SMCTA Measure A and W funding over the next ten years, the SMCTA requires sponsors' governing boards to adopt resolutions authorizing their chief executives, or designees, to sign PGAs with the SMCTA.

Analysis

Staff is requesting the adoption of the proposed resolution to ensure continued eligibility for future Measure A and W funds.

Measure A Programs:
San Mateo County voters first approved Measure A in 1988 in San Mateo County. Measure A is a half-cent sales tax dedicated towards transportation facilities, services, and programs. In 2004, voters reauthorized Measure A to run between January 1, 2009, and December 31, 2033. The Measure A Transportation Expenditure Plan (TEP) identifies six primary categories for investment: Transit, Highways, Local Streets/Transportation, Grade Separations, Pedestrian and Bicycle, and Alternative Congestion Relief Programs.

Measure W Programs:
Measure W, approved by San Mateo County voters in 2018, will generate additional funds from another half-cent sales tax authorized for a period of 30 years beginning July 2019 and ending June 30, 2038. Measure W contains the Congestion Relief Plan, which establishes five Investment Categories for these funds: Highway/Interchange, Local Safety/Pothole, Bicycle/Pedestrian, Regional Connections, and Public Transit.

Staff is projecting approximately $35 million dollars in project costs, related to Measure A and W eligible projects collectively, over the next ten years. Adoption of the PGA would allow the City access to grant awards covering the ten-year cost.

Fiscal Impact

There is no fiscal impact associated with adopting the PGA.

Public Notice

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

Environmental

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

Government Code § 84308

Applicability of Levine Act: No, as the proposed agreement does involve expenditure of funds

by the approving agency.

Analysis of Levine Act Compliance: Not applicable.

Attachments

1. Resolution
2. Primary Grant Agreement Template

RESOLUTION NO. XX– 2025

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

RESOLUTION AUTHORIZING EXECUTION OF A PRIMARY GRANT AGREEMENT WITH THE SAN MATEO COUNTY TRANSPORTATION AUTHORITY FOR FUTURE MEASURE A AND MEASURE W FUNDING

WHEREAS, on June 7, 1988, the voters of San Mateo County approved a ballot measure to allow the collection and distribution by the San Mateo County Transportation Authority (TA) of a half-cent transactions and use tax in San Mateo County for 20 years with the tax revenues to be used for highway and transit improvements pursuant to the Transportation Expenditure Plan presented to the voters (Original Measure A); and

WHEREAS, on November 2, 2004, the voters of San Mateo County approved the continuation of the collection and distribution by the TA of the Measure A half cent transaction and use tax for an additional 25 years to implement the 2004 Transportation Expenditure Plan, beginning January 1, 2009 (New Measure A); and

WHEREAS, on November 6, 2018, the voters of San Mateo County authorized a new one-half percent sales tax in San Mateo County for transportation purposes, and tasked the TA with administering four of the five transportation program categories described in the Congestion Relief Plan presented to the voters (Measure W); and

WHEREAS, the City of East Palo Alto is eligible for funding under certain programs in the 1988 Transportation Expenditure Plan, 2004 Transportation Expenditure Plan, and 2018 Congestion Relief Plan; and

WHEREAS, the TA requires East Palo Alto's governing board to adopt a resolution authorizing the City Manager or a designee to sign a Primary Grant Agreement with the TA to receive Measures A and W grants over the next ten years, and to take any other actions necessary to give effect to this resolution.

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 or designee to execute a primary grant agreement with the TA to be eligible to receive Measure A and Measure W grants over the next ten years; and
3. Certifies that any funds awarded by the TA will be used to supplement existing funds for program activities, and will not replace existing funds or resources; and
4. Authorizes the City Manager or designee to take any other actions necessary to give effect to this resolution.

PASSED AND ADOPTED this 21st day of January 2025**,** by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Martha Barragan, Mayor

ATTEST:

James Colin, City Clerk

APPROVED AS TO FORM:

John D. Lê, City Attorney

PRIMARY GRANT AGREEMENT
SAN MATEO COUNTY TRANSPORTATION AUTHORITY
MEASURE A AND/OR MEASURE W FUNDS

This Primary Grant Agreement (Agreement) is made _____ by and between the San Mateo County Transportation Authority (TA) and the [Project Sponsor] (Sponsor), each of which is referred to herein individually as "Party" and jointly as "Parties."

RECITALS

WHEREAS, on June 7, 1988, the voters of San Mateo County approved a ballot measure to allow the collection and distribution by the TA of a half-cent transactions and use tax in San Mateo County for 20 years with the tax revenues to be used for highway and transit improvements pursuant to the Transportation Expenditure Plan presented to the voters (Original Measure A); and

WHEREAS, on November 2, 2004, the voters of San Mateo County approved the continuation of the collection and distribution by the TA of the Measure A half cent transaction and use tax for an additional 25 years to implement the 2004 Transportation Expenditure Plan, beginning January 1, 2009 (New Measure A); and

WHEREAS, on November 6, 2018, the voters of San Mateo County authorized a new one-half percent sales tax in San Mateo County for transportation purposes, and tasked the TA with administering four of the five transportation program categories described in the Congestion Relief Plan presented to the voters (Measure W); and

WHEREAS, the TA and Sponsor desire to enter into this Agreement to establish the process, terms and conditions governing the allocation and expenditure of Measures A/W Funds by Sponsor for capital projects.

Now therefore, the Parties agree as follows:

SECTION 1: Form of Agreements

1.1. Primary Grant Agreement. This Primary Grant Agreement outlines the general terms and conditions applicable to all TA allocations of Measures A/W Funds to Sponsor for capital projects. As allocations are made, the TA and Sponsor will enter into subsequent arrangements for each allocation (Project Supplements). From time to time the Parties may enter into Project Supplements with third parties for cosponsored projects.

1.2. Project Supplements. Each Project Supplement will be substantially in a form attached hereto as described in Exhibit A, "Form of Project Supplements " and will be attached to this Agreement and incorporated herein by this reference.

SECTION 2: Term and Termination

2.1. Term. The term of this Agreement will commence on Execution Date and will terminate after 10 years, unless terminated by Sponsor or the TA pursuant to this Section 2. Work begun under the Agreement will continue to be governed by this Agreement until the Scope of Work is complete.

2.2. Sponsor's Right to Terminate; Repayment upon Termination. Sponsor may at any time terminate the Agreement or a Project Supplement by giving ten (10) days' written notice to the TA of its election to do so. Upon such termination, Sponsor will not be reimbursed for any further Scope of Work Costs associated with the Agreement or the Project Supplement, as applicable, and will reimburse the TA for all monies paid by the TA and costs incurred by the TA in connection with the applicable Scope of Work as well as all reasonable costs and expenses incurred to effect such termination within ninety (90) days of the TA's submission to Sponsor of a detailed statement of such payments and costs.

2.3. Termination by the TA. The TA may terminate this Agreement or a Project Supplement, with or without cause, by giving ten (10) days' written notice of such termination.

If the TA terminates the Agreement for Sponsor's default, Sponsor will reimburse the TA for all funds paid to Sponsor in connection with all Scopes of Work, and for all costs incurred by the TA in connection with the Scope of Work as well as all reasonable costs and expenses incurred to effect such termination, within ninety (90) days of the TA's submission to Sponsor of a detailed statement of such payments and costs.

If the TA terminates a Project Supplement for Sponsor's default, Sponsor will reimburse the TA for all funds paid to Sponsor in connection with the Scope of Work for the applicable Project Supplement, and for all costs incurred by the TA in connection with the Scope of Work as well as all reasonable costs and expenses incurred to effect such termination, within ninety (90) days of the TA's submission to Sponsor of a detailed statement of such payments and costs.

If the TA terminates the Agreement or a Project Supplement for convenience, the TA is obligated to pay to Sponsor all costs and expenses incurred thereunder by Sponsor up to the date of notice of termination, as well as all reasonable costs and expenses incurred to effect such termination.

2.4. Expiration/Suspension of TA's Financial Obligations. Any and all financial obligations of the TA pursuant to this Agreement expire upon the expenditure of TA's maximum contribution to each Scope of Work as established in each Project Supplement or the conclusion of the Term as defined in Section 2.1, whichever occurs first. The TA reserves the right to suspend its financial obligation, with ten (10) days' advance notice, if Sponsor identifies a risk of not being able to complete a Scope of Work within budget. If Sponsor cannot provide a credible funding plan acceptable to the TA to fund and complete each Scope of Work, the Sponsor will be in default and the TA may terminate this Agreement. If Sponsor identifies a risk of not being able to complete each Scope of Work within budget, failure to report such risk to the TA constitutes default and is cause for termination under Section 2.3.

2.5. Supplementing Existing Revenue. Sponsor agrees that it will use funds provided pursuant to this Agreement to supplement existing revenue. Sponsor will not use Measures A/W Funds to replace other local taxes or revenues already programmed and available for use for the same purpose. Sponsor will use funds provided pursuant to this Agreement only for the Scope of Work for each Project Supplement.

2.6. Misuse of Funds. If the TA determines that Sponsor has used Measures A/W Funds other than for the approved Scope of Work or Project Costs, the TA will notify Sponsor of its determination. Within thirty (30) days of notification Sponsor will either (a) repay such funds to the TA, or (b) explain in writing how the funds in question were spent for the approved Scope of Work. The TA will respond to Sponsor's written explanation within thirty (30) days of receipt. Unless otherwise stated in the response, the TA's response will be final, and Sponsor will repay any funds used other than for the approved Scope of Work within thirty (30) days.

SECTION 3: Time of Performance

3.1. Time of Performance. The time of performance will be specified in each Project Supplement (Time of Performance).

3.2. Time Extension. If the Scope of Work cannot be completed within the Time of Performance as defined in Section 3.1, Sponsor must submit a request in writing to the TA no later than six (6) months before the Time of Performance for an extension for the Time of Performance. The TA will review the request and may grant the extension via a letter of concurrence if it is justified in TA's sole and complete discretion. Extensions longer than one (1) year will require a formal amendment to the Project Supplement. Costs incurred for the Scope of Work after the Time of Performance are at risk of denial for reimbursement by the TA. The unreimbursed portion of Measures A/W allocation will be retained by the TA for the Measures A/W Program.

SECTION 4: Insurance

4.1. Insurance. For the purposes of this Section, "Entity" is defined as any entity designing, approving designs and/or performing each Scope of Work specified in the Project Supplements funded by this Agreement. Entities may include Sponsor, a contractor of Sponsor, another body on behalf of which Sponsor submitted its funding application, and/or a contractor of such other body.

For each Project Supplement, all Entities will provide the appropriate insurance covering the work being performed as specified in the Project Supplement. The insurance requirements specified in this Section will cover each Entity's own liability and any liability arising out of work or services of Entity subcontractors, subconsultants, suppliers, temporary workers, independent contractors, leased employees, or any other persons, firms or corporations (hereinafter collectively referred to as "Agents") working on each Project (as defined in each Project Supplement). If Sponsor itself is an Entity, Sponsor must also provide its own insurance meeting the requirements of this Section.

a) Minimum Types and Scope of Insurance. Each Entity is required to procure and maintain at its sole cost and expense insurance subject to the requirements set forth below. Such insurance will remain in full force and effect throughout performance of the Scope of Work. All policies will be issued by insurers acceptable to the TA (generally with a Best's Rating of A-10 or better). Each Entity is also required to assess the risks associated with work to be performed by Agents and to require that Agents maintain adequate insurance coverages with appropriate limits and endorsements to cover such risks. To the extent that its Agent does not procure and maintain such insurance coverage, an Entity is responsible for and assumes any and all costs and expenses that may be

incurred in securing said coverage or in fulfilling Entity's indemnity obligations as to itself or any of its Agents in the absence of coverage. Entities may self-insure against the risks associated with the Scope of Work, but in such case, waive subrogation in favor of the TA respecting any and all claims that may arise.

i. Workers' Compensation and Employer's Liability Insurance. Worker's Compensation coverage must meet statutory limits and Employer's Liability Insurance must have minimum limits of $1 million. Insurance must include a Waiver of Subrogation in favor of the TA.

ii. Commercial General Liability Insurance. The limit for Commercial General Liability Insurance will be specified in each Project Supplement. Commercial General Liability Insurance must be primary to any other insurance, name the TA as an Additional Insured, include a Separation of Interests endorsement and include a Waiver of Subrogation in favor of the TA.

iii. Business Automobile Liability Insurance. The limit for Business Automobile Liability Insurance will be specified in each Project Supplement. Insurance must cover all owned, non-owned and hired autos, and include a Waiver of Subrogation in favor of the TA.

iv. Property Insurance. Property Insurance must cover an Entity's and/or Agent's own equipment as well as any materials to be installed. Property Insurance must include a Waiver of Subrogation in favor of the TA.

v. Professional Liability Insurance. If specified in a Project Supplement, Professional Liability insurance should cover each Entity's and any Agent's professional work on the Project.

vi. Cyber Liability Insurance. If specified in a Project Supplement, and if contract deals with Personally Identifiable Information (PII), then Professional Liability Insurance policy, should also include coverage for Cyber risk coverages including Network and Internet Security Liability coverage, Privacy coverage and Media coverage.

vii. Employee Theft Insurance/Crime Insurance. If specified in a Project Supplement, then an Employee Theft Insurance policy covering the loss of money, securities or other property resulting from theft by employees. The policy should include Third-Party Crime or Client Crime coverage

viii. Contractors' Pollution Liability Insurance and/or Environmental Liability Insurance. If specified in a Project Supplement, Contractors' Pollution Liability Insurance and/or Environmental Liability insurance should cover potential pollution or environmental contamination or accidents. The limit for Pollution and/or Environmental Liability Insurance in each appropriate contract and subcontract should not be less than $1 million. Such insurance must name the TA as an Additional Insured and include a Waiver of Subrogation in favor of the TA.

ix. Railroad Protective Liability Insurance. Insurance is required if the Project will include any construction or demolition work within 50 feet of railroad tracks. The limit for Railroad Protective Liability Insurance in each appropriate contract and subcontract cannot be less than $2 million per occurrence and $6 million annual aggregate. On the Entity's Commercial General Liability insurance policy, the contractual liability exclusion for liability assumed shall be deleted.

b) Special Requirement for Caltrain Shuttles. If Sponsor and/or Entity is operating shuttle(s) with the Caltrain logo on the vehicle(s) or on any shuttle public information materials, the Commercial General Liability, Business Automobile, and Pollution and/or Environmental Liability (if applicable) policies also must name as Additional Insureds: the Peninsula Corridor Joint Powers Board, the San Mateo County Transit District, the Santa Clara Valley Transportation Authority, the City and County of San Francisco, TransitAmerica Services, Inc. or any successor Operator of the Service, and the Union Pacific Railroad Company and their respective directors, officers, employees, volunteers and agents while acting in such capacity, and their successors or assignees, as they now, or as they may hereafter be constituted, singly, jointly or severally.

c) Excess or Umbrella Coverage. Sponsor and/or any other Entity may opt to procure excess or umbrella coverage to meet the above requirements, but in such case, these policies must also satisfy all specified endorsements and stipulations for the underlying coverages and include provisions that the policy holder's insurance is to be primary without any right of contribution from the TA.

d) Deductibles and Retentions. Sponsor must ensure that deductibles or retentions on any of the above insurance policies are paid without right of contribution from the TA. Deductible and retention provisions cannot contain any restrictions as to how or by whom the deductible or retention is paid. Any deductible or retention provision limiting payment to the named insured is unacceptable.

In the event that any policy contains a deductible or self-insured retention, and in the event that the TA seeks coverage under such policy as an additional insured, Sponsor will ensure that the policy holder satisfies such deductible to the extent of loss covered by such policy for a lawsuit arising from or connected with any alleged act or omission of the Entity or Agents, even if neither the Entity nor Agents are named defendants in the lawsuit.

e) Claims Made Coverage. If any insurance specified above is provided on a claim-made basis, then in addition to coverage requirements above, such policy must provide that:

i. Policy retroactive date coincides with or precedes the Entity's start of work (including subsequent policies purchased as renewals or replacements).

ii. Entity will make every effort to maintain similar insurance for at least three (3) years following Project completion, including the requirement of adding all additional insureds.

iii. If insurance is terminated for any reason, each Entity agrees to purchase an extended reporting provision of at least three (3) years to report claims arising from work performed in connection with this Agreement.

iv. Policy allows for reporting of circumstances or incidents that might give rise to future claims.

f) Failure to Procure Adequate Insurance. Failure by any Entity to procure sufficient insurance to financially support the indemnification requirements of this Agreement does not excuse Sponsor from meeting all obligations of the indemnification requirements and the remainder of this Agreement, generally.

g) Prior to beginning work under this Agreement, Sponsor must obtain, and produce upon request of the TA, satisfactory evidence of compliance with the insurance requirements of this Section.

SECTION 5: Additional Terms Applicable to Sponsor-Performed Capital Projects

The following additional terms apply when the Sponsor is performing the scope of work for capital projects as described in each Project Supplement.

5.1. Project Performance. Sponsor will oversee completion of the scope of work for each TA funded project as described in each Project Supplement (Scope of Work). Sponsor is responsible for procuring and administering any professional service and/or other contracts entered into in connection with each such Scope of Work. Sponsor may appoint a designee or engage contractor(s) to perform work necessary for completion of work, but Sponsor remains responsible to the TA for the completion of each Scope of Work.

5.2. Required Approvals. Prior to commencement of each Scope of Work, Sponsor or its designee (e.g., a consultant) will obtain all applicable local, state and federal approvals and permits for each Scope of Work. In addition, Sponsor must comply with all applicable federal, state and local laws and regulations applicable to the Project. All real property appraisals must comply with Uniform Standards of Professional Appraisal Practice (USPAP). Any right-of-way activities involving property on the Caltrans right-of-way must be conducted in accordance with the current version of the Caltrans Right-of-Way manual.

5.3. Contract Award and Change Orders. Sponsor must comply with state and local agency requirements for the award of any contract(s) for the performance of each Scope of Work and any change orders. As each Scope of Work proceeds, Sponsor must advise the TA of any contracts awarded and change orders as part of the regular progress reporting requirements. Notice of any contracts and change orders provided to the TA will not constitute approval by the TA of the contracts and change orders nor obligate the TA to provide funds in excess of its maximum contribution stated in each Project Supplement.

5.4. Progress Reports. Sponsor will prepare and submit to the TA quarterly progress reports during the entire term of each Scope of Work and covering all Scope of Work activities for work completed during the previous month using the template in Exhibit B or in other formats specified by the TA. The reports must describe:

a) The current status of, and any changes in, scope, schedule, budget, and funding plans of each Scope of Work and each Project;

b) Any risk factors;

c) The work performed during the previous quarter and projected for the next three months;

d) Scope of Work Costs (as defined in Section 5.8 below) projected to be expended during the next three months; and

e) Any other information requested by the TA.

5.5. Final Report. Within ninety (90) days of Sponsor's final acceptance of each Scope of Work and all incidental work, Sponsor must prepare and submit to the TA a final report detailing the following and all other relevant information:

a) A description of the Project, including a statement detailing the overall progress and success of the Scope of Work and the Project, a compilation of any data collected during the active phase(s) of the Project, and changes/additions to the scope of the Project.

b) Total costs for the Scope of Work, including an accounting of all Measures A/W Funds expended in connection with the Scope of Work, and reflecting any unexpended Measures A/W Funds.

c) An explanation and the status of any outstanding obligations or potential obligations related to the Scope of Work.

d) A discussion of any pertinent issues or problems that arose during the implementation of the Scope of Work.

e) Any copies of press articles, press releases, newsletter articles and any other publicity materials regarding the Project.

f) Written confirmation or, for the final project phase, a Project Close-out form that no further reimbursements associated with the Scope of Work are anticipated and that all draw-down requests have been made.

g) Photographs for all construction projects that satisfactorily demonstrate: 1) site conditions before the project was implemented; 2) work in progress; and 3) completed improvements.

5.6. Funding Commitment. The TA allocates to Sponsor up to the amount specified in each Project Supplement for reimbursement of expenditures related to the Scope of Work (Scope of Work Costs). Sponsor will contribute, or provide for the contribution of matching funds as specified in each Project Supplement. Sponsor also will contribute, or provide for the contribution of the entire amount in excess of the total project cost specified in the Project Supplement needed to complete each Scope of Work. The TA's funding commitment under this Agreement in no way establishes a right for Sponsor to receive additional funding from the TA. All funding obligations of the TA under this

Agreement are subject to downward adjustment based on actual sales tax receipts for the fiscal years indicated.

Sponsor will assess and confirm its ability to complete the Scope of Work described in each Project Supplement within budget as part of the quarterly reporting requirements established in 5.4, above. Sponsor must further notify the TA between reporting cycles if Sponsor determines that the budget will not be sufficient to complete each Scope of Work. The TA reserves the right to suspend its funding obligation as set forth in applicable Project Supplements upon such notice, and until Sponsor develops a credible funding plan acceptable to the TA to fund and complete the associated Scope of Work.

5.7. Use of Funds.

a) Measures A/W Funds must be used only for direct eligible costs to complete the Scope of Work. The Sponsor is responsible for demonstrating to the TA that the expenses incurred were necessary to deliver each Scope of Work. Reimbursement for the following costs will require detailed documentation in accordance with generally-accepted accounting principles:

   i. Scope of Work phases or components such as stakeholder/public outreach; development of planning studies, project initiation documents (PID), project study reports (PSR), environmental clearance and mitigation for up to three years following project completion, project approval and environmental document (PA&ED), project design, and plans specifications and estimates (PS&E); regulatory agency review; acquisition of right-of-way; construction, and construction management;

   ii. Sponsor staff time for Scope of Work implementation;

   iii. Project administration costs for each Scope of Work under this Agreement.

   iv. Costs directly tied to the implementation of each Project Scope of Work as more specifically defined in Exhibit C, “Eligible Costs for Reimbursement,” which is attached to this Agreement and incorporated herein by this reference. Eligible costs are defined in greater detail in Exhibit C. If Sponsor wishes to undertake items of work not covered under each Scope of Work concurrent with performing each Scope of Work, the cost for including and undertaking the additional work must be segregated, and the costs borne exclusively by the Sponsor from a non-Measures A/W Program funding source(s). In the event that an activity is not listed in Exhibit C but Sponsor believes that it is an eligible cost, Sponsor may request that the TA consider reimbursing the Sponsor for the activity. The TA will have sole discretion to grant or deny Sponsor’s requests.

b) The following costs are ***not*** eligible for Measures A/W Funds reimbursement:

   i. Sponsor’s costs which are unrelated to each Scope of Work;

   ii. Costs for entering into this Agreement and each Project Supplement;

iii. Maintenance, rehabilitation, routine operations of each Project or other facilities or programs except as specifically identified in the Scope of Work for each Project Supplement; and

iv. Development of proposals, applications or agreements for Measure A, Measure W, or other funding programs.

5.8. Reimbursement Basis. Unless otherwise specified in the Project Supplement, Sponsor may seek reimbursement for Scope of Work Costs incurred on or after the Execution Date. Scope of Work Costs must be incurred and paid by Sponsor prior to requesting reimbursement from the TA. Sufficient documentation must accompany all requests for reimbursement, including the submittal of all due monthly progress reports.

5.9. Accounting and Request for Reimbursement Procedures. Sponsor, in coordination with and to the satisfaction of the TA, will establish procedures for Scope of Work accounting and requests for reimbursement. These procedures will track and reflect the accumulation of the TA's pro rata share of Scope of Work Costs. Sponsor will detail the TA's pro rata share of Scope of Work costs for all work funded under this Agreement with each "Reimbursement Claim Form," which is attached to this Agreement as Exhibit D and incorporated herein, or in other formats specified by the TA. Sponsor will maintain all necessary books and records in accordance with generally accepted accounting principles.

5.10. Invoices; Payments.

a) Sponsor must prepare and submit billing statements consistent with the Reimbursement Claim Form with all required supporting documentation. Supporting documentation may include, but is not limited to, copies of vendor invoices, timesheets, backup documentation, checks, and payment advice, and must include an accounting of the TA's share of costs for the Scope of Work as contemplated by this Agreement.

b) For any property acquisitions for which Sponsor seeks reimbursement from the TA, Sponsor must provide the following supporting documentation for each property:

i. Copies of the final real estate appraisal and any appraisal review conducted on behalf of Sponsor;

ii. For any right-of-way activities involving property on the Caltrans right-of-way, written confirmation that the acquisition process was conducted in accordance with the then-current version of the Caltrans Right-of-Way manual;

iii. A Phase One Environmental Assessment and any recommended additional testing (unless waived by the TA);

iv. Copy of the offer package provided to the property owner(s);

v. Copy of the Notice of Exemption or other required document for environmental clearance under CEQA/NEPA for the purchase of the property, and evidence of the date of filing such Notice; and

vi. Written justification acceptable to the TA of any settlement at an amount higher than the offer.

c) For each voluntary real property transaction, Sponsor must also provide:

i. Copy of the fully executed purchase and sale agreement;

ii. Copy of an executed and recorded deed, in a form consistent with the requirements set forth in the then-current Caltrans Right-of-Way manual;

iii. Copy of the Policy of Title insurance; and

iv. Copy of the final closing statement from the escrow.

d) For each real property acquisition undertaken through condemnation, Sponsor must also provide:

i. Copy of the recorded Final Order of Condemnation; and

ii. Copy of the litigation guarantee issued by a title insurer.

e) Sponsor must detail the tasks performed, associated costs, and pro rata share of Scope of Work Costs to be borne by the TA with each reimbursement request.

f) The TA will endeavor to disburse reimbursements for approved Scope of Work Costs within thirty (30) days after the TA's approval of each claim, subject to the limits on the TA's maximum contribution as established in each Project Supplement. The TA's obligation to reimburse Scope of Work Costs to Sponsor as provided in this Section is conditioned upon the TA's prompt receipt of quarterly progress reports from Sponsor.

g) Invoices may be submitted, no more frequently than once a quarter, by e-mail to: invoices@smcta.com, accountspayable@samtrans.com, and the designated TA Project Manager at the email address specified in the Project Supplement.

Sponsor must submit a minimum of one reimbursement claim for each fiscal year (July through June) and no more frequently than quarterly. If Sponsor does not submit a reimbursement claim for two consecutive quarters (six months), then Sponsor will be deemed inactive. If the Sponsor does not submit a reimbursement claim within the next two quarters after being deemed inactive then project may be deprogrammed. Sponsor must submit a letter to the TA to seek administrative approval for an exemption.

5.11. Return of Project Cost Savings. Upon submission of the Final Report, if the total Scope of Work Costs are less than the amount specified in the Project Supplement, Sponsor will return to the TA that proportion of the Project cost savings that is equal to

the percentage of the original Scope of Work budget that consisted of Measure A/W Funds.

5.12. Indemnity by Sponsor.

Sponsor will indemnify, keep and save harmless the TA and its directors, officers, agents and employees against any and all suits, claims or actions related to the performance of this Agreement, each Scope of Work or each Project including, but not limited to, those arising out of any of the following:

a) Any injury to persons or property that may occur, or that may be alleged to have occurred, arising from the performance of each Project or implementation of this Agreement; or

b) Any allegation that materials or services developed, provided or used for each Project infringe or violate any copyright, trademark, patent, trade secret, or any other intellectual-property or proprietary right of any third party.

Sponsor further agrees to defend any and all such actions, suits or claims and pay all charges of attorneys and all other costs and expenses of defenses as they are incurred. If any judgment is rendered, or settlement reached, against the TA or any of the individuals enumerated above in any such action, Sponsor will, at its expense, satisfy and discharge the same.

This indemnification will survive termination or expiration of the Agreement.

SECTION 6: Additional Terms Applicable to TA-Performed Capital Projects

The following additional terms apply when the TA is performing the scope of work for capital projects as described in each Project Supplement (Scope of Work).

6.1. Funding Commitment. The TA will provide in lieu contributions, expenditures on consultants, and/or funds up to the amount specified in each Project Supplement for the Scope of Work tasks specified in the Project Supplement (Scope of Work Costs).

6.2. Cost Savings. Any cost savings of the funds allocated for each Project Supplement will revert to the applicable program for the TA to reallocate to any eligible project through its usual fund programming and allocation activities.

6.3. Insufficient Funding. In the event that additional funding is needed to complete the Scope of Work specified in a Project Supplement, the TA will identify the additional amounts needed and review those estimates with the Sponsor. The Parties will work together to identify potential sources of funding, as well as obtain the necessary funds to complete the Scope of Work for the Project Supplement. If additional funding is needed due to a change in the Project Supplement Scope of Work, as requested by the Sponsor, the TA will identify the additional amounts needed and review those estimates with the Sponsor. In such case, it is the responsibility of the Sponsor to identify the potential sources of funding, as well as obtain the necessary funds to complete the changed Project Supplement Scope of Work. The TA may consider requests for additional funding, but is under no obligation to grant such requests.

6.4. TA Responsibilities. For purposes of delivering the Scope of Work, the TA agrees to perform the following tasks, unless otherwise specified in a Project Supplement:

a) The TA will perform and complete the Scope of Work, either through its own forces or the use of one or more third-party consultants or contractors.

b) The TA will make available to the Project up to the amount(s) specified in the Project Supplement(s) for the Scope of Work.

c) For purposes of delivering the Scope of Work, the TA agrees to perform the following tasks, unless otherwise specified in a Project Supplement:

   i. Manage the Scope of Work, including developing and carrying out the Scope of Work on schedule and within budget;

   ii. Provide technical oversight for performance of the Scope of Work;

   iii. Lead coordination with Caltrans and/or other permitting agencies as necessary for the Scope of Work;

   iv. Obtain the necessary permits and approvals required for the Scope of Work;

   v. Procure and administer the consultant/contractor services to complete the Scope of Work;

   vi. Organize and facilitate regular meetings of a Project Development Team (PDT), the Sponsor and representatives from involved local and regional entities to provide input and guidance on the Scope of Work;

   vii. Keep Sponsor apprised of developments, such as award of contracts or potential changes that may affect the scope, schedule, or budget of the Project or Scope of Work; and

   viii. Consult with Sponsor where necessary/appropriate.

d) To the extent applicable, the TA will execute an agreement with Caltrans for oversight services associated with the Scope of Work.

e) The TA will prepare and provide to Sponsor status reports including anticipated and expended costs and Scope of Work delivery milestones and schedule forecasts.

f) The TA will review, process, and audit (at its discretion) invoices and other documentation of expenditures for work performed under each Project Supplement. The TA will also track the accumulation and expenditure of funds allocated for Scope of Work, and process other documentation of expenditures in compliance with TA accounting and budgeting requirements.

6.5. Sponsor Responsibilities. For purposes of delivering the Scope of Work, the Sponsor agrees to perform the following tasks, unless otherwise specified in a Project Supplement:

a) The Sponsor will be responsible for championing the effort of obtaining political and public support for the Project.

b) The Sponsor will be the public face of the Project for purposes of leading outreach efforts to local stakeholders and community members, including coordination of public meetings and solicitation of public comment.

c) The Sponsor will provide input and oversight based on local policies and desires regarding the outcome of and deliverables of the Project.

d) The Sponsor will actively participate in the PDT meetings related to the Scope of Work.

e) The Sponsor may, at its discretion, review any professional services agreements, change orders and any other agreements that the TA has entered into for the performance of Scope of Work; however the TA retains ultimate authority over contracting and related decisions.

f) The Sponsor may, at its discretion, review the work products and deliverables produced by the TA and/or its contractors/consultants for the Scope of Work, including reports, designs, drawings, plans, specifications, schedules and other materials; however, the TA retains authority to accept or reject contractor/consultant work.

g) The Sponsor will approve or endorse, in writing, the final deliverables or work products produced by the TA and/or its contractors/consultants for the Scope of Work.

h) The Sponsor will review progress reports prepared and provided by the TA.

i) The Sponsor may, at its discretion, review and audit invoices and other documentation of the expenditure of funds allocated for the Scope of Work, however the TA retains ultimate authority for expenditure of allocated funds on the Project.

6.6. Indemnification.

a) Each of the Parties will indemnify, hold harmless and defend the other Party and its directors/councilmembers, officers, employees and agents (collectively, "Indemnitees") against all liability, claims, suits, actions, costs or expenses related to performance of the Scope of Work or the Project, including but not limited to those arising from loss of or damage to property, and injuries to or death of any person (including but not limited to the property or employees of each Party) when arising out of or resulting from any act or omission by the indemnifying Party, its agents, employees, contractors or subcontractors in connection with any aspect of the Project, including Project design, construction and/or maintenance.

b) Each of the Parties will also fully release, indemnify, hold harmless and defend the other Party and Indemnitees from and against any and all claims or suits that may be brought by any of the indemnifying Party's contractors or subcontractors performing work in connection with or related to the Project.

c) The indemnifying Party's obligation to defend includes the payment of all reasonable attorneys' fees and all other costs and expenses of suit, and if any judgment is rendered, or settlement entered, against any Indemnitee, the indemnifying Party must, at its expense, satisfy and discharge the same. Indemnitees may require the indemnifying Party to obtain counsel satisfactory to the Indemnitees.

d) This indemnification will survive termination or expiration of this Agreement.

SECTION 7: Additional Terms Applicable to Shuttle Operations

The following additional terms apply to shuttle projects as described in each Project Supplement (Project).

7.1. Sponsor Oversight; Work Plan. Sponsor is responsible for implementation of the Project as described in each Project Supplement. Sponsor assumes responsibility for procuring and administering any professional service and/or other contracts entered into in connection with the Project.

Though Sponsor may appoint a designee or engage contractor(s) to perform work necessary for Project implementation, Sponsor will remain ultimately responsible to the TA for performance of all responsibilities set forth herein.

7.2. Required Approvals. Prior to commencement of each Project, Sponsor or its designee (e.g., a consultant) will obtain all required local, state and federal approvals and permits for Project work. In addition, Sponsor must comply with all federal, state and local laws and regulations applicable to the Project.

7.3. Contract Award and Scope Changes. Sponsor must comply with state and local agency requirements for the award and amendment of any contract(s) for the implementation of each Project. Sponsor must advise the TA in writing (electronic mail is acceptable) as soon as possible of any contracts awarded and any amendments thereto, such as for any changes in service. Notice of any contracts and amendments provided to the TA will not constitute approval by the TA nor obligate the TA to provide funds in excess of its maximum contribution stated in the Project Supplement.

7.4. Monthly & Annual Operations Reports. Within eight (8) calendar days after the end of each month a given Project Supplement is in effect, Sponsor or its agent must submit to the TA a monthly operations report (Operations Report) based on National Transit Database (NTD) reporting requirements, attached as Exhibit E, “National Transit Database Reporting Requirements.” The Operations Report must include such items as the average daily ridership of the Project, and the Project’s total boardings, total revenue miles, hours, vehicles in service, road calls, accidents and any other information pertinent to assess the performance of the service for purposes of local, state or federal reporting requirements for the month just ended. Any monthly service mileage and/or hours that were scheduled, but where service was not operated for any reason, must be

deducted from monthly reporting totals. An explanation for all lost service miles and/or hours must be included in the monthly report. Sponsor or its agent must review all required reporting for accuracy prior to submittal to the TA. The form of all reports must be determined by the TA. Within eight (8) calendar days of the end of the performance of the work under a Project Supplement, and/or any extension thereof, Sponsor or its agent must submit to the TA an annual report on the same statistics. All Operations Reports must be submitted via Excel spreadsheet or other format as approved by the TA to **shuttles@samtrans.com** or as specified in the Project Supplement.

7.5. Quarterly Progress Reports. Sponsor must prepare and submit to the TA quarterly progress reports by January 31, April 30, July 31 and October 31 of each year during the entire term of the Project. Reports must be presented in the form provided as Exhibit F, "Quarterly/Annual Shuttle Program Progress Report Form," which is attached to this Agreement and incorporated herein by this reference, or in other formats specified by the TA. The reports must describe Project performance and expenditures during the previous quarter.

The reports must include actions expected to be taken and any projected changes in the service plan / schedule during the next quarter, and any other information requested by the TA. Additionally, each progress report must include information on any potential issues that may impact any of the performance measures set forth in Exhibit F as well as the ability of Sponsor to meet the conditions outlined in this Agreement.

7.6. Annual Report. By October 1 of each year, Sponsor must provide the TA with an annual report in the form provided as Exhibit F, or in other formats specified by the TA, summarizing the quarterly progress reports from the prior fiscal year.

The reports must include actions expected to be taken and any projected changes in the service plan /schedule for the next year (if the Project is continuing), and any other information requested by the TA. Additionally, each Annual report must include information on any potential issues that may impact any of the performance measures set forth in Exhibit F as well as the ability of Sponsor to meet the conditions outlined in this Agreement for the next year (if the Project is continuing). If the Annual Report is submitted after the second year of the Time of Performance, the Annual Report should include written confirmation that no further reimbursements associated with the Project are anticipated and that all reimbursement requests have been made or are being submitted with the Annual Report.

7.7. Funding Commitment. The TA allocates to Sponsor up to the amount specified in each Project Supplement for reimbursement of expenditures related to the Project (Project Costs). The Sponsor will contribute, or provide for the contribution of matching as specified in each Project Supplement, as well as the entire amount in excess of TA's allocation needed to implement the Project. The TA's funding commitment under this Agreement in no way establishes a right for the Sponsor to receive additional funding from the TA.

All funding obligations of the TA under this Agreement are subject to downward adjustment based on actual sales tax receipts for the fiscal years indicated, or if Sponsor receives funding for Project Costs from other sources which allow Sponsor to provide more than the matching funds specified in the Project Supplement over the term of the Agreement.

The Sponsor will assess and confirm its ability to implement the Project within budget as part of the quarterly reporting requirements established in Section 7.5, above. The Sponsor must further notify the TA between reporting cycles if the Sponsor determines that the budget will not be sufficient to implement the Project. The TA retains authority to suspend its funding obligation as set forth in Section 2.4 of this Agreement upon such notice, and until the Sponsor develops a credible funding plan acceptable to the TA to fund and implement the Project.

7.8. Reimbursement Basis. Sponsor may seek reimbursement for Project Costs incurred on or after the Execution Date. Project Costs must be incurred and paid by the Sponsor prior to requesting reimbursement from the TA. Sufficient documentation must accompany all requests for reimbursement, including the submittal of all due operations and progress reports.

7.9. Accounting and Reimbursement Procedures. Sponsor, in coordination with and to the satisfaction of the TA, will establish procedures for Project accounting and requests for reimbursement. These procedures will track and reflect the accumulation of the TA's pro rata share of costs for the Project. Sponsor will detail the TA's pro rata share of Project Costs for all work funded under this Agreement with each "Reimbursement Claim Form" which is attached to this Agreement as Exhibit D and incorporated herein, or in other formats specified by the TA. Sponsor will maintain all necessary books and records in accordance with generally accepted accounting principles.

7.10. Invoices; Payments. Once per quarter following submission of the quarterly progress reports, Sponsor must prepare and submit billing statements consistent with the Reimbursement Claim Form with all required supporting documentation. Supporting documentation may include, but is not limited to, copies of associated vendor invoices, timesheets, backup documentation, checks and payment advice, and must include an accounting of the TA's share of costs for the Project as contemplated by this Agreement.

Claims and supporting documentation for reimbursement may be submitted by e-mail to:
accountspayable@samtrans.com and **invoices@smcta.com**

The TA will endeavor to disburse reimbursements for approved Project Costs within thirty (30) days after the TA's approval of each claim, subject to the limits on the TA's maximum contribution as established in the Project Supplement. The TA's obligation to reimburse Project Costs to the Sponsor as provided in this section is conditioned upon the TA's prompt receipt of reports from Sponsor pursuant to Sections 7.4–7.6, above.

7.11. Indemnity by Sponsor. The Sponsor will indemnify, keep and save harmless the TA (and, if the Project includes shuttle(s) with the Caltrain logo on the vehicle(s) or on any shuttle public information materials, the Peninsula Corridor Joint Powers Board, the San Mateo County Transit District, the Santa Clara Valley Transportation Authority, the City and County of San Francisco, TransitAmerica Services, Inc. or any successor Operator of the Service, and the Union Pacific Railroad Company and each of its/their directors, officers, agents and employees against any and all suits, claims or actions related to the performance of this Agreement including, but not limited to, those arising out of any of the following:

a) Any injury to persons or property that may occur, or that may be alleged to have occurred, arising from the performance of the Project or implementation of this Agreement; or

b) Any allegation that materials or services developed, provided or used for the Project infringe or violate any copyright, trademark, patent, trade secret, or any other intellectual-property or proprietary right of any third party.

The Sponsor further agrees to defend any and all such actions, suits or claims and pay all charges of attorneys and all other costs and expenses of defenses as they are incurred. If any judgment is rendered, or settlement reached, against the TA or any of the other agencies or individuals enumerated above in any such action, the Sponsor will, at its expense, satisfy and discharge the same.

This indemnification will survive termination or expiration of the Agreement.

SECTION 8: Additional Terms Applicable to All Other Project Supplements for Operations

The following additional terms apply to operational projects as described in each Project Supplement (Project).

8.1. Sponsor Oversight; Work Plan. Sponsor is responsible for the completion of the Scope of Work as described in each Project Supplement. Sponsor is responsible for procuring and administering any professional service and/or other contracts entered into in connection with the Scope of Work. Sponsor will oversee completion of the Scope of Work. Sponsor may appoint a designee or engage contractor(s) to perform work necessary for Scope of Work completion, but Sponsor remains responsible to the TA for the completion of the Scope of Work.

8.2. Required Approvals. Prior to commencement of the Scope of Work, Sponsor or its designee (e.g., a consultant) will obtain all applicable local, state and federal approvals and permits for the Scope of Work. In addition, Sponsor must comply with all applicable federal, state and local laws and regulations applicable to the Project.

8.3. Contract Award and Change Orders. Sponsor must comply with state and local agency requirements for the award of any contract(s) for the performance of the Scope of Work and any amendments. As the Scope of Work proceeds, Sponsor must advise the TA of any contracts awarded and amendments as part of the regular progress reporting requirements pursuant to Section 8.4 below. Notice of any contracts and amendments provided to the TA will not constitute approval by the TA of the contracts and amendments nor obligate the TA to provide funds in excess of its maximum contribution stated in the Project Supplement.

8.4. Progress Reports. For each of the projects in the Scope of Work, Sponsor will prepare and submit to the TA quarterly progress reports as the program proceeds and covering all Scope of Work activities for work completed during the previous month using the template in Exhibit B, or in other formats specified by the TA. The reports must describe:

a) The current status of, and any changes in, scope, schedule, budget, and funding plans of the Scope of Work and the Project;

b) Any risk factors;

c) The work performed during the previous quarter and projected for the next three months;

d) Scope of Work Costs (as defined in Section 8.8, below) projected to be expended during the next three months; and

e) Any other information requested by the TA.

8.5. Closeout. Within ninety (90) days of Sponsor's final acceptance of the Scope of Work and all incidental work, Sponsor must notify the TA with a final closeout letter detailing the following and all other relevant information: Total costs for the Scope of Work, including an accounting of all Measures A/W expended in connection with the Scope of Work, and reflecting any unexpended Measure A/W Funds.

8.6. Funding Commitment. The TA allocates to Sponsor up to the amount specified in each Project Supplement related to the Scope of Work (Scope of Work Costs). Funds cannot be transferred between projects without separate approval from the TA. The TA Executive Officer, or designee, can approve funds transfers administratively with a letter. The TA's funding commitment under this Agreement in no way establishes a right for Sponsor to receive additional funding from the TA.

8.7. Use of Funds.

a) Measures A/W Funds must be used only for direct eligible costs to complete the Scope of Work. The Sponsor is responsible for demonstrating to the TA that the expenses incurred were necessary to deliver the Scope of Work.

b) The following costs are ***not*** eligible for reimbursement:

i. Sponsor's costs which are unrelated to the Scope of Work;

ii. Costs for entering into this Agreement;

iii. Maintenance, rehabilitation, routine operations of the Project or other facilities or programs; and

iv. Development of proposals, applications or agreements for Measure A, Measure W, or other funding programs.

8.8. Indemnity by Sponsor.

Sponsor will indemnify, keep and save harmless the TA and its directors, officers, agents and employees against any and all suits, claims or actions related to the performance of the Scope of Work or the Project including, but not limited to, those arising out of any of the following:

a) Any injury to persons or property that may occur, or that may be alleged to have occurred, arising from the performance of the Project or implementation of this Agreement; or

b) Any allegation that materials or services developed, provided or used for the Project infringe or violate any copyright, trademark, patent, trade secret, or any other intellectual-property or proprietary right of any third party.

Sponsor further agrees to defend any and all such actions, suits or claims and pay all charges of attorneys and all other costs and expenses of defenses as they are incurred. If any judgment is rendered, or settlement reached, against the TA or any of the individuals enumerated above in any such action, Sponsor will, at its expense, satisfy and discharge the same. This indemnification will survive termination or expiration of the Agreement.

SECTION 9: Miscellaneous

9.1. Access to Records and Record Retention. At all reasonable times, Sponsor will permit the TA access to all reports, designs, drawings, plans, specifications, schedules and other materials prepared, or in the process of being prepared, for each Scope of Work by Sponsor or any contractor or consultant of Sponsor. Sponsor will also make available to the TA upon request any professional service agreements, change orders and any other agreements that are related to each Scope of Work. Sponsor will provide copies of any documents described in this Section to the TA upon request. Sponsor will retain all records pertaining to each Scope of Work for at least three years after completion of each Project.

9.2. Audits. The TA, or its authorized agents, may, at any reasonable time during business hours, conduct an audit of Sponsor's performance under this Agreement. Sponsor will permit the TA, or its authorized agents, to examine, inspect, make excerpts from, transcribe or photocopy books, documents, papers and other records of Sponsor which the TA reasonably determines to be relevant to this Agreement.

Sponsor will transmit to the TA the Independent Auditor's Report prepared for Sponsor's Annual Comprehensive Financial Report within thirty (30) days of receipt by Sponsor and highlight the section that pertains to the Measures A/W Funds.

9.3. No Waiver. No waiver of any default or breach of any covenant of this Agreement by either Party will be implied from any omission by either Party to take action on account of such default if such default persists or is repeated. Express waivers are limited in scope and duration to their express provisions. Consent to one action does not imply consent to any future action.

9.4. Assignment. Parties are prohibited from assigning, transferring or otherwise substituting their interests or obligations under this Agreement without the written consent of all other Parties.

9.5. Governing Law. This Agreement is governed by the laws of the State of California as applied to contracts that are made and performed entirely in California.

9.6. Compliance with Laws. In performance of this Agreement, the Parties must comply with all applicable Federal, State and local laws, regulations and ordinances.

9.7. Accessibility of Services to Persons with Disabilities. The Project implementation must comply with, and not subject the TA or Sponsor to liability under, the Americans

with Disabilities Act, the California Disabled Persons Act, or any other state or federal laws protecting the rights of persons with disabilities.

9.8. Modifications. This Agreement may only be modified in a writing executed by both Parties.

9.9. Attorneys' Fees. In the event legal proceedings are instituted to enforce any provision of this Agreement, the prevailing Party in said proceedings is entitled to its costs, including reasonable attorneys' fees.

9.10. Relationship of the Parties. It is understood that this is an Agreement by and between Independent Contractors and does not create the relationship of agent, servant, employee, partnership, joint venture or association, or any other relationship other than that of Independent Contractor.

9.11. Ownership of Work. All reports, designs, drawings, plans, specifications, schedules, studies, memoranda, and other documents assembled for or prepared by or for, in the process of being assembled or prepared by or for, or furnished to Sponsor under this Agreement, are the joint property of the TA and Sponsor, and will not be destroyed without the prior written consent of the TA. The TA is entitled to copies and access to these materials during the progress of the Project and upon completion or termination of the Project or this Agreement. Sponsor may retain a copy of all material produced under this Agreement for its use in its general activities. This Section does not preclude additional shared ownership of work with other entities under contract with Sponsor for funding of the Project.

9.12. Non-discrimination. Sponsor and any contractors performing services on behalf of Sponsor will not discriminate or permit discrimination against any person or group of persons on the basis of race, color, religion, national origin or ancestry, age, sex, sexual orientation, marital status, pregnancy, childbirth or related conditions, medical condition, mental or physical disability or veteran's status, or in any manner prohibited by federal, state or local laws.

9.13. Attribution to the TA. Sponsor must include attribution that indicates work was funded with "Measure A Funds" or "Measure W Funds" or "Measures A/W Funds from the TA." This provision applies to any project, or publication, that was funded in part or in whole by "Measure A Funds" or "Measure W Funds" or "Measures A/W Funds." Acceptable forms of attribution include TA branding on Project-related documents, construction signs, public information materials, and any other applicable documents. Sponsor must comply with the TA's External Attribution Guide which may be updated from time to time and will be available on the TA's website.

9.14. Warranty of Authority to Execute Agreement. Each Party to this Agreement represents and warrants that each person whose signature appears hereon is authorized and has the full authority to execute this Agreement on behalf of the entity that is a Party to this Agreement.

9.15. Severability. If any portion of this Agreement, or the application thereof, is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining portions of this Agreement, or the application thereof, will remain in full force and effect.

9.16. Electronic Signatures. This Agreement may be executed through the use of digital or electronic signatures in accordance with Government Code Section 16.5. The presence of an electronic signature on this Agreement will be construed as the Parties' consent to do business electronically.

9.17. Counterparts. This Agreement may be executed in counterparts.

9.18. Entire Agreement. This Agreement constitutes the entire agreement between the Parties pertaining to its subject matter and supersedes any prior or contemporaneous written or oral agreement between the Parties on the same subject.

IN WITNESS WHEREOF, the Parties have hereunder subscribed their names as of the last date written below (Execution Date).

[SPONSOR]

By: _____
Name: _____
Its: _____
Date: _____

Approved as to Form:

_____
Legal Counsel for the [SPONSOR]

Date: _____

SAN MATEO COUNTY TRANSPORTATION AUTHORITY

By: _____
Name: April Chan
Its: Executive Director

Date: _____

Approved as to Form:

_____
Legal Counsel for the TA

Date: _____

Exhibit A: Form of Project Supplements
Exhibit B: Progress Reporting Template
Exhibit C: Permissible Costs for Reimbursement
Exhibit D: Reimbursement Claim Form
Exhibit E: National Transit Database Reporting Requirements
Exhibit F: Quarterly/Annual Shuttle Program Progress Report Form

Exhibit A: Form of Project Supplements

SECTION A: Primary Agreement

The San Mateo County Transportation Authority (TA) and [Project Sponsor] (Sponsor) entered into a Primary Grant Agreement on _____, 20__ (Primary Agreement).

This Project Supplement is entered into on _____, 20__ pursuant to the Primary Grant Agreement and is subject to the terms set forth therein.

SECTION B: Project Background

Measure(s):

☐ Original Measure A

☐ New Measure A

☐ Measure W

Program Category:

Measure A	Measure W
☐ Transit ☐ Highways ☐ Local Streets/Transportation ☐ Grade Separations ☐ Pedestrian and Bicycle ☐ Alternative Congestion Relief Programs	☐ Countywide Highway Congestion Improvements ☐ Local Safety, Pothole & Congestion Relief Improvements – Local Investment Share ☐ Local Safety, Pothole & Congestion Relief Improvements – Grade Separation ☐ Bicycle and Pedestrian Improvements ☐ Regional Transit Connections

Program Subcategory (if applicable):

Project: [Add project name]

Scope of Work: [Specify phase(s)]

Scope of Work Costs: [Specify amount programmed and allocated for each phase]

TA Technical Assistance (if applicable):

Date Funding Programmed:

Date Funding Allocated:

Applicable Resolutions (attached):

Additional Terms: The following Agreement Section(s) apply to this Project Supplement:

☐ Section 5 (Additional Terms Applicable to Sponsor-Performed Projects)

☐ Section 6 (Additional Terms Applicable to TA-Performed Projects)

☐ Section 7 (Additional Terms Applicable to Shuttle Operations)

☐ Section 8 (Additional Terms Applicable to All Other Project Supplements for Operations)

SECTION C: Invoices; Payments *[ALTERNATIVE CLAUSE TO AGREEMENT SECTION 5.10(a) – DELETE IF NOT APPLICABLE]*

Section 5.10(a) of the Agreement does not apply to this Project Supplement. Instead, the TA will make one upfront lump sum payment of $_____ to the Sponsor to complete the Scope of Work.

SECTION D: Matching Funds

Sponsor will contribute, or provide for the contribution of, the entire amount in excess of $_____ needed to complete the Scope of Work [and must provide at least __% pro rata share of the Scope of Work Costs.]

OR

Sponsor agrees to contribute the matching funds to the TA in one upfront lump sum payment of $_____ (Matching Funds) following Sponsor's approval of an invoice from TA describing the expenses to which the Matching Funds will be applied, subject to the following terms and conditions:

TA agrees that the Matching Funds are to be expended solely for the Project and agrees to: (i) prioritize application of the Matching Funds to expenses under the Scope of Work with the objective of utilizing all of the Matching Funds not later than _____; (ii) promptly return to Sponsor any and all unspent Matching Funds upon termination of the Project Supplement, or, absent termination, that have not been expended for the Project by _____.

SECTION E: Description of Scope of Work

Sponsoring Agency:

Lead/Implementing Agency:

Contact:

Project Description and Scope of Work:

Project Schedule:

Begin End

Project Budget/ Source of Funding:
Include funding plan for the project defined above, including use of TA Technical Assistance if applicable

* The other fund sources are provided for informational purposes.

Operating Responsibility:

Maintenance Responsibility:

Project Implementation Responsibility:

Project Oversight Responsibility:

SECTION F: Third Party Roles

1. Third Party Roles. The [THIRD PARTY] is responsible for [LIST ALL RELEVANT RESPONSIBILITIES] for the Project.

2. Caltrans Roles. Caltrans as owner operator of the facility proposed for modification is responsible for reviewing and approving the [RELEVANT DOCUMENTS] for the Project.

3. Other Agreements. A Cooperative Agreement must be executed between Caltrans and the TA that lists the terms and conditions, roles and responsibilities and fee payment associated with Caltrans' review and approval of the [RELEVANT DOCUMENTS].

SECTION G: Time of Performance

1. Time of Performance. The Scope of Work must be completed no later than the end of __ quarter, Fiscal Year 20__-20__ (the TA's fiscal year runs July 1 through June 30).

2. Timely Use of Funds. Sponsor must expend Measures A/W funds expeditiously. If Sponsor fails to invoice the TA for two consecutive quarters, the TA will require a meeting with Sponsor's executive and Project staff to review project progress. A Project Supplement found to be non-compliant with this requirement may be terminated for default by the TA.

SECTION H: Notice

Notices. All notices required or permitted to be given under this Agreement, be in writing and delivered by email to the addresses specified below. Notices will be deemed given when the email was sent. A recipient's failure to acknowledge receipt of the emailed notice will not affect the effectiveness of notice if (a) the sender can show that the notice was properly addressed and sent by email, and (b) the sender did not receive any email system notification that the email could not be delivered.

To TA: San Mateo County Transportation Authority
1250 San Carlos Avenue
P.O. Box 3006
San Carlos, CA 94070-1306
Attn: TA Secretary and Executive Director
Emails:

To [Sponsor]: [Sponsor]
ADDRESS LINE ONE
ADDRESS LINE TWO
Attn: Project Sponsor Contact
TITLE
Email:

In 2025, the TA plans to relocate its administrative building to 166 N. Rollins Road in Millbrae, California and when that occurs, the TA's address will be at that location.

SECTION I: Insurance *[The TA and Sponsor will determine what types and levels of insurance are required for each Project Supplement]*

The following types of insurance are required for this Project Supplement. See Section 6 of the Primary Agreement for additional requirements.

Insurance Type	Required	Coverage Amount
Workers' Compensation and Employer's Liability Insurance	Yes	Statutory limits for Workers' Compensation and at least $1 million for Employers Liability.
Commercial General Liability Insurance	Yes	[$1/5/10 million] • **For all projects:** $1M for Project Planning, Project Initiation, Project Approval & Environmental Design and Right of Way Phases and for operations. • **For capital projects with budgets of up to $10M (e.g., road widening):** $1M for Design and Construction Phases. • **For capital projects with budgets between $10M and $40M (e.g., freeway interchange):** $5M for Design and

		Construction Phases. • **For capital projects with budgets of $40M or more:** $10M limits for Design and Construction Phases.
Business Automobile Liability Insurance	Yes	[$1/5/10 million] • **For all projects:** $1M for Project Planning, Project Initiation, Project Approval & Environmental Design and Right of Way Phases. • **For capital projects with budgets of up to $10M (e.g., road widening):** $1M for Design and Construction Phases. • **For capital projects with budgets between $10M and $40M (e.g., freeway interchange):** $5M for Design and Construction Phases. • **For capital projects with budgets of $40M or more:** $10M limits for Design and Construction Phases. • **For operations projects:** $10M
Property Insurance	Yes	
Professional Liability Insurance	[Yes/No]	**[$1/2/5 million]** **For most projects with professional liability exposure, such as consulting:** At least $1 million **For capital projects with some design:** At least $2 million. **For capital projects with significant design:** At least $5M.
Cyber Liability Insurance	[Yes/No]	**If contract deals with Personally Identifiable Information (PII):** At least $1 million and part of the Professional Liability Insurance program.
Crime Insurance	[Yes/No]	**If Entity's employees have access to funds, securities and other property:** At least $250,000 for Employee Dishonesty Insurance and $250,000 for Third-Party/Client Property. **If Entity has access to significant funds, securities or other property:** Limits should reflect cumulative exposure.
Contractors' Pollution Liability Insurance and/or Environmental	[Yes/No]	At least $1 million

Liability Insurance		
Railroad Protective Liability Insurance	[Yes/No]	At least $2 million per occurrence and $6 million annual aggregate

IN WITNESS WHEREOF, the Parties have hereunder subscribed their names as of the last date written below.

[SPONSOR]

By: _____
Name: _____
Its: _____
Date: _____

Approved as to Form:

_____
Legal Counsel for the [SPONSOR]

Date: _____

SAN MATEO COUNTY TRANSPORTATION AUTHORITY

By: _____
Name: April Chan
Its: Executive Director

Date: _____

Approved as to Form:

_____
Legal Counsel for the TA

Date: _____

Exhibit B: Progress Reporting Template

REPORTING PERIOD: FROM mm/dd/yyyy TO mm/dd/yyyy

SMCTA Project # *00XXX* – [*Project Title/Phases*]
[Carryover to additional pages as necessary]

Contact: *[Name, Title, Phone, email, address]*

---

1) Scope:

[*Describe Scope of Work here, specify Project limits, phases of Project. Identify the [Original Measure A and/or New Measure A and/or Measure W] funded components*]

Status Summary: [*Provide Status*]

Issues: [*List any issues, i.e. potential scope changes*]

---

2) Schedule:

Major Milestones:	**Original Baseline**		**Current Baseline**		**Current Forecast**	
	Start	**Finish**	**Start**	**Finish**	**Start**	**Finish**
[Activity]	*MM/DD/YY*	*MM/DD/YY*	*MM/DD/YY*	*MM/DD/YY*	*MM/DD/YY*	*MM/DD/YY*
[Activity]	*MM/DD/YY*	*MM/DD/YY*	*MM/DD/YY*	*MM/DD/YY*	*MM/DD/YY*	*MM/DD/YY*
[Activity]	*MM/DD/YY*	*MM/DD/YY*	*MM/DD/YY*	*MM/DD/YY*	*MM/DD/YY*	*MM/DD/YY*
[Activity]	*MM/DD/YY*	*MM/DD/YY*	*MM/DD/YY*	*MM/DD/YY*	*MM/DD/YY*	*MM/DD/YY*

Progress This Reporting Period:
[Describe progress and activities]

[Original Measure A and/or New Measure A and/or Measure W] Funds Expended This Reporting Period: $

Future Activities, Next Reporting Period:
[Describe planned future activities]

Projected [Original Measure A and/or New Measure A and/or Measure W] Funds Expenditure Next Reporting Period: $

Issues: [*List any issues, such as impacts to schedule*]

3) Scope of Work Total Budget:

	A	B	C	D	E	F
Phase/Activity	**Original Budget (per Funding Agreement)**	**Updated Cost Estimate**	**Total Change from Approved (B-A)**	**Total Expended to Date**	**% of Revised Budget Expended (D/B)**	**% of Work Completed**
			-		0.00%	0.00%
			-		0.00%	0.00%
			-		0.00%	0.00%
Total Project	-	-	-	-	**#DIV/0!**	

4) Scope of Work [Original Measure A and/or New Measure A and/or Measure W] Budget:

	A	B	C	D	E	F
Phase/Activity	Original allocation (per Project Supplement)	Current allocation (Per Amendments)	Change in allocation from Project Supplement (B-A)	Total Measure [A/W] Expended to date	% of current allocation expended (D/B)	% of Work Completed
					#DIV/0!	
					#DIV/0!	
					#DIV/0!	
Total Scope of Work	*$0*	*$0*	*$0*	*$0*	*#DIV/0!*	

Issues: [*List any issues, i.e. potential cost increases]*

5) Funding: *[List additional sources as needed, Fill out the following matrix for each phase for the Scope of Work. i.e. environmental, design, etc.]*

		Original	Original %	Current	Current %	Estimated at Completion	EAC %
		Contribution		**Contribution**		**Contribution**	
SMCTA			#DIV/0!		#DIV/0!		#DIV/0!
Others:							
	Federal (specify)		#DIV/0!		#DIV/0!		#DIV/0!
	State (specify)						#DIV/0!
	Other (specify)						
Total		-	**#DIV/0!**	-	**#DIV/0!**	-	**#DIV/0!**

Issues: [*List any issues such as changes in non-Measure [A/W] funding*]

Submit Progress Reports To: invoices@smcta.com or
SMCTA
Planning & Development
1250 San Carlos Avenue
San Carlos, CA 94070[1]

[1] In 2025, the TA plans to relocate its administrative building to 166 N. Rollins Road in Millbrae, California and when that occurs, the TA's address will be at that location.

Exhibit C: Eligible Costs for Reimbursement

Program / Promotions – activities pertaining to marketing/promotional programs detailed in the Scope of Work.

Planning – activities necessary to implement planning studies covered under the Scope of Work.

Project Initiation Documents (PID) – activities necessary to complete PIDs covered under the Scope of Work.

Environmental Studies – environmental studies costs, including determination of the appropriate environmental document, preparation of all preliminary engineering for each alternative, including geomantic layouts, determination of right-of-way needs, environmental technical studies (such as air, noise, energy, cultural resources and hazardous waste), and all other studies or activities necessary to prepare and finalize the appropriate documents for Project and environmental approval.

Design – design activities such as preparation of design studies; materials and foundation reports; drainage, hydrology and hydraulic reports; surveying and mapping; preparation of the plans, specifications and estimate; preparation of bid documents and Project files; preparation of permit applications and maintenance agreements; coordination of agency reviews and any other activities necessary to prepare final plans specifications and estimate (PS&E) for bid advertisement and award; and management oversight of these tasks except as limited in the Agreement.

Right-of-Way Acquisition – all activities related to right-of-way including determination of right-of-way needs; title searches; preparation of appraisal maps, legal descriptions and plat maps; parcel appraisals and appraisal reviews; hazardous materials testing and analysis; preparation of right-of-way acquisition documents; activities involved with acquiring rights-of-way including negotiation with property owners and cost associated with condemnation proceedings (including legal costs, expert witness costs, etc., but not including costs related to claims for inverse condemnation), right-of-way capital costs and cost-to-cure impacts related to the acquisition. To the extent allowed by law, Sponsor will undertake all best efforts so that cleanup of existing hazardous materials will remain the liability of the property owner.

Services provided for right-of-way activities involved with property not necessary for the Measure A or Measure W Highway Program-funded Project as defined in the Scope of Work, and the associated costs for all such property, will be at the sole expense of the Sponsor.

Any property not used for construction of the Project, or used for any purpose other than construction of the Project as defined in the Scope of Work, should be identified and the funding agencies should be informed. Any excess right-of-way will be identified as early as possible in the Project design process and sold. The proceeds from the sale of such property must be returned to the funding agencies, prorated based on the percentage of funds each agency contributed to the purchase of the property.

Construction – construction expenditures for the Project (construction capital, management and inspection, surveys, public outreach, and related activities) that are part of the Scope of Work agreed to by the TA. Sponsor must submit all change orders over $50,000 to the TA for

review and written approval before the TA will reimburse the Sponsor with Measure A Funds or Measure W Funds.

In addition, Measures A and W Funds are eligible for reimbursement of Sponsor's Project management oversight expenses associated with the construction of the Project. This would include activities such as construction management inspection, expenses associated with reviewing proposed change orders, and activities involved with submitting final costs to the appropriate agencies to secure other leveraged funds. Expenditure of Measure A and Measure W Funds remains subject to the limits set forth in the Agreement.

The Sponsor may include additional work beyond the Scope of Work for the Project at its own expense. The TA will require these costs to be segregated from the other item work expenses and paid for with non-Measure A or Measure W Highway Program funds.

Miscellaneous – fees from other agencies, including permit fees or reimbursement for review or oversight costs needed for the Project are eligible costs. However, the cost of permits or fees from the Project Sponsor will not be eligible. Utility relocation costs are eligible for reimbursement according to previous agreements establishing rights for those utilities. The costs for specialized equipment for testing, analysis or production of documents for Project-related work are also eligible.

Exhibit D: Reimbursement Claim Form

Exhibit D
REIMBURSEMENT CLAIM
San Mateo County Measure A/W Funds

SMCTA Project ID:
SMCTA Project Allocation:
Claim Date:
Claim Number:
Claim Period:
Claim Amount: **$0.00**

			Funding Source								
Consultant/Contractor/ Vendor	Invoice #	Invoice Total	Fund Source1	% of Ttl	Fund Source2	% of Ttl	Measure A/W	% of Ttl	Prior Total Measure A/W $	Life to Date Measure A/W $	Measure A/W Budget Balance
				#####		#####		#####			
				#####		#####		#####			
				#####		#####		#####			
				#####		#####		#####			
Total		-	-	#####	-	#####	-	#####	$ -	-	-

Quarterly Progress Report included? Y/N

Please issue check payable to:
Agency
Contact person
Address

Exhibit E: National Transit Database Reporting Requirements

The NTD was established by Congress to be the Nation's primary source for information and statistics on the transit systems of the United States. Recipients or beneficiaries of grants from the Federal Transit Administration (FTA) under the Urbanized Area Formula Program (§5307) or Other than Urbanized Area (Rural) Formula Program (§5311) are required by statute to submit data to the NTD. Over 660 transit providers in urbanized areas currently report to the NTD through the Internet-based reporting system. Each year, NTD performance data is used to apportion over $5 billion of FTA funds to transit agencies in urbanized areas (UZAs). Annual NTD reports are submitted to Congress summarizing transit service and safety data.

Below is a partial list of reported elements that may change at any time. For additional information, please go to the National Transit Database website at: **https://www.transit.dot.gov/ntd.**

a) **Deadhead (Miles/Hours):** The miles and hours that a vehicle travels when out of revenue service.
    i) Deadhead includes:
        1) Leaving or returning to the garage or yard facility;
        2) Changing routes;
        3) When there is no expectation of carrying revenue passengers;
    ii) However, deadhead does not include:
        1) Charter service;
        2) School bus service;
        3) Operator training;
        4) Maintenance training;

b) **Fuel Consumed:** The quantity of fuel consumed for the service (by fuel type);

c) **Mechanical System Failure - Major**: A failure of some mechanical element of the revenue vehicle that prevents the vehicle from completing a scheduled revenue trip or from starting the next scheduled revenue trip because actual movement is limited or because of safety concerns;

d) **Mechanical System Failure - Other**: A failure of some other mechanical element of the revenue vehicle that, because of local agency policy, prevents the revenue vehicle from completing a scheduled revenue trip or from starting the next scheduled revenue trip even though the vehicle is physically able to continue in revenue service. Any mechanical problem that delayed service more than five minutes, even if no Road Call was required*;*

e) **Passenger Miles Traveled (PMT)**: The cumulative sum of the distances ridden by each passenger;

f) **Reportable Incident:** A safety or security incident occurring on transit property or otherwise affecting revenue service that results in one or more of the following conditions:
    i) A fatality confirmed within 30 days of the incident;
    ii) An injury requiring immediate medical attention away from the scene for one or more persons;

iii) Property damage equal to or exceeding $25,000;
iv) An evacuation for life safety reasons; or
v) A mainline derailment.

g) **Revenue Service (Miles, Hours, and Trips):** The time when a vehicle is available to the general public and there is an expectation of carrying passengers. Vehicles operated in fare free service are considered in revenue service.
    i) Revenue service includes:
        1) Layover / recovery time.
    ii) Revenue service excludes:
        1) Deadhead
        2) Vehicle maintenance testing
        3) School bus service, and
        4) Charter service.

h) **Total Service (Miles or Hours):** The time or miles from when a transit vehicle starts (pull-out) from a garage to go into revenue service to the time or miles it returns to the garage (pull-in) after completing its revenue service.
    i) Since total service covers the time or miles between:
        1) Pullout; and
        2) Pull-in;
    ii) It therefore includes both:
        1) Deadhead; and
        2) Revenue service;

i) **Unlinked Passenger Trips (UPT):** The number of passengers who board public transportation vehicles. Passengers are counted each time they board vehicles no matter how many vehicles they use to travel from their origin to their destination.

Exhibit F: Quarterly/Annual Shuttle Program Progress Report Form

CONSENT ITEM 3.3

EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: January 21, 2025

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: James Colin, City Clerk

SUBJECT: Clarification on the 2025 City Council Meeting Calendar

Recommendation

Approve the revisions to the 2025 City Council meeting calendar to correct scheduling errors and address conflicts.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Ensure Our Financial and Organizational Health

Background

The City Council previously adopted the 2025 meeting calendar; however, staff has identified three areas requiring clarification and correction:

1. **June Meetings:**
    - The previously adopted calendar incorrectly scheduled regular meetings for June 10 and June 24. Regular Council meetings are held on the first and third Tuesdays of each month. The calendar will be updated to reflect the correct dates: June 3 and June 17.
2. **September Study Session:**

    - A study session was scheduled for September 23, which falls on Rosh Hashana. To avoid this conflict, the study session will be rescheduled to September 25.

3. **November Study Session:**
    - A study session was scheduled for November 11, which falls on Veterans Day, a federal holiday. To avoid this conflict, the study session will be rescheduled to Thursday, November 13.

Analysis

The proposed revisions ensure compliance with the City's standard meeting schedule and accommodate holidays. These updates do not affect the overall frequency of Council meetings or study sessions but provide clarity and alignment with established practices.

Fiscal Impact

There is no fiscal impact associated with this change.

Environmental Review

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

Government Code § 84308

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

Analysis of Levine Act Compliance: Not applicable.

Attachments

1. Updated Schedule

2025

CITY COUNCIL MEETING SCHEDULE

Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

JAN

- 7 - Regular Meeting @ 6:30 pm
- 21 - Regular Meeting @ 6:30 pm

Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	

FEB

- 1 Council Teambuilding Retreat - @ 9:00 am
- 4 - Regular Meeting @ 6:30 pm
- 18 - Regular Meeting @ 6:30 pm

Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

MAR

- 4 - Regular Meeting @ 6:30 pm
- 8 - Strategic Planning Retreat @ 9:00 am
- 18 - Regular Meeting @ 6:30 pm
- 25 - Study Session @ 6:00 pm

Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

APR

- 1 - Regular Meeting @ 6:30 pm
- 15 - Regular Meeting @ 6:30 pm
- 22 - Study Session @ 6:00 pm

Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

MAY

- 6 - Regular Meeting @ 6:30 pm
- 13 - Budget Meeting @ 6:00 pm
- 20 - Regular Meeting @ 6:30 pm
- 27 - Budget Meeting @ 6:00 pm

Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

JUN

- 3 - Regular Meeting @ 6:30 pm
- 17 - Regular Meeting @ 6:30 pm

2025

CITY COUNCIL MEETING SCHEDULE

Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

JUL

8 - Special Council Meeting @ 6:30 pm

15 - Regular Meeting @ 6:30 pm

29 - Study Session @ 6:00 pm

Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

AUG

5 - Cancelled Meeting (Council Recess)□

19 - Cancelled Meeting (Council Recess)

Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

SEP

2 - Regular Meeting @ 6:30 pm

16 - Regular Meeting @ 6:30 pm

25 - Study Session @ 6:00 pm

Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

OCT

7 - Regular Meeting @ 6:30 pm

21 - Regular Meeting @ 6:30 pm

Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

NOV

4 - Regular Meeting @ 6:30 pm

13 - Study Session @ 6:00 pm

18 - Regular Meeting @ 6:30 pm

Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

DEC

2 - Regular Meeting @ 6:30 pm

9 - Council Reorganization @ 6:00 pm

16 - Regular Meeting @ 6:30 pm

EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: January 21, 2025

TO: Honorable Mayor and Members of the City Council

VIA: John D. Lê, City Attorney

SUBJECT: Consent to Joint Representation

Recommendation

Adopt a resolution authorizing the City Attorney to execute a consent letter agreeing to the joint representation by Goldfarb & Lipman LLP of City of East Palo Alto and Habitat for Humanity, regarding 1532 Ursula Way.

Alignment with City Council Strategic Plan

Priority No. 3: Increase Organizational Effectiveness and Efficiency

Background

Goldfarb & Lipman LLP advised the City Attorney of a potential conflict of interest of Goldfarb & Lipman to represent the City of East Palo Alto and Habitat for Humanity Greater San Francisco, a California nonprofit public benefit corporation ("Habitat"), with activities regarding the 1532 Ursula Way ("Property"), and both parties' right to exercise an option to purchase homes originally purchased by Habitat using Low to Moderate Income Housing Funds. The owner has been provided a notice of intent to transfer the Property and Habitat has exercised their right to purchase it.

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

Habitat has expressed willingness to consent to the joint representation.

Analysis

The Rules of Professional Responsibility require Goldfarb & Lipman LLP to obtain the informed

written consent of both Habitat and the City to represent both parties in any matter concerning legal representation. Goldfarb & Lipman LLP prepared a letter describing the potential for a conflict of interest to arise from joint representation. The City Attorney has reviewed the letter, and potential consequences of joint representation, has concluded that the potential for a conflict of interest is remote, and that joint representation is feasible and desirable. The City Attorney recommends that the City Council agree to joint representation by authorizing the City Attorney to execute a consent agreeing to the joint representation.

Alternative

Direct the City Attorney to hire separate legal counsel.

Fiscal Impact

There is no fiscal impact for this item.

Public Notice

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

Environmental

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

Government Code § 84308

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

Analysis of Levine Act Compliance: Not applicable.

Attachments

1. Resolution.

RESOLUTION NO. XX– 2025

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

AUTHORIZING THE CITY ATTORNEY TO EXECUTE A CONSENT LETTER AGREEING TO THE JOINT REPRESENTATION BY GOLDFARB & LIPMAN LLP OF CITY OF EAST PALO ALTO AND HABITAT FOR HUMANITY GREATER SAN FRANCISCO, REGARDING 1532 URSULA WAY

WHEREAS, Goldfarb & Lipman LLP advised the City Attorney of a potential conflict of interest of Goldfarb & Lipman to represent the City Habitat for Humanity Greater San Francisco ("Habitat") in connection with activities regarding certain real property at 1532 Ursula Way, in East Palo Alto, CA; and

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

WHEREAS, Habitat is an existing client of Goldfarb & Lipman. They represent Habitat in connection with several other affordable housing projects and the preservation of existing affordable units; and

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

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

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

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

1. Finds the foregoing recitals are true and correct, and are incorporated by this reference into this action;

2. Consents to joint representation of City and Habitat by Goldfarb & Lipman LLP;

3. Authorizes the City Attorney to execute a consent letter agreeing to the joint representation; and

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

PASSED AND ADOPTED this 21st day of January 2025**,** by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Martha Barragan, Mayor

ATTEST:

James Colin, City Clerk

APPROVED AS TO FORM:

John D. Lê, City Attorney

CONSENT ITEM 3.5

EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: January 21, 2025

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Jeff Liu, Chief of Police

SUBJECT: Authorization to Amend Telepath Corporation Contract to Increase Purchase Order for Installation of Emergency Communication Equipment with Maintenance Services.

Recommendation

Adopt a resolution authorizing the City Manager to amend the current contract with Telepath Corporation, in a form approved by the City Attorney, to increase the contract amount by $20,625.21 for a one-year total of $86,157.38, or a total amount over five years increasing from $327,660.85 to $348,286.06.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority No. 1: Enhance Public Safety and Emergency Preparedness

Priority No. 3: Increase Organizational Effectiveness and Efficiency

Priority No. 6: Create a Healthy and Safe Community

Background

On December 6, 2005, the City Council, via Resolution #2532A, adopted the Vehicle Fleet and Replacement Guidelines. These guidelines outline the standards by which the City will replace vehicles. According to the guidelines, patrol vehicles shall be replaced at five years or 100,000 miles. This policy ensures City vehicles remain operable with reasonable maintenance. This policy ensures police vehicles are safe and effective, especially considering the high-risk nature of police driving.

On February 6, 2024, the City Council approved the RFP with Telepath Corporation and Resolution #07-2024 for three years with an optional additional two years.

Analysis

The current purchase order is short of funding due to the new purchases of electric police vehicles that City Council approved on December 17, 2024. The addition of the latest EV vehicles was not listed in the original RFP, since at the time the addition of three EV was not being considered. The requested amount of $20,625.21 will allow upfitting of the EV's for police services. This is a one-time addition of funds only in FY24-25 from $65,532.17 to $86,157.38. In years 2 through 5, the annual amount would revert to $65,532.17. Thus, the total amount over five years will increase from $327,660.85 to $348,286.06.

Staff recommends that we amend the current contract with Telepath Corporation to increase funding to complete the installation of three electric unmarked police vehicles since our City Council approved the vehicles' purchases on December 17, 2025, via Council Resolution. That resolution did not cover the actual cost of installing emergency and communication equipment. It should be noted the Telepath Corporation is very specialized in their contract and that other vendors will not provide 24/7 mobile response. Staff recommends increasing the purchase order would be the course of action.

Fiscal Impact

The amended Purchase Order increase will be $20,625.21 would be added to the current purchase order of $65,532.17 and will be paid by our Supplement Law Enforcement Services Fund grant. This amount is a one-time increase to an amended contract. If approved, the annual amount reverts to $65,532.17 per year in years 2 through 5 as directed by Resolution 07-2024. No fiscal impact to the current FY24-25 budget.

Public Notice

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

Environmental

The action being considered does not constitute a "Project" within the meaning of the California Environmental Quality Act (CEQA), under 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(ies) for the agreement(s) is/are Jo Jo Tran, Chief Executive Officer of Telepath Corporation. Staff is unaware of any other parties or participants relevant to the Council's consideration of this item.

Attachments

1. Resolution
2. Telepath Quotes

RESOLUTION NO. XX– 2024

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

AUTHORIZING THE CITY MANAGER TO AMEND THE CURRENT CONTRACT WITH TELEPATH CORPORATIONIN A FORM APPROVED BY CITY ATTORNEY, FOR AN INCREASED PURCHASE ORDER FOR $20,625.21 ADDED TO THE CURRENT AMOUNT OF $65,532.17 FOR FY24-25 FOR A TOTAL CONTRACT AMOUNT INCREASING FROM $327,660.85 TO $348,286.06 OVER FIVE YEARS.

WHEREAS, the City of East Palo Alto Police Department must periodically purchase and install emergency equipment, electrical components and safety equipment to comply with State laws (sometimes referred to as "upfitting") to have an official police vehicle, in addition to maintenance and repair to its fleet vehicles; and

WHEREAS, the City desires to contract with qualified vendor to provide upfitting and repair services for its entire fleet police vehicles; and

WHEREAS, the Police Department is required to have well-maintained vehicles and safety equipment for its employees to provide services to City residents; and

WHEREAS, on December 17, 2024, the City Council approved three electric vehicles for the Police Department.; and

WHEREAS, the original purchase order was limited for gasoline vehicles via the original contract that was approved by City Council on February 6, 2024; and

WHEREAS, Telepath Corporation was the only company to provide both vital services components for the Police Department; and

WHEREAS, staff has determined that additional funding is needed to amend the Telepath Corporation contract to resolve the underfunding of the new electric vehicles; 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 action; and

2. Adopts a resolution authorizing the City Manager to amend the current Telepath Corporation contract, in a form approved by the City Attorney, for a $20,660.85 increase in the FY24-25 purchase order from $65,532.17 to $86,157.38, or a total amount over five years increasing from $327,660.85 to $348,286.06, for upfitting three EV’s police vehicles for police services.

PASSED AND ADOPTED this 21st day of January 2025**,** by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Martha Barragan, Mayor

ATTEST:

James Colin, City Clerk

APPROVED AS TO FORM:

John D. Lê, City Attorney

TELEPATH
MISSION CRITICAL SOLUTIONS
SINCE 1978

48810 KATO RD., STE 300E
FREMONT, CA, 94538
510.656.5600
WWW.TELEPATHCORP.COM

2-WAY RADIO SYSTEMS
ERRCS DAS SYSTEMS
PUBLIC SAFETY VEHICLE OUTFITTING

SALES QUOTE

SQ-181042	12/12/2024

Customer	Contact	Ship To
East Palo Alto Police Dept. Accounts Payable 141 Demeter Street E PALO ALTO CA 94303 UNITED STATES Tel: (650) 853-5957 Fax: (650) 853-3103		TELEPATH CORPORATION 1137 CADILLAC COURT MILPITAS CA 95035 UNITED STATES Tel: (510) 656-5600 Fax: (510) 656-2114

Account	Terms	Due Date	Account Rep	Schedule Date
54906	NET 30	1/11/2025	Jiovanni Magana	12/12/2024

Quotation	PO #	Reference	Ship VIA	Page	Printed
SQ-181042			Service rep to Deliver	1	12/12/2024 12:08:36PM

L	Item	Description	Qty	Price	UM	Discount	Amount
1		2023 Ford Lightning THIS QUOTE IS FOR 1 VEHICLE UNDERCOVER PKG					
2							
3							
4	EMPS4STS2B	mpower LIGTH BLUE	4	$102.20	EA		$408.80
5	EMPS4STS2R	mpower LIGTH RED	4	$102.20	EA		$408.80
6	PMP2WSSSB	window shroud	4	$21.50	EA		$86.00
7	COMPONENT-ITEM	toggle swith progresive mode	3	$15.99	EA		$47.97
8	ALPHASL	siren controller	1	$223.00	EA		$223.00
9	SC-1902	Momentary Button	1	$10.71	EA		$10.71
10	c3900U	SLIMLINE SPEAKER UNIVERSAL	1	$297.00	EA		$297.00
11	VA	superb Hide Led Amber	1	$74.63	EA		$74.63
12	VB	USE VSB (NEW PART ID) HIDE AWAY BLUE	2	$74.63	EA		$149.26
13	VR	USE VSR REPLACEMENT superb Hide LED red	1	$74.63	EA		$74.63
14	UHF2150A	Head Light flasher wig-wag misc. vehicle	1	$60.00	EA		$60.00
15	AAM28TRN9KA1	XPR5550 450-512 MHZ 1-40 W 1000 CH	1	$998.00	EA		$998.00
16	QA00588	Option board -Connect + Trunking	1	$25.00	EA		$25.00
17	PMAE4031	GPS/UHF 450-470mhz 1/4Wave antenna	1	$136.08	EA		$136.08
18	PMLN7131	MOTOTRBO Handheld Control Head for XPR 5	1	$615.00	EA		$615.00
19	PMKN4174	16ft Extension Cable for MOTOTRBO Hand	1	$131.00	EA		$131.00
20	programstd	Standard programming	1	$45.00	EA		$45.00
21	WIREHARNESS	Relays, diodes, connectors, loom, etc	1	$120.00	EA		$120.00
22	LaborInShop	Labor charge for In Shop install/repair	1	$2,405.00	EA		$2,405.00
23	SH	Shipping	1	$192.54	EA		$192.54

QUOTATIONS ARE VALID FOR 30 DAYS

A 20% RESTOCKING FEE WILL APPLY TO ALL RETURNED ITEMS

BDA's, DAS, UPS, AND CUSTOM SYSTEMS ARE NON-RETURNABLE

Please print your name:_____

Signature:_____ DATE:_____

FORD

Tax Details
CA-043.15 $366.645
EXEMPT $0.000

Taxable	$3,910.88
Total Tax	$366.65
Exempt	$2,597.54
Total	$6,875.07
Balance	$6,875.07

TELEPATH
MISSION CRITICAL SOLUTIONS
SINCE 1978

48810 KATO RD., STE 300E
FREMONT, CA, 94538
510.656.5600
WWW.TELEPATHCORP.COM

2-WAY RADIO SYSTEMS
ERRCS DAS SYSTEMS
PUBLIC SAFETY VEHICLE OUTFITTING

SALES QUOTE

SQ-181044	12/12/2024

Customer	Contact	Ship To
East Palo Alto Police Dept. Accounts Payable 141 Demeter Street E PALO ALTO CA 94303 UNITED STATES Tel: (650) 853-5957 Fax: (650) 853-3103		TELEPATH CORPORATION 1137 CADILLAC COURT MILPITAS CA 95035 UNITED STATES Tel: (510) 656-5600 Fax: (510) 656-2114

Account	Terms	Due Date	Account Rep	Schedule Date
54906	NET 30	1/11/2025	Jiovanni Magana	12/12/2024

Quotation	PO #	Reference	Ship VIA	Page	Printed
SQ-181044			Service rep to Deliver	1	12/12/2024 12:20:26PM

L	Item	Description	Qty		Price	UM	Discount	Amount
1		2024 Chevy blazer ev pursuit THIS QUOTE IS FOR 1 VEHICLE UNDERCOVER PKG						
2								
3								
4	EMPS4STS2B	mpower LIGTH BLUE	4		$102.20	EA		$408.80
5	EMPS4STS2R	mpower LIGTH RED	4		$102.20	EA		$408.80
6	PMP2WSSSB	window shroud	4		$21.50	EA		$86.00
7	COMPONENT-ITEM	toggle swith progresive mode	3		$15.99	EA		$47.97
8	ALPHASL	siren controller	1		$223.00	EA		$223.00
9	SC-1902	Momentary Button	1		$10.71	EA		$10.71
10	c3900U	SLIMLINE SPEAKER UNIVERSAL	1		$297.00	EA		$297.00
11	VA	superb Hide Led Amber	1		$74.63	EA		$74.63
12	VB	USE VSB (NEW PART ID) HIDE AWAY BLUE	2		$74.63	EA		$149.26
13	VR	USE VSR REPLACEMENT superb Hide LED red	1		$74.63	EA		$74.63
14	UHF2150A	Head Light flasher wig-wag misc. vehicle	1		$60.00	EA		$60.00
15	AAM28TRN9KA1	XPR5550 450-512 MHZ 1-40 W 1000 CH	1		$998.00	EA		$998.00
16	QA00588	Option board -Connect + Trunking	1		$25.00	EA		$25.00
17	PMAE4031	GPS/UHF 450-470mhz 1/4Wave antenna	1		$136.08	EA		$136.08
18	PMLN7131	MOTOTRBO Handheld Control Head for XPR 5	1		$615.00	EA		$615.00
19	PMKN4174	16ft Extension Cable for MOTOTRBO Hand	1		$131.00	EA		$131.00
20	programstd	Standard programming	1		$45.00	EA		$45.00
21	WIREHARNESS	Relays, diodes, connectors, loom, etc	1		$120.00	EA		$120.00
22	LaborInShop	Labor charge for In Shop install/repair	1		$2,405.00	EA		$2,405.00
23	SH	Shipping	1		$192.54	EA		$192.54

QUOTATIONS ARE VALID FOR 30 DAYS

A 20% RESTOCKING FEE WILL APPLY TO ALL RETURNED ITEMS

BDA's, DAS, UPS, AND CUSTOM SYSTEMS ARE NON-RETURNABLE

Please print your name:_____

Signature:_____ DATE:_____

Chevy - Blazer

Tax Details
CA-043.15 $366.645
EXEMPT $0.000

Taxable	$3,910.88
Total Tax	$366.65
Exempt	$2,597.54
Total	$6,875.07
Balance	$6,875.07

TELEPATH
MISSION CRITICAL SOLUTIONS
SINCE 1978

48810 KATO RD., STE 300E
FREMONT, CA, 94538
510.656.5600
WWW.TELEPATHCORP.COM

2-WAY RADIO SYSTEMS
ERRCS DAS SYSTEMS
PUBLIC SAFETY VEHICLE OUTFITTING

SALES QUOTE

SQ-181043	12/12/2024

Customer	Contact	Ship To
East Palo Alto Police Dept. Accounts Payable 141 Demeter Street E PALO ALTO CA 94303 UNITED STATES Tel: (650) 853-5957 Fax: (650) 853-3103		TELEPATH CORPORATION 1137 CADILLAC COURT MILPITAS CA 95035 UNITED STATES Tel: (510) 656-5600 Fax: (510) 656-2114

Account	Terms	Due Date	Account Rep	Schedule Date
54906	NET 30	1/11/2025	Jiovanni Magana	12/12/2024

Quotation	PO #	Reference	Ship VIA	Page	Printed
SQ-181043			Service rep to Deliver	1	12/12/2024 12:17:05PM

L	Item	Description	Qty		Price	UM	Discount	Amount
1		2024 Chevy Silverado EV THIS QUOTE IS FOR 1 VEHICLE UNDERCOVER PKG						
2								
3								
4	EMPS4STS2B	mpower LIGTH BLUE	4		$102.20	EA		$408.80
5	EMPS4STS2R	mpower LIGTH RED	4		$102.20	EA		$408.80
6	PMP2WSSSB	window shroud	4		$21.50	EA		$86.00
7	COMPONENT-ITEM	toggle swith progresive mode	3		$15.99	EA		$47.97
8	ALPHASL	siren controller	1		$223.00	EA		$223.00
9	SC-1902	Momentary Button	1		$10.71	EA		$10.71
10	c3900U	SLIMLINE SPEAKER UNIVERSAL	1		$297.00	EA		$297.00
11	VA	superb Hide Led Amber	1		$74.63	EA		$74.63
12	VB	USE VSB (NEW PART ID) HIDE AWAY BLUE	2		$74.63	EA		$149.26
13	VR	USE VSR REPLACEMENT superb Hide LED red	1		$74.63	EA		$74.63
14	UHF2150A	Head Light flasher wig-wag misc. vehicle	1		$60.00	EA		$60.00
15	AAM28TRN9KA1	XPR5550 450-512 MHZ 1-40 W 1000 CH	1		$998.00	EA		$998.00
16	QA00588	Option board -Connect + Trunking	1		$25.00	EA		$25.00
17	PMAE4031	GPS/UHF 450-470mhz 1/4Wave antenna	1		$136.08	EA		$136.08
18	PMLN7131	MOTOTRBO Handheld Control Head for XPR 5	1		$615.00	EA		$615.00
19	PMKN4174	16ft Extension Cable for MOTOTRBO Hand	1		$131.00	EA		$131.00
20	programstd	Standard programming	1		$45.00	EA		$45.00
21	WIREHARNESS	Relays, diodes, connectors, loom, etc	1		$120.00	EA		$120.00
22	LaborInShop	Labor charge for In Shop install/repair	1		$2,405.00	EA		$2,405.00
23	SH	Shipping	1		$192.54	EA		$192.54

QUOTATIONS ARE VALID FOR 30 DAYS

A 20% RESTOCKING FEE WILL APPLY TO ALL RETURNED ITEMS

BDA's, DAS, UPS, AND CUSTOM SYSTEMS ARE NON-RETURNABLE

Please print your name:_____

Signature:_____ DATE:_____

Chevy Silverado

Tax Details
CA-043.15 $366.645
EXEMPT $0.000

Taxable	$3,910.88
Total Tax	$366.65
Exempt	$2,597.54
Total	$6,875.07
Balance	$6,875.07

EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: January 21, 2025

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: James Colin, City Clerk

SUBJECT: City Council Meeting Minutes

Recommendation

Adopt the January 7, 2025, City Council Meeting Minutes.

Attachments

1. January 7, 2025, City Council Meeting Minutes.

EAST PALO ALTO CITY COUNCIL
REGULAR SESSION MINUTES

Tuesday, January 7, 2025, 6:30 PM
EPA Government Center
2415 University Avenue, First Floor
East Palo Alto, CA 94303

1. CALL TO ORDER AND ROLL CALL

The City Council meeting was called to order by Mayor Barragan at 6:31 PM.

Attendee Name	Title	Status	Arrived
Martha Barragan	Mayor	Present	
Mark Dinan	Vice Mayor	Present	
Carlos Romero	Councilmember	Present	
Ruben Abrica	Councilmember	Present	
Webster Lincoln	Councilmember	Present	

2. APPROVAL OF THE AGENDA

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

3. APPROVAL OF CONSENT CALENDAR

A motion to approve the consent calendar was made by Councilmember Romero, seconded by Vice Mayor Dinan, and passed unanimously.

3.1 Proclamation of the City of East Palo Alto Commemorating the Contributions of the Reverend Dr. Martin Luther King, Jr., in the Fight for Equality.

3.2 Proclamation Taking a Stand Against Human Trafficking in the Bay Area

4. CLOSED SESSION

5. PUBLIC COMMENT

The following speakers provided public comment:
- Horacio Barrera
- Gail Wilkerson-Dixon
- Gavi
- Marisela Ramos

6. INFORMATIONAL REPORTS

7. SPECIAL PRESENTATIONS

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

9. SANITARY DISTRICT MEETING

9.1 East Palo Alto Sanitary District (EPASD) Advisory Committee Scope and Regular Meeting Schedule

City Clerk, James Colin, presented the East Palo Alto Sanitary District (EPASD) Advisory Committee Scope and Regular Meeting Schedule.

The following speakers provided public comment:
- Adrienne Bryant
- Jeff Poetsch

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

9.2 East Palo Alto Sanitary District (EPASD) Advisory Committee Appointments

City Clerk, James Colin, presented the item and facilitated the appointments of the EPASD Advisory Committee.

After interviewing the applicants, the Council made the following appointments:

Name	Seat	Initial Term	Subsequent Term
Deborah Lewis-Virges	City of East Palo Alto Seat 2	2025-28	2028-2031
Mario H. Mendoza	City of East Palo Alto Seat 3	2025-28	2028-2031
Grace Popple	City of East Palo Alto Seat 4	2025-27	2027-2030
Stephanie R. Griffin	City of East Palo Alto Seat 5	2025-27	2027-2030
*TBD	City of East Palo Alto Alternate Seat	2025-28	2028-2031

*The alternate seat for the EPASD Advisory Committee remains open as a result of a last-minute withdrawal of the seat by one of the applicants. Staff, along with the Council, will determine who will be appointed to the position in the upcoming month.

10. ADJOURN EAST PALO ALTO SANITARY DISTRICT MEETING AND RECONVENE CITY COUNCIL REGULAR MEETING

11. PUBLIC HEARINGS

12. POLICY AND ACTION

12.1 Commission Appointments

City Clerk, James Colin, presented the item and facilitated the appointments of the Public Works and Transportation Commission.

Name	Seat	Term
Isabel Lopez Ysmael	Seat 1	5/31/2024-5/31/2027
Marianna Sumina	Seat 3	5/31/2024-5/31/2027
Tonga Victoria	Seat 5	5/31/2024-5/31/2027

12.2 Project WeHOPE's Proposed Use of 1798 Bay Road for Functional Zero Effort

Pastor Paul Baines, from Project WeHope presented on item 12.2

The following speakers provided public comment:

- Christopher Kao
- Marianna Sumina

12.3 Measure HH Pilot Workforce Development Program: Streetcode Academy Final Performance Report and Draft Evaluation Plan

Hanson Hom, Deputy Manager Special Projects, Olatunde Sobomehin, Juanita Croft from StreetCode Academy and Evan Gatozzi from Informing Change provided a presentation on item 12.3.

12.4 Ending Temporary Water Rate Reductions and Implementing July 1, 2023, Water Rate Schedule

Richard Perez, Utilities Manager, provided a presentation on item 12.4.

A motion to approve item 12.4 was made by Vice Mayor Dinan, seconded by Councilmember Romero and passed unanimously.

13. COUNCIL REPORTS

14. ADJOURNMENT

The meeting was adjourned at 11:47PM

EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: January 21, 2025

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: James Colin, City Clerk

SUBJECT: Mayoral Committee Appointments and Assignments

Recommendation

By motion, update or confirm existing appointments and assignment list to regional boards, committees, and commissions, and direct staff to file a revised appointments and assignments list with affected agencies.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Ensure Our Financial and Organizational Health

Background

Individual members of the City Council represent the City of East Palo Alto on various local and regional boards, committees, and commissions. The existing appointment and assignment list needs to be updated to reflect Council changes and filed with affected agencies for notification purposes. The existing appointment and assignment list is attached as Attachment 1.

Analysis

The process of appointing representatives to boards, committees, and commissions in the City involves collaboration between the Mayor, Vice Mayor, and the City Council. Traditionally, the Mayor and Vice Mayor play a pivotal role in selecting individuals to serve on these bodies, taking into consideration their expertise, qualifications, and commitment to community service.

Once these selections are made, the City Council then reviews and approves the appointments. Councilmembers can also decide to make changes to these appointments.

Fiscal Impact

There is no fiscal impact for this item.

Public Notice

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

Environmental

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

Government Code § 84308

Applicability of Levine Act: No.

Analysis of Levine Act Compliance: Not applicable.

Attachments

1. List of Proposed East Palo Alto Committee Assignments.

Regional Agencies	Council Representative	Council Alternate	Meeting Time	Location	Policy Area
City Council Committee Assignments					
Association of Bay Area Governments (ABAG) Meetings & Events | Association of Bay Area Governments (ca.gov)	Barragan	Romero	Times vary	375 Beale Street Suite 700 San Francisco	Housing
Bay Area Water Supply and Conservation Agency (BAWSCA) Meeting Agendas (bawsca.org)	Lincoln	Abrica	6:30 – 8:45 PM Every 3rd Thursday of the Month	Burlingame Community Center – Sequoia Room 850 Burlingame Ave. Burlingame	Water
City and County Association of Governments (CCAG) Board of Directors | C/CAG	Barragan	Dinan	6:30 – 9:00 PM Every 2nd Thursday of the Month	San Mateo County Transit District Office, 1250 San Carlos Ave, 2nd Fl. Auditorium, San Carlos, CA	Transportation, Stormwater Runoff, Hazardous Waste, Solid Waste and Recycling, Air Quality, Land Use Near Airports…
Commute.org (Peninsula CleanEnergy JPA) About - Commute	Romero	Dinan	Every Third Thursday of Every other month	Virtual	Transportation
Penisula Clean Energy JPA Board of Directors - Peninsula Clean Energy	Romero	Barragan	2075 Woodside Road Redwood City	Every fourth Thursday of every month (except September, November, and December) at 6:30 p.m.	
Recycled Water Advisory Committee Santa Clara Valley Water District - Board Meetings (legistar.com)	Lincoln	Romero	Times Vary 2nd & 4th Tuesday of the Month	Hybrid San Jose 5700 Almaden Exressway	
Re-Think Waste Meetings – RethinkWaste	Romero	Lincoln	3:30 PM Every 4th Thursday of the Month	Silicon Valley Clean Water Administrative Offices 2nd floor Pelican Conference Room 1400 Radio Road 2nd floor	
San Francisquito Creek JPA Santa Clara Valley Water District - Board Meetings (legistar.com)	Abrica	Dinan	Every 4th Thursday of the Month		
San Mateo County Libraries JPA JPA Governing Board | San Mateo County Libraries (smcl.org)	Dinan	Romero	Times and dates vary	125 Lessingia Court, San Mateo	
San Mateo County Office of Emergency Services Department of Emergency Management |	Barragan	Abrica	5:30 PM – 7:00 PM	Virtual	

San Mateo County Mosquito and Vector Control Board Meetings - San Mateo County Mosquito and Vector Control District (smcmvcd.org)Board Meetings - San Mateo County Mosquito and Vector Control District (smcmvcd.org)	Donna Rutherford (Representative not required to be on Council	N/A	Times and dates vary	1351 Rollins Road, Burlingame CA 94010	
SFO Airport/Community Roundtable Meetings – SFO Airport/Community Roundtable (sforoundtable.org)	Barragan	Lincoln	Times and dates vary	David J. Chetcuti Community Room 450 Poplar Ave | Millbrae, CA 94030	
Economic Development (ED) Strategic Plan City Council Ad Hoc Subcommittee	Dinan	Lincoln	**TBD**	**TBD**	

EAST PALO ALTO SANITARY DISTRICT BOARD STAFF REPORT

DATE: January 21, 2025

TO: Honorable Members of the City of East Palo Alto City Council, Governing Board to the East Palo Sanitary District, a Subsidiary of the City of East Palo Alto

VIA: Melvin E. Gaines, General Manager

BY: Tomohito Oku, District Treasurer

SUBJECT: Cash Disbursement Report

Recommendation

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

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

- Promote Health & Public Safety.
- Ensure Our Financial and Organizational Health

Background

On November 15, 2024, the San Mateo Local Area Formation Commission ("LAFCo") unanimously approved the City of East Palo Alto's application requesting that the East Palo Alto Sanitary District ("District") be made a subsidiary of the City of East Palo Alto.

On October 1, 2024, the reorganization of the East Palo Alto Sanitary District (EPASD) as a subsidiary of the City of East Palo Alto (City), and the City Council its governing board, became effective. Prior to and since that time, staff has worked diligently toward a peaceful and smooth transition. To that end, one aspect of that transition has required staff to review local rules and regulations of EPASD that may require amendment in light of the reorganization.

SANITARY DISRICT CONSENT ITEM 9.1

California Health and Safety Code (H&S) Section 6794 allows the Board to adopt a procedure that provides for checks or warrants to pay claims and demands without approval by the Board of Directors before payment if the District Treasurer determines that the demands are payable within the District's approved budget.

On December 3, 2024, the Board adopted an ordinance amending various provisions of the Sanitary District Code including Section 303 Appointed Positions, which authorizes District Treasurers to perform duties including the deposit and withdrawal of funds of the District, issuance of checks or warrants to pay claims and demands without approval by the Board before payment if the District Treasurer determines that the demands are payable within the District's approved budget.

Furthermore, H&S Section 6794 requires staff to present cash disbursements to the Board at the next regular board meeting and seek Board approval if demands exceed the District approved budget.

This staff report is informational and includes all cash disbursements from October 1, 2024, to December 31, 2024, approved by District Treasurer. As of December 31, 2024, the actual expenses did not exceed the District's approved budget.

Analysis

The following cash disbursements have been approved by District Treasurer pursuant to the District Code Section 303, and are hereby reported to the Board:

EPASD Cash Disbursement Reports
For Period Ending December 31, 2024

Name	Description	Check Amount	Check Number	Check Issue Date
CALIF PUBLIC EMPLOYEES'	EPASD CALPERS OCT 2024	$ 7,529.13	746	10/1/2024
CALIF PUBLIC EMPLOYEES'	EPASD CALPERS OCT 2024	$ 15,863.46	746	10/1/2024
SPEEDY PRINTING & MAILING	Postage requirement EDDM self mailer	$ 1,688.27	70743	10/18/2024
40 Hrs, Inc.	STAFF PAYMENT W/E 9/29/24	$ 8,619.60	70712	10/18/2024
40 Hrs, Inc.	STAFF PAYMENT W/E 10/6/24	$ 8,323.20	70712	10/18/2024
40 Hrs, Inc.	Staffing Services	$ 4,786.24	70719	10/18/2024
40 Hrs, Inc.	Staffing Services	$ 4,744.52	70719	10/18/2024
AT&T	PHONE LINE FOR EPASD	$ 584.22	70762	10/25/2024
AT&T	EPASD	$ 604.89	70770	10/25/2024
ENGINEERING DATA SOFTWARE	EPASD SEWER SERVICE CHARGES ON THE 24-25 SMC TAX ROLL	$ 5,961.30	70779	10/25/2024
JO ANN WRIGHT	Catering for 9/17/24	$ 550.00	70790	10/25/2024
PACIFIC GAS & ELECTRIC	Utilities	$ 328.52	70802	10/25/2024
RECOLOGY SAN MATEO COUNTY	EPASD	$ 707.04	70809	10/25/2024
RECOLOGY SAN MATEO COUNTY	EPASD MAILER	$ 493.25	70813	10/25/2024
RECOLOGY SAN MATEO COUNTY	Monthly car allowance Oct 2024	$ 400.00	70756	10/25/2024
RECOLOGY SAN MATEO COUNTY	ADP FOR EPASD EE	$ 9,120.98	743	10/31/2024
RECOLOGY SAN MATEO COUNTY	ADP FOR EPASD EE	$ 3,745.41	743	10/31/2024
RECOLOGY SAN MATEO COUNTY	ADP FOR EPASD ER	$ 186.57	743	10/31/2024
RECOLOGY SAN MATEO COUNTY	ADP FOR EPASD	$ 55.86	743	10/31/2024

COMCAST	Business servcies recurring charges	$ 808.05	70870	11/8/2024
Concentra Health Services Inc	DOT W/ HEP B VACC-1ST INJ, DOT PHYSICAL (NATAIEL)	$ 123.00	70872	11/8/2024
PITNEY BOWES INC	Reissue ck#16031 for inv#1025517699	$ 128.29	70890	11/8/2024
PITNEY BOWES INC	Purchase Power	$ 255.49	70891	11/8/2024
PITNEY BOWES INC	Purchase Power	$ 45.78	70891	11/8/2024
PITNEY BOWES INC	WATER BILLS PAYMENT FOR THREE ACCOUNTS 415720 386303 385576	$ 347.07	70910	11/8/2024
PITNEY BOWES INC	WATER BILLS	$ 645.56	70910	11/8/2024
PITNEY BOWES INC	STAFF PAYMENT W/E 10/13/24	$ 9,825.80	70852	11/8/2024
RFC Wireless, Inc.	Monthly repeater service	$ 132.00	70894	11/8/2024
Golden Touch Computer Consultants	Reissue chekc#16241 for inv#39	$ 5,200.00	70878	11/8/2024
Professional Communication Services	Answering servie fo r8/28/24	$ 385.03	70892	11/8/2024
Sierra West Consultants, Inc	Reissue check#16232 for inv#2024-135, 2024-136, 2023-140	$ 6,993.80	70898	11/8/2024
UniFirst Corporation	Maint Uniforms and Supplies	$ 308.32	70909	11/8/2024
UniFirst Corporation	Maint Uniforms and Supplies	$ 288.57	70909	11/8/2024
UniFirst Corporation	Maint Uniforms and Supplies	$ 288.57	70909	11/8/2024
Dennis Scherzer	Reimbersement for special board meeting on 9/30/24 for Taqueria La Cazuela	$ 175.16	70873	11/8/2024
ADP	Wages	$ 0.02	751	11/8/2024
AA LOCK & ALARM INC.	Service call to rekey lock	$ 218.02	70915	11/19/2024
AA LOCK & ALARM INC.	Service call to rekey of 11 exterior cylinders , 26 interior cylinders and new master	$ 4,055.30	70915	11/19/2024
AA LOCK & ALARM INC.	Service call to rekey 9 cyliners and provide 12 keys	$ 985.75	70915	11/19/2024
AA LOCK & ALARM INC.	Current PG&E delivery charges	$ 45.32	70945	11/19/2024
Everon LLC	Equipment lease	$ 1,072.62	70933	11/19/2024
Everon LLC	Equipment lease	$ 1,072.62	70933	11/19/2024
Everon LLC	STAFF PAYMENT W/E 10/27/24	$ 8,594.53	70914	11/19/2024
Everon LLC	Staffing Services WE 10/19/24	$ 5,120.00	70917	11/19/2024
Everon LLC	Maint Uniforms and Supplies	$ 288.57	70950	11/19/2024
Everon LLC	Maint Uniforms and Supplies	$ 288.57	70950	11/19/2024
Everon LLC	Janitorial Services for Oct 2024	$ 1,320.00	70939	11/19/2024
Everon LLC	Accounting, HR and Consulting Services for Oct 2024	$ 10,156.94	70941	11/19/2024
Everon LLC	PACIFIC GAS & ELECTRIC EPASD	$ 8,840.17	70996	11/22/2024
QUALITY PLUMBING	Plumbing repair at EPASD	$ 799.00	71000	11/22/2024
QUALITY PLUMBING	Current meter base fee for water servcies and capital improvement base fee	$ 645.56	71015	11/22/2024
QUALITY PLUMBING	Monthly repeater service	$ 132.00	71002	11/22/2024
QUALITY PLUMBING	Answering service for Sept to Oct	$ 197.06	70999	11/22/2024
Michael Woo	Forensic Accounting Services for EPASD	$ 5,775.00	70990	11/22/2024
California Special Districts Associaton	Annual membership dues for 2025	$ 1,809.00	70965	11/22/2024
JS Transcription Services	Transcription services for special board meetings	$ 600.00	70985	11/22/2024
Nigel Spears	REISSUE EPASD CK#16206 RDI FEE	$ 210.00	70995	11/22/2024
Nigel Spears	Nov 2024 charges	$ 615.40	71025	11/26/2024
Nigel Spears	STAFF PAYMENT W/E 11/03/24	$ 8,904.06	71018	11/26/2024
Nigel Spears	Staffing Services	$ 5,719.04	71021	11/26/2024
Calvin Lin	Permit refund fees	$ 700.00	71023	11/26/2024
Calvin Lin	FEE	$ 49.85	747	11/29/2024
Calvin Lin	TAX	$ 186.56	747	11/29/2024
Calvin Lin	TAX	$ 3,745.41	747	11/29/2024
Calvin Lin	FEE	$ 49.85	747	11/29/2024
Calvin Lin	TAX	$ 186.56	747	11/29/2024
Calvin Lin	TAX	$ 3,745.41	747	11/29/2024
Calvin Lin	Wages	$ 9,120.98	747	11/29/2024
Calvin Lin	Wages	$ 9,120.98	747	11/29/2024
Calvin Lin	PHONE CHARGES	$ 591.82	71049	12/6/2024
Calvin Lin	STAFF PAYMENT W/E 11/10/24	$ 7,869.99	71042	12/6/2024
Calvin Lin	Staffing Services	$ 4,765.38	71047	12/6/2024
Akintunde A Okupe	Monthly car allowance NOV 2024	$ 400.00	71044	12/6/2024
Akintunde A Okupe	Maint Uniforms and Supplies	$ 292.20	71087	12/6/2024
Akintunde A Okupe	Maint Uniforms and Supplies	$ 288.57	71087	12/6/2024

SANITARY DISRICT CONSENT ITEM 9.1

Jeanpierre Wegem Alabi And CO LLP	Accounting, HR and Consulting Services for Nov 2024	$ 10,156.94	71066	12/6/2024
Dooley Insurance Services	Life & Dental Insurance for Oct and Nov 2024	$ 739.74	71060	12/6/2024
Dooley Insurance Services	Life & Dental Insurance for Dec 2024	$ 369.37	71060	12/6/2024
U.S. BANK CORPORATE PAYMENT SYSTEM	office supplies EPASD	$ 352.82	71094	12/10/2024
U.S. BANK CORPORATE PAYMENT SYSTEM	Fraud Audit for East Palo Alto Sanitary District (11/19/2024 - 12/4/2024)	$ 2,887.50	71093	12/10/2024
David Farnsworth, CPA	Audit for Sanitary District	$ 11,300.00	71092	12/10/2024
David Farnsworth, CPA	EPASD	$ 410.13	71112	12/13/2024
David Farnsworth, CPA	PACIFIC GAS & ELECTRIC	$ 74.37	71138	12/13/2024
David Farnsworth, CPA	PACIFIC GAS & ELECTRIC	$ 169.22	71138	12/13/2024
David Farnsworth, CPA	Machine Postage - Refill and Equipment	$ 214.18	71139	12/13/2024
David Farnsworth, CPA	STAFF PAYMENT W/E 11/17/24	$ 8,767.05	71095	12/13/2024
David Farnsworth, CPA	STAFF PAYMENT W/E 11/24/24	$ 7,949.13	71095	12/13/2024
AppleOne, Inc	Staffing Services	$ 3,451.20	71100	12/13/2024
AppleOne, Inc	Staffing Services	$ 4,096.00	71100	12/13/2024
AppleOne, Inc	Staffing Services	$ 5,108.18	71100	12/13/2024
AppleOne, Inc	Staffing Services	$ 4,747.15	71100	12/13/2024
AppleOne, Inc	Staffing Services	$ 5,089.66	71100	12/13/2024
AppleOne, Inc	Answering service for OCT 23 TO NOV 8	$ 133.34	71141	12/13/2024
AppleOne, Inc	Maint Uniforms and Supplies	$ 288.57	71151	12/13/2024
AppleOne, Inc	Maint Uniforms and Supplies	$ 286.41	71151	12/13/2024
Marquee Pest Management, Inc.	R&M Ants/Roach / GP on 9/27/24	$ 77.00	71134	12/13/2024
Marquee Pest Management, Inc.	R&M Ants/Roach / GP on 11/15/24	$ 77.00	71134	12/13/2024
Degree HVAC, Inc	Quarterly Maintenance on 11/19	$ 250.00	71118	12/13/2024
Degree HVAC, Inc	EPASD PHONE LINE	$ 591.93	71164	12/20/2024
BACKFLOW PREVENTION SPECI	Backflow inspection AT epasd	$ 199.00	71165	12/20/2024
BACKFLOW PREVENTION SPECI	EPASD	$ 416.28	71169	12/20/2024
BACKFLOW PREVENTION SPECI	LEASE SETTLEMENT BREAKING LEASE#0041432868 QUOTE#4060052	$ 4,695.87	71194	12/20/2024
RECOLOGY PENINSULA SERVIC	Water charges	$ 1,414.08	71196	12/20/2024
RECOLOGY PENINSULA SERVIC	EPASD MAILER	$ 714.95	71202	12/20/2024
VEOLIA WATER NORTH AMERIC	EPASD WATER BILLS	$ 186.29	71209	12/20/2024
VEOLIA WATER NORTH AMERIC	EPASD WATER BILLS	$ 451.85	71209	12/20/2024
VEOLIA WATER NORTH AMERIC	EPASD WATER BILLS	$ 26.00	71209	12/20/2024
VEOLIA WATER NORTH AMERIC	EPASD WATER BILLS	$ 645.65	71209	12/20/2024
VEOLIA WATER NORTH AMERIC	Equipment lease	$ 1,072.62	71179	12/20/2024
VEOLIA WATER NORTH AMERIC	Staffing Services	$ 5,082.31	71163	12/20/2024
VEOLIA WATER NORTH AMERIC	Monthly repeater service	$ 132.00	71198	12/20/2024
VEOLIA WATER NORTH AMERIC	uniforms and supplies	$ 287.88	71207	12/20/2024
Green Source Janitorial	DECEMBER MONTHLY JANITORIAL SERVICES	$ 1,888.57	71183	12/20/2024
Burk, Williams & Sorensen, LLP	PROFESSIONAL SERVICES	$ 7,770.75	71167	12/20/2024
Burk, Williams & Sorensen, LLP	INSTALLATION OF 5 NEW EBS STATIONS	$ 250.00	71187	12/20/2024
Burk, Williams & Sorensen, LLP	Life & Dental Insurance for Jan 2025	$ 369.37	71176	12/20/2024
Burk, Williams & Sorensen, LLP	Services for electric bill	$ 298.49	71229	12/27/2024
Burk, Williams & Sorensen, LLP	Services for electric bill	$ 289.55	71229	12/27/2024
STATE WATER RESOURCES CON	Annual permit fee 7/1/24-6/30/25 for EPASD	$ 3,945.00	71236	12/27/2024
STATE WATER RESOURCES CON	STAFF PAYMENT W/E 10/20/24	$ 8,648.95	71213	12/27/2024
STATE WATER RESOURCES CON	STAFF PAYMENT W/E 12/1/24	$ 6,724.89	71213	12/27/2024
STATE WATER RESOURCES CON	STAFF PAYMENT W/E 12/8/24	$ 5,491.31	71213	12/27/2024
STATE WATER RESOURCES CON	STAFF PAYMENT W/E 12/15/24	$ 5,858.67	71213	12/27/2024
STATE WATER RESOURCES CON	Staffing Services	$ 3,920.24	71217	12/27/2024
STATE WATER RESOURCES CON	Staffing Services	$ 4,970.51	71217	12/27/2024
STATE WATER RESOURCES CON	Staffing Services	$ 3,423.39	71217	12/27/2024
STATE WATER RESOURCES CON	IT SUPPORT	$ 5,200.00	71224	12/27/2024
STATE WATER RESOURCES CON	IT SUPPORT	$ 5,200.00	71224	12/27/2024
STATE WATER RESOURCES CON	IT SUPPORT	$ 5,200.00	71224	12/27/2024
STATE WATER RESOURCES CON	uniforms and supplies	$ 892.75	71243	12/27/2024
STATE WATER RESOURCES CON	uniforms and supplies	$ 233.97	71243	12/27/2024
STATE WATER RESOURCES CON	5 Visits for Rat Interior	$ 425.00	71227	12/27/2024
	Total	**$ 362,734.14**		

Fiscal Impact

There are no budget impacts by this action as the year-to-date cash disbursements did not exceed the District approved budget.

Public Notice

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

Environmental

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

Government Code § 84308

Applicability of Levine Act: No, as no contract or permit is involved.

Analysis of Levine Act Compliance: Not applicable.

Attachments: None

EAST PALO ALTO SANITARY DISTRICT BOARD STAFF REPORT

DATE: January 21, 2024

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, General Manager/City Manager

BY: James Colin, City Clerk/Board Secretary

SUBJECT: Clarification on EPASD Advisory Committee Meeting Schedule

Recommendation

Approve the updated meeting schedule for the East Palo Alto Sanitary District (EPASD) Advisory Committee to avoid conflicts with other committee meetings. The Advisory Committee will now meet on the **fourth Wednesday of every even month** at 6:30 PM instead of the previously proposed first Wednesday of every even month.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority No. 3: Increase Organizational Effectiveness and Efficiency
Priority No. 4: Improve Public Facilities and Infrastructure
Priority No. 5: Improve Communication and Enhance Community Engagement

Background

During the January 7, 2025, City Council meeting, the proposed meeting schedule for the EPASD Advisory Committee was outlined as bi-monthly on the first Wednesday of even months. However, it has since been identified that this schedule conflicts with another committee meeting held at the same time. To ensure effective participation and avoid scheduling conflicts, staff has reviewed alternative options.

Analysis

To address this conflict, staff proposes that the EPASD Advisory Committee adjust its meeting schedule to the **fourth Wednesday of every even month** at 6:30 PM. Additionally, the committee will have the ability to schedule special meetings as needed to address time-sensitive or urgent matters that may arise.

In alignment with our protocol, the committee will also take a recess in August. This adjustment aligns with standard practices for committee operations and provides a consistent framework for scheduling.

The meeting schedule adjustment does not affect the scope, composition, or objectives of the EPASD Advisory Committee as previously approved by the City Council. Staff recommends that the City Council approve this updated schedule.

Fiscal Impact
There is no fiscal impact associated with this change.

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

Government Code § 84308

Applicability of Levine Act: No, as the proposed action does not involve an entitlement.
Analysis of Levine Act Compliance: Not applicable.
Attachments:

1. Updated Resolution

RESOLUTION NO. XX– 2025

A RESOLUTION OF THE EAST PALO ALTO SANITARY DISTRICT

APPROVING THE SCOPE AND REGULAR MEETING SCHEDULE FOR THE EAST PALO ALTO SANITARY DISTRICT (EPASD) ADVISORY COMMITTEE

WHEREAS, on November 10, 2022, the City of East Palo Alto submitted a proposal application to the San Mateo Local Area Formation Commission (LAFCo) to establish the East Palo Alto Sanitary District (EPASD) as a subsidiary of the City; and

WHEREAS, on November 15, 2023, LAFCo unanimously approved the City's application, as documented in LAFCo Resolution 1312, which established terms and conditions including the creation of an advisory committee for the subsidiary district; and

WHEREAS, Condition 6 of LAFCo Resolution 1312 requires the City to submit a plan for the advisory committee, ensuring collaboration with the City of Menlo Park and including at least one seat for a resident of the Menlo Park portion of the EPASD service area; and

WHEREAS, on July 16, 2024, the City Council approved a preliminary plan for the EPASD Advisory Committee, directing staff to finalize the committee structure upon the issuance of LAFCo's certificate of completion, which was recorded on September 17, 2024; and

WHEREAS, on October 1, 2024 the East Palo Alto Sanitary District became a subsidiary of the City of East Palo Alto; and

WHEREAS, on October 1, 2024 the East Palo City Council became the East Palo Alto Sanitary District Governing Board; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of East Palo Alto hereby:

1. Approves the following scope and objectives of the EPASD Advisory Committee:
   - Administrative and financial matters.
   - Annual budgets and capital improvement planning.
   - Service rates

2. Approves the following committee composition, appointment procedures, and staggered term structure:
   - Five members, plus one alternate, all residing within EPASD boundaries and aged 18 or older.
   - Menlo Park City Council will appoint one member for a reserved seat, with flexibility to appoint a non-resident if no suitable resident is available.
   - East Palo Alto City Council will appoint four members and an alternate.
   - Members will serve staggered three-year terms, with the inaugural Committee having two members who serve two-year terms.

Appointing Body	Initial Term	Subsequent Term
City of Menlo Park 1	2025-28	2028-2031
City of East Palo Alto 2	2025-28	2028-2031
City of East Palo Alto 3	2025-28	2028-2031
City of East Palo Alto 4	2025-27	2027-2030
City of East Palo Alto 5	2025-27	2027-2030
City of East Palo Alto Alternate	2025-28	2028-2031

Table 1: Example of Terms

3. Approves the regular meeting schedule, with bi-monthly meetings on the fourth Wednesday of even-numbered months at 6:30 P.M., with the understanding that additional meetings may be scheduled as necessary.

4. Authorizes the General Manager or designee to take all necessary actions to implement this resolution, including collaboration with the City of Menlo Park and coordination of recruitment efforts.

PASSED AND ADOPTED this 21st day of January 2025**,** by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Mark Dinan, Board President

ATTEST:

James Colin, Secretary

APPROVED AS TO FORM:

John D. Lê, District Counsel

EAST PALO ALTO SANITARY DISTRICT BOARD STAFF REPORT

DATE: January 21, 2024

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, General Manager/City Manager

BY: James Colin, City Clerk/Board Secretary

SUBJECT: Appointment of EPASD Advisory Committee Alternate Seat

Recommendation

Appoint Larry Moody to the alternate position for the East Palo Alto Sanitary District (EPASD) Advisory Committee for the term 2025-2028, with a subsequent term of 2028-2031.

Background

At the January 7, 2025, City Council meeting, the Council made the following appointments to the East Palo Alto Sanitary District Advisory Committee:

Name	Seat	Initial Term	Subsequent Term
Deborah Lewis-Virges	City of East Palo Alto Seat 2	2025-2028	2028-2031
Mario H. Mendoza	City of East Palo Alto Seat 3	2025-2028	2028-2031
Grace Popple	City of East Palo Alto Seat 4	2025-2027	2027-2030
Stephanie R. Griffin	City of East Palo Alto Seat 5	2025-2027	2027-2030
	City of East Palo Alto Alternate	2025-2028	2028-2031

At the meeting the Council voted to fill the alternate seat. The vote resulted in a tie between Larry Moody and Tonga Victoria. After further discussion, Tonga Victoria was ultimately elected to the alternate position. However, Ms. Victoria resigned at the conclusion of the meeting, as

she had also applied for another board position and chose to accept that role instead.

Analysis

Larry Moody's demonstrated interest and qualifications make him a strong candidate for this position. His appointment aligns with the Council's prior deliberations and voting results, and it allows the City to fill the vacancy promptly without additional delays.

Given these circumstances, President and President Pro Tem recommend appointing Larry Moody to the alternate position, as he was the top vote-getter behind Tonga Victoria.

Fiscal Impact
There is no fiscal impact associated with this change.

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

Government Code § 84308

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

EAST PALO ALTO SANITARY DISTRICT BOARD STAFF REPORT

DATE: January 21, 2025

TO: Honorable Members of the City of East Palo Alto City Council, Governing Board to the East Palo Sanitary District, a Subsidiary of the City of East Palo Alto

VIA: Melvin E. Gaines, General Manager

BY: Shiri Klima, Assistant General Manager

SUBJECT: Adopting a Resolution regarding EPASD Board Member Compensation

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Recommendation

1. Take one of the following actions:

    a. Adopt a resolution setting Board member compensation in amount not exceed $100 per day and adopt an ordinance repealing Ordinance No. 48; or

    b. Adopt a resolution directing staff to notice a public hearing to determine board member compensation exceeding $100 (up to $150) per day; and

2. Find that the action is exempt from the California Environmental Quality Act (CEQA) because it is not a “project” pursuant to 15378(b)(4) and (b)(5). Adopting Board member compensation is a fiscal activity that does not involve any commitment to any specific project which may result in a potentially significant impact on the environment. Repealing a prior compensation ordinance is an organizational or administrative activity of government that will not result in direct or indirect physical changes in the environment.

SANITARY DISTRICT POLICY AND ACTION ITEM 10.1

Background

On November 15, 2023, the San Mateo Local Agency Formation Commission ("LAFCo") unanimously approved the City of East Palo Alto's application requesting that the East Palo Alto Sanitary District ("EPASD") be made a subsidiary of the City of East Palo Alto ("City"). On October 1, 2024, the reorganization of the EPASD as a subsidiary of the City became effective, with the City Council as its governing board.

In this agenda report, staff recommends that the Council, in its capacity as the governing board of the EPASD, adopt a resolution determining its own compensation as the EPASD Board, over and above its compensation as the City Council.

Analysis

State law sets compensation for the District's Board. California Health and Safety Code section 6489(a) and (b) sets Board compensation at $100, unless the Board acts by ordinance to set it above that limit:

> "(a) Subject to subdivision (b), each of the members of the board shall receive compensation in an amount not to exceed one hundred dollars ($100) per day for each day's attendance at meetings of the board . . . , not exceeding a total of six days in any calendar month, together with any expenses incident thereto.
>
> (b) The district board, by ordinance adopted pursuant to Chapter 2 (commencing with Section 20200) of Division 10 of the Water Code, may increase the compensation received by board members above the amount of one hundred dollars ($100) per day."

Significantly, an ordinance setting compensation above $100 must be published pursuant to Water Code Section 20203, which requires a public hearing noticed twice in a newspaper of general circulation over a two-week period.

In 2001 the board adopted Ordinance No. 48 (attached), which sets the boards current compensation. It states that EPASD Board Members shall receive $207.00 for each day's meetings. Commencing in 2003, and each year thereafter, director compensation is eligible to increase by five percent (5%) per year. According to EPASD staff, the Board did not implement that five percent (5%) increase every year. Most recently, in meeting minutes from March 2, 2023, staff noted that Board members were compensated $307.93 per board meeting and $150 per committee meeting.. Regardless, the current EPASD Board must determine its own compensation. This compensation would be paid completely out of the EPASD's funds.

Accordingly, the board has two choices. First, it can adopt a resolution setting compensation in an amount not to exceed $100 per day for each day's attendance at meetings of the Board, not exceeding a total of six days in any calendar month, together with any expenses incident thereto.

This resolution is listed as option 1, and then second correlating ordinance in option 1 repeal the Ordinance No. 48. Second if the Board elects to increase the compensation above $100 per day, it must hold a noticed public hearing and do so by ordinance. The resolution in option 2 directs staff to prepare for this public hearing as required by law.

It is worth noting that the EPASD Board is currently also the City Council, and as the City Council, the members are paid according to EPA Municipal Code section 2.08.150(A), which states in relevant part: “Pursuant to the provisions of Section 36516(a)(1) of the California Government Code, each Councilmember shall receive as salary the sum of nine hundred fifty dollars ($950.00) per month.” This amount is paid completely from the City’s General Fund. So, the relevant question is how much over that $950.00 per month should the Council-members each receive due to their additional responsibilities of being on the EPASD Board.

Also, Government Code section 36516(c) permits additional Council compensation when serving on a “commission, committee, board, authority, or similar body,” if specifically authorized by another statute, and only up to the maximum set forth therein; if the other statute authorizes additional compensation but does not specify a maximum, then maximum additional compensation is $150.00 per month for each commission, committee, board, authority, or similar body. California Health and Safety Code Section 6489 is a statute that authorizes additional compensation but does not specify a maximum, so the Council may authorize up to $150.00 per month for the Councilmembers’ participation on the EPASD Board.

Fiscal Impact

The impact on EPASD’s funds depends on the amount the EPASD Board determines it should pay its members for serving on the Board, exclusive of the amount Councilmembers already make due to those responsibilities. The FY 2024-25 EPASD Budget includes $69,500 for Board compensation.

Public Notice

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

Environmental

The proposed action is exempt from the California Environmental Quality Act (CEQA) because it is not a “project” pursuant to 15378(b)(4) and (b)(5). Adopting Board member compensation is a fiscal activity that does not involve any commitment to any specific project which may result in a potentially significant impact on the environment. Repealing a prior compensation ordinance is an organizational or administrative activity of government that will not result in direct or indirect physical changes in the environment.

SANITARY DISTRICT POLICY AND ACTION ITEM 10.1

Government Code § 84308

Applicability of Levine Act: No, as no contract or permit is involved.

Analysis of Levine Act Compliance: Not applicable.

Attachments

1. Option 1: Resolution Determining Board Member Compensation, which Amount Does Not Exceed $100 per Day

2. Option 1: Ordinance repealing EPASD Ordinance No. 38

3. Option 2: Resolution Directing Staff to Notice a Public Hearing to Determine Board Member Compensation Exceeding $100 per Day

4. Ordinance No. 48

Option 1 (for compensation that does not to exceed $100 per meeting):

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST PALO ALTO SANITARY DISTRICT (EPASD) DETERMINING BOARD MEMBER COMPENSATION, WHICH AMOUNT DOES NOT EXCEED $100 PER DAY

WHEREAS, on November 23, 2023, the San Mateo Local Agency Formation Commission (LAFCo) approved, and on September 16, 2024, LAFCo finalized the action to establish the East Palo Alto Sanitary District (EPASD) as a subsidiary district of the City of East Palo Alto (City); and

WHEREAS, pursuant to the LAFCo's Certificate of Completion designates the City Council of the City as the Board of Directors of the EPASD; and

WHEREAS, accordingly, the action to establish EPASD as a subsidiary district of the City became effective October 1, 2024; and

WHEREAS, California Health and Safety Code section 6489(a) states in relevant part that Board members must receive compensation in the amount not to exceed $100 per meetings, not exceeding a total of six meeting per calendar month, together with any expenses incident thereto, and the Board wishes to adopt such compensation.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE EAST PALO ALTO SANITARY DISTRICT, as follows:

1. The recitals set forth in this resolution are incorporated as findings and determinations by the Board of Directors.

2. Pursuant to California Health and Safety Code section 6489(a), EPASD Board members shall receive compensation in the amount of $_____, which amount does not to exceed $100 per meeting. Board members shall receive this amount for each day's attendance at meetings of the Board, not exceeding a total of six meetings in any calendar month, together with any expenses incident thereto.

3. This Resolution shall take effect upon the effective date that Ordinance No. 48 is repealed.

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

PASSED AND ADOPTED this 21st day of January, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

SIGNED:

_____
Mark Dinan, Board President

ATTEST:

_____
James Colin, District Secretary

APPROVED AS TO FORM:

_____
John D. Lê, District Counsel

Option 1 (for compensation that does not exceed $100 per meeting):

ORDINANCE NO. ___

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE EAST PALO ALTO SANITARY DISTRICT (EPASD) REPEALING EPASD ORDINANCE NO. 48.

WHEREAS, on November 23, 2023, the San Mateo Local Agency Formation Commission (LAFCo) approved, and on September 16, 2024, LAFCo finalized the action to establish the East Palo Alto Sanitary District (EPASD) as a subsidiary district of the City of East Palo Alto (City); and

WHEREAS, pursuant to the LAFCo's Certificate of Completion designates the City Council of the City as the Board of Directors of the EPASD; and

WHEREAS, accordingly, the action to establish EPASD as a subsidiary district of the City became effective October 1, 2024; and

WHEREAS, California Health and Safety Code section 6489(a) states in relevant part that Board members must receive compensation in the amount not to exceed $100 per meeting, not exceeding a total of six meetings in any calendar month, together with any expenses incident thereto, and the Board is adopting a resolution that authorizes compensation in an amount not to exceed $100 per meeting; and

WHEREAS, the prior EPASD Board adopted Ordinance No. 48 in 2001, determining its compensation, and that ordinance now needs to be repealed.

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

SECTION 1. FINDINGS. The Board hereby finds the foregoing recitals true and correct and incorporated by reference into this action.

SECTION 2. REPEAL OF PRIOR ORDINANCE. Any prior ordinances, resolutions, or regulations (including but not limited to EPASD Ordinance 48) relating to the same subject matter or otherwise in conflict with this Ordinance are hereby repealed in their entirety.

SECTION 3. CEQA FINDINGS. The City Council finds that this action is exempt from the California Environmental Quality Act (CEQA) because it is not a "project" pursuant to 15378(b)(5). Repealing a prior compensation ordinance is an organizational or administrative activity of government that will not result in direct or indirect physical changes in the environment.

The foregoing Ordinance was adopted at a regular meeting of the EPASD Board held on the January 21, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Mark Dinan, Board President

ATTEST:

James Colin, District Secretary

APPROVED AS TO FORM:

John D. Lê, District Counsel

Option 2 (for compensation exceeding $100 per meeting):

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST PALO ALTO SANITARY DISTRICT (EPASD), DIRECTING STAFF TO NOTICE A PUBLIC HEARING TO DETERMINE BOARD MEMBER COMPENSATION EXCEEDING $100 PER DAY

WHEREAS, on November 23, 2023, the San Mateo Local Agency Formation Commission (LAFCo) approved, and on September 16, 2024, LAFCo finalized the action to establish the East Palo Alto Sanitary District (EPASD) as a subsidiary district of the City of East Palo Alto (City); and

WHEREAS, pursuant to the LAFCo's Certificate of Completion designates the City Council of the City as the Board of Directors of the EPASD; and

WHEREAS, accordingly, the action to establish EPASD as a subsidiary district of the City became effective October 1, 2024; and

WHEREAS, California Health and Safety Code section 6489(a) states in relevant part that Board members must receive compensation in the amount not to exceed $100 per day for each day's attendance at meetings of the Board, not exceeding a total of six days in any calendar month, together with any expenses incident thereto; and

WHEREAS, Health and Safety Code section 6489(b) allows the District Board to increase the compensation received by Board members above $100 per day if the Board passes an ordinance to this effect.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE EAST PALO ALTO SANITARY DISTRICT, as follows:

1. The recitals set forth in this resolution are incorporated as findings and determinations by the Board of Directors.

2. Pursuant to California Health and Safety Code section 6489(b), the Board intends to hold a noticed public hearing to determine if Board members shall receive compensation of $_____, which exceeding $100 per day. Staff is directed to publish such notice, agendize the public hearing, and prepare such ordinance.

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

PASSED AND ADOPTED this 21st day of January, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

SIGNED:

_____
Mark Dinan, Board President

ATTEST:

_____
James Colin, District Secretary

APPROVED AS TO FORM:

_____
John D. Lê, District Counsel

ORDINANCE NO. 48

DIRECTOR COMPENSATION

EAST PALO ALTO SANITARY DISTRICT

ORDINANCE NO. 48

DIRECTOR COMPENSATION
Effective October 1, 2001

I. Directors of EAST PALO ALTO SANITRAY DISTRICT shall receive a stipend in the amount of $207.00 for each day's service to EAST PALO ALTO SANITARY DISTRICT as authorized by Health and Safety Sec. 4733 and Sec. 6489 as recently revised by Senate Bill 1559-Kelley. The compensation will be paid for no more than six (6) days of service per calendar month.

II. On January 1 of each year, commencing with January 1, 2003, and each year thereafter, director compensation shall increase by 5% per year. In no event shall director compensation exceed the maximum permitted by California Health & Safety Codes 4733 and 6489 as such sections may be revised in the future.

III. The Board of Directors of EAST PALO ALTO SANITARY shall have the option of reviewing compensation of directors on an annual basis before the effective date of any increase set forth in Section II, above.

IV. The compensation of directors set forth above will be in addition to any benefits currently provided to directors or to be authorized and approved for sanitary district directors in the future.

Adopted by the following vote on July 19, 2001:

AYES: Davis, Rosales & Sims
NOES:
ABSTAINED: Rasheed
ABSENT: Argus

Peggy Argus

PEGGY ARGUS, President
BOARD OF DIRECTORS
EAST PALO ALTO SANITARY DISTRICT

Attested by:

Belinda Rosales

BELINDA ROSALES
Secretary of the
BOARD OF DIRECTORS
EAST PALO ALTO SANITARY DISTRICT

POLICY AND ACTION ITEM 13.1

EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: January 21, 2025

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Tomohito Oku, Finance Director

SUBJECT: Accept Annual Financial Reports for Fiscal Year 2023-24

Recommendation

Adopt a resolution accepting and directing staff to file with the State Controller's Office the Annual Financial Reports for Fiscal Year 2023-24, including:

1. Annual Comprehensive Financial Report (ACFR),
2. Single Audit Report,
3. Measure A Fund Report,
4. Measure C Fund Report,
5. Measure HH Fund Report,
6. Measure W Fund Report, and
7. Report on Agreed-Upon Procedures Applied to Appropriations Limit Schedule (Fiscal Year 2024-25).

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Ensure Our Financial and Organizational Health

Background

State law requires that every general law municipality issue annual financial reports prepared in accordance with generally accepted accounting principles (GAAP), so that the financial position and results of operations of each government entity is publicly available to residents, legislators, financial institutions, and other interested parties.

POLICY AND ACTION ITEM 13.1

On February 22, 2023, the City initiated a competitive request for proposal (RFP) to solicit bids/proposals for a new contract for audit services with a contract term of three years and an option to extend for two additional years. The City entered into an agreement with Eide Bailly LLP to provide annual auditing services through the fiscal year ending 2025 with an option to extend for additional two years.

Analysis

Eide Bailly LLP, Certified Public Accountants, have completed the annual audit and issued the City's annual financial statements and other required special reports. An auditor representative will be presenting an overview of the audit results and will be available to answer any additional questions regarding the reports. The City received an "unmodified" audit opinion which means the independent auditor reviewed the financial records and found that they were presented fairly and accurately, according to the Generally Accepted Accounting Principles (GAAP) on the Annual Comprehensive Financial Report for the Fiscal Year ended June 30, 2024. In addition, the special financial reports issued by the City (e.g., Measure A, Single Audit, Measure C, Measure HH, Measure W, and Appropriations Limit) met applicable standards and no material exceptions were identified by the auditors.

Fiscal year 2022-23 marks the fifteenth year the City has produced an Annual Comprehensive Financial Report (ACFR). The City has been awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association (GFOA) in each of the preceding years and submitted the Fiscal Year 2023-24 ACFR to the award program. To receive the award, the ACFR must be presented in accordance with Generally Accepted Accounting Principles (GAAP) and meet a higher set of reporting and disclosure standards determined by the GFOA.

Below is a summary description of each report published:

1. **Annual Comprehensive Financial Report (ACFR):**
   The ACFR includes three basic sections, as follows:

   Introductory Section
   Introduces the City's organization structure and formally transmits and presents the ACFR to the City Council and citizens. The transmittal letter provides information and insights related to the City reporting entity, economic condition and fiscal outlook, and the long-term financial planning process.

   Financial Section
   The financial section contains the auditors "unmodified" (clean) audit opinion for Fiscal Year 2023-24, Management's Discussion and Analysis (MD&A), and a complete set of the basic financial statements. In addition, the financial section also includes:
   - Notes to the financial statements;
   - Required Supplementary Information; and
   - Supplementary Information.

Management's Discussion and Analysis (MD&A) provides a high level, summary discussion of major operating activity for both the Government-Wide Financial Statements (prepared on an accrual basis of accounting), the Governmental Fund Financial Statements (prepared on a modified accrual basis which is typically the basis for Council's adoption of the annual budget), and the Proprietary and Fiduciary Fund Financial Statements (prepared on the accrual basis of accounting).

Information regarding the City's CalPERS pension plans and funding status is disclosed in Note 9 to the financial statements as well as in the required supplementary information.

Statistical Section

This section includes 17 additional information reports, many of which present ten years of historical data. This information helps the reader understand the financial statements in a broader context with the use of historical statistical information.

A summary of the net change in fund balance and position reported in the FY 2023-24 ACFR is as follows:

	General Fund	CIP Fund	Restricted Funds
Net change in fund balance	$ 5,630,918	$ 1,465,853	$ 9,188,838
Beginning fund balance	53,786,680	18,577,832	50,505,947
Ending fund balance	$ 59,417,598	$ 20,043,685	$ 59,694,785

	Government-wide		
	Business-type		Governmental
	Water	Garbage	Total
Net change in net position	$ 3,428,338	$ 110,075	$ 16,936,766
Beginning net position	22,972,746	1,501,508	194,849,854
Ending net position	$26,401,084	$1,611,583	$ 211,786,620

As mentioned above, high level discussion and analyses of the basic financial statements are available in the MD&A section (page 5) of the ACFR (attachment 2).

2. Measure A Fund Report

This financial statement reports the auditor's examination of management's assertion of compliance with the terms of use of the City's share of Measure A Funds administered by San Mateo County Transportation Authority. Measure A is a half-cent sales tax dedicated towards transportation facilities, services, and programs. It was opined that the City complied with the terms.

3. Single Audit Report

This financial statement reports the audit results on mandated testing of the City's federal grant expenditures in compliance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). An unmodified auditor's report was issued for the single audit report.

4. **Measure C Fund Report**
   This report is a separately issued financial statement of the City's Measure C Special Revenue Fund, as required by the November 2006 local voter-approved Measure C parcel tax. An unmodified auditor's report was issued for the Measure C report. Measure C funds have been completed exhausted at the end of the fiscal year and, therefore, no audit will be conducted in the next fiscal year and going forward.

5. **Measure HH Fund Report**
   This financial statement reports the audit results on the City's Measure HH Special Revenue Fund, as required by the November 2018 local voter-approved Measure HH parcel tax. An unmodified auditor's report was issued for the Measure HH report.

6. **Measure W Fund Report**
   This financial statement reports the auditor's examination of management's assertion of compliance with the terms of use of the City's share of Measure W revenues administered by San Mateo County Transportation Authority. Measure W is a half-cent sales tax to support countywide transportation projects and programs. It was opined that the City complied with the terms.

7. **Report on Agreed-upon Procedures Applied to Appropriations Limit Schedule**
   This report presents findings of the agreed upon procedures to assist the City in meeting requirements of Section 1.5 of Article XIIIB of the California Constitution, also known as the Gann Appropriations Limit for FY 2024-25. No exceptions were noted as a result of the auditor's procedures including examination of City's calculation necessary to establish the City's appropriations limit and compared the 2024-25 limit and annual adjustment factors. The detail procedures are described in the report (Attachment 8).

On another note, East Palo Alto Sanitary District (EPASD) financial records were not included in the audit scope as EPASD was incorporated as a subsidiary district after the fiscal year audited. EPASD audit is currently in progress and its result will be presented in a future Council/Board meeting. Additionally, EPASD fund will be reported and audited with the rest of the City's fund as a blended component unit starting from the next fiscal year (FY2024-25).

Fiscal Impact

There is no fiscal impact for this item.

Public Notice

POLICY AND ACTION ITEM 13.1

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

Environmental

The proposed action does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(4) in that it is related to government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

Government Code § 84308

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

Analysis of Levine Act Compliance: Not applicable.

Attachment:

1. Resolution.
2. Annual Comprehensive Financial Report (ACFR)
3. Single Audit Report
4. Measure A Report
5. Measure C Financial Report
6. Measure HH Financial Report
7. Measure W Report
8. Report on Agreed-Upon Procedures Applied to Appropriations Limit Schedule (FY 2024-25)
9. Communication letter to Council

RESOLUTION NO. XX– 2025

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

ACCEPTING AND DIRECTING STAFF TO FILE THE ANNUAL FINANCIAL REPORTS WITH THE STATE CONTROLLER'S OFFICE: ANNUAL COMPREHENSIVE FINANCIAL REPORT ("ACFR"); AND THE SINGLE AUDIT, MEASURE A, MEASURE C, MEASURE HH, AND MEASURE W FUND REPORTS FOR THE FISCAL YEAR ENDED JUNE 30, 2024; AND THE REPORT ON AGREED-UPON PROCEDURES APPLIED TO THE APPROPRIATIONS LIMIT SCHEDULE FOR FISCAL YEAR ENDING JUNE 30, 2025

WHEREAS, local government agencies are required by law to undertake an independent audit of the annual financial statements, and California Government Code Section 53891 requires each local agency to provide an annual report of financial transactions to the State Controller's Office containing data from audited financial statements prepared in accordance with generally accepted accounting principles; and

WHEREAS, the City of East Palo Alto ("City") engaged the firm of Eide Bailly LLP as the City's independent auditor through the fiscal year ending 2025 with an option to extend for additional two years; and

WHEREAS, the annual financial audit for fiscal year ended June 30, 2024, was conducted in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Controller of the United States and/or other procedures were conducted in accordance with applicable attestation standards established by the American Institute of Certified Public Accountants and/or agreed-upon procedures, as applicable; and

WHEREAS, the City received auditor opinions as applicable on related auditor financial reports indicating such reports are fairly stated, in material respects, in conformance with the applicable standards for the ACFR, Single Audit, Measure A, Measure C, Measure HH, and Measure W reports; and that no opinion is required or issued for the Report on Agreed-upon Procedures Applied to the Appropriations Limit Schedule as such report is solely for Council and management information and use.

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. Accepts the Annual Financial Reports, including the Annual Comprehensive Financial Report ("ACFR"), the Single Audit, Measure A, Measure C, Measure HH, and Measure W Fund Reports for the Fiscal Year ended June 30, 2024, and the Report on Agreed-Upon Procedures Applied to Appropriations Limit Schedule for Fiscal Year Ending June 30, 2025; and

3. Directs staff to file the annual financial reports with the State's Financial Controller, as required by law.

PASSED AND ADOPTED 21st day of January 2025**,** by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Martha Barragan, Mayor

ATTEST:

James Colin, City Clerk

APPROVED AS TO FORM:

John D. Lê, City Attorney

2024
ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2024

East Palo Alto, California









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City of East Palo Alto

East Palo Alto, California

Annual Comprehensive Financial Report

For the year ended June 30, 2024

Prepared by:
Finance Department

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City of East Palo Alto
Annual Comprehensive Financial Report
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CITY OF EAST PALO ALTO
DEPARTMENT OF FINANCE
Letter of Transmittal

December 23, 2024

Honorable Mayor
Honorable Members of the City Council Residents
of the City of East Palo Alto, California

THE ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE CITY OF EAST PALO ALTO

We are pleased to present the Annual Comprehensive Financial Report (ACFR) of the City of East Palo Alto for the fiscal year ended June 30, 2024. It is the policy of the City of East Palo Alto to annually publish financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by an independent firm of certified public accountants. This ACFR report is published to fulfill that requirement.

Management assumes full responsibility for the accuracy of the information contained in this report. We believe this ACFR to be complete and reliable in all material respects. In order to provide a reasonable basis for making this representation, we have established a comprehensive framework of internal controls designed to protect the City's assets from loss, theft, or misuse and to record and compile the information necessary to produce financial statements in conformity with generally accepted accounting principles. Since the cost of internal controls should not exceed the anticipated benefits, the objective is to provide reasonable rather than absolute assurance that the financial statements are free of any material misstatements.

The City's financial statements have been audited by an independent firm of Certified Public Accountants, Eide Bailly LLP, licensed to practice in the State of California. The auditors expressed an opinion that the City's financial statements for the year ended June 30, 2024 are fairly stated in conformity with accounting principles generally accepted in the United States. This is the most favorable conclusion and is commonly known as an "unmodified" opinion. The auditor's report is in the Financial Section of this report.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion & Analysis (MD&A). The MD&A is designed to complement this letter of transmittal and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

REPORTING ENTITY

The City of East Palo Alto was incorporated in 1983 and is in San Mateo County in the Greater San Francisco Bay Area. It is in a desirable setting and is situated among three major metropolitan cities: San Jose, Oakland, and San Francisco. East Palo Alto currently occupies 2.5 square miles and has a population of 29,078.

East Palo Alto operates under a Council-Manager form of government. Policy-making and legislative authority are vested in the governing body (City Council) consisting of the Mayor, the Vice-mayor and three other members. The City Council appoints the government's Chief Executive Officer (known as City Manager), who in turn appoints the Directors of City departments; except for the City Attorney who is also appointed by the City Council. City Council members are elected by voters to serve overlapping four-year terms. The Mayor and Vice-Mayor are appointed by majority vote of the City Council on an annual basis to serve a one-year term. There are currently four Advisory Boards and Commissions that are appointed by the City Council: Rent Stabilization Board, Planning Commission, Public Works and Transportation Commission, and Senior Advisory Board.

The City of East Palo Alto provides a range of basic municipal services. These services include public safety police services, public works and maintenance, limited parks and recreation activities, building, planning and zoning, housing and rent stabilization services, community development, streetlighting, drainage, refuse collection, infrastructure construction, and general administrative services. The City also provides community grant programs to support community and social-services organizations.

The ACFR includes all funds of the City, as well as all governmental organizations and activities for which the City Council has financial and/or fiduciary accountability. The Council serves in separate session as the governing body of the East Palo Alto Public Financing Authority; and, the Successor Agency to the former Redevelopment Agency of the City of East Palo Alto, for which it has fiduciary responsibility.

ECONOMIC CONDITION AND FISCAL OUTLOOK

The U.S. economy has demonstrated robust growth through November 2024. Real GDP increased at an annual rate of 2.8% in the third quarter, following a 3.0% rise in the second quarter. This growth has been largely driven by strong consumer spending, which saw a 3.7% increase—the most significant since early 2023. Business sentiment has improved, with the S&P U.S. service sector index reaching a 32-month high of 57.0 in November, indicating robust expansion. The Conference Board's Consumer Confidence Index also rose to 111.7 in November, the highest level since July 2023, suggesting continued consumer optimism. Looking ahead, the Federal Reserve's GDP model forecasts a 2.7% growth rate for the fourth quarter of 2024, indicating sustained economic momentum.

The Federal Reserve has adopted a more accommodative monetary policy stance, implementing two consecutive interest rate cuts in September and November 2024, bringing the federal funds target range down to 4.5%-4.75%. These actions aim to support economic growth amid cooling inflation, which is approaching the Fed's 2% target. Another rate cut is anticipated in December, contingent upon forthcoming economic data.

In summary, as of November 2024, the U.S. economy exhibits strong growth supported by resilient consumer spending and improved business sentiment. The Federal Reserve's recent rate cuts reflect a strategic shift to sustain this expansion, while forthcoming policy decisions and global economic conditions will play critical roles in shaping the economic outlook.

The City's resident population has remained stable but has been in a slight downward trend over the past five years, with an average of approximately 29,244. The labor market exhibits signs of resilience and gradual recovery. However, the City's unemployment rate slightly rose from 2.9% to 3.3% as of June 30, 2023 and June 30, 2024, respectively.

As of November 2024, the San Francisco Bay Area housing market exhibits a mix of resilience and emerging challenges. Home sales have increased significantly, with a 16.2% year-over-year rise in October 2024, indicating robust buyer demand. However, inventory remains constrained, leading to competitive bidding and elevated prices across the region. San Mateo County experienced a slight decline in median home prices, with a 4.8% decrease to $2 million in October 2024. Despite this dip, the county remains one of the most expensive in the Bay Area.

Property taxes, which are based on assessed values, are one of the City's largest sources of revenue, accounting for approximately 50% of the City's General Fund revenues. Assessed property values in fiscal year 2023-24 total $4.4 billion. The year-over-year increase is 4.0% compared to a 9.3% increase in the prior year. General Fund property tax revenues were $18.8 million – a decrease of 5.5% compared to the prior fiscal year due primarily to a decrease in property tax in lieu of VLF for $1.1 million related to the county-wide shortfalls in the revenue. Proposition 13, which governs property taxation in California, ties the annual inflation factor to the California Consumer Price Index (CCPI) issued by the California Industrial Relations Board and limits annual inflation increases of assessed value to no more than 2%. This year an annual inflation factor of 2.0% was applied to the 2022-23 assessed value of all real property that did not have a change in ownership or any new construction during 2023. Long- term growth potential remains highly positive due to undeveloped land in the Ravenswood Business District, unprecedented development planning activity, consolidation of industrial properties in the Ravenswood Business District, strategies to develop affordable housing, and incentives to intensify housing densities. The City is engaged in addressing the infrastructure, transit, environmental, and community impact challenges and opportunities attendant with the sustained interest in development. Solving these challenges increases the potential gap of time between project proposal and completion.

Sales tax revenues have declined for $375K (5.9%) compared to the previous year. The decrease reflects the broader economic conditions, including high interest rates and inflation, which have influenced consumer spending and, consequently, sales tax revenues.

Compared to the pre-pandemic level of $3.0 million from the fiscal year 2018-19, Transient Occupancy Tax (TOT) revenues were $2.5 million in the fiscal year 2023-24; approximately 83% recovery from the pre-pandemic figure and a 13.6% increase from the previous year. Although we expect some recovery in the TOT revenues in the future years, the trend in the business meeting culture appears to be suppressing the recovery.

The City is focused on socially progressive milestones to support a vibrant, diverse community and workforce. The 2018 Measure HH special parcel tax generated approximately $1.7 million in additional annual taxes for affordable and supportive housing and for programs that facilitate resident access to job opportunities.

LONG TERM FINANCIAL PLANNING

As part of the strategic resource and budget planning process, management presents a multi-year financial projection to the City Council. The projection provides Council with the opportunity to plan for the management of financial resources and to address forecasted financial challenges. Maintaining a sustainable budget and prudent fiscal planning is a key strategic priority of the Council supported by citizen survey.

The financial plan also calls for the City to exercise financial "best practices," including achieving a targeted General Fund contingency reserve of 30% of the adopted General Fund expenditure budget. The purpose of the reserve is to provide the City with fiscal capacity for responding to emergencies and economic uncertainties and vulnerabilities, thereby minimizing the impact on service levels to the community during such challenging times. Current reserve and unassigned reserve levels exceed the established minimum reserve level.

We also note that California cities are subject to limits on the proceeds of taxes that may be appropriated for spending in a given fiscal year (i.e. the GANN Limit). While voters may approve an override of such limits, it is another important long-term planning factor to consider in long-term strategic resource planning.

FINANCIAL POLICIES AND INFORMATION

Budgetary Controls

The City Council is required to adopt a budget on an annual basis which is passed by June 30th of each year. In compliance with the City's municipal ordinance, the Council adopted the Fiscal Year 2023-24 budget through a public hearing process conducted during June 2023. The budget serves as the foundation for the City of East Palo Alto's financial planning and control. The budget is prepared by fund and division. Unless mandated by regulation, transfers between funds are approved by City Council.

The City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the Adopted Budget and approved by the City Council. The level of control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control.

Financial Policies

The City has financial policies related to revenue and expenditure administration, reserve management, grants and debt management, cash and investments, and other financial policies.

Major Initiatives

The City developed major initiatives for the year through the budget planning process and with the guidance of the City Council as articulated through its Strategic Priorities process, as follows:

Promote Housing, Economic & Workforce Development: includes goals to implement Measure HH employment and First Source Hiring Programs and affordable housing strategy, to provide assistance to small local businesses, to investigate potential ballot measure to support affordable housing, and to create an Economic Development Strategy with focus on small/micro businesses.

Implement the Comprehensive Transportation and Mobility Plan: includes goals to develop a Comprehensive Transportation and Mobility Plan, to expand pedestrian/bicycle facilities and interconnectivity, to begin construction of the University Overpass Project, to investigate University Avenue Improvements/Changes, and to analyze funding strategies for public infrastructure including streets, parks and utilities.

Promote Health & Public Safety: includes goals to enhance flood protection for residents, businesses, and property owners, to resolve Sanitation District incorporation matter, and to develop a Community Emergency Preparedness and Education Initiative.

Ensure Our Financial & Organizational Health: includes goals to address structural deficit through fiscal resiliency measures, to develop 10-year financial projections, to implement an Enterprising Resource Planning (ERP) System, and to focus on staff morale, retention, recruitment and succession planning.

Improve the City's Water Infrastructure: includes goals to focus on customer service and education and to advance key water infrastructure projects.

Develop and Implement a Comprehensive Facilities Master Plan: includes goals to coordinate with County Library District regarding the potential new library in the City, to investigate potential options for developing County vacant property located on Beech Street, to develop a detailed strategy for the location of the future police department, and to complete the City Hall improvement planning process.

Enhance Community Services and Parks for Residents: includes goals to foster community cultural events and activities, to complete a Parks Master Plan, to focus on youth engagement, and to engage with community and partner agencies to improve educational resources/outcomes.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the *Certificate of Achievement for Excellence in Financial Reporting* to the City for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2023. This is the fourteenth consecutive year the City has achieved this prestigious award. To qualify for the Certificate of Achievement, the governmental entity must publish an easily readable and efficiently organized ACFR, in conformance with program standards. The report also must satisfy generally accepted accounting principles as well as all applicable legal requirements.

The Certificate of Achievement is valid for one year only. The City believes the ACFR conforms to the GFOA Certificate of Achievement Program and will submit the report to the GFOA for consideration of the annual award.

The preparation of the ACFR was made possible by the dedicated staff of the Finance Department. Sincere appreciation is extended to those staff - each of whom demonstrated exemplary personal dedication and professionalism during this process.

The Finance Department wishes to express our sincere appreciation to the City Council for providing policy direction and support for the pursuit of excellence in attaining the City's goals.

Sincerely,



Tomohito Oku
Finance Director

CITY OF EAST PALO ALTO

DIRECTORY OF OFFICIALS

City Council

Antonio Lopez
Mayor

Martha Barragan
Vice Mayor

Carlos Romero
Councilmember

Ruben Abrica
Councilmember

Lisa Gauthier
Councilmember

Executive Staff

Melvin Gaines
City Manager

John Le
City Attorney

(Vacant)
Assistant City Manager

Tomohito Oku
Finance Director

Jeff Liu
Police Chief

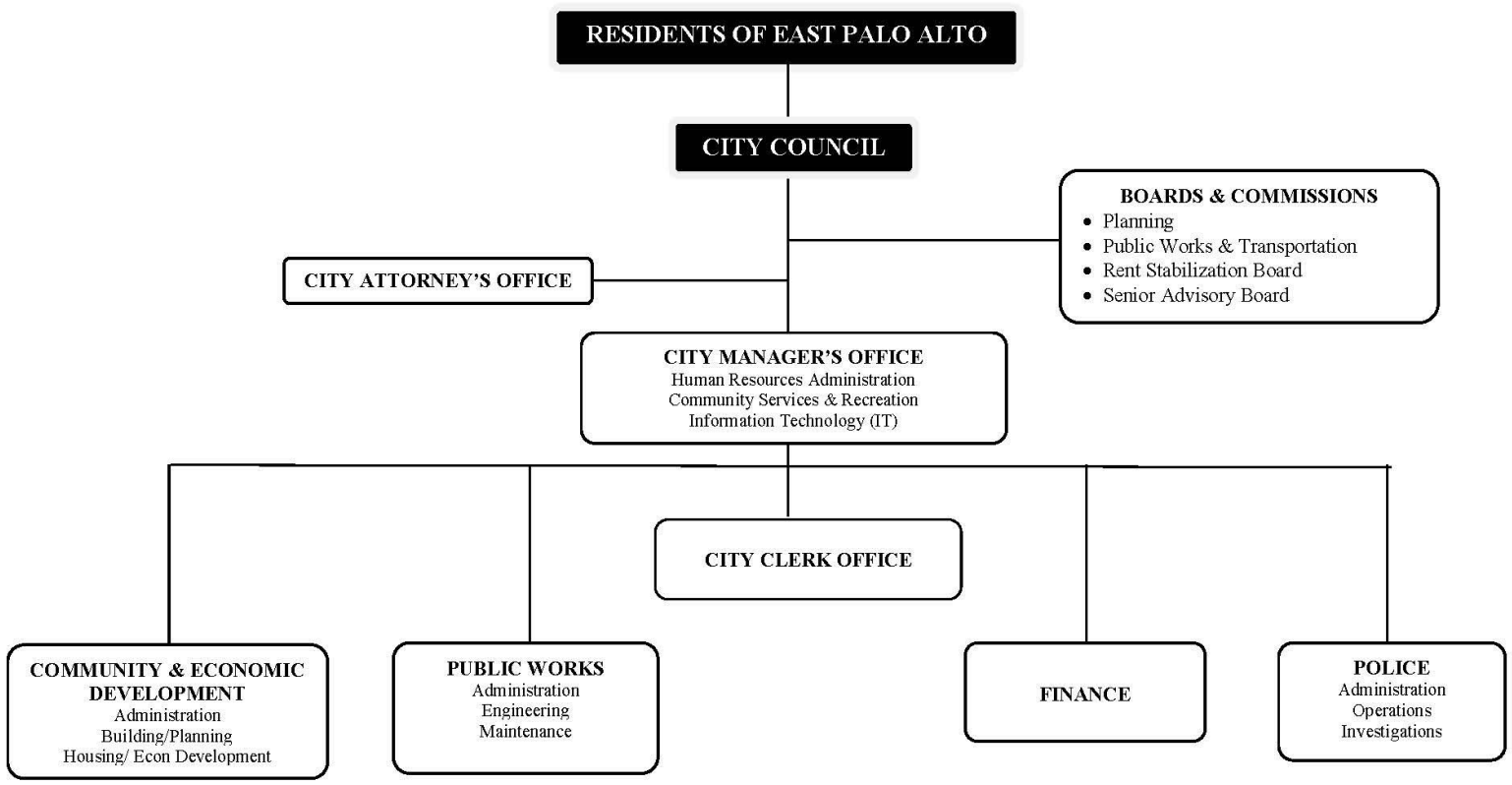
Humza Javed
Public Works Director

Amy Chen
Community & Economic Development Director

Regional Map



CITY OF EAST PALO ALTO
CITY ORGANIZATIONAL CHART
FY 2024-2025 Budget



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of East Palo Alto
California

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morrill

Executive Director/CEO

EideBailly

CPAs & BUSINESS ADVISORS

Independent Auditor's Report

To the honorable members of the City Council
of the City of East Palo Alto, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of East Palo alto (City) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change Within the Financial Reporting Entity

As discussed in Note 1p to the financial statements, the City has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections*, for the year ended June 30, 2024. Accordingly, the presentation and disclosure of the change within the reporting entity in the financial statements conform to the requirements of the new standard for the year ended June 30, 2024, to restate beginning fund balance. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management Discussion and Analysis, the Budgetary Comparison Schedules for the General Fund and each Major Special Revenue Fund, the Schedule of the City's Proportionate Share of the Net Pension Liability and the Schedule of Contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Non-Major Governmental Funds Combining Balance Sheet, Combining Statement of Revenues, Expenditures and Changes in Fund Balances, the nonmajor funds' Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual and the Schedule of Revenues and Expenditures – Local Retail Transactions and Use tax are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the Non-Major Governmental Funds Combining Balance Sheet, Combining Statement of Revenues, Expenditures and Changes in Fund Balances, the nonmajor funds' Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual and the Schedule of Revenues and Expenditures – Local Retail Transactions and Use tax are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If,

based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2024 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Eide Bailly LLP

Menlo Park, California
December 23, 2024

This section of the City's Annual Comprehensive Financial Report presents a narrative overview and analysis of the City's financial activities for the fiscal year ended June 30, 2024. We advise readers to consider the information presented here in conjunction with the accompanying transmittal letter and basic financial statements.

FISCAL YEAR 2023-24 FINANCIAL HIGHLIGHTS

Government-wide Statements

- Total net position equals $239.8 million, an increase of $20.5 million over the prior year balance of 219.3 million. The increase is comprised of $16.9 million in governmental activities and $3.5 million in business-type activities.

- Total revenues equal $62.9 million compared to $65.7 million in the prior year; a decrease of $2.8 million. Of the total $62.9 million revenues reported, $55.7 million was generated by governmental activities, and $7.2 million was generated by business-type activities. The net decrease of $2.8 million is primarily due to decreased operating grants and contributions ($12.8M) offset by increases in capital grant and contributions ($5.3M) and investment earnings ($5.1M).

- Total expenses equal $42.4 million compared to $39.5 million in the prior year; an increase of $2.9 million. Of the total $42.4 million expenses reported, $38.4 million is reported in governmental activities and $4.1 million is reported in business-type activities. The significant increases were noted for $1.3 million in the public works, and $0.9 million in the general government.

Governmental Fund Statements

- Total governmental fund balances equal $139.2 million, an increase of $16.3 million over the prior year balance of $122.9 million. Of the total $139.2 million balance, $95.7 million is comprised of non-spendable, restricted, committed, and assigned balances; and $43.5 million is unassigned balances.

- General Fund total fund balance equals $59.4 million, an increase of $5.6 million over the prior year fund balance of $53.8 million. The net change is comprised of $37.7 million revenues offset by $28 million expenditures and $4.1 million net other financing uses. Net other financing uses are primarily for major capital projects and subsidies provided to special revenue funds.

OVERVIEW OF THE ANNUAL COMPREHENSIVE FINANCIAL REPORT

Government-wide Financial Statements

The government-wide financial statements are designed to provide the readers with a broad view of the City's finances on a similar reporting basis as a private-sector business.

Statement of Net Position: Presents information on all the City's assets, liabilities and deferred inflows/outflows with the difference reported as net position. Over time, the change in net position may serve as a useful indicator of whether the financial position of the City is improving or declining.

Statement of Activities: Presents information reflecting how the City's net position changed during the most recent fiscal year. All changes in net position are reported in the period the event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flow in future fiscal periods. Non-financial factors, such as changes in the City's property tax base and the condition of the City's infrastructure must be considered to properly assess the overall financial health of the City.

In the Statement of Net Position and the Statement of Activities, activities are divided into two types:

- Governmental activities - Most of the City's basic services are reported here, including police, public works, community development, and general administration. Taxes, user fees, and state and federal grants finance most of these activities.
- Business-type activities - The City charges a fee to cover all or most of the cost of certain services it provides. The City's water system and residential garbage collection services are reported in this activity.

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other State and local governments, uses fund accounting to ensure and demonstrate financial compliance with legal requirements. Fund financial statements also report the City's operations in more detail than the government- wide statements by providing information about the City's most significant funds.

The fund financial statements provide detailed information about the most significant funds, called major funds. Some funds are required to be established by State law and by bond covenants. However, the City establishes many other funds to help control and manage funds for particular purposes (such as the Capital Improvements Fund) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other monies (such as grants received from the Federal government). The City reports the following major funds: General Fund and Capital Improvements Fund. The remaining non-major funds of the City are summarized and presented in a single column. The City's different types of funds – governmental, proprietary, and fiduciary - use different accounting approaches.

- *Governmental funds* - Most of the City's basic services are reported in the governmental funds, where the focus is on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near-term to finance the City's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in detail in a reconciliation located after each of the fund financial statements.

- *Proprietary funds* - the City maintains only one type of proprietary funds, enterprise funds, which are used to report the same functions presented as business-type activities in the government-wide financial statements but provide more detail and additional information, such as a statement of cash flows. The City uses enterprise funds to account for activities related to water system and garbage collection services.

- *Fiduciary funds* – the City maintains a Private Purpose Trust Fund to account for the activity of the former Redevelopment Agency of the City of East Palo Alto. The City's fiduciary activities such as the Successor Agency are reported in a separate Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. The accounting basis used for fiduciary funds is comparable to the proprietary funds. These activities are excluded from the City's other financial statements because the City cannot use the assets to finance its own operations.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The City provides two-year comparative financial information for the Government-wide financial statements. Net position serves as a useful indicator of a government's financial position.

Analysis of Net Position

Government-wide assets ($263.1M) and deferred outflows ($7.9M) exceed liabilities ($30.9M) and deferred inflows ($0.3M) by $239.8 million on June 30, 2024. A significant portion of assets ($94.6M) are comprised of capital assets and are not available to pay current and future liabilities of the City. The following table is a summary of the government-wide net position for both governmental and business-type activities:

STATEMENT OF NET POSITION
(Dollars in thousands)

	Governmental Activities		Business-Type Activities		Total	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**
Assets:						
Current and other assets	$ 147,700	$ 133,891	$ 20,787	$ 16,605	$ 168,487	$ 150,496
Capital Assets	82,433	76,367	12,195	12,072	94,627	88,440
Total assets	230,134	210,258	32,982	28,677	263,115	238,935
Deferred outflows of resources						
Deferred pension outflows	7,845	7,670	70	68	7,914	7,738
Total deferred outflows	7,845	7,670	70	68	7,914	7,738
Liabilities:						
Current and other liabilities	7,033	4,901	1,817	967	8,850	5,868
Noncurrent liabilities	18,823	17,644	3,218	3,299	22,041	20,943
Total liabilities	25,856	22,545	5,036	4,266	30,891	26,811
Deferred inflows of resources						
Deferred inflows - pension	336	534	3	5	339	539
Total deferred inflows	336	534	3	5	339	539
Net Position:						
Net Investment in capital assets	80,872	74,583	11,338	11,212	92,210	85,796
Restricted	62,510	58,078	13,778	5,589	76,288	63,667
Unrestricted	68,405	62,189	2,896	7,673	71,301	69,862
Total Net Position	$ 211,787	$ 194,850	$ 28,013	$ 24,474	$ 239,799	$ 219,324

Net Position – Governmental Activities
Total governmental activities assets of $230.1 million consist of current and other assets of $147.7 million and capital assets of $82.4 million. Total governmental activities assets increased $19.9 million and is comprised of increases in current and other assets ($13.8M) and capital assets ($6.1M).

Deferred outflows of $7.8 million consists of $2.6 million deferred employer pension contributions paid after the pension liability measurement date and $5.2 million of other pension valuation factors.

Total liabilities of $25.9 million consist of $7.0 million current liabilities and $18.8 million non- current liabilities. Of the non-current liabilities, the most significant portion ($16.1M) relates to net pension liability. Total governmental activities liabilities increased $3.3 million primarily due to an increase in in accounts payable ($2.4M) and another increase by net pension liabilities ($1.4M).

Deferred inflows of resources $0.3 million also relate to GASB 68 pension liability which is primarily related to net differences between projected and actual contributions and experience.

Of the $211.8 million governmental activities net position, $80.9 million (38.2%) represents investment in capital assets net of related debt. The City uses capital assets, such as roadways, storm drains, lighting, parks, and other infrastructure to provide services to residents; therefore, the assets do not provide cash liquidity to pay liabilities. Historically, the City has not issued a significant amount of debt to finance capital assets primarily due to a former focus on redevelopment contracts, grant-funded projects, and a lack of significant capital assets available for leveraged leaseback activity.

Total restricted net position equals $62.5 million (29.5%). Such amounts relate to resources subject to external restrictions on how they may be spent by the City. The restricted balance relates to local and county special taxes, tax districts, capital and grant agreements, housing funds, and other restricted uses. Total unrestricted net position equals $68.4 million (32.3%); however, a significant portion of the unrestricted balances are not liquid or are committed for capital projects and other intended uses.

Net Position - Business-type Activities
Business-type activities assets of $33.0 million consist of current and other assets of $20.8 million and capital assets of $12.2 million. Of the $20.8 million in current and other assets, approximately $3.2 million relates to garbage collection, and $17.6 million relates to water services, a significant portion of which is committed for capital infrastructure replacement. All capital assets are comprised of water-services infrastructure.

Business-type liabilities of $5.0 million primarily consist of garbage collection accounts payable ($1.5M) and amounts advanced from developers in connection with certain water service implementation agreements ($2.5M).

Net position of $28.0 million includes $11.3 million of investment in capital assets net of related debt, $13.8 million in restricted for capital projects, and $2.9 million in unrestricted net position.

Analysis of Statement of Activities

The statement of activities reports the change in government-wide net position during the fiscal year. The following table indicates the changes in net position for governmental and business-type activities compared to the previous year. The City's government-wide net position increased $20.5 million as further described on the following pages.

STATEMENT OF ACTIVITIES

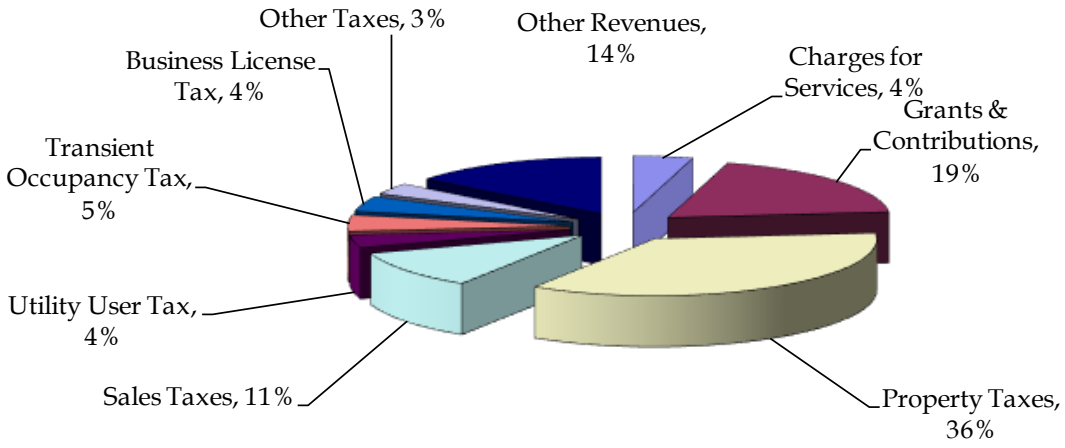
(Dollars in thousands)

	Governmental Activities		Business-Type Activities		Total	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**
Revenues						
Program revenues:						
Charges for services	$ 2,422	$ 2,904	$ 4,769	$ 4,221	$ 7,190	$ 7,125
Operating grants & contributions	3,165	15,917	-	-	3,165	15,917
Capital grants & contribution	7,454	3,414	1,309	45	8,762	3,459
General revenues:						
Property taxes	19,859	20,958	-	-	19,859	20,958
Sales taxes	6,020	6,395	-	-	6,020	6,395
Utility user tax	2,052	1,936	-	-	2,052	1,936
Transient Occupancy tax	2,526	2,224	-	-	2,526	2,224
Business taxes	2,415	1,769	-	-	2,415	1,769
Other taxes	1,780	1,783	-	-	1,780	1,783
Investment Earnings	6,690	2,297	1,095	351	7,785	2,648
Miscellaneous	1,338	1,487	-	-	1,338	1,488
Total revenues	55,722	61,084	7,171	4,617	62,894	65,700
Expenses						
Program expenses:						
General government	8,165	7,264	-	-	8,165	7,264
Public safety	13,641	13,159	-	-	13,641	13,159
Public works	7,292	5,996	-	-	7,292	5,996
Culture and recreation	1,950	2,170	-	-	1,950	2,170
Community development	7,245	7,099	-	-	7,245	7,099
Water services	-	-	894	814	894	814
Garbage collection	-	-	3,171	2,940	3,171	2,939
Interest on long-term debt	58	74	-	-	58	74
Total expenses	38,352	35,762	4,066	3,754	42,418	39,515
Excess before transfers or special items	17,370	25,322	3,105	862	20,474	26,185
Transfers	(433)	(6,241)	433	6,241	-	-
Change in Net Position	16,937	19,081	3,539	7,104	20,474	26,184
Net Position - Beginning	194,850	175,769	24,475	17,371	219,325	193,140
Net Position - Ending	**$ 211,787**	**$ 194,850**	**$ 28,013**	**$ 24,475**	**$ 239,799**	**$ 219,324**

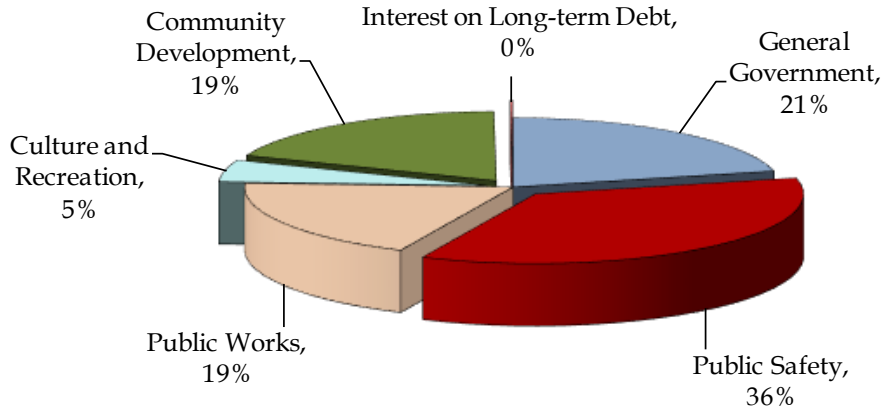
Statement of Activities – Governmental

Governmental activities change in net position equals $16.9 million compared to prior year net change of $19.1 million; a decrease of $2.1 million. A depiction of sources and types of governmental activities revenues and expenses are illustrated in the following charts:

Governmental Activities
Revenues by Source



Governmental Activities
Expenses by Type



Statement of Activities - Governmental, continued

- Total revenues before transfers equal $55.7 million; a decrease of $5.4 million (8.8%) over the prior year revenues of $61.1 million. The decrease in revenues is primarily comprised of decrease in operating grants and contributions ($12.8M) and property tax revenues ($1.1M) offset by increases in capital grants and contributions ($4.0M) and investment earnings ($4.4M). The decrease in operating grants and contributions are primarily attributable to a one-time award of the HCD affordable housing grant ($8M) in the previous year and the decrease in property tax revenues is due mainly from a decrease in property tax in lieu of VLF ($1.1M). The increase in investment earnings is primarily due to higher interest earnings as a result of the feds interest rate hike. The increase in capital grants and contributions are directly related to an increase in reimbursement revenues from the granting agencies related to major capital projects.

- Total expenses equal $38.4 million, an increase of $2.6 million (7.2%) over the prior year expenses of $35.8 million. The increase in expenses primarily come from public works ($1.3M), general government ($0.9M) and public safety ($0.5M). The $1.3 million increase in public works is attributed from increases in professional service expenses ($0.7M) which are related to increased capital activities in the fiscal year. The increases in public safety and general government are primarily due to increases in personnel costs including pension expenses.

Statement of Activities - Business-type

- Business-type activities change in net position totaled $3.5 million compared to previous fiscal year of $7.1 million. The difference in change in net position is primarily comprised of water services ($3.5M).

- Total revenues before transfers equal $7.2 million, an increase of $2.6 million from prior year revenues of $4.6 million. The change mainly consists of increases in capital grants and contributions ($1.3M) and investment earnings ($0.7M).

- Total expenses before transfers equal $4.1 million – an increase of $0.3M from the prior year due primarily an increase in the garbage collection contract amount ($0.2M).

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of resources that are available for spending. Such information is useful in assessing the City's financing requirements. Types of governmental funds reported by the City include the General Fund, Special Revenue Funds, and Capital Project Funds.

At June 30, 2024, the City's governmental funds reported combined fund balances of $139.2 million, an increase of $16.3 million in comparison with the prior year. Of this amount, $43.5 million, or 31.2%, constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is (1) not in spendable form or not spendable because it is legally required to be maintained intact, $0.9 million; (2), restricted for particular purposes, $61.0 million; (3) committed for particular purposes, $20.5 million; or (4) assigned for particular purposes, $13.2 million.

Analysis of Individual Funds

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was $43.5 million, while total fund balance increased to $59.4 million. The remaining fund balance consists of nonspendable ($0.9M), restricted ($0.05M), committed ($11.2M), or assigned ($3.8M). As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents 156% of total general fund expenditures, while total fund balance represents 213% of that same amount.

The City's general fund balance increased by $5.6 million during the current fiscal year. This growth was primarily driven by significant salary savings of $4.0 million, planned but incomplete professional and technical services across various departments, totaling $5.9 million, and an underestimated total general fund revenue of $3.0 million offset by the budget deficit of $7.8M.

The capital projects fund, a major fund, had a $1.5 million increase in fund balance during the current fiscal year which put the overall fund balance to $20.0 million. The fund reports an assigned fund balance, $9.4 million comprised of encumbrances, earmarked by funding sources for $1.3 million, and committed, $9.4 million for flood preventative projects and other capital projects. The increase in fund balance was caused mainly by a timing difference between the revenues and expenditures related to reimbursement basis capital grants; the City received approximately $7.3 million from such grant reimbursements in the current year compared to the previous year receipt of $4.0 million. Depending on the timing, however, those grant reimbursements are typically for the capital expenditures incurred in the previous year.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the business-type activities portion of the government-wide financial statements, but in more detail. Unrestricted net position of the water service fund at the end of the year was $1.3 million and for the garbage collection was $1.6 million. The total growth in net position for each of the funds was $3.4 million and $0.1 million, respectively. As noted earlier in the discussion of business-type activities, the difference in change in net position in the water service fund is due primarily to increases in capital grants and contributions ($1.3M) and investment earnings ($0.7M).

GENERAL FUND BUDGETARY HIGHLIGHTS

Total adopted revenue budget (before transfers) was $34.7 million. During the year, there was no need for any significant amendments to increase the adopted budget appropriations.

Total adopted expenditure budget (before transfers) of $33.5 million increased $4.9 million to final amended expenditure budget of $38.4 million. The amendment is due primarily to the encumbrances carried forward from the previous year ($4.4M).

Following are the main components of the differences between final amended budget and actual results:

- Actual revenues total $37.7 million, approximately $3 million more than the final budget of $34.7 million which primarily came from the differences in property tax revenues and investment earnings. The excess actual property tax revenues are due to an unexpected backfill revenue related to the shortfall in property tax in-lieu of VLF revenue experienced in the FY22-23 ($1.5M). The actual investment earnings were significantly higher than the estimated earnings because of the lingering higher interest rates resulted from the stubborn inflation.

- Actual expenditures total $28.0 million, approximately $10.4 million less than the amended budget of $38.4 million. Of this amount, approximately $4.0 million is due to staff vacancy savings; $5.9 million is due to planned but incomplete professional and technical services across departments.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The capital assets for governmental and business-type activities balance as of June 30, 2024 total $94.6 million (net of accumulated depreciation/amortization), a net increase of $6.2 million (7.0%) over the prior year. Almost all the increase is attributable from governmental activities. Total capital assets include land, construction in progress, buildings and improvements, machinery and equipment, and infrastructure.

Capital assets, net of accumulated depreciation and amortization, for the governmental and business-type activities are as follows:

June 30, 2024
(Dollars in thousands)

	Governmental Activities		Business-Type Activities		Total	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**
Land	$ 7,319	$ 7,319	$ 5,264	$ 5,264	$ 12,582	$ 12,582
Buildings and Improvements	20,267	20,267	11,302	11,212	31,569	31,479
Right-to-use Buildings	2,307	2,307	127	127	2,434	2,434
Construction in Progress	11,653	6,601	1,498	1,144	13,152	7,745
Furnishings & Equipment	2,457	2,269	-	-	2,457	2,269
Vehicles	3,345	3,062	-	-	3,345	3,062
Street and Roadways	84,588	80,594	-	-	84,588	80,594
Storm Drain System	6,819	6,738	-	-	6,819	6,738
Less: Accumulated Depreciation	(56,321)	(52,790)	(5,996)	(5,675)	(62,317)	(58,464)
Total	$ 82,433	$ 76,367	$ 12,195	$ 12,072	$ 94,627	$ 88,439

Major capital assets events during the current fiscal year included the following:

Governmental Activities
Capital assets increased $6.1 million and is primarily comprised of $5.1 million construction in progress related to street and roadways, and $4.0 million additions to newly completed street and roadways, offset by $3.5 million depreciation expenses.

Business-Type Activities
Capital assets has barely changed from the prior year in the business-type activities. There were small additions to construction in progress related to water infrastructure and water meter projects ($0.4M) offset by depreciation expenses ($0.3M). For government-wide financial statements presentation, all depreciable capital assets are depreciated from acquisition date to the end of the current fiscal year utilizing a half-year convention. Fund financial statements record capital assets purchases as expenditures. The City's infrastructure assets are recorded at historical cost in the government-wide financial statements as required by GASB Statement No. 34.

Additional information about capital assets can be found in Note 5 to the financial statements.

Debt Administration
Historically, the City has engaged in limited debt-financing activity due to reliance on outside grant and former redevelopment funding for major infrastructure improvements. This is due to several factors, including that the City owns minimal property assets that are easily debt-leveraged, and has not engaged in ad valorem or assessment district funding or other parcel tax-related capital funding since Redevelopment dissolution. Additionally, with the dissolution of the former RDA, the Successor Agency fiduciary fund assumed the long-term term debt of the former RDA.

Business-type debt consists of a $0.6M note payable related to funding the Gloria Way Well project.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Current economic concerns revolve around the Federal Reserve's approach to the implementation of monetary policy to lower high inflation and how higher interest rates will impact the national and local economy over the next two years. The following economic factors were considered in the preparation of the City's budget for fiscal year 2024-25:

- Near-term general revenue growth trajectory is stagnant as the known major drivers such as taxable development and significant property portfolio turnover are not expected in the near future for property tax revenues and as other tax revenues such as sales taxes and TOT are at risk of low-growth due to expected economic slowdown or recession accompanied by high inflation.

- Property tax projection is unusually uncertain primarily due to evolving property tax in lieu issues caused by the County's negative ERAF condition and unknown recovery by the State's backfill.

- Transient occupancy tax has recognized continued recovery in FY2023-24 yet has only reached 83% of the pre-pandemic figures. Due to the changes in business meeting culture and office working environment, uncertainty exists in the projection and recovery is expected to continue in slower pace.

- City will experience long-term cost pressures across various activity due to historical under-investment in aged infrastructure; staff resource challenges, rising personnel costs; operational costs of new infrastructure and facilities; and increases in professional and outside services due to high inflation.

- The City has reserves available to maintain stable service delivery during FY 2024-25 and enable implementation of a strategic and prioritized budget plan. Additionally, temporary suspension of certain capital and operating transfers; delay of non- essential project initiation, and strategic utilization of general fund unassigned reserves will provide near-term stability required to plan for more durable service delivery decisions in order to address resource constraints and uncertainty over an extended period.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to ensure transparency relative to city fiscal operations. If you have questions about this report or need additional financial information, contact the City's Finance Department, East Palo Alto Government Center, 2415 University Avenue, East Palo Alto, CA 94303.

BASIC
FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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City of East Palo Alto
Statement of Net Position
June 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and investments	$ 123,344,957	$ 22,651,983	$ 145,996,940
Restricted cash and investments with fiscal agents	423,747	203,762	627,509
Receivables:			
Accounts receivable	912,355	152,061	1,064,416
Interest receivable	587,084	83,790	670,874
Taxes receivable	1,444,336	-	1,444,336
Intergovermental receivables	3,825,874	-	3,825,874
Deposits and prepayments	121,071	-	121,071
Internal balances	2,304,636	(2,304,636)	-
Total current assets	132,964,060	20,786,960	153,751,020
Noncurrent assets:			
Loans to Successor Agency	367,718	-	367,718
Loans and notes receivable	14,368,688	-	14,368,688
Capital assets:			
Capital assets not being depreciated	18,971,963	6,762,117	25,734,080
Capital assets, net of accumulated depreciation/amortization	63,461,122	5,432,552	68,893,674
Total capital assets	82,433,085	12,194,669	94,627,754
Total noncurrent assets	97,169,491	12,194,669	109,364,160
Total assets	230,133,551	32,981,629	263,115,180
DEFERRED OUTFLOWS OF RESOURCES			
Deferred employer pension contributions	2,640,100	23,402	2,663,502
Deferred outflows of resources - pension	5,204,475	46,116	5,250,591
Total deferred outflows of resources	7,844,575	69,518	7,914,093
LIABILITIES			
Current liabilities:			
Accounts payable	4,305,796	1,714,861	6,020,657
Accrued liabilities	365,420	49,577	414,997
Retentions payable	419,117	-	419,117
Unearned revenue	1,136,586	-	1,136,586
Compensated absences	173,642	-	173,642
Claims payable	114,127	-	114,127
Notes payable	-	23,333	23,333
Leases payable	518,249	29,367	547,616
Total current liabilities	7,032,937	1,817,138	8,850,075
Noncurrent liabilities:			
Deposits payable	1,339,177	26,360	1,365,537
Advances from developers	100,891	2,469,006	2,569,897
Compensated absences	758,516	-	758,516
Claims payable	136,308	-	136,308
Notes payable	-	560,002	560,002
Leases payable	424,246	20,603	444,849
Net pension liablity	16,063,779	142,405	16,206,184
Total noncurrent liabilities	18,822,917	3,218,376	22,041,293
Total liabilities	25,855,854	5,035,514	30,891,368
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - pension	335,652	2,966	338,618
Total deferred inflows of resources	335,652	2,966	338,618
NET POSITION			
Net investment in capital assets	80,872,067	11,338,141	92,210,208
Restricted for:			
Streets and Infrastructure	20,314,190	-	20,314,190
Parks and Recreation	365,386	-	365,386
Housing Programs	33,955,113	-	33,955,113
Special Programs	2,870,088	-	2,870,088
Capital Projects	5,004,887	13,778,345	18,783,232
Total restricted	62,509,664	13,778,345	76,288,009
Unrestricted	68,404,889	2,896,181	71,301,070
Total net position	$ 211,786,620	$ 28,012,667	$ 239,799,287

See accompanying Notes to Basic Financial Statements.

City of East Palo Alto
Statement of Activities
June 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Program Revenues: Total	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-Type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Primary Government:								
Governmental activities:								
General government	$ 8,165,459	$ 8,981	$ 97,282	$ -	$ 106,263	$ (8,059,196)	$ -	$ (8,059,196)
Public safety	13,640,989	414,605	778,852	-	1,193,457	(12,447,532)	-	(12,447,532)
Public works	7,292,278	304,110	-	7,453,564	7,757,674	465,396	-	465,396
Culture and recreation	1,950,423	10,555	1,913,965	-	1,924,520	(25,903)	-	(25,903)
Community Development	7,244,815	1,683,411	375,039	-	2,058,450	(5,186,365)	-	(5,186,365)
Interest on long-term debt	57,540	-	-	-	-	(57,540)	-	(57,540)
Total governmental activities	38,351,504	2,421,662	3,165,138	7,453,564	13,040,364	(25,311,140)	-	(25,311,140)
Business-type activities:								
Garbage Collections	3,171,977	3,161,410	-	-	3,161,410	-	(10,567)	(10,567)
Water Services	894,227	1,606,313	-	1,308,516	2,914,829	-	2,020,602	2,020,602
Total business-type activities	4,066,204	4,767,723	-	1,308,516	6,076,239	-	2,010,035	2,010,035
Total primary government	42,417,708	7,189,385	3,165,138	8,762,080	19,116,603	(25,311,140)	2,010,035	(23,301,105)
		General Revenues:						
		Taxes:						
		Property taxes				19,858,720	-	19,858,720
		Sales taxes				6,019,894	-	6,019,894
		Utility users tax				2,052,280	-	2,052,280
		Transient occupancy tax				2,526,290	-	2,526,290
		Business license tax				2,414,887	-	2,414,887
		Other taxes				1,779,640	-	1,779,640
		Total taxes				34,651,711	-	34,651,711
		Investment earnings				6,690,404	1,094,978	7,785,382
		Miscellaneous				1,339,191	-	1,339,191
		Transfers				(433,400)	433,400	-
		Total general revenues and transfers				42,247,906	1,528,378	43,776,284
		Change in net position				16,936,766	3,538,413	20,475,179
		Net position - beginning of year				194,849,854	24,474,254	219,324,108
		Net position - end of year				$ 211,786,620	$ 28,012,667	$ 239,799,287

See accompanying Notes to Basic Financial Statements.

FUND FINANCIAL STATEMENTS

Governmental Fund Financial Statements

Proprietary Fund Financial Statements

Fiduciary Fund Financial Statements

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GOVERNMENTAL FUND FINANCIAL STATEMENTS

General Fund is the primary operating fund of the City and accounts for the revenues and expenditures to carry out basic governmental activities of the City such as general government, public safety, highway and street, culture and recreation, and community development. This fund accounts for all financial transactions not accounted for in other governmental funds.

Capital Improvements Capital Projects Fund accounts for capital project improvement revenues and expenditures financed by various sources primarily Federal and State grants, General Fund transfers, and community benefit payments for related capital projects.

Non-Major Governmental Funds is the aggregate of all the non-major governmental funds.

City of East Palo Alto
Balance Sheet
June 30, 2024

	General	Capital Improvements Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	$ 57,692,050	$ 22,223,106	$ 43,429,801	$ 123,344,957
Restricted cash and investments	-	323,647	100,100	423,747
Receivables:				
Accrued interest	211,904	75,569	299,611	587,084
Taxes	1,310,147	-	134,189	1,444,336
Intergovernmental	1,584,820	1,934,357	306,697	3,825,874
Accounts receivable	684,714	-	227,641	912,355
Deposits and prepayments	121,071	-	-	121,071
Advances to other funds	438,356	-	1,866,280	2,304,636
Loans to Successor Agency	367,718	-	-	367,718
Loans and notes receivable	-	-	14,368,688	14,368,688
Total assets	$ 62,410,780	$ 24,556,679	$ 60,733,007	$ 147,700,466
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 1,329,378	$ 2,636,655	$ 339,763	$ 4,305,796
Retentions payable	-	408,967	10,150	419,117
Deposits payable	1,334,177	5,000	-	1,339,177
Other accrued liabilities	264,869	2,801	97,750	365,420
Unearned revenue	42,419	878,647	215,520	1,136,586
Advances from developers	-	100,891	-	100,891
Total liabilities	2,970,843	4,032,961	663,183	7,666,987
Deferred inflows of resources:				
Unavailable revenues	22,339	480,033	375,039	877,411
Fund Balances: (Note 9)				
Nonspendable	927,145	-	-	927,145
Restricted	45,039	1,273,906	59,694,785	61,013,730
Committed	11,150,949	9,350,000	-	20,500,949
Assigned	3,824,125	9,419,779	-	13,243,904
Unassigned	43,470,340	-	-	43,470,340
Total fund balances	59,417,598	20,043,685	59,694,785	139,156,068
Total liabilities, deferred inflows of resources, and fund balances	$ 62,410,780	$ 24,556,679	$ 60,733,007	$ 147,700,466

See accompanying Notes to Basic Financial Statements.

City of East Palo Alto
Reconciliation of the Governmental Funds Balance Sheet
To the Government-Wide Statement of Net Position
June 30, 2024

Total Fund Balances - Governmental Funds	$ 139,156,068
Amounts reported for governmental activities in the Statement of Net Position are different from those reported in the Total Fund Balances - Governmental Funds above due to the following:	
Governmental funds report capital outlays as expenditures. In the Government-wide financial statements, the cost of assets are capitalized and depreciated over the estimated useful lives of the assets and reported as depreciation expense. The capital assets, net of depreciation, are adjusted as follows:	
Capital assets not being depreciated	18,971,963
Capital assets, net of accumulated depreciation/amortization	63,461,122
Total capital assets	82,433,085
Employer pension contributions are recorded as expenditures in the Governmental funds when paid based upon recommended actuarial contributions. In the Government-wide financial statements, these employer pension contributions are reported as deferred outflows of resources, to be applied against the net pension liability in the following fiscal year.	2,640,100
In the Government-Wide Financial Statements certain differences between actuarial estimates and actual results for pension, changes in assumptions, differences between actual and projected investment earnings, and differences resulting from changes in allocation percentages are deferred and amortized over a period of time, however in the governmental funds no transactions are recorded.	
Deferred outflows of resources - pension	5,204,475
Deferred inflows of resources - pension	(335,652)
Unavailable revenue recorded in the fund financial statements resulting from activities in which revenues were earned but funds were not available are reclassified as revenues in the Government-Wide Financial Statements.	877,411
Long-term liabilities are not due and payable in the current period; therefore, they are not reported in the Governmental Funds Balance Sheet.	
Compensated absences	(932,158)
Claims payable	(250,435)
Lease payable	(942,495)
Net pension liability	(16,063,779)
Total long-term liabilities	(18,188,867)
Net Position of Governmental Activities	$ 211,786,620

See accompanying Notes to Basic Financial Statements.

City of East Palo Alto
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2024

	Major Funds			
	General Fund	Capital Improvements Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES:				
Property taxes	$ 18,796,350	$ -	$ 1,062,370	$ 19,858,720
Sales taxes	6,019,894	-	1,108,425	7,128,319
Transient occupancy tax	2,021,494	-	504,796	2,526,290
Utility users tax	2,052,280	-	-	2,052,280
Other taxes	2,392,631	-	3,280,985	5,673,616
Licenses, fees and permits	1,673,305	-	1,984,358	3,657,663
Charges for services	453,153	-	663,102	1,116,255
Fines and forfeitures	540,438	-	-	540,438
Use of money and property	3,114,354	1,104,888	2,540,461	6,759,703
Grants and intergovernmental	102,370	7,286,326	3,292,240	10,680,936
Miscellaneous	546,286	-	-	546,286
Total revenues	37,712,555	8,391,214	14,436,737	60,540,506
EXPENDITURES:				
Current:				
General government	6,532,973	28,316	928,733	7,490,022
Public safety	12,578,230	-	224,110	12,802,340
Public works	3,864,152	25,218	1,080,407	4,969,777
Culture and recreation	1,069,528	23,200	237,089	1,329,817
Community development	3,269,199	-	3,793,120	7,062,319
Capital outlay	120,585	9,238,459	265,286	9,624,330
Debt service:				
Principal	471,388	-	13,964	485,352
Interest	55,885	-	1,655	57,540
Total expenditures	27,961,940	9,315,193	6,544,364	43,821,497
REVENUES OVER (UNDER) EXPENDITURES	9,750,615	(923,979)	7,892,373	16,719,009
OTHER FINANCING SOURCES (USES):				
Transfers in	-	2,389,832	1,296,465	3,686,297
Transfers out	(4,119,697)	-	-	(4,119,697)
Total other financing sources (uses)	(4,119,697)	2,389,832	1,296,465	(433,400)
Net change in fund balances	5,630,918	1,465,853	9,188,838	16,285,609
FUND BALANCES:				
Beginning of year, as restated	53,786,680	18,577,832	50,505,947	122,870,459
End of year	$ 59,417,598	$ 20,043,685	$ 59,694,785	$ 139,156,068

See accompanying Notes to Basic Financial Statements.

City of East Palo Alto
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-Wide Statement of Activities
For the year ended June 30, 2024

Net Change in Fund Balances - Total Governmental Funds	$ 16,285,609
Amounts reported as Change in Net Position of governmental activities in the Statement of Activities are different from those reported as Net Change in Fund Balances - Total Governmental Funds above due to the following:	
Governmental funds reported capital outlay as expenditures. However, in the Government-Wide Statement of Activities, the cost of those assets was allocated over the estimated useful lives as depreciation expense. This was the amount of capital assets recorded in the current period.	9,596,924
Depreciation and amortization expense on capital assets is reported in the Government-Wide Statement of Activities, but does not require the use of current financial resources. Therefore, depreciation and amortization expense is not reported as expenditures in the governmental funds.	(3,531,047)
Accrued compensated absences is reported as an expenditure in the Governmental funds when paid, but the accrued payable increased compensated leave liabilities in the Government-Wide Statement of Net Position.	(6,193)
Payments on existing claims against the City are recorded as expenditures in governmental funds, but the payment reduced long-term liabilities in the Government-Wide Statement of Net Position. Expenses related to new claims and changes in claim estimates do not require the use of current financial resources and therefore are not reported as an expenditure in Governmental funds.	15,714
Principal payments on lease liabilities are current expenditures in the fund financials, but reduce the lease liability in the Government-Wide Statement of Net Position	485,352
Current year employer pension contributions are recorded as expenditures in the Governmental funds, however these amounts are reported as a deferred outflow of resources in the Government-Wide Statement of Net Position.	195,671
Pension expense is recorded as incurred in the Government-Wide Statement of Activities, however pension expense is not recognized in the governmental funds.	(1,286,428)
Grant and tax revenues that do not meet the revenue recognition criteria in the governmental funds but are recognized as revenue in the Government-Wide Financial Statements.	(4,818,836)
Change in Net Position of Governmental Activities	$ 16,936,766

See accompanying Notes to Basic Financial Statements.

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Garbage Collection Fund accounts for the certain activities associated with garbage collection services.

Water Service Fund accounts for activities related to water lease and capital improvement surcharge revenues utilized to improve and expand the City's water system infrastructure.

City of East Palo Alto
Statement of Net Position
Proprietary Funds
June 30, 2024

	Business-type Activities		
	Water Service	Garbage Collection	Total Enterprise Funds
ASSETS			
Current assets:			
Cash and investments	$ 19,536,251	$ 3,115,732	$ 22,651,983
Cash with fiscal agents	203,762	-	203,762
Accrued interest	72,347	11,443	83,790
Accounts receivable, net	121,625	30,436	152,061
Total current assets	19,933,985	3,157,611	23,091,596
Noncurrent assets:			
Capital assets:			
Non-depreciable	6,762,117	-	6,762,117
Depreciable, net	5,432,552	-	5,432,552
Total capital assets	12,194,669	-	12,194,669
Total noncurrent assets	12,194,669	-	12,194,669
Total assets	32,128,654	3,157,611	35,286,265
	11,584,697		
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - pension	32,395	37,123	69,518
Total deferred outflows of resources	32,395	37,123	69,518
LIABILITIES			
Current liabilities:			
Accounts payable	235,589	1,479,272	1,714,861
Other accrued liabilities	25,196	24,381	49,577
Note payable	23,333	-	23,333
Lease payable	29,367	-	29,367
Total current liabilities	313,485	1,503,653	1,817,138
Noncurrent liabilities:			
Deposits payable	26,360	-	26,360
Advances from developers	2,469,006	-	2,469,006
Advances from other funds	2,304,636	-	2,304,636
Note payable	560,002	-	560,002
Lease payable	20,603	-	20,603
Net pension liability	64,065	78,340	142,405
Total noncurrent liabilities	5,444,672	78,340	5,523,012
Total liabilities	5,758,157	1,581,993	7,340,150
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - pension	1,808	1,158	2,966
Total deferred inflows of resources	1,808	1,158	2,966
NET POSITION			
Net investment in capital assets	11,338,141	-	11,338,141
Restricted for:			
Capital projects	13,778,345	-	13,778,345
Unrestricted	1,284,598	1,611,583	2,896,181
Total net position	$ 26,401,084	$ 1,611,583	$ 28,012,667

See accompanying Notes to Basic Financial Statements.

City of East Palo Alto
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended on June 30, 2024

	Business-type Activities		
	Water Service	Garbage Collection	Total Enterprise Funds
OPERATING REVENUES:			
Charges for services and other fees	$ 1,207,218	$ 2,874,307	$ 4,081,525
Other	399,095	287,103	686,198
Total operating revenues	1,606,313	3,161,410	4,767,723
OPERATING EXPENSES:			
Outside services	443,545	2,918,649	3,362,194
Administration	129,099	253,328	382,427
Depreciation	321,583	-	321,583
Total operating expenses	894,227	3,171,977	4,066,204
OPERATING INCOME	712,086	(10,567)	701,519
NONOPERATING REVENUES (EXPENSES):			
Interest income	974,336	120,642	1,094,978
Total nonoperating revenues (expenses)	974,336	120,642	1,094,978
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	1,686,422	110,075	1,796,497
Capital contributions	1,308,516	-	1,308,516
Transfers in	433,400	-	433,400
Change in net position	3,428,338	110,075	3,538,413
NET POSITION			
Beginning of year	22,972,746	1,501,508	24,474,254
End of year	$ 26,401,084	$ 1,611,583	$ 28,012,667

See accompanying Notes to Basic Financial Statements.

City of East Palo Alto
Statement of Cash Flows
Proprietary Funds
For the Year Ended on June 30, 2024

	Business-type Activities		
	Water Service	Garbage Collection	Total Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from others	$ 399,095	$ 287,103	$ 686,198
Cash received from customers	1,295,012	2,897,962	4,192,974
Cash payments to suppliers for goods and services	(414,749)	(2,138,324)	(2,553,073)
Cash paid to employees and city administration	(112,358)	(221,547)	(333,905)
Net cash provided by operating activities	1,167,000	825,194	1,992,194
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Capital contributions	1,718,583	-	1,718,583
Acquisition of capital assets	(443,799)	-	(443,799)
Payment of leases	(27,402)		(27,402)
Repayments on advances from other funds	(101,369)	-	(101,369)
Repayments on advances from developers	(41,040)	-	(41,040)
Net cash (provided by) capital and related financing activities	1,104,973	-	1,104,973
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment income received	1,025,140	124,836	1,149,976
Net cash provided by investing activities	1,025,140	124,836	1,149,976
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,297,113	950,030	4,247,143
CASH AND CASH EQUIVALENTS - Beginning of year	16,442,900	2,165,702	18,608,602
CASH AND CASH EQUIVALENTS - End of year	$ 19,740,013	$ 3,115,732	$ 22,855,745
FINANCIAL STATEMENT PRESENTATION:			
Cash and investments	$ 19,536,251	$ 3,115,732	$ 22,651,983
Cash with fiscal agents	203,762	-	203,762
Total	$ 19,740,013	$ 3,115,732	$ 22,855,745
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (used in) BY OPERATING ACTIVITIES:			
Operating income	$ 712,086	$ (10,567)	$ 701,519
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	321,583	-	321,583
Changes in assets, liabilities and related deferrals:			
Accounts receivable	87,794	23,655	111,449
Pension related deferred outflows of resources	(369)	(1,181)	(1,550)
Accounts payable	43,220	780,325	823,545
Other accured liabilities	-	24,381	24,381
Net pension liabilities	3,106	9,924	13,030
Pension related deferred inflows of resources	(420)	(1,343)	(1,763)
Total adjustments	454,914	835,761	1,290,675
Net cash provided by operating activities	$ 1,167,000	$ 825,194	$ 1,992,194
NON-CASH INVESTMENT AND FINANCING ACTIVITY:			
Forgiveness of long term debt	$ 23,333	$ -	$ 23,333

See accompanying Notes to Basic Financial Statements.

FIDUCIARY FUND FINANCIAL STATEMENTS

Private Purpose Trust Funds

Successor Agency Trust to the Redevelopment Agency Private-Purpose Trust Fund accounts for the accumulation of resources held and administered under trust for the benefit of others. In January 2012, all California Redevelopment Agencies were dissolved pursuant to the Dissolution Act. As such, the City elected to serve as the Successor Agency (SA) of the former Redevelopment Agency. The SA is responsible for winding down the affairs of the former agency. This fund accounts for receipts and payments related to an Enforceable Obligation Schedule; and the disposition of assets and property of the former Redevelopment Agency for the benefit of taxing agencies. The financial activities of the fund are excluded from the Government-wide financial statements, but are presented in the separate Fiduciary Fund financial statements.

City of East Palo Alto
Statement of Net Position
Fiduciary Funds
June 30, 2024

	Successor Agency Trust Fund
ASSETS	
Current assets	
Cash and investments	$ 1,634,807
Receivables:	
Taxes receivable	145,821
Interest receivable	17,290
Total current assets	1,797,918
Total assets	1,797,918
LIABILITIES	
Liabilities:	
Current liabilities	
Other accrued liabilities	1,281
Loans payable to City	367,718
Bonds payable	1,140,000
Total current liabilities	1,508,999
Noncurrent liabilities	
Bonds payable	10,840,000
Total noncurrent liabilities	10,840,000
Total liabilities	12,348,999
DEFERRED INFLOWS OF RESOURCES	
Deferred gain on refunding	96,414
NET POSITION	
Total net position (deficit) - Held in trust for dissolution of RDA	$ (10,647,495)

See accompanying Notes to Basic Financial Statements.

See accompanying Notes to Basic Financial Statements

City of East Palo Alto
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended on June 30, 2024

	Successor Agency Trust Fund
ADDITIONS:	
RDA property tax trust fund distribution	$ 3,546,233
Use of money and property	112,147
Total additions	3,658,380
DEDUCTIONS:	
General government	43,026
Interest and fiscal charges	382,688
Total Deductions	425,714
Change in net position	3,232,666
NET POSITION (DEFICIT):	
Beginning of year	(13,880,161)
End of year	$ (10,647,495)

See accompanying Notes to Basic Financial Statements.

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NOTES TO BASIC FINANCIAL STATEMENTS

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of East Palo Alto, California (City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. Financial Reporting Entity

The City of East Palo Alto (City) was incorporated in 1983, under the General Laws of the State of California and enjoys all the rights and privileges pertaining to "General Law" cities. The City uses the City Council/Manager form of government. The local government is comprised of five Council members who are elected every four years and act under powers granted under State law. The City provides a variety of services including general administration; police public safety; street/highway, storm drain, streetlight, and park maintenance; community development, and community services, including rent control services.

The basic financial statements present the City and its component units, entities for which the City is financially accountable. Blended component units, although legally separate entities are, in substance, part of the City's operations and data from these units are combined with data of the City. The City has no discretely presented component units. The blended component unit has a June 30 year-end. The following entity is reported as a blended component unit:

The East Palo Alto Public Financing Authority - The East Palo Alto Public Financing Authority (Authority) was organized in October 1999 under a joint exercise of power agreement to provide financing for public improvements for the City and the former East Palo Alto Redevelopment Agency (former Agency). The Authority and the City have a financial and operational relationship, which requires that the Authority's financial statements be blended into the City's financial statements. The Authority's Board consists exclusively of all members of the City Council. Separate financial statements of the Authority are not prepared. There are currently no reportable financial transactions of the Authority.

B. Basis of Accounting and Measurement Focus

The accounts of the City are organized on a fund basis, each of which is considered a separate accounting entity with its own self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses. These funds are established for the purpose of carrying out activities or certain objectives in accordance with specific regulations, restrictions, or limitation. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and how spending activities are controlled.

Government-Wide Financial Statements
The City's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the City accompanied by a total column.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Accounting and Measurement Focus, Continued

Government-Wide Financial Statements, Continued

The financial statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all the City's assets and liabilities, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liabilities are incurred.

Certain types of transactions reported as program revenues for the City are reported in three categories:

- Charges for services.
- Operating grants and contributions.
- Capital grants and contributions.

Certain eliminations have been made related to inter-fund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

- Due to/from other funds.
- Transfers in/out.

The City applies all applicable GASB pronouncements including all NCGA Statements and Interpretations currently in effect.

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in net position as presented in these statements to the net position presented in the government-wide financial statements. The City has presented all major funds that meet specific qualifications.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Accounting and Measurement Focus, Continued

Governmental Fund Financial Statements, Continued

The City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The primary revenue sources that have been treated as susceptible to accrual by the City are property taxes, taxpayer-assessed tax revenues (sales taxes, transient occupancy taxes, franchise taxes, etc.), grant revenues and earnings on investments. Expenditures are generally recorded when a liability is incurred, as under accrual accounting.

The City reports the following funds as major governmental funds of the City:

General Fund accounts for resources traditionally associated with governmental activities that are not required legally or by sound financial management to be accounted for in another fund.

Capital Improvements Capital Projects Fund accounts for capital project improvement revenues and expenditures financed by various sources, primarily Federal and State grants, General Fund transfers, and capital-related community benefit receipts.

The City reports the following governmental funds as non-major governmental funds of the City:

NPDES Fees Special Revenue Fund accounts for the revenues and expenditures from assessments levied on property in the City in compliance with the provisions of the National Pollutant Discharge Elimination System for prevention of storm water and flood related damage.

Gas Tax Special Revenue Fund accounts for funds received from the State of California to use for street and highway related projects.

Federal and State Law Enforcement Special Revenue Fund accounts for the receipt and use of State and Federal law enforcement related grant money.

Park in Lieu Special Revenue Fund accounts for park in lieu fees collected from developers.

Rent Stabilization Special Revenue Fund accounts for revenues and expenditures to support rent stabilization activities.

Federal and State Grants Special Revenue Fund accounts for grant money received and expended from various Federal and State government grants.

Housing Assistance Special Revenue Fund accounts for first time home buyer assistance program activities.

Measure A Special Revenue Fund accounts for the City's share of Measure A revenues and expenditures. Measure A is a half-cent sales tax to support countywide (San Mateo County) transportation projects and programs.

CYSFF TOT Special Revenue Fund accounts for 10% of transient occupancy taxes collected as approved by voters and the City Council approved funding for various non-profit organizations related to Children/Youth/Seniors/Family programs.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Accounting and Measurement Focus, Continued

Governmental Fund Financial Statements, Continued

Lighting District Special Revenue Fund accounts for revenues (property taxes) and expenditures for the Ravenswood Highway Lighting District.

Drainage District Special Revenue Fund accounts for revenues (property taxes) and expenditures for the East Palo Alto Maintenance Drainage District.

Measure C Special Revenue Fund accounts for activities related to the Measure C Parcel tax. Measure C was an annual tax approved by the voters in November 2006 for a period of ten years. The remaining funds are to be used to support violence prevention and public safety intervention.

Local Grants Special Revenue Fund accounts for revenues and expenditures from local public and private grants including the C/CAG Shuttle and the CA Endowment grants.

Silicon Valley Community Foundation (SVCF) Special Revenue Fund accounts for gift monies from the Silicon Valley Community Foundation to be used for the purpose of incentivizing the development of affordable housing within the City. Up to $2,000,000 was authorized for an inter-fund Advance to provide monies to purchase certain water rights. Remaining funds are restricted to pay a minimum amount of $500,000 for an affordable housing manager over a minimum period of five years.

Low- and Moderate-Income Housing Successor Special Revenue Fund accounts for the activities related to the housing assets assumed by the City as Housing Successor to the former Redevelopment Agency. The activities are governed by California redevelopment law and must be used to provide housing for people with low and moderate incomes.

Housing in Lieu Special Revenue Fund accounts for developer fees in lieu of providing affordable housing and the expenditures related to affordable housing development activities.

Housing TOT Special Revenue Fund accounts for 10% set-aside of transient occupancy taxes collected as approved by voters, and the expenditures related to affordable housing development activities.

Measure HH Special Revenue Fund accounts for the revenues and expenditures of Measure HH-Parcel tax. Measure HH was approved by the voters in November 2018. The tax is annual parcel tax and the funds are to be used for affordable and supportive housing programs, programs that facilitate access to job opportunities in the S.T.E.M. sectors, building trades, and strengthen First Source Hiring.

Measure W Special Revenue Fund accounts for the City's share of San Mateo County Measure W revenues and expenditures. Measure W is a half-cent sales tax to support countywide transportation projects and programs.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Accounting and Measurement Focus, Continued

Governmental Fund Financial Statements, Continued

CIP Impact Fees Capital Project Fund accounts for various development impact fees collected by the City for capital related activities.

Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Change in Net Position, and a Statement of Cash Flows for all proprietary funds. Proprietary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which a liability is incurred.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

The City reports the Garbage Collection and Water Service enterprise funds as proprietary funds of the City.

Water Service Fund accounts for the certain activities related to water lease and capital surcharge revenues utilized to improve and expand the City's water system infrastructure.

Garbage Collection Fund accounts for the activities associated with garbage collection services.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements consist of a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. Private-purpose trust funds account for resources of all other trust arrangements in which principal and income benefit individuals, private organizations, or other governments (i.e. unclaimed property/escheat property). Fiduciary funds are accounted for using the accrual basis of accounting. The City reports the following fiduciary funds:

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Accounting and Measurement Focus, Continued

Fiduciary Fund Financial Statements, Continued

Successor Agency Private Purpose Trust Fund – accounts for assets and liabilities held by the City pursuant to California Redevelopment Dissolution Law whereby the City elected to serve as the Successor Agency of the former Agency effective February 1, 2012. The Successor Agency serves as custodian for the assets of, and winding down affairs related to, the former Agency. The Successor Agency is allocated revenues necessary to pay enforceable obligations of the former Agency. The activities of the fund are excluded from the Government-wide financial statements but are presented in the separate Fiduciary fund financial statements.

C. Cash, Cash Equivalents, and Investments

The City pools cash resources from all funds to facilitate the management of cash. The balance in the pooled cash account is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing accounts and other investments for varying terms. In accordance with GASB Statement No. 40, *Deposit and Investment Disclosures (Amendment of GASB No. 31)*, certain disclosure requirements for Deposits and Investment Risks were made in the following areas:

- Interest Rate Risk
- Credit Risk
  - Overall
  - Custodial Credit Risk
  - Concentrations of Credit Risk

In addition, other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end, and other disclosures.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. The City categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City does not have any investments that are measured using Level 3 inputs.

The City participates in an investment pool managed by the State of California entitled Local Agency Investment Fund (LAIF) which has invested a portion of the pooled funds in structured notes and asset-backed securities. LAIF investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these structured notes and asset-backed securities are subject to market risk as to the change in interest rates.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. Cash, Cash Equivalents, and Investments, Continued

Cash equivalents are considered amounts in demand deposits and short-term investments with a maturity date within three months of the date acquired by the City and are presented as "Cash and Investments" in the accompanying Basic Financial Statements.

The City considers all pooled cash and investments (consisting of cash and investments and restricted cash and investments) held by the City as cash and cash equivalents because the pool is used essentially as a demand deposit account from the standpoint of the funds. The City also considers all non-pooled cash and investments (consisting of cash with fiscal agent and restricted cash and investments held by fiscal agent) as cash and cash equivalents because investments meet the criteria for cash equivalents defined above.

D. Restricted Cash and Investments

Certain restricted cash and investments are held by fiscal agents under the provisions of bond indentures or trust arrangements. The City's Investment Policy does not apply to trust accounts held by the fiscal agents, which are invested as directed by separate trust arrangements.

E. Prepayments

Payments made for services that will benefit periods beyond fiscal year end are recorded as prepaid items. In the governmental fund types, there is a portion of non-spendable fund balance equal to the total prepaid items since these are not available for appropriation.

F. Capital Assets

Capital assets used in governmental fund operations, including infrastructure assets (i.e. roads, curbs, gutters, bridges, sidewalks, drainage systems, lighting systems, and other assets) are reflected in the government-wide financial statements, along with related depreciation. Capital assets are defined by the City as assets with an initial individual cost of more than $5,000 and an estimated life more than one year. Purchased capital assets are valued at historical cost or estimated historical cost. Donated capital assets are valued at their acquisition value on the date donated. Capital assets acquired under lease or purchase agreements are capitalized when the City accumulates an ownership equity in the assets acquired.
The purpose of depreciation is to allocate the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets.

Depreciation is provided using the straight-line method whereby the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The City has assigned the useful lives listed below to capital assets:

Infrastructure	7-55 years
Buildings and Improvements	30 years
Furniture, Fixture, and Equipment	5-10 years
Automobiles and Trucks	10 years

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

F. Capital Assets, Continued

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

Right to use leased assets are recognized at the lease commencement date and represent the City's right to use an underlying asset for the lease term. Right to use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right to use leased assets are amortized over the shorter of the lease term or useful life of the underlying asset using the straight-line method. The amortization period varies from 3 to 5 years.

G. Unearned revenue

Unearned revenue is recognized for transactions for which revenue has not yet been earned. Typical transactions recorded as unearned revenues in the Government-wide Financial Statements are prepaid fees and charges for services.

H. Long-Term Debt

Government-wide Financial Statements – Long-term debt and other long-term obligations are reported as liabilities in the appropriate activities.

Bond premiums and discounts, if any, are amortized over the life of the bonds using straight line method. Bonds payable are reported net of the applicable bond premium or discount.

Fund Financial Statements – The governmental fund financial statements do not report long-term debt. As such, long-term debt is shown in the Reconciliation of the Governmental Funds Balance Sheet to the Government-wide Statement of Net Position.

Premiums and discounts related to debt issuance are recognized during the current period as other financing sources or uses. Proceeds from debt issuance are reported as other financing sources.

Lease Liabilities represent the City's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments are discounted based on a borrowing rate determined by the City.

I. Property Taxes

State Constitution Article XIIIA provides for a maximum general property tax rate statewide of $1.00 per $100, or one percent (1%) of assessed value unless an additional override tax rate is levied to pay voter-approved indebtedness. At the time of transfer of ownership, assessed value is calculated at 100% of market value as defined by Article XIIIA; otherwise assessed value is applied to the adjusted 1975-76 value of the property plus new construction value added after the 1975-76 valuation. Taxable values on properties can rise or be adjusted at the lesser 2% per year or the inflation rate as determined by the Board of Equalization California Consumer Price Index.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

J. Property Taxes, Continued

The State Legislature has determined the method of distribution of receipts from a $1.00 tax levy among the counties, cities, school districts and other districts. Counties, cities, school districts and other special districts, may levy such additional tax rate as is necessary to provide for voter-approved debt.

The County of San Mateo assesses properties and bills for and collects property taxes as follows:

	Secured	Unsecured
Valuation/Lien dates	January 1	January 1
Levy Dates	On or before November 1	July 1
Due Dates (deliquent after)	50% on November 1 (December 10) 50% on February 1 (April 10)	July 1 (August 31)

K. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position (balance sheet) may report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position may report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

L. Net Position

Government-Wide Financial Statements

In the Government-wide Financial Statements, net position is classified in the following categories:

Net Investment in Capital Assets – This amount consists of capital assets, net of accumulated depreciation and reduced by outstanding debt, that is attributed to the acquisition, construction, or improvement of the assets.

Restricted – This amount is restricted by external creditors, grantors, contributors, or laws or regulations of governments.

Unrestricted – This amount is the net position balance that does not meet the definition of "net investment in capital assets" or "restricted net position" as defined above.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the City's policy is to apply restricted net position first.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

M. Fund Balance

Nonspendable Fund Balances

Non-spendable balances consist of amounts that do not represent available, spendable resources even though they are a component of assets. Fund balances required to be maintained intact, such as Permanent Funds, and assets not expected to be converted to cash, such as prepaids, notes receivable, and land held for resale are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed, or assigned, then non-spendable amounts are required to be presented as a component of the applicable category.

Restricted Fund Balances

Restricted fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for specific purpose. Encumbrances and nonspendable amounts subject to restrictions are included with spendable resources.

Committed Fund Balances

Committed fund balances have constraints imposed by resolution of the City Council which may be altered only by resolution of the City Council. Encumbrances and nonspendable amounts subject to Council commitments are included with spendable resources.

Assigned Fund Balances

Assigned fund balances are amounts constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. Intent is expressed by the City Council or its designee and may be changed at the discretion of the City Council or its designee. This category includes encumbrances and non-spendable balance when it is the City's intent to use proceeds or collections for a specific purpose. The City Council is the only entity that has authority to make assignments of fund balance. The City Council has not delegated the authority to make assignments of fund balance.

Unassigned Fund Balance

Unassigned fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual general fund balance and residual fund deficits, if any, of other governmental funds.

Hierarchy of Expenditures to Classify Fund Balance Amounts

For expenditures made in any governmental fund, the restricted amounts will be reduced first, followed by committed amounts, assigned amounts, and then unassigned amounts.

Minimum Fund Balance Policies

The City's Reserve Management Policy requires that the City maintain a contingency reserve balance targeting 30% of adopted general fund expenditures including recurring transfers in the unassigned general fund balance.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

M. Fund Balances, Continued

On June 30, 2024, the General Fund reported $42,470,340 in reserve which meets the City's minimum 30% requirement level of $10,970,059. After the minimum fund balance requirement, the General Fund reserve fund balance is $32,500,281.

N. Compensated Leave Payable

Compensated absences are primarily comprised of unpaid vacation leave which is accrued as earned. All full-time, regular employees are entitled to earn a minimum of 80-hours of vacation per year. The accrual rate increases as length of related service exceeds five years. Maximum accrual of vacation ranges from 288 hours to 320 hours depending on length of related service. For governmental funds, compensated leave payable is recorded as current and noncurrent liabilities and as expenses only on the Government-wide Financial Statements. Compensated absences are reported in governmental funds only if they have matured.

O. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The liability for pension-related debt is primarily liquidated by the General Fund.

P. Use of Estimates

The preparation of the Basic Financial Statements in conformity with GAAP requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts and the disclosure. In addition, estimates affect the reported amount of expenses. Actual results could differ from these estimates and assumptions.

Q. Restatement

During the fiscal year, there was a change within the financial reporting entity which resulted in the Housing In-Lieu Fund being reported as a non-major governmental fund instead of a major governmental fund. This change resulted in restatements of beginning fund balances as follows:

	Governmental Funds	
	Housing In-Lieu Fund	Non-major Governmental Funds
Beginning, as previously reported on June 30, 2023	$ 13,313,682	$ 37,192,265
Change to or within the financial reporting entity	(13,313,682)	13,313,682
Beginning, as restated on July 1, 2023	$ -	$ 50,505,947

2. CASH AND INVESTMENTS

The City maintains a cash and investment pool for all funds. Certain restricted funds that are held and invested by independent outside custodians through contractual agreements are not pooled. These restricted funds include cash and investment held by trustees.

A. Summary of Cash and Investments

The following is a summary of cash and investments at June 30, 2024:

	Government-Wide Statement of Net Position			
	Governmental Activities	Business-Type Activities	Fiduciary Funds	Total
Cash Investments	$ 123,344,957	$ 22,651,983	$ 1,634,807	$ 147,631,747
Reistricted cash and investments	423,747	203,762	-	627,509
Total cash and investments	$ 123,768,704	$ 22,855,745	$ 1,634,807	$ 148,259,256

Cash and investments as of June 30, 2024 consist of the following:

Deposits:	
Cash on hand	$ 10,800
Deposits with Financial Institution	2,726,152
Total Deposits	$ 2,736,952
Investments:	
Local Agency Investment funds	$ 14,854,966
San Mateo Investment Pool	34,850,799
California Asset Management Program	95,189,030
Total investments	144,894,795
Total cash and investments (unrestricted)	147,631,747
Restricted cash and investments:	
Cash with fiscal agent	627,509
Total restricted Cash and Investments	627,509
Total cash and investments	$ 148,259,256

2. CASH AND INVESTMENTS, Continued

B. Deposits

The carrying amount of the City's cash deposits was $2,726,152 at June 30, 2024. Bank balances before reconciling items were a positive amount of $3,740,885 at June 30, 2024. The City has waived the collateral requirements for cash deposits up to the fully insured up to $250,000 by the Federal Deposit Insurance Corporation. The remaining amount was collateralized with securities held by the pledging financial institutions in the City's name.

The California Government Code (Code) requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. The Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is held in the City's name. The fair value of pledged securities must equal at least 110% of the City's cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the City's total cash deposits.

The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under the provisions of bond indentures or trust arrangements. Interest income earned on pooled cash and investments is allocated to the various funds based on the period-end cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

2. CASH AND INVESTMENTS, Continued

C. Authorized Investments by the City

The City's Investment Policy and the California Government Code allow the City to invest in the following, provided the credit ratings of the issuers are acceptable to the City. The following also identifies certain provisions of the City and California Government Code that address interest rate risk, credit risk, and concentration of credit risk. This does not address the City's investments of debt proceeds held by fiscal agents that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the Entity's investment policy. Under the provisions of the City's investment policy, and in accordance with the Code, the following investments are authorized:

Authorized Investment Type ****	Maximum Maturity	Maximum % Holdings*	Maximum % per Issuer	Maximum Rating**
Municipal Bonds	5 years	100%	5%	N/A
U.S. Treasures and General Obligations	5 years	100%	100%	N/A
Federal Agency or U.S. Government sponsored Enterprise (GSE)	5 years	100%	50%	N/A
Bankers' Acceptance	180 days	40%	5%	N/A
Commercial Paper***	270 days	25%	5%	A-1/ P-1 plus A Long Term
Negotiable Certificates of Deposit	5 years	30%	5%	N/A
Medium Term (Corporate) Notes	5 years	30%	5%	NA
Mutual and Money Market Funds	2(A) 7 Eligible	20%	10%	AAA/AAA
Shares of Beneficial Interest by a JPA	5 years	100%	50%	N/A
Supranationals (IBRD, IFC, and IDB)	5 years	30%	5%	AA
Collateralized Bank Deposits	5 years	100%	20%	N/A
Country Investment Pool	N/A	permitted by County Treasurer	permitted by County Treasurer	N/A
Local Agency Investment Fund (LAIF)	N/A	permitted by State Treasuerer	permitted by State Treasuerer	N/A

*Percentages are in compliance if within limits at time of purchase. Recomennded maximum % is more restrictive than allowed by code. Combine issuer types to determine maximum counterparty risk.

**Rating category are inclusive of rating modifiers such as "+/-" or numbers from one NRSRO unless two ratings are noted

*** A-1 or equivalent plus A long term; total assets in excess of $500MM; no more than 10% outstanding from a simgle issuer.

**** Excluding amounts held by bond trustee that are not subject to California Government Code restrictions.

2. CASH AND INVESTMENTS, Continued

D. Investments

Investments are stated at fair value using the aggregate method in all funds, resulting in the following investment income in all funds:

Interest Income	$	5,443,003
Unrealized gain/ (Loss) in changes in fair value of investments		2,454,792
Total Investment Income (Loss)	$	7,897,795

The City's portfolio value fluctuates in an inverse relationship to any change in interest rate. Accordingly, if interest rates rise, the portfolio value will decline. If interest rates fall, the portfolio value will rise. The portfolio for year-end reporting purposes is treated as if it were all sold. Therefore, fund balance must reflect the portfolio's change in value. These portfolio value changes are unrealized unless sold.

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City's investments with LAIF at June 30, 2024, include a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments include the following:

Structured Notes – are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or have embedded forwards or options.

Asset-Backed Securities – the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as Collateralized Mortgage Obligations) or credit card receivables.

The LAIF fair value factor of 0.996316 was used to calculate the fair value of the investments in LAIF.

The City is also a voluntary participant in the San Mateo County Investment Fund (County Pool) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the County. The City reports its investment in the County Pool at the fair value amount provided by the County. Included in the County Pool's investment portfolio are US Treasury Notes, Obligations issued by agencies of the United States Government, LAIF, Corporate Notes, Commercial Paper, collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, and floating rate securities issued by federal agencies, government-sponsored enterprises, and corporations. The fair value factor of 0.991300 was used to calculate the fair value of the investments in the County Pool.

The City also participates in the California Asset Management Program (CAMP), a California Joint Powers Authority that falls under California Government Code Section 53601(p), which is directed by a Board of Trustees. CAMP have adopted Governmental Accounting Standards Board (GASB) Statement No.79 which provides the safety and liquidity of public funds invested in the pool. GASB 79 incorporates robust guidance and accounting standards for local government investment pools to qualify for electing to measure its investments at amortized cost from a financial reporting perspective.

2. CASH AND INVESTMENTS, Continued

E. Risk Disclosures

Interest Risk: Interest rate risk is the fair value fluctuation due to overall changes in the interest rates. It is mitigated by limiting the average maturity of the City's portfolio not to exceed three years.

Investments held in the City Treasury grouped by maturity date at June 30, 2024, are shown below:

		Investment Maturities (in years)			
Investment Type	Fair Value	1 Year or Less	1-2 Years	2-3 Years	3+ Years
City Local Agency Investment Fund	$ 14,854,966	$ 14,854,966	$ -	$ -	$ -
San Mateo County Pool	34,850,799	34,850,799	-	-	-
California Asset Management Program	95,189,030	95,189,030			
Total	$ 144,894,795	$ 144,894,795	$ -	$ -	$ -

Credit Risk: Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the actual rating as of June 30, 2024 for each investment type:

	Credit Quality Ratings		
	Moody's	S&P	Fair Value
City Local Agency Investment Fund	Not Rated	Not Rated	$ 14,854,966
San Mateo County Pool	Not Rated	Not Rated	34,850,799
California Asset Management Program	Not Rated	Not Rated	95,189,030

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's Investment Policy limits its exposure to custodial credit risk by requiring that all security transactions entered into by the City, be conducted on a delivery-versus-payment basis.

F. Investment Valuation

Investments (except for money market accounts, time deposits, and commercial paper) are measured at fair value on a recurring basis. *Recurring* fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Investments in LAIF, San Mateo County Pool, CAMP and restricted cash and investments included money market accounts and guaranteed investment contracts are not subject to levelling disclosure requirements.

3. INTERFUND TRANSACTIONS

A. Transfers

At June 30, 2024, the City had the following transfers in/out which arose in the normal course of operations:

	Transfers In			
Transfers Out	Capital Improvements	Non-Major Governmental Funds	Water Service Enterprise Fund	Total
General Fund	$ 2,389,832	$ 1,296,465	$ 433,400	$ 4,119,697
Total	$ 2,389,832	$ 1,296,465	$ 433,400	$ 4,119,697

Transfers from the General Fund were made to 1) the Capital Improvements Fund to fund various capital projects mainly for streets and road improvement projects, 2) to non-major funds for gas tax, storm drain and street sweeping operations, and for housing successor share of loan reimbursements, and 3) to the Water Fund to support Woodland Palo Alto Intertie project.

B. Due to/from Other Funds

At June 30, 2024, the City had no balances in due to/from other funds:

C. Advances to/from Other Funds

Advances from the General Fund and Non-Major Governmental Funds (the SVCF Fund) were made to the Water Services Enterprise Fund to provide liquidity for the purchase of water assurance rights. The advances are repaid upon collection of development impact fees related to the cost of the water assurance rights acquired to increase development capacity within the City. At June 30, 2024, the City had the following advances to/from other funds:

	Advances To
Advances From	Water Services Fund
Major Funds:	
General Fund	$ 438,356
Non-Major Governmental Funds	1,866,280
Total	$ 2,304,636

4. LOANS AND NOTES RECEIVABLE

Loans receivable as of June 30, 2024, composed of the following, were held by the City:

	Balances as of June 30, 2024
Nairobi Housing Associates Loan	$ 4,537,555
Nugent Square Partners Loan	1,288,291
Bay Road Housing Loan	522,500
First Time Home Buyers Assistance Loans	42,806
University Senior Apts Loan	663,536
CalHome Loans	100,000
Colibri Commons Loans	7,214,000
Subtotal	14,368,688
Loans to Successor Agency	367,718
Total	$ 14,736,406

A. Nairobi Housing Associates Loan

On June 1, 1999, the former Agency entered into a loan agreement with Nairobi Housing Associates (Nairobi), a California Limited Partnership. The $5,500,000 loan was used by Nairobi used to develop 129 affordable multi-family rental housing units, ancillary landscaping, and other improvements known as Peninsula Park Apartments (the Project). In February 2019, the City agreed to a $714,000 loan repayment and approved certain regulatory and loan agreement amendments in connection with developer-refinancing of the Project, including extending the loan maturity. The loan accrues simple interest at the rate of 1% per annum, commencing February 1, 2001. The amended loan matures on July 31, 2056 and is secured by a subordinated note and deed of trust on the property.

B. Nugent Square Partners Loan

On August 1, 2003, the former Agency entered into a loan agreement in the amount of $1,100,000 with Nugent Square Partners, L.P. (Nugent), a California Limited Partnership to develop 32 affordable multi-family rental housing units, ancillary landscaping, and other improvements known as Nugent Square Apartments. In March 2020, the City agreed to a $50,000 loan prepayment and approved certain regulatory and loan subordination amendments in connection with developer-refinancing of the Project. On December 1, 2022, the City entered into an amended and restated loan agreement with Nugent. As of the date of the Amended Agreement, the Loan had accrued interest at the rate of 1% simple interest with a total accrued interest of $121,466, which is capitalized into the outstanding balance of the Loan for a total loan balance of $1,221,466. In accordance with the terms and conditions set forth in the Amended Agreement, the City is agreeing to restructure the Loan with interest accrues on the outstanding principal balance of the Loan at a rate of 3.43% compounding annually commencing on the effective date of the Amended Agreement. The loan matures in February 2045 and is secured by a deed of trust on the property.

4. LOANS AND NOTES RECEIVABLE, Continued

C. Bay Road Housing Loan

In December 2004, the former Agency entered into a loan agreement with Bay Road Housing, L.P., a California Limited Partnership to provide annual maximum operating gap subsidies related to the development and subsequent operation of 77 affordable multi-family rental housing units known as Courtyard at Bay Road Apartments. The loan provides a maximum annual operating subsidy of $60,000 over a period of twenty years, or a maximum loan of $1.2 million. The loan accrues simple interest at the rate of 2% per annum. The loan matures in January 2027 and is secured by a deed of trust on the property.

D. First Time Home Buyer Assistance Loans

On December 21, 2004, the City approved a program for down payment assistance loans to qualified homebuyers who met the criterion to purchase a below-market rate (BMR) home in East Palo Alto. Generally, the assistance consists of 30-year loans at a fixed rate of 3% interest with payments deferred for the first five years.

E. University Senior Apartments Loan

On November 25, 2015, the City entered into a loan agreement in the amount of $700,000 with University Senior Apartments, L.P., a California limited partnership to develop 41 affordable multi-family senior housing units known as Serenity Senior Apartments. The loan bears an interest rate of 3% simple interest per annum, commencing on September 5, 2017. The loan is due on November 25, 2072 and is secured by a deed of trust on the property.

F. Colibri Commons Loans

On October 21, 2023, the City entered into loan agreement in the amount of $7,214,000 with MP 965 Weeks Street Associates, L.P., a California limited partnership to develop 135 units ranging from 30% to 60% Area Median Income (AMI) and one manager unit known as Colibri Commons Apartments. The loans consist of a loan in the amount of $714,000 (Housing Fund Loan) and a loan in the amount of $6,500,000 (State Grant Fund Loan). The Housing Fund Loan bear simple interest at the rate of 3% per annum commencing on October 21, 2023. The State Grant Fund Loan shall not bear interest. The loans are due, in full, on October 21, 2080 and are secured by a deed of trust on the property.

G. Loans to Successor Agency

At June 30, 2024, the outstanding balance of $367,718 is comprised of an advance to the former Agency which was assumed by the Successor Agency on February 1, 2012. The related agreement provided for the sale of the Ravenswood High School Site to the former Redevelopment Agency. This property was developed into a retail shopping center in the Gateway 101 Project Area. Repayment terms are subject to a formula outlined in the California Health and Safety Code and approved on an annual recognized obligation schedule (ROPS) under Dissolution Law. There is no interest provision.

5. CAPITAL ASSETS

Changes in capital assets during the year ended June 30, 2024, are comprised of the following:

	Balance at July 1, 2023	Additions	Deletions/ Reclassification	Balance at June 30, 2024
Government activities				
Capital assets not being depreciated				
Land	$ 7,318,724	$ -	$ -	$ 7,318,724
Construction in progress	6,601,121	9,126,538	(4,074,420)	11,653,239
Total capital assets not being depreciated	13,919,845	9,126,538	(4,074,420)	18,971,963
Capital assets being depreciated/amortized				
Infrastructure:				
Streets and roadways	80,594,290	-	3,993,863	84,588,153
Storm drain system	6,738,214	-	80,557	6,818,771
Building and improvements	20,266,962	-	-	20,266,962
Right-to-use leased buildings	2,306,523	-	-	2,306,523
Furniture, fixtures, and equpment	2,268,680	187,896	-	2,456,576
Vehicles	3,062,487	282,489	-	3,344,976
Total capital assets being depreciated/amortized	115,237,156	470,385	4,074,420	119,781,961
Less accumulated depreciation/amortization for:				
Infrastructure:				
Streets and roadways	(36,051,060)	(1,926,321)	-	(37,977,381)
Storm drain system	(2,920,865)	(96,743)	-	(3,017,608)
Building and improvements	(8,859,568)	(738,172)	-	(9,597,740)
Right-to-use leased buildings	(964,570)	(482,285)	-	(1,446,855)
Furniture, fixtures, and equpment	(2,107,568)	(52,834)	-	(2,160,402)
Vehicles	(1,886,161)	(234,692)	-	(2,120,853)
Total accumulated depreciation/amortization	(52,789,792)	(3,531,047)	-	(56,320,839)
Total capital assets being depreciated or amortized, net	62,447,364	(3,060,662)	4,074,420	63,461,122
Governmental activities capital assets	$ 76,367,209	$ 6,065,876	$ -	$ 82,433,085

5. CAPITAL ASSETS, Continued

	Balance at July 1, 2023	Additions	Deletions/ Reclassification	Balance at June 30, 2024
Business - Type activities				
Capital assets not being depreciated				
Land and water rights	$ 5,263,674	$ -	$ -	$ 5,263,674
Construction in progress	1,144,344	354,099	-	1,498,443
Total capital assets not being dep	6,408,018	354,099	-	6,762,117
Capital assets being depreciated/amortized				
Building and improvements	11,212,061	89,700	-	11,301,761
Right-to-use leased buildings	127,066	-	-	127,066
Total capital assets being depreciated/amortized	11,339,127	89,700	-	11,428,827
Less accumulated depreciation/amortization for:				
Building and improvements	(5,620,234)	(294,354)	-	(5,914,588)
Right-to-use leased buildings	(54,458)	(27,229)	-	(81,687)
Total accumulated depreciation	(5,674,692)	(321,583)	-	(5,996,275)
Total capital assets being depreciated/amortized	5,664,435	(231,883)	-	5,432,552
Business-type activities capital assets	$ 12,072,453	$ 122,216	$ -	$ 12,194,669

A. Capital Asset Contributions

Some capital assets may be acquired using federal and State grant funds, or they may be contributed by developers or other governments. GASB Statement 34 requires that these contributions be accounted for as revenues at the time the capital assets are contributed.

B. Depreciation and amortization Allocation

Depreciation and amortization expense is charged to functions and programs based on their usage of the related assets. The amounts allocated to each function or programs are as follows:

Governmental Activities	
General Government	$ 40,968
Public Safety	440,993
Culture Recreation	607,646
Public Works	2,391,902
Community Development	49,538
Total Government Activities	$ 3,531,047
Business-Type Activirties	
Water Service	$ 321,583
Total Business-Type Activities	$ 321,583

5. CAPITAL ASSETS, Continued

C. Capital Project Commitments

The City has commitments under the following significant capital infrastructure projects and programs:

Project	Project Authorization	Expended through June 30, 2024	Commitments
Addison Avenue Steet Improvements	$ 2,337,420	$ 1,904,528	$ 432,892
Joel Davis Restroom	424,695	363,090	61,605
Safer Bay - Flood Control	8,500,000	10,581	8,489,419
101/University Avenue Interchange	15,502,132	6,848,732	8,653,400
Water Main Project	1,104,450	527,079	577,371
Woodland Palo Alto Intertie	433,400	-	433,400
Water Meter Replacement	1,038,879	614,341	424,538
East Palo Alto Library Project (Design)	3,017,233	72,296	2,944,937
East Bayshore Pedestrian and Cyclist improvements	419,832	74,753	345,079
Highway Safety Improvement Project	205,721	143,470	62,251
Signage and Bus shelter improvement project	805,548	241,635	563,913
Cummings Loft Improvement	109,135	-	109,135
Total	$ 33,898,445	$ 10,800,505	$ 23,097,940

6. LONG-TERM DEBT

The City's debt issues and transactions are summarized below and discussed in detail thereafter:

	Balance June 30, 2023	Additions	Retirements	Balance June 30, 2024	Current Portion
Government Activities					
Leases	$ 1,427,847	$ -	$ (485,352)	$ 942,495	$ 518,249
Total	$ 1,427,847	$ -	$ (485,352)	$ 942,495	$ 518,249
Business-Type Activities					
San Mateo County Housing					
Promissory Note	$ 606,668	$ -	$ (23,333)	$ 583,335	$ 23,333
Leases	77,372	-	(27,402)	49,970	29,367
Total	$ 732,919	$ -	$ (50,735)	$ 633,305	$ 52,700

6. LONG-TERM DEBT, Continued

A. San Mateo County Housing Promissory Note

In March 2018, the City entered into an agreement with the County of San Mateo Department of Housing (the County) whereby the County awarded a Community Development Block Grant (CDBG) Program assistance loan in the amount of $700,000 for the Gloria Way Well Rehabilitation project (the Project).

Annual principal of $23,333 is forgiven upon each full year of operation, or each July 3rd, provided the Project remains in compliance with CDBG Program requirements and the use is as originally intended. The Note bears zero interest if the intended use requirements are met throughout the Note term and matures on July 3rd, 2048. If the Gloria Way Well property is sold or discontinued as a City water treatment well before the end of the Note term (unless to a non-profit for the same use); then the entire Note amount plus three percent (3%) accrued simple interest is due and payable to the County.

7. ***Leases***

The City leases three major building facility sites under non-cancellable leases. The sites leased include two police facilities, and the maintenance corporation yard. Below is a summary of these leases and the corresponding principal and interest schedules.

Assets	Interest Rate	Lease End	Special Terms	Balance June 30, 2024
Police Department	4.05%	10/31/2025	n/a	$ 248,382
Police Substation	4.05%	10/31/2027	n/a	244,382
Corp Yard	4.05%	2/28/2026	Rent increases evrery February by the prior changes in CPI for the San Francisco Bay Area.	449,731

Fiscal Year Ending June 30	Police Department Government Activities Principal	Police Department Government Activities Interest	Police Substation Governmental Activities Principal	Police Substation Governmental Activities Interest
2025	$ 184,709	$ 5,338	$ 69,242	$ 7,363
2026	63,673	294	72,549	4,847
2027	-	-	76,386	2,198
2028	-	-	26,205	121
Total	$ 248,382	$ 5,632	$ 244,382	$ 14,529

6. LONG-TERM DEBT, Continued

B. Leases, Continued

	Corp Yard			
Fiscal Year	Governmental Activities		Business-Type Activities	
Ending June 30	Principal	Interest	Principal	Interest
2025	$ 264,298	$ 10,989	$ 29,367	$ 1,221
2026	185,433	1,965	20,603	219
Total	$ 449,731	$ 12,954	$ 49,970	$ 1,440

C. Legal Debt Margin

The City is subject to a statutory legal debt limit whereby the City may not incur indebtedness for public improvements which exceeds in the aggregate 3.75 percent of the taxable assessed value of all real and personal property of the City. This limit applies only to bonded indebtedness payable from the proceeds of taxes levied on taxable property. For the year ended June 30, 2024, the City's maximum legal debt margin was $163,646,604 and the City had no outstanding debt subject to the margin.

7. COMPENSATED ABSENCES

Compensated absences are primarily comprised of unpaid vacation which is accrued as earned. The City's liability for compensated absences is determined annually. Compensated absences are reported in governmental funds only if they have matured. The matured portion of governmental activities compensated absences is liquidated primarily by the General Fund.

	Balance June 1, 2023	Additions	Deletions	Balance June 30, 2024	Due Within One Year	Due in More Than One Year
Government Activities						
Compensated Leave Payable	$ 925,966	$ 740,654	$ (734,460)	$ 932,160	$ 173,642	$ 758,518

8. FUND BALANCE

Detailed classifications of the City's Fund Balances, as of June 30, 2024, are below:

	General Fund	Capital Improvements Capital Projects Fund	Other Government Funds	Total
Nonspendable Fund Balance				
Loans to Successor Agency	$ 367,718	$ -	$ -	$ 367,718
Advance to other funds	438,356	-	-	438,356
Deposits and prepayments	121,071	-	-	121,071
	927,145	-	-	927,145
Restricted Fund Balance for:				
NPDES Fees	-	-	359,059	359,059
Gas Tax	-	-	5,126,068	5,126,068
Park in Lieu	-	-	365,386	365,386
Rent Stabilization	-	-	483,932	483,932
Housing Assistance	-	-	496,766	496,766
Measure A/W	-	-	7,582,756	7,582,756
CYSFF TOT Fund	-	-	1,399,116	1,399,116
Lighting District	-	-	6,061,988	6,061,988
Drainage District	-	-	1,184,319	1,184,319
Silicon Valley Community Fd	-	-	2,000,000	2,000,000
Low and Moderate Income Housing	-	-	7,999,430	7,999,430
Housing in Lieu	-	-	13,735,913	13,735,913
Housing TOT	-	-	2,747,499	2,747,499
Measure HH	-	-	6,116,534	6,116,534
Capital projects	-	-	2,632,425	2,632,425
Other Purposes	45,039	1,273,906	1,403,594	2,722,539
	45,039	1,273,906	59,694,785	61,013,730
Committed fund balance for:				
CalPERS prefunding	3,000,000	-	-	3,000,000
Community benefits reserve	299,770	-	-	299,770
Information Technology Reserve	3,995,328	-	-	3,995,328
Vehicles Equipment Reserve	1,330,107	-	-	1,330,107
Self Insurance Reserve	2,095,744	-	-	2,095,744
Capital projects	-	9,350,000	-	9,350,000
Saving from ARPA contributions	430,000	-	-	430,000
	11,150,949	9,350,000	-	20,500,949
Assigned fund balance for:				
Capital projects	-	9,419,779	-	9,419,779
Subsequent year's budget: appropriation of fund balance	3,824,125	-	-	3,824,125
	3,824,125	9,419,779	-	13,243,904
Unassigned fund balance				
Contigency reserve	10,970,059	-	-	10,970,059
Other Purposes	32,500,281	-	-	32,500,281
	43,470,340	-	-	43,470,340
Total Fund Balances	$ 59,417,598	$ 20,043,685	$ 59,694,785	$ 139,156,068

9. RETIREMENT BENEFITS

A. City Employees; Retirement Plan (Defined Benefit Pension Plan)

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS). The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other). Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous risk pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City sponsors four rate plans (two miscellaneous and two safety).

Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: Basic Death Benefit, 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The City contracted for 2% cost of living adjustments.

9. RETIREMENT BENEFITS, Continued

A. City Employees; Retirement Plan (Defined Benefit Pension Plan), Continued

The rate plan provisions and benefits in effect at June 30, 2024 are summarized as follows:

	Safety	Miscellaneous
Hire Date	Prior to January 1, 2013	Prior to January 1, 2013
Benefit vesting schedule	5 years service	5 years service
Benefit Formula	3.0% @ 55	2.5% @ 55
Benefit payment	Monthly for life	Monthly for life
Retirement age	50	50
Monthly benefits, as a % of annual salary	2.4 - 3%	2 - 2.5%
Required employee contribution rates	8.99%	7.96%
Required employer contribution rates	22.83%	13.34%
Required unfunded accrued liability payment (UAL)	$ 731,020	$ 446,241

	Safety	Miscellaneous
Hire Date	On or after January 1, 2013	On or after January 1, 2013
Benefit vesting schedule	5 years service	5 years service
Benefit Formula	2.7% @ 57	2.0% @ 62
Benefit payment	Monthly for life	Monthly for life
Retirement age	57	62
Monthly benefits, as a % of annual salary	2.70%	2.00%
Required employee contribution rates	13.75%	7.75%
Required employer contribution rates	13.54%	7.68%
Required unfunded accrued liability payment (UAL)	$ -	$ -

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan is determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the fiscal year ended on June 30, 2024, the contribution to the plan was $2,663,502, consisting of $1,461,649 for Safety and $1,201,853 for Miscellaneous.

9. RETIREMENT BENEFITS, Continued

A. City Employees; Retirement Plan (Defined Benefit Pension Plan), Continued

Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2024, the City reported a net pension liability for its proportionate share of the net pension liability of the Plan of $16,206,184. The City's net pension liability for the Plan is measured as the proportionate share of the total net pension liability of the Plan. The net pension liability of the Plans is measured as of June 30, 2023, and the total pension liability for the Plan used to calculate the net pension liability was determined by actuarial valuations as of June 30, 2022 rolled forward to June 30, 2023 using standard update procedures. The City's proportionate share of the net pension liability was based on the City's plan liability and asset-related information where available, and proportional allocations of individual plan amounts as of the valuation date where not available.

The City's proportionate share of the net pension liability for the Plan as of measurement date June 30, 2022 and 2023 were as follows:

Proportion - June 30, 2022	0.12753%
Proportion - June 30, 2023	0.12991%
Change - Increase (Decrease)	0.00238%

For the year ended June 30, 2024, the City recognized pension expense of $3,763,974. On June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions subsequent to measurement date	$ 2,663,502	$ -
Changes of assumptions	958,962	-
Differences between expected and actual experience	1,043,981	112,567
Changes in employer's proportion	571,027	-
Differences between the employer's contribution	295,154	226,051
Net differences between projected and actual earnings on plan investments	2,381,467	-
Total	$ 7,914,093	$ 338,618

9. RETIREMENT BENEFITS, Continued

A. City Employees; Retirement Plan (Defined Benefit Pension Plan), Continued

Pension contributions subsequent to the measurement date in the amount of $2,663,502 and reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ending June 30	Deferred Outflows/ (Inflows) of Resources
2025	$ 1,711,939
2026	1,140,711
2027	1,992,025
2028	67,298

Actuarial Assumptions – The total pension liabilities in the June 30, 2022 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Projected Salary Increase	Varies by entry age and service
Investment Rate of Retum	6.90%
Mortality rate table[(1)]	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies

(1)The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

9. RETIREMENT BENEFITS, Continued

A. City Employees; Retirement Plan (Defined Benefit Pension Plan), Continued

Discount Rate – The discount rate used to measure the total pension liability for the Plan was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability. A detailed report testing these projections can be obtained from the CalPERS website.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS considered both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical and forecasted information for all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	Assumed Asset Allocation	Real Return Years $1 - 10^{1,2}$
Global equity - cap-weighted	30.00%	4.54%
Global equity non-cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	-5.00%	-0.59%
	100.00%	

[1] An expected inflation of 2.30% used for this period.

[2] Figures are based on the 2021-22 Asset Liability Management study.

9. RETIREMENT BENEFITS, Continued

A. City Employees; Retirement Plan (Defined Benefit Pension Plan), Continued

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the City's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

1% Decrease	5.90%
Net Pension Liability	$ 25,340,290
Current Discount Rate	6.90%
Net Pension Liability	$ 16,206,184
1% Increase	7.90%
Net Pension Liability	$ 8,715,799

Pension Plan Fiduciary Net Position – Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

Payable to the Pension Plan

At June 30, 2024 the City reported a payable of $239,673 for outstanding amount of contributions to the pension plan required for the year ended June 30, 2024. All amounts were paid in July 2024 in a timely manner.

B. Deferred Compensation Plan

City employees may defer a portion of their compensation under optional City-sponsored deferred compensation plans created in accordance with Internal Revenue Code Section 457. Under the plan, participants are not taxed on the deferred portion of their compensation until it is distributed to them; distributions may be made only at termination, retirement, death, or in an emergency defined by governing documents of the plan. The City does not make contributions to the plan on behalf of the employees.

The laws governing deferred compensation plan assets require plan assets to be held by a Trust for the exclusive benefit of plan participants and their beneficiaries. The City has contracts with an outside third-party administrator to manage and invest the assets of the plan.

In the year 2021, the City evaluated the requirements of GASB Statement No. 84, Fiduciary Activities and GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensations Plans and determined that the plan didn't meet the criteria to be reported as a fiduciary activity as required by the above mentioned GASB Statements since the assets held under this plan are not the City's property and are not subject to City control. Moreover, the plan is classified as other employee benefits for financial reporting purposes.

10. RISK MANAGEMENT

A. Insurance Coverage

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The City participates in the Pooled Liability Assurance Network (PLAN), a joint powers authority established to provide liability insurance coverage, claims and risk management, and legal defense to its participating members. PLAN self-insures and purchases general and auto liability coverage for claims in an amount up to $30 million (subject to policy exclusions and sub-limits), and first-party property liability claims up to $1 billion (subject to policy exclusions and sub-limits). The City has a deductible or uninsured liability of up to $100,000 per liability claim and $5,000 per property claim. Once the City's deductible is met, PLAN becomes responsible for payment of all claims up to the limit.

The State Compensation Insurance Fund provides workers' compensation insurance with a $1 million per occurrence coverage. The City has no deductible for the worker's compensation insurance.

Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Claim liabilities are actuarially determined considering recent claim settlement trends including the frequency and costs of payouts and other economic and social factors.

B. Liability for Uninsured Claims

The City provides for the uninsured portion of claims and judgments in the Workers' Compensation and General Liability. Claims and judgments, including a provision for claims incurred but not reported, are recorded when a loss is deemed probable of assertion and the amount of the loss is reasonably determinable. As discussed above, the City has coverage for such claims, but it has retained the risk for the deductible or uninsured portion of these claims.

The City's liability for uninsured claims including a provision for claims incurred but not reported was computed as follows based on claims experience for the years ended June 30, 2022, 2023, and 2024:

	2022	2023	2024
Beginning balance of claims payable	$ 133,000	$ 180,000	$ 266,149
Increase in estimated claims liability	123,526	152,152	105,823
Claims period	(76,526)	(66,003)	(121,537)
Ending balance of claims payable	180,000	266,149	250,435
Current portion	$ 96,656	$ 113,979	$ 114,127

During the past three fiscal years none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage from the prior year.

11. JOINT VENTURES

The City participates in the joint ventures discussed below through formally organized and separate entities established under the Joint Exercise of Powers Act of the State of California. As separate legal entities, these entities exercise full powers and authorities within the scope of the related Joint Powers Agreements; including, the preparation of annual budgets, accountability for all funds, the power to make and execute contracts and the right to sue and be sued. Each joint venture is governed by a board consisting of representatives from member municipalities. Each board controls the operations of the respective joint venture, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on that Board. Obligations and liabilities of these joint ventures are not the City's responsibility and the City does not have an equity interest in the assets of each joint venture except upon dissolution of the joint venture.

A. City/County Association of Governments of San Mateo County (C/CAG)

The City/County Association of Governments of San Mateo County is a joint powers agency formed in 1990 between the various cities and transportation agencies in San Mateo County to prepare, adopt, monitor and enforce state mandated plans related to transportation, airport land use, storm water pollution prevention, and climate protection. For the year ended June 30, 2024, the City contributed $89,850 for annual operations. An annual report may be obtained at 555 County Center 5th Floor, Redwood City, CA 94063.

B. Housing Endowment and Regional Trust of San Mateo County (HEART)

The Housing Endowment and Regional Trust of San Mateo County (HEART) is a joint powers agency formed in 2003 as a public/private partnership comprised of the County of San Mateo, all twenty cities/towns within San Mateo County, and private sector members from business, nonprofit, and labor organizations. HEART is governed by a Board of Directors consisting of eleven elected officials from government member agencies and ten private sector members. HEART was established for the purpose of creating more affordable housing opportunities in the County. For the year ended June 30, 2024, the City contributed $9,190 for annual administrative operations. An annual report may be obtained at 2905 S. El Camino Real, San Mateo, CA 94403.

C. Peninsula Clean Energy

Peninsula Clean Energy (PCE) is a joint powers authority formed in 2016 and is comprised of the County of San Mateo and all twenty cities/towns in San Mateo County. The PCE is governed by a Board of Directors consisting of an elected representative from each member jurisdiction. PCE was established to provide electric power at competitive costs, as well as provide other benefits such as greenhouse gas emission reduction, development of local renewable resources, and promotion of long-term electric rate stability and energy reliability. PCE operates as a Community Choice Aggregation Program and derives no financial support from member agencies. Information may be obtained at 2075 Woodside Road, Redwood City, CA 94061.

11. JOINT VENTURES, Continued

D. **Peninsula Traffic Congestion Relief Alliance**

The Peninsula Traffic Congestion Relief Alliance (Alliance) is a joint powers authority formed in 2000 and is comprised of the County of San Mateo and seventeen cities/towns in San Mateo County. Alliance is governed by an eighteen-member Board of Directors consisting of an elected representative from each member jurisdiction. Alliance was established to perform transit systems management efforts to mitigate traffic congestion in member communities. The operations are funded by countywide Measure A transportation funds, grants, and contributions from members of a shuttle consortium. For the year ended June 30, 2024, the City did not make any member contribution to Alliance. An annual report may be obtained at 400 Oyster Point Blvd. Suite 409, South San Francisco, CA 94080.

E. **San Francisquito Creek Joint Powers Authority**

The City is one of five members of the San Francisquito Creek Joint Powers Authority (SFCJPA) formed in 1999 to manage and provide policy direction related to flood control measures, emergency response, stabilization and maintenance, and other environmental issues regarding the San Francisquito Creek. The City has no equity interest in the SFCJPA. For the year ended June 30, 2024, the City contributed $422,773 for annual SFCJPA administrative operations. Financial statements may be obtained by mailing a request to 2100 Geng Road Suite 210, Palo Alto, CA 94303.

F. **South Bayside Waste Management Authority**

The City is one of twelve members of the South Bayside Waste Management Authority (SBWMA), which is a joint powers authority that the City commenced on March 1, 2000. The SBWMA was formed in 1982 to provide cost-effective waste reduction, recycling, and solid waste programs to member agencies to meet and sustain a minimum 50% diversion of waste from landfill as mandated by California State Law, AB939. SBWMA owns the Shoreway Environmental Center which serves as a regional solid waste and recycling facility and is operated by South Bay Recycling (SBR) on behalf of the SBWMA. The City has no equity interest in SBWMA. Through the operation of franchise agreements with each member, RECOLOGY collects fees charged for the use of the facilities and remits them to the SBWMA. Pursuant to an Operations Agreement with the SBWMA, RECOLOGY is compensated based on costs, a provision for profit and incentives for cost savings and performance. For the year ended June 30, 2024, the City made payments to Recology in the amount of $2,866,810. Financial statements may be obtained by mailing a request to 610 Elm Street, Suite 202, San Carlos, CA 94070.

12. SERVICE CONCESSION ARRANGEMENT FOR WATER SERVICES

A. Lease Agreement and Assignment from American Water Service, Inc. to Veolia Water North America Services, LLC.

In April 2001, the City entered into a twenty-five (25) year lease agreement with American Water Services, Inc. (American Water) whereby the City agreed to lease the water system to American Water for the purpose of furnishing potable water service and water service fire protection to all customers within the City's water service area.

In November 2018, at American Water's request, the City authorized the assignment of all terms and conditions of the lease agreement from American Water to Veolia Water North America Operating Services LLC (Veolia) subject to certain conditions of approval, including State of California approval and issuance of a water permit to Veolia to operate the City's water system. On June 1, 2020, the City entered into a consent to assignment of the lease agreement with American Water whereby Veolia assumed all the terms and conditions of lease agreement from American Water.

During the term of the lease, the lessee is responsible for operating, maintaining and managing the water system, as well as fulfilling customer services, emergency services, water quality testing, and other service operations related to the water system.

If total annual system maintenance and repair costs exceed $110,000, the excess costs are considered system improvements and paid through additional capital charges. The lessee bills and collects water services charges, capital surcharges, and utility tax from the City's water customers. Utility users' taxes and capital-related surcharges billed and collected by the lessee are passed-through to the City.
The lessee may request water rate relief from the City to recover necessary and reasonable costs related to performing the water system services, including earning an operational rate of return of eight percent (8%) after-tax on defined, contractual gross revenues. The City agrees to enact water rates based upon such requirements and in accordance with applicable State Law regarding water rate increases. No water rate relief request was submitted to the City during the year ended June 30, 2024. Any fees or taxes billed and passed through to the City are not considered contractual gross revenues of the water system operation.

The City has retained title of the Water System and related capital assets under the terms of the lease. Title for system improvements performed immediately vests with the City. The lessee may not retire, sell, transfer; convey, or encumber any real property or personal property of the Water System without the prior written consent of City. The City is not obligated to pay any costs or expense in connection with or related to the management, operation, improvement, repair, or maintenance of the water system during the lease term, except for costs related to environmental liabilities. The City currently has undertaken certain system improvements which are funded from grants, system impact fees, and water capital surcharges.

In consideration for the lease of the water system assets, the lessee agrees to pay the City a monthly lease payment equal to 6% and a monthly franchise fee equal to 5% of the annual gross revenues generated by the water system. For the year ended June 30, 2024, Veolia paid lease payments and franchise fees to the City in amount of $399,095 and $332,580, respectively. Further, for the year ended June 30, 2024, the City reported passed-through utility taxes and capital-related surcharges of $351,923 and $1,218,326, respectively.

13. CONTINGENT LIABILITIES AND COMMITMENTS

A. Contingent Liabilities

The City is subject to litigation arising in the normal course of operations. In the opinion of the City Attorney there is no pending litigation which is likely to have a material adverse effect on the financial position of the City.

B. Federal and State Grants

The City has received federal and state grants for specific purposes that are subject to reviews by the grantor agencies. Such reviews could lead to requests for reimbursements to the grantor agency for expenditures disallowed under the terms of the grant. The amount, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time, although City expects such amounts, if any, to be immaterial.

C. California State Water Resources Control Board Corrective Action Plan

On April 21, 2015 the City, along with several other regional water system (RWS) customers of the San Francisco Public Utilities Commission (SFPUC), was cited by the State Water Resources Control Board (SWRCB) for not providing multi-barrier treatment to raw surface water. This citation was due to an incident occurring in March of 2015, whereby untreated water was inadvertently allowed to flow into the RWS. The incident did not result in any adverse effects; however, the SWRCB citation directed that the City prepare a Corrective Action Plan. The CAP includes several corrective actions developed to prevent another similar incident.

On August 15, 2015 the SWRCB acknowledged the City's Corrective Action Plan (CAP) whereby the City will take steps to ensure the water supply and/or storage of water is safe and sustainable in the event SFPUC water becomes unavailable. The critical elements of the CAP are the new groundwater wells, the construction of water system interties, and the construction of storage tanks over an estimated period of seven (7) years. However, the CAP recognizes that the timing for the construction of the storage tanks is less certain due to the prioritization of the groundwater wells, staffing limitations and complexities securing site control. The highest priority water system improvements have estimated costs of roughly $15.5 million. The City enacted a capital improvement surcharge, contributed general and community benefit funds to the water system, secured grant funding and completed refurbishment of the Gloria Way Water Well, and has funding for the water system interties. As of June 30, 2024, the City has capital water reserves of approximately $13.7 million.

13. CONTINGENT LIABILITIES AND COMMITMENTS, Continued

D. Water Rights Acquisition and Related Agreement

Water Rights Acquisition Agreements

In August 2018, the City entered into an agreement with the City of Mountain View to transfer all right, title, and interest to 1,000,000 gallons per day (1 MGD) of its guaranteed water supply (ISG) under the City and County of San Francisco Water Supply Agreement. The acquisition price of $5,000,000 was funded from the following sources:

Silicon Valley Community Foundation (SVCF) Gift Agreement/Advance $2.0 Million– In June 2017, the City entered into a gift agreement with the SVCF for $2.5 million whereby the gift is restricted for the purpose of incentivizing the development of affordable housing within the City. Up to $2,000,000 was authorized and utilized for an inter-fund advance from SVCF special revenue fund to acquire permanent water rights. The advance is repaid upon the receipt of related water capacity charge or related impact, or charge imposed by the City. The remaining funds are restricted to fund not less than $500,000 for an affordable housing manager over a minimum period of five years. As of June 30, 2024, the inter-fund advance amount totaled $1,866,280.

General Fund Advance $0.47 Million - The City approved a long-term inter-fund advance to the Water Service Enterprise Fund for purpose of facilitating the permanent water rights transfer. Reimbursement of the funds advanced will be made solely from capacity charges established by the City, as allowed, to cover the entire cost the water rights transfer and charged for new or expanded water connections to its water system. As of June 30, 2024, the inter-fund advance amount totaled $438,356.

Amendment to Water Supply Implementation Agreement $1.53 Million – In June 2017, the City approved an amendment to the Water Supply Implementation Agreement (Amended WSIA) in order to establish terms for payment of the attributed share of the costs of the permanent water rights transfer. Under the terms of the amendment; 2020 Bay Road LLC, the Primary School LLC, and the Sobrato Organization LLC (collectively "developers") agreed to advance a collective total of $1.53 million as the developers' attributed share of the cost of the water rights transfer. For a period of eight (8) years after the effective date of the water rights transfer, if entitlement for a developer site is approved in accordance with the City's laws and policies, any payments made under the Amended WSIA will be credited against a water capacity charge or related impact or buy-in charge imposed by the City typically upon issuance of building permits. As of June 30, 2024, the Primary School and Sobrato development projects were entitled; however, no building permits have been issued.

13. CONTINGENT LIABILITIES AND COMMITMENTS, Continued

D. Water Rights Acquisition and Related Agreement, Continued

Water Rights Acquisition Agreements, Continued

Sobrato Organization LLC Reimbursement Agreement $1.0 Million - The City approved a reimbursement agreement (Agreement) with the Sobrato Organization LLC (Sobrato) to provide funds in the amount of $1,000,000 for the purpose of facilitating the permanent water rights transfer. Reimbursement of the funds advanced will be made solely from capacity charges established by the City, as allowed, to cover the entire cost the water rights transfer and charged for new or expanded water connections to its water system. The Agreement expires upon the earlier of the date of full reimbursement of the advance or August 4, 2037 (twenty years from Agreement effective date). Upon expiration, the City's commitments under the agreement terminate. In December 2019, in accordance with approved project entitlements and conditions of approval, Sobrato agreed to forego all outstanding amounts advanced under the Agreement upon the issuance of a building certificate of occupancy, which did not occur as of year-end. As of June 30, 2024, the balance of the advance totaled $933,141.

As of June 30, 2024, the advance from the Developers was outstanding for a collective total of $2,463,141.

E. Affordable Housing and Sustainable Communities Grant Commitments

In June 2019, the City received a jointly submitted grant award of $20 million in partnership with Eden Housing, EPA CAN DO, and the San Mateo County Transit District (SamTrans). The grant funding consists of $13.5 million in loans for affordable housing development, and $6.5 million for transit and infrastructure improvements. Under the terms of the grant award, applicants are held jointly and severally liable to provide accountability and ensure the full scope of the project application is implemented. The City entered into cooperation and indemnification agreements with the grant co-applicants to mitigate risks among the parties. Of the $20 million, the City is responsible for completing $3.75 million in sustainable transportation infrastructure, and transit-related amenities in a timely manner. As of June 30, 2024, no projects have been completed.

F. CalOES Grant Commitment for SAFER Bay Project

In September 2018, the City authorized the San Francisquito Creek Joint Powers Authority (SFCJPA) to submit an application on behalf of the City to the California Office of Emergency Services (CalOES), Hazard Mitigation Grant Program for $22 million for the East Palo Alto Safer Bay Project, Phase I, protecting East Palo Alto with a levee from San Francisquito Creek through Bay Road and constructing related and necessary environmental mitigations. The grant required the City to reserve the required local funding match (25%) which was equal to $5.5 million, and the City of East Palo Alto has committed $5.5M in capital funding to construct the portion of the project in East Palo Alto. The engineering and design phase of the project was approved and awarded for $3.5 million by FEMA in September 2022.

13. CONTINGENT LIABILITIES AND COMMITMENTS, Continued

G. Flood and Sea Level Resiliency Agency

In March 2019, in conjunction with the County of San Mateo, C/CAG and other cities and towns in San Mateo County, the City agreed to fund the startup costs to modify the existing San Mateo County Flood Control District including expanding the scope and modifying the governance structure. The estimated startup costs approved total $1.1 million, of which the City agreed to fund $40,000 per year for a three-year period. For the year ended June 30, 2022, the City paid its final $40,000 commitment.

H. Encumbrances

Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end, the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General Fund	$	3,824,125
Capital Projects Fund		12,598,337
Non-major Governmental Funds		3,191,786
Total	$	19,614,248

14. REDEVELOPMENT AGENCY DISSOLUTION AND SUCCESSOR AGENCY ACTIVITIES

A. Redevelopment Dissolution

On June 28, 2011 the State of California adopted ABx1 26 (AB 26) which, in Late December 2011, was upheld by the California Supreme Court to be largely constitutional. This action, together with AB 1484 enacted on June 27, 2012, are referred to as "Dissolution Law" as related to former redevelopment agencies. Under the existing Dissolution Laws, California redevelopment agencies were dissolved as of February 1, 2012 and cannot engage in new projects, obligations, or commitments. Beginning in February 2012, Successor Agencies, together with other designated entities, initiated the process under AB 26 to unwind the affairs of the dissolved agencies. This action impacted the reporting entity of the City of East Palo Alto in that the City had previously reported a redevelopment agency (former Agency) as a blended component unit of the City.

On January 10, 2012, the City Council elected to serve as the Successor Agency to the former Agency whereby the Successor Agency holds assets, reports obligations, and otherwise oversees the wind-down of the affairs of the former Agency as dictated by the Dissolution Laws and subject to control and approval of an established Oversight Board and the California Department of Finance.

Furthermore, on January 10, 2012, the City also elected to serve as the former Agency's Housing Successor and retain the housing assets of the former Agency. On February 1, 2012 certain housing assets were transferred to the City's Housing Successor Special Revenue Fund.

14. REDEVELOPMENT AGENCY DISSOLUTION AND SUCCESSOR AGENCY ACTIVITIES, Continued

Since February 1, 2012, the Successor Agency has complied with existing Dissolution Laws, including completing a due diligence review, obtaining a finding of completion, obtaining approval of the long-range property management plan, completing timely reporting of recognized obligation schedules. The Successor Agency continues to conduct the fiduciary activities of the Dissolution Laws until such time the affairs and obligations of the former Agency are complete.

Cash and investments of the Successor Agency as of June 30, 2024 are discussed in Note 2. Information presented in the following footnotes represents other assets and liabilities of the Successor Agency as of June 30, 2024.

B. Long-Term Debt

The Successor Agency's debt issues and transactions are summarized below and discussed in detail thereafter.

	Issue Amount	Balance at June 30, 2023	Retirements	Balance at June 30, 2024	Due within One Year
Successor Agency					
2015 Tax Allocation Refunding Bonds Series A					
3.625%-4% due 10/1/2032	$ 16,950,000	$ 13,065,000	$ (1,085,000)	$ 11,980,000	$ 1,140,000
Total Successor Agency	$ 16,950,000	$ 13,065,000	$ (1,085,000)	$ 11,980,000	$ 1,140,000

2015 Tax Allocation Refunding Bonds

On September 1, 2015, the Successor Agency issued $16,950,000 Tax Allocation Refunding Bonds, Series 2015A and $2,500,000 Taxable Tax Allocation Refunding Bonds, Series 2015B. The bonds were issued to refund the 1999 Tax Allocation Bonds, the 2003 Series A Bonds, and the 2003 Series B Bonds. Certain proceeds of the refunding bonds were subsequently used to call the East Palo Alto Public Financing Authority 2005 Revenue Bonds on October 1, 2015. The economic gain on refunding of these bonds was $2,560,798. The Series 2015B Refunding Bonds had been paid off in the fiscal year ending June 30, 2019.

Series 2015A Refunding Bonds

The 2015A Refunding Bonds mature annually starting October 1, 2018 through 2032, with semi-annual installments ranging from $45,000 to $1,515,000. The interest on the 2015A Refunding Bonds is payable semi-annually on each April 1 and October 1, with coupon rates ranging from 3.00% to 5.00%. The Series 2015A Bonds maturing on or after Octobers 1, 2026, are subject to redemption, at the option of the Successor Agency on any date on or after October 1, 2025, in whole or in part, by such maturities as are determined by the Successor Agency and by lot within a maturity, from any available source of funds, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without premium.

15. REDEVELOPMENT AGENCY DISSOLUTION AND SUCCESSOR AGENCY ACTIVITIES, Continued

B. Long-Term Debt, Continued

The annual debt service requirements of the Series 2015 A bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ 1,140,000	$ 411,800	$ 1,551,800
2026	1,195,000	353,425	1,548,425
2027	1,250,000	304,800	1,554,800
2028	1,295,000	266,625	1,561,625
2029-2033	7,100,000	648,581	7,748,581
Total	$ 11,980,000	$ 1,985,231	$ 13,965,231

Pledged Revenues

The 2015 Tax Allocation Refunding Bonds of the Successor Agency are payable solely from and secured by tax revenues deposited into Redevelopment Property Tax Trust Fund. Principal and interest on the Series 2015A bonds are guaranteed under an insurance policy.

C. Deferred Inflows of Resources

The Successor Agency recorded the following item as deferred inflows of resources as of June 30, 2024.

	Balance June 30, 2023	Additions	Retirements	Balance June 30, 2024
2015 Tax Allocation Refunding Bonds - Gain on refunding	$ 123,013	$ -	$ (26,599)	$ 96,414
Total	$ 123,013	$ -	$ (26,599)	$ 96,414

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REQUIRED SUPPLEMENTARY INFORMATION

1. BUDGETS AND BUDGETARY ACCOUNTING

A. Budgetary Procedures

The City adopts a budget annually for all governmental fund types, except for capital projects. This budget is effective July 1 for the ensuing fiscal year. From the effective date of the budget, which is adopted at the fund level, the amounts stated therein as proposed expenditures become appropriations to the various City departments. The legal level of budgetary control is the fund level. The City Council may amend the budget by resolution during the fiscal year. The City Manager has the authority to make adjustments to the operating budget between departments within the same fund. Transfers of operating budgets between funds, use of unappropriated fund balances, and significant changes in capital improvement project budgets require the approval of the City Council.

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States except for the Housing Assistance Fund and the Capital Improvements Capital Projects Fund which are adopted on a project length basis.

B. Encumbrances

The City uses an encumbrance accounting system under which purchase orders, contracts and other commitments for the expenditure of moneys are recorded in order to set aside that portion of the applicable appropriation. Encumbrance accounting is employed as an extension of formal budgetary integration in all budgeted funds. Encumbrances outstanding at year end are reappropriated in the following year. Unexpended appropriations lapse at year end and must be reappropriated in the following year.

1. BUDGETS AND BUDGETARY ACCOUNTING, CONTINUED

C. Budgetary Comparison Schedules

Budgetary Comparison Schedule, General Fund

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Property taxes	$ 17,010,000	$ 17,010,000	$ 18,796,350	$ 1,786,350
Sales taxes	6,030,000	6,030,000	6,019,894	(10,106)
Transient occupancy tax	2,200,000	2,200,000	2,021,494	(178,506)
Utility users tax	1,726,043	1,726,043	2,052,280	326,237
Other taxes	2,688,735	2,688,735	2,392,631	(296,104)
Licenses, fees and permits	1,590,600	1,590,600	1,673,305	82,705
Charges for services	818,200	818,200	453,153	(365,047)
Fines and forfeitures	225,000	225,000	540,438	315,438
Use of money and property	652,000	652,000	3,114,354	2,462,354
Grants and intergovernmental	55,000	55,000	102,370	47,370
Miscellaneous	1,747,000	1,747,000	546,286	(1,200,714)
Total revenues	34,742,578	34,742,578	37,712,555	2,969,977
EXPENDITURES:				
Current:				
General government	7,031,488	8,132,125	6,532,973	1,599,152
Public safety	15,407,077	15,379,452	12,578,230	2,801,222
Public works	4,700,398	6,254,579	3,864,152	2,390,427
Culture and recreation	1,046,854	1,485,206	1,069,528	415,678
Community development	5,270,014	7,022,611	3,269,199	3,753,412
Capital outlay	-	120,585	120,585	-
Debt service:				
Principal	-	-	471,388	(471,388)
Interest	-	-	55,885	(55,885)
Total expenditures	33,455,831	38,394,558	27,961,940	10,432,618
REVENUES OVER (UNDER) EXPENDITURES	1,286,747	(3,651,980)	9,750,615	13,402,595
OTHER FINANCING SOURCES (USES):				
Transfer out	(1,139,438)	(4,119,697)	(4,119,697)	-
Total other financing sources (uses)	(1,139,438)	(4,119,697)	(4,119,697)	-
Net change in fund balance	$ 147,309	$ (7,771,677)	$ 5,630,918	$ 13,402,595
FUND BALANCE:				
Beginning of year			53,786,680	
End of year			$ 59,417,598	

2. DEFINED BENEFIT PENSION PLAN

A. Schedule of the City's Proportionate share of the Net Pension Liability – Last 10 years

	6/30/2024	6/30/2023	6/30/2022	6/30/2021
Measurement date	6/30/2023	6/30/2022	6/30/2021	6/30/2020
Proportion of the net pension liability	0.129910%	0.127530%	0.120670%	0.115570%
Proportionate share of the net pension liability	$ 16,206,184	$ 14,730,175	$ 6,526,289	$ 12,574,721
Covered payroll	$ 10,323,474	$ 10,120,545	$ 10,344,561	$ 9,673,702
Proportionate share of the net liability as a percentage of covered payroll	156.98%	145.55%	63.09%	129.99%
Plan fiduciary net position as a percentage of the total pension liability	76.21%	76.68%	88.29%	75.10%

Notes to Schedule:
The CalPERS discount rate was increased from 7.5% to 7.65% in fiscal year 2016, decreased from 7.65% to 7.15% in fiscal year 2018, and then decreased from 7.15% to 6.90% in fiscal year 2023. The CalPERS mortality assumptions were adjusted in fiscal year 2019.

6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
0.112300%	0.110450%	0.109441%	0.109310%	0.118190%	0.126260%
$ 11,507,754	$ 10,642,902	$ 10,853,587	$ 9,458,584	$ 8,112,375	$ 7,856,469
$ 9,577,025	$ 9,257,855	$ 8,464,356	$ 8,078,420	$ 7,962,595	$ 7,773,690
120.16%	114.96%	128.23%	117.08%	101.88%	101.06%
75.26%	75.26%	73.31%	74.06%	78.40%	79.82%

2. DEFINED BENEFIT PENSION PLAN

*B. Schedule of Contributions – Last 10 years**

	2024	2023	2022	2021
Fiscal Year				
Contractually required contribution (actuarially determined)	$ 2,663,502	$ 2,466,089	$ 2,366,071	$ 2,261,018
Contribution in relation to the actuarially determined contributions	$ (2,663,502)	$ (2,466,089)	$ (2,366,071)	$ (2,261,018)
Contribution deficiency (excess)	-	-	-	-
Covered payroll	$ 11,274,563	$ 10,323,474	$ 10,120,545	$ 10,344,561
Contributions as a percentage of covered payroll	23.62%	23.38%	23.38%	21.86%

Notes to schedule:

*Fiscal year 2015 was the first year of implementation, threfore only nine years are shown

Variation Date (for contractually required contribution)	6/30/2021	6/30/2020	6/30/2019	6/30/2018
Actuarial cost method	Entry Age	Entry Age	Entry Age	Entry Age
Amortization method	(1)	(1)	(1)	(1)
Assets valuation method	Market Value	Market Value	Market Value	Market Value
Inflation	2.30%	2.50%	2.50%	2.50%
Salary increases	(2)	(2)	(2)	(2)
Investment rate of return	6.80%	7.00%	7.00%	7.00%
Retirement age	(3)	(3)	(3)	(3)
Mortality	(4)	(4)	(4)	(4)

(1) Level percentage Level percentage of payroll, closed

(2) Depending on age, service, and type of employment 50 for all plans, with the exception of 52 for Miscellaneous PEPRA

(3) 2% @62

(4) Mortality assumptions ar ebased on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS board.

2020	2019	2018	2017	2016	2015
$ 1,976,048	$ 1,812,899	$ 1,642,560.0	$ 1,493,218.0	$ 1,371,578.0	$ 1,477,383.0
$ (1,976,048)	$ (1,812,899)	$ (1,642,560.0)	$ (1,493,218.0)	$ (1,371,578.0)	$ (1,477,383.0)
-	-	-	-	-	-
$ 9,673,702	$ 9,577,025	$ 9,257,855	$ 8,464,356	$ 8,078,420	$ 7,962,595
20.43%	18.93%	17.74%	17.64%	16.98%	18.55%

6/30/2017 Entry Age (1)	6/30/2016 Entry Age (1)	6/30/2015 Entry Age (1)	6/30/2014 Entry Age (1)	6/30/2013 Entry Age (1)	6/30/2012 Entry Age (1)
Market Value	Market Value	Market Value	Market Value	Market Value	15 Year Smoothed Market Method
2.63% (2)	2.75% (2)	2.75% (2)	2.75% (2)	2.75% (2)	2.75% (2)
7.25% (3) (4)	7.375% (3) (4)	7.50% (3) (4)	7.50% (3) (4)	7.50% (3) (4)	7.50% (3) (4)

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SUPPLEMENTARY INFORMATION

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

NPDES Fees Fund accounts for the revenues and expenditures from assessments levied on property in the City in compliance with the provisions of the National Pollutant Discharge Elimination System for prevention of storm water and flood related damage.

Gas Tax Fund accounts for funds received from the State of California to use for street and highway related projects.

Federal and State Law Enforcement Fund accounts for the receipt and use of State and Federal law enforcement related grant money.

Park in Lieu Fund accounts for park in lieu fees collected from developers.

Rent Stabilization Fund accounts for revenues and expenditures to support rent stabilization activities.

Federal and State Grants Fund accounts for grant money received and expended from various Federal and State government grants.

Housing Assistance Fund accounts for first time home buyer assistance program activities.

Measure A Fund accounts for the City's Measure A revenues and expenditures. Measure A is a half-cent sales tax to support countywide (San Mateo County) transportation projects and programs.

CYSFF TOT Fund accounts for 10% of TOT taxes collected as approved by voters and the City Council approved funding for various non-profit organizations related to Children/Youth/Seniors/Family programs.

Lighting District Fund accounts for revenues (property taxes) and expenditures for the Ravenswood Highway Lighting District.

Drainage District Fund accounts for revenues (property taxes) and expenditures for the East Palo Alto Maintenance Drainage District.

Measure C Fund accounts for activities related to the Measure C Parcel tax. Measure C was an annual tax approved by the voters in November 2006 for a period of ten years. The fund has been expended and closed as of June 30, 2024.

Local Grants Fund accounts for revenues and expenditures from local public and private grants.

Silicon Valley Community Foundation (SVCF) Special Revenue Fund accounts for gift monies from the Silicon Valley Community Foundation to be used for the purpose of incentivizing the development of affordable housing within the City. Up to $2,000,000 was authorized for an inter-fund advance to provide monies to purchase certain water rights. Remaining funds are restricted to pay a minimum amount of $500,000 for an affordable housing manager position over a minimum period of five years.

SPECIAL REVENUE FUNDS (CONTINUED)

Low and Moderate Income Housing Successor Fund accounts for the activities related to the housing assets assumed by the City as Housing Successor to the former Redevelopment Agency. The activities are governed by California redevelopment law and must be used to provide housing for those with low and moderate incomes.

Housing in Lieu Special Revenue Fund accounts for developer fees in lieu of providing affordable housing and the expenditures related to affordable housing development activities.

Housing TOT Special Revenue Fund accounts for 10% set-aside of transient occupancy taxes collected as approved by voters, and the expenditures related to affordable housing development activities.

Measure HH Special Revenue Fund accounts for the revenues and expenditures of Measure HH Parcel tax. Measure HH was approved by the voters in November 2018. The tax is an annual parcel tax and the funds are to be used for affordable and supportive housing programs, programs that facilitate access to job opportunities in the S.T.E.M. sectors, building trades, and strengthen First Source Hiring.

Measure W Special Revenue Fund accounts for the City's share of San Mateo County Measure W revenues and expenditures. Measure W is a half-cent sales tax to support countywide transportation projects and programs.

CAPITAL PROJECT FUND

CIP Impact Fees Capital Project Fund accounts for various development impact fees collected by the City for capital related activities.

City of East Palo Alto
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2024

	Special Revenue				
	NPDES Fees	Gas Tax	Federal and State Law Enforcement	Park in Lieu	Rent Stabilization Fund
ASSETS					
Cash and investments	$ 427,873	$ 4,975,230	$ 432,404	$ 364,009	$ 511,050
Restricted cash and investments	-	-	-	-	-
Receivables:					
Accrued interest	2,148	18,401	1,657	1,377	2,307
Taxes	-	-	-	-	-
Intergovernmental	-	206,504	-	-	-
Accounts receivable	-	-	-	-	4,751
Advances to other funds	-	-	-	-	-
Loans and notes receivable	-	-	-	-	-
Total assets	$ 430,021	$ 5,200,135	$ 434,061	$ 365,386	$ 518,108
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 55,318	$ 55,110	$ 17,791	$ -	$ 8,034
Retentions payable	-	-	-	-	-
Other accrued liabilities	15,644	18,957	-	-	26,598
Unearned revenue	-	-	-	-	(456)
Total liabilities	70,962	74,067	17,791	-	34,176
Deferred inflows of resources:					
Unavailable revenue	-	-	-	-	-
Fund Balances:					
Restricted	359,059	5,126,068	416,270	365,386	483,932
Total fund balances	359,059	5,126,068	416,270	365,386	483,932
Total liabilities, deferred inflows of resources, and fund balances	$ 430,021	$ 5,200,135	$ 434,061	$ 365,386	$ 518,108

Special Revenue								
Federal and State Grants	Housing Assistance	Measure A	CYSFF TOT	Lighting District	Drainage District	Measure C	Local Grants
$ 243,430	$ 386,833	$ 6,304,649	$ 1,369,144	$ 5,998,174	$ 1,195,284	$ 18,940	$ 685,505
100,000	-	-	-	-	-	-	-
1,872	1,468	23,376	5,479	22,462	4,499	-	2,343
-	-	-	-	125,891	8,298	-	-
100,193	-	-	-	-	-	-	-
-	-	57,653	24,493	-	-	-	750
-	-	-	-	-	-	-	-
100,000	108,949	-	-	-	-	-	-
$ 545,495	$ 497,250	$ 6,385,678	$ 1,399,116	$ 6,146,527	$ 1,208,081	$ 18,940	$ 688,598
$ 11,637	$ 484	$ -	$ -	$ 71,413	$ 17,565	$ 18,940	$ 19,137
-	-	-	-	10,150	-	-	-
19	-	-	-	2,976	6,197	-	-
189,627	-	-	-	-	-	-	26,349
201,283	484	-	-	84,539	23,762	18,940	45,486
-	-	-	-	-	-	-	-
344,212	496,766	6,385,678	1,399,116	6,061,988	1,184,319	-	643,112
344,212	496,766	6,385,678	1,399,116	6,061,988	1,184,319	-	643,112
$ 545,495	$ 497,250	$ 6,385,678	$ 1,399,116	$ 6,146,527	$ 1,208,081	$ 18,940	$ 688,598

City of East Palo Alto
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2024

	Special Revenue				
	SVCF	Low and Moderate Income Housing Successor	Housing in Lieu	Housing TOT	Measure HH
ASSETS					
Cash and investments	$ 133,720	$ 1,267,889	$ 7,211,128	$ 2,040,863	$ 6,085,231
Restricted cash and investments	-	-	100	-	-
Receivables:					
Accrued interest	-	122,335	27,401	24,957	23,306
Taxes	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Accounts receivable	-	-	-	35,534	45,949
Advances to other funds	1,866,280	-	-	-	-
Loans and notes receivable	-	6,996,203	6,500,000	663,536	-
Total assets	$ 2,000,000	$ 8,386,427	$ 13,738,629	$ 2,764,890	$ 6,154,486
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	$ -	$ 15,023	$ 2,716	$ -	$ 24,919
Retentions payable	-	-	-	-	-
Other accrued liabilities	-	14,326	-	-	13,033
Unearned revenue	-	-	-	-	-
Total liabilities	-	29,349	2,716	-	37,952
Deferred inflows of resources:					
Unavailable revenue	-	357,648	-	17,391	-
Fund Balances:					
Restricted	2,000,000	7,999,430	13,735,913	2,747,499	6,116,534
Total fund balances	2,000,000	7,999,430	13,735,913	2,747,499	6,116,534
Total liabilities, deferred inflows of resources, and fund balances	$ 2,000,000	$ 8,386,427	$ 13,738,629	$ 2,764,890	$ 6,154,486

Special Revenue	Capital Project	
Measure W	CIP Impact Fees	Total Non-Major Governmental Funds
$ 1,134,378	$ 2,644,067	$ 43,429,801
-	-	100,100
4,189	10,034	299,611
-	-	134,189
-	-	306,697
58,511	-	227,641
-	-	1,866,280
-	-	14,368,688
$ 1,197,078	$ 2,654,101	$ 60,733,007
$ -	$ 21,676	$ 339,763
-	-	10,150
-	-	97,750
-	-	215,520
-	21,676	663,183
-	-	375,039
1,197,078	2,632,425	59,694,785
1,197,078	2,632,425	59,694,785
$ 1,197,078	$ 2,654,101	$ 60,733,007

City of East Palo Alto
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2024

	Special Revenue				
	NPDES Fees	Gas Tax	Federal and State Law Enforcement	Park in Lieu	Rent Stabilization Fund
REVENUES:					
Property taxes	$ -	$ -	$ -	$ -	$ -
Sales taxes	-	-	-	-	-
Transient occupancy tax	-	-	-	-	-
Other taxes	-	1,603,720	-	-	-
Licenses, fees and permits	-	-	-	-	-
Charges for services	132,261	-	-	-	529,098
Use of money and property	23,529	250,799	21,121	21,575	40,256
Grants and intergovernmental	-	-	186,159	-	-
Total revenues	155,790	1,854,519	207,280	21,575	569,354
EXPENDITURES:					
Current:					
General government	155,995	215,599	-	-	275,470
Public safety	-	-	73,070	-	-
Public works	370,989	376,839	-	-	-
Culture and recreation	-	-	-	-	-
Community development	-	-	-	-	465,157
Capital outlay	108,850	-	-	-	-
Debt service:					
Principal	13,964	-	-	-	-
Interest	1,655	-	-	-	-
Total expenditures	651,453	592,438	73,070	-	740,627
REVENUES OVER (UNDER) EXPENDITURES	(495,663)	1,262,081	134,210	21,575	(171,273)
OTHER FINANCING SOURCES (USES):					
Transfers in	531,244	64,500	-	-	-
Total other financing sources (uses)	531,244	64,500	-	-	-
Net change in fund balances	35,581	1,326,581	134,210	21,575	(171,273)
FUND BALANCES:					
Beginning of the year, as restated	323,478	3,799,487	282,060	343,811	655,205
End of year	$ 359,059	$ 5,126,068	$ 416,270	$ 365,386	$ 483,932

Special Revenue							
Federal and State Grants	Housing Assistance	Measure A	CYSFF TOT	Lighting District	Drainage District	Measure C	Local Grants
$ -	$ -	$ -	$ -	$ 881,364	$ 181,006	$ -	$ -
-	-	768,691	-	-	-	-	-
-	-	-	252,398	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,528	215	-	-	-	-	-	-
5,034	24,982	328,803	76,231	319,202	62,630	1,199	38,683
2,652,831	-	300,000	-	-	-	-	153,250
2,659,393	25,197	1,397,494	328,629	1,200,566	243,636	1,199	191,933
-	1,691	1,770	47,997	49,453	97,391	-	6,214
-	-	-	-	-	-	15,407	135,633
33,731	-	-	-	134,654	108,721	-	-
30,847	-	-	82,000	-	-	124,242	-
2,044,207	1,482	-	-	-	-	-	2,000
-	-	37,500	-	113,326	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,108,785	3,173	39,270	129,997	297,433	206,112	139,649	143,847
550,608	22,024	1,358,224	198,632	903,133	37,524	(138,450)	48,086
-	-	-	-	-	146,284	-	-
-	-	-	-	-	146,284	-	-
550,608	22,024	1,358,224	198,632	903,133	183,808	(138,450)	48,086
(206,396)	474,742	5,027,454	1,200,484	5,158,855	1,000,511	138,450	595,026
$ 344,212	$ 496,766	$ 6,385,678	$ 1,399,116	$ 6,061,988	$ 1,184,319	$ -	$ 643,112

City of East Palo Alto
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2024

	Special Revenue				
	SVCF	Low and Moderate Income Housing Successor	Housing in Lieu	Housing TOT	Measure HH
REVENUES:					
Property taxes	$ -	$ -	$ -	$ -	$ -
Sales taxes	-	-	-	-	-
Transient occupancy tax	-	-	-	252,398	-
Other taxes	-	-	-	-	1,677,265
Licenses, fees and permits	-	-	39,576	-	-
Charges for services	-	-	-	-	-
Use of money and property	-	196,557	498,254	154,067	324,789
Grants and intergovernmental	-	-	-	-	-
Total revenues	-	196,557	537,830	406,465	2,002,054
EXPENDITURES:					
Current:					
General government	-	13,396	34,686	28,917	154
Public safety	-	-	-	-	-
Public works	-	661	-	-	-
Culture and recreation	-	-	-	-	-
Community development	-	343,675	80,913	-	855,686
Capital outlay	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	-	357,732	115,599	28,917	855,840
REVENUES OVER (UNDER) EXPENDITURES	-	(161,175)	422,231	377,548	1,146,214
OTHER FINANCING SOURCES (USES):					
Transfers in	157,027	397,410	-	-	-
Total other financing sources (uses)	157,027	397,410	-	-	-
Net change in fund balances	157,027	236,235	422,231	377,548	1,146,214
FUND BALANCES:					
Beginning of the year, as restated	1,842,973	7,763,195	13,313,682	2,369,951	4,970,320
End of year	$ 2,000,000	$ 7,999,430	$ 13,735,913	$ 2,747,499	$ 6,116,534

Special Revenu	Capital Project	
Measure W	CIP Impact Fees	Total Non-Major Governmental Funds
$ -	$ -	$ 1,062,370
339,734	-	1,108,425
-	-	504,796
-	-	3,280,985
-	1,944,782	1,984,358
-	-	663,102
53,918	98,832	2,540,461
-	-	3,292,240
393,652	2,043,614	14,436,737
-	-	928,733
-	-	224,110
-	54,812	1,080,407
-	-	237,089
-	-	3,793,120
5,610	-	265,286
-	-	13,964
-	-	1,655
5,610	54,812	6,544,364
388,042	1,988,802	7,892,373
-	-	1,296,465
-	-	1,296,465
388,042	1,988,802	9,188,838
809,036	643,623	50,505,947
$ 1,197,078	$ 2,632,425	$ 59,694,785

City of East Palo Alto
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
NPDES Special Revenue Fund
For the Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Charges for services	$ 151,500	$ 151,500	$ 132,261	$ (19,239)
Use of money and property	4,800	4,800	23,529	18,729
Grants and intergovernmental revenue	92,000	92,000	-	(92,000)
Total revenues	248,300	248,300	155,790	(92,510)
EXPENDITURES:				
Current:				
General government	452,111	590,111	155,995	434,116
Public works	317,433	332,926	370,989	(38,063)
Capital outlay	-	-	108,850	(108,850)
Debt service:				
Principal	-	-	13,964	(13,964)
Interest	-	-	1,655	(1,655)
Total expenditures	769,544	923,037	651,453	271,584
REVENUES OVER (UNDER) EXPENDITURES	(521,244)	(674,737)	(495,663)	179,074
OTHER FINANCING SOURCES (USES):				
Transfer in	531,244	531,244	531,244	-
Total other financing sources (uses)	531,244	531,244	531,244	-
Net change in fund balance	$ 10,000	$ (143,493)	$ 35,581	$ 179,074
FUND BALANCE:				
Beginning of year			323,478	
End of year			$ 359,059	

City of East Palo Alto
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Gas Tax Special Revenue Fund
For the Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Other taxes	$ 1,455,000	$ 1,455,000	$ 1,603,720	$ 148,720
Use of money and property	41,600	41,600	250,799	209,199
Total revenues	1,496,600	1,496,600	1,854,519	357,919
EXPENDITURES:				
Current:				
General government	214,152	214,152	215,599	(1,447)
Public works	898,741	1,032,170	376,839	655,331
Capital outlay	550,000	550,000	-	550,000
Total expenditures	1,662,893	1,796,322	592,438	1,203,884
REVENUES OVER (UNDER) EXPENDITURES	(166,293)	(299,722)	1,262,081	1,561,803
OTHER FINANCING SOURCES (USES):				
Transfer in	64,500	64,500	64,500	-
Total other financing sources (uses)	64,500	64,500	64,500	-
Net change in fund balance	$ (101,793)	$ (235,222)	$ 1,326,581	$ 1,561,803
FUND BALANCE:				
Beginning of year			3,799,487	
End of year			$ 5,126,068	

City of East Palo Alto
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Federal and State Law Enforcement Special Revenue Fund
For the Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Use of money and property	$ 3,520	$ 3,520	$ 21,121	$ 17,601
Grants and intergovernmental	160,000	160,000	186,159	26,159
Total revenues	163,520	163,520	207,280	43,760
EXPENDITURES:				
Current:				
Public safety	176,229	176,229	73,070	103,159
Total expenditures	176,229	176,229	73,070	103,159
Net change in fund balance	$ (12,709)	$ (12,709)	$ 134,210	$ 146,919
FUND BALANCE:				
Beginning of year			282,060	
End of year			$ 416,270	

City of East Palo Alto
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Park in Lieu Special Revenue Fund
For the Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Use of money and property	$ 4,800	$ 4,800	$ 21,575	$ 16,775
Total revenues	4,800	4,800	21,575	16,775
Net change in fund balance	$ 4,800	$ 4,800	$ 21,575	$ 16,775
FUND BALANCE:				
Beginning of year			343,811	
End of year			$ 365,386	

City of East Palo Alto
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Rent Stabilization Special Revenue Fund
For the Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Charges for services	$ 605,000	$ 605,000	$ 529,098	$ (75,902)
Fines and forfeitures	2,500	2,500	-	(2,500)
Use of money and property	7,360	7,360	40,256	32,896
Total revenues	614,860	614,860	569,354	(45,506)
EXPENDITURES:				
Current:				
General government	272,197	272,197	275,470	(3,273)
Community development	528,331	608,103	465,157	142,946
Total expenditures	800,528	880,300	740,627	139,673
Net change in fund balance	$ (185,668)	$ (265,440)	(171,273)	$ 94,167
FUND BALANCE:				
Beginning of year			655,205	
End of year			$ 483,932	

City of East Palo Alto
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Federal and State Grants Special Revenue Fund
For the Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Charges for services	$ -	$ -	$ 1,528	$ -
Use of money and property	7,360	7,360	5,034	(2,326)
Grants and intergovernmental	488,251	2,736,542	2,652,831	(83,711)
Miscellaneous				
Total revenues	495,611	2,743,902	2,659,393	(86,037)
EXPENDITURES:				
Current:				
Public works	-	14,629	33,731	(19,102)
Culture and recreation	84,350	84,350	30,847	53,503
Community development	100,500	1,191,015	2,044,207	(853,192)
Capital outlay	-	2,248,291	-	2,248,291
Total expenditures	184,850	3,538,285	2,108,785	1,429,500
Net change in fund balance	$ 310,761	$ (794,383)	550,608	$ 1,343,463
FUND BALANCE:				
Beginning of year			(206,396)	
End of year			$ 344,212	

City of East Palo Alto
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Housing Assistance Special Revenue Fund
For the Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Charges for services	$ -	$ -	$ 215	$ 215
Use of money and property	4,800	4,800	24,982	20,182
Total revenues	4,800	4,800	25,197	20,397
EXPENDITURES:				
Current:				
General government	1,691	1,691	1,691	-
Community development	4,655	7,334	1,482	5,852
Total expenditures	6,346	9,025	3,173	5,852
Net change in fund balance	$ (1,546)	$ (4,225)	22,024	$ 26,249
FUND BALANCE:				
Beginning of year			474,742	
End of year			$ 496,766	

City of East Palo Alto
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Measure A Special Revenue Fund
For the Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Sales taxes	$ 650,000	$ 650,000	$ 768,691	$ 118,691
Use of money and property	70,400	70,400	328,803	258,403
Grants and intergovernmental	-	-	300,000	300,000
Total revenues	720,400	720,400	1,397,494	677,094
EXPENDITURES:				
Current:				
General government	3,459	3,459	1,770	1,689
Capital outlay	550,000	640,665	37,500	603,165
Total expenditures	553,459	644,124	39,270	604,854
Net change in fund balance	$ 166,941	$ 76,276	1,358,224	$ 1,281,948
FUND BALANCE:				
Beginning of year			5,027,454	
End of year			$ 6,385,678	

City of East Palo Alto
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
CYSFF TOT Special Revenue Fund
For the Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Transient occupancy tax	$ 275,000	$ 275,000	$ 252,398	$ (22,602)
Use of money and property	14,400	14,400	76,231	61,831
Total revenues	289,400	289,400	328,629	39,229
EXPENDITURES:				
Current:				
General government	47,997	47,997	47,997	-
Culture and recreation	275,000	604,089	82,000	522,089
Total expenditures	322,997	652,086	129,997	522,089
Net change in fund balance	$ (33,597)	$ (362,686)	198,632	$ 561,318
FUND BALANCE:				
Beginning of year			1,200,484	
End of year			$ 1,399,116	

City of East Palo Alto
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Lighting District Special Revenue Fund
For the Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Property taxes	$ 801,900	$ 801,900	$ 881,364	$ 79,464
Use of money and property	60,800	60,800	319,202	258,402
Total revenues	862,700	862,700	1,200,566	337,866
EXPENDITURES:				
Current:				
General government	53,231	53,231	49,453	3,778
Public works	140,018	173,674	134,654	39,020
Capital outlay	-	810,465	113,326	697,139
Total expenditures	193,249	1,037,370	297,433	739,937
Net change in fund balance	$ 669,451	$ (174,670)	903,133	$ 1,077,803
FUND BALANCE:				
Beginning of year			5,158,855	
End of year			$ 6,061,988	

City of East Palo Alto
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Drainage District Special Revenue Fund
For the Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Property taxes	$ 153,440	$ 153,440	$ 181,006	$ 27,566
Use of money and property	9,600	9,600	62,630	53,030
Total revenues	163,040	163,040	243,636	80,596
EXPENDITURES:				
Current:				
General government	97,582	97,582	97,391	191
Public works	211,742	250,370	108,721	141,649
Total expenditures	309,324	347,952	206,112	141,840
REVENUES OVER (UNDER) EXPENDITURES	(146,284)	(184,912)	37,524	222,436
OTHER FINANCING SOURCES (USES):				
Transfer in	146,284	146,284	146,284	-
Total other financing sources (uses)	146,284	146,284	146,284	-
Net change in fund balance	$ -	$ (38,628)	183,808	$ 222,436
FUND BALANCE:				
Beginning of year			1,000,511	
End of year			$ 1,184,319	

City of East Palo Alto
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Measure C Special Revenue Fund
For the Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Use of money and property	$ 2,880	$ 2,880	$ 1,199	$ (1,681)
Total revenues	2,880	2,880	1,199	(1,681)
EXPENDITURES:				
Current:				
Public safety	-	15,407	15,407	-
Culture and recreation	-	124,242	124,242	-
Total expenditures	-	139,649	139,649	-
Net change in fund balance	$ 2,880	$ (136,769)	(138,450)	$ (1,681)
FUND BALANCE:				
Beginning of year			138,450	
End of year			$ -	

City of East Palo Alto
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Local Grants Special Revenue Fund
For the Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Use of money and property	$ 8,000	$ 8,000	$ 38,683	$ 30,683
Grants and intergovernmental	720,000	722,500	153,250	(569,250)
Total revenues	728,000	730,500	191,933	(538,567)
EXPENDITURES:				
Current:				
General government	-	-	6,214	(6,214)
Public safety	150,000	157,930	135,633	22,297
Culture and recreation	570,000	570,000	-	
Community development	-	8,400	2,000	
Total expenditures	720,000	736,330	143,847	16,083
Net change in fund balance	$ 8,000	$ (5,830)	48,086	$ (522,484)
FUND BALANCE:				
Beginning of year			595,026	
End of year			$ 643,112	

City of East Palo Alto
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Silicon Valley Community Foundation (SVCF) Special Revenue Fund
For the Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
OTHER FINANCING SOURCES (USES):				
Transfer in	$ -	$ 157,027	157,027	$ -
Total other financing sources (uses)	-	157,027	157,027	-
Net change in fund balance	$ -	$ 157,027	157,027	$ -
FUND BALANCE:				
Beginning of year			1,842,973	
End of year			$ 2,000,000	

City of East Palo Alto
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Low and Moderate Income Housing Special Revenue Fund
For the Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Use of money and property	$ 32,000	$ 92,000	$ 196,557	$ 104,557
Total revenues	32,000	92,000	196,557	104,557
EXPENDITURES:				
Current:				
General government	50,487	50,487	13,396	37,091
Public works	-	-	661	(661)
Community development	1,567,898	1,261,323	343,675	917,648
Total expenditures	1,618,385	1,311,810	357,732	954,078
REVENUES OVER (UNDER) EXPENDITURES	(1,586,385)	(1,219,810)	(161,175)	1,058,635
OTHER FINANCING SOURCES (USES):				
Transfer in	397,410	397,410	397,410	-
Total other financing sources (uses)	397,410	397,410	397,410	-
Net change in fund balance	$ (1,188,975)	$ (822,400)	236,235	$ 1,058,635
FUND BALANCE:				
Beginning of year			7,763,195	
End of year			$ 7,999,430	

City of East Palo Alto
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Housing in Lieu Special Revenue Fund
For the Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Licenses, fees and permits	$ 38,000	$ 38,000	$ 39,576	$ 1,576
Use of money and property	96,000	96,000	498,254	402,254
Grants and intergovernmental	1,000,000	-	-	-
Total revenues	1,134,000	134,000	537,830	402,254
EXPENDITURES:				
Current:				
General government	31,970	31,970	34,686	(2,716)
Community development	2,840,950	8,590,950	80,913	8,510,037
Total expenditures	2,872,920	8,622,920	115,599	8,507,321
REVENUES OVER (UNDER) EXPENDITURES	(1,738,920)	(8,488,920)	422,231	8,909,575
Net change in fund balance	$ (1,738,920)	$ (8,488,920)	422,231	$ 8,909,575
FUND BALANCE:				
Beginning of year			13,313,682	
End of year			$ 13,735,913	

City of East Palo Alto
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Housing TOT Special Revenue Fund
For the Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Transient occupancy tax	$ 275,000	$ 275,000	$ 252,398	$ (22,602)
Use of money and property	38,400	38,400	154,067	115,667
Total revenues	313,400	313,400	406,465	93,065
EXPENDITURES:				
Current:				
General government	28,917	28,917	28,917	-
Total expenditures	28,917	28,917	28,917	-
Net change in fund balance	$ 284,483	$ 284,483	377,548	$ 93,065
FUND BALANCE:				
Beginning of year			2,369,951	
End of year			$ 2,747,499	

City of East Palo Alto
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Measure HH Special Revenue Fund
For the Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Other taxes	$ 1,677,000	$ 1,677,000	$ 1,677,265	$ 265
Use of money and property	70,400	70,400	324,789	254,389
Total revenues	1,747,400	1,747,400	2,002,054	254,654
EXPENDITURES:				
Current:				
General government	3,700	3,700	154	3,546
Community development	844,421	1,364,297	855,686	508,611
Total expenditures	848,121	1,367,997	855,840	512,157
REVENUES OVER (UNDER) EXPENDITURES	899,279	379,403	1,146,214	766,811
Net change in fund balance	$ 899,279	$ 379,403	1,146,214	$ 766,811
FUND BALANCE:				
Beginning of year			4,970,320	
End of year			$ 6,116,534	

City of East Palo Alto
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Measure W Special Revenue Fund
For the Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Sales taxes	$ 300,000	$ 300,000	$ 339,734	$ 39,734
Use of money and property	8,000	8,000	53,918	45,918
Total revenues	308,000	308,000	393,652	85,652
EXPENDITURES:				
Current:				
General government	1,689	1,689	-	1,689
Capital outlay	220,000	238,190	5,610	232,580
Total expenditures	221,689	239,879	5,610	234,269
Net change in fund balance	$ 86,311	$ 68,121	388,042	$ (148,617)
FUND BALANCE:				
Beginning of year			809,036	
End of year			$ 1,197,078	

STATISTICAL SECTION

This part of the City's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, noted disclosures, and required supplementary information says about the City's overall financial health. In contrast to the financial section, the statistical section information is not subject to independent audit.

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well being have changed over time:

1. Net Position by Component
2. Changes in Net Position
3. Fund Balances - Governmental Funds
4. Changes in Fund Balances - Governmental Funds

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax:

1. Assessed Value of Taxable Property
2. Direct and Overlapping Property Tax Rates
3. Principal Property Taxpayers
4. Property Tax Levies and Collections

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future:

1. Ratio of Outstanding Debt by Type
2. Computation of Direct and Overlapping Debt
3. Computation of Legal Bonded Debt Margin
4. Bonded Debt Pledged Revenue Coverage - Successor Agency

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place:

1. Demographic and Economic Statistics
2. Principal Employers

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs:

1. Number of Positions - City Government by Function
2. Operating Indicators by Function
3. Capital Asset Statistics by Function

Operating Information

Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year. The City Implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

City of East Palo Alto, California
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Government activities										
Net investment in capital assets	$ 35,561,630	$ 41,044,530	$ 42,278,404	$ 48,784,281	$ 55,197,664	$ 56,070,993	$ 63,227,229	$ 64,005,813	$ 74,583,002	$ 80,872,067
Restricted For:										
Debt Service	-	-	-	-	-	-	-	-	-	-
Low and moderate income housing	-	-	-	-	-	-	-	-	-	-
Streets and Infrastructure	5,538,340	5,816,534	6,411,718	7,700,051	9,885,470	11,354,052	12,774,681	14,736,889	16,118,821	20,314,190
Parks and Recreation	550,014	1,120,082	1,117,148	1,089,920	340,827	348,880	344,094	334,082	343,811	365,386
Measure C programs	1,464,460	1,405,053	1,510,846	1,015,232	592,734	253,401	223,160	217,659	138,450	-
Housing Programs	14,012,643	17,325,494	20,518,013	20,824,081	21,669,184	24,277,027	25,891,744	26,780,234	31,735,201	33,955,113
Special Programs	954,220	1,168,856	853,741	1,262,039	1,522,452	1,755,499	2,012,599	2,010,100	2,529,780	2,870,088
Capital projects	188,644	279,184	3,796,398	3,012,787	9,816,132	10,159,391	6,707,412	8,602,288	7,172,849	5,004,887
Total restricted	22,708,321	27,115,203	34,207,864	34,904,110	43,826,799	48,148,250	47,953,690	52,681,252	58,038,912	62,509,664
Unrestricted	23,123,638	28,798,504	33,919,154	40,774,262	40,040,582	46,185,712	49,482,293	59,082,008	62,177,856	68,404,889
Total governmental activities net position	**$ 81,393,589**	**$ 96,958,237**	**$ 110,405,422**	**$ 124,462,653**	**$ 139,065,045**	**$ 150,404,955**	**$ 160,663,212**	**$ 175,769,073**	**$ 194,799,770**	**$ 211,786,620**
Business-type activities										
Net investment in capital assets	3,548,303	3,353,012	4,050,566	11,161,837	10,964,954	10,880,048	11,205,575	11,306,820	11,212,431	11,338,141
Restricted For:										
Capital Projects[1]	835,114	926,770	928,562	682,991	585,636	591,828	591,909	1,943,955	5,589,148	13,778,345
Total restricted	835,114	926,770	928,562	682,991	585,636	591,828	591,909	1,943,955	5,589,148	13,778,345
Unrestricted[1]	1,889,840	4,919,239	5,592,490	1,949,538	3,292,824	4,362,698	5,216,208	4,120,165	7,672,675	2,896,181
Total business-type activities net position	**$ 6,273,257**	**$ 9,199,021**	**$ 10,571,618**	**$ 13,794,366**	**$ 14,843,414**	**$ 15,834,574**	**$ 17,013,692**	**$ 17,370,940**	**$ 24,474,254**	**$ 28,012,667**
Primary Government										
Net investment in capital assets	39,109,933	44,397,542	46,328,970	59,946,118	66,162,618	66,951,041	74,432,804	75,312,633	85,795,433	92,210,208
Restricted	23,543,435	28,041,973	38,624,491	34,904,110	43,826,799	48,740,078	48,545,599	54,625,207	63,628,060	76,288,009
Unrestricted	25,013,478	33,717,743	36,023,579	43,406,791	43,919,042	50,548,410	54,698,501	63,202,173	69,850,531	71,301,070
Total primary government net position	**$ 87,666,846**	**$ 106,157,258**	**$ 120,977,040**	**$ 138,257,019**	**$ 153,908,459**	**$ 166,239,529**	**$ 177,676,904**	**$ 193,140,013**	**$ 219,274,024**	**$ 239,799,287**

[1] Certain amounts have been reclassified to present historical information in conformance with current classification.

City of East Palo Alto, California
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ending June 30									
	2015	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property Taxes	$ 10,260,689	$ 11,428,331	$ 12,288,670	$ 14,642,402	$ 16,411,143	$ 16,099,035	$ 15,097,898	$ 17,295,600	$ 20,957,659	$ 19,858,720
Sales Taxes	3,798,237	4,364,562	4,078,803	5,923,229	5,793,668	5,171,001	5,422,953	5,738,443	6,394,903	6,019,894
Utility Users Tax	1,513,088	1,516,104	1,520,017	1,680,279	1,537,991	1,584,592	1,630,879	1,631,049	1,936,239	2,052,280
Transient Occupancy Tax	2,803,542	2,809,127	2,906,241	3,089,942	2,990,217	1,962,256	200,886	1,447,892	2,223,732	2,526,290
Business License Tax[1]	668,138	602,245	616,653	1,428,860	1,452,963	1,585,841	1,223,696	1,269,802	1,768,500	2,414,887
Other Taxes[1]	1,741,988	1,621,994	1,824,599	1,254,845	86,410	1,796,955	1,833,719	1,677,265	1,782,881	1,779,640
Investment earnings	232,001	312,707	394,890	849,716	2,029,009	2,113,187	(9,692)	(2,010,393)	2,296,615	6,690,404
Miscellaneous	493,864	719,437	194,024	49,306	1,147,440	1,277,393	1,595,376	1,273,166	1,487,771	1,339,191
Transfers	-	-	(531,049)	(238,312)	-	-	-	-	(6,241,000)	(433,400)
Extraordinary Items	-	3,246,461	-	-	-	-	-	-	-	-
Total Governmental activities	21,511,547	26,620,968	23,292,848	28,680,267	31,448,841	31,590,260	26,995,715	28,322,824	32,607,300	42,247,906
Business-type activities:										
Investment earnings	9,557	12,984	34,159	32,939	79,415	234,047	(13,745)	(298,202)	351,464	1,094,978
Transfers	-	-	-	531,049	238,312	-	-	(140,423)	6,241,000	433,400
Total Business-type activities	9,557	12,984	34,159	563,988	317,727	234,047	(13,745)	(438,625)	6,592,464	1,528,378
Total Primary Government	21,521,104	26,633,952	23,327,007	29,244,255	31,766,568	31,824,307	26,981,970	27,884,199	39,199,764	43,776,284
Change in Net Position										
Governmental Activites	13,017,227	16,775,305	8,669,812	11,833,818	11,198,491	14,852,802	13,928,077	14,796,305	19,080,781	16,936,766
Business-type Activities	639,162	821,593	2,939,180	1,378,989	1,132,728	910,518	1,179,118	72,225	7,103,314	3,538,413
Change in Net Position	**$ 13,656,389**	**$ 17,596,898**	**$ 11,608,992**	**$ 13,212,807**	**$ 12,331,219**	**$ 15,763,320**	**$ 15,107,195**	**$ 14,868,530**	**$ 26,184,095**	**$ 20,475,179**

[1] Certain amounts have been reclassified to present historical information in conformance with current classification descriptions.

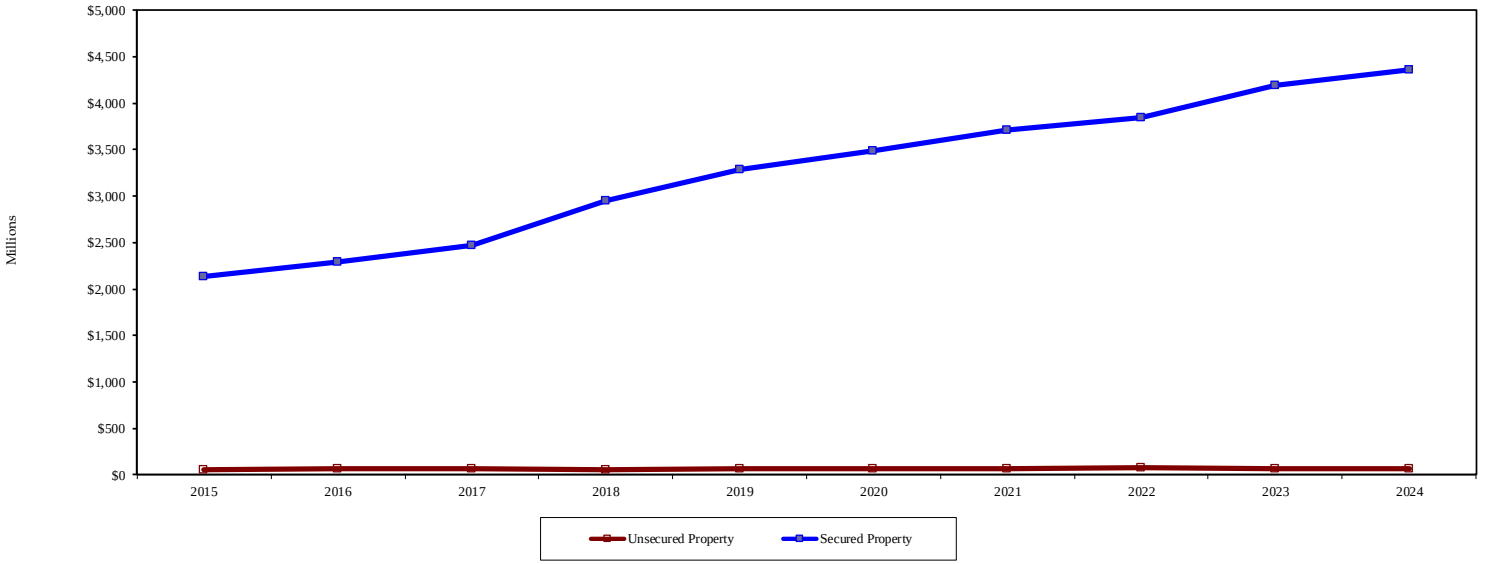
City of East Palo Alto, California
Fund Balances-Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year Ended June 30									
	2015	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
General Fund										
Nonspendable	$ 11,769,991	$ 11,932,475	$ 12,066,847	$ 11,743,001	$ 10,938,871	$ 8,826,647	$ 6,554,760	$ 5,282,165	$ 2,875,868	$ 927,145
Restricted	-	-	-	-	-	20,065	23,784	27,297	38,659	45,039
Committed	-	-	-	-	-	980,355	980,355	10,097,589	11,844,496	11,150,949
Assigned	187,141	383,658	1,188,899	1,886,415	1,839,551	2,183,599	4,128,219	6,658,000	6,000,000	3,824,125
Unassigned	13,221,866	16,293,653	17,235,337	24,191,919	26,426,148	30,996,166	31,116,240	26,407,109	33,027,657	43,470,340
Total General Fund	25,178,998	28,609,786	30,491,083	37,821,335	39,204,570	39,204,570	42,803,358	48,472,160	53,786,680	59,417,598
All Other Governmental Funds										
Restricted	22,684,977	26,537,401	34,122,255	34,904,110	43,826,799	47,339,670	45,250,665	45,389,536	51,986,249	60,968,691
Committed	-	-	-	-	-	-	5,500,000	9,000,000	10,414,734	9,350,000
Nonspendable	-	-	-	-	-	-	-	-	-	-
Assigned	1,913,459	4,803,773	7,289,475	6,772,150	7,874,189	11,936,316	10,908,746	5,600,829	6,889,192	9,419,779
Unassigned	(233,356)	(197,068)	-	-	-	-	(61,923)	(111,371)	(206,396)	-
Total all other governmental funds	24,365,080	31,144,106	41,411,730	41,676,260	51,700,988	51,700,988	61,597,488	59,878,994	69,083,779	79,738,470
Total Governmental Funds	**$ 49,544,078**	**$ 59,753,892**	**$ 71,902,813**	**$ 79,497,595**	**$ 90,905,558**	**$ 90,905,558**	**$ 104,400,846**	**$ 108,351,154**	**$ 122,870,459**	**$ 139,156,068**

City of East Palo Alto, California
Changes in Fund Balances-Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Taxes	$ 20,271,896	$ 22,015,184	$ 22,570,573	$ 26,465,002	$ 28,911,799	$ 30,593,515	$ 27,551,942	$ 31,488,448	$ 38,052,255	$ 37,239,225
Licenses, fees, and permits	932,302	8,225,539	2,276,892	2,945,418	2,816,522	1,425,267	2,665,772	2,344,950	1,734,484	3,657,663
Charges for services	2,638,045	2,778,293	2,090,795	1,942,517	2,027,506	2,901,680	1,487,373	1,340,766	1,387,903	1,116,255
Fines and fortfeitures	368,621	532,143	442,911	745,766	421,661	401,717	242,042	263,437	379,861	540,438
Use of money and property	245,602	474,624	410,003	878,892	2,082,517	2,730,055	207,416	(2,323,287)	2,802,993	6,759,703
Grants and intergovernmental	4,941,401	3,589,152	8,724,241	5,177,790	7,459,093	1,285,504	5,659,603	4,897,399	17,631,163	10,680,936
Miscellaneous	609,570	1,212,731	205,096	119,862	385,940	260,257	1,915,735	1,700,286	975,524	546,286
Total revenues	30,007,437	38,827,666	36,720,511	38,275,247	44,105,038	39,597,995	39,729,883	39,711,999	62,964,183	60,540,506
Expenditures										
Current										
General Government	3,804,928	4,037,015	4,270,123	4,286,525	4,696,638	5,126,419	6,144,761	6,332,990	6,646,083	7,490,022
Public Safety	10,237,181	10,200,118	10,159,814	10,165,174	11,240,702	10,920,002	11,629,425	11,767,310	12,671,959	12,802,340
Public Works	2,698,224	3,106,375	3,560,158	4,251,301	4,150,097	3,844,254	4,134,384	4,097,153	4,189,669	4,969,777
Culture and recreation	789,369	1,036,572	959,888	1,243,981	1,203,631	1,001,494	700,691	1,219,765	1,553,917	1,329,817
Community Development	2,263,113	2,257,570	2,397,396	2,984,606	3,589,412	4,823,525	5,758,006	5,146,245	7,001,196	7,062,319
Capital Outlay	6,877,626	2,524,109	3,290,362	7,716,265	7,800,356	2,505,041	9,244,588	7,067,172	9,614,380	9,624,330
Debt Service (a)										
Principal repayment	45,254	61,347	52,302	31,399	16,085	-	-	-	452,677	499,126
Interest & fiscal charges	4,180	4,325	2,347	1,214	154	-	-	6,561	73,997	43,766
Total expenditures	26,719,875	23,227,431	24,692,390	30,680,465	32,697,075	28,220,735	37,611,855	35,637,196	42,203,878	43,821,497
Excess of revenues over (under) expenditures	3,287,562	15,600,235	12,028,121	7,594,782	11,407,963	11,407,963	2,118,028	4,074,803	20,760,305	16,719,009
Other financing sources (uses)										
Transfers in	4,024,730	1,236,787	3,876,948	2,121,910	8,637,770	8,266,603	3,506,089	2,381,000	5,133,238	3,686,297
Transfers (out)	(4,024,730)	(3,498,787)	(3,811,148)	(2,121,910)	(8,637,770)	(8,266,603)	(3,506,089)	(2,381,000)	(11,374,238)	(4,119,697)
Capital leases	121,666	-	-	-	-	-	-	-	-	-
Total other financing sources(uses)	121,666	(2,262,000)	65,800	-	-	-	-	-	(6,241,000)	(433,400)
Special item and extraordinary item	-	-	-	-	-	-	-	-	-	-
Net change in fund balances	3,409,228	13,338,235	12,093,921	7,594,782	11,407,963	11,407,963	2,118,028	4,074,803	14,519,305	16,285,609
Debt service as a percentage of noncapital expenditures	0.25%	0.32%	0.26%	0.14%	0.07%	0.08%	0.00%	0.02%	1.62%	1.59%
Debt service as a percentage of total expenditures expenditures	0.19%	0.28%	0.22%	0.11%	0.05%	0.06%	0.00%	0.02%	1.25%	1.24%

City of East Palo Alto, California
Assessed Value of Taxable Property
Last Ten Fiscal Years



Fiscal Year	Secured City	Secured Gateway 101 Corridor	Secured University Circle	Secured Ravenswood	Total Secured Property	Unsecured City	Unsecured Gateway 101 Corridor	Unsecured University Circle	Unsecured Ravenswood	Unsecured Property	Total Taxable Assessed (1)	Estimated Actual Value (2)	Factor of Taxable Assessed Value (3)
2015	1,272,051,647	341,894,816	378,514,734	83,231,935	2,075,693,132	6,198,106	18,472,810	25,681,636	4,601,336	54,953,888	2,130,647,020	$3,549,905,090	1.000000
2016	1,387,303,962	366,869,951	386,077,451	89,606,753	2,229,858,117	5,895,578	21,087,072	32,434,814	5,307,991	64,725,455	2,294,583,572	$4,990,019,421	1.000000
2017	1,496,819,954	383,867,913	391,965,125	128,424,119	2,401,077,111	5,357,954	21,336,520	31,608,639	6,300,157	64,603,270	2,465,680,381	$4,932,990,577	1.000000
2018	1,860,043,257	493,901,959	399,943,872	139,127,273	2,893,016,361	5,568,741	21,568,793	28,727,193	3,838,839	59,703,566	2,952,719,927	$7,145,582,223	1.000000
2019	1,987,717,844	589,570,833	491,664,014	149,310,365	3,218,263,056	16,763,127	24,130,526	26,264,047	3,792,066	70,949,766	3,289,212,822	$7,232,431,631	1.000000
2020	2,141,077,211	610,407,047	501,497,289	167,894,435	3,420,875,982	16,924,357	24,269,647	25,817,541	3,956,073	70,967,618	3,491,843,600	$6,049,029,684	1.000000
2021	2,256,060,762	626,312,724	511,628,461	247,209,411	3,641,211,358	5,172,050	36,754,744	23,863,678	4,876,777	70,667,249	3,711,878,607	$7,490,106,321	1.000000
2022	2,334,992,280	647,462,524	520,340,698	261,727,649	3,764,523,151	17,480,486	36,132,686	17,381,330	4,386,585	75,381,087	3,839,904,238	$7,074,714,408	1.000000
2023	2,496,505,848	702,048,413	688,427,574	245,346,193	4,132,328,028	6,909,334	39,183,992	13,391,529	4,677,616	64,162,471	4,196,490,499	$6,827,322,921	1.000000
2024	2,599,989,651	738,414,743	702,195,861	253,694,547	4,294,294,802	7,407,119	40,374,317	16,148,352	5,684,837	69,614,625	4,363,909,427	5,951,367,349	1.000000

Source: San Mateo County Assessors, MuniServices, LLC / an Avenu Insights & Analytics Company
Source: Prior published ACFR

Notes:
(1) Total Assessed Taxable Value is net of all exemptions, including homeowners' exemption.
(2) Estimated Actual Value is derived from a series of calculations comparing median assessed values from 1940 to current median sale prices. Based on these calculations a factor was extrapolated and applied to current assessed values.
(3) California cities do not set their own direct tax rate. The State constitution establishes the rate at 1% and allocates a portion of that amount to all the taxing entities within a tax rate area.

City of East Palo Alto, California
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Basic County-wide Rate	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Override Assessments										
Ravenswood School District	0.0360	0.0304	0.0376	0.0352	0.0616	0.0522	0.0341	0.0369	0.0415	0.0674
Sequoia Union High School District	0.0433	0.0434	0.0391	0.0383	0.0365	0.0340	0.0315	0.0290	0.0286	0.0391
San Mateo Community College District	0.0190	0.0250	0.0247	0.0235	0.0175	0.0266	0.0213	0.0227	0.0193	0.0190
Midpeninsula Open Space District	0.0000	0.0008	0.0006	0.0009	0.0018	0.0016	0.0015	0.0015	0.0013	0.0012
TOTAL	0.0983	0.0996	0.1020	0.0979	0.1174	0.1144	0.0884	0.0901	0.0907	0.1267
Total Tax Rate	1.0983	1.0996	1.1020	1.0979	1.1174	1.1144	1.0884	1.0901	1.0907	1.1267

Source: County Auditor data, MuniServices, LLC / Avenu Insights & Analytics
Source: Previously published ACFR Report
Tax Rate as represented by TRA 021-000

City of East Palo Alto, California
Principal Property Taxpayers
Current Fiscal Year and Nine Years Ago

Taxpayer	2023-24 Taxable Value ($)	2023-24 Percent of Total City Taxable Value (%)	2014-15 Taxable Value ($)	2014-15 Percent of Total City Taxable Value (%)
Columbia REIT University Circle LP	$ 545,794,936	12.51%		
Woodland Park Property Owner Llc	468,181,845	10.73%		
University Plaza EPA LLC	213,258,337	4.89%		
SHR Palo Alto LLC	151,710,591	3.48%	$ 51,049,052	2.40%
Ikea Property Inc	105,424,948	2.42%	84,436,034	3.96%
Bayshore 1771 LLC	55,312,866	1.27%		
Four Corners EPA Property Owner LLC	44,149,498	1.01%		
Sycamore Real Estate Investment LLC	43,203,890	0.99%		
HPI ASVRF 1990 Bay LLC	38,089,757	0.87%		
Light Tree Three LP	35,567,492	0.82%		
Wells REIT II - University Circle			326,635,338	15.33%
EQR Woodland Park			156,581,269	7.35%
Gateway 101 LLC			25,947,282	1.22%
HD Devel of Maryland Inc			19,650,979	0.92%
Nairobi Housing Inc & Housing Assoc Lessee			13,296,168	0.62%
Avery H Smith & Co			12,374,260	0.58%
East Palo Alto at 101 LLC			10,764,770	0.51%
Storage Portfolio I LLC			8,393,049	0.39%
Principal Taxpayers	**$ 1,700,694,160**	**38.97%**	**$ 709,128,201**	**33.28%**
Total Taxable Value	**$ 4,363,909,429**	**100.00%**	**$ 2,130,647,020**	**100.00%**

Source: County Assessor data, MuniServices, LLC / Avenu Insights & Analytics

City of East Palo Alto, California
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Total Tax Levied for Fiscal Year (1)	Collected Within the Fiscal Year of the Levy		Delinquent Tax Collections (3)	Total Collections To Date	
		Current Tax Collections (2)	Percentage of Levy		Total Tax Collections	Percentage of Levy
2015	5,326,772	5,197,898	97.5%		5,197,898	97.5%
2016	5,751,125	5,515,510	95.9%		5,515,510	95.9%
2017	6,158,288	5,864,760	95.2%		5,864,760	95.2%
2018	7,498,588	7,137,824	95.2%		7,137,824	95.2%
2019	8,006,496	7,755,634	96.9%		7,755,634	96.9%
2020	8,571,769	8,357,638	97.5%		8,357,638	97.5%
2021	8,941,750	8,660,036	96.8%		8,660,036	96.8%
2022	9,304,588	9,847,946	105.8%		9,847,946	105.8%
2023	9,866,504	9,928,335	100.6%		9,928,335	100.6%
2024	10,255,973	10,141,505	98.9%		10,141,505	98.9%

Source: San Mateo County Controller, City General Ledger

Notes:

(1) Prior to the dissolution of the former Redevelopment Agency effective January 2012, the table data includes secured and unsecured tax levies for the City, City districts, and the former Redevelopment Agency. Beginning in FY 2012-13, the amounts levied are related to the City and City districts only.

(2) Beginning in 1993, Current Tax Collections are reduced by a mandatory tax allocation imposed by the State of California (Educational Revenue Augmentation Fund (ERAF)).

(3) The County of San Mateo collects and allocates property taxes under the Teeter Plan whereby the City receives property tax revenues based on the total amount assessed, but not collected; therefore, the City has no direct delinquent tax collections.

City of East Palo Alto, California
Ratios of Outstanding Debt by Type

Fiscal Year End	Governmental Activities: Capitalized Lease Debt (1)	Governmental Activities: Redevelopment Tax Allocation Bonds (2)	Governmental Activities: Revenue Bonds (2)	Governmental Activities: Less: Restricted Bonds Held (3)	Business-Type Activities: Notes Payable	Total Primary Government Debt	Percentage of Personal Income (5)	Outstanding Debt Per Capita (5)	Outstanding Debt to Taxable Assessed Value
2015	161,133	-	-	-	-	161,133	0.03%	5.28	0.01%
2016	99,786	-	-	-	-	99,786	0.02%	3.29	0.00%
2017	47,484	-	-	-	-	47,484	0.01%	1.54	0.00%
2018	16,085	-	-	-	$ 700,000	716,085	0.10%	23.48	0.02%
2019	-	-	-	-	700,000	700,000	0.09%	22.73	0.02%
2020	-	-	-	-	676,667	676,667	0.09%	22.30	0.02%
2021	2,306,523	-	-	-	653,334	653,334	0.08%	21.53	0.02%
2022	1,880,524	-	-	-	630,001	2,510,525	0.07%	21.75	0.07%
2023	1,427,847	-	-	-	2,487,192	3,915,039	0.06%	21.22	0.09%
2024	942,495	-	-	-	583,335	1,525,830	0.13%	52.47	0.03%

Notes:

(1) Capitalized Lease Debt due to Police Vehicles acquired in 2013 and 2015.

(2) Tax Allocation Bonds and Revenue Bonds related to financing Redevelopment Agency projects and activities.

(3) Bond proceeds invested and, in October of 2010, used as part of a purchase in lieu of redemption structure. In 2009 the Public Finance Authority proceeds were used to purchase, and hold as investment, the 1999 Tax Allocation Bonds.

(4) During FY 2011-12, the former Redevelopment Agency was dissolved and all debts transferred to a Successor Trust.

(5) Population Projections prepared by State of California Department of Finance, Personal Income Data by MuniServcies LLC

City of East Palo Alto, California
Computation of Direct and Overlapping Debt
June 30, 2024

2023-24 Assessed Valuation **$ 4,376,844,027**

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT	Total Debt 6/30/2024	Percentage Applicable (1)	City's Share of Debt 6/30/2024
City of East Palo Alto	$ 942,495	100.000%	$ 942,495
Total Direct Debt	$ 942,495		$ 942,495
San Mateo Community College District	$ 682,237,216	1.422%	$ 9,701,413
Sequoia Union High School District	488,322,000	3.288%	16,056,027
Ravenswood School District	133,740,000	40.550%	54,231,570
Midpeninsula Regional Open Space District	80,700,000	1.077%	869,139
California Statewide Communities Development Authority 1915 Act Bonds	2,242,416	100.000%	2,242,416
Total Overlapping Debt	1,387,241,632		83,100,565
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT	$ 1,388,184,127		$ 84,043,060
OVERLAPPING GENERAL FUND DEBT			
San Mateo County General Fund Obligations	$ 554,571,645	1.422%	$ 7,886,009
San Mateo County Board of Education Certificates of Participation	5,735,000	1.422%	$ 81,552
Midpeninsula Regional Open Space District General Fund Obligations	79,795,600	1.077%	$ 859,399
San Mateo County Mosquito and Vector Control District General Fund Obligations	3,404,654	1.422%	$ 48,414
TOTAL OVERLAPPING GENERAL FUND DEBT	$ 643,506,899		$ 8,875,373
OVERLAPPING TAX INCREMENT DEBT (Successor Agency)			
2015A Refunding Tax Allocation Bonds	$ 11,980,000	100.000%	$ 11,980,000
COMBINED TOTAL DEBT			**$ 104,898,433** (2)

Ratios to 2023-24 Assessed Valuation:	
Direct Debt	0.022%
Direct and Overlapping Tax and Assessment Debt	1.920%
Direct and Overlapping Tax, Assessment and Increment Debt	2.123%
Combined Total Debt	2.397%

Ratios to Redevelopment Successor Agency Incremental Valuation ($1,427,707,876):	
Overlapping Tax Increment Debt	0.800%

Source: Avenu Insights & Analytics, California Municipal Statistics, Inc.

Notes:

(1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

(2) Excludes tax and revenue anticipation notes, revenue, mortgage revenue and non-bonded capital lease obligations.

City of East Palo Alto, California
Computation of Legal Bonded Debt Margin
Last Ten Fiscal Years

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Taxable Assessed Valuation	$ 2,130,647,020	$ 2,294,583,572	$ 2,465,680,381	2,952,719,927	$ 3,289,212,822
Conversion Percentage	25%	25%	25%	25%	25%
Adjusted Assessed Valuation	532,661,755	573,645,893	616,420,095	738,179,982	822,303,206
Debt service limit percentage	15%	15%	15%	15%	15%
Debt Limit	**79,899,263**	**86,046,884**	**92,463,014**	**110,726,997**	**123,345,481**
Debt Applicable to Limit:					
Less: Outstanding General Obligations	-	-	-	-	-
Legal Debt Margin	**$ 79,899,263**	**$ 86,046,884**	**$ 92,463,014**	**$ 110,726,997**	**$ 123,345,481**

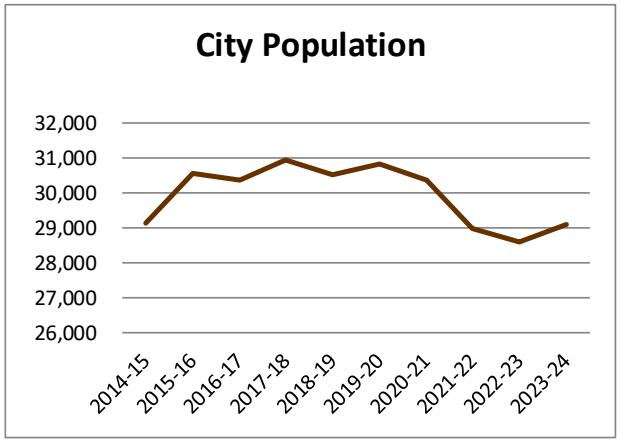
	2019-2020	2020-2021	2021-22	2022-23	2023-24
Taxable Assessed Valuation	$ 3,491,843,600	$ 3,711,878,607	$ 3,839,904,238	$ 4,196,490,499	$ 4,363,909,427
Conversion Percentage	25%	25%	25%	25%	25%
Adjusted Assessed Valuation	872,960,900	927,969,652	959,976,060	1,049,122,625	1,090,977,357
Debt service limit percentage	15%	15%	15%	15%	15%
Debt Limit	**130,944,135**	**139,195,448**	**143,996,409**	**157,368,394**	**163,646,604**
Debt Applicable to Limit:					
Less: Outstanding General Obligations	-	-	-	-	-
Legal Debt Margin	**$ 130,944,135**	**$ 139,195,448**	**$ 143,996,409**	**$ 157,368,394**	**$ 163,646,604**

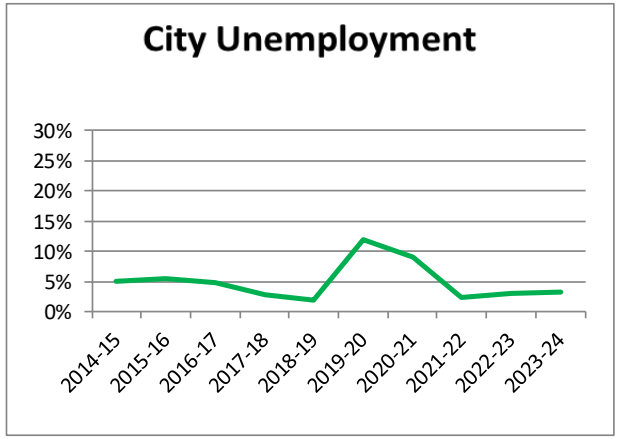
Source: San Mateo County Assessors, MuniServices, LLC / an Avenu Insights & Analytics Company

Note:
California Government Code, Section 43605 sets the debt limit at 15%. The Code section was enacted prior to the change in basing assessed value to full market value when it was previously 25% of market value.
15% of 25% is the equivalent of 3.75% of Total Taxable Valuation. Amounts are calculated accordingly.

City of East Palo Alto, California
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (1)	City Unemployment Rate (2)	City Per Capita Personal Income (3)	County Unemployment Rate (2)	County Per Capita Personal Income (3)	Public School Enrollment (4)
2014-15	29,137	5.10%	20,438	3.20%	77,414	4,216
2015-16	30,545	5.40%	20,785	3.40%	78,728	4,058
2016-17	30,340	4.80%	21,785	3.00%	82,517	3,853
2017-18	30,917	2.70%	23,171	2.20%	87,767	3,632
2018-19	30,499	1.80%	24,440	1.70%	92,576	3,436
2019-20	30,794	11.90%	25,419	11.10%	96,285	3,269
2020-21	30,350	8.97%	27,437	6.84%	103,929	2,993
2021-22	28,963	2.30%	31,515	1.70%	119,375	2,793
2022-23	28,586	2.90%	36,759	2.70%	139,239	2,640
2023-24	29,078	3.30%	41,158	2.90%	155,903	2,555





Source: San Mateo County Assessors, MuniServices, LLC / an Avenu Insights & Analytics Company

Source: 2022-23 and prior, previously published CAFR Report

The California Department of Finance demographics estimates now incorporate 2010 Census counts as the benchmark.

Notes:

(1) Population Projections are provided by the California Department of Finance Projections.

(2) Unemployment Data provided by Employment Development Department Bureau of Labor Statistics.

(3) Income Data is provided by the U.S. Census Bureau

(4) Student Enrollment reflects the total number of students enrolled in the Ravenswood Elementary School.

Last Ten Fiscal Years

Fiscal Year	RDA Tax Allocation (Refunding) Bonds					Public Financing Authority (PFA) Revenue Bonds[1]				
	Increment (Gross RPTTF)	Debt Service			Coverage	Payments to PFA	Debt Service			Coverage
		Principal	Interest	Total			Principal	Interest	Total	
2015	7,635,260	620,000	1,325,004	1,945,004	3.9	1,415,138	670,000	745,138	1,415,138	1.0
2016	8,369,650	655,000	1,037,717	1,692,717	4.9	15,242,245 [3]	14,880,000	362,245	15,242,245	1.0
2017	9,214,713	795,000	732,249	1,527,249	6.0	-	-	-	-	-
2018	10,573,336	865,000	703,178	1,568,178	6.7	-	-	-	-	-
2019	14,617,765	885,000	686,850	1,571,850	9.3	-	-	-	-	-
2020 [4]	13,545,644	900,000	659,550	1,559,550	8.7	-	-	-	-	-
2021	14,396,863	935,000	618,175	1,553,175	9.3	-	-	-	-	-
2022	14,414,377	975,000	570,425	1,545,425	9.3	-	-	-	-	-
2023	17,258,476	1,030,000	520,300	1,550,300	11.1	-	-	-	-	-
2024	17,167,429	1,085,000	407,425	1,492,425	11.5					

Notes:

[1] Proceeds from the 2005 East Palo Alto Public Financing Authority revenue bonds were used to purchase the outstanding 1999 Tax Allocation bonds (TABs) on October 01, 2009. The 1999 TABS were held with a fiscal agent and recorded as an asset in the Public Financing Authority (PFA); a blended component unit. The 2015 Refunding Bonds were issued to defease the 1999, 2003A, and 2003B TABS and subsequently redeem the 2005 PFA Revenue Bonds.

[2] Effective January 10, 2012, tax increments of the former Redevelopment Agency are deposited into a a Redevelopment Property Tax Trust Fund (RPTTF) and are only available to pay approved, enforceable obligations of the former Redevelopment Agency.

[3] Payments from 1999 TABS includes proceeds from 2015 Refunding Bonds paid to PFA.

[4] Total increment includes approximately $2.3 million in supplemental tax payments for prior activity.

Principal Employers
Last Fiscal Year and Nine Years ago

Business Name	2023-24 Number of Employees	2023-24 Percent of Total Employment	2014-15 Number of Employees	2014-15 Percent of Total Employment
Amazon Web Services	1,613	11.28%		
Ravenswood Family Health Center*	334	2.34%	183	1.22%
Ikea*	270	1.89%	331	2.21%
Ravenswood City School District	253	1.77%	551	3.67%
Four Seasons Hotel - Silicon Valley	214	1.50%	296	1.97%
Home Depot	180	1.26%	156	1.04%
City of East Palo Alto*	120	0.84%	106	0.71%
Target		0.00%		
DLA Piper LLP	110	0.77%	216	
Eastside College Preparatory School	87	0.61%	72	
US Post Office				0.00%
NTT i3			111	0.74%
Nordstrom Rack	45		70	0.47%
Ropes and Gray Law Firm				0.00%
Total Top Employers	**3,226**	**22.25%**	**2,092**	**13.95%**
Total City Employment (1)	**14,300**		**15,000**	

Source: MuniServices, LLC / Avenu Insights & Analytics

Source: 2014-15 count is from prior published ACFR

Results based on direct correspondence with city's local businesses.

*Includes full and part time.

(1) Total City Labor Force provided by EDD Labor Force Data.

Note: Amazon Web Services has not responded with the employee headcount. Prior year number applied.

City of East Palo Alto, California
Number of Positions - City Government by Function
Last Ten Fiscal Years

Function	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-20	2020-21	2021-22	2022-23	2023-24
General Government	25.1	21.0	23.0	23.0	23.0	24.0	24.0	21.0	21.0	22.0
Public Safety	44.0	45.5	45.5	46.0	46.3	47.2	48.2	48.2	49.6	49.6
Police										
Officers	36.0	36.0	36.0	36.5	37.3	36.5	37.5	37.5	38.4	38.4
Civilians	8.0	9.5	9.5	9.5	9.0	10.7	10.7	10.7	11.3	11.3
Public Works[1]	-	19.0	19.0	19.0	19.0	19.0	20.3	21.5	21.5	21.5
Culture & Recreation[2]	-	4.4	4.4	4.4	4.2	4.2	3.7	8.2	8.2	7.2
Community Development	36.0	15.0	17.0	19.9	20.5	20.5	17.5	19.0	20.0	20.0
Administration	8.0	4.0	4.0	5.9	6.5	6.5	3.5	4.0	4.0	4.0
Economic Development/Redevelopment Agency	-	-	-	-	-	-	-	-	-	-
Planning Division	3.0	3.0	4.0	4.0	4.0	4.0	4.0	4.0	5.0	5.0
Building Services Division	5.0	6.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Housing Division (includes Rent Stabilization)	2.0	2.0	2.0	3.0	3.0	3.0	3.0	4.0	4.0	4.0
Engineering Services (To Public Works FY2015-16)	6.0	-	-	-	-	-	-	-	-	-
Maintenance Division (To Public Works FY2015-16)	12.0	-	-	-	-	-	-	-	-	-
Administration Division	-	2.0	2.0	2.0	2.0	2.0	4.5	4.5	4.5	4.5
Engineering Services Division	-	5.0	5.0	5.0	5.0	5.0	3.8	5.0	5.0	5.0
Maintenance Division	-	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0
Administration	-	1.8	1.0	1.0	1.0	1.0	1.0	3.0	3.0	2.0
Recreation	-	1.0	1.0	1.0	1.0	1.0	0.9	2.9	2.9	2.9
Senior Services	-	1.6	2.4	2.4	2.2	2.2	1.8	2.3	2.3	2.3
Total	**105.1**	**104.9**	**108.9**	**112.3**	**112.9**	**114.8**	**113.6**	**117.8**	**120.2**	**120.20**

Source: City of East Palo Alto Adopted Budget

[1] Public Works transferred to Community Development during Great Recession.

[2] Culture and Recreation transferred to General Government during Great Recession.

City of East Palo Alto, California

Operating Indicators by Function

Last Ten Fiscal Years

Function	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Public Safety										
Calls for Service	28,253	31,312	30,745	28,087	29,375	26,344	24,969	20,855	23,701	24,254
Number of serious crimes [1]	387	174	116	319	164	129	172	359	216	179
Number of burglaries	180	93	97	78	82	64	92	80	43	27
Number of assaults	306	284	239	238	276	323	292	284	315	369
Number of auto thefts reported	132	393	86	101	192	110	212	158	150	141
Number of homicides	6	4	1	1	3	2	7	6	3	2
Number of robberies	65	77	48	69	57	49	65	55	63	50
Number of physical arrests	965	1,462	1,433	984	904	602	481	465	395	396
Public Works										
Streets										
Street Resurfacing (lane miles)	0.8	-	-	-	-	2	2.5	6.3	6.2	-
Potholes repaired	61	94	98	159	152	159	89	75	81	133
Engineering										
Encroachment permits	57	109	67	-	44	101	150	87	92	119
Culture & recreation										
Facility Rentals	24	41	67	58	55	101	24	106	242	558
Senior Lunches	3,471	6,662	9,112	6,509	3,094	5,742	8,548	10,155	6,075	5,640
Senior Transportation	3,012	3,020	2,996	2,606	2,349	2,041	-	7,854	1,744	1,828
Community Event participants	3,300	2,600	3,762	3,600	3,820	426	-	1,700	2,540	6,000
Fit Zone/Clean Zone Participants	6,300	1,116	2,655	194	500	130	-	-	75	125
Community Development										
Building Permits										
Residential - Count	297	391	590	506	442	397	397	352	407	455
Commercial Count	49	43	60	29	31	31	44	34	37	43
Transportation [2]										
Shuttle Passengers										
Caltrain/Commuter Shuttle	85,259	28,901	7,978	-	-	-	-	-	-	-
Shopper Shuttle (now Redwood City #4)	-	-	-	-	-	-	-	-	-	-
Youth Shuttle (now MidTown #3)	-	-	-	-	-	-	-	-	-	-
Weekend Shuttle	-	-	-	-	-	-	-	-	-	-
Water Service [3]										
Hydrant Breaks	8	12	3	4	7	15	-	10	12	9
Water main breaks	18	19	7	3	13	16	10	14	21	10
Average daily consumption per family (in gallons)	201.0	200.0	217.0	222.7	258.0	226.0	229.0	258.0	270.8	282.2

Notes:

[1] Crimes against a person (homicide, rape, robbery, assault)

[2] Services reduced in FY2014-15 and all routes eliminated September 2016.

[3] Data obtained from American Water/Veolia Companies serving City water customers comprising approximately 90% of all water customers in East Palo Alto.

Source: City Departments

City of East Palo Alto, California
Capital Asset Statistics by Function
Last Ten Fiscal Years

FUNCTION	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-20	2020-21	2021-22	2022-23	2023-24
General Government										
Public Works/Community Development	1	1	1	1	1	1	1	1	1	1
Community Development - Housing	1	1	1	1	1	1	1	1	1	1
Highways & Streets										
Streets (miles)	38	38	38	38	38	38	38	38	38	38
Streetlights	846	846	846	846	846	846	846	846	846	846
Traffic Signals	14	14	14	14	14	14	14	14	14	14
Culture & recreation										
Parks (number of parks)	6	6	6	6	6	6	6	6	6	6
Parks acreage (acres)	25	25	25	25	25	25	25	25	25	25
Senior Center	1	1	1	1	1	1	1	1	1	1
Cooley Landing Learning Center	-	-	1	1	1	1	1	1	1	1
Water Service[1]										
Water pipelines (miles)	39	39	39	39	39	39	39	40	40	40
Fire hydrants	283	290	330	330	330	330	330	272	325	325
Maximum daily capacity (millions of gallons per day)	2.0	2.0	2.0	3.0	3.0	3.0	3.0	1.5	3.0	3.0

Notes:

[1] Data obtained from American Water/Veolia Companies serving City water customers comprising approximately 90% of allwater customers in East Palo Alto.

Source: Various city departments

City of East Palo Alto

East Palo Alto, California

Single Audit Reports

For the year ended June 30, 2024

City of East Palo Alto
Single Audit Report
For the Year Ended June 30, 2024

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CPAs & BUSINESS ADVISORS

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the honorable members of the City Council
of the City of East Palo Alto, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of East Palo Alto, California (City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 23, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City 's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eide Bailly LLP

Menlo Park, California
December 23, 2024

Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

To the honorable members of the City Council
of the City of East Palo Alto, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of East Palo Alto's (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2024. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

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Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 23, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Eide Bailly LLP

Menlo Park, California
December 23, 2024

City of East Palo Alto
Notes to the Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024

Federal Grantor / Pass-through Grantor / Program or Cluster Title	Assistance Listing Number	Pass-through Number	Federal Expenditures
U.S Department of Housing and Urban Development:			
Direct Programs			
Economic Development Initiative, Community Project Funding Grants	14.251	B-23-CP-CA-0227	$ 72,296
Subtotal Economic Development Initiative, Community Project Funding Grants			72,296
Total U.S Department of Housing and Urban Development			
U.S. Department of Transportation:			
Passed through State of California Department of Transportation (CalTrans)			
Highway Planning and Construction	20.205	COOP 04-2544 A1	245,272
Highway Planning and Construction	20.205	HSIPSL-5438(019)	142,110
Subtotal Highway Planning and Construction			387,382
Total U.S. Department of Transportation			387,382
U.S. Department of Health and Human Services:			
Aging Cluster			
Passed through County of San Mateo Area Agency on Aging			
Congregate lunch program/transportation	93.045	R079795E	40,650
Congregate lunch program/transportation	93.044	R079795E	4,901
Congregate lunch program/transportation	93.044	R079428F	3,201
Subtotal Aging Cluster			48,752
Total U.S. Department of Health and Human Services			48,752
U.S. Department of Homeland Security			
Direct Program			
Distaster Grant - Public Assistance (Presidentially Declared Disasters)	97.036	4683DR-CA	134,063
Passed through State of California Governor's Office of Emergency Services			
Hazard Mitigation Grant	97.039	DR-4344-541-93R	10,581
Total U.S. Department of Transportation			144,644
Total Federal Financial Assistance			$ 653,074

See accompanying Notes to Schedule of Expenditures of Federal Awards

A. Summary of Significant Accounting Policies

Expenditures reported in the schedule are reported on the modified accrual basis of accounting. No federal assistance has been provided to a subrecipient. When applicable, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

B. Basis of Presentation

The accompanying schedule of expenditures of federal awards (schedule) includes the federal award activity of the City under programs of the federal government for the year ended June 30, 2024. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.

C. Pass-Through Entities' Identifying Number

When federal awards were received from a pass-through entity, the Schedule shows, if available, the identifying number assigned by the pass-through entity. When no identifying number is shown, the City determined that no identifying number is assigned for the program or the City was unable to obtain an identifying number from the pass-through entity.

D. Indirect Costs

The City did not elect to use the 10% de minimis indirect cost rate.

Section I - Summary of Auditor's Results

Financial Statements

Types of auditors' report issued	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None noted
Noncompliance material to the financial statements noted?	No

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None noted
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 200.516(a)?	No

Identification of major programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster	Expenditures
20.205	Highway Planning and Construction	$ 387,382
	Total Expenditures of All Major Federal Programs	$ 387,382
	Total Expenditures of Federal Awards	$ 653,074
	Percentage of Total Expenditures of Federal Awards	59%

Dollar threshold used to distinguish between type A and type B programs	$ 750,000
Auditee qualified as low-risk auditee	Yes

Section II – Current Year Findings

A. Financial Statement Audit

No current year financial statement findings.

B. Federal Award Program Audit

No current year federal award program audit findings.

Section III- Prior Year Findings

A. Financial Statement Audit

No prior year financial statement findings.

B. Federal Award Program Audit

No prior year federal award program audit findings.

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City of East Palo Alto

Measure A Fund

East Palo Alto, California

Financial Statements and Schedule of Receipts and Disbursements

For the year ended June 30, 2024

Docusign Envelope ID: 12492422-32EB-4751-8C1B-FADA22450731

City of East Palo Alto
Measure A Transportation Fund
For the Year Ended June 30, 2024
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Docusign Envelope ID: 12492422-32EB-4751-8C1B-FADA22450731

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Independent Accountants' Report

To the Honorable Members of the City Council
of the City of East Palo Alto, California

We have examined management of the City of East Palo Alto, California's (City) assertion that the City followed the requirements of *Agreement for Distribution of San Mateo County Measure A Funds for Local Transportation Purposes in Accordance with the 2004 Measure A,* (Agreement) between the City and the San Mateo County Transportation Authority dated March 5, 2009, for the year ended June 30, 2024. A summary of revenues and expenditures specific to the Measure A Fund is attached to this report. The City's management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion based upon our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform procedures to obtain evidence about management's assertion. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the City's compliance with the Agreement.

In our opinion, management's assertion that the *Agreement for Distribution of San Mateo County Measure A Funds for Local Transportation Purposes in Accordance with the 2004 Measure A* between the City and the San Mateo County Transportation Authority dated March 5, 2009, in all material respects.

This report is intended solely for the information and use of the City Council, Management, and the San Mateo County Transportation Authority Board and Management, and is not intended to be and should not be used by anyone other than these specified parties.

Eide Bailly LLP

Menlo Park, California
December 23, 2024

Docusign Envelope ID: 12492422-32EB-4751-8C1B-FADA22450731

City of East Palo Alto
Measure A Transportation Fund
Schedule of Receipts and Disbursements
For the Year Ended June 30, 2024

RECEIPTS:		
Transaction and use tax - Measure A	$	768,691
Measure A Competitive Grant		300,000
Investment income		328,803
Total receipts		1,397,494
DISBURSEMENTS:		
Addison Avenue Steet Improvements		37,500
Fiscal services & management overhead		1,770
Total disbursements		39,270
Receipts over / (under) disbursements	$	1,358,224

Docusign Envelope ID: 12492422-32EB-4751-8C1B-FADA22450731

CITY OF EAST PALO ALTO

December 23, 2024

San Mateo County Transportation
Authority 120 San Carlos A venue
San Carlos, California 94070

Management's Report on Compliance with the Agreement for Distribution of San Mateo County Measure A Funds For Local Transportation Purposes

The City of East Palo Alto is responsible for complying with the Agreement For Distribution Of San Mateo County Measure A Funds For Local Transportation Purposes (the Agreement) between the City and the San Mateo County Transportation Authority effective January 1, 2009. The Agreement states that in return for receiving an annual allocation of a specified portion of the retail transactions and use tax approved by Measure A - San Mateo County Transportation Expenditure Plan, the City, agrees that funds, "shall not be used to replace funds previously provided by property tax or other local revenues for public transportation purposes, and that City will limit the use of Funds Provided Pursuant to this Agreement to the improvement and maintenance of local transportation, including streets and road improvements."

With respect to compliance with the Agreement, management attests to the following for the year ended June 30, 2024:

- Management is responsible for establishing and maintaining an effective internal control structure with respect to compliance with the Agreement;
- Management is responsible for complying with the Agreement;
- Management has evaluated the City's compliance with the requirements of the Agreement;
- All transactions, as summarized in the attached Balance Sheet and Statement of Revenues and Expenditures for the Year Ended June 30, 2023, are in compliance with the Agreement.

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

DocuSigned by:
Tomohito Oku
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Tomohito Oku
Finance Director

City of East Palo Alto

Measure C Fund

East Palo Alto, California

Financial Statements and Independent Auditor's Reports

For the year ended June 30, 2024

City of East Palo Alto
Measure C Fund
Financial Statements
For the Year Ended June 30, 2024
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CPAs & BUSINESS ADVISORS

Independent Auditor's Report

To the honorable members of the City Council
of the City of East Palo Alto, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of Measure C Special Revenue Fund (Fund), a nonmajor special revenue fund of the City of East Palo alto (City) as of and for the year ended June 30, 2024, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Fund of the City, as of June 30, 2024, and the changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

The financial statements present only the Fund and do not purport to, and do not, present fairly the financial position of the City as of June 30, 2024, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2024 on our consideration of the Fund of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fund of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fund of the City's internal control over financial reporting and compliance.

Eide Bailly LLP

Menlo Park, California
December 23, 2024

City of East Palo Alto
Measure C Fund
Balance Sheet
June 30, 2024

	Measure C Special Revenue Fund	
	Public Safety Program	Violence Prevention Program
ASSETS:		
Cash and Investments	$ -	$ 18,940
Accrued interest	-	-
Total assets	$ -	$ 18,940
LIABILITIES AND FUND BALANCES:		
Accounts payable and accrued liabilities	-	18,940
Total liabilities	-	18,940
FUND BALANCES:		
Restricted	-	-
Total fund balances	-	-
Total liabilities and fund balances	$ -	$ 18,940

See accompanying notes to the financial Statements.

City of East Palo Alto
Measure C Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2024

	Measure C Special Revenue Fund	
	Public Safety Program	Violence Prevention Program
REVENUES:		
Interest income	$ -	$ 1,199
Total revenues	-	1,199
EXPENDITURES:		
Administration:		
General government	-	-
Program expenditures:		
Public safety	32,101	-
Violence prevention	-	107,548
Total expenditures	32,101	107,548
REVENUES OVER (UNDER) EXPENDITURES:	(32,101)	(106,349)
FUND BALANCES:		
Beginning of year	32,101	106,349
End of year	$ -	$ -

See accompanying notes to the financial Statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

All transactions of the Measure C Special Revenue Fund (Measure C Fund) of the City of East Palo Alto, California (City), are included as a separate special revenue fund in the basic financial statements of the City. The Measure C Fund accounts for the City's share of revenues earned and expenditures incurred under the City's Measure C parcel tax. The accompanying financial statements are for the Measure C Fund only and are not intended to fairly present the financial position or results of operations of the City.

B. Basis of Accounting and Measurement Focus

The accompanying financial statements are prepared on the modified accrual basis of accounting. Revenues are generally recorded when measurable and available, and expenditures are recorded when the related liabilities are incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus, wherein only current assets and current liabilities generally are included on the balance sheet. Operating statements of governmental funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

C. Fund Accounting

The operations of the Measure C Fund are accounted for in a separate special revenue fund. The fund is a separate accounting entity with a set of self-balancing accounts which comprise the assets, liabilities, fund equity, revenues, and expenses.

D. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

2. CASH AND INVESTMENTS

Measure C monies are pooled with the City's cash, cash equivalents, and investments. The City pools cash resources from all funds to facilitate the management of cash. Cash and cash equivalents are considered amounts on hand, in demand deposits, and short-term investments with a maturity date within three months of the date acquired by the City and are presented as "Cash and Investments". The City invests in two external investment pools, the State of California Local Agency Investment Fund (LAIF) and the San Mateo County Investment Fund (County Pool).

All pooled cash and investments held by the City are considered cash and cash equivalents because LAIF and the County Pool are used essentially as demand deposits from the standpoint of the City. Information about the City's Cash and Investments is disclosed in the City's Comprehensive Annual Financial Report.

As of June 30, 2024, the Measure C Fund has the following cash and investment activity:

Cash and investments	$ 18,940

Investments are stated at fair value using the aggregate method, resulting in the following investment income allocated to the Measure C Fund:

Interest income	$ 1,199
Unrealized gain on change in fair value of investments	-
	$ 1,199

3. MEASURE C FUNDS

In November 2006, the Voters approved Measure C, a special parcel tax to fight crime through community prevention and law enforcements programs. The proceeds of the parcel tax are to be used for enhancing services and programs to prevent violence and crime in East Palo Alto. The tax was enacted for a ten-year period ending June 30, 2017.

Tax proceeds may only be used as part of the following integrated programs of violence prevention and public safety intervention, in accordance with the following specific purposes:

(1) Community and neighborhood policing, training, crime suppression and investigations.

(2) Violence Prevention services with an emphasis on youth and families. Such services include preventive social services provided by the City of East Palo Alto or by adding capacity to community-based nonprofit programs with a focus on youth, ex-felons, domestic violence, and support for senior citizens.

(3) Not less than 1% or more than 3% of funds appropriated to each police service or social service program shall be set aside for the purpose of independent evaluation of the program, including the number of people served and the rate of crime or violence reduction achieved.

3. MEASURE C FUNDS, Continued

(4) Mandated apportionment of funds: Of the total proceeds spent on programs enumerated in this section 3, Paragraphs 1 and 2, not less than 50% of such proceeds shall be directed at violence prevention programs with emphasis on youth, ex-felons, and senior protection.

The City Council approved that 50% of Measure C funding is designated to the Police Department for Public Safety and the remaining 50% of funding is used for Crime Prevention Programs.

C. Measure C Grant Commitments

The City awards Measure C program funds through a grant process, and commits funds to various agencies. As of June 30, 2024, the City has expended all funds, and there is no unexpended commitment.

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Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the honorable members of the City Council
of the City of East Palo Alto, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the Measure C Special Revenue Fund (Fund) of City of East Palo Alto, California (City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, and have issued our report thereon dated December 23, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City 's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eide Bailly LLP

Menlo Park, California
December 23, 2024

City of East Palo Alto

Measure HH Fund

East Palo Alto, California

Financial Statements and Independent Auditor's Reports

For the year ended June 30, 2024

City of East Palo Alto
Measure HH Fund
Financial Statements
For the Year Ended June 30, 2024
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CPAs & BUSINESS ADVISORS

Independent Auditor's Report

To the honorable members of the City Council
of the City of East Palo Alto, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of Measure HH Special Revenue Fund (Fund), a nonmajor special revenue fund of the City of East Palo alto (City) as of and for the year ended June 30, 2024, and the related notes to the financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects the financial position of the Fund of the City, as of June 30, 2024, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

The financial statements present only the Fund, and do not purport to, and do not, present fairly the financial position of the City, as of June 30, 2024, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2024 on our consideration of the Fund of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fund of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fund of the City's internal control over financial reporting and compliance.

Eide Bailly LLP

Menlo Park, California
December 23, 2024

City of East Palo Alto
Measure HH Fund
Balance Sheet
June 30, 2024

		Measure HH Special Revenue Fund
ASSETS:		
Cash and Investments	$	6,085,231
Accounts Receivable	$	23,306
Accrued interest		45,949
Total assets	$	6,154,486
LIABILITIES AND FUND BALANCES:		
Accounts payable and accrued liabilities		37,952
Total liabilities		37,952.00
Fund Balances:		
Restricted		6,116,534
Total fund balances		6,116,534
Total liabilities and fund balances	$	6,154,486

See accompanying notes to the financial Statements.

City of East Palo Alto
Measure HH Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2024

	Measure HH Special Revenue Fund
REVENUES:	
Parcel Tax - Measure HH	$ 1,677,265
Interest income	324,789
Total revenues	2,002,054
EXPENDITURES:	
Administration:	
General government	148
Commuity development	209,353
Program expenditures:	
Job Train and First Source Hiring	646,339
965 Weeks affordable housing	-
Total expenditures	855,840
REVENUES OVER (UNDER) EXPENDITURES:	1,146,214
FUND BALANCES:	
Beginning of year	4,970,320
End of year	$ 6,116,534

See accompanying notes to the financial Statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

All transactions of the Measure HH Special Revenue Fund (Measure HH Fund) of the City of East Palo Alto, California (City), are included as a separate special revenue fund in the basic financial statements of the City. The Measure HH Fund accounts for the City's share of revenues earned and expenditures incurred under the City's Measure HH parcel tax. The accompanying financial statements are for the Measure HH Fund only and are not intended to fairly present the financial position or results of operations of the City.

B. Basis of Accounting and Measurement Focus

The accompanying financial statements are prepared on the modified accrual basis of accounting. Revenues are generally recorded when measurable and available, and expenditures are recorded when the related liabilities are incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus, wherein only current assets and current liabilities generally are included on the balance sheet. Operating statements of governmental funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

C. Fund Accounting

The operations of the Measure HH Fund are accounted for in a separate special revenue fund. The fund is a separate accounting entity with a set of self-balancing accounts which comprise the assets, liabilities, fund equity, revenues, and expenses.

D. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

2. CASH AND INVESTMENTS

Measure HH monies are pooled with the City's cash, cash equivalents, and investments. The City pools cash resources from all funds to facilitate the management of cash. Cash and cash equivalents are considered amounts on hand, in demand deposits, and short-term investments with a maturity date within three months of the date acquired by the City and are presented as "Cash and Investments". The City invests in two external investment pools, the State of California Local Agency Investment Fund (LAIF) and the San Mateo County Investment Fund (County Pool).

All pooled cash and investments held by the City are considered cash and cash equivalents because LAIF and the County Pool are used essentially as demand deposits from the standpoint of the City. Information about the City's Cash and Investments is disclosed in the City's Comprehensive Annual Financial Report.

As of June 30, 2022, the Measure HH Fund had the following cash and investment activity:

Cash and investments	$ 6,085,231

Investments are stated at fair value using the aggregate method, resulting in the following investment income allocated to the Measure HH Fund:

Interest income		$ 217,485
Unrealized gain on change in fair value of investments		107,304
	$	$ 324,789

3. MEASURE HH FUNDS

In November 2018, the voters approved Measure HH, a special parcel tax to combat community displacement through affordable housing programs and assets, and provide programs for facilitating community access to job opportunities. The proceeds of the parcel tax are to be used for affordable and supportive housing programs, programs that facilitate access to job opportunities in the S.T.E.M. sectors, and building trades and strengthen First Source Hiring.

Revenue generated from this special tax can be used only for the following purposes:

- to create and maintain affordable and supportive housing programs, with an emphasis on the creation of net new housing;
- to create and maintain programs that facilitate access to job opportunities for East Palo Alto residents in the science, technology, engineering, and mathematics (STEM) sectors, building trades, and to strengthen the City's First Source Hiring Program, and;
- to pay for City staff and overhead costs to administer the ordinance and provide an annual report.

Revenue generated from this special tax must be used in the following manner:

- a minimum of 35% of the revenue must be used exclusively for the construction of new, affordable housing stock.

3. MEASURE HH FUNDS, CONTINUED

- a maximum of 15% of the revenue may be used for City staff and overhead costs to administer the ordinance and to provide an annual report.
- the remaining proceeds may be used for any of the other purposes specified in the ordinance at the discretion of the City Council

The tax revenue cannot be used for any other purpose.

The authority to levy the tax imposed by Chapter 3.70 shall not expire unless ended by the voters of East Palo Alto. Measure HH authorizes the City Council to amend the parcel tax without subsequent voter approval, provided such amendment does not increase the amount of tax paid by any taxpayer in excess of the rate set forth in the Measure or change the allowed uses for the tax revenues.

A. Measure HH Expenditures

During fiscal year 2024, the City incurred $209,501 and $646,339 in administrative activities and program activities, respectively.

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Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the honorable members of the City Council
of the City of East Palo Alto, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of Measure HH Special Revenue Fund (Fund) of City of East Palo Alto, California (City), as of and for the year ended June 30, 2024, and the related notes to the financial statements and have issued our report thereon dated December 23, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City 's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eide Bailly LLP

Menlo Park, California
December 23, 2024

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City of East Palo Alto

Measure W Fund

East Palo Alto, California

Financial Statements and Schedule of Receipts and Disbursements

For the year ended June 30, 2024

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City of East Palo Alto
Measure W Transportation Fund
For the Year Ended June 30, 2024
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Docusign Envelope ID: 80556B59-8F47-4B21-A101-415F9D0ED359

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CPAs & BUSINESS ADVISORS

Independent Accountants' Report

To the Honorable Members of City Council
of the City of East Palo Alto

We have examined management of the City of East Palo Alto, California's (City) assertion that the City followed the requirements of the *Agreement for Distribution of San Mateo County Measure W Funds for Local Transportation Purposes in Accordance with the San Mateo County Congestion Relief Plan,* (Agreement) between the City and the San Mateo County Transportation Authority dated January 16, 2020, for the year ended June 30, 2024. A summary of revenues and expenditures specific to the Measure W Fund is attached to this report. The City's management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion based upon our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform procedures to obtain evidence about management's assertion. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the City's compliance with the Agreement.

In our opinion, management's assertion that the *Agreement for Distribution of San Mateo County Measure W Funds for Local Transportation Purposes in Accordance with the San Mateo County Congestion Relief Plan* between the City and the San Mateo County Transportation Authority dated January 16, 2020, in all material respects.

This report is intended solely for the information and use of the City Council, Management, and the San Mateo County Transportation Authority Board and Management, and is not intended to be and should not be used by anyone other than these specified parties.

Eide Bailly LLP

Menlo Park, California
December 23, 2024

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City of East Palo Alto
Measure W Transportation Fund
Schedule of Receipts and Disbursements
For the Year Ended June 30, 2024

RECEIPTS:		
Transaction and use tax - Measure W	$	339,734
Investment income		53,918
Total receipts		393,652
DISBURSEMENTS:		
Annual street reserfacing		5,610
Fiscal services & management overhead		-
Total disbursements		5,610
Receipts over / (under) disbursements	$	388,042

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CITY OF EAST PALO ALTO

December 23, 2024

San Mateo County Transportation
Authority 120 San Carlos Avenue
San Carlos, California 94070

Management's Report on Compliance with the *Agreement for Distribution of San Mateo County Measure W Funds for Local Transportation Purposes*

The City of East Palo Alto (City) is responsible for complying with the *Agreement for Distribution of San Mateo County Measure W Funds for Local Transportation Purposes* (Agreement) between the City and the San Mateo County Transportation Authority entered into on October 17, 2019. The Agreement states that in return for receiving an annual allocation of a specified portion of the retail transaction and use tax approved by *Measure W – San Mateo County Transportation Expenditure Plan*, the City, in use of these funds, shall "refrain from substituting funds provided to it pursuant to this Agreement for property tax funds which are currently being used to fund existing local transportation programs and limit the use of said funds to the improvement of local transportation, including streets and road improvements."

With respect to compliance with the Agreement, management attests to the following for the year ended June 30, 2024:

- Management is responsible for establishing and maintaining an effective internal control with respect to compliance with the Agreement.
- Management is responsible for complying with the Agreement.
- Management has evaluated the City's compliance with requirements of the Agreement; and
- All Transactions, as summarized in the attached Schedule of Receipts and Disbursements for the fiscal year ended June 30, 2023, are in compliance with the Agreement.

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

DocuSigned by:
Tomohito Oku
81A2786FAEC34D6...
Tomohito Oku
Finance Director

City of East Palo Alto

Independent Accountant's Report on Applying Agreed-Upon Procedures Related To The Article XIII-B Appropriations Limit Calculation For the Fiscal Year Ended June 30, 2025

City of East Palo Alto
Appropriations Limit Schedule
For the Year Ended June 30, 2025

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EideBailly

CPAs & BUSINESS ADVISORS

Independent Accountant's Report

To the Honorable Mayor and
City Council of the City of East Palo Alto
East Palo Alto, California

We have performed the procedures enumerated below, on the Appropriations Limit Calculation of the City of East Palo Alto, California (City) (the specified party), prepared in accordance with Article XIII-B of the California Constitution for the fiscal year ended June 30, 2025. The City's management is responsible for the Appropriate Limit Calculation.

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting the City in evaluating its Appropriations Limit Calculation and we will report on findings based on the procedures performed. Additionally, the City agreed to and acknowledged that the procedures performed are appropriate to meet their purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

1. We obtained the completed worksheets setting forth the calculations necessary to establish the City's appropriations limit and compared the 2024-25 limit and annual adjustment factors included in those worksheets to the limit and annual adjustment factors that were adopted by resolution of the City's City Council. We also compared the population and inflation options included in the aforementioned worksheets to those that were selected by a recorded vote of the City's City Council.

   Finding: No exceptions were found as a result of this procedure.

2. We added last year's limit to the annual adjustment amount and compared the resulting amount to the 2024-25 appropriations limit.

   Finding: No exceptions were found as a result of this procedure.

3. We compared the current year information to the worksheets described in No. 1 above and to information provided by the California State Department of Finance.

   Finding: No exceptions were found as a result of this procedure.

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We agreed the prior year appropriations limit to the prior year appropriations limit adopted by the City's City Council.

Finding: No exceptions were found as a result of this procedure.

We were engaged by the City to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the City's Appropriation Limit Calculation. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

No procedures have been performed with respect to the determination of the appropriation limit for the base year, as defined by Article XIII-B of the California Constitution.

This report is intended solely for the information and use of the City Council, and management of the City and is not intended to be and should not be used by anyone other than these specified parties.

Eide Bailly LLP

Menlo Park, California
December 23, 2024

City of East Palo Alto
Appropriations Limit Schedule
For the Year Ended June 30, 2025

			Source
A. Appropriations limit for the FY 2023-24	$	39,354,338	Prior year schedule
B. Calculation Factors:			
1. Population increase %		0.9950	State Department of Finance
2. Inflation increase %		1.0362	State Department of Finance
3. Total adjustment factor %		1.0310	B1 x B2
C. Annual adjustment Decrease		1,220,732	[(B3-1)A)]
D. Other Adjustments:			
Loss responsibility (-)		-	N/A
Transfers to private (-)		-	N/A
Transfers to fees (-)		-	N/A
Assumed responsibility (+)		-	N/A
E. Total Adjustments		1,220,732	(C+D)
F. Appropriations limit for FY 2024-25	$	40,575,070	(A+E)

1. PURPOSE OF LIMITED PROCEDURES REVIEW

Under Article XIIIB of the California Constitution (the Gann Spending Limitation Initiative), California governmental agencies are restricted as to the amount of annual appropriations from proceeds of taxes. Effective for years beginning on or after July 1, 1990, under Section 1.5 of Article XIIIB, the annual calculation of the appropriations limit is subject to this agreed upon procedures engagement.

2. METHOD OF CALCULATION

Under Section 10.5 of Article XIIIB, for fiscal years beginning on or after July 1990, the appropriations limit is required to be calculated based on the limit for the fiscal year 1986-1987, adjusted for the inflation and population factors discussed in Notes 3 and 4 below.

3. INFLATION FACTORS

A California governmental agency may use as its inflation factor either the annual percentage change in the 4^{th} quarter per capita personal income (which percentage is supplied by the State Department of Finance), or the percentage change in the local assessment roll from the preceding year due to the change of local nonresidential construction. The factor adopted by the City of East Palo Alto for the fiscal year 2024-2025 represents the percentage change per capita personal income.

4. POPULATION FACTORS

A California governmental agency may use as its population factor either the annual percentage change of the jurisdiction's own population, or the annual percentage change in population in the County where the jurisdiction is located. The factor adopted by the City of East Palo Alto for fiscal year 2024-2025 represents the population change in San Mateo County.

5. OTHER ADJUSTMENTS

A California government agency may be required to adjust its appropriations limit when certain events occur, such as the transfer of responsibility for municipal services to, or from, another government agency or private entity. There were no adjustments made for the fiscal year ending June 30, 2025.

EideBailly

CPAs & BUSINESS ADVISORS

December 23, 2024

To the honorable members of the City Council
of the City of East Palo Alto, California

We have audited the financial statements of City of East Palo Alto, California (City) as of and for the year ended June 30, 2024, and have issued our report thereon dated December 23, 2024. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit under Generally Accepted Auditing Standards and *Government Auditing Standards* and our Compliance Audit under the Uniform Guidance

As communicated in our letter dated May 21, 2024 our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America and to express an opinion on whether the City complied with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City major federal programs. Our audit of the financial statements and major program compliance does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the City solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

Our responsibility, as prescribed by professional standards as it relates to the audit of the City major federal program compliance, is to express an opinion on the compliance for each of the City major federal programs based on our audit of the types of compliance requirements referred to above. An audit of major program compliance includes consideration of internal control over compliance with the types of compliance requirements referred to above as a basis for designing audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, as a part of our major program compliance audit, we considered internal control over compliance for these purposes and not to provide any assurance on the effectiveness of the City's internal control over compliance.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding internal controls during our audit in our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated December 23, 2024. We have also provided our comments regarding compliance with the types of compliance requirements referred to above and internal controls over compliance during our audit in our Independent Auditor's Report on Compliance with Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance dated December 23, 2024.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

Significant Risks Identified

As stated in our auditor's report, professional standards require us to design our audit to provide reasonable assurance that the financial statements are free of material misstatement whether caused by fraud or error. In designing our audit procedures, professional standards require us to evaluate the financial statements and assess the risk that a material misstatement could occur. Areas that are potentially more susceptible to misstatements, and thereby require special audit considerations, are designated as "significant risks."

- Estimates – Generally Accepted Auditing Standards require a presumed risk of management bias when assumptions are used to calculate significant account balances, which for the City applies to pension and claims.
- Our audit standards require that we perform audit procedures relating to management override of internal controls and therefore we performed certain audit procedures in response to that risk.
- We performed audit procedures relating to revenue recognition and therefore we selected grant revenues and sales tax revenue as the revenues streams that we will perform audit procedures in the current fiscal year.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the City is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during year. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are related to the City's pension liabilities. We evaluated the key factors and assumptions used to develop these estimates and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the City's financial statements relate to the discount rate used by the City to estimate its pension liabilities. A disclosure has been made about the sensitivity of those pension liabilities where an increase or decrease of 1% will have significant impact on this estimate.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit. There were no uncorrected or corrected missstatements identified as a result of our audit procedures.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditor's Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. We did not identify any circumstances that affect the form and content of the auditor's report.

Representations Requested from Management

We have requested certain written representations from management which are included in the management representation letter dated December 23, 2024.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the City, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating conditions affecting the entity, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the City's auditors.

Other Information Included in Annual Reports

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in the City's annual reports, does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information.

Additionally, in accordance with such standards, we have read the information and considered whether such information, or the manner of its presentation, was materially inconsistent with its presentation in the financial statements.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

Group Audits

The financial statements include the financial statements of City and the City of East Palo Alto Public Financing Authority (Authority). For the purposes of our audit, we consider the City to be a significant component of the consolidated financial statements; however we do not consider the Authority to be a significant component of the financial statements. Consistent with the audit of the financial statements as a whole, our audit included obtaining an understanding of the Authority and their environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements of the Authority and completion of further audit procedures.

This report is intended solely for the information and use of the City Council and management of the City and is not intended to be, and should not be, used by anyone other than these specified parties.

Menlo Park, California

POLICY AND ACTION ITEM 13.2

EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: January 21, 2025

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Amy Chen, Community Development Director
Tim Davis, Director, Housing Consulting Services, HEART of SMC

SUBJECT: Implementation of 2020 Local Preference Policy

Recommendation

Adopt a resolution:

1. Adopting an updated Local Preference Policy that applies to City subsidized affordable housing units, density bonus units, and units produced through the City's Inclusionary Housing Ordinance;

2. Directing the City Manager to adopt updated guidelines to administer the Local Preference Policy and take any other action with respect to the policy consistent with the resolution and its purpose; and

3. Updating the Local Preference Policy to be non-durational and applied only to the extent that other funding sources for the project permit such preferences.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:
Priority: Promote Housing, Economic and Workforce Development

In addition, this recommendation is aligned with the following goal of the 2024-2028 Affordable Housing Strategy: Goal 4: Prevent displacement of East Palo Alto Residents, Policy 4:13 Implement an Effective and Fair Housing Compliant Local Preference Policy.

POLICY AND ACTION ITEM 13.2

Executive Summary

In 2020, the City adopted a Local Preference Policy (Policy) that, in determining eligibility for occupancy of City subsidized affordable housing units, density bonus units, and development projects subject to the City's Inclusionary Housing Ordinance, prioritizes people who live or work in East Palo Alto, or who were displaced from a residence in East Palo Alto. As part of the effort to implement that policy, staff recommend updating the Policy to include a non-durational, tier-based system, applied only to the extent that other funding sources for the project permit such preferences. In addition to adopting a new resolution updating the Policy, staff are also seeking approval to direct the City Manager to adopt guidelines to administer the Policy. This update to the Policy is especially timely with the construction of the 965 Weeks: Colibri Commons project, where leasing is expected to be complete by the end of 2025.

Background

The City's 2019-2023 Affordable Housing Strategy included a goal to establish a Local Preference policy to prevent displacement and improve access to affordable housing in East Palo Alto. To draft this policy, during 2018 and 2019, staff convened a Local Preference Working Group comprising housing experts, community-based organizations and affordable housing developers. After multiple stakeholder, community, and city council meetings[1], a draft Policy was presented to the City Council on March 17, 2020. While the framework was agreed upon, no vote was taken.

On April 7, 2020, the City Council adopted Resolution 52-2020, approving the Policy with no durational requirement (for a person to live in East Palo Alto for a period of time) for the residency preference for City supported affordable housing developments, and a 90-day durational requirement for the resident preference for Inclusionary units. The Policy also established a cumulative points system prioritizing individuals meeting multiple criteria.

On February 6, 2024, the City Council reaffirmed its commitment to the Local Preference Policy when it adopted the 2024-2028 Affordable Housing Strategy. City staff, HEART, EPACANDO, and Street Level Advisors reconvened working group meetings which took place in late 2024 to update the Policy for Council consideration.

The update is timely, as it would apply to the Colibri Commons affordable housing development at 965 Weeks Street, set to be leased in late 2025.

Analysis

Fair Housing Considerations

When considering the establishment of a Local Preference policy, the following laws must be taken into consideration:

[1] December 4, 2018, and December 18, 2018 ,City Council Meetings

Table 1: Fair Housing Laws		
	Laws to Consider	**Details**
Federal	• 14th Amendment • Fair Housing act • Section 504 • Right to Travel	• Prohibits Housing discrimination based on: o Race, Color, Religion, Sex, Familial Status, National Origin, Disability • Prohibits discrimination against persons with disabilities in federally funded housing (Section 504) • Prohibits the use of durational requirements for local preferences • Applies to All Housing/Housing Activities
State	• Fair Employment/Housing Act • Unruh Act • Govt Code 11139.3	• Similar to Federal Fair Housing Act • Additional protected classes: o Ancestry o Citizenship o Immigration Status o Primary Language o Sexual orientation o Gender Identify o Gender Expression o Genetic Information o Marital status o Source of income o Military or Veteran Status o Age

Examples of Local Preference Policies

While many cities in California and across the country have local preference policies, there is significant variation based on the local context. Table 1 in Attachment 3 provides an overview of local preference policies in other California cities for comparison.

Summary of the Community Process

As noted above, the City embarked on a comprehensive community process to draft recommendations presented in the 2020 staff report. Each meeting consisted of discussion of the goals of the policy and several policy alternatives. Alternatives addressed different categories, i.e., live, work, and involuntary displacement; the amount of weight assigned to each category; the percentage of units the policy applies to; and the means of applying the preference.

Key feedback from the outreach process:

- Support for Local Preference: Strong community support for City-established local

preference to address affordable housing needs and prevent resident displacement.
- Displacement Impacts: Numerous examples highlighted how displacement has affected families in East Palo Alto.
- Fair Housing Concerns: General acknowledgement of legitimate Fair Housing concerns related to local preference policies.
- Priority for Current Residents: Emphasis on prioritizing current residents and addressing their immediate need for affordable housing.

Recommended Local Preference Policy Updates

Based on input from the 2024 Working Group, staff believe that certain updates to the Local Preference Policy are necessary to accomplish its goals. The following are key recommendations.

Applicability and Administration

Staff recommends that the City's Policy apply to 1) any City-assisted affordable unit, 2) density bonus units, and 3) inclusionary housing units created under the City's Inclusionary Housing Ordinance. The Policy would cover both for-sale and rental units, applying at initial lease-up and upon each subsequent resale or new tenancy.

For City-assisted affordable units, Staff recommend the Policy default to apply to 50% of the affordable units unless a disparity study, authorized by the City Manager, suggests a different percentage for a specific project. For inclusionary units, the Policy would apply to all affordable units. The Policy would be applied at initial lease-up or resale on an ongoing basis through the use of a lottery selection and wait list process.

The 2020 Proposal: A Point System

As is evident in Appendix 3 Table 1, there are different approaches to preferences, including set asides for particular groups, through a point system, or through a two-tiered approach where you either received a preference, or you do not.

In both the March 20, 2020, and April 7, 2020, Staff Reports[2], staff recommended a point system. In such a system, applicants would receive points for the categories outlined in Table 2. Points would be cumulative and used to determine their priority within a lottery.

Table 2: 2020 Proposed Points System	
Preference Category	**Points**
All applicants	1
Work in East Palo Alto	1

[2] In both 2020 staff reports, it was not clear how the involuntary displacement preference worked, but staff reviewed the recording of the March 17.2020 meeting and it became clear that this preference was an extra point and that the intent of the system was cumulative points.

Involuntarily displaced from a residence in East Palo Alto	1
Reside in East Palo Alto	2

As the points are cumulative, the following combinations would have been possible:

Table 3: Potential Outcomes of Point System	
Applicant:	**Total Points**
Has no additional preferences	1
Works in East Palo Alto	2
Involuntarily displaced from East Palo Alto and lives and works outside East Palo Alto	2
Resides in East Palo Alto	3
Works in East Palo Alto and involuntarily displaced from a residence in East Palo Alto	3
Resides in East Palo Alto and was involuntarily displaced from a residence in East Palo Alto	4
Works and resides in East Palo Alto	4
Works and resides in East Palo Alto, and was involuntarily displaced from a residence in East Palo Alto	5

In such a system, those with 5 points would get the first opportunities to have their eligibility certified and access a unit, followed by those with 4 points, then those with 3 points, and so on. This would continue until the units that were set aside for preferences were filled, and then all remaining applicants would be eligible for the units with no preferences.

The 2025 Proposal: Simple Tiered System

In alignment with the outcomes of the 2019-2020 process, the 2024 working group began with the 2020 Resolution and Policy as a foundation. The group sought to ensure that preferences for living in, working in, or being displaced from East Palo Alto remained central while evaluating the proposal for fair housing compliance and ease of implementation.

Key Findings:

1. Complexity and Implementation Challenges:

    a. The 2020 proposal's point system was found to be overly complex for developers/owners and applicants.

    b. Documenting multiple preferences requires significant time and effort, complicating the application process and potentially confusing the applicant, causing distrust.

    c. Self-certification and post-lottery verification could reduce complexity but still risk

confusion and distrust among applicants due to changes in preference rankings.

d. Experiences from San Francisco and Berkeley highlighted the operational challenges of complex systems, which add time and work during the leasing process.

2. Integration with the Doorway System:

    a. A simpler system aligns better with the regional Doorway platform, which streamlines affordable housing access and is expanding to handle application processing and lotteries.

3. Fair Housing Concerns:

    a. The 90-day residency requirement for inclusionary units and the higher weighting for residential preference raised potential fair housing issues.

    b. A more inclusive approach drawing from a broader applicant pool could mitigate these concerns.

Recommended Simplified Tiered System:

To address the above issues, staff propose a straightforward tiered system where applicants claim and document one preference, even if they are eligible for more than one preference.

Applicants who meet any of the below criteria would have the priority for the units with a preference

- Currently lives in East Palo Alto
- Currently works in East Palo Alto
- Has been displaced from East Palo Alto

Applicants would not need to document multiple preferences, reducing paperwork and administrative burden. This system would also alleviate concerns about applicants being reassigned to different preference categories, enhancing clarity and fairness.

Process Overview:

- All applicants receive a lottery number
- Applicants are sorted first by preference status, then by lottery number.
- Units subject to preferences are offered to applicants with a preference first.
- Any remaining units are then made available to applicants without a preference.

This simplified approach honors the 2020 preferences, reduces program complexity, addresses fair housing concerns, and ensures a more efficient and transparent process.

POLICY AND ACTION ITEM 13.2

Compliance with Fair Housing Laws

All jurisdictions that adopt local preference policies must consider the Fair Housing implications of the policy, including the potential to cause a disparate impact on a protected class — that is, if the policy places individuals at a disadvantage in obtaining housing based on “protected characteristics,” such as race, sex, age, or family status. Federal Fair Housing laws, State Fair Housing laws, and affordable housing funding sources such as HUD or the California Tax Credit Allocation Committee (CTCAC) all must be taken into consideration when contemplating a local preference.

Staff is recommending a Policy that considers the demographic characteristics of East Palo Alto and the surrounding area and aims to benefit a broad population while still achieving the goals of anti-displacement, providing housing opportunities near job sites to reduce commuting and its associated environmental impacts, and to provide housing opportunities for residents who may be experiencing over-crowding or potential displacement. Applying the Policy to only a portion of the units in 100% affordable developments and including those who work in East Palo Alto are important ways that the Policy is specifically designed to minimize fair housing concerns.

One additional feature of the policy intended to reduce the risk of creating a fair housing concern is that no duration requirement would be included as part of the preference criteria. HUD does not allow durational requirements for units they fund, and the legal literature on the topic makes it clear that such a requirement raises the possibility of legal challenges.

In total, Staff feel that the proposed policy will help to minimize the potential for disparate impact and is a legally defensible approach to achieving the City's stated goals. A preference policy does not guarantee that fulfilling the requirements will result in a housing unit or that certain households will “skip to the front of the line,” but it does ensure that roughly half of the units in 100% affordable developments will be offered first to those who work or reside in East Palo Alto, or those displaced from East Palo Alto.

It should be noted that since the City adopted the preference policy in 2020, SB 649 was passed which allows local government to adopt local preference programs to address the impacts of displacement. Government Code Section 7061 authorizes the use of local preferences in developments funded with low income tax credits or tax exempt bonds. The City is required to post the local preference program on its website within 90 days of adoption that includes the ordinance or resolution adopting the policy and any supporting materials. The City is also required to provide HCD with a link to the website as part of its annual report.

Compatibility with Other Preferences/Set-Asides

The City’s local preference policy must be compatible with other preferences and set asides. For example, if a developer is seeking funding from the County of San Mateo to fund an affordable housing project, the developer and that project would be subject to the County’s set-aside requirements. As these units do not have a local preference, these units would be a part of the percentage of units to which the local preference does not apply.

Units with accessibility features intended to help those with mobility needs, visual impairment, and/or a hearing impairment must be made available to a household with a household member with a documented need for the specific features included in the available accessible unit. If no applicant has a documented need for an accessible unit, the units will be offered to other eligible applicants according to the same lottery preference ranking used for other City Supported and Inclusionary Housing units.

Codification of the Policy

Staff recommends the Policy be articulated as a resolution. As with the Inclusionary Housing Ordinance, staff are developing supplemental guidelines to provide greater detail on requirements such as the selection process, waitlist management, marketing plan, compliance monitoring, and data collection.

Next Steps

If City Council approves the proposed Resolution and direct staff to develop guidelines, staff will finalize the guidelines for approval by the City Manager.

Fiscal Impact

There is no fiscal impact associated with adoption of the Policy.

Public Notice

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

Environmental

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

Government Code § 84308

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

Attachments

1. Resolution, Exhibit A – Local Preference Policy
2. Local Preference Policy Guidelines
3. Comparison of Other Jurisdictions
4. Resolution 52-2020

RESOLUTION NO. _____

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

ADOPTING A LOCAL PREFERENCE POLICY FOR AFFORDABLE UNITS DEVELOPED WITH CITY SUBSIDY AND THROUGH THE INCLUSONARY HOUSING PROGRAM

WHEREAS, the City of East Palo Alto ("City") provides funding to support affordable housing development in the City through its Affordable Housing Fund; and

WHEREAS, Ordinance No. 425 requires that 20% of all units in new market-rate residential developments be affordable to extremely low-income, very low-income, low-income, and moderate-income households; and

WHEREAS, on October 16, 2018, the City Council adopted a five-year Affordable Housing Strategy, which includes a goal of anti-displacement and a Workplan to establish a local preference for affordable housing units in the City; and

WHEREAS, from January to May 2019, the City held five community meetings with stakeholder groups, where a draft local preference framework was developed; and

WHEREAS, on April 7, 2020, the City Council adopted resolution 52-2020 – Adopting a local preference policy for affordable units developed with city subsidy and through the inclusionary housing program; and

WHEREAS, on February 6, 2024, the City Council adopted the 2024-2028 Affordable Housing Strategy recommitting to the implementation of an effective and fair housing compliant Local Preference Policy.

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

A. There is a shortage of affordable housing in the Bay Area and in the City of East Palo Alto, where the median family income, at $101,526, is less than 58% of the median family income for San Mateo County, 58% of East Palo Alto renter households are rent-burdened, and 18% of East Palo Alto households are considered to be overcrowded (American Community Survey, 2018-2022 5-year estimates);

B. According to the U.S. Census. East Palo Alto's Black/African American population has declined from 61% of the population in 1980 to 13% in 2020, evidence that many families have left East Palo Alto due to the excessive cost of living and lack of affordable housing opportunities, breaking strong, intergenerational community and neighborhood ties;

C. Individuals who work in East Palo Alto often must travel long commute distances to their jobs from outside the city, leading to higher greenhouse gas emissions, traffic, and lower quality of life;

D. According to the American Community Survey, home values in East Palo Alto increased 188% between 2012 and 2022, compared to 96% for San Mateo County, making homeownership out of reach for East Palo Alto residents;

E. The high cost of housing is cited in the East Palo Alto Affordable Housing Strategy as a key reason for the need for the plan and the anti-displacement efforts measure therein, including the need for a local preference in affordable housing;

F. Applying a preference for individuals who live or work in East Palo Alto and residents involuntarily displaced from East Palo Alto is within the City's authority to protect the public health, safety, and welfare; and

G. Applying such a preference will create affordable housing opportunities that will allow those individuals to remain part of the community in East Palo Alto.

BE IT FURTHER RESOLVED THAT, BASED ON THE ABOVE FINDINGS, THE CITY COUNCIL HEREBY:

1. Adopts a Local Preference Policy, as set forth in Attachment 1 to this Resolution and incorporated by this reference, that applies to City subsidized affordable housing units, Density Bonus Units, and through the City's Inclusionary Housing Ordinance;

2. Directs the City Manager to adopt guidelines to administer the Local Preference Policy and take any other action with respect to the policy consistent with this resolution and its purpose; and

3. Establishes that this Local Preference Policy applies only to the extent that other funding sources for the project permit such preferences.

PASSED AND ADOPTED this __ day of January 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Martha Barragan, Mayor

ATTEST:

_____
James Colin, City Clerk

APPROVED AS TO FORM:

_____
John D. Lē, City Attorney

Exhibit A

City of East Palo Alto Affordable Housing Local Preference Policy

The purpose of establishing a local preference policy ("Policy") for affordable housing is to prevent and mitigate displacement impacts to vulnerable households living or working in East Palo Alto, or to address past displacement from East Palo Alto, thereby encouraging family health, neighborhood stability, and preserving existing residents' continued ties to local institutions, services, schools, community business centers, and health care providers, and thereby enhance the public welfare by further implementing the goals and objectives of the Housing Element to prevent or mitigate displacement of low-income residents and affirmatively further fair housing goals.

I. Definitions

The definitions set forth in this Section shall govern the application and interpretation of this Policy. Words and phrases not defined in this Section shall be interpreted so as to give this Policy its most reasonable application.

A. "Affordable Housing" or "Affordable Unit" shall mean restricted residential property where the rent or sales price is limited by a deed restriction and/or regulatory agreement.
B. "Area Median Income" or "AMI" "means the median family income of a geographic area of the state.
C. "City Supported Affordable Housing" shall mean Affordable Housing that receives financing, land, or ground lease property interest from the City of East Palo Alto for new construction, rehabilitation, or for acquisition and rehabilitation.
D. "Inclusionary Housing" shall mean Affordable Units restricted by the City as a result of the City of East Palo Alto's Inclusionary Zoning requirements.
E. "Local Preference Guidelines" shall mean the requirements for implementation and administration of this Policy adopted by the City Manager pursuant to Section VIII of this Policy.
F. "Owner" shall mean any person or entity having a legal right of ownership or rights under a ground lease in real property, or their agents responsible for the management and leasing of the property to residential tenants.
G. "Qualifying Documents" shall mean documentation establishing an applicant's first and last name and current address where they reside, as further defined in the Local Preference Guidelines.
H. "100% Affordable Housing Projects" are those projects where all units are income restricted, except for a manger unit or units.

II. Local Preferences

OBJ

A. The preference policy shall apply to contracts entered into by the City on or after the effective date of the resolution establishing each preference, including contracts materially amended on or after the effective date.

B. Applicants only need to qualify for one of the preference criteria to receive the Local Preference. To qualify for the Local Preference, an applicant must:

(i) Reside in East Palo Alto: At least one member of the applicant household's principal place of residence is within the City of East Palo Alto as of the date of application for housing; or

(ii) Work in East Palo Alto: At least one member of the applicant household currently works or has received an offer to work within the City of East Palo Alto for at least 20 hours per week; or

(iii) Be involuntarily displaced from a residence in East Palo Alto: The applicant household must include at least one adult member whose principal place of residence was a housing unit within the City of East Palo Alto until they were displaced from that unit because of any of the following:

- Natural Disaster declared by the Governor;
- Domestic Violence;
- City Code Enforcement Activities;
- A "No Fault" Eviction from a rental unit in East Palo Alto, if the eviction occurred within a year of the application for housing; or
- A 10% or higher increase in rent in the last 12 months.

The eligibility requirements for each preference criteria is outlined in section IV below.

C. For 100% Affordable Housing Projects, these preferences shall apply to 50% of the affordable units. However, at the discretion of the City Manager, a disparity study may be undertaken to adjust this percentage on a particular project. The preference shall be applied to the initial lease-up or sale of the residential development and continuing thereafter throughout the term of the affordability restriction.

D. For Inclusionary Housing and Density Bonus units, these preferences shall apply to all units at initial lease-up or sale of the residential development and continuing thereafter throughout the term of the affordability restriction.

III. Implementation

A. The Owner of a City Supported Affordable Housing or Inclusionary Housing shall be responsible for including information about local preferences in their marketing materials, including the documentation needed to qualify applicants and determine eligibility for the local preference.

B. The requirements of this Policy shall be included as a term in the regulatory

agreement, affordability agreement, or other agreement between the City and/or other governmental entity and the Owner of a City Affordable Housing Property or Inclusionary Units.

C. The Marketing Plan for the property shall include the local preference and outline procedures for implementing them.

D. Applicants shall self-certify their eligibility for preferences with their initial application, and the owner or their designee shall confirm the eligibility after the lottery and before leasing or selling the affordable units.

IV. Proof of Eligibility for Preferences

The Owner shall use the following evidence to determine eligibility for local preferences, which may be further detailed in the Local Preference Guidelines.

A. Resides in East Palo Alto: Applicant may submit documentation from an appropriate source stating the applicant resides in East Palo Alto as of the date of the application for housing.

B. Works in East Palo Alto: Applicant must provide employment verification from employer, or another appropriate source, stating the applicant is employed there as of the date of the application for housing. A written offer of employment may suffice as evidence of employment in the City.

C. Involuntary Displacement: Displacement shall be evaluated based in the following:

(i) Disaster: Applicants shall provide certification from a unit of government concerning displacement due to a disaster prior to the submittal of the application for housing.

(ii) Domestic Violence: Applicants shall provide certification from local police, social service agency, court, clergy, physician, public or private shelter, or counseling facility concerning displacement due to domestic violence, fear of reprisal, or hate crime.

(iii) Housing Code Enforcement Activity: Applicants shall provide documentation from the City and/or landlord. Displacement due to code enforcement activities includes situations in which a tenant vacates a unit in response to a notice to vacate, notice to abate a life-threatening condition, or declaration of substandard condition issued by the City or a court.

(iv) "No Fault" Eviction: Applicants shall provide a copy of an eviction notice or a copy of a court order or judgment in the unlawful detainer proceeding or other official records documenting the eviction

(v) 10% or Greater Rent Increases: Applicants who are displaced due to a rental increase of over 10% shall provide a copy of a rent increase notice and evidence of a subsequent change of residence.

Applicants who were evicted due to cause, such as nonpayment of rent or breach of

the rental agreement, shall not be eligible for this preference.

Upon determining eligibility, the Owner shall notify the applicant of their eligibility for the local preference. Any disagreement over the eligibility of the applicant for the local preference shall be reviewed and determined by the Director of Community Development as defined in the Local Preference Guidelines.

V. Limitations & Exclusions

A. Owners are not required to approve applicants who are otherwise not qualified for renting or purchasing the unit.
B. Unless otherwise expressed herein, preferences shall be non-durational, i.e., there shall be no minimum time period for residency or employment to qualify for the preference.
C. This Policy or any successor Policy shall be applied only if other funding sources for the project do not prohibit the preference. This preference program shall be applied only if it does not violate federal and state fair housing law.

VI. Periodic Review

The City shall conduct a review of its local preference program for consistency with its affirmatively furthering fair housing goals under state and federal law and provide a report and possible recommendations to City Council every three years following the effective date of this resolution.

VII. Guidelines

The City Manager or designee is hereby authorized to adopt and, from time to time, amend Guidelines for the administration and implementation of the local preference as provided by this policy.

East Palo Alto Local Preference Policy Administrative Guidelines

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Introduction

The Affordable Housing Local Preference Policy (LPP) establishes a local preference to assist people who live or work in East Palo Alto, or who were displaced from a residence in East Palo Alto, to receive a preference for affordable housing units.

The LPP applies to units created under the City of East Palo Alto's Inclusionary Zoning Ordinance or Density Bonus requirements or supported by the City of East Palo Alto through funding, land, or other financial support. Developments that are leasing up on or after January 1, 2025, are required to implement preferences, in initial lease-up, waitlists, and resales. Developments that are reopening waitlists after January 1, 2025, and had initial lease up *prior* to January 1, 2025, will be encouraged, but not required, to participate.

Resolution ___ established the following criteria for qualifying for the local preference:

- Lives in East Palo Alto
- Works in East Palo Alto
- Displaced from a residence in East Palo Alto

Definitions

A. Affordable Housing" or "Affordable Unit" shall mean restricted residential property where the rent or sales price is limited by a deed restriction and/or regulatory agreement.

B. "Area Median Income" or "AMI" "means the median family income of a geographic area of the state.

C. "City" shall mean the City of East Palo Alto.

D. "City Supported Affordable Housing" shall mean Affordable Housing that receives financing, land, or ground lease property interest from the City of East Palo Alto for new construction, rehabilitation, or for acquisition and rehabilitation.

E. "Household" shall mean any person or persons residing or intending to reside in the same Unit, whether related or not.

F. "Inclusionary Housing" shall mean Affordable Units restricted by the City because of the City of East Palo Alto's Inclusionary Zoning requirements.

G. "Local Preference Guidelines" shall mean these guidelines adopted by the City Manager pursuant to Section VIII of this Policy.

H. "Lower-Income Household" shall have the definition given in California Health & Safety Code section 50079.5 and generally understood to be less than 80 percent of area median income.

I. “Owner” shall mean any person or entity having a legal right of ownership or rights under a ground lease in real property, or their agents responsible for the management and leasing of the property to residential tenants.

J. “Preference Units: shall mean those affordable units to which the Local Preference is applied.

K. “Qualifying Documents” shall mean documentation establishing an applicant’s first and last name and current address where they reside, as further defined in these Local Preference Guidelines.

L. “Set Aside Units” shall mean affordable units that are filled through case management, for example by referral from a homelessness services provider.

M. “Unit” shall mean a portion of a building designed for, or intended for the exclusive use of, persons living as one household.

N. “Unit Type” shall mean an affordable unit, by both income maximum and number of bedrooms.

O. “100% Affordable Housing Projects” are those projects where all units are income restricted, except for a manger unit or units.

Overview of the Local Preference

Applicants only need to qualify for one of the preference criteria to receive the Local Preference. To qualify for the local preference, an applicant must:

- Reside in East Palo Alto: At least one member of the applicant household’s principal place of residence is within the City of East Palo Alto as of the date of application for housing; or

- Work in East Palo Alto: At least one member of the applicant household currently works or has received an offer to work within the City of East Palo Alto for at least 20 hours per week; or

- Be involuntarily displaced from a residence in East Palo Alto: The applicant household must include at least one adult member whose principal place of residence was a housing unit within the City of East Palo Alto until they were displaced from that unit within the five years prior to application because of any of the following:

    - Natural Disaster declared by Governor;
    - Domestic Violence;
    - City Code Enforcement Activities;
    - A “No Fault” Eviction from a rental unit in East Palo Alto, if the eviction occurred within 12 months of the application for housing; or
    - A 10% or higher increase in rent in the last 12 months.

Applicability of Preference to Affordable Units

The LPP shall be applied only to the extent allowed by Fair Housing law and other government agency funding sources.

For Inclusionary Housing units, the local preference shall apply to all units at initial lease-up or sale of the residential development and continuing thereafter throughout the term of the affordability restriction.

For 100% Affordable Housing Projects, the local preference shall apply to 50% of the Affordable Units at initial lease-up or sale of the residential development and continuing thereafter throughout the term of the affordability restriction. With the permission of the City Manager, this percentage may be adjusted for a specific project, through the completion of a disparate impact analysis. Such an analysis shall adhere to the general standards established for such analyses by the U.S. Department of Housing and Urban Development and the U.S. Department of Justice Civil Rights Division. The Local Preference Policy applies to all affordable units, regardless of any set aside. For example:

Number of Affordable Units:	100 units
Units with a set aside:	15 units
Units with no set aside:	85 units
Units with the local preference (50% of all units):	50 units
Percent of units with no aside to which local preference applies:	50/85 = 59%

Application and Lottery Process

Step 1: Applicant completes an on-line or paper application and selects the preference qualifications they believe they are eligible for.

Step 2: A lottery is conducted by the leasing/marketing agent, and a random number generator is used to assign all applicants, regardless of preference, a number.

Step 3: For the units with the local preference, the leasing/marketing agent sorts the lottery list based first on the income eligibility (AMI) and the bedroom type (the “Unit Type”), then local preference eligibility and finally by the lottery number (lower to higher). Applicants eligible for more than one Unit Type may appear in more than one list.

Step 4: The leasing/marketing agent begins the process of confirming both the eligibility and preference for each applicant, starting in order of the above sort. The applicant shall provide sufficient documentation to establish both eligibility for the Unit Type and the local preference. Applicants deemed ineligible for a specific Unit Type are removed from the list for that Unit/Unit Type. Applicants who are not able to establish the local preference, but who are otherwise eligible for the unit, are resorted accordingly.

Step 5: The leasing/marketing agent continues the process outlined in Step 4 until all the preference units have been filled. All remaining applicants are then eligible for any available Unit, including preference Units if such Units are not filled by applications having a preference, and are sorted by their eligibility for a Unit Type and their lottery number, with no consideration of their local preference eligibility,

Documentation Required

Preference Criteria	Documentation Required
Reside in East Palo Alto	Applicant must provide at least two of the following: • Lease agreement • Telephone bill • Electric Bill • Cable or Internet Bill • Other Utility Bills (water, trash, etc.) • Voter Registration Unhoused residents of East Palo Alto may receive this preference with written evidence from a government agency or social service provider that the resident received homelessness services in East Palo Alto or had had an East Palo Alto home as their previous address. .
Work in East Palo Alto	Applicant must provide at least one of the following: • Employment verification from an employer • Three most recent months of paystubs, including the number of hours worked and address of the employment location • A written offer of employment including the address of the employment location
Involuntarily displaced from a residence in East Palo Alto	Applicant must provide one of the following: Natural Disaster: Certification from a unit of government, such as FEMA. Domestic Violence: Certification from local police, social service agency, court, clergy, physician, public or private shelter, or counseling facility concerning displacement due to domestic violence, fear of reprisal, or hate crime, Housing Code Enforcement Activity: Documentation from the City and/or landlord. Displacement due to code enforcement activities includes situations in which a tenant vacates a unit in response to a notice to vacate, notice to abate a life-threatening condition, or declaration of substandard condition issued by the City or a court. “No Fault” Eviction: Copy of an eviction notice or a copy of a court order or judgment in the unlawful detainer proceeding or other official records documenting the reason for the eviction.

	10% or Greater Rent Increases: Copy of a rent increase notice and evidence of a subsequent change of residence.

Interaction with Disability Preferences

Where units are created with features that meet the needs of those with a particular disability (mobility, vision, or hearing) ("Accessible Units"), those who would benefit from the accessibility features of the unit shall receive a preference for those units, regardless of their eligibility for the local preference.

Marketing

All marketing materials shall clearly outline the preferences available for the Affordable Units, including the following:

- Criteria for qualifying for the local preference
- A clear statement that the documentation will be required after the lottery and before the rental or purchase
- A statement that the local preference is a preference, not a requirement, and anyone who believes they are otherwise qualified for the Affordable Units should apply.

To support the City's fair housing goals and expand access, rental housing developers are required to post their developments on Doorway, the regional affordable housing listing service. At the time of this writing, Doorway only advertises rental properties, but as the website's capacity expands, developers may be required to complete their lotteries through Doorway, and homeownership projects also would be required to market via Doorway. As a result, some of the steps in the application and lottery process may be handled by Doorway, rather than the developer.

Turn Overs and Waitlists

For affordable rental units, a waitlist will be created at the initial lottery, which shall expire one year after the initial rent up of the units is complete. Upon expiration or exhaustion of this list, whichever comes first, a new lottery will be held for units upon turnover. As with the initial lease up, each lottery list expires after one year. If a waitlist was created because of advertising for one specific type of unit, by either AMI or bedroom type, that waitlist may only be used to fill another unit of the same AMI and bedroom type.

Monitoring and Reporting Requirements

Leasing and sales agents will be required to share demographic and preference data with the City through a lease-up/sales summary when the Affordable Units are initially occupied, in a form approved by the City. For rental projects, properties are also

responsible for providing tenant preference data on their Annual Compliance Report. This information will be used by the City to generate annual reports on the LPP with aggregate data. No personal information will be collected or published.

Regulatory Documents

The LPP requirements will be integrated into each development's affordable housing and regulatory agreements and spelled out in the Fair Housing Marketing Plan and, for rentals, the Tenant Selection Plan.

Attachment 3

Table 1. Comparison of Local Preference Policies in Other Jurisdictions

	Santa Monica	San Francisco	Oakland	Pasadena	Berkeley
Type of housing	Inclusionary units Affordable units with City subsidy	Inclusionary units Affordable units with City subsidy	Affordable units (if over 5) with City subsidy	Inclusionary units. Affordable units with City subsidy	Inclusionary units Affordable units with City subsidy
Preference categories	(Ranked) 1. Displacement 2. Live/work 3. All other applicants	(Ranked, with max set asides) 1. Displacement from urban renewal 2. Displacement (general) 3. Neighborhood Preference: • Live/work • All other applicants	(Ranked) 1. Displacement 2. Neighborhood preference: • Live/work • All other applicants	(Ranked) 1. Live/work 2. Live only 3. Work only 4. Displacement 5. All other applicants	1. BART displacement, 2. One point each for: • Foreclosure • Eviction • Families w/ children • Homeless or at risk of homelessness • Ties to redlined area • Historical ties to redlined area
When applied	Initial lease-up and ongoing	Initial lease-up and ongoing (with exceptions)	Initial lease-up and ongoing (with exceptions)	Initial lease-up and ongoing	Initial lease-up and ongoing
Selection process	City maintains eligibility list 1. Inclusionary: City selects from list; developer verifies 2. 100% Affordable: Developer selects from list and verifies	Main lottery using DAHLIA (universal application) system, then further sorting into the 4 individual preference categories New lottery for each inclusionary unit vacancy City responsible for selection/ verification for all units	Lottery conducted by affordable developer for each development for each of the preference groups, with city oversight	Conducted by affordable developer with city approval and oversight of process 1. directly from priority list; 2. from a lottery of households at top of priority list; or 3. selecting from city's Section 8/Supportive Housing/Home-owner waitlist	Lottery conducted by affordable developer for each development, with City providing certificate for BART/Foreclosure preferences
Waitlist Management	1. City maintained list for inclusionary units 2. Affordable developers maintain list for their own affordable units	1. City uses DAHLIA system (universal application) for all units – no waitlist 2. Developer maintains waitlist once established by DAHLIA	Affordable developers maintain list	Affordable developers maintain a priority list after initial certificate of occupancy issue; developer must update it on yearly basis	Affordable developers are required to use the Doorway portal (BAHFA) for list management
Ordinance	No- in guidelines for "Affordable Housing Program"	Yes	Yes	No- in guidelines	Policy approved by Council

RESOLUTION NO. 52 – 2020

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

ADOPTING A LOCAL PREFERENCE POLICY FOR AFFORDABLE UNITS DEVELOPED WITH CITY SUBSIDY AND THROUGH THE INCLUSONARY HOUSING PROGRAM

WHEREAS, the City of East Palo Alto ("City") provides funding to support affordable housing development in the City through its Affordable Housing Fund; and

WHEREAS, Ordinance No. 425 requires that 20% of all units in new market-rate residential developments be affordable to extremely low-income, very low-income, low-income, and moderate-income households; and

WHEREAS, on October 16, 2018, the City of East Palo Alto City Council ("City Council") adopted a five-year Affordable Housing Strategy, which includes a goal of anti-displacement and workplan to establish a local preference for affordable housing units in the City; and

WHEREAS, from January to May 2019, the City held five community meetings with stakeholder groups, where a draft local preference framework was developed.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO HEREBY finds and declares the following:

A. There is a shortage of affordable housing in the Bay Area and in the City of East Palo Alto, where the median income at $58,783, which is less than half of San Mateo County, and the rate of rent-burdened households is 63%; and

B. Many families have left the City due to the high cost of living and lack of affordable housing opportunities, breaking strong, intergenerational community and neighborhood ties; and

C. Individuals who work in the City often must travel long commute distances to their jobs from outside the city, leading to higher greenhouse gas emissions, traffic, and lower quality of life; and

D. The Existing Conditions Report for the 2014 General Plan Update showed that over half of all households in the City have four or more persons, far above the County average of 2.75 persons per household, suggesting overcrowded conditions; and

E. Anti-displacement is one of the overarching principles of the Affordable Housing Strategy, adopted by the City Council in 2018, and one of the top priorities of the community as expressed during the outreach for the Strategy; and

F. Applying a preference for individuals who live or work in the City, and residents involuntarily displaced from the City of East Palo Alto is within the City's authority to protect the public health, safety, and welfare; and

G. Applying such a preference will create affordable housing opportunities that will allow those individuals to remain part of the community in the City of East Palo Alto.

BE IT FURTHER RESOLVED THAT, BASED ON THE ABOVE FINDINGS, THE CITY OF EAST PALO ALTO CITY COUNCIL HEREBY:

1. Adopts a Local Preference Policy, as set forth in **Attachment 1** to this Resolution and incorporated by this reference, that applies to City subsidized affordable housing units and through the City's Inclusionary Housing Ordinance; and

2. Directs the City Manager to adopt guidelines to administer the Local Preference Policy and take any other action with respect to the policy consistent with this resolution and its purpose; and

3. Establishes that this Local Preference Policy shall be applied only to the extent that other funding sources for the project permit such preferences.

PASSED AND ADOPTED this 7th day of April 2020, by the following vote:

AYES: Abrica, Gauthier, Moody, Romero, and Wallace-Jones

NOES:

ABSENT:

ABSTAIN:

Regina Wallace-Jones, Mayor

ATTEST:

Walfred Solorzano, City Clerk

APPROVED AS TO FORM:

Rafael E. Alvarado Jr., City Attorney

Proposed Local Preference Framework for City of East Palo Alto

Group	Points	Definition	Evidence
Live and Work in East Palo Alto	4	Must currently live and work in the City of East Palo Alto. Live: Principal place of residence is within the City of East Palo Alto as of the date of application for housing. Work: 20 hours per week or more in the City.	Live Applicant may submit documentation from an appropriate source stating the applicant resides in East Palo Alto as of the date of the application for housing. Work Employment verification from employer, or another appropriate source, stating the applicant is employed there as of the date of the application for housing. A written offer of employment may suffice as evidence of employment in the City.
Live in East Palo Alto	3	Must currently live in the City of East Palo Alto. Principal place of residence is within the City of East Palo Alto as of the date of application for housing.	Applicant may submit documentation from an appropriate source stating the applicant resides in East Palo Alto as of the date of the application for housing.
Work in East Palo Alto	2	Must currently work 20 hours per week or more in the City of East Palo Alto.	Employment verification from employer, or another appropriate source, stating the applicant is employed there as of the date of the application for housing. A written offer of employment may suffice as evidence of employment in the City.
East Palo Alto Residents Involuntarily Displaced	1	Household must include at least one adult member whose principal place of residence was a housing unit within the City of East Palo Alto until they were displaced from that unit as a result of any of the following: 1. Natural Disaster declared by Governor 2. Domestic Violence 3. City Code Enforcement Activities	Disaster Applicants shall provide certification from a unit of government concerning displacement due to disaster prior to the submittal of the application for housing. Domestic Violence

		4. A "No Fault" Eviction from a rental unit in East Palo Alto, if the eviction occurred within a year of the application for housing 5. A 10% or higher increase in rent in the last 12 months	Applicants shall provide certification from local police, social service agency, court, clergy, physician, public or private shelter, or counseling facility concerning displacement due to domestic violence, fear of reprisal, or hate crime prior to the submittal of the application for housing. <u>Housing Code Enforcement Activity</u> Applicants shall provide documentation from the City and/or landlord. Displacement due to code enforcement activities includes situations in which a tenant vacates a unit in response to a notice to vacate, notice to abate a life-threatening condition, or declaration of substandard condition issued by the City or a court. <u>"No Fault" Eviction</u> Applicants shall provide a copy of an eviction notice or a copy of a court order or judgment in the unlawful detainer proceeding or other official records documenting the eviction. Applicants who are displaced due to a rental increase of over 10% shall provide a copy of a rent increase notice and evidence of a subsequent change of residence. Applicants who were evicted due to cause, such as nonpayment of rent or breach of the rental agreement, shall not be eligible for this preference.
All Other Applicants	1	NA	NA

POLICY AND ACTION 13.3

EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: January 21, 2025

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Maurice Baker, Community Services Manager

SUBJECT: 2025 Summer Park Activation Recommendations

Recommendation

Adopt a resolution authorizing the City Manager to award, negotiate and execute contracts with the following eleven (11) organizations listed alphabetically to provide programming for the 2025 Summer Park Activation series, in a form approved by the City Attorney, for various amounts, for a total not-to-exceed amount of $178,000:

1. Bay Area Urban Eagles (up to $16,000)
2. Camp Doza (up to $16,000)
3. East Palo Alto Boxing Club (up to $16,000)
4. East Palo Alto Razorbacks (up to $18,000)
5. East Palo Alto T-Ball & Pitching Machine (up to $18,000)
6. East Palo Alto Tennis & Tutoring (up to $18,000)
7. Lewis & Joan Platt East Palo Alto YMCA (up to $16,000)
8. Silverscape Ventures formerly Sign Gypsies (up to $12,000)
9. Step It Up Dance (up to $12,000)
10. Streetcode Academy (up to $18,000)
11. Youth Community Services (up to $18,000)

POLICY AND ACTION 13.3

Alignment with City Council Strategic Plan

Priority: Enhance Community Services and Parks for Residents

Background

Starting in 2019, City Council directed the Community Services and Recreation Division of the City Manager's Office to activate parks and facilities in our City to provide free activities for our residents and to deter other non-productive activities. Previously, this was accomplished through the summer disbursement of our Transient Occupancy Tax (TOT) program. Council sought to provide additional opportunities of activating our parks. This has become a foundational service for the Division and allowed us to partner with local organizations to expand the efforts of their great work. The series has steadily grown in attendance over the years as we started out serving 382 participants and last year reached over 1000. Programs have ranged from STEM based technology pop-ups in the park to curated field trips for the older adult community. The goal of finding diverse programming for all has been accomplished through a number of methods. To hold the providers accountable, payments have been tied to things like participation in the City's 40th Anniversary and its Family Day movie nights. Below is how the Summer Park Activation results have been over the years.

Table 1

Park Activation Results			
Year (FY)	**City Investment**	**# of Providers**	**# of Participants**
2019-2020	$65,000	5	382
2020-2021	$80,000	7	108
2021-2022	$110,000	14	320
2022-2023	$154,000	17	815
2023-2024	$180,000	10	1841**

**may include duplicate participants

In previous years, the Summer Park Activation program ran into delays that did not allow marketing to begin until late spring, which may have impacted the success of the programming. To improve upon this timeline, staff began the process of seeking proposals in November this year. Below are some of the key dates for the RFP that was released.

Request for Proposals (RFP) Issued: October 28
Proposals Due: November 22
Proposal Review: December 9
Interviews with Proposed Providers: December 18-19

Fourteen proposals were received and staff sought to narrow that down to ten providers as seen from the previous year success. Following the review, it was determined that 11 providers would allow for a full range of programing that was diverse. Of the 14 proposals that were received, two were catering to the Older Adult population and one was Performing Arts based. Staff then made the decision to recommend one of the organizations serving Older Adults and Performing

Arts. The organization with the next lowest score is being advised to apply for other funding opportunities that they are eligible for. Following this recommendation, the final number of vendors that staff is proposing exceeded the original goal of 10 by one.

Analysis

As the Summer Park Activation has continued to evolve, staff has sought to make improvements to the how it selects and evaluates providers. Proposals were previously graded on factors like program uniqueness, past participation, and projected goals. This provided a limiting effect on the opportunity for new providers. This year, the review panel was comprised of the following staff who represented a range of departments/divisions:

David Santos, Police Commander
Orly Amey, Assistant to the City Manager
Maurice Baker, Community Services Manager
Roger Lau, Grants Coordinator
Vincent Amelio, Recreation Coordinator

Along with the previous review criteria, additional layers were implemented that took into consideration the ability for new organizations to have a greater opportunity for acceptance. For the payment system, this year we placed a greater emphasis on the data received. Organizations will be required to submit registration information and return a percentage of survey responses from their participants. We also will be seeking greater collaboration in the City's Family Day events that take place during summer. Below you can see how payments will be disbursed.

Payment System

Minimum allocation: $5,000 (amount can be amended if contract goals are not met)
Allocation distribution range (based on deliverables): $12,000 - $18,000
Total recommended allocation: $178,000

Table 2

Payment	Requirement for payment distribution
First Payment	Acceptance into 2025 Summer Park Activation Series
Second Payment	Registration forms are distributed to all participants and all completed registration forms are sent to City of EPA for all participants in the program by 14 days after program begins. Program enrollment (based upon the registration forms) matches or exceeds the goals set forth in the contract.

Third Payment	Program surveys are sent to all participants (over 18+) or their parents (if under 18 years of age) by the conclusion of the program. Completed surveys for all participants are sent to City of EPA no later than 14 days after program completion. If 50% - 79% completion rate will half payment & if 80% or more are received, will receive full payment Participation in planning & execution of Family Night Events, vendor's staff must participate in at least 2/3 Family Nights & 50% of all planning meetings

Review Rubric

All proposals were graded using the same rubric, with the possibility to earn up to 45 points, the rubric consisted of the following 7 categories:

Proposal Completeness (10 points possible)
Marketing Plan (5 points possible)
Projected Participants (5 points possible)
Past Participant Success (5 points possible)
Program Uniqueness (10 points possible)
Program Impact (5 points possible)
Projected Program Hours (5 points possible)

Recommendations

Following proposal review, staff recommends approval of the following vendors for the 2025 Summer Park Activation Series at the respective amounts. After carefully considering all the of the proposals and with the knowledge that we do not want to exceed the $180,000 funding availability that was announced during the NOFA, staff proposed a tiered based payment recommendation. Organizations that scored a 39 or higher according to the rubric (Attachment 3) would be recommended for the opportunity to receive up to the full $18,000. Organizations that ranked between 34 and 38 would be suggested to receive up to the $16,000 and ones that ranked 30-33 could receive up to $12,000. In total awards $178,000 are proposed.

Table 3

Vendor Name	**Type of Programming**	**Recommended Amount (not to exceed)**
Step It Up Dance	Youth dance instruction in a variety of methods	$12,000
Silverscape Ventures formerly Sign Gypsies	Curated field trips and events for Seniors (60+)	$12,000
Bay Area Urban Eagles	10 sessions of aviation education & instruction for youth ages 8 – 14	$16,000
East Palo Alto Boxing Club	Weekly fitness classes for youth & adults for 10 weeks	$16,000

Lewis & Joan Platt East Palo Alto YMCA	-Week-long aquatics safety program youth 5-12. -Two one-hour exercise class per week for 10 weeks for youth – seniors. -One week of Summer Day Camp for 14 youth	$16,000
Camp Doza	Three weeks of Summer Camps for youth aged 4-14	$16,000
StreetCode Academy	Tech themed pop-ups in the parks	$18,000
Youth Community Services (YCS)	Variety of service-oriented projects and pop-up events	$18,000
East Palo Alto Tennis & Tutoring	Three weeks of Tennis camp and competitive play	$18,000
East Palo Alto T-Ball & Pitching Machine	Recreational baseball program partner with SF Giants	$18,000
East Palo Alto Razorbacks	Youth rugby summer camp and competitive play	$18,000

Fiscal Impact

There is no new fiscal impact for this item. The FY24-25 budget includes $90,000 for the first half of Summer Parks Activation, and the remaining $88,000 will be requested as part of the Community Services and Recreation FY25-26 budget

Public Notice

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

Environmental

The 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 signatories for the agreements are set forth below as "parties". Staff is unaware of any other parties or participants relevant to the Council's consideration of this item

Participant(s):

Michael Mashack, Executive Director
Mario Mendoza, Owner
Michelle Carroll, Club Treasurer
Sharifa Wilson, Club Treasurer
Samuel Vailala , President
Amy Kohrman, Director of Fundraising
Rebecca Duran, Executive Director
Paris Hill, Owner
Juakila McConnell, Owner
Olatunde Sobomehin, Executive Director
Mora Oommen, Executive Director

Attachments

1. Resolution
2. Submitted Proposals for 2025 Summer Park Activation
3. Proposal Rubric w/ ratings (in ascending order)

Vendor Proposal Score Summary

	Recommended Funding (up to)	Vendor	TOTAL POINTS	Completeness (10 points)	Marketing (5 points)	Projected Participants (5 points)	Past Participant Success (5 points)	Program Uniqueness (10 points)	Program Impact *(5 points)*	Projected Program Hours (5 points)
Recommended Vendors	$ -	My Gym	29	7.5	2.6	5	1.5	5.6	2.8	*4*
	$ 12,000.00	Silverscape Ventures	31.8	7	3.4	5	4	6.2	3.2	*3*
	$ -	Fit to the Core	32.6	10	4.6	4	0	7.2	3.8	*3*
	$ 12,000.00	Step it Up Dance	33	9	2.6	5	5	6.2	2.2	*3*
	$ -	Hope Horizon	33.2	9	1.8	5	0	8	4.4	*5*
	$ 16,000.00	Bay Area Urban Eagles	34.2	10	4.4	3	0	9	3.8	*4*
	$ 16,000.00	EPA Boxing Club	34.2	10	3.4	5	0	7.8	3	*5*
	$ 16,000.00	Lewis & Joan Platt EPA YMCA	35.5	9.5	3.6	5	0	8.2	4.2	*5*
	$ 16,000.00	Camp Doza	38.2	9	3.2	4	4	8.6	4.4	*5*
	$ 18,000.00	Youth Community Service	39.2	10	1.2	5	5	9	4	*5*
	$ 18,000.00	EPATT	39.5	9.5	4.2	4	4	8.2	4.6	*5*
	$ 18,000.00	StreetCode	40	10	4.4	5	5	9.4	4.2	*2*
	$ 18,000.00	EPA Tee Ball/Pitching Machine	41.8	10	4.6	5	5	8.8	3.4	*5*
	$ 18,000.00	EPA Razorbacks	43.5	9.5	5	5	5	9.4	4.6	*5*

RESOLUTION NO. XX – 2025

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

AUTHORIZING THE CITY MANAGER TO AWARD, NEGOTIATE AND EXECUTE CONTRACTS WITH ELEVEN (11) ORGANIZATIONS TO PROVIDE PROGRAMMING FOR THE 2025 SUMMER PARK ACTIVATION SERIES, IN A FORM APPROVED BY THE CITY ATTORNEY, FOR VARIOUS AMOUNTS, IN TOTAL, NOT-TO-EXCEED $178,000, WHICH IS MADE PART OF THE BUDGET PROCESS FOR THE COMMUNITY SERVICES AND RECREATION DIVISION

WHEREAS, starting in 2019, City Council directed the Community Services and Recreation Division to activate parks and facilities in our City to provide free activities for our residents and to deter other non-productive activities**;** and

WHEREAS, the series has steadily grown in attendance over the years as we started out serving 382 participants and last year reached over 1000, providing activities such as technology-based pop-ups in parks and curated field trips for seniors**;** and

WHEREAS, as the Summer Park Activation has continued to evolve, staff has sought to make improvements to the how it selects and evaluates providers. Metrics were previously graded on factors like program uniqueness, past participation, and projected goals; and

WHEREAS, following proposal review, staff recommends approval of the following vendors for the 2025 Summer Park Activation Series at the respective amounts.

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 award, negotiate and execute contracts with the following vendors listed alphabetically to provide programming for the 2025 Summer Park Activation series for a total not-to-exceed of $178,000:

    a. Bay Area Urban Eagles (up to $16,000)
    b. Camp Doza (up to $16,000)
    c. East Palo Alto Boxing Club (up to $16,000)
    d. East Palo Alto T-Ball & Pitching Machine (up to $18,000)
    e. East Palo Alto Razorbacks (up to $18,000)
    f. East Palo Alto Tennis & Tutoring (up to $18,000)
    g. Lewis & Joan Platt East Palo Alto YMCA (up to $16,000)
    h. Silverscape Ventures formerly Sign Gypsies (up to $12,000)
    i. Step It Up Dance (up to $12,000)
    j. Streetcode Academy (up to $18,000)
    k. Youth Community Services (up to $18,000)

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

PASSED AND ADOPTED this 21st day of January 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Martha Barragan, Mayor

ATTEST:

James Colin, City Clerk

APPROVED AS TO FORM:

John D. Lê, City Attorney

STREETCODE ACADEMY

November 22, 2025

Dear EPA Parks Representative,

As you know, StreetCode Academy (SCA) acts as a bridge between Black Indigenous People of Color (BIPOC) and the technology they need to thrive in a digital age. Our mission is to empower communities of color to achieve their full potential by introducing the mindsets, skills, and access needed to embrace tech and innovation. We believe youths and their families can reach their full potential in a tech-centric world by engaging with bold STEM educational programming that invigorates minds and supports career awareness/readiness.

Despite our proximity to Silicon Valley, the digital divide in the East Palo Alto community is significant. Our work bridges that gap by offering a blend of in-depth workshops for youth and adults, networking events, and distributing critical technology equipment. Our work centers on three pillars of change:

- **Mindset Shifts**, driven by participation in culturally relevant learning experiences, empower BIPOC communities to see themselves in the technology they consume and prepare them to play a role in the tech world.
- **Building Skills,** beginning with distributing critical tech resources to underserved communities who lack digital tools, then providing digital literacy education to help them leverage those tools to gain experiences and skills needed to improve their outcomes.
- **Creating Access** to peers, mentors, and lead technology teachers paves the way for individuals to comfortably interact with and take advantage of our tech industry networks.

After the last three years of highly successful Pop-Ups in the Park presented in partnership with EPA, we hope to create a new trio of summer events in 2025 that explore the intersection of creative pursuits, culture, and technology. These three seasonal events are designed to be fun, inclusive, family-friendly opportunities to explore cutting-edge tech through the lens of Gaming/Fashion/Nature. We have designed a program with specific parks in mind to optimize community participation.

StreetCode Academy has hosted Pop-Up events since 2018, and our staff has a clear understanding of the logistics and planning elements needed to make these events successful. We have a deep community reach, evidenced by our 2024 Pop-Up in the Park events that were attended by over 200 participants.

We hope to host these events in partnership with the City of East Palo Alto and look forward to deepening our relationship with the City.

Thank you for this opportunity,



Olatunde Sobomehin
Lead Servant & CEO, StreetCode Academy

Approach & Understanding

Our 3 proposed Pop-Ups in the Park will introduce STEM concepts in a family-friendly, inclusive, and fun outdoor environment. Hosting these events in City-owned/operated parks and facilities in East Palo Alto encourages community engagement and raises awareness of the free resources available to the EPA community.

For the East Palo Alto community, we have found that promoting events directly with partner organizations, sending out mailers to all of EPA, and community flyering work the best to engage our target families. We will also use email and text communication but not social media for EPA specifically. As always, we will be promoting the events to our enrolled students during other classes and Pop-Ups, and posting flyers throughout neighborhoods.

All details for the planning and implementation of each event will be communicated clearly and in a timely fashion between StreetCode Academy and the City. Our main point of contact is Quincy Sanders, the StreetCode Development Manager (quincy@streetcode.org). The logistics and programming details will be presented for approval at least 8 weeks before the event. Please see the attached document for detailed descriptions of each Pop-Up event.

Remote Programming Protocol

Safety Measures in Place

- Hand Sanitizer will be available throughout the event
- Sanitizing wipes for surfaces will be available throughout the event
- Masks will be available at the event in case someone forgets/loses/needs one

June 26, 2025 - Design Your Digital Drip III! Augmented Fashion Design

Activity	Remote Plan
Event Registration via Eventbrite	An email announcement about the move to remote programming will be sent out to all event registrants 3 days prior to the event and will include a Zoom link and instructions on how to access Zoom.
Raffles/Giveaways	Names will be drawn via an online randomizer. Winners will be contacted via email and asked for their mailing addresses in order to ship their prizes to them.
Info and Opportunities	Staff will be present in a breakout room. Attendees can join and ask questions about StreetCode or get assistance in registering for StreetCode programs such as classes, the Work Innovation Program, the Accelerator, and more.
Food	No food will be given out
Fashion Design Activity	*Design Your Digital Drip: Augmented Fashion Design* Activity will be moved to Zoom. Attendees will be led through the process by a lead instructor.

July 17, 2025 - Music and Technology: Design the Beat, Hack the Future

Activity	Remote Plan
Event Registration via Eventbrite	An email announcement about the move to remote programming will be sent out to all event registrants 3 days prior to the event and will include a Zoom link and instructions on how to access Zoom.
Raffles/Giveaways	Names will be drawn via an online randomizer. Winners will be contacted via email and asked for their mailing addresses in order to ship their prizes to them.
Info and Opportunities	Staff will be present in a breakout room. Attendees can join and ask questions about StreetCode or get assistance in registering for StreetCode programs such as classes, the Work Innovation Program, the Accelerator, and more.
Food	No food will be given out
Beat Creation Activity	Beat creation will be moved to Zoom. Participants will be guided by a lead instructor on how to create beats using free computer software.

August 7, 2025 - East Palo Alto AI Townhall: Where AI Meets Everyday Life | Artificial Intelligence and Community

Activity	Remote Plan
Event Registration via Eventbrite	An email announcement about the move to remote programming will be sent out to all event registrants 3 days prior to the event and will include a Zoom link and instructions on how to access Zoom.
Raffles/Giveaways	Names will be drawn via an online randomizer. Winners will be contacted via email and asked for their mailing addresses in order to ship their prizes to them.
Info and Opportunities	Staff will be present in a breakout room. Attendees can join and ask questions about StreetCode or get assistance in registering for StreetCode programs such as classes, the Work Innovation Program, the Accelerator, and more.
Food	No food will be given out
East Palo Alto AI Townhall	Townhall discussion will be held via Zoom.

Project Management

Project staff will manage the project using Asana to ensure that all deadlines are met and budget constraints are being respected. Asana will be used to keep track of a comprehensive run of show documents that will be distributed to all staff members involved. Key staff will engage in bi-weekly meetings leading up to the first event to keep all planning processes moving at an appropriate pace.

Community Outreach and Engagement Strategy

StreetCode Academy will employ a multi-faceted outreach and engagement strategy to encourage strong community participation in the 2025 Pop-Ups in the Park. Our approach will leverage diverse recruitment tools to connect with families and individuals throughout East Palo Alto (EPA). Key efforts will include distributing flyers to local businesses, schools, and community centers focusing on visibility in high-traffic areas frequented by our target audience. Online ads and email newsletters will amplify our reach, delivering event details directly to inboxes while SMS text campaigns will provide timely reminders to increase attendance.

To reinforce our already strong community connections, we will collaborate with local partner organizations to extend our reach and strengthen relationships within EPA. Our website will serve as a central hub for event information and updates. These efforts combined with in-class promotion to our enrolled students and strategic neighborhood flyering will form a comprehensive outreach campaign emphasizing the family-friendly and inclusive nature of these events. Our local reputation plus our experience and knowledge of the community, will maximize awareness, engagement, and participation in these STEM-focused events.

Work Plan & Schedule

General Event Tasks & Deliverables (specifics will vary by event):

Needs

	Task	Assignee
Food	Secure food vendors	Jesus Guerrero
Location	Confirm access to power	Jesus Guerrero
	Confirm logistics for rental of equipment including chairs, tables, tents, etc.	Jesus Guerrero
Giveaways	Secure StreetCode swag including t-shirts, stickers, brochures, etc.	Jesus Guerrero
	Secure tech giveaways including PS4s, VR headsets, monitors, etc.	Jesus Guerrero
Roles	Overall Event Coordination	Jasmyne Sanders
	DJ and Emcee	Frederick Alexander
	Activities Support	Jasmyne Sanders

	Tech Support	Jesus Guerrero
	Info and Opportunities Booth	StreetCode Staff
Outreach	Send emails directly to our students and community	Jesus Guerrero
	Contact community partners	Jasmyne Sanders
	Distribute fliers throughout East Palo Alto	Frederick Alexander

Agenda

11:00 AM	StreetCode staff arrives to set up speakers, supplies table, food area, sanitation stations
3:00 PM	Welcome attendees
3:10 PM	Opening remarks and activity explanation
3:30 PM	Event activities begin, food service begins
6:15 PM	Event activities wraps up
6:30 PM	Closing remarks, giveaway winner(s) announced, thank you for coming
6:45 PM	Cleanup begins
7:00 PM	Event finished

We expect up to 175 attendees across the Pop-Ups in the Parks event series. Attendee cap and staffing needs by event can be found in the attached event description document.

Insurance Certification

StreetCode Academy is insured under Nonprofits Insurance Alliance of California (NIAC) and is more than able to meet the City's minimum insurance requirement for the program period of March 1, 2025–August 31, 2025. We are currently in the process of adding the City of East Palo Alto as an additional insured for Business Auto, Primary & Non-Contributory for Commercial General and Business Auto endorsements, and adjustment to Waiver of Rights to Transfer. We expect to have these completed shortly and will submit the updated policy through the proper channels.

Please see the attached documents for current policy details and proof of amendatory efforts.

Firm & Personnel Experience (See attached resumes for more details)

Jasmyne Sanders
Jasmyne graduated with a Bachelor's in Entrepreneurial Studies from Grand Canyon University — while working full-time with 2 children. She loves the diversity and plethora of opportunities in the Bay Area, but also knows there is much work to be done. As a founding member of StreetCode Academy, she strives to make Silicon Valley more inclusive. Jasmyne's love of creative solutions and efficiency fuels her daily. Her belief in the power of hope and the ability to persevere plays a large role in her support of the community through StreetCode.

Jesus Guerrero
While earning their B.A. in Chicana and Chicano Studies and a minor in Computer Science from San Jose University, Jesus led the Robotics Program and Competition at a nonprofit called MESA (Mathematics, Engineering, Science Achievement) and trained teachers to connect and teach their students different STEM topics. Jesus is the Community Technology Manager at StreetCode, where they manage the organization's tech for staff and community, keeping StreetCode Academy on the cutting edge of tech while educating the community about new tech trends. Project responsibilities include overseeing all of the tech for this program and helping plan the activities we will host.

Frederick Alexander
While earning a Sociology degree at Stanford University, Frederick also was Director of External Relations for Stanford Men's Basketball, where he oversaw marketing and community service initiatives. Frederick has partnered with multiple Boys and Girls Club chapters in East Palo Alto, taking on many roles to help uplift students. Growing up in Northwest Pasadena—a mirror image of East Palo Alto with its underserved community bordered by wealth, untapped intellectual vitality, and one of the world's top institutions, CalTech, right in its backyard — Frederick understands firsthand the challenges faced by marginalized groups. He has a strong desire to create the changes needed to propel the greatness that lies within the community. Because of this, East Palo Alto holds a special place in his heart. Frederick currently oversees the production and execution of StreetCode's Digital content.

Pop-Ups in the Park Event Descriptions

Our 3 proposed Pop-Ups in the Park will introduce STEM concepts in a family-friendly, inclusive, and fun outdoor environment. The events include:

Design Your Digital Drip III! - *Augmented Fashion Design*

June 26, 2025 @ MLK Park (3 PM - 7 PM)

Design Pop Up

Age group: All Ages
Attendee Cap: 75 Attendees; 15 StreetCode Staff

Summary: In this Pop-Up, students will design T-shirts and shoes, creating designs based on template examples. An overhead projector will cast designs on a screen for everyone to see. Designs will be printed on T-shirts for participants to take home. Students will also learn how to code and design Augmented Reality Fashion accessories that will take their fashion into the future. We will also be hosting giveaways, assisting the community with signups for classes and tech-based opportunities, and giving away free food.

Learning Outcomes:

- Mindset: creative confidence, design thinking
- Skills: 3D design and visualization, graphic design and layout
- Access: Info, Resources, and Opportunities Booth (Classes, Community Technology Program, Work Innovation, Accelerator, Exposureships, etc.)

Materials/Supplies Needed:

- Speakers
- Food
- Tables (food booth, Info, Resources, and Opportunities booth)
- Masks
- Hand Sanitizer
- Disinfecting Wipes
- Activity Materials (laptops, iPads, t-shirts, t-shirt press, vinyl)

Music and Technology: Design the Beat, Hack the Future

July 17, 2025 @ Jack Ferrell Park (3 PM - 7 PM)

Design and Coding Pop-Up

Age group: All Ages
Attendee Cap: 50 Attendees; 15 StreetCode Staff

Summary: Join us for an unforgettable day where music meets cutting-edge technology, all set in the beautiful outdoors! This family-friendly event invites attendees of all ages to explore, create, and immerse themselves in the harmonious blend of sound and innovation.

Discover hands-on activities that bring the magic of music to life through interactive experiences, explore exciting advancements in audio technology, and engage in creative challenges that inspire collaboration and fun. Whether you're a budding musician, a tech enthusiast, or simply looking for a unique way to enjoy a day out with the family, there's something for everyone to enjoy.

Bring your curiosity, your love for music, and your sense of adventure as we reimagine how sound shapes our world in the age of technology. Don't miss this extraordinary celebration of creativity, connection, and exploration!

Learning Outcomes:

- Mindset: creative confidence, design thinking, problem-solving, community collaboration
- Skills: engineering design, sound/music design, coding
- Access: Info, Resources, and Opportunities Booth (Classes, Community Technology Program, Work Innovation, Accelerator, Exposureships, etc.)

Materials/Supplies Needed:

- Wi-Fi/internet access
- Speakers
- Food
- Tables (food booth, Info, Resources, and Opportunities booth)
- Masks
- Hand Sanitizer
- Disinfecting Wipes
- Activity Materials (laptops, iPads)
- Sound Equipment

East Palo Alto AI Town Hall: Where AI Meets Everyday Life - *Artificial Intelligence and Community*

August 7, 2025 @ Bell Street Park (3 PM - 7 PM)

Design and Coding Pop-Up

Age group: All Ages
Attendee Cap: 50 Attendees; 15 StreetCode Staff

Summary: Join us for an exciting and interactive East Palo Alto AI Town Hall in the park! This unique event brings the community together to explore the fascinating world of artificial intelligence and its growing impact on our lives.

The event will feature hands-on activities, engaging discussions, and opportunities to learn and play with innovative AI technologies. At the heart of the event is a thought-provoking Town Hall conversation, where experts and participants will come together to discuss the future of AI and its potential to transform how we live, work, and play.

Whether you're an AI enthusiast or just curious to learn more, this event offers something for everyone. Discover, create, and connect as we explore the exciting possibilities AI has to offer!

Learning Outcomes:

- Mindset: creative confidence, design thinking
- Skills: 3D design and visualization, graphic design and layout
- Access: Info, Resources, and Opportunities Booth (Classes, Community Technology Program, Work Innovation, Accelerator, Exposureships, etc.)

Materials/Supplies Needed:

- Speakers
- Food
- Tables (food booth, Info, Resources, and Opportunities booth)
- Masks
- Hand Sanitizer
- Disinfecting Wipes
- Activity Materials (laptops, iPads)



SKILLS

- Leadership
- Strategic Business Planning
- Operational Efficiency
- Project Management
- Talent Recruitment & Retention
- Policy & Procedure Development
- Budgeting
- Financial Oversight
- Succession Planning
- Risk Management
- Systems Implementation
- Project Management
- Entrepreneurial Mindset

TOOLS

- Asana
- Slack
- Rippling
- Airtable
- Salesforce
- Google Looker Studio
- Google Suite
- Microsoft Office
- Canva
- Figma
- Quickbooks
- 15five

EDUCATION

BS Entrepreneurial Studies

Grand Canyon University | May 2011

JASMYNE SANDERS

Operations Executive

Dynamic Chief Operating Officer skilled in strategic planning, operational excellence, and human-centered design. Experienced in building high-performing teams, executing visionary ideas, and fostering inclusive environments

RELEVANT EXPERIENCE

Chief Operating Officer

StreetCode Academy | Aug 2016 - present

- Managed key areas including human resources, legal, finance, facilities, IT, and daily operations, emphasizing scalable and efficient systems to support organizational growth.
- Expanded the team significantly, dramatically increasing operational capacity and fostering organizational development.
- Oversaw a substantial rise in the expense budget, enabling the expansion of program offerings and strengthening financial sustainability.
- Developed and integrated essential systems such as Rippling, Salesforce, Asana, and Slack, creating a scalable infrastructure to enhance operational efficiency.
- Designed and implemented comprehensive employee development frameworks, including performance management, job ladders, and career progression initiatives, to promote talent growth and sustain high performance.

Founder

Pink of Perfection Events | Jun 2009 - Dec 2017

- Founded and grew a successful event planning business from the ground up, building a loyal client base and establishing a reputation for exceptional service.
- Led a team of event planners, providing strategic direction and fostering a culture of creativity, collaboration, and precision.
- Managed all aspects of the business, including marketing, client relations, and operations, consistently delivering high-quality events that exceeded client expectations.
- Developed and implemented innovative event concepts, staying ahead of industry trends and driving client satisfaction through personalized, high-impact experiences.

JASMYNE SANDERS

PREVIOUS EXPERIENCE

Marketing/ Event Management / Admissions

Grand Canyon University | 2008-2012

Account Executive - Wholesale/Retail

Washington Mutual | 2003 - 2008

OTHER EXPERIENCE

Trustee, Committee on Trustees Chair & Strategic Planning Co-Chair

Keys School | July 2020- present

- Provide strategic leadership and governance in alignment with Keys School's mission to inspire academic excellence, foster critical thinking, and promote a strong sense of community.
- As Chair of the Committee on Trustees, oversee board education, recruitment, and training to ensure effective governance and long-term leadership development.
- Co-Chaired the development of the school's Strategic Plan, collaborating with key stakeholders to shape the long-term vision and ensure alignment with the school's core values and mission.
- Work closely with the board and administration to uphold Keys School's commitment to a balanced, student-centered education that prepares students to thrive in a diverse and changing world.

FREDERICK **ALEXANDER**

Branding/Narrative Storytelling Specialist

34588 11th St Unit 142 Union City, CA 94587 | frederick@streetcode.org | streetcode.org

PROFILE INFO

Dynamic leader with extensive experience in nonprofit strategy, business development, and creative storytelling. A proven track record in building sustainable models, driving impactful partnerships, and crafting authentic brand narratives.

Expertise spans executive leadership, fundraising, design thinking, and fostering access to tech education for the underserved. Passionate about leveraging innovation and creativity to amplify organizational missions and empower diverse voices.

EXPERIENCE

2016 - PRESENT
StreetCode Academy, East Palo Alto, CA
Co Founder, Cheif Business Officer

- Lead strategic initiatives to expand impact, focusing on partnerships, financial sustainability, and scaling operations.
- Oversee visual storytelling and branding initiatives to amplify organizational identity and mission.
- Drive innovation in program delivery and strategic planning to secure StreetCode's leadership in tech education.
- Directed fundraising efforts, including major gifts, planned giving, and special events.
- Collaborated with leadership to secure funding for program expansion.

2017 - PRESENT
Stanford University, Stanford, CA
Instructional Assistant

- Transformative Design Course (Spring 2024): Mentored students in design-thinking projects and facilitated workshops on human-centered design.
- African American Performance and Freedom Course (Spring 2017): Assisted with exploring Black artistic expressions of freedom and coordinated a student performance showcase.

2007 - 2015
Stanford Men's Basketball, Stanford, CA
Director of External Relations

- Managed external relations for student-athletes, overseeing academic, social, and extracurricular programs.
- Established and promoted community service initiatives while managing the Sixth Man Club, a student fan-support organization.
- Cultivated and leveraged sponsorships to grow the program's visibility both on and off-campus.
- Directed branding and public relations efforts to enhance team identity among recruits, students, and media.

EDUCATION

2005 | Stanford University
Bachelor of Arts, Sociology

- Focused on organizational behavior, economics, and statistical analysis.
- Explored social structures and decision-making processes within organizations.
- Developed expertise in using quantitative tools to analyze societal trends.
- Gained a strong foundation in critical thinking and navigating complex systems.

SKILLS

- Strategic Planning
- Business Development
- Fundraising and Development
- Branding and Storytelling
- Program Design and Implementation
- Partnership Cultivation

SOFTWARE

- Photoshop
- Illustrator
- Premiere

Jesus Irrobel Guerrero

SAN JOSE, CA
(669) 255-3615
jesus@streetcode.org

Skills

Native Spanish Speaker; Website Management (WordPress, Squarespace, Wix); Google Workspace Admin; Salesforce Administration; Facility Management; IT Support

Experience

October 2021 - PRESENT

StreetCode Academy, East Palo Alto – *Community Technology Manager*

- Responsible for StreetCode Academy's technology and systems management
- Facilitated and Directed StreetCode Academy's office relocation
- Maintain the physical and cyber security StreetCode Academy
- Implement StreetCode Academy's Organizational Fiscal Year Budget
- Establishing StreetCode Academy's cross-organizational communication during our hybrid transition

May 2020 - September 2021

StreetCode Academy, East Palo Alto - *System Admin/Technology and Systems Manager*

- Strengthened StreetCode Academy's IT infrastructure during work from home
- Implemented Cybersecurity Training for all staff
- Evaluated StreetCode Academy's human risk management for cyber security
- Assisted in our Virtual Classrooms as problems arose

August 2018 - December 2019

MESA SJSU, San Jose- *Student Assistant*

- Wrote and maintained MESA SJSU's monthly newsletter
- Created and hosted Robotics Competitions for middle and high school students
- Recruited and managed volunteers for our competitions
- Coordinated with our partners to host field trips to Intel Headquarters

Education

August 2015 - Spring 2020

San Jose State University, San Jose CA- *Chicana and Chicano Studies, minor in Computer Science*

Working closely with the Chicana and Chicano community as well as the BIPOC community while using my computer science knowledge to bring STEM education.

STREETCODE ACADEMY

EPA Summer Park Activation Budget 2025

Category	Description	Cost
Admin	Administrative and overhead costs associated with Pop-ups in the Parks. Includes insurance coverage and staff costs.	$5,000
Rentals	Rental of equipment and supplies including but not limited to tables, chairs, tents, and technology.	$4,000
Food	Providing snacks, drinks, and food to event attendees.	$6,000
Materials and Supplies	Purchase of materials and supplies including but not limited to cleaning supplies, technology, and stationary.	$3,000
Total		**$18,000**

Step It Up Dance4lyfe
38042 Dundee Cmn
Fremont, Ca 94536
Stepitupdance4lyfe@gmail.com

Community Service & Recreation Division
November 22, 2024
City of East Palo Alto-City Hall
2415 University Avenue, East Palo Alto, Ca 94303

Attn: Community Services Division

Greetings! My name is Juakila “Ms. Kiki” McConnell and I am the proud owner of Step It Up Dance, a community-based dance program in East Palo Alto specializing in a wide variety of dance genres. I am writing to express our deep commitment and enthusiastic support from the Summer Park Activation 2025. We plan to launch a Performing Arts Program June 10th- August 15th and believe this program is the perfect candidate for this grant.

Having been born and raised in East Palo Alto, I know firsthand the barriers to resources, extracurricular activities, proper health/fitness routines and other struggles our community faces. I am passionate about giving back to my community through my passion for dance and fitness.

I founded Step It Up Dance in 2007 in an effort to provide a fun, creative, and accessible outlet for kids. More importantly, my program ensures that every child builds confidence, learns discipline, and establishes healthy habits, all while having fun.

This summer we're adding Performing Arts. In my performing arts program, children will have dance classes where students learn a wide variety of dance styles, including. They also learn the origin of each dance, its meaning, symbolism and how that dance is integrated into today’s culture. At the end of the season, the kids put on a grand performance for friends, family and community members

Performing Arts is a great way to help with confidence along with Mental Health dance, theater, costume design and vocals a way to release different emotions. The genres of dance are; Hip-Hop, Ballet, Tap, Jazz, Modern, West African, Afro Haitian, Praise Dance, Modern, Contemporary, Reggaeton, Funk, and Lyrical. Children will learn acting techniques such as how to build a character and stage presence. Vocal learning includes breathing techniques, correct posture and understanding how the voice works. Children will learn how to design and create their own costumes as well. They will also learn the origin of Performing Arts, its meaning, as well as symbolism on how it's integrated in today’s culture and their community.

Step It Up Dance emphasizes healthy lifestyles, encouraging students to have a healthy mind and body – and to ultimately have the confidence to refrain from making risky choices. We strive to not only teach students about performing arts, but also to build a community and family around dance. We would like to bring our unique dance program to East Palo Alto via the Summer Park Activation Program.

Sincerely,
Juakila McConnell
Juakila “Ms. Kiki” McConnell

Step It Up Dance – Summer Park Activation

Community Outreach and Engagement

Step It Up Dance will bring an amazing, community-based dance program to East Palo Alto youth and any child that wants to learn about dance. We currently have approximately 60 students enrolled in our program and believe this grant will allow us to recruit even more children from the community. Step It Up Dance instructors engage with students by bringing their expertise in a high-energy, structured format. We also encourage parent and community involvement, such as sewing costumes, helping backstage during performances, and catering from local businesses for our showcase. Children and family have so much fun while they are learning, growing and dancing. We will be committed to actively promoting the program to residents from East Palo Alto and other nearby communities. We will solicit participant feedback following the program as we always strive for continuous improvement.

Marketing Plan

Our multi-pronged marketing strategy will consist of mass email marketing, social media campaigns (Facebook and Instagram), posting flyers at local schools and community centers, student referrals, pop-up events/ meet-and-greets, enrollment night, mini-showcases, and word-of-mouth.

Recreation Program Design

Step It Up Dance will provide three hour long dance classes to students ages 3-21yo over the summer. Children will learn many skills, including but not limited to: the history of dance, theater, confidence, coordination, strength, fitness, courage, assurance, flexibility, self-esteem, staging, costume-designing, and collaboration. The classes will be provided as follows, subject to scheduling changes:

TUESDAYS IN PERSON AT EPA ARTS CENTER		**PROJECTED PARTICIPANTS**
Little Jammer's:	4:00-5:00 PM	35 KIDS
Hop It Up:	5:15-6:30 PM	26 KIDS
SIUD Company:	6:15-7:30 PM	25 YOUNG ADULTS

PROJECTING TO REACHING OVER 85 FAMILIES!

Step It Up Dance *1950 Bay Rd, East Palo Alto, CA, 94303,*

Proposed Program Details

LITTLE JAMMERS	Ages 3 to 9 years	Little Jammers class is for our cutest little ones introducing them to all styles of dance from Hip-Hop to West African Tap to Jazz and, yes, even Modern and Contemporary. Dancers will be able to count music and create art with their beautiful bodies while having fun. We are a family in each class. Vocal and basic note holds and counts. Creating costumes for their dances, building props and stage sets that will be used for showcase.
HOP IT UP	Ages 10 to 14 years	This is a Hip Hop and Step class. Dancers will learn how to dance Hip-Hop and learn where it originates from...West African dance. Stepping is creating rhythms and tones with our hands and feet. Children will boost their confidence in this class learning the latest moves that they can add to their TikToks with so much swag you will be amazed. It's fun, they'll meet new friends all while being themselves. We are a family in each class. Vocal and basic note holds and counts. Creating costumes for their dances, building props and stage sets that will be used for showcase.
COMPANY	Ages 15 to 21 years	In this class we work on technique, strengthening, toning, and cardio. A professional dancer is a strong dancer. The genres that are taught in this class are Ballet, Jazz, Modern, Contemporary, Hip-Hop, Step, West African, Afro-Haitian and Tap. Dancers will learn how to create their own choreography, design costumes and learn theater work. Vocal and basic note holds and counts. Creating costumes for their dances, building props and stage sets that will be used for showcase.

Contingency Plan

Step It Up Dance is committed to providing a safe program. We strictly adhere to extensive cleaning and safety protocols. Step It Up Dance is prepared and equipped to switch our programming to virtual classes should local or state health guidelines require it. We have experience dealing with emergency situations like the COVID-19 pandemic, Shelter in Place and Social Distancing protocols. We can provide Personal Protective Equipment (PPE) to our staff and students and will adjust to outdoor / open-air or virtual classes as needed.

Our protocol includes:

- Mask mandate for all adults and children ages 2+
- Temperature checks and Covid symptom questionnaire upon arrival, including:
    - Runny nose or cough?
    - Any signs of Covid (including cough, fever, shortness of breath, etc.)?
    - Any travels within the last 2 weeks?
    - Any exposure to someone with Covid in the past 2 weeks?

  If a parent/child answers YES to any of the above questions their family cannot participate.
- Social distancing of 6+ feet
    - Markers will be placed on the ground to show each child's designated space.
    - All zones will be spaced so that children/parents are 6 feet apart from each other and the instructor.
- Hand washing or hand sanitizer before/after every class
- We will provide water bottles upon request. (Children will be encouraged to bring their own water bottle.)

CALL FOR SHELTER IN PLACE

- If needed (e.g., in the case of a stay-at-home order), we are equipped to provide virtual classes exclusively. Our virtual classes allow children to engage from the comfort of their own home, all they will need is their bodies. A zoom link will be provided with an application for remote access users.

Meet Our Team

Juakila “Kiki” McConnell
Owner and Artistic Director



Juakila “Ms. Kiki” McConnell has been dancing since the age of three. Ms. Kiki is trained in West African dance, Afro-Haitian, Ballet, Hip-Hop, Jazz, Lyrical, Contemporary, Ballet, Modern, Tap and Praise Dance. Ms. Kiki also has a gymnastics background. Dance and teaching are her life’s passion. “To teach a child, you must remain in the spirit of the child.” She has been teaching dance and volunteering since the age of 13 throughout her community, at her church and all over \the Bay Area. “To teach dance you must have an abundance of energy, patience, and love.” She believes that dance should be available to all youth in the world no matter what the situation is. “Taking a stand, growing, changing and shining encompasses the world of dance.” Juakila "Ms. Kiki" McConnell earned her Bachelor of Arts from San Jose State University.

Lena Chew
Dance Instructor /Assistant



Lena Chew is an East Palo Alto resident and has been dancing with Ms. Kiki since 2007. She has now transitioned to instructing, choreographing, administrative tasks, and assisting with setting up, cleaning, show and tell, and helping the students succeed in dance class.

Sandra Rodriguez
Dance Teacher



Sandra Rodriguez is from Redwood City and has strong connection to the East Palo Alto community. She has been dancing since the age of 8 and has classical training in ballet, tap, and jazz. She also has expertise in hip-hop and Afro-Latin dance. Throughout high school Sandra was on the dance team alongside Ms. Kiki, where they choreographed together and participated in yearly performances. After college, Sandra took a hiatus from formal dancing to focus on career and family, but her passion for dance never left. She is always dancing at home with her children and hosting fun dance lessons in her kids’ classrooms. She is excited to reconnect with Ms. Kiki and join the Step It Up family.

Step It Up Dance Budget

GRANT NAME: Summer Park Activation **DATE SUBMITTED:November 22**

ADDRESS OF SENDER: **SUBMITTED BY:Juakila McConn**

	Park Activation EPA	2024	2025	2026	TOTAL	%	STATUS
Year	Insurance	$ 2,518	$ 2,518	$ -	$ 5,036	14%	
Summer 3months	Payroll	$ 6,300	$ 6,300	$ -	$ 12,600	35%	
50-70 Dancers	Costuming	$ 2,700	$ 2,700	$ -	$ 5,400	15%	
Staff Travel	Travel	$ 600	$ 600	$ -	$ 1,200	3%	
City Epa	Licensing	$ 59	$ 59	$ -	$ 118	0%	
Facebook Ads/ Flyer	Marketing	$ 500	$ 500	$ -	$ 1,000	3%	
Rental and Deposit	Theater,light,sound	$ 2,500	$ 2,500		$ 5,000	14%	
Food/Party	End of Summer Kick off	$ 1,500	$ 1,500		$ 3,000	8%	
Reward	Trophys	$ 750	$ 750		$ 1,500	4%	
Stage Props	Props	$ 500	$ 500		$ 1,000	3%	
					$ -	0%	
					$ -	0%	
	EXPENSE TOTALS	**$ 17,927**	**$ 17,927**	**$ -**	**$ 35,854**	100%	

__New Student __Returning Student



STUDENT INFORMATION

Student's Name: _____ Birth Date: _____ Age:_____
School: _____ Grade:_____
Home Address: _____ City: _____
Zip Code: _____ Home Phone Number: _____

PARENT/GUARDIAN RESIDING WITH CHILD

1. Name: _____

2. Relationship to Child: _____

3. Cell Phone: _____

4. E-mail Address: _____

CLASS PARTICIPATION

1. Little Jammers 4-9yrs / Tuesdays 4:00-5:00 pm _____

2. Hop It Up (H.I.U.) 10yrs-14yrs / Tuesdays 5:00-6:30pm_____

3. Step It Up: Company Class 15yo-21yo /Tuesdays 6:00-7:35 pm

How did you hear about our DANCE COMPANY? _____

Previous Dance Training _____

FREE FOR SUMMER

Release Of Liability

I understand that it is my responsibility to supervise my child(ren) during participation in My Gym Palo Alto classes and video content. In addition, when my child(ren) participates in My Gym activities, in case of an emergency when I cannot be reached, I authorize the staff of SIUD to obtain whatever medical treatment deemed necessary for the welfare of my child(ren).

I realize that personal contact with others, including but not limited to My Gym Palo Alto employees and participants, involves a certain degree of risk of exposure to disease-causing organisms such as COVID-19. I acknowledge that Step It Up Dance cannot screen and/or monitor all such individuals. I also recognize that all adults entering the facility, including myself, have agreed to the My Gym Children Fitness Center, Illness Policy and have self-screened themselves and their children for COVID-19 at home.

I further understand and agree that I will be financially responsible for all costs incurred to treat any injuries that may occur during these activities, regardless of whether my medical insurance would cover such charges and fees. I hereby give my consent to my child(ren)'s participation in My Gym Activities and hold My Gym harmless from any and all liability for any injuries or damages that my child(ren) or I may suffer in connection with My Gym Activities.

Release Of Media Liability Taking Photos or Videos: I agree that I will video and/or photograph only my own child/ren atStep It Up Dance. I agree that I will make every effort not to photograph other patrons or their children.

Promotional, Website, and Social Media Notice: I hereby give My Gym permission for the copyright and use of photos or videos they may capture of my child or me for use in various areas, including but not limited to the training materials, promotional materials, marketing materials, and online. I hereby give MY GYM, and MY GYM ENTERPRISES, further permission for the copyright and use of these photos or videos on Step It Up Dance social media websites.

SIGNATURE OF PARENT/GUARDIAN:_____ DATE: _____

REQUEST FOR

PROPOSALS (RFP)

November 18, 2024

Summer Programming

Senior Citizens of East Palo Alto

Offered by

Silverscape Ventures formally

Sign Gypsies/Fun Gypsies-

going through a name change

June 2025 – August 2025

Contact: Information

Paris Sims – Hill,

Owner/Silverscapevntures

(Fun Gypsies)

211 Daphne Way, East Palo Alto

650-933-3388 cell

silverscapeventures@ email address

parishill40@gmail.com

Introduction and Project Summary

Silverscape Ventures (SCV) is a woman owned minority business from East Palo Alto. Founded by Paris Hill (Owner) during COVID-19 May 2020. The Mission and goal of SCV is to generate love and joy through, fun activities and field trips for our Senior citizen community. We engage using physical and sensory activities, along with ensuring they stay active engaged and mentally healthy , this ensures health and wellness of our aging adults.

Scope of Work

The scope of work involves partnering with community organizations, such as Senior Center Inc., to support seniors by offering field trips, experiences, and activities outside the local community. The goal is to ensure seniors feel safe, supported, and engaged. We will provide bi-weekly outings for the senior community from June 2025 through August 2025Activities included follows:

- Onsite field trips
- Engaging Cultural Activities

Cover Letter

Silverscape Ventures *formally Sign Gypsies Peninsula* is a woman-owned partnership organization proudly serving the East Palo Alto community for over 50 years. Our motto, *"Ready, Set, Celebrate,"* reflects our commitment to bringing joy and engagement to seniors and aging individuals in our community.

We stand out by creating meaningful opportunities for seniors through innovative and heartfelt initiatives. These include check-ins, dinner drop-offs, celebratory gifts, encouraging messages, and field trips to cultural activities. Our goal is to spark laughter, smiles, and positivity, especially for those who may be isolated. We have continuously built our participation from the first year from approximately 12 Seniors and has grown to over 40 – 50 participants per event and recently 170 community Seniors for the Senior Sneaker Ball in which my organization orchestrated and planned . We are proud to engage multicultural and multilingual participants which connect all cultures that represent our community .

Recognizing the critical importance of mental and social health for seniors, we actively support their well-being. In partnership with the **Center for Age-Friendly Excellence (CAFÉ)**, we participate in a task force to enhance our programs and expand our impact. Together, we aim to make aging a vibrant, socially enriched experience for our cherished elders.

Paris Sims- Hill (Own

Approach and Understanding

The East Palo Alto Senior community is a unique community that consist of multi-cultural and generational families. I understand the uniqueness of the Senior citizens of our aging population as they are the vulnerable population and need additional, love, care and patience.

We plan on using the following approaches and techniques to reach as many of our Seniors as possible:

Programming Approach:

- Training of all staff on protocols and oversight while programming is in place
- Team meeting to discuss the following weeks programs and assess need and obtain feedback
- Program manager always available onsite
- Check ins during and after each event
    - = Location / Remote
    - East Palo Alto Senior Center
    - Various Churches
    - Partnering with other local organizations

Notify Recipient of Class Sessions	Registration	Participation in Program
• **EPA Seniors will be notified 30 days prior to event**	• **Registration will begin 30 days prior to programming**	• **Tracking participation** • **Survey Feedback**

Community Engagement:

- Facebook Social Media presence on East Palo Alto neighbors
- Social Media presence on the East Palo Alto City website
- East Palo Alto Calendar
- YCS Volunteer opportunity calendar
- Flyer Distribution via the Senior Center and Churches
- Flyer Distribution via the East Palo Alto Senior Food Banks

City of East Palo Alto Grantee Communication:

- Always available via email or cellular
- Attend Senior Advisory committee meeting
- Partner with other organizations within the community to ensure messaging
- Surveys Post Programming

Location / Remote

- East Palo Alto Senior Center
- Various Churches
- Partnering with other local organizations

COVID -19 Protocol:

- Temperature checks will be provided for all in person sessions
- 6 ft social distancing
- Mask wearing for general activities,
- Activities that are provided onsite hand sanitizer will be provided
- No sharing of items, all items provided will be given to individuals

Event	Location	Tentative Date	Transportation Needed	Capacity	Est Budget
Senior Appreciation Picnic	Tate Street or Bell Street	June 2025	NO	200	Entertainment $2200 Food , Prizes $2500 Admin Cost $1500 Total :$8200
Casino Trip locations (TBD)	TBD	June 2025	YES	60	Transportation $2000 Food, Snacks$1000 Admin Cost $1500 Total:$4500
Wealth Walk for health	TATE Street	June – August Twice a week	NO	75	Canopies $1000 Fitness $600 Food $750 Admin Cost:$800 Total $4050
California Academy of Sciences	San Francisco	July 2025	YES	50	Admission $750
De Young Museum	San Francisco	July 2025	YES	50	Admission $875
Evening of Karaoke	University Circle	August 2025	NO	75	Entertainment, $1700

Policy/Holder	Policy #	Expires
Certificate Commercial Liability\ Declaration page and endorsement  GL_YOURINSURANCEDOCUMENTS_- decl	P.101.372.420.2	Effective 06/02/2024 – 06/02/2025
State Farm Automobile  State farm auto insurance - paris hill (	512 0009-A13-05	Current
Professional Molestation / Endorsement  GL_ACORD_06_02_2024_P101372420-18  PL_YOURINSURANCEDOCUMENTS_06_02	P101.372.420.2	Effective 06/02/2024 – 06/02/2025
City of East Palo Alto Business License  PS_License_Palo_Alto_124.pdf		

 add.ins.primary.noncontributory SG.pdf		
Hired Auto  06_02_2024_P10137 2420-HIRED AUTO.PD		

HISCOX

Hiscox Insurance Company Inc.

Policy Number: P101.372.420.3
Named Insured: Sign Gypsies Fun Gypsies
Endorsement Number: 32
Endorsement Effective: 06/02/2024

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HIRED AUTO AND NON-OWNED AUTO LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE	
Coverage	**Limit of Insurance**
Hired/Non-owned auto liability	$ 1,000,000 each occurrence
The Limit of Insurance shown above will be subject to, and will not increase, the General Aggregate Limit applicable to the Commercial General Liability Coverage Part.	
If no information is stated above, the relevant information to complete the Schedule will be shown in the Declarations.	

A. The coverage provided by this endorsement will apply only up to the Limit of Insurance specified above or in the Declarations, if no information is shown in the Schedule.

1. Hired Auto Liability

The coverage provided under **Coverage A – Bodily Injury and Property Damage Liability** in **Section I – Coverages** applies to "bodily injury" or "property damage" arising out of the maintenance or use of a "hired auto" by you or your "employees" in the course of your business.

2. Non-owned Auto Liability

The coverage provided under **Coverage A – Bodily Injury and Property Damage Liability** in **Section I – Coverages** applies to "bodily injury" or "property damage" arising out of the maintenance or use of any "non-owned auto" in your business by any person.

B. With respect to the coverage provided by this endorsement only, the following apply:

1. The exclusions under Paragraph **2. Exclusions** in **Coverage A – Bodily Injury and Property Damage Liability** in **Section I – Coverages,** other than Exclusions **a., b., d., f.,** and **i.** are deleted in their entirety, and exclusions **e.** and **j.** are replaced by the following:

hn-e. Employer's Liability

"Bodily injury" to:

(1) An "employee" of the insured arising out of and in the course of:

(a) Employment by the insured; or

(b) Performing duties related to the conduct of the insured's business; or

(2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph **(1)** above.

This exclusion applies:

(1) Whether the insured may be liable as an employer or in any other capacity; and

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(2) To any obligation to share damages with or repay someone else who must pay damages because of injury.

This exclusion does not apply to:

(i) Liability assumed by the insured under an "insured contract"; or

(ii)"Bodily injury" arising out of and in the course of domestic employment by the insured unless benefits for such injury are in whole or in part either payable or required to be provided under any workers' compensation law.

hn-j. Damage to Property

"Property damage" to:

(1) Property owned or being transported by, or rented or loaned to the insured; or

(2) Property in the care, custody, or control of the insured.

2. **Section II** - **Who Is An Insured** is deleted in its entirety and replaced by the following:

Each of the following is an insured under this endorsement to the extent set forth below:

a. You;

b. Any other person using a "hired auto" with your permission;

c. Solely for a "non-owned auto":

(1) Any partner or "executive officer" of yours; or

(2) Any "employee" of yours; but only while such "non-owned auto" is being used in your business; and

d. Any other person or organization, but only for their liability because of acts or omissions of an insured under **a., b.** or **c.** above.

None of the following will be considered an insured under this endorsement:

(1) Any person engaged in the business of their employer for "bodily injury" to any co-"employee" of such person injured in the course of employment, or to the spouse, child, parent, brother, or sister of that co-"employee" as a consequence of such "bodily injury", or for any obligation to share damages with or repay someone else who must pay damages because of the injury;

(2) Any partner or "executive officer" for any "auto" owned by such partner or officer or a member of his or her household;

(3) Any person while employed in or otherwise engaged in duties in connection with an "auto business", other than an "auto business" you operate;

(4) The owner or lessee (of whom you are a sublessee) of a "hired auto" or the owner of a "non-owned auto" or any agent or "employee" of any such owner or lessee; or

(5) Any person or organization for the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.

C. For purposes of this endorsement only, **Section III – Limits of Insurance** is amended to the extent necessary to provide the following:

Regardless of the number of “hired autos”, “non-owned autos”, or vehicles involved, or the number of claims made or “suits” brought, the most we will pay for all damages resulting from any one “occurrence” covered under this endorsement will be the Limit of Insurance stated in the Schedule above.

All payments we make for damages covered by this endorsement will be a part of, and not in addition to, the General Aggregate Limit stated in the Declarations.

D. For the purposes of this endorsement only, **4. Other Insurance** in **Section IV – Commercial General Liability Conditions** is deleted in its entirety and replaced by the following:

This insurance is specifically excess over any primary insurance covering the "hired auto" or "non-owned auto".

D. With respect to the coverage provided by this endorsement, the following additional definitions are added to **Section V- Definitions**:

1. "Auto business" means the business or occupation of selling, repairing, servicing, storing, or parking "autos".

2. "Hired auto" means any "auto" you lease, hire, rent, or borrow. “Hired auto” does not include any "auto" you lease, hire, rent, or borrow from any of your "employees", your partners, or your "executive officers", or members of their households.

3. "Non-owned auto" means any "auto" you do not own, lease, hire, rent, or borrow which is used in connection with your business. This includes "autos" owned by your "employees", your partners, or your "executive officers", or members of their households, but only while used in your business or your personal affairs.

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My Gym Palo Alto
2655 Middlefield Road
Palo Alto, CA 94306
650-330-1760
paloalto@mygym.com

Community Service & Recreation Division
City of East Palo Alto- City Hall
2415 University Avenue, East Palo Alto, Ca 94303

November 22, 2024

Subject: Community Services Division

To whom it may concern,

Hello my name is Eboni Cobby, I was born and raised in East Palo Alto. I am the director of My Gym Children's Fitness Center in Palo Alto. Under the leadership of Juakila 'Kiki McConnell, where we offer a unique early physical education ages 2.5-10yo. I am writing this letter with great enthusiasm to be in partnership with East Palo Alto's Summer Park Activation. Our program would be a great fit for your Summer Park Activation program for children and families in East Palo Alto

My Gym has created an extraordinary fitness program devised to help children develop physically, cognitively and emotionally. Every day, in more than 600 locations worldwide, imaginations soar and children triumph in My Gym classes. Our highly trained teachers and award-winning class programs have earned My Gym the reputation as the best physical early learning program of its kind. Just like in years prior, we have designed an exciting fitness program that we can bring to Joel M. Davis park this summer.

My Gym Palo Alto has a long-standing relationship with EPA and has for many years. We have been actively involved in giving back to my community by introducing children to fitness and a fun healthy lifestyle. We plan to launch this program the week of June 18th- August 5th. Families and especially children of our community have loved our program in the past. We, therefore, hope that we'll have the opportunity to continue our partnership with your city—and bring more My Gym fun to your community this coming summer!

Please don't hesitate to contact me at paloalto@mygym.com or 650-518-2244 if you have any questions or need further information.

Sincerely,

Eboni Cobby

Approach and Understanding

My Gym will bring energy and fun to the children and families of East Palo Alto by providing 30-minute parent participation and independent classes to children ages 2 years to 8 years. The classes will be offered from June 18, 2025 through August 15, 2025 at Joel Davis Park on Wednesday mornings 10:30-12:30 and Friday afternoons from 4:00pm-6:00pm (or as otherwise agreed upon with the City of East Palo Alto). We will offer classes including parent participation, Ninja Jr., Preschool Gymnastics, Ninja Training, and Cheerleading. All classes will promote and support a healthy and active lifestyle. Skills that children will learn in our classes include

- Confidence
- Coordination
- Strength
- Balance
- Agility
- Flexibility
- Self-esteem

As outlined in more detail below, we are prepared and equipped to switch our programming to virtual classes should local or state health guidelines require it.

Proposed Program Details

We will offer the following classes at the park (or virtually with some adjustments, if required):

- **Tiny Tykes & Waddlers** (ages 7 to 18 months) our youngest My Gymer's and their parents are led through a variety of gentle stretches, exercises, songs, dances, and more. This fun "parent and me" class also includes physical skills that help little ones develop strength, balance, and confidence. Moms and Children will discover their natural abilities and enhance their physical and cognitive development.
- **Gymsters & Terrific Tots** (ages 19 months to 3.25 years): A "Parent and me" class where children have fun with structured games, fascinating "adventures," and pre-gymnastics skills. Our Gymsters and Terrific Tots learn beginning sports skills, gain fine and gross motor proficiency, and strengthen manipulative skills. In this age group, teaching physical skills is a top priority. The development of social skills is also emphasized as the youngsters become good listeners, follow directions, cooperate in a group, and learn more about themselves. All safely distanced and with a mask, of course.
- **Ninja Jr. and Preschool Gymnastics** (ages 3.25 to 6 years): in this class the kids are lavished with positive reinforcement for self-reliance and following directions. Strength, flexibility, and agility are increased as our teachers introduce physical skills with language geared at building self-esteem and confidence. Balancing activities, basic gymnastics, and beginning sports skills further lead to increased strength, enhanced manipulative ability, and improved hand-eye coordination.

- **Ninja Training** (ages 5 to 10 years): My Gym Ninja Training classes are designed to be fun and challenging while remaining safe and noncompetitive. Classes will focus on developing strength, stamina, agility in relays, conditioning exercises, and games, team-building and, of course, obstacle courses that change every week. Kids will be

challenged mentally and physically while instilling a mindset of overcoming adversity both inside and outside of class!

- **Cheer/Tumbling (ages 5.5 to 10 years):** this fun and focused class is great for both beginner and experienced gymnasts and cheerleaders. Children begin to work on learning and perfecting skills in leveled groups on the beam and tumbling. Children will. The emphasis is on having fun and learning foundational gymnastics skills, strength, & flexibility—not competition. Classes are taught in the same positive, encouraging environment that children are accustomed to in every My Gym program.

Remote Programming Protocol

My Gym is committed to providing a safe environment. We always adhere to extensive cleaning and safety protocols—especially during the ongoing Covid-19 pandemic. Our protocol includes:

- Mask mandate for all adults and children ages 2+
- Covid symptom questionnaire upon arrival, including:
    - Runny nose or cough?
    - Any signs of Covid (including cough, fever, shortness of breath, etc.)?
    - Any exposure to someone with Covid in the past 10 days?
    - Positive test for Covid in the past 10 days?

  If a parent/child answers YES to any of the above questions their family cannot participate. (The above symptom questionnaire will be adjusted if guidance from the state or local county changes.)
- Social-distancing of 6+ feet
- Hand-washing or hand sanitizer before/after every class
- Extensive cleaning of all equipment before/after each class
    - Any equipment used by more than one child will be sanitized between uses
    - There will be a 15 minute break between each class to allow for adequate cleaning
- Single-use items for activities (e.g. balls)
- Given that water fountains will be out of service, My Gym will provide water bottles upon request. (Parents will be encouraged to bring their own water bottle.)

Should local Covid-related health department restrictions not allow us to conduct our classes in-person at Joel Davis Park, then we will switch to virtual classes. Classes will be offered at the same days and times as stated above. Throughout 2020 and 2021 our business delivered virtual classes with great success. Our virtual classes allow children to engage from the comfort of their own home, while only needing minimal supplies (all of which can generally be found in the home). If needed, we will share virtual class login information with families and the City of East Palo Alto in a timely manner.

Community Outreach and Feedback

My Gym is committed to actively promoting the program to residents from East Palo Alto and other nearby communities using the following channels:

- Email marketing to thousands of families in East Palo Alto and nearby communities
- Social media posts on Facebook and Instagram
- Flyers
- Small outdoor “check us outs”

Work Plan and Schedule

My Gym will bring energy and fun to the children and families of East Palo Alto by providing 30-minute parent participation and independent classes to children ages 2 years to 8 years.

The classes will be offered from June 18, 2025 through August 15, 2025 at Joel Davis Park on Wednesday mornings 10:30-12:30 and Friday afternoons from 4:00pm-6:00pm (or as otherwise agreed upon with the City of East Palo Alto).

We will offer classes including parent participation, Ninja Jr. / Preschool Gymnastics, Ninja Training, and Cheerleading. All classes will promote and support a healthy and active lifestyle. We will offer the following classes at the park (or virtually with some adjustments, if required):

Wednesday

- 11:00am-11:30am **Tyke/Waddlers** (ages 13 to 18 months)
    - Our youngest My Gymer’s and their parents are led through a variety of gentle stretches, exercises, songs, dances, and more..
- 12:00pm-12:30 **Gymsters** (ages 19 months to 2.5 years old)
    - A “Parent and me” class where children have fun with structured games, fascinating "adventures," and pre-gymnastics skills.
- 1:00pm-1:30pm **Terrific Tots** (ages 2.5- 3.5 years old)
    - In this age group, teaching physical skills is a top priority. The development of social skills is also emphasized as the youngsters become good listeners, follow directions, cooperate in a group, and learn more about themselves.

Fridays

- 4:00pm -4:30pm **Ninja Jr. and Preschool Gymnastics** (ages 3.25 to 5 years)
    - In this class the kids are lavished with positive reinforcement for self-reliance and following directions. Balancing activities, basic gymnastics, and beginning sports skills further lead to increased strength, enhanced manipulative ability, and improved hand-eye coordination.
- 4:45pm- 5:15pm **Ninja Training** (ages 6 to 10 years)
    - My Gym Ninja Training classes are designed to be fun and challenging while remaining safe and noncompetitive. Classes will focus on developing strength, stamina, agility in relays, conditioning exercises, games, team-building and, of course, obstacle courses that change every week. Kids will be challenged mentally and physically while instilling a mindset of overcoming adversity both inside and outside of class!

5:30pm-6:00pm **Cheer/Tumbling** (ages 5.5 to 10 years)

- This fun and focused class is great for both beginner and experienced gymnasts and cheerleaders. The emphasis is on having fun and learning foundational gymnastics skills, strength, & flexibility—not competition.

Just as we did in the last 5 years, we aim to have at least 10 children in each class, will require sign-ins for every class, and will solicit participant feedback following the program. We are projected to have at least 70 participants and 36-40 hours of programming in total

Team

My Gym team diagram and leadership structure: Our highly experienced team will contribute the following to the program:

- Juakila “Kiki” McConnell, Owner and Director — Kiki has been with the business for 14+ years and has extensive experience teaching My Gym classes outdoors and virtually. Her energy and dedication for children and the East Palo Alto community is unmatched. Kiki will be overseeing the day-to-day management of the classes at Joel Davis Park.
- Eboni Cobby, Director — Eboni is an East Palo Alto resident and has been with My Gym for 6 years. Her energetic and caring personality makes classes fun for everyone. Eboni has extensive experience leading classes and birthday parties at the gym as well as leading classes at your summer in the Park program in prior years. Eboni will support My Gym in delivering the classes, under Kiki’s leadership.
- Jodi Wong, Teacher — Jodi joined My Gym in 2024’ .Her bubbly personality and connection with the student’s means that classes with her are always fun. For the past year Jodi has been leading our new teachers, taking them under her wing and leading them to greatness. Jodi will support My Gym in delivering the classes, under Kiki’s leadership.
- Evelyn “Muffin” Strauter --- Muffin started My Gym a couple of months ago. With her direct approach to coaching and upbeat and fun personality, she makes classes fun and challenging the kids to use their bodies in different ways. Muffin will support My Gym in delivering the classes, under Kiki’s leadership.

Insurance

An insurance certificate will be provided in proposal.

Points of Contact

If you have any questions please contact Kiki at 650-630-0405 or juakila22@gmail.com.

My Gym Palo Alto Expense Report

GRANT NAME: Summer Park Activation **DATE SUBMITTED:November 22**

ADDRESS OF SENDER: **SUBMITTED BY:Juakila McConn**

	Park Activation EPA	2024	2025	2026	TOTAL	%	STATUS
Year	Insurance	$ 10,000	$ 11,000	$ -	$ 21,000	59%	
Summer 3months	Payroll	$ 5,200	$ 5,200	$ -	$ 10,400	29%	
Mats,trampoline,air matts, bars	Equipment	$ 2,000	$ 200	$ -	$ 2,200	6%	
Staff Travel	Travel	$ 150	$ 150	$ -	$ 300	1%	
City Epa	Licensing	$ 139	$ 139	$ -	$ 278	1%	
Facebook Ads/ Flyer	Marketing	$ 800	$ 800	$ -	$ 1,600	4%	
					$ -	0%	
					$ -	0%	
					$ -	0%	
					$ -	0%	
					$ -	0%	
					$ -	0%	
	EXPENSE TOTALS	**$ 18,289**	**$ 17,489**	**$ -**	**$ 35,778**	100%	

TOGETHER WE CAN

November 20, 2024

Lewis & Joan Platt East Palo Alto Family YMCA
550 Bell Street
East Palo Alto, CA 94303

To: City of East Palo Alto

We are requesting $17,735 for the 2025 Summer Park Activation Series to provide aquatics, health & wellness, summer day camp, and East Palo Alto Family Day programming. Activities would take place within the parks, primarily Bell Street Park, and at the adjacent YMCA property (including the swimming pool). We believe this request fits within the goal to provide free fun activities that promote wellness and healthy living for East Palo Alto residents.

Our mission is to strengthen our community by improving the quality of life and inspiring individuals and families to develop their fullest potential in spirit, mind and body. The YMCA does this by focusing on youth development, healthy living, and social responsibility.

Lasting personal and social growth comes when we all work together. That's why strengthening community is our cause and why the Y would be delighted to work in partnership with the City of East Palo Alto on this summer programming that aligns with our effort to make sure that everyone, regardless of age, income or background has the opportunity to learn, grow and thrive.

With this grant, the YMCA will offer the following summer programs:

- Safety Around Water, a weeklong course for students in which they learn fundamental water safety skills to prevent drowning
- Health and Wellness Group Exercise classes outdoors at Bell Street Park
- Scholarships for a Week of Summer Day Camp
- Family Days: Participation that includes recreational/sports opportunities at all three events and leadership in East Palo Alto's Bell Street Park Family Day

Thank you for considering our YMCA proposal to support a vibrant and heathy summer for all in our city parks.

Sincerely,

Rebecca Duran 11/20/24

Rebecca Duran
Executive Director
Lewis & Joan Platt East Palo Alto Family YMCA

11/20/24

Mary Hoshiko Haughey
Chief Operating Officer
YMCA of Silicon Valley

Approach and Understanding

For three decades the YMCA has provided programming in East Palo Alto, and since 2007 it has operated the Lewis & Joan Platt East Palo Alto Family YMCA to serve local youth, families, adults, and seniors. The YMCA serves as a "hub," where people come to find their "place," build relationships, and where everyone is welcomed, all ethnicities, backgrounds, faiths, genders, gender identities, and socioeconomic statuses. The Y offers financial assistance to community members to ensure access to membership and programs that empower and lift.

Grounded in our core focus areas of youth development, healthy living, and social responsibility, our programs are designed with the local community at the center, addressing the unique needs of those who live and work here. With a current median income of $125,900 and high cost-of-living, low-income residents face an economic gap that is hard to close without targeted support from organizations like the Y. We are uniquely positioned to address this by leveraging strong community partnerships; thoughtful, meaningful programming; and a track record of impact.

The Y in East Palo Alto supports more than 4,000 members of our community annually with programs that improve health and well-being. YMCA youth programs strive to close the achievement/opportunity gap for low-income students, and we target Title I schools to deliver afterschool and summer learning programs. Partner schools refer at-risk youth to our Summer Learning Program, an evidence-based program yielding strong results in averting "summer slide." We ensure students advance academically to mitigate the achievement gap. Our Youth & Government program provides an empowering hands-on learning experience for teens. They use their lived experiences to shape their community through civic engagement. This is particularly impactful as 100% of teen Y &G participants through the Y in EPA are low-income and BIPOC. Leveraging strong civic connections, the Y is led by our volunteer-based Board of Managers.

Residents of East Palo Alto need opportunities for fitness, wellness, and socialization that are accessible both financially and geographically. This is especially true for youth, who need safe spaces for recreation and development.

In addition, teaching children how to be safe around water is one of the most important life skills our community can help children learn. It not only saves lives; it builds confidence, creates social capital, and introduces youth to life-long fitness opportunities. Drowning poses a threat to the health and well-being of people nationwide, particularly among children from Latinx and African American populations and those from low-income families. The Y in EPA, one of 10 branches of the YMCA of Silicon Valley, is uniquely positioned to meet these needs. Two of the four proposed Summer Park Activation Programs would allow the Y in EPA to maximize the use of its pool—the only pool in the city east of the 101 freeway.

Without wellness programs, children, youth, families, and seniors are further at risk for negative physical and mental health issues. The programs offered by the YMCA provide a community-driven solution that provides support in the following four program areas: Aquatics, Group Exercise, Summer Camp, and Family Days. Collectively, these proposed programs will reach up to 1,340 EPA

residents, with two of the programs providing five concurrent days of deep-impact programming per participant.

Recreation Program Design

1) **Aquatics: Safety Around Water Program**

Description: Safety Around Water is a week-long intensive program for youth ages 5-12. The cohort would include 20 students who learn fundamental water safety skills to prevent drowning.

Safety Around Water consists of eight lessons designed to teach kids water safety skills that help reduce the risk of drowning and build their skills and confidence in and around water. A typical session includes:

- Exercises to help kids adjust to being in the water
- Instruction in two skill sets kids can use if they find themselves in the water unexpectedly: *Jump, Push, Turn, Grab* and *Swim, Float Swim.*
- Safety topics, like what to do if you see someone in the water who needs help
- Fun activities that reinforce skills

Why is this important? Among children ages 1-14, drowning is the second-leading cause of unintentional injury death (after motor vehicle crashes). According to a national research study conducted by the USA Swimming Foundation and the University of Memphis, 64% of African American and 45% of Latinx children cannot swim, compared to 40% of their White counterparts. In addition, 79% of low-income youth surveyed have little or no swim ability.

The budgeted program materials ($1,550) include parent engagement water safety resources, swim goggles x 20, gear bags x 20, and life jackets. If needed, swimsuits are also provided.

Location: East Palo Alto YMCA pool (adjacent to Bell Street Park)

Projected Program Hours: The program runs 20 hours over 5 days, mostly typically delivered on weekday afternoons. Tentative dates are July 25 to 29 from 12:30 to 4:30 pm daily.

Participants: Cohort of 20 students

Staff Plan: Staff involved in coordinating and delivering the program include Aquatics Director (@4% of time), multiple lifeguards (@$20 per hour) and swim instructors (@$23 per hour). Staffing budget: $6,240. Executive Director will also provide support.

Cost: There are no fees for youth to participate in Safety Around Water.

Deliverables:

• Recruit 20 youth participants
• Plan program & prepare materials
• Schedule certified lifeguards and certified swim instructors
• Host week-long program for 20 youth at East Palo Alto YMCA pool, adjacent to Bell Street Park

2) **Outdoor Group Exercise Classes**

Description: Group Exercise Classes provide a myriad of benefits, including supporting cardiovascular health, boosting strength and flexibility, enhancing coordination, promoting weight loss, reducing stress, and elevating mood and well-being. Certified YMCA instructors provide motivation, accountability, inclusive/adaptable exercises, and professional guidance, all while maintaining a safe and welcoming social environment.

While the content of these particular classes are not yet finalized, (we'd want to ensure there isn't overlap with any other grantees), the likely courses the YMCA in EPA would provide would be Tai Chi and Full Body Fitness. These are classes that lend themselves well to outdoor park conditions and have limited equipment. Other options include aerobics or calisthenics.

Outdoor Group Exercise Classes would take place at Bell Street Park twice a week for 10 weeks as part of the Summer Park Activation Series. The program would be open to all ages, with modifications available for youth or seniors, as well as anyone with limited range of motion.

Location: Bell Street Park

Projected Program Hours: Classes are typically one hour in duration, and scheduling is flexible, but here is how it might look for the 10-week program/20 classes that would operate June 9 to August 15:

- Tuesdays at 5:30 to 6:30 pm for Full Body Fitness
- Saturdays at 9 am to 10 am for Tai Chi

Participants: Classes can easily accommodate varying size groups. The goal would be to have 10-20 participants per class, serving up to 400 East Palo Alto residents. Classes are structured so that participants can attend when they are available (whether that is one class, a few classes, or all).

Staff Plan: Staff involved in coordinating and delivering the program include the and Healthy Living Director, along with 2 certified group fitness instructors. Budget: $50/per hour x 20 classes = $1,000. Executive Director will also provide support.

Cost: There is no fee for participants to join these classes.

Deliverables:

• Plan class programming
• General marketing & class promotion
• Schedule certified fitness instructors
• Host 20 classes (2 per week) at Bell Street Park

3) **Summer Day Camp**

Description: YMCA Summer Day Camp offers a safe and nurturing environment for children. Funding would support programming for 20 additional students from East Palo Alto. The staff at YMCA Summer Day Camps are trained professionals who are dedicated to providing a safe and

supportive environment for children. The Y prioritizes the social and emotional well-being of children. Our programs support the whole child, by creating both a physically and mentally safe space for them. We focus on promoting positive social interactions, building self-awareness and self-management skills, and cultivating a sense of empathy and respect for others.

The activities offered at YMCA Summer Day Camps are designed to be both fun and educational, so children can learn while they play. From arts and crafts to outdoor activities—at Bell Street Park—there are plenty of activities to keep children entertained and engaged.

On average in the camp marketplace, the cost of a week of full-day summer camp typically ranges from $500 to $800+. YMCA camps are offered at only $375 and nearly all participants at the Y in EPA qualify for an additional 70% of program financial assistance, bringing the cost to about $110 per week for full-time (40+ hours) summer camp programming. This means that parents can feel good about providing their children with a fun and engaging summer experience without breaking the bank. Many youth return year after year to YMCA summer day camp, and this affordable option is critical to EPA families seeking safe options for summer child care and enrichment. This funding would support 70% scholarships for 20 youth, lowering the typical cost to $110 per youth.

The Y in East Palo Alto offers 3 levels of Summer Day Camp: Quest for ages 6-8, Adventure for ages 9-11, and Teens for ages 12-15.

Projected Program Hours: Summer Day Camp operating hours are 8 am to 5 pm daily, with families able to select any week starting June 16 to Aug. 4.

Location: East Palo Alto YMCA with outdoor activities at Bell Street Park

Participants: 20 additional camp participants

Staff Plan: Our Youth Development team deploys a series of staff from Site Director to Instructors. In addition, our Aquatics team is involved (Aquatics Director, lifeguards), as all Summer Day Camp participants have scheduled time for recreational swim during the week.

Cost: With grant support for scholarships, cost drops from approximately $375 to $110 for each participant. There is also the option, *if the City prefers*, to offer this camp with 100% sponsorship, though this would mean serving 14 youth instead of 20. We have proposed this 70/30 split because we've found with this type of all-day week-long program, attendance through the end of the week is typically stronger when a partial fee is included. (Budget: $262.50 x 20 = $5,250)

Deliverables:

- Register youth
- Plan summer programming, including activities held at Bell Street Park and at the pool
- Schedule Day Camp & Aquatics staff
- Welcome 20 additional youth participants to week-long summer day camp @ 70% scholarship rate

4) **East Palo Alto Family Days**

Description: In collaboration with the City of East Palo Alto, other grantees, and fellow nonprofits, the Y in EPA would be delighted to participate in all 3 Family Days. In addition, the Y would be available to take on a leadership role in the Bell Street event. The Y would set up a table filled with informational materials and giveaways and host a recreational or sports activity at each Family Day event. Activities would depend on location and scheduling, but options include a family volleyball game, frisbee activity, soccer clinic with coaches, or additional group exercise fitness classes.

Location: Bell Street Park and two additional East Palo Alto parks TBD

Program Hours: Programming to match Family Days general event hours, mostly likely 12 – 6 pm

Participants: Group activities are estimated to serve 300 people per event for a total of 900 EPA residents. Our goal is to engage all visitors at the event with a combination of giveaways and recreational activities. Several hundred expected to participate at each of the three events.

Staff Plan: Staff involved in coordinating and delivering the program include the Executive Director and Healthy Living Director. In addition, a sports coach or group exercise instructor may also be included. Budget: $2,310 staffing + $1,000 for supplies/materials for 900+ engagements = $3,695.

Cost: There is no fee to families to participate.

Deliverables:

- Coordinate with the City and other organizations on planning & scheduling
- Plan recreational/sports activities
- Order and prepare giveaway materials
- Deliver 3 Family Days of programming at three EPA parks
- Provide leadership in Bell Street Park Family Day organizing committee

Project Management: Communication, Kickoff Meeting, Registration Forms, Program Evaluation

The YMCA in EPA and the City of East Palo Alto have a long history of partnership. The Y leases the property from the City, and the Y hosts a City Community Room on the premises. We have received funding from the City for YMCA programs and have collaborated on multiple events, such as the Senior Expo, Family Days, etc. Also, the City has provided its Council Chambers for our Youth & Government students to conduct their Bill Hearing Nights. The YMCA provided our facility for drive-through COVID testing and vaccinations. The EPA Y is also currently a Vote Center.

The YMCA in EPA is prepared to prioritize communications and collaboration in order to be a productive partner in the Summer Park Activation Series. This includes communications by email, phone, Zoom and in-person meetings, attending City Council meetings, project kick-off meetings, etc. all in preparation for a successful summer of programming. The YMCA will also collect and submit registration forms and program evaluations to all participants, in keeping with the grant requirements.

Community Outreach & Engagement Plan

Getting the word out about proposed YMCA programming opportunities provided in partnership with the City of East Palo Alto will require a comprehensive strategy. For the Safety Around Water and Summer Day Camp programs, which are limited in capacity to 20 participants each (40 total), outreach is expected to include in-branch flyer distribution, social media posts, and direct outreach to local schools. For Outdoor Group Exercise Classes and Family Days, because these activities have capacity for hundreds of participants, a much broader reach of communications will be required. Additionally, flyers will need to be distributed community-wide, including at farmer's markets, local stores, and other high-traffic locations. Information will be posted on online Community Calendars and cross-shared with our community partners. We also expect to do door-to-door canvassing and flyer distribution in our neighborhood to make sure those within walking and biking distance know about these fully accessible opportunities. The YMCA intends to create buzz and excitement about these opportunities through signage, social media, and word-of-mouth.

Remote Programming Protocol

The YMCA in EPA is well-versed in operating programming during a pandemic. In recent years, closures, pivots to digital programming, and social distancing guidelines were all employed in order to meet requirements. Masking, intentional and additional hand-washing, and fist-bumps, are all still employed by many at the YMCA. If required, all programming would evolve to meet current conditions. Operations plan per program:

- ✓ Safety Around Water: This program is able to socially distance if needed (large outdoor pool deck) and space out in the water (large outdoor shallow water pool). This program is not considered effective if a shelter-in-place requirement were to require 100% remote operations, but what the YMCA can do is reschedule and still host the program when conditions permit.
- ✓ Health & Wellness Group Exercise classes outdoors at Bell Street Park: This program easily converts to social distancing. Operating classes outdoors with six feet of distance between participants is something the YMCA has extensive experience with. Online group exercise classes also surged in popularity during the pandemic and the YMCA is uniquely prepared based on recent experience to deliver all Group Exercise Classes virtually, if needed.
- ✓ Scholarships for a Week of Summer Day Camp: Social distancing at Summer Camp is something the YMCA has experience with. It may require us to reassess our capacity, but modified programming, with an emphasis on outdoor time, would continue. A Summer Day Camp experience does not translate well in virtual programming. At best, a short Zoom for socialization and fun packs to go can be arranged, in place of all-day programming, but these are not an equal substitute. A YMCA Summer Day Camp experience does not translate well virtually.
- ✓ Family Days: This is an outdoor event where social distancing protocols can be engaged, if large scale events are permitted. We'd be glad to work with fellow organizers to see what version of the events could be maintained or adjusted. If needed, we'd consider virtual options for gathering, but we'd need to gauge the community's interest in this option, and suspect this could present some major challenges. Similar to the Safety Around Water

program, we would also investigate the options for rescheduling, so as to preserve the maximum fun and community enjoyment, such as a series of Fall Family Days.

Work Plan and Schedule

Please find the work plan/schedule attached.

Insurance

Please find the insurance documentation attached.

Firm & Personnel Experience

The East Palo Alto YMCA has a long history serving the community of East Palo Alto. Starting in the late 1990s through the early 2000s, the Y provided youth programming (aquatics, basketball, in-school fitness) to the community through outreach sites. Realizing the community could benefit from a full facility YMCA, in collaboration with the City of East Palo Alto, a facility was built and opened in 2007. As an agency entering our third decade of service in the community, the Y continues to provide programs and services that meet the needs of East Palo Alto residents. The East Palo Alto Y serves more than 4,000 members and program participants annually, and the below staff manage the programming for membership, aquatics, youth sports, wellness, youth/teen & community programming, including partnerships and grant implementation.

Resumes

Please find attached resumes for the following committed individuals who will be assigned to the summer program:

- Jose Sanchez, *Director of Healthy Living*, oversees Youth Sports, Health & Wellness, Group Exercise, Kids' Club, and Family Programming
- Erik Dahl, *Aquatics Director*, oversees pool operations including swim lessons & water safety
- Rebecca Duran, *Executive Director,* oversees organizational leadership, community engagement, fund development, and strategic operations

Proposed Budget

Budget is composed of staff expenses and program supplies/materials, as described on pages 2-5.

Safety Around Water Program at EPA Y pool	$7,790
Group Exercise Class in Bell Street Park	$1,000
Summer Day Camp	$5,250
3 East Palo Alto Family Days	$3,695
Total	**$17,735**

YMCA 2025 Summer Park Activation Series

Youth Development → **Healthy Living** → **Social Responsibility** → Improving the quality of life and inspiring individuals and families to develop to their fullest potential in spirit, mind and body

Lewis & Joan Platt East Palo Alto Family YMCA — Building a Stronger Community

Tasks/Activities to be Accomplished with Projected Program Participants	Timeframe with Program Hours	Outputs: Activities & Deliverables	Outcomes: Environmental Improvements & Results
Safety Around Water Program Cohort of 20	Program to be hosted from July 25-29, with recruitment, planning, prep, and scheduling taking place in June and early July 2025. Hours are 12:30 to 4:30 pm daily for 5 days.	• Recruit youth participants • Plan program & prepare materials • Schedule certified life guards and certified swim instructors • Host week-long program for 20 youth at East Palo Alto YMCA pool, adjacent to **Bell Street Park**	→ Families have free access to drowning prevention and water safety classes for their children → Youth develop comfort in the water and interest in fitness activities like swimming and water sports → Youth learn how to be safe by pools, lakes, beaches, rivers, etc. → Decrease in drowning deaths
Outdoor Group Exercise Classes Can vary, up to 400 slots for participants with option for additional	Classes to be held from June 9 to Aug. 15, with planning, promotion, and scheduling taking place in May. Proposed hours: • Tuesdays at 5:30 – 6:30 pm for Full Body Fitness • Saturdays at 9 – 10 am for Tai Chi	• Plan class programming • General marketing & class promotion • Schedule certified fitness instructors • Host 20 classes (2 per week) at **Bell Street Park**	→ Physical and mental health needs are supported → Pro-social activity provided for adults and families → Families have free options for summer fitness activities → Parks are filled with fitness activities
Summer Day Camp 20 spots	Options for camp registration/participation will be any week starting June 16 to Aug. 4, with planning and registration underway from January to May. Hours are 8 am - 5 pm daily.	• Register youth • Plan summer programming, including atdoor ctivities held at **Bell Street Park** • Schedule Day Camp staff • Welcome 20 additional youth participants to week-long summer day camp	→ Youth spend productive time engaging in academic, creative, swimming, and other recreational activities in a safe, nurturing, pro-social environment → Families have affordable (@70% off) options for enriching summer camp experiences
East Palo Alto Family Days Estimated 900, could be 1,000+ between all three events	Three East Palo Alto Family Days will be held between June 9 and Aug. 15. We are flexible to schedule these when it works best for all parties involved. Planning and preparation would take place one month (or more) in advance of each event. Hours are subject to collaborative agreement, but proposed for noon to 6 pm.	• Coordinate with the City and other organizations on planning & scheduling • Plan recreational/sports activities • Order and prepare giveaway materials • Deliver 3 Family Days of programming at **3 EPA parks** • Provide leadership in **Bell Street Park** organizing committee	→ Community building with families and among organizations → Families flock to parks for fun → Families have free options for active local activities → Parks filled with enriching, active, multi-generational family engagement

Contact

www.linkedin.com/in/leif-erik-dahl-533bab7 (LinkedIn)

Top Skills

Nonprofit Organizations
Coaching
Aquatics

Leif-Erik Dahl

Aquatics Director
San Jose, California, United States

Summary

I am an accomplished professional manager with employment experience that includes 9 years as a Mental Health Clinic Practice Manager, 6 years as a self-employed Audio Engineer, 4 years as a Retail Shift Manager, 4 years as a retail salesperson, 3 years as a Community Pool Manager, and 7 years as a Lifeguard and Swim Instructor. I have earned a Bachelor of Applied Science (BASc) degree in Sound Engineering. I have over two decades of experience in leadership roles and pride myself in fostering a collaborative work environment focused on fostering open communication, problem solving, and conflict resolution. My empathic and relaxed demeanor help contribute to a culture of happy and comfortable employees. I'm very experienced in logistics, planning, delegating responsibility, and have a natural desire to keep organized. I am technically proficient in Microsoft Office, Adobe Suite, Google Suite and a numerous Audio and Video editing software programs.

Experience

YMCA of Silicon Valley
Aquatics Director
May 2023 - Present (1 year 7 months)
United States

Adhere to and enforce aquatics safety standards and guidelines. Oversee lifeguard, swim instructor, and aquatics coordinator staff. Create and maintain aquatics staff schedules and ensure all certifications and trainings are current. Recruit, hire, and train new staff. Audit and drill staff to ensure aquatic safety preparedness. Monitor and correct bi-weekly payroll.

Dahl Clinical and Forensic Psychology and Clinical Neuropsychology Clinic
Practice Manager
October 2012 - Present (12 years 2 months)
Campbell, California, United States

Oversee neuropsychological testing administration and reporting; set-up online and virtual test administration, prepare and compile paper test modules in patient files, supervise online test administration, compile an addendum of test results upon completion of testing.

Plan and direct day-to-day operational objectives; oversee therapist scheduling, organize and maintain practice management software, maintain physical and electronic filing system, ensure policies and best practices are up to industry standards and government regulations, schedule patients, patient relations, patient invoicing and collections, maintain stock of office and psychological testing supplies.

Seek out and maintain contracts with private and government insurance providers; developed Neuropsychology practice from cash pay only to contracted provider with all major private health insurance companies, Department of Justice Expert Witness, Department of Veterans Affairs (VA), Victim Witness Assistance Program, and Compsych Employee Assistance Program.

Submit and organize all claims and reimbursements; verify eligibility and benefits, submit insurance claims, process and deposit insurance payments, file and document all payments from patients and insurance providers, create and maintain all patient dues and mail invoices monthly.

Self-employed
Audio Engineer
July 2010 - March 2016 (5 years 9 months)
San Francisco Bay Area

Contract management; obtain and negotiate terms of contract, hire talent, schedule studio time, provide finished recording to client.

Schedule, set-up, record, and breakdown recording sessions with musical artists, voice-over artists, commercial producers, and foley artists.

Create, mix and edit audio for musical artists, commercial video, and radio ads.

Power Play Hockey
Shift Manager
October 2012 - November 2014 (2 years 2 months)
San Jose, California, United States

Oversee daily store operations; open and close store, balance cash registers, maintain and restock physical and electronic inventory, collaborate with owner on employee schedule, customer service, field customer complaints and concerns, make cash deposits, service and maintain equipment, sharpen and repair skates.

Blockbuster
Shift Leader
April 2006 - November 2006 (8 months)
Oakland, California, United States

Customer service, maintenance, employee management, delegation of responsibilities, stocking, closing duties.

Queensborough Improvement Association
Pool Manager, Head Lifeguard, Head Swim Instructor
June 2002 - August 2005 (3 years 3 months)
San Jose, California, United States

Oversee daily pool operations; open facility, supervise swim instructors while teaching morning swim lessons, open pool for recreational swim, manage lifeguards and shift rotation, lifeguard, test and maintain pool chemicals, make cash deposit, field member complaints and concerns.

Management duties include; Hire lifeguards and swim instructors, employee scheduling, adjust swim lesson curriculum, train swim instructors, receive and deposit membership and swim lesson payments from members and guests, create and implement new aquatic swim lesson and recreational activities and programs.

Immanuel Lutheran Church
Audio Coordinator
January 2000 - January 2005 (5 years 1 month)

Set-up and take-down for Sunday services, weddings, funerals, and other special events. Experience with cabling, mic placement, feedback control, and overall live sound techniques.

Wherehouse Music
Sales Associate
February 2002 - March 2003 (1 year 2 months)
Cupertino, California, United States

Customer service, sales, stock management, Ticketmaster ticket sales, cashier, and inventory organization.

Southwest YMCA
Head Lifeguard & Swim Instructor
August 1999 - May 2002 (2 years 10 months)
Saratoga, California, United States

Schedule weekly lifeguard shifts, assist in training new-hire lifeguards, maintain pool chemicals and pool deck cleanliness, swim instruct for all age levels, swim instruct for inclusion program, oversee pool safety rules are followed by all members and guests.

Education

SAE Expression College
Bachelors of Applied Science, Sound Design, Audio Engineering, Live Sound, Game Audio, Audio Post-Production · (2005 - 2010)

De Anza College
none, General Education · (August 2001 - June 2004)

Lynbrook High School
High School Diploma · (August 1997 - June 2001)

Jose Sanchez
1870 Valota Road #5
Redwood City, CA
(650) 391-5979
jfsanchez79@live.com

Objective: To secure a challenging position that will employ my education, skills, and experiences.

Education:

B.A., Menlo College: School of Business Management, Atherton, California • 2005

Major: Liberal Studies
Emphasis: Psychology

A.A., Lassen College, Susanville, California • 1999

Experience:

East Palo Alto Family YMCA, East Palo Alto, CA 11/01/21- Present
Healthy Living Experience Diretor

Moffett Towers Club, Sunnyvale, CA 07/01/18- 09/15/21
Personal Trainer

Fremont Hills Country Club, Los Altos Hills, CA 08/15-03/21
Fitness Director

Active Sports Clubs, Sunnyvale, CA 08/14-06/15
Fitness Manager

Active Sports Clubs, McAfee Fitness Center, Santa Clara, CA 04/14-12/14
Personal Trainer/Group Fitness Instructor

Plus One, Pacific Shores Club, Redwood City, CA 11/13-04/14
Exercise Specialist/Personal Trainer/Group Fitness Instructor

Menlo College, Atherton, CA 09/11-04/13
Men's/Women's Wrestling Strength & Conditioning Coach

Club One, Pacific Shores Club, Redwood City, CA 09/10-11/13
Personal Trainer/Group Fitness Instructor/Manager on Duty

Powerhouse Gym 07/10-09/10
Personal Trainer/Boot Camp Instructor

Equinox 04/09-07/10
Maintenance Associate, Manager on Duty

Menlo College, Atherton, California 09/03-08/09
Assistant Wrestling Coach/P.E. Instructor

Zeke Jones Wrestling Camp, Atherton, California 2004-2008
Counselor

Velocity Sports Performance 04/06-08/07
Sports Performance Coach

Certifications:

YMCA Group Exercise Instructor Certificate
American Red Cross Lifeguard Certificate
ProCPR - Adult and Child CPR/AED
RKC Hardstyle Kettlebell Certificate
NSCA - Certified Personal Trainer(In Progress)
Crossfit Level-1 Trainer Certificate
Crossfit Movement and Mobility Certificate

Honors:

Community College National Champion (Lassen College 1997-98)
Outstanding Wrestler (Menlo College 03)
NAIA place winner and All American (Menlo College 01-03)

Memberships:

National Strength and Conditioning Association
National Wrestling Coaches Association
United States Wrestling Association
Bay Area Wrestling Association
San Francisco Elite Wrestling Club

Skills:

Proficient in Microsoft Works, Word, Excel, and Power Point
Good written and oral communication skills
Works well in teams, detail orientated, quick learner, honest, dedicated, and personable

References upon Request

Rebecca Isabel Duran
riduran@gmail.com • 650-430-2322 • 10 Mulberry Court #2, Belmont, CA 94002

EDUCATION

New England College School of Graduate and Professional Studies Henniker, New Hampshire	Graduation: Degree:	2012 **M.S. Management**, emphasis in **Nonprofit Leadership**
San Francisco State University College of Education, Teacher Credential Program San Francisco, California	Graduation: Credential:	2005 CA Preliminary Multiple Subject Credential
Boston University College of Communication and College of Arts and Sciences Boston, Massachusetts	Graduation: Degrees: Awards:	2002, Cum Laude **B.S. Print Journalism** and **B.A. Political Science** Dean's List National Society of Collegiate Scholars

EXPERIENCE

Lewis & Joan Platt East Palo Alto Family YMCA, East Palo Alto
Executive Director at YMCA of Silicon Valley, May 2023 – present
Organizational leadership, fund development, community engagement, and strategic operations, including staff management and member experience, goals and budgeting, and supporting branch Board of Managers

Hiller Aviation Museum, San Carlos
Educational Institution
Vice President of Development, Feb. 2016 – May 2023
Managing wide range of museum advancement initiatives and events, including annual benefit gala, Airport Runway Run, grant writing & reporting, and membership program, Working collaboratively with all museum teams

Friends for Youth, Redwood City
Mentoring Program
Director of Development, Sept. 2014 – Feb. 2016
Creating and overseeing a strategic approach to fundraising that includes individual contributors, special events, and grants, as well as building agency sustainability through donor cultivation and stewardship with an emphasis on major donors and event management

Friends for Youth, Redwood City
Mentoring Program
Program Coordinator/Director, July 2005 – Aug. 2014
Recruiting, screening, training, and matching adult mentors and youth mentees, as well as supporting clients with bilingual case management and group activities, and managing department staff

College Track, East Palo Alto
Volunteer Advisor to a high school senior, Aug. 2005 – Aug. 2006

Edison McNair Academy, East Palo Alto
Public Middle School
6th Grade Teacher, Sept. 2002 – June 2005
Teaching all subjects and coordinating English Language Development program, as well as Lead Teacher for all 6th grade (2004–05)

C.S. 156, Bronx, New York
3rd Grade Teacher, summer 2002, Teach For America

The Boston Globe, Boston
New England's largest daily newspaper
Correspondent, Boston City Hall Bureau, June – Dec. 2001
Writing about the mayor, City Council, and neighborhood issues

The Daily Free Press, Boston
The independent student newspaper at Boston University
Editor, spring 2001; **Managing Editor**, fall 2000; **City Editor**, spring 2000; & **Member Board of Trustees**
Assigning stories, writing, editing, design, as well as leading newsroom

Summerbridge, San Francisco
a.k.a. Breakthrough Collaborative
French and Journalism Teacher, summer 1999

Mattahunt Community Center, Boston
Boston University Community Service Center
Literacy Volunteer at The Afterschool Program, Jan. – Dec. 1999

SKILLS

Languages: Native Spanish speaker, limited French proficiency
Interests: Hiking, biking, cooking, gardening, volunteering

APPLICATION FOR
2025 SUMMER PARK ACTIVATION GRANT

Camp Hope Horizon



Dear Members of the East Palo Alto City Council,

Hope Horizon East Palo Alto is excited to submit this letter of intent to apply for the 2025 Summer Park Activation Grant. Our mission is to equip East-of-Bayshore youth with the skills, confidence, and opportunities they need to thrive academically, socially, and emotionally. We are committed to hosting Camp Hope Horizon, a six-week, full-day summer enrichment program designed to provide free, engaging, and impactful programming for East Palo Alto residents.

Camp Hope Horizon will run Monday through Friday, 9:00 AM to 3:15 PM, from June through August 2025. Open to rising first through ninth graders, the camp will feature a dynamic blend of STEAM-focused activities, hands-on learning experiences, and enrichment opportunities that inspire creativity, critical thinking, and career exploration. Through intentional programming, we aim to:



- Build Academic and Creative Confidence: Ensure all participants maintain grade-level proficiency over the summer and encourage extracurricular interests.
- Foster Social-Emotional Wellness: Integrate lessons on practical life skills, physical activity, and personal reflection to promote well-being.
- Develop Leadership Skills: Culminate the camp experience with student-led presentations showcasing their projects and growth.

Our goal is to serve over 100 students from East Palo Alto and East Menlo Park, keeping them academically engaged while exploring new horizons in a supportive environment. To achieve this, we are requesting $18,000 through the Summer Park Activation Grant to cover essential costs such as staffing, supplies, meals, and activities, ensuring families can participate at no cost. This aligns with the City Council's vision of accessible, high-quality programs for East Palo Alto residents.

With a committed team of educators, staff, and volunteers, we aim to make Camp Hope Horizon a transformative experience, fostering growth, learning, and community connection for local youth. Thank you for considering our application. We look forward to partnering with the city to create a meaningful summer for our community's youth.

Jen Guan
Director of Development
jen@hopehorizonepa.org
408.835.1785

HOPE HORIZON EAST PALO ALTO

Hope Horizon East Palo Alto
100 Beech St. East Palo Alto, CA 94303
650-327-1139
www.HopeHorizonEPA.org

APPROACH & UNDERSTANDING

Hope Horizon East Palo Alto understands the importance of accessible summer programs for youth. Camp Hope Horizon offers a six-week, full-day enrichment program for rising 1st through 9th graders, focusing on academic retention, social-emotional learning, and creative exploration. With experience serving 250+ students and strong partnerships with organizations like EPAC and YMCA, we are well-equipped to deliver this impactful program.

Process and Services

- Collaboration: Partner with schools, organizations, and families to meet community needs.
- Accessibility: Offer free programming with multilingual, inclusive materials.
- Feedback: Gather input to refine services throughout the program.

Safety and Training

Safety is a priority. Staff will receive training on curriculum, safety protocols, and youth engagement. Program managers will monitor attendance, goals, and outcomes, with regular feedback to improve programming.

Project Management

We will collaborate with the City's Recreation staff to finalize program scope and timelines. Summer planning begins in January and will depend on the funding we receive. Outreach events like Family Night Out will help promote the program. Stakeholders include full and part time staff, volunteers, partners, students, parents, schools and sponsors.

Community Engagement

Our outreach strategy includes:

- Recruitment: Partnering with the City to expand access.
- Local Partnerships: Working with schools and community organizations.
- Promotion: Flyers and outreach events to engage families.

REMOTE OPERATIONS PLAN

Hope Horizon East Palo Alto is dedicated to ensuring that Camp Hope Horizon delivers impactful programming even during emergencies, such as pandemics or other unforeseen disruptions. Our adaptable plan prioritizes the safety and well-being of participants, staff, and the community while maintaining high-quality programming.

Virtual Operations

In the event of a shelter-in-place order:

- Online Platform: Programs will transition to accessible platforms like Zoom and Google Classroom.
- Digital Curriculum: STEAM lessons, creative projects, and social-emotional modules will be tailored for remote delivery.
- Technology Support: Loaner devices and internet assistance will be offered to families in need.

HOPE HORIZON EAST PALO ALTO

REMOTE OPERATIONS PLAN (CONTINUED)

Hybrid Operations and Safety Guidelines

- Staggered Schedules: Small, rotating groups to ensure distancing.
- Outdoor Activities: Emphasis on outdoor programming for safety and engagement.
- Virtual Access: Live-streamed or recorded content for equitable participation.

In-Person Safety Protocols

- Health Screenings: Daily temperature checks and symptom monitoring.
- Enhanced Cleaning: Regular sanitation following CDC guidelines.
- Social Distancing: Spaced seating and activity zones.
- PPE: Masks and sanitizers provided and enforced as required.

Communication and Flexibility Ensuring Transparency

- Parent Updates: Weekly emails and texts with logistical updates and safety measures.
- Feedback: Virtual town halls and surveys to address concerns and gather input.

Staff Preparedness

- Training: Remote instruction, health protocols, and tech tools.
- Contingency Planning: Regular reviews and drills to ensure readiness.

WORK PLAN & SCHEDULE

Staffing :All staff undergo rigorous screening, including interviews, background checks, and a week-long training.

- 7 Classroom Leaders: At least 18 years old with high school or some college education, leading classroom sessions.
- 5 High School Interns: Assisting classroom leaders and gaining hands-on job experience.
- 2 Program Managers: Overseeing staff, students, and curriculum for elementary and middle school.
- 1 Camp Director: Managing overall camp operations, coordination, and quality assurance.
- Volunteers: Assisting with lunches, sessions, and logistical support.

Academics Goals:

- Form Positive Relationships: Build supportive relationships with peers and adults.
- Enhance Growth Opportunities: Improve ability to access growth opportunities at Camp Hope Horizon.
- Increase Holistic Success: Support academic and personal development.

Academics Outcomes:

- 100% of students will participate in enriching camp activities.
- 100% will gain exposure to STEAM topics.
- 85% will articulate what they learned.
- 75% will develop leadership skills.
- 75% will gain interpersonal skills.
- 50% will enroll in school-year programs at Hope Horizon EPA.

HOPE HORIZON EAST PALO ALTO

WORK PLAN (CONTINUED)

Academics Methods:

- Project Based Learning: Students learn by actively engaging in real-world and personal meaningful projects.
- Social Emotional Wellness: Students will be exposed to different activities that equip them to address the emotional struggles they face. They will learn healthy interpersonal skills. These activities include artistic expression and age-appropriate reflection and journaling.
- Physical Activity: Students will be given lessons around fphysical helath and activity in order to encourage the health of the whole person. The students will learn the importance of physical wellness, stretching, exercise emphasizing the benefits for long-term health and wellness.

Academics Evaluation: : Pre-program start survey, Post-program end survey, Pre & Post Academic evaluations

Academics Curriculum Overview:

- Focus: STEAM activities (Science, Technology, Engineering, Art, Math) aligned with California State Common Core Standards using Project-Based Learning (PBL).
- Skills: Students build literacy, critical thinking, problem-solving, career awareness, and goal-setting through hands-on projects.
- Real-World Application: Emphasis on STEAM skills with practical relevance in daily life.
- Common Core: Meets academic standards in math and English language arts, with clear goals for each grade level.

Expanded Learning Goals:

- Provide a safe, supportive environment for active, engaged learning.
- Focus on skill-building for grades K-9, youth leadership, and healthy choices.
- Ensure accessibility, quality staff, and clear mission and purpose.

STEM Education: Integrates STEM and art through Project-Based Learning to foster creativity and problem-solving.

Camp Hope Horizon Components
Activities & Enrichment

ACADEMICS:	EXTRACURRICULARS:
READING / ELA / WRITING	SWIMMING / SPORTS
SCIENCE	GARDENING
TECHNOLOGY / DESIGN	PHOTOGRAPHY / FILM
VISUAL / DIGITIAL ART	DANCE / THEATRE
MATH / FINANCIAL MANAGEMENT	COOKING / YOUTH VOICE IN LEADERSHIP

HOPE HORIZON
EAST PALO ALTO

WORK PLAN (CONTINUED)

Extracurricular Activities at Camp Hope Horizon:

- STEM: Students engage in hands-on projects to develop literacy, critical thinking, and problem-solving skills through real-world applications in science, tech, engineering, art, and math (STEAM).
- Reading & Writing: Focus on reading fluency, memory, and communication skills. Students work on reading and writing to reduce summer learning loss.
- Visual/Digital Art: Students explore their creativity, learn basic art skills, and create collaborative pieces for a final showcase.
- Reader's Theater: Improves reading fluency through script reading and repetition, using the Reading A-Z curriculum.
- Swimming: Partnering with the EPA YMCA, students learn swimming as a vital life skill, building stamina and technique.
- Youth Leadership: Students work together to develop leadership skills, teamwork, and confidence while addressing community issues.
- Gardening: Teaches sustainability, healthy food choices, and life skills such as patience, teamwork, and cooperation.
- Sports: Introduction to sports like soccer and basketball, focusing on techniques, sportsmanship, and teamwork.
- Cooking: Students learn cooking science and healthy habits, experimenting with food groups while developing kitchen skills.
- Financial Management: An introduction to financial literacy, covering topics like saving, credit, loans, and investments.
- Photography/Film/Theatre: Students explore digital photography, film production, and acting, culminating in a community project showcasing their work.

High School Internship:

The Camp Hope Horizon internship offers East Palo Alto and Belle Haven students (grades 11-12) soft skills training and professional development. Interns work for six weeks alongside a classroom leader, gaining skills in communication, time management, problem-solving, and collaboration. They are also paired with a Hope Horizon staff member for mentorship. The program prioritizes students with limited work experience, low income, or challenges like no high school diploma or English language skills. Full-time positions are available for selected interns.

Camp Schedule

8:00A	STAFF ARRIVE AND PREP
8:30A	STUDENTS DROP OFF / BREAKFAST
9:00A	CAMP START
9:15A	SESSION 1
10:15A	BREAK A
10:45A	SESSION 2
12:00P	LUNCH 1
12:15P	LUNCH 2
1:00P	SESSION 3
2:15P	SESSION 4
3:15P	STUDENT PICK UP
3:30P	STAFF CLEAN AND PREP
4:00P	STAFF OFF/PREP FOR NEXT DAY

HOPE HORIZON EAST PALO ALTO

FIRM AND PERSONNEL EXPERIENCE:

Hope Horizon East Palo Alto has been a trusted presence in the community for 40 years, providing programs that equip youth with the skills, confidence, and opportunities needed to thrive academically and socially. Our extensive experience includes running successful summer programs that engage over 250 students annually, combining academic retention, creative enrichment, and social-emotional development. These programs are thoughtfully designed to address the summer learning gap while fostering leadership and a sense of belonging among participants.

Our experienced team of educators, program coordinators, and trained volunteers is supported by strong partnerships with organizations like EPAC and the YMCA, enhancing our ability to deliver impactful programming. With a proven track record of measurable success and deep ties to the community, Hope Horizon is uniquely positioned to execute programs of this scope and complexity. Families and stakeholders consistently praise our efforts, highlighting our role in creating transformative experiences for East Palo Alto youth.

PROPOSED CAMP BUDGET:
$18,000 WILL CONTRIBUTE TO THE FOLLOWING BUDGET

EXPENSES*	AMOUNT
5010 CONSULTING SERVICES (YMCA)	$620
6530 SOFTWARE & TECH SUPPORT LICENSES	
7040 TRAINING & DEVELOPMENT	$1,110
TBD INTERNSHIP PERSONNEL	$9,250
1 CL PERSONNEL	$2,800
6020 AUTO EXPENSE	$50
6541 SUPPLIES - MEALS FOR PROGRAMS	$1,200
6540 CLASSROOM SUPPLIES	$2,500
6055 REFRESHMENTS	
6385 PROGRAM OUTINGS	$8,000
8010 SPECIAL EVENTS	$400
TOTAL EXPENSES	$25,930.00

*REMAINING BUDGET SUPPORTED BY INDIVIDUAL DONORS AND OTHER ORGANIZATIONAL SPONSORS

Conclusion

Camp Hope Horizon will provide a six-week summer program, fostering confidence, leadership, and growth for over 100 local youth. With the city's support, we can offer free, high-quality programming that aligns with the City Council's vision.
Thank you for considering our proposal. We look forward to partnering with you to create a meaningful summer experience.

HOPE HORIZON
EAST PALO ALTO

Hello
I'm Ana Tuakalau

Phone: 650-533-9880
Email: anatuakalau05@gmail.com

Skills

- Event Support
- Activity Planning & Leadership
- Creative Thinking
- Collaboration
- Multitasking
- Time Management
- Professionalism
- Organization
- Positive Attitude
- Child Development Knowledge
- Patience & Understanding

Experience

June 2022 - July 2022

Hope Horizon , East Palo Alto - *Classroom Leader Intern*

- Gathered needed materials before the beginning of each session
- Monitored student behavior
- Assisted Classroom Leader as needed during and in between sessions
- Monitored students in transitioning between sessions
- Encouraged student participation

Oct. 2022 - May 2024

Hope Horizon, East Palo Alto - *Classroom Leader*

- Facilitated activities to support learning objectives of the class
- Created a positive learning environment for students by setting expectations and providing feedback
- Monitored student behavior to maintain order and discipline
- Developed lesson plans aiming towards improving student performance
- Kept attendance and track of student progress
- Enforced classroom rules while promoting respect
- Created engaging learning activities

Jan. 2018 - Present

San Carlos AOG, San Carlos - *Children's Ministry Volunteer*

- Facilitated small group discussions with children

- Organized and led Bible studies for kids
- Conducted Sunday School classes for a variety of ages
- Encouraged participation
- Lead worship services
- Supported teachers by providing assistance as needed during class time
- Participated in outreach activities such as Vacation Bible School and other summer camps
- Encouraged positive behavior at all times

Education

Aug. 2023 - June 2023

Sequoia High School , Redwood City - *High School Diploma*

Currently enrolled at the College of San Mateo.

Ariana Palacios

1110 Sanchez Way
Redwood City, CA 94061
(650) 533-8347
ari.paalcios04@gmail.com

EXPERIENCE

Hope Horizon- East Palo Alto,CA
Middle School Academics Classroom Leader- August 2023- June 2024

Developed educational plans for students; prepared tutoring sessions for students; assisted students with homework assignments; led spiritual sessions for students; planned and prepared assignments for students; assisted students in art related activities; maintained routine check on students grades; accompanied students on outings; assisted in annual gala and participated in hosting and preparing events.

Hope Horizon- East Palo Alto,CA
Summer Camp Classroom Leader- June 2023- August 2023

Developed educational plans for students in specific classes; planned and prepared weekly lesson plans; created activities for students based on individual student levels; printed and prepared assignments daily; engaged with students inside the classroom; helped students in all aspects of learning; cleaned and organized for future sessions; mentored volunteers within the program; accompanied students on field trips; contributed in lunch and snack distribution; participated in hosting social events and engagement opportunities with students and their families.

Hope Horizon- East Palo Alto,CA
Elementary Academics Classroom Leader- October 2022-April 2023

Developed education plans to improve skills; prepared specific materials for each student; planned and prepared monthly lesson plans; printed assignments based on individual student levels; created activities for math and writing; began art sessions for students to engage in; helped students learn and understand within all subjects; participated in hosting events and engagement opportunities.

Vons Chicken-Redwood City, CA
Server/Cashier February 2022-May 2022

Welcomed and sat customers comfortably in the dining section; took customer's food and drink orders; packed orders; collaborated with the kitchen staff for prompt and correct delivery of orders; memorized the

SKILLS

Extraordinary Customer Service, able to multitask, detail-oriented, Conflict Resolution, Teamwork, Lesson planning, Leadership and exceptional ability to work independently.

menu and recommended meals and drinks to customers; assisted with the tidying of tables, clearing leftovers and keeping the dining area neat and pleasant; ensured cooking utensils and kitchen area were cleaned after closing to comply with state regulations; collected payments by accepting cash or charge payments from customers.

Bed Bath & Beyond-Redwood City, CA
Retail Sales Associate November 2020-March 2021

Engaged customers in a courteous, helpful and respectful manner; promptly and politely responded to customer inquiries; escorted customers to appropriate merchandise; explained basic features of merchandise to customers; organized merchandise on sales floor; processed customer transactions through the register as required; executed price changes as needed; balanced cash drawer by counting cash at end of work shift; performed additional duties as required, such as; stocking, price changes and cart retrieval.

EDUCATION

College of San Mateo, San Mateo, CA— *General Education*

Woodside High School, Woodside, CA —*Diploma received*

Waniya A. Bryant

Waniya A. Bryant
1433 Jasmine Street, Apt #4
San Mateo, CA 94402
650.630.1352
niyabryant@gmail.com

Skills

-High Problem-Solving efficiency
-Effective communication skills
- Creativity in design
-High capacity for collaboration and building partnerships
-Critical thinking that leads to ingenuity

Experience

Bayshore Christian Ministries / Create Program Manager
AUGUST 2017 - PRESENT, EAST PALO ALTO, CA

Develop and strategize high quality academic programs. Designed curriculum for middle school students based on research and individuality of students. Worked with community partners to develop relationships and a network of support to reach academic goals and outcomes. Support BCM in the development of STEM related programming including the start of the high school robotics. Lead and facilitate training for both academic school year and summer programming. Manage and develop curriculum, oversee seasonal staff and students for overall program development and provide a safe environment for all. Assistant other staff members as needed.

Ravenswood City Schools District / Afterschool Program Director
AUGUST 2016 - AUGUST 2017, EAST PALO ALTO, CA

Oversee staff and students. Develop curriculum for the program based on Common Core State Standards (CCSS) and STEM, to provide three key components to the program: Academics, Enrichment and Cultural Activities. Supervised academic advising and maintain direct support for staff and students.

Lewis & Joan Platt EPA YMCA / Summer Camp Co - Director
MAY 2016 - AUGUST 2016, EAST PALO ALTO, CA

Partnered with the camp director. Contribute to and execute the programmatic vision. Supervised campers and staff. Manage recruitment and retention activities, and support the operational performance of the camp. Ensure program development and evaluation. Tackle risk management, and build relationships with camper families, staff, alumni and community leaders.

Ravenswood City Schools District / Afterschool Program Assistant Director

AUGUST 2015 - MAY 2016, EAST PALO ALTO, CA

Assist the program director with oversight of CCSS curriculum, instruction, student/family services, staff and data and outcomes for programs.

ALearn Math Program / Program Coordinator

AUGUST 2014 - JUNE 2015, EAST PALO ALTO, CA

Sought community partners. Serve as the assistant to the program director. Schedule first time orientations, student and parent engagement classes, special events and ensure a positive experience for students. Provided general support as needed.

Ravenswood City Schools District / Co - teacher (Third Grade)

AUGUST 2014 - JUNE 2015, EAST PALO ALTO, CA

Used CCSS to create rigorous, objective-driven and multimodal lessons. Dedicated close collaboration with other grade leveled teachers to ensure curriculum development. Used and encouraged critical thinking while teaching. Differentiate students based on their unique learning needs and developed classroom techniques to initiate and maintain connection with students and parents.

Education

California State University, East Bay / BA, English

MAY 2014 - SEPTEMBER 2016, HAYWARD, CA

Obtain a Bachelors of Arts in English with a focus in Adolescent Childhood Education.

Foothill College / AA- T , Elementary Teacher Education (T, TK-8th)

JULY 2013 - DECEMBER 2014, LOS ALTOS, CA

Associate in Arts in Elementary Teacher Education for Transfer degree. By obtaining this degree, it shows an understanding of elementary education and teaching, and demonstrates knowledge of children's growth and development from utero through adolescence.

Foothill College / CA, Child Development

SEPTEMBER 2011 - JUNE 2013, LOS ALTOS, CA

Certificate of Achievement in the Child Development Program which is an academic and vocational training program that prepared me for the next steps into early childhood education.

Fit To The Core
Fit For Life

Community and Fitness in the Park 20 25

City of East Palo Alto

Point of Contact: Tracie VanHook
Founder and CEO of Fit To The Core Inc.

tracie@fittothecoreca.org, Phone: 510.224.1315 (mobile)

Fit To The Core is a 501 (c)(3) nonprofit organization. Federal Tax ID number (EIN#) 85-1780072

Submitted to:

"Summer Programming for Youth and Families 2025"

Community Services & Recreation Division
City of East Palo Alto - City Hall
2415 University Avenue, East Palo Alto, CA 94303

Attn: Vincent Amelio, Recreation Program Coordinator

November 22, 2024

Dear Vincent,

Thank you for the opportunity for Fit To The Core (FTC) to submit a proposal for the 2025 Summer Activation Series. Over the past years, we have cherished the opportunity to collaborate with the City of East Palo Alto to empower our aging adults with programs that promote health, fitness, and community engagement. We are thrilled to continue supporting and expanding our efforts, bringing even more innovative and inclusive fitness opportunities to our aging neighbors.

Fit To The Core is a 501(c)(3) nonprofit committed to enhancing the overall health and fitness of community members, with a special focus on helping individuals age well. Our mission is to create a world where everyone can thrive, regardless of age, health conditions, or socioeconomic background. With a specific emphasis on professional, adaptable fitness programs for aging adults, we believe FTC stands out as the superior choice for delivering impactful and sustainable programming.

As a certified professional trainer and the founder of FTC, I bring expertise in functional aging, fall prevention, balance, and mobility training tailored to under-resourced communities. Our team provides personalized instruction, essential exercise tools, and health education, empowering our participants to live healthier and more connected lives. The success of our past programs has fostered strong relationships with repeat participants, and we are eager to welcome new faces to our growing fitness family.

Through funding from the City of East Palo Alto, our summer program will:

1. Deliver professional training customized to the abilities of our aging adults and equip them with exercises to sustain their fitness beyond the summer.
2. Provide starter fitness kits (bands, mats) and guidance on utilizing affordable fitness tools effectively.
3. Promote education and resources to improve longevity and health outcomes, particularly in communities often overlooked.
4. Foster connections and reduce social isolation by creating safe, inclusive spaces for fitness and wellness activities.

While FTC is a relatively young organization, our deep commitment to East Palo Alto positions us as a long-term partner for addressing the growing needs of our aging population. The demographic richness of East Palo Alto—a blend of African American, Hispanic, Asian-Indian, and immigrant communities—creates a unique opportunity for our program to serve as a unifying force. Recent participation by Hispanic residents in our programs has been especially inspiring, and we look forward to expanding this inclusivity. This is a space where diverse

community members can gather to focus on their health and wellness, fostering connections that transcend cultural boundaries.

Our vision extends beyond East Palo Alto. We are cultivating relationships with neighboring cities like Menlo Park and Redwood City, positioning FTC to foster collaboration and shared health initiatives across communities. We believe our mission and leadership can serve as a bridge, strengthening connections between these cities.

In the following pages, we invite you to explore the impactful work we are doing and our plans to continue serving East Palo Alto's aging population. I personally extend an invitation to visit one of our fitness sessions to witness the energy, joy, and camaraderie that define our program.

Thank you for considering our proposal. We are excited about the opportunity to deepen our partnership with East Palo Alto and help our aging neighbors thrive for years to come.

Sincerely,
Tracie VanHook
Founder & CEO
Fit To The Core (FTC)



2**. Approach and Understanding - Summer Park Activation Program**

At Fit To The Core Inc. (FTC), we are deeply committed to providing tailored fitness and wellness programs for aging adults in East Palo Alto. Our understanding of the unique challenges and opportunities in this demographic guides every aspect of our approach. Aging adults often face mobility issues, health disparities, and social isolation, all of which can be addressed through structured and inclusive fitness activities. Through our proposed program, we aim to activate Joel Davis Park as a hub for health, community, and wellness by hosting exercise classes three times a week.

Our programming is designed not just to improve physical health but also to build a sense of belonging and connection. These classes will cater to varying levels of physical ability, offering modifications and guidance to ensure inclusivity. Activities will focus on mobility, strength, balance, flexibility, and overall wellness education. The goal is to empower seniors to lead healthier lives while reducing the risk of falls, increasing independence, and fostering social engagement.

Community Engagement Approach:

Community engagement is fundamental to the success of this program. To effectively reach our target audience, we will leverage several strategies designed to inform, invite, and involve aging adults in East Palo Alto and surrounding areas.

One of our key outreach ideas is to hold monthly one-day events aimed at introducing new people to the program. These events will be modeled after the success of our Family Day in the Park initiative in Belle Haven, which attracted over 50 new participants. These introductory events will provide a welcoming, low-pressure environment where seniors can sample our fitness activities, meet our instructors, and learn about the program's benefits.

Additionally, we aim to build stronger relationships with the Senior Centers and Community Centers in East Palo Alto and Belle Haven. By fostering ties between these organizations, we can create a network of support and shared resources that strengthens community connections. Collaborating with these centers will also help us identify new participants and ensure our programs align with the needs of local seniors.

We also plan to cultivate a strong partnership with the Senior Committee in East Palo Alto. By collaborating with this influential group, we can better understand the community's priorities, gain valuable insights, and receive support in promoting our program.

Our prior success with neighborhood canvassing campaigns, such as distributing flyers, has proven to be an effective outreach method. We will continue these efforts, focusing on areas where seniors reside or gather frequently. Additionally, we will promote the program through visible banners at key community locations, leveraging references and testimonials from participants in our previous programs to build credibility and trust.

We will also actively participate in community events, such as Juneteenth celebrations and other local gatherings, to reach a broader audience. These events provide an opportunity to showcase our program and engage directly with potential participants and their families.

By employing these multifaceted outreach strategies, we aim to ensure that our program is not only well-publicized but also deeply integrated into the fabric of the community. This approach will help us attract new participants, build lasting relationships, and foster a sense of unity and engagement among aging adults in East Palo Alto and neighboring areas.

Communications with the City:
Maintaining clear and continuous communication with the City of East Palo Alto is essential for the success of our program. To ensure transparency and foster collaboration, we will implement a

comprehensive communication strategy that provides regular updates and incorporates feedback to refine our approach.

We will communicate on a **weekly basis**, sharing detailed reports on participant numbers, including both unique and returning individuals. This will allow us to demonstrate progress toward our goal of steadily increasing the number of unique participants while maintaining strong retention among current participants. This data will provide a clear picture of the program's impact and help the City track its success throughout the summer.

Additionally, we will actively participate in **Senior Council meetings**, ensuring that we remain aligned with the City's objectives and responsive to the evolving needs of community members. These meetings will serve as a platform to share updates, address concerns, and receive guidance. Our program, while foundational, is flexible enough to adapt to specific needs as they arise—whether it involves adjusting activity levels, modifying schedules, or scaling the program's size or scope to better serve residents.

Retention is as important as attracting new participants. We will emphasize strategies to keep returning participants engaged by ensuring the program remains fresh, enjoyable, and valuable to them. Retention reflects the program's success in building trust and fostering lasting connections within the community.

To enhance communication and engagement, we will document the program's activities through **videos, photos, and live testimonials** from participants. This content will highlight the program's positive impact and provide a compelling narrative to share with city officials and the wider community. By showcasing real-life stories and moments, we aim to build further support for the program and encourage continued participation.

By integrating weekly reporting, active participation in council meetings, and a focus on both retention and new participation, we aim to maintain a strong partnership with the City. This collaborative approach ensures the program remains dynamic, impactful, and responsive to the needs of East Palo Alto's aging adults.

3. Remote Programming Protocol - Operations Plan

As we navigate the evolving landscape of community health and wellness, Fit To The Core Inc. (FTC) acknowledges the importance of flexibility and adaptability in our service offerings. In alignment with our commitment to the residents of East Palo Alto, we have developed a comprehensive Operations Plan for remote programming, ensuring uninterrupted access to health and wellness services, especially under circumstances that necessitate virtual engagement such as Shelter in Place orders or social distancing requirements.

Our remote programming is designed to replicate the in-person experience as closely as possible, providing seniors with accessible, engaging, and effective health and fitness sessions. We will utilize user-friendly digital platforms like Zoom or Skype to conduct live classes. These platforms are chosen for their ease of use, reliability, and accessibility on various devices.

Additionally, we have the capabilities to offer Virtual Classes, including Live Fitness Sessions conducted by our certified instructor. These sessions will include a range of activities suitable for aging adults, such as functional mobility training , cardio, and stretching exercises. Each session will be 45-60 minutes, with additional time for Q&A and social interaction.

We can also offer a Tech Support Helpline: a dedicated phone line for participants to receive assistance with technical issues.
In scenarios where limited in-person engagement is permissible, we will adhere strictly to social distancing protocols. This include:

- Small Group Sessions: If in-person activities are possible with social distancing, we will organize small group sessions with pre-registration to control the number of participants.
- Outdoor Activities: Leveraging the open spaces of Joel Davis Park, we will conduct classes that allow for ample spacing between participants.

4. Work Plan and Schedule

Fit To The Core Inc. (FTC) will deliver an outdoor summer fitness program at Joel Davis Park that will include **three evening sessions per week** from June to August 2025.

Each class will be 45 minutes in length and free of charge to all EPA residents. Classes will start with a 10-15 minute warm-up. The classes will then go into a series of specific exercises that focus on balance, cardio-vascular, strength training and functional movements. These exercises will be rotated through alternate sessions, focusing on key areas of the body: legs, core, upper body and arms. The class will complete with a 10 minute cooldown and stretching session.

Most of the exercises will focus on body weight movements that can be practiced at the park and at home with minimal additional equipment. For some sessions, we will also be teaching and practicing with light hand weights, exercise bands and foam rollers. Exercise bands will be given, free of charge to all participants for home use.

In order to facilitate reporting, **each participant will be required to sign in for each class**. The sign-in sheets will be available to the city officials to confirm participation rates for our program.

In addition, we will be adding further reporting for this particular program: Fitness Assessments for each participant.

Program Fitness Assessments:

The Fitness Assessments will be voluntary. At the start of the program, each participant will have the opportunity for an initial fitness assessment. These assessments will be conducted by our fitness professionals trained in the ACE standards. We will then conduct assessments at the end of the Program in order to track the progress of our participants. We believe that this approach will not only motivate our participants but also offer measurable data for demonstrating the program’s impact in our community for our city stakeholders.

In our assessments, we will test key areas vital for an aging adult’s health: endurance, lower body strength, upper body strength, balance and flexibility. Endurance tests will evaluate cardiovascular health and stamina. Lower and upper body strength tests will measure muscle capability, essential for daily activities. Balance tests will assess stability, crucial for fall prevention. Flexibility tests will check the range of motion, important for maintaining mobility and reducing injury risks. These comprehensive assessments will ensure a well-rounded approach to enhancing seniors' overall physical health.

Event Operations:
Based on the experience of our previous programs and our current participation growth rate, we anticipate **serving between 30 - 50 unique individuals** by the end of the summer. The classes will be offered 3 times per week, and the class will accommodate anywhere from 15-20 people. The fact that it's outdoors in a popular public park (Joel Davis), free and requires no early registration also contributes to a steady influx of new participants and "drop-ins" from the neighborhood who are curious about this program where a lot of their older neighbors seem to be having a lot of fun!

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Important Note:
When thinking about fitness programming, we liken it to visiting an art museum. The goal isn't just to bring as many people as possible through the doors for a single visit but to inspire individuals to become artists themselves, cultivating their skills and creativity over time. Similarly, our fitness programs are designed not merely to attract large crowds but to empower aging adults to become "artists" of their own physical health—developing a sustainable, daily practice that supports their well-being. Through 2-3 group sessions a week, we teach participants safe, effective routines tailored to their age, health, and abilities. While we welcome and encourage new participants, the true success of our program is reflected in **retention**—how many individuals continue to engage regularly and see tangible improvements in their physical and mental health.

While it would be exciting to have 100 unique participants weekly, this approach could dilute the focus and quality of engagement. Retention is the key to **promoting meaningful, lasting change.** With 20-25 consistent participants per session, attending three classes a week, we can foster deep, ongoing engagement that allows individuals to track their progress and achieve measurable results within a three-month period. This **commitment to retention** creates a community of participants who not only improve their own health but inspire others to join. While larger numbers might appear impressive on paper, our mission is better served by supporting smaller, dedicated groups who are actively transforming their lives through regular participation, resulting in profound and lasting impact.

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Further Protocols:
It's important to note that we do require all participants to read and sign a waiver and register before participating. At each session, we carry and maintain waiver and sign-up sheets that are administered and maintained by our program assistants on-site.

We have engaged and trained a small volunteer staff to effectively handle the waivers, the sign-in sheets, the fitness assessments and any other information that will be required by the city. Our goal is also (with the participants' permission) to collect, analyze and report on the fitness

assessments, and provide this data to the city as a way of validating and promoting the benefits of community fitness programs like ours.

Program Budget:

(Below are the costs for the Summer Program's specific activities)

Professional Fitness Instructors	$9,000		
Programming/Preparation	$1,000		
Program Marketing/Promotion	$2,000		
Program Specific Costs		$13,000	74%

Other Costs

(Below are other costs that FTC may be willing to help subsidize with other private donations)

Fitness Equipment	$3,000		
Data Analysis/Reporting	$ 500		
General Admin	$ 500		
Insurance	$ 600		
Total Other Costs		$4,600	26%
Total Budget		**$17,600**	

5. Insurance (complete – see separate documents)

6. Firm and Personnel Experience

Fit To The Core (FTC) and its leadership bring extensive qualifications and experience to this engagement. I hold a master's degree in exercise science and over 30 years of experience in fitness training, specializing in functional aging and balance/mobility for seniors. As a certified Functional Aging Specialist and Balance and Mobility/Fall Proof Specialist, I design tailored fitness programs that reduce fall risks and promote independence.

FTC has successfully collaborated with the City of East Palo Alto for several years on programs such as Intergenerational Fitness in the Park and Fitness and Wellness in the Park, demonstrating our ability to deliver impactful, inclusive programs for diverse communities.

See attached resume for further details on expertise.

TRACIE **VANHOOK**

510-224-1315

tracie@fittothecoreca.org

230 Market Pl, Menlo Park, CA 94025

www.linkedin.com/in/tracievanhook

PROFESSONAL SUMMARY

Accomplished health and fitness professional with over 35 years of experience, specializing in aging and mobility. Founder and CEO of Fit To The Core Inc., a nonprofit dedicated to improving health and fitness in under-resourced communities. Recognized for innovative program development, community engagement, and commitment to promoting wellness among aging adults.

EDUCATION

California University of Pennsylvania

Masters of Science | Exercise Science, Health Promotion, Injury Prevention and Performance Enhancement

San Francisco State University

Bachelor of Science | Kinesiology, concentration physical therapy

SKILLS

- Exceptional time management and multitasking.
- Strong communication and interpersonal abilities.
- Proven leadership and team-building skills.
- Strategic planning and organizational capabilities.
- Adaptability and responsiveness in diverse environments.
- Proficient in personal training software and nutritional planning.
- Expertise in exercise equipment and training techniques.
- Skilled in developing and managing group fitness programs.

CERTIFICATIONS

- Certified Balance and Mobility Specialist (California State University/Fullerton, Center for Successful Aging - Fallproof, April 2021)
- Certified Functional Aging Specialist (Functional Aging Institute, January 2017)
- Certified Performance Enhancement Specialist (National Academy of Sports Medicine, 2005 – Present)

PROFESSIONAL EXPERIENCE

Founder and CEO
Fit To The Core Inc. | Menlo Park, CA | July 2020 - Present

- Established and led Fit To The Core as a 501(c)(3) organization, focusing on building a healthy community for aging adults.
- Organized and conducted various fitness programs, including “Community Neighborhood Fitness”, “Fit and Fabulous Over 50 BootCamp”, “The Movement - (community walking group)” and “Fitness and Wellness in the Park”.
- Developed and executed the "Aging Stronger Together: Health Equality Campaign".
- Collaborated with local organizations for community health initiatives.
- Promoted health awareness and educated on lifestyle habits to prevent chronic diseases.

Business Owner/Certified Personal Trainer
Fit to the Core Personal Training | Menlo Park, CA | 2006 - Present

- Developed comprehensive fitness programs for over 18 years, catering to a diverse clientele including youth, families, and seniors, across virtual, in-facility, and on-location settings.
- Conducted personalized fitness assessments and designed tailored exercise regimes, resulting in over 20 client commendations and a strong referral network.
- Delivered holistic wellness education, encompassing nutrition and lifestyle strategies, while ensuring high operational standards in studio management and client safety.

Fitness Manager
Rosewood Hotels & Resorts | Menlo Park, CA | 2010- 2012

- Founded the creation and development of the new fitness department for the luxury hotel, establishing comprehensive fitness services and programs.
- Managed a diverse team of 10+ group exercise and personal training instructors, driving high-quality training standards and member satisfaction.

Assistant Fitness Manager
Axis Personal Trainers | Menlo Park, CA | 2004 - 2006

- Successfully led a team of trainers, introducing innovative services to boost revenue and client engagement.
- Utilized online marketing strategies to expand membership base and developed corporate fitness programs.

epatt

Changing the Trajectory of Local Youth Since 1988

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EXECUTIVE DIRECTOR

Kesha Weekes

November 22, 2024

Dear Maurice:

Thank you for this opportunity to apply for a 2025 Summer Park Activation grant. Please find attached our proposal.

As you know, EPATT's **unique program** uses tennis as a transformative tool to help local youth develop life skills, character development, physical fitness, teamwork, discipline, and resilience. This summer, we will provide our fun, healthy, and educational tennis camp at our new state-of-the-art tennis complex on the Cesar Chavez Ravenswood Middle School campus. Tennis camp will run from **June 23 to July 25, 2025**.

United States Professional Tennis Association USPTA-certified Elite coaches Francisco "Paco" Lopez and Julio Hermosillo, who have taught tennis to local youth for most of their careers, will run the program. Both are EPATT alum who grew up in East Palo Alto and serve as role models and trusted, caring adults for our EPA participants. USTA Level 1 coaches Uriel Riviera and Mathew Gichane-Bell will join them. All coaches have completed background checks, are Safe Play approved and CPR-certified, and have attended multiple trainings with the Positive Coaching Alliance.

This year, we would like to offer a weekly evening tennis class for parents. They are encouraged to cheer their children on during Friday matches. We always include parents in tennis activities because we have observed that they are more likely to reinforce healthy habits and the benefits of exercise at home. Additionally, our summer tennis camp lets us get to know families and vice versa.

EPATT has earned its reputation for being innovative, impactful, and life-changing. One hundred percent of our students have graduated from high school and been accepted to at least one four-year college or university. Ninety percent have graduated from college. We've also helped high-achieving students gain access to private schools and facilitated scholarships for them to attend those schools.

We promote our tennis camp to current and former EPATT participants via email. We will advertise the camp on social media and our website. We also plan to post flyers at CCRMS and Costano Elementary School and post them on the school district platform ParentSquare. We will list the camp on InPlay.org.

We look forward to helping organize and provide programming at a Family Night.

Thank you again for your consideration.

Warm regards,

Amy Kohrman
Development Director

2025 Proposal to the City of East Palo Alto
Summer Tennis Camp for Local Youth

2. Approach and Understanding

EPATT started as a summer tennis program at Ravenswood High School **37 years ago**. EPATT funded the construction of the tennis courts at Cesar Chavez Ravenswood Middle School in 1990. Thirty-four years later, they're still the only courts in EPA, and **EPATT is still the only no-cost summer program teaching local youth tennis**. A 2020 Tennis Sport Science Review study found that tennis players scored higher in general physical, social, and mental health. More importantly, research has shown that tennis leads all sports in increasing life expectancy, adding an average of 9.7 years. In East Palo Alto, where the average life expectancy is 13 years less than the San Mateo County average of 75 years, tennis is helping to close that gap.

Students will learn tennis basics, fitness, and life skills like teamwork, leadership, and goal-setting. They will learn and practice the ABCs of sports: Agility, Balance, Coordination, and Strength. This speeds up learning a new sport and techniques. We use other sports like basketball, soccer, and football to help students develop these skills and speed up the process.

We offer three types of practices. Players will learn 1) technique, 2) fitness using obstacle courses and other equipment to improve their agility, balance, and hand-eye coordination, and 3) competitive play and tactics. **New this year**: we will also teach students how to string their rackets. Students will learn to care for their equipment and understand the importance of regular maintenance. Stringing their rackets gives them a deeper appreciation for the equipment and its impact on their performance. Some participants may use this skill to earn extra income by offering stringing services to peers, local clubs, or leagues.

Community Engagement: We will promote the camp to current and former participants and advertise it on social media, myepatt.org, via flyers at Ravenswood schools, and by word-of-mouth to current and former EPATT families. EPATT will provide equipment (tennis rackets and balls), snacks, field trips, and round-trip transportation will be provided.

We will host family BBQ potluck dinners for participants on Friday evenings. We are also considering offering a weekly evening tennis lesson for parents.

Recruitment: EPATT's weekly tennis camp is **open to K-12 students of all levels from the East Palo Alto community**. Students do not have to be enrolled in our comprehensive academic program to participate. With the opening of our new Tennis Center, we plan to run **morning and afternoon sessions**. Unlike in past years when students could attend only three days per week, we are considering expanding the sessions to four days in the morning and four days in the afternoon. Families can sign up for up to five weeks. We can accommodate 40 students per session. Additionally, we will offer full-day spots to 20 competitive players.

Registration: Families can register their child on myepatt.org for one to five weeks of tennis camp, which allows more flexibility for families with vacation plans and may enable us to serve more families.

Communication: EPATT Development Director Amy Kohrman will provide weekly camp updates to Maurice Baker.

3. Remote Programming Protocol

The good news is that tennis is one of the few sports that incorporates social distancing, and therefore, we may not need to pivot to a remote program (unless we're required to shelter in place).

EPATT's Safety Protocols follow the guidance of the California Department of Public Health (CDPH), San Mateo County Health (SMCH), Centers for Disease Control and Prevention (CDC), and Cal/OSHA as presented in the San Mateo County Safe Schools Framework, as well as the Ravenswood City School District (RCSD) COVID-19 Safe Schools Framework, as per our memorandum of understanding. The RCSD Covid protocols can be found here. Additionally, we will follow the United States Tennis Association's (USTA) guidelines for safe tennis play.

Health Screening

- Post visual alerts instructing staff and visitors not to enter CCRMS tennis courts if they have COVID-19 symptoms.
- Staff will be screened for symptoms before entering CCRMS tennis courts.
- All staff and campers who have symptoms or feel sick or were recently exposed to a COVID-19-positive individual must stay home and return once they meet the two negative Rapid test results criteria.
- Should a staff member or camper test positive for Covid, we follow the RCSD Covid protocols in the link above for reporting, management, and close-contact notification.

Social Distancing

- Minimize close contact between students, staff, families, and the broader community at entry and exits.
- Staff, students, and parents/family members must social distance indoors.
- We will limit the entry of nonessential visitors and volunteers.

Face Covering

- Face coverings may be required per San Mateo County guidelines. If so, EPATT will provide face coverings for anyone who requests one.

Hand Washing and Other Hygiene Measures

- Staff and students must wash their hands or use hand sanitizer upon entry at CCRMS tennis courts.
- Disinfectant supplies will be available. Staff will wipe down common areas, including bathrooms, after use.
- Every student will receive a sanitized racket, a sanitized ball tube (for picking up balls), and a new can of balls. We will sanitize all equipment at the end of the day. Students will be instructed to keep 6' from each other on the tennis court.

Virtual Operations

- Should it be necessary to return to Sheltering-in-Place, we will provide fitness classes and tennis drills over Zoom.

4. Work Plan and Typical Week Schedule

AM	PM	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
9:00	1:00	Warm-up	Warm-up	Warm-up	Warm-up	Optional Interclub Tennis Matches
9:30	1:30	Groundstrokes	Groundstrokes	Volleys/Serves/ Overhead	Tennis Games	
10:00	2:00	Groundstrokes	Groundstrokes	Volleys/Serves/ Overhead	Tennis Games	
10:30	2:30	Snack and Water Break	Snack and Water Break	Snack and Water Break	Snack and Water Break	
11:00	3:00	Fitness	Fitness	Fitness	Fitness	
11:30	3:30	Big Game	Big Game	Big Game	Big Game	
12:00	4:00	Dismissal	Dismissal	Dismissal	Dismissal	

Students arrive at CCRMS at 9 AM or 1 PM, with optional Interclub matches on Fridays for those students who qualify.

Warm-ups include dodgeball, ball-at-ball, tag, obstacle course, and Agility, Balance, Coordination, and Strength (ABCs) drills. Fitness drills include cardio runs, soccer, tic tac toe, rock/paper/scissors, obstacle courses, and football.

Participation in Friday Interclub tennis matches will be based on skill level and at the coaches' invitation. EPATT campers compete against club-based campers, which gives everyone the chance to test out their skills. Historically, Interclub matches have been held at tennis clubs throughout the area, including the University Club, Foothills Club, Alpine Hills, SCRA, Fremont Hills, Menlo Circus Club, and Ladera Oaks. This year, however, **we will be able to host Interclub matches at the EPATT Tennis Center**.

We also celebrate at the end of the session with an age-appropriate activity. This past summer, we took the older students to the Santa Cruz boardwalk and the younger students to San Gregorio Beach. Everyone attended a delicious pizza lunch courtesy of Vesta Pizza Ristorante in Redwood City.

a. Projected participant total for programming: **100-120 K-12th grade students from EPA**
b. Projected hours total for programming: **140**
   4 days/week x 3 hours=12 x 5 weeks=60 hours (AM session)
   4 days/week x 3 hours=12 x 5 weeks=60 hours (PM session)
   Fridays: 4 hours x 5 weeks=20 hours

5. Insurance Requirements

We certify that we will meet the city's minimum insurance requirements for the program period of March 2025 to August 2025. As explained to Maurice, the following policies will renew on March 30 and April 8, respectively. Per his email dated 11/21/24, he said the City will accept the new certificates as soon as they are available.

a. **Commercial General Insurance** (attached) Current policy runs through **April 8, 2025**. Meets the a, b, c, and d requirements in the 2025 RFP.
b. **Business Automobile Liability (Option 2)** (attached) The current policy runs through **April 8, 2025**. Meets the a and c requirements in the 2025 RFP.
c. **Workers' Compensation and Employer's Liability - Statutory** (attached): The current policy runs through **March 30, 2025**. Meets requirement a in the 2025 RFP.
d. **Abuse and Molestation (aka Sexual Harassment) Liability Insurance** (attached) The current policy runs through **April 8, 2025**. Meets requirement a in the 2025 RFP.

6. Personnel Experience (resumes attached)

The 2025 summer tennis camp will be taught by:
Francisco "Paco" Lopez, EPATT Tennis Director
Paco grew up in East Palo Alto and discovered his passion for tennis while an EPATT student. During his first year at Sequoia High School, Paco won the Pacific Athletic League's doubles title with fellow Sequoia freshman and now EPATT Head Tennis Pro - Julio Hermosillo. (Paco and Julio were the only freshmen qualified to play in the tournament!)

A certified USPTA Elite professional coach, Paco has helped build quality youth tennis programs at various Bay Area clubs and junior training academies. He is a patient and effective teacher who excels at finding creative strategies to help students improve their on-court skills and techniques. Paco is the recipient of the 2024 USTA NorCal's Diversity & Inclusion Award.

Julio Hermosillo, EPATT Tennis Manager and Player Development Manager
Born in Culiacan, Sinaloa, Mexico, Julio was 8 when he moved to East Palo Alto. He started EPATT in third grade. He played CCS as a freshman at Sequoia High School with future EPATT Tennis Director Francisco "Paco" Lopez. Julio started coaching at EPATT when he was 17 and officially joined the staff in 2011. A USPTA-certified Elite professional coach, he also manages EPATT's traveling tournament team, aptly named Rogue Tennis. An inspiring role model for so many, Julio is happy to be able to give back to his community.

Uriel Rivera, EPATT Assistant Player Development
As a passionate and experienced tennis coach, Uriel has dedicated his career to helping players of all ages and skill levels reach their full potential on the court. His coaching style emphasizes technical precision, mental toughness, and a love for the game. Uriel fosters a supportive and challenging environment conducive to helping players improve their skills, build confidence, and develop a winning mindset. Whether they are a beginner looking to learn the basics or a seasoned player aiming for the pros, Uriel is committed to helping them achieve their tennis goals.

Mathew Gichane-Bell, EPATT Junior Tennis Coach
Mathew was born and raised in East Palo Alto. He enjoys teaching and guiding kids within my community. He feels privileged to serve as a role model he aspired to have growing up. He wants kids to know that tennis and sports, in general, can serve as pathways to free education, healthy lifestyles, and lifelong memories.

Expense	Cost
Coach salaries	$20,000
Rackets	$500
Tennis Balls	$200
Insurance	$500
Supplies (string, water balloons, etc)	$200
Snacks and drinks	$600
Transportation	$500
Field trips	$500
	$23,000

Mathew Gichane-Bell

650-288-8174 gichanebell@gmail.com

OBJECTIVE

I'm seeking a Bachelor of Science Degree in Kinesiology, with an emphasis in sports management. I plan to initiate a career in the areas of kinesiology and management, utilizing my past experiences and education. So far in my education, I have balanced my academic work with the time constraints and physical demands of a college football athlete. At this point, I have decided to put aside varsity athletics and concentrate on my academic work and my professional career.

WORK EXPERIENCE

EPATT JTU9 Tennis Coach: October 2023 - Present

- Designed and implemented age-appropriate tennis training programs focused on foundational skills such as grip, stroke technique, footwork, and positioning.
- Taught basic tennis rules, etiquette, and strategies to develop understanding of the game.
- Monitored player progress and provided constructive feedback to enhance performance and confidence.

Costano School of The Arts, Physical Education Teacher: October 2022 – Present

- Develop and implement comprehensive physical education curriculum aligned with state guidelines.
- Conduct engaging lessons that promote physical activity, motor skills development, teamwork, and sportsmanship.
- Use instructional strategies to accommodate diverse learning styles and abilities, fostering an inclusive classroom environment.
- Organize and supervise extracurricular sports activities, such as sports clubs and field days.

California Sports Center, Coach/Customer Service: March 2022 – October 2022

- Create and implement lesson plans for gymnastic classes
- Maintain equipment in safe working order
- Coach gymnasts one-on-one and in groups, motivating and improving performance
- Actively maintained and updated customer accounts regarding enrollment and billing
- Quickly triaged incoming calls and escalate when necessary
- Complete opening/closing facility procedures

Stanford University Recreation Center, Front Desk Associate: August 2019- June 2021

- Managed security check-in-desk. Led tours of the gym to new customers.
- Helped manage guest passes and special events.
- Coordinated fitness class check-in and locations.

Nuro.ai. Autonomous Vehicle Operator: February 2019- August 2019

- Working full time evaluating the performance of driverless cars closely with engineers conducting tests on software and hardware.
- Calibrated radars, lidars, cameras and various other sensors used on driverless cars. • Telecommunications operator remotely troubleshooting and operating driverless cars in Houston, Phoenix, and Mountain View.

GM Cruise. Autonomous Vehicle Trainer: September 2018- January 2019

- Working full time to test and evaluate the performance of driverless cars including automated driving software performance and artificial intelligence systems.
- Successful team member working with engineers and technicians.
- Provided timely and detailed feedback of software to operations and engineers. Identified failure modes with software and hardware.

EDUCATION

San Jose State University 8/19- Present

- Class work toward a BS in Kinesiology, sports management emphasis.

Foothill College 9/14-12/16

- Completed an Associates in Science Degree in Physical Education.
- Starting scholar football team athlete.

AWARDS AND RECOGNITION

- USTA Level 1 certification
- Awarded/offered Athletic Scholarships (for Varsity Football) from the following institutions: Western State University (Colorado), Benedictine University (Kansas), South Dakota School of Mines and Technology, Dixie State University (Utah), Texas A&M-Commerce, Fort Hays University (Kansas).
- Award/offered academic scholarships from Western State (Mountaineer Advantage Award), Benedictine University and South Dakota School of Mines and Technology.

SKILLS

- Excellent communication and presentation skills
- Confident, personable, and possess very good listening skills
- Office administration, project management and meeting/event planning
- Organized, efficient and detailed oriented, team player
- Excellent proofreading/editing skills
- Proficient in Microsoft Office and Google Docs tools

Uriel Rivera
1928 Cooley Avenue, Apt 47
East Palo Alto, CA 94303
650.282.0651
coachuriel@epatt.org

WORK EXPERIENCE

East Palo Alto Tennis and Tutoring (EPATT), East Palo Alto, California
Assistant Player Development and Equipment Manager, November 2023 - present

- Run conditioning and drill sessions to improve players' footwork, stroke production, technique, and overall fitness
- Maintain nets, ball inventory, and string racquets

iTUSA TENNIS ACADEMY, Glendale, Arizona
Assistant Coach, 2022

- High performance tennis coaching

MARTIN LUTHER KING JR COLLEGE, Guadalajara, Mexico
Tennis Coach, 2018 - 2021

- Conducted private and group lessons for players of all levels
- Developed and implemented customized training programs to improve technique, strategy, and physical fitness
- Analyzed players' performances and provided feedback and guidance to enhance their game
- Managed and maintained equipment and facilities, ensuring a safe and effective training environment
- Organized and coordinated tournaments, events, and team competitions

CODE JALISCO, Guadalajara, Mexico
Tennis Coach, 2018 - 2020

- High performance tennis coaching

CLUB LOMAS DEL REAL, Tepatitlán de Morelos, Mexico
Assistant Coach, 2016 - 2018

- High performance tennis coaching

Julio Hermosillo
271 Terminal Ave.
Menlo Park, CA 94025
650.833.9633
Coach.julio@gmail.com

OBJECTIVE

To continue to share my passion for sports and the opportunity they provide to teach life skills in a fun and safe environment.

WORK EXPERIENCE

East Palo Alto Tennis & Tutoring (EPATT), Stanford, CA
Junior Tournament Team Director 2003- present
Lead Tennis Instructor

- Mentor, teach, and coach program participants (grades 1-12)
- Provide group tennis instruction
- Handle administrative support for the Tennis staff
- Responsible for USTA membership renewals
- Schedule Volunteers
- Set up practices for Junior tournament team

Nike Summer Tennis Camp, **Stanford University** 2008 - 2013
Tennis Instructor/Dorm Counselor

- Worked closely with Dick Gould (Stanford University Director of Tennis), John Whitilinger (Stanford's Head Men's Tennis Coach) and Lele Forood (Stanford's Head Women's Tennis Coach).
- Provided group tennis instruction, specializing in Serving and Doubles strategy to ranked players.
- Trained over 200 students in QuickStart format for beginning tennis players aged 2-10 every week.
- Provided security and supervision.

America International Sports Management, Clearwater, FL 2011 - 2013
Tennis Instructor/House Leader

- Work with foreign student athletes, with the goal of exposing them to US college opportunities.
- Offered students private and group lessons
- Served as travel coach for players at tournaments and on college visits

EDUCATION

General Educational Development Certificate

Professional Certifications: USPTA-certified, SafePlay-certified, CPR-certified, First-Aid certified

Languages: Fluent in Spanish

References furnished upon request

FRANCISCO LOPEZ

"Coach Paco"
2155 Lincoln Street
East Palo Alto, CA, 94303
(650) 814-9177
Coachpaco@epatt.org

Profile

I have been playing tennis since the age of 10 and learned how to play tennis at my elementary school at an after school tennis and tutoring program (EPATT). At first when I tried tennis, I wasn't instantly hooked and it took me a year to really fall in love with the sport. After that I never wanted to stop playing. During high school, my doubles partner (friend from EPATT) and I made it to the CCS tournament as freshmen, it showed me my potential and everything that I could do with this sport!

Overall, I would consider myself a "people person." I love coaching and interacting with people of all ages from different backgrounds, and sharing my passion for tennis with them. With over 27 years of playing experience, and 20 years of coaching experience, I am able to work with any level and ability level . Additionally, I believe that some of my strongest traits are that I am super reliable, hard working, determined, energetic, flexible, confident, creative, and take initiative.

Experience

Volunteered August 2016- October 2019 /Hired October 2019- Present

East Palo Alto Tennis and Tutoring (EPATT), East Palo Alto Ca- Tennis Director

- Create curriculums, practice schedules, select tournaments for our group
- Communicate with parents about student progress, safety
- Non-Profit, Free group and Private lessons for students, I run practices, organize tennis field trips and events

February 2017- October 2019

Jeff Aron's Tennis, Atherton Ca-*Tennis Coach, Lead Coach on select clinics*

- Ran a court during clinics and was substitute lead coach, jrs and adults/ Privates

October 2015- May 2017

Euro School of Tennis, Fremont Ca-*Tennis Coach*

- Ran jr clinics at different locations and Privates

February 2014- July 2015

Player Capital (Mike Jessup), Atherton, Ca-*Tennis Coach, Lead Coach on select clinics*

- Ran a court during clinic sand was substitute lead coach, jrs and adults/ Privates

August 2005- October 2013

Peninsula Community Center, Redwood City, Ca-*Tennis Instructor/ Jr Tennis Coordinator*

- Started teaching beginner children clinics
- Was certified while at PCC and upgraded certification until reaching Elite Pro
- Was responsible for jr. program and tournament team/ Privates

---

Education & Certifications

2005 - Present

United States Professional Tennis Association, Elite Professional

CPR Certification

Safe play Certified

Technical Skills & Languages

- Virtual coaching & meetings using Zoom platform
- Google Suite: Email, Drive, Docs, Slides
- Native and Fluent Spanish Speaker



At Home in EPA

epatt

2024

IMPACT REPORT

Letter from the Executive Director

Dear Friends,

EPATT is finally home! After four years of operating in temporary facilities and various locations, we are thrilled to move into our new state-of-the-art academic and tennis center. This exciting chapter positions us to accomplish our strategic goals:

- **Transform the community** through tutoring, parent engagement, and mentorship.
- **Use sports as a catalyst** to increase student and parent academic engagement.
- **Build sustainable revenue streams** to fortify EPATT's financial foundation and fuel our ambitious vision.

But this move is about more than a new address. It cements EPATT's place at the heart of the community and is a pivotal opportunity for us to expand our impact. With this incredible space, we can fully deliver on our unique programming and bring our mission to life in new ways.

Thank you to everyone who has supported EPATT and helped make this dream a reality! We look forward to achieving even more together in the years to come.

With much gratitude,

Kesha

Kesha Weekes

Mission

EPATT equips youth to thrive in college and career pathways through academic one-on-one tutoring, parent empowerment, enrichment activities, mentorship, coaching, and tennis instruction.

Vision

EPATT envisions a future where all students are academically proficient and possess the necessary life skills to confidently and successfully pursue college or career opportunities.

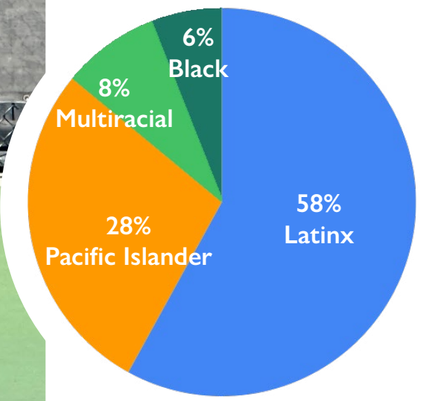




Who We Serve

We work with over 600 K-12 students.

- 89% are from low-income households
- 93% live in East Palo Alto or the Belle Haven neighborhood
- 100% college acceptance rate
- 90% college graduation rate



"I would like to be a dentist or a veterinarian, work hard, and be able to help my family. I also want to help the community by giving back whatever knowledge and wisdom I have learned from EPATT. The best part of EPATT is just feeling great accomplishment and being accepted for who I really am."

- Ana, 6th grader



EPATT's Impact Model

High-impact Tutoring

Building on 35+ years of tutoring expertise, we provide high-impact, one-on-one tutoring with measurable results. Students are paired with professionally trained tutors for a semester or longer.

Life Lessons Through Tennis

Our certified coaches use tennis to engage students, present new challenges, and develop confidence. Players learn discipline, perseverance, and teamwork, with benefits to their physical fitness and mental health.

Enrichment and Mentorship

We are much more than just an after-school program. Our holistic approach to student development builds on academics with mentorship, community service, and enrichment opportunities.

Parent Engagement

We collaborate with parents to empower them, connecting them with resources at school and in the community. Our innovative in-house app offers real-time updates on their child's college and career readiness, ensuring parents stay informed and up to date on their student's progress.

School Partnerships

We work closely with the Ravenswood City School District to provide in-school and after-school tutoring, PE classes, tennis team coaching, and student academic support.

Our Results

Our Advantage In-School Tutoring Program uses a high-dosage, high-intensity, one-on-one approach that occurs during the school day and focuses on reading. This will be our third year working with 6th and 7th graders at Cesar Chavez Ravenswood Middle School (CCRMS). Advantage has expanded to serve more students at CCRMS and also added a new site, Costaño Elementary School.

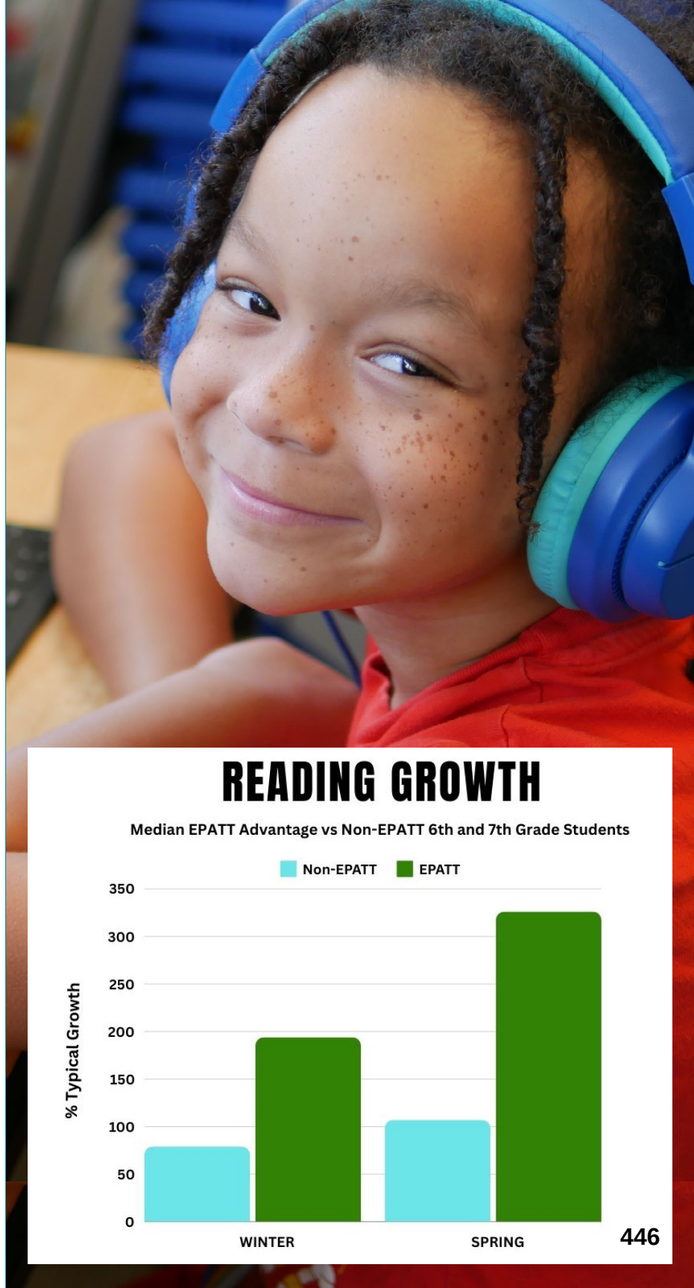
This program is producing powerful results.

Academic School Year

- **100%** of Advantage students were classified as **HIGH-GROWTH** by the end of the year
- The median EPATT student achieved almost **2 YEARS OF GROWTH** by mid-year and **3+ YEARS OF GROWTH** by the end of the year

Summer 2024

- **100%** of students experienced no summer learning loss
- **83%** of students experienced **1 YEAR OF GROWTH**
- **50%** of students experienced **2 YEARS OF GROWTH**



the epatt center

Thanks to our partnership with the Ravenswood City School District and the generous support of our loyal donors, EPATT's $3.6 million academic and tennis center at Cesar Chavez Ravenswood Middle School will open in January 2025. The EPATT Center represents our return to East Palo Alto, close to the community we serve and a permanent home base.

In May 2023, we embarked on a Capital Campaign to raise $3.6 million to fund the EPATT Center. We are grateful to our extraordinary supporters whose generosity will have a lasting impact, enabling us to reach more young people and transform their educational journeys. We are building a brighter future, one student at a time.

As of August 31, 2024

Total Received:	$1,952,659
Total Pledged:	$1,306,000
	$3,258,659

Thank you for helping us reach over 90% of our fundraising target!

Our Academic Center boasts four EPATT-dedicated classrooms for:

- Advantage in-school tutoring
- After-school and summer programs
- Staff offices
- Community meetings

The Tennis Center features six tennis courts where we will provide:

- PE tennis for CCRMS students
- After-school and summer tennis programs
- Coaching for EPATT and CCRMS teams
- USTA tournaments
- Public access on weekends



2023-24 Program Highlights

This was an exceptional year in terms of academic achievement. However, our commitment to college and career readiness extends far beyond the classroom, into the outdoors, our community, and onto the courts. Here are some of this year's program highlights and tennis milestones.

Beyond the Classroom

- Experiential field trips to Lake Tahoe, the Monterey Bay Aquarium, and the Oakland Zoo
- Inspiring music and fitness activities with our partner, The Riekes Center
- Giving back to the community, working with organizations like Canopy and the Ecumenical Hunger Program
- Enjoyable dorm dinners with Stanford tutors
- Fun and informative college tours

Tennis Firsts

- First-time champions of the Art David Athletic League Tournament
- Hosted our first USTA Tournament
- First field trip to the Indian Wells Open



Donate

By credit card at epatt.org/donate

By check (payable to EPATT). Mail to:

EPATT
PO Box 60597
Palo Alto, CA 94306

Our tax ID number is 26-3316879.

DONATE

Get Involved

Are you interested in tutoring or being a volunteer tennis coach?

To learn more about these opportunities or to apply, visit epatt.org/get-involved.

Questions? Please email volunteer@epatt.org.

Double Your Impact

Many companies will match donations contributed by their employees. If your employer has a matching program, please consider asking them to match your gift.

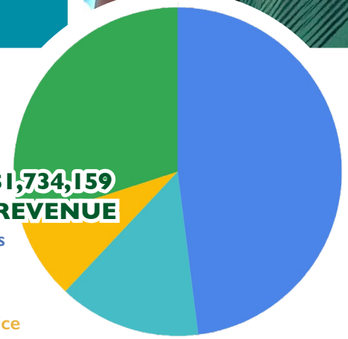


2023-24 Financials

September 1 to August 31

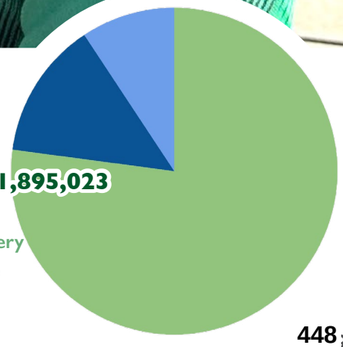
TOTAL OPERATING REVENUE $1,734,159

- 48% Individual Gifts
- 30% Grants
- 14% Events
- 8% Program Service



TOTAL EXPENSES $1,895,023

- 77% Program Delivery
- 14% Administrative
- 9% Fundraising



Thank you for investing in a better future for our students.

Gifts listed below were received between September 1, 2023 and August 31, 2024*

We are grateful to these grantors for their financial support.

Altamont Capital Partners Foundation
Atkinson Foundation
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City of Menlo Park
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Ferrari Owners Charitable Foundation
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Woman's Club of Palo Alto

$100,000 and above

Gavin and Tricia Christensen
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Cynthia and John Gunn
Kurt and Sue Jaggers
Dorothy Lazier
Nancy and Greg Serrurier
Mary and Mark Stevens
Nate and Laura Taylor

$50,000 to $99,999

Colleen and Steve Hall
Hillspire Partners LLC
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Ann and Chris Mahowald
Andi Okamura and Jeffrey Chambers
Nancy Paxton and Gaurang Desai

*Please excuse any errors or omissions.

$20,000 to $49,999

Todd and Kim Crockett
John Kriewall and Betsy Haehl
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Paula and Stephen Smith
Jyotsna Sulebele and Sandeep Narayan
Swenson Foundation
Carl and Denise Touhey
USTA NorCal

$1,000 to $4,999

Chris Alvarez**
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$500 to $999

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Becky and John Burt
Kristin Cashin
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$250 to $499

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Mattias Johansson**
Jeff Salzenstein
Carl Schmidt
Susan and Richard Seiler
Jordyn Wolfand**

**A very special thank you to our current or former tutors and volunteer tennis coaches who are also donors! If we didn't highlight your name, please let us know.

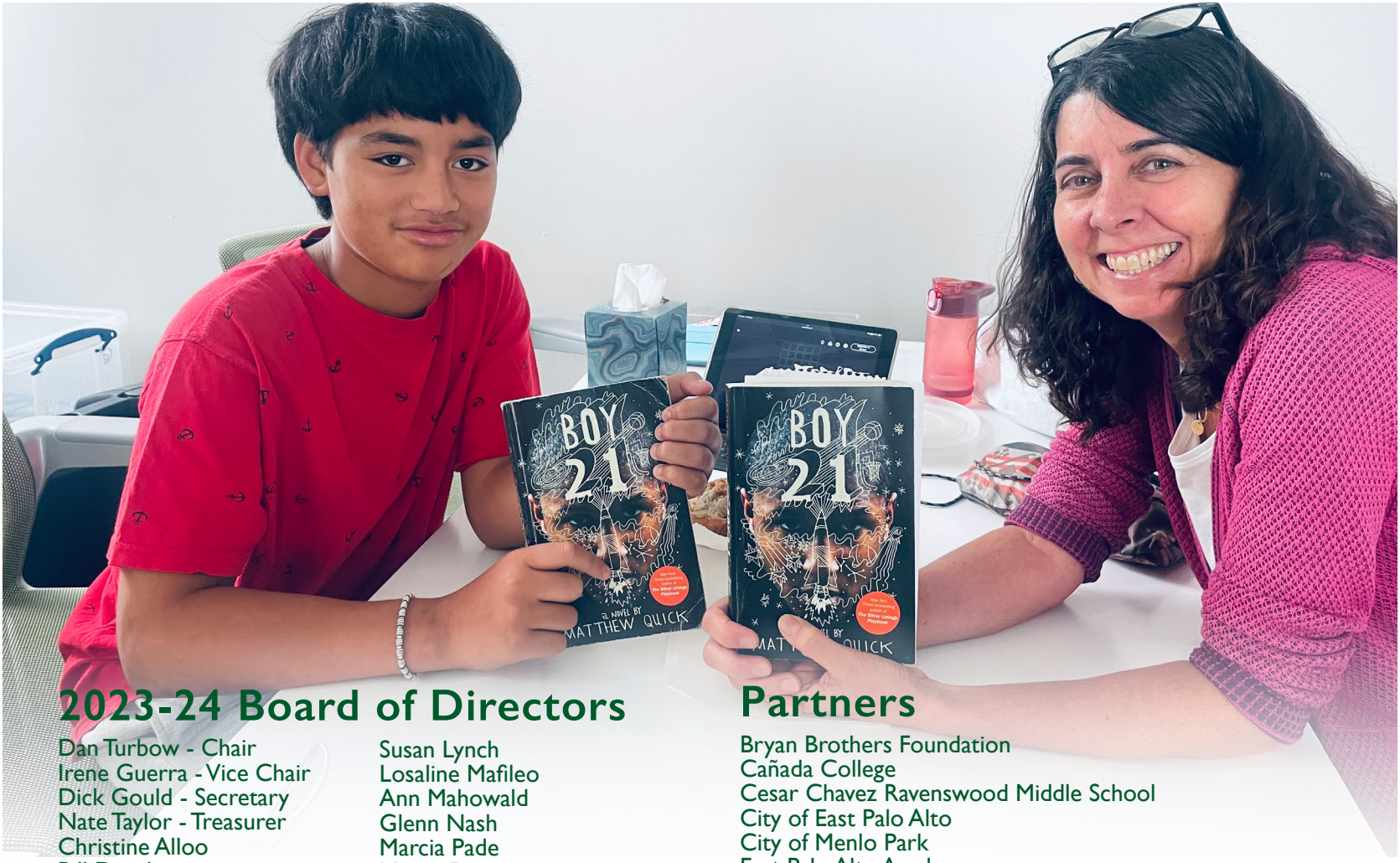
We are very grateful to the following businesses and organizations for:

In-kind donations

Allegra Entertainment & Events
Cupertino Tennis Club
Hello Insight
Hope and Grace Winery
Kids Serving Kids
Menlo Circus Club
NVIDIA
Ravenswood City School District
Resilia
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St. Francis High School
St. Francis of Assisi Church/Catholic Charities
Sheriff's Office, East Palo Alto Police Department
Stanford Men's Tennis
Tennis and Learning Center, San Francisco Recreation and Parks
Thrive, the Alliance of Nonprofits for San Mateo County
USTA Foundation
USTA NorCal
Woodside Priory School

City of East Palo Alto
Community Service Department
Attn: Maurice Baker, Community Services Manager
2415 University Avenue

November 21, 2024

Mr. Maurice Baker,

East Palo Alto Tee Ball/ Pitching Machine is pleased to have the opportunity to submit a proposal to the city in support of the effort to activate the parks with programming for summer 2025. We are committed to providing organized baseball activities for the children of the community, during the summer of 2025 in partnership with East Palo Alto Little League. We will operate a "Junior Giants" program beginning on June 19 and ending on August 19, 2025.

We have made a long-term commitment to the East Palo Alto community and have operated as a 501© (3) since 1992 in the community. We maintain an East Palo Alto Business License and ensure our insurance provides the required provisions. Our program has operated out of Jack Farrell Park since we began in 1992. We are happy to be able to continue having a positive impact through our organized league. We are pleased to continue to play a role in ensuring park access for the children and families of East Palo Alto by keeping Jack Farrell Park active this summer

Our program is designed to show youth the benefits of baseball while applying life lessons. By partnering with Junior Giants, our players will earn the Junior Giants Four Bases of Character Development: Confidence, Integrity, Leadership, and Teamwork, as well as the importance of Health, Education, and Bullying Prevention. Our program promotes "sportsmanship", respect for authority, self-esteem, and education through basic training in baseball skills for children ages 4 to 14 years.

East Palo Alto Tee Ball/ Pitching Machine appreciates the opportunity to be involved with the City of East Palo Alto's commitment to summer 2025 activities in our parks. We are willing to participate in activities that will enhance all programs, including offered training. If any additional information is needed to complete this request, feel free to contact Sharifa Wilson, board secretary, at sharifatalks@gmail.com. for any needed follow-up.

Thank you,
Sharifa wilson
Sharifa Wilson,
Secretary, Board of Directors
Tee Ball /Pitching Machine

Program Description/ Approach

East Palo Alto Tee Ball / Pitching Machine has extensive experience providing sports activities in the community, beginning in 1992. East Palo Alto Tee Ball has a strong foundation that was created for and by the community. We are proud to have continued to provide T-ball activities for over 30 years at Jack Farrell Park. For the past several years, we have participated in the city's "summer activation" program and are happy we will have the opportunity to have the city support our continued efforts to provide organized sporting activities to the East Palo Alto community

East Palo Alto Tee Ball/ Pitching Machine is prepared to offer free, non-competitive coed baseball, where children will learn the basics of baseball and essential life skills. EPA Tee Ball/ Pitching Machine will partner with the city to offer the Junior Giants program, and we will work with the Ravenswood Little League. This will create opportunities for children ages 4 to 13 to participate in baseball. We will operate out of Jack Farrell and Martin Luther King parks. We follow the curriculum provided through the San Francisco Junior Giants program, which includes weekly drills focused on skill-building and character-building exercises.

We plan to conduct weekly activities in Jack Farrell and Martin Luther King parks, where the youngsters will practice and play games. We plan to operate June 9– August 2, 2025. Our goal is to serve 150 children organized into teams, each with a coach, where each child will have the opportunity to engage in a practice and a game weekly. When possible, family members will be grouped together on a team, making it convenient for parents and family members who want to observe and support the children. Weekly activities will include batting practice, baseball stance, agility drills, and target throwing, along with some other fun training ideas.

The contingency plan; remote plan:

We are hoping for full in-person activities, however, to meet the challenge of the pandemic, we are prepared to provide service remotely. We have identified several virtual activities to provide conditioning exercises and practice drills. Each team will be provided with a "Tee Ball Success System" to provide fundamental batting, catching, and fielding drills virtually. Using a mobile device, each participant will be provided with a 10-minute practice drill that can be saved on a mobile device. Coaches will distribute and provide training to each family and, if needed, upload this system on their devices. Coaches will use this system to provide weekly contact with their team.

Parents will have printed activity sheets distributed by coaches to help guide practice at home. These include using items around the house, such as buckets, to develop fielding skills and eye-hand coordination. Coaches will also have access to Facebook Live, YouTube, and Zoom to connect with their team and offer virtual baseball coaching.

Community Outreach and Engagement:

EPA Tee Ball has operated for 30 years and has worked closely with other community-based groups during these years. As a result, we have developed an extensive network within the community. This network helps support our community outreach and engagement and includes a variety of methods. We implement our outreach strategy using these methods as we begin the summer recruitment.

We will begin by contacting all prior Tee Ball families by phone and/or email, making them aware of the opportunity to sign up. We will also use social media to increase community awareness of summer 2025 activities. We have a partnership with OEPA, which will coordinate an email blast to local community-based organizations to announce program sign-ups and the start of the season. We will distribute fliers throughout the community; posting them on local electronic and physical community boards, such as the EPA Community Calendar.

Through our existing collaboration with the Ravenswood School District, we will be allowed to distribute fliers throughout the schools and include our announcement in the weekly newsletter distributed to parents. We will again contact various preschool programs, such as Primary School, Head Start, Creative Montessori Preschool, IHSD Preschool, and Magnolia Preschool. All fliers and social media postings will be bilingual. To increase our recruitment efforts, we will also contact families through local to provide an opportunity for their youngsters to be part of our sports league.

We also work to provide information to our parents about the array of activities available in EPA. We will use our email and social media to increase communication with our community and will use this to communicate with city staff. We will provide all participants with a phone number and email contact information. We will continue to be responsive and ensure follow-up with the community from city staff.

Program updates on activities are posted on our website and distributed to various community websites on social media. Coaches will maintain contact with families through phone calls, texts, and email when necessary to keep them updated on the league's activities. Our registration includes collecting contact information for parents, which we will use to maintain communication during the season. Families will be encouraged to attend games and will have the opportunity to volunteer as "team parents," supporting youngsters during practice and games.

We have seen the increased quality and variety of activities being offered to children and young people in the East Palo Alto area and would be eager to participate in activities to highlight the work of the 2025 Summer Park initiative. As one of the city's longest-operating organizations, we welcome the opportunity to attend City Council meetings, to support and advocate for all proposed activities to make the 2025 summer activation a success.

We will maintain communication with city staff and other agencies that are part of the "2025 Summer Park Activation" program. We hope to offer our participants and their families the opportunity to become involved in their activities. We will continue to be responsive to city staff requests and concerns by participating in meetings and will communicate promptly with any inquiries.

Workplan:

The Summer 2025 activities will begin with the recruitment of participants, assistant coaches, and team parents. These activities will begin in April 2025 and continue through August 2025 We will use our extensive community network to launch this year's recruitment efforts.

We anticipate serving 150 children ages 4 to 14 through our partnerships with Junior Giants and Little League. Junior Giants will work with children 4 to 8 and the 9 to 14-year-olds at practices

scheduled for 4:00 -6:00 on weekdays and 10:00 a.m. to 2:00 p.m. on Saturdays. We anticipate providing approximately 72 hours of direct service and an additional 50 hours of recruitment, outreach, and on-site supervision

Implementation Timeline:

April 7–May 30, '25:

- Recruit and Sign up participants.
- Post on various social media sites.
- Conduct elementary school site visits.
- Conduct site visits to community preschools.
- Distribute registration information at local community events.

May '25: Conduct Coaches Clinic to prepare individuals for coaching in 2025

April 1–May 30, 2025–

- Electronic and in-person sign-ups.
- Weekly sign-ups at Jack Farrell Park and MLK Parks.
- Sign up at community-wide- Spring and Summer events

June 9 – August 2, 2025

Weekly practices and games – may increase at the discretion of the coach

Firm and Personnel Experience:

We are unique in that we are one of the oldest EPA organizations providing continuous programs to the community. Over the years, our organization has had a positive impact on hundreds of children from the East Palo Alto community. We have several college graduates, including some who have earned advanced academic credentials and many who are professionals in their chosen careers. Many of them acknowledge the impact Tee-Ball had on their development. When we began, there were very limited opportunities for children of this age group. East Palo Alto Tee Ball played a major role in maintaining this opportunity during a time when the City was reclaiming the parks. Our relationship with the San Francisco Giants was instrumental in securing their investment to upgrade the baseball field at Jack Farrell Park. We are proud to continue to work with the City of East Palo Alto.

Personnel:

We are fortunate to have extremely skilled individuals who will manage and coordinate the summer program, David Rages and Dave Jefferson.

David Rages

The lead coach/ manager, David Rages, has worked with the East Palo Alto Little League since 1992. He began as a coach, and his commitment has led to his appointment as manager and eventually serving as President. David has a long-term connection with the community, both as a

resident and as a service provider, having worked with several agencies where he interacted with residents. He brings his expertise to the work, but he also brings his passion for helping young people in this community. He has a proven track record of working successfully with children through Little League and his past professional experiences.

2246 Ralmar Avenue
East Palo Alto CA.
94303

(408)390-9986
David.RagesII@gmail.com

David Nathaniel Rages II

Objective

To obtain a position where my skills in program leadership will be utilized.

Experience

December 2022- Present Youth Development Program Director, Silicon Valley YMCA

- Director of 5 afterschool programs in the Cupertino School District.
- Director of 5 Summer ELOP Camps during Summer
- Campaign and Fundraising lead
- Summer Camp and Afterschool planning and implementation
- Budget planning, forecasting and implementation
- Supervised by the Executive Director

December 2020-December 2022 Program Manager, Ecumenical Hunger Program, East Palo Alto

- Supervision of food closet staff
- Place weekly food orders from 2nd Harvest Food Bank
- Engage in community events and help efforts.
- Responsible for monthly reports
- Responsible for hiring, job placement, interviews.

August 2020- November 2020 Community Engagement Manager (temp P/T)
My New Red Shoes, Redwood City, CA

- Management of warehouse, shoes and clothing inventory
- Connecting with agency partners to provide shoes to their clients
- Connecting with donors to maintain shoes in warehouse
- Management of volunteer staff

July 2019-June 2020 Director of Community Engagement, EPACENTER Arts, East Palo Alto, CA

- Strengthening the relationships between EPACENTER and the City of EPA as well as other community partners

- Supporting EPACENTER involvement in community events
- Training staff in charting, community meeting processes and Trauma Informed Practices.
- Organized the Youth Advisory Council and Parent Advisory Council Meetings and activities
- Lay-off due to COVID-19

November 2014-July 2019, Program Manager, Family Resource Center, Kinship, THP+, Differential Response,
Family Resource Center, Edgewood Center, Bayview Hunter's Point Office

- Oversight of the consolidation of FRC services into one team.
- Started the position managing 4 staff, was quickly promoted to supervise the staff from the other team.
- Collaborating with SF County and community partners to provide services that best fit our clients.
- Supervision with a focus on Trauma Informed Systems.
- Compiled and complete monthly and quarterly reports to our funders
- Maintain and update the client database
- Hired and trained new and productive staff members in community service work
- Planned client events
- Organized Team Building Activities
- Supervised staff in a balanced, direct style, allowing my employees to feel supported and comfortable to approach me.

2013-2014, Family Conference Facilitator, Edgewood Center.

- Facilitation of several family conferences per month.
- Utilization of skills learned in participatory decision making trainings, as well as natural ability to lead goal focused discussions

2009-2014, Senior Case Manager, Edgewood Center, Kinship Program

- Help develop and implement case management protocols
- Data Entry of monthly encounter logs, sign-in sheets and intake paperwork as needed
- Manage referrals into the program
- Facilitation of Team Meetings
- Facilitation of Cultural Awareness Training December 2012
- Meeting Host and member of the Community Response

Committee to the Domestic Violence Council
- Responsible for scheduling outreach to CPS Workers
- Working with the team to plan and participate in various family events
- Continued with other case management duties listed below

2007-2009 Case Manager, Edgewood Center Kinship Program

- Intake Relative Caregivers into the Kinship Program
- Develop a service plan with Caregivers to help them access services in San Mateo County
- Help train and shadow new case managers
- Coordination/Facilitation of Family Conferences
- Working with Caregivers on the road to self-sufficiency

1/2006-8/2006 Counselor, Joy Adolescent Treatment Center, East Palo Alto CA
- Counselor in a 6 bed boys group home. Cooked meals, transported residents on outings, and assisted in the day to day needs of the residents.

2002-2005 Shelter Care Counselor, Receiving Home, San Mateo County Child Protective Services, HSA

- Completed intake into the group home for children 11-17
- Responsible for supervising teens in a group home setting
- Transported teens to appointments and outings.

2002-2005 Research Assistant/Case Manager, East Bay Community Recovery Project Oakland, CA

- Completed intake, six and twelve month interviews with clients in substance abuse treatment.
- Compiled data for quarterly reports and presentations.
- Drove out into the community and searched for clients for follow-up.
- Provided case management for clients with HIV/AIDS and at risk for

HIV/AIDS, driving out into the community to pick up and drop off clients for appointments

2000-2001 Kid's Place Counselor, Coach/Referee, El Camino YMCA

- Supervised kids in an afterschool setting.
- Led youth activities, both outdoor and indoor.
- Planned vacation programming for students
- Coached and referee for Flag Football and Basketball.

Education

1995-1999 The College of William and Mary Williamsburg, VA

- 101 Semester Credits Completed. Major in History

1999 Foothill College

- 7 Qtr Credits completed Child Development

2023 Canada College

- 8 Semester Credits Completed Child Development Mgt

Volunteer Work

2020 Ecumenical Hunger Program, Board Member, East Palo Alto CA

2020-Present President, Ravenswood Little League Baseball, East Palo Alto CA

- Increase league to 5 teams
- Established team mascots to increase moral and team identity
- Increased league budget due to recruitment of new donors and sponsors.
- Led a successful 2021 season after the pandemic.
- Creation of 12-14 y/o team in 2023.

2009- 2019 Vice-President; Manager, Ravenswood Little League, East Palo Alto, CA.

1992-Current Little League Baseball Coach and Manager, Ravenswood Little League, East Palo Alto CA

1995-1999 Choir Director, Ebony Expressions student operated Gospel Choir, College Of William and Mary. Williamsburg VA

Appearances

2016- Piece published in the book "Surviving Compassion Fatigue: Help for those who help others" By Beverly Kyer "David's Story" pg. 106

6/13/2014 Appeared on "Mental Health Matters" Program #81, Compassion Fatigue with Beverly Kyer, www.peersnet.org

Published works

Children's Books under the pen name Hunter Rages

2022 "Lenny's Journey to the Stars"
2022 "Cece's Magical Amber Crystal"

EAST PALO ALTO TEE BALL 2025

Personnel			
Manager		$	6,000.00
Coaches		$	8,000.00
Admin. Assistant		$	1,500.00
Insurance		$	4,000.00
Accounting		$	500.00
Total Personnel		$	20,000.00
Programming Costs			
Equipment	Pitching machine, batting tee, gloves, chalking wheel,	$	3,500.00
Uniforms	150 uniforms	$	5,000.00
Awards / Trophy	all participants & volunteers	$	3,500.00
Snacks Bar	supplies and equipment	$	3,000.00
Awards Banquet	Supplies and materials	$	2,000.00
Opening Day Event	Supplies and materials	$	1,000.00
Marketing	fliyers, banners, signs, mailing	$	800.00
Legacy Golf Digest	Publication Ad	$	1,000.00
Patch Fund	Golfers Classic	$	2,200.00
Marisol Embrodary	Hats - /Fall Ball	$	3,580.00
Miscellaneous	Varied expenses		$2,500.00
Total Program Cost		$	28,080.00
Operating Expenses			
City of Las Vegas	Park Permits	$	90.00
City of East Palo Alto	Business license	$	40.00
Clark County Legal News	Posting FBN	$	40.00
County of San Mateo Clerk	Ficticious Name	$	34.00
Westgate Hotel	Rooms, Banquet, etc.	$	3,080.00
Westgate Hotel	Rooms- participatant	$	2,500.00
Wildhorse Golf Course	Fundraiser site	$	3,600.00
Charles Bell	DJ. - reimbursement	$	850.00
Meda Okelo	Reimbursement	$	1,200.00
Total Operating		$	11,434.00
Grand Total		$	59,514.00

2025 SUMMER PARK



ACTIVATION PROPOSAL













CREATING COMMUNITY THROUGH RUGBY

CITY OF EAST PALO ALTO · INCORPORATED 1983 ·

EAST PALO ALTO RAZORBACKS RUGBY

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I. COVER LETTER



The East Palo Alto Razorbacks Rugby Club is a community organization that strives to create community through rugby. Our mission is to continue community outreach, teaching, mentorship, and providing endless opportunities for our local community through rugby. As East Palo Alto natives, our board members understand firsthand how rugby can be a powerful outlet and safe haven, keeping our youth and young adults off the streets and empowering them to achieve the "unreachable". We are committed to supporting our players both on and off the field, helping them pursue higher education, play at elite levels, or even simply find connections and a purpose through rugby.

Over the past two years, the Razorbacks Rugby Club have been honored to partner with the City in the Summer Park Activation program and would love to continue to positively impact the community through this program. Through our participation in the program, we have been able to enhance our ability to serve the community and witnessed remarkable growth within our club that would not have been possibly without the Summer Park Activation program.

Last year's community engagement has doubled and we aim to continue this trend by enhancing our current initiatives and implementing fresh, innovative ideas. In our first year, the youth camp welcomed 88 participants and 14 registered volunteers (excluding parents, families, and players). Last year, participation grew to 104 participants, with an additional 96 family members joining us for the closing day BBQ. Likewise, our Elite Summer 7s Training Program consistently maintained over 60 players, but its impact extended far beyond participation numbers. Last summer, through our elite summer 7s training program, our ladies advanced to compete in the USA Rugby 7s Nationals in Madison, Wisconsin—a milestone that opened doors for several players. These opportunities that arose included select players getting invited to USA Rugby 7s training camps and pathway programs.

The Summer Park Activation program has empowered us to continue to serve our community in unique ways. Often times programming like this comes at a high cost, so to be able to bring it to our community and free is something we are truly grateful for. Bringing olympians and other professional athletes to our small town has proven to be an unforgettable experience for participants and their families and would not be possible without the Summer Park Activation Program. This also goes for our elite 7s trainings and making it to nationals. As we look ahead to June, we are excited to build on the momentum of the past two years and expand our programming with fresh ideas, enhanced programming, and effective marketing strategies.

II. APPROACH & UNDERSTANDING

PROGRAMMING OVERVIEW

Programming will consist of 3 different intiiatives; a youth rugby camp, elite summer 7s trainings and+ competitions, and skill development sessions (mini rugby clinics).







YOUTH RUGBY CAMP

The second part of our program will be a week-long youth rugby camp held at Jack Farrell Park, where trainings will be three hours each day. This camp will feature special guest coaches alongside our own coaches and adult players. The goal is for the older players to mentor our youth, teaching skills that extend beyond rugby into life. To foster engagement, we'll also include fun activities for not just the youth but their families. Throughout the week, participants will recieve water and snacks to stay energized. The final day will run a full day, featuring a morning training session followed by a family fun park day. Activities will include a BBQ for all participants and family members, jumpers, face painting, and opportunities for families to connect. Local rugby colleges will also set up tents to share recruitment information with high school attendees. The camp will conclude with a medal ceremony, where participants will receive shirts and small gifts to celebrate the end to a fun week. Last year's camp saw 104 attendees and 96 additional family members for the bbq, and this year we plan to exceed that by introducing an exciting lineup of guest coaches, including _____This extraordinary team of coaches will offer our youth a once-in-a-lifetime opportunity to learn from the best, creating experiences and memories that will last a lifetime.

ELITE SUMMER 7S

Our Elite Summer 7s Program is an eight-week intensive rugby training and competition series running from June to August. The program includes 2–3 training sessions per week, lasting three hours each, at Jack Farrell Park. Each week, training will focus on specific aspects of skill development, strength, and game strategy, preparing players for elite-level competition. Last year, the program hosted 60 participants ranging from teens to adults. Over eight weeks, we competed in five tournaments and ended the programming by taking a select group of 18 ladies to the USA Rugby Nationals, where they advanced to the Bowl Finals. Additionally, we were privileged to have rugby legends such as Waisale Serevi, the "King of Sevens," and **Mona Lisa Tupou**, a current USA Eagle, help lead some training sessions. This year, we aim to maintain or exceed last year's participation while introducing new guest coaches to provide fresh perspectives and elevate the program further. The Elite Summer 7s Program is dedicated to fostering player growth creating pathways to higher levels of competition.

APPROACH & UNDERSTANDING CONTINUED

SKILL DEVELOPMENT CLINICS

We are excited to introduce the newest addition to our programming: Skill Development Clinics! These clinics will occur once a month over the weekend and are designed to help players hone their skills under the guidance of local high-level coaches(MLR, USA Rugby pathway coaches, etc.)

Details:

- Co-ed: Open to all ages, though we anticipate the primary interest will come from middle school students and older.
- Specialized Coaching: Separate coaches for forwards and backs to focus on tailored skill development.
- Duration: Each clinic will be three hours long.
- Extras: Water and snacks will be provided.

This is a fantastic opportunity for players to take their game to the next level in a supportive and focused environment. Being that this is our first year doing something like this we expect targetted attendance to be 60+ players each clinic.

COMMUNITY ENGAGEMENT & OUTREACH PLAN

Our community outreach and engagement plan leverages in-person, digital, and printed methods to maximize our reach. Here's an overview of our strategy that will apply to each individual programming:

IN PERSON OUTREACH

- flyers/presence to spread awareness at city events
- pass out flyers at sporting events
- utilize family and friends of the organization to pass out flyers of program at local parks
- spread awareness at games throughout the XVs season (November 2024 to May 2025)

DIGITAL OUTREACH

- social media paid advertisements
- digital flyer for the programming
- advertisement video with content from past years
- paid promo content on social media to maximize reach
- project page on website
- utilize USA rugby's CMS to send an email to all registered players and parents in Norcal
- email all previous participants from our database.

PRINTED OUTREACH

- printed flyers to be posted at local shops around East Palo Alto
- printed flyers to be passed out at schools upon approval. (McNair Academy, Menlo Atherton, etc.)
- door to door flyers







III. REMOTE OPERATIONS

As our program was reinstated during the pandemic, we have established a contingency plan to ensure the safety of our participants while maintaining program activities. This plan covers various scenarios, including pandemics and emergency situations, and adheres to the following protocols:

PANDEMIC PROTOCOLS

Shelter-in-Place Mandate:

- In the event of a shelter-in-place mandate, we utilize Zoom to conduct virtual programming. While this approach is not ideal, it has proven effective in keeping participants engaged remotely.

Social Distancing Protocols:

- During a pandemic requiring social distancing:
  - Masks are mandatory
  - Participants will maintain a 6-foot distance during drills.
  - Sanitize equipment each day.
  - Temperature checks and hand sanitization are required upon arrival.



EMERGENCY SITUATIONS



Medical Emergencies:

- All coaches are CPR and First Aid certified, with annual refresher courses completed before the season begins.
- Programming locations are chosen with accessibility in mind, ensuring ambulance access and proximity to hospitals.

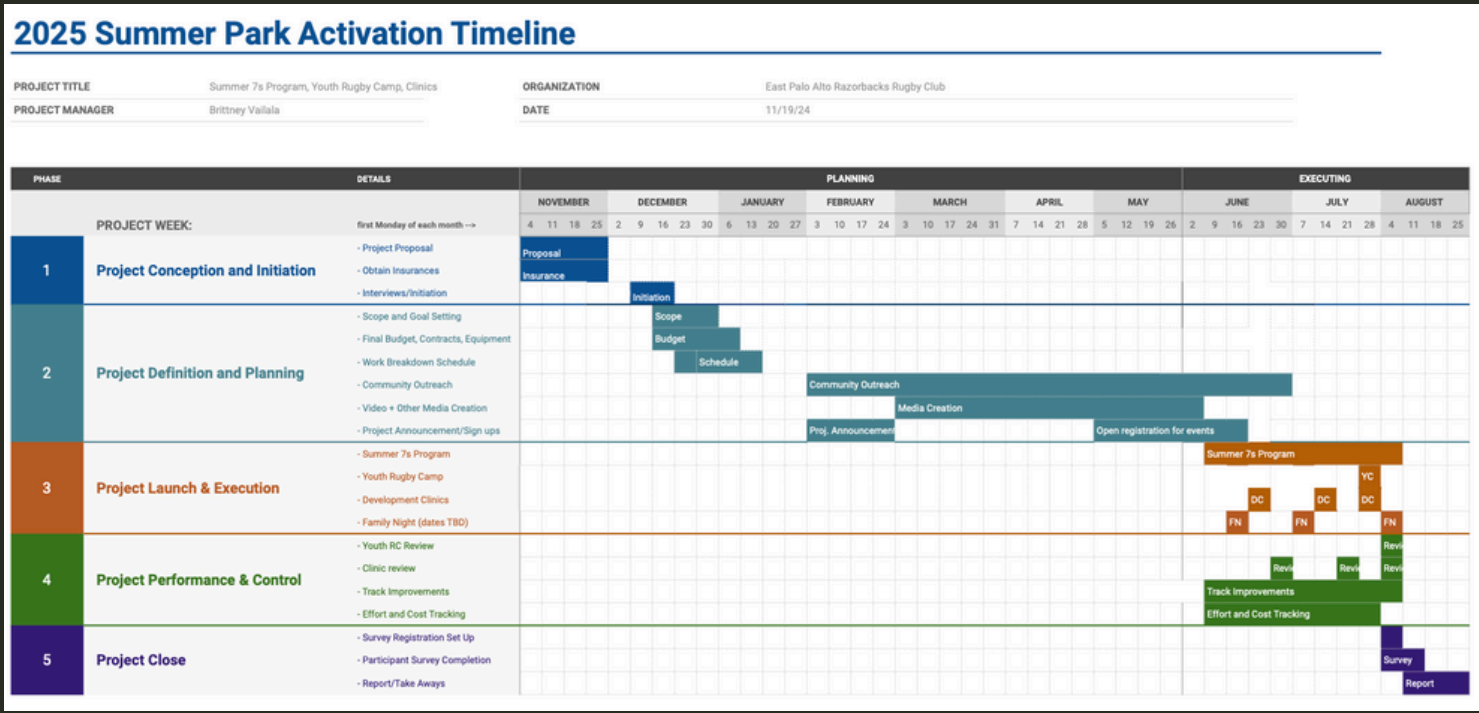
Severe Weather Conditions:

- Training will be moved to an indoor facility if necessary.
- At Rich May, a coaching room is available as an emergency shelter.
- In other parks, the program is prepared to relocate to the East Palo Alto boxing gym or City Sports as emergency shelters.

IV. WORK PLAN& SCHEDULE

TIMELINE

In our timeline, we have allowed a longer period for marketing and community engagement to increase build up leading up to the programming. Essentially doing soft drops or sneak peaks ahead of time. This allows for us to gage interest sign ups as well.



BUDGET MANAGEMENT PLAN

Our strategy for staying within budget is outlined in our detailed budget plan, shown on the right. This plan is based on historical data from previous years and includes allocations for miscellaneous and unexpected expenses. By proactively accounting for potential unforeseen costs, we aim to ensure that we remain within our overall budget while maintaining financial flexibility.

Expenses	Category	Amount	% Percentage
Guest Coaches Travel + Time	Youth Camp	$4,500	25%
Guest Coaches Travel + Time	Skill Development Clincs	$1,000	6%
Program Materials	All Programming	$5,500	31%
7s Tournament Fees	Elite Summer 7s	$2,000	11%
7s Travel Cost	Elite Summer 7s	$2,000	11%
Promotion + Advertisement	All Programming	$1,000	6%
Referee Costs	All Programming	$1,000	6%
Miscellaneous/Unexpected	All Programming	$1,000	6%

Program Materials include:

- Camp shirts
- equipment for all programming
- waters
- snacks
- rentals
- medals for youth camp participants
- balls
- pennies
- etc.

V. FIRM & PERSONNEL EXPERIENCE

PROJECT MANAGERS

Brittney Vailala
- 4 years working on the union board under USA rugby as Secretary
- Project manager for events under USA rugby
- Project management courses in college
- 5 years running two clubs

Mardie Fonua
- 4+ years project management annual compost giveaway in Fremont and Newark locations
- 3 years on rugby team committee
- 2 years project management container exchange program for city of Fremont

COACHES

Samuel Vailala
- 24+ Years rugby experience
- Nationals 2009
- All star select team against All Blacks and Tonga national teams
- 5 years of coaching

Akanesi Raturala
- 98' Fiji Women's 15s national team
- 98' Fiji Women Rugby League national team
- 6 years with BASH
- Pioneered 1st season of women's rugby with SFFOG

Talica Vodo
- Started the Fijiana 7s national team
- Olympic athlete 16'
- Fiji national 7s women's player and team captain

GUEST COACHES



Folau Niua
- USA 7s since 2011
- 2x olympic athlete
- over 65 caps
- multiple World Cup appearances



Tevita Tameilau
- USA National Team 2009 and 2016
- Pro contract playing in Scotland
- MLR player 2016-current



Mona Lisa Tupou
- Capped with USA Rugby's XVs National Team
- USA rugby Professional 7s player



Waisale Serevi
- a.k.a the King of 7s
- Hall of Fame player
- 3x XVs Rugby World Cup player
- 4x 7s Rugby World Cup player

ADDITIONAL GUEST COACHES

Jona Sawailau - Professional player for a pro team in Fiji
Greg Feek - New Zealand All Blacks coach and Super Blues forwards coach. Awarded the greatest forward coach of all time
Evan Hoese - Former USA Eagle and current USA U23 pathway coach
Irene Gardner - USA Rugby 7s Head Coach

East Palo Alto Razorbacks Proposed Scope of Work
2025 EPA Summer Park Activation

Overview

The East Palo Alto Razorbacks Rugby Club will provide an elite summer 7s program open to high school and up and a summer youth camp for ages U4 to high school. The estimated number of participants for the summer youth camp is 100+ and an additional 40-80 for the family day. The estimated number of participants for the summer 7s program is around 60 as well as the same for each Skills Development Clinic(x3 of them), reaching an anticipated total of approximately 380-420 community members throughout all 3 programming's being offered.

Program Details

East Palo Alto Razorbacks Rugby Club 7s Program, Youth Camp, and Skills Development Clinics
Dates: June 9 - August 10, 2025
Location: Jack Farrell Park(all 3 programs) + Martin Luther King Junior Park or Rich May for one or two skills clinics

7s Program Schedule:
Practices on Monday, Wednesday from 6pm - 8:30pm + Qualifying Games on Various Saturdays from 9am-5pm
Summer Youth Camp Schedule:
June 21 - June 25, 2025 from 9am - 12pm and July 26, 2024 from 12pm - 4pm
Skills Development Clinics:
Once a month on the weekend from 9am-12pm

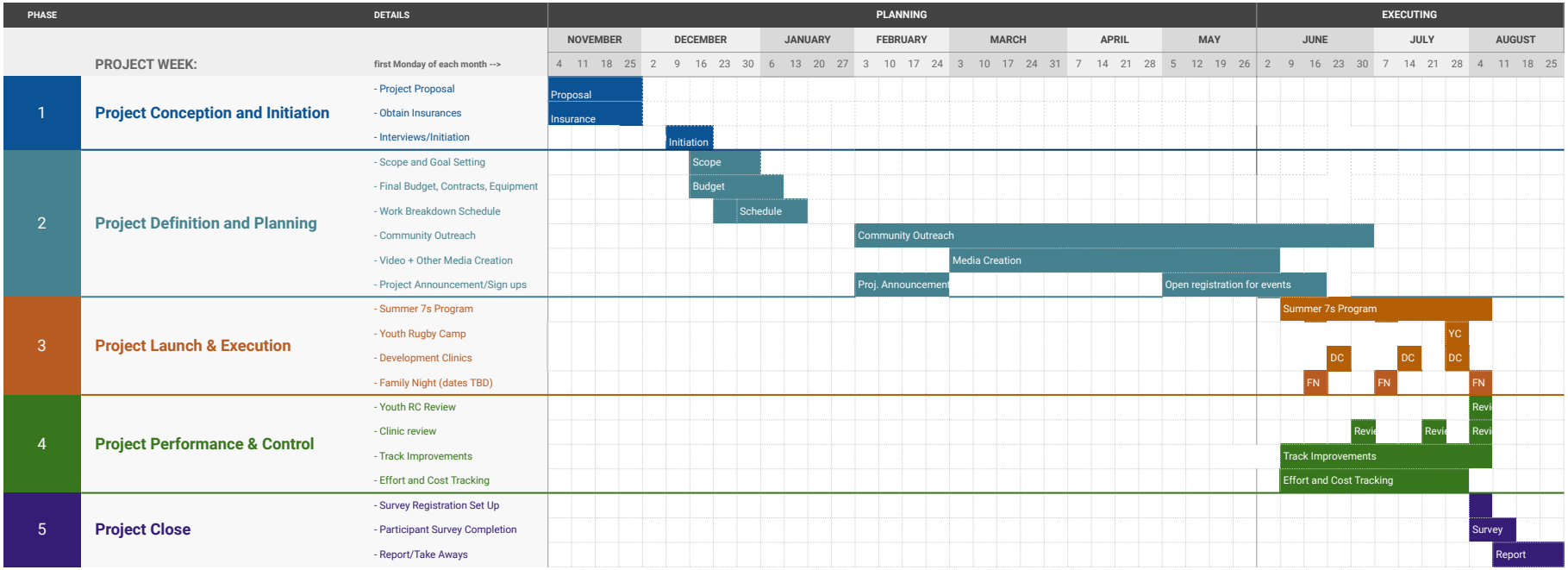
Resources

$18,000 Fee Breakdown:

- $5500 guest coaches travel + time
- $5500 program materials
- $2000 7s tournament fees
- $2000 7s travel costs
- $1000 promotion + advertisement
- $1000 referee costs
- $1000 miscellaneous/unexpected expenses

2025 Summer Park Activation Timeline

PROJECT TITLE	Summer 7s Program, Youth Rugby Camp, Clinics	**ORGANIZATION**	East Palo Alto Razorbacks Rugby Club
PROJECT MANAGER	Brittney Vailala	**DATE**	11/19/24



COVER LETTER

Proposal for Summer Park Activation in East Palo Alto (Casey Jackson)

On behalf of East Palo Alto Boxing, I am thrilled to express our strong interest in partnering with The City of East Palo Alto for the Summer Park Activation program commencing June 2025. With our commitment to empowering communities through fitness, discipline, and personal growth, we believe our unique approach and expertise make us an ideal partner to bring this initiative to life.

At East Palo Alto Boxing, we specialize in creating inclusive, dynamic programming that combines mixed martial arts, fitness, and personal development. Our mission extends beyond physical training, fostering confidence, discipline, and community connection among participants. We are particularly passionate about engaging youth and families, offering an inspiring platform for wellness and collaboration.

Key Features That Set East Palo Alto Boxing Apart:

1. **Proven Expertise:** Our team comprises certified MMA instructors, experienced fitness professionals, and community leaders who have successfully delivered programs tailored to diverse groups, including underserved communities.
2. **Customized Programming:** We design engaging activities for all ages and skill levels, incorporating self-defense, fitness challenges, mindfulness practices, and team-building exercises.
3. **Commitment to Community Impact:** East Palo Alto Boxing is dedicated to fostering long-lasting relationships within the communities we serve, promoting a culture of health, empowerment, and mutual support.
4. **Inclusive Approach:** We prioritize accessibility and inclusivity, ensuring our programs are welcoming to all individuals, regardless of age, experience or background.
5. **Proven Track Record:** Our programs have positively impacted communities across the Bay Area, receiving high praise creativity, engagement, and measurable outcomes.

Should we be selected, we are fully prepared to launch a comprehensive summer program starting in June 2024. Our team is committed to providing well-organized, impactful activities, supported by dedicated personnel who are passionate about serving East Palo Alto.

We envision this collaboration as an opportunity to foster stronger connections within the community, promote health and wellness, and provide a memorable experience for residents of all ages.

Thank you for considering East Palo Alto Boxing for this opportunity.

We look forward to contributing to the vibrancy of East Palo Alto through this exciting initiative.

Approach and Understanding

East Palo Alto Boxing Club understands that the Summer Park Activation 2025 is an essential initiative aimed at fostering community connection, promoting wellness, and providing accessible recreational opportunities for residents of East Palo Alto. This program is designed to create a vibrant, inclusive environment where individuals of all ages can participate in engaging activities that encourage physical health, mental well-being, and personal growth.

The core objectives of this initiative include:

- Offering structured programming that is accessible to diverse populations, including youth, families, and seniors.
- Promoting active lifestyles, social connection, and community engagement.
- Addressing specific needs such as safety, inclusivity, and adaptability to various delivery methods (in-person or remote).

We recognize the importance of providing consistent, high-quality services while ensuring collaboration and transparency with the City of East Palo Alto. Our approach combines innovative program design, active community engagement, and clear communication protocols to achieve these goals.

Approach to Programming

Community Engagement

1. **Outreach and Awareness:**
    - Utilize social media, email campaigns, flyers, and local events to raise awareness and encourage participation.
    - Provide bilingual communication materials to accommodate East Palo Alto's multilingual community.
2. **Inclusive Programming:**
    - Design activities that cater to all age groups and abilities, including fitness classes, mindfulness workshops, youth mentorship programs, and family-friendly events.

Service Delivery Process

1. **Customized Activities:**
    - Offer flexible scheduling to accommodate different availability and maximize participation.
    - Incorporate feedback from residents to refine programming throughout the activation period.
2. **Safety and Accessibility:**
    - Follow all local health and safety guidelines, including social distancing and sanitization protocols.

3. **Continuous Improvement:**
    - Use real-time feedback from participants to make adjustments and enhance program effectiveness.

Internal Protocols for Communication and Collaboration

Communication Between the City and Grantee

1. **Designated Point of Contact:**
    - A program manager from East Palo Alto Boxing Club will serve as the primary liaison with the City of East Palo Alto, ensuring timely responses and streamlined communication.
2. **Regular Updates:**
    - Provide weekly updates to the city, including attendance metrics, participant feedback, and program highlights.
3. **Emergency Protocols:**
    - Establish a clear process for immediate communication in the event of unexpected challenges, such as weather disruptions or health-related restrictions.

Internal Communication and Coordination

1. **Team Meetings:**
    - Hold weekly internal team meetings to ensure alignment on goals, share updates, and address challenges.
2. **Technology Integration:**
    - Leverage communication tools such as Slack or Microsoft Teams to maintain clear, real-time communication among team members.
3. **Accountability:**
    - Assign specific roles and responsibilities to staff members for seamless execution of programming and reporting requirements.

Conclusion

East Palo Alto Boxing Club is committed to implementing a dynamic and inclusive Summer Park Activation program that aligns with the goals of East Palo Alto. By prioritizing community engagement, transparent communication, and adaptable service delivery, we aim to create a lasting, positive impact for residents and establish a model for future collaborations with the City.

Remote Programming Protocol - Summer Park Activation 2025

East Palo Alto Boxing Club's Remote Programming Protocol is designed to ensure that the Summer Park Activation 2025 remains impactful and accessible under all circumstances. We are committed to ensuring uninterrupted, high-quality programming for the Summer Park Activation 2025, regardless of physical distancing requirements or potential shelter-in-place mandates. Our Remote Programming Protocol outlines how we will adapt operations to a fully virtual environment, ensuring accessible, engaging, and impactful experiences for all participants.

Operational Plan for Remote Programming

1. **Virtual Platforms:**
    - All activities will be hosted on reliable video conferencing platforms such as Zoom or Google Meets, providing secure, real-time interactions.
    - Supplementary materials, including instructional videos and guided workouts, will be made available via platforms like YouTube.
2. **Live and Pre-Recorded Sessions:**
    - **Live Sessions:** Participants can join scheduled live classes, including fitness training, self-defense tutorials.
    - **Pre-Recorded Sessions:** On-demand content will cater to participants who may have scheduling conflicts or prefer a self-paced approach.

Safety and Accessibility

1. **Social Distancing-Compliant Exercises:**
    - All activities will be designed to require minimal space and no physical interaction, ensuring they are suitable for participants at home.
    - Modifications will be provided for varying fitness levels and physical abilities.
2. **Equipment-Free Workouts:**
    - Sessions will prioritize bodyweight exercises and household items as alternatives to gym equipment.
3. **Digital Literacy Support:**
    - Tutorials will be provided to help participants navigate virtual platforms.

Participant Engagement and Retention

1. **Community Challenges:**
    - Weekly fitness or wellness challenges to foster community participation and motivation.
    - Participants can share progress via a private online group.

1. **Session Schedule:**
    - A structured timetable will be shared with participants in advance, ensuring consistent programming and clear expectations.

Work Plan and Schedule

East Palo Alto Boxing Club proposes a programming schedule designed to engage approximately 40+ residents of East Palo Alto over the duration of the Summer Park Activation 2025. Our programming is structured to include 100 total program hours across the weeks through (June–August 2025), accommodating diverse participant needs with a mix of fitness, wellness, and community-building activities such as softball.

Program Schedule Overview

Duration: (June 9, 2025 – August 2025)
Projected Participants: 200 residents (an average of 25-50 participants per session)
Projected Hours: 80 total hours

Weekly Schedule

- **Monday & Wednesday:**
  - Morning Session: 9:00 AM – 11:00 AM (Fitness/Cardio & Conditioning Bootcamp – youth/multigenerational)
- **Tuesday & Thursday:**
  - Evening Session: 5:30 PM – 7:30 PM (Softball in the Park – young adults/adults)

Detailed Tasks and Deliverables

Pre-Program Preparation (April–May 2025)

1. **Planning and Coordination:**
   - Finalize the activity schedule and secure park for in-person events.
2. **Community Engagement:**
   - Partner with local schools, libraries, and community organizations to promote programming.
   - Launch marketing campaigns via flyers, social media, and email newsletters.
3. **Staff Training:**
   - Train instructors on health and safety protocols, community engagement techniques, and virtual program facilitation.

Program Implementation (June–August 2025)

1. **Weekly Programming:**
   - Deliver scheduled activities as outlined above, with adjustments based on participant feedback and public health updates.
   - Track attendance, engagement, and outcomes for each session.
2. **Community Challenges and Incentives:**
   - Introduce biweekly fitness challenges to foster friendly competition and motivate participation.

- Offer incentives such as gift cards, program merchandise, or recognition certificates.

3. **Monthly Reporting:**
   - Submit detailed reports to the city, including participation metrics, highlights, challenges, and proposed adjustments.

Post-Program Wrap-Up (August 2025)

1. **Evaluation and Feedback:**
   - Distribute surveys to participants to gather insights on program effectiveness and areas for improvement.
2. **Final Report:**
   - Deliver a comprehensive report to the city summarizing attendance, engagement, and program outcomes.

Adjustments for Public Health Updates

East Palo Alto Boxing Club is fully committed to adhering to California Department of Public Health (CDPH) updates. Adjustments to programming will be made promptly to comply with evolving guidelines, including the use of virtual formats, modified group sizes, or enhanced safety protocols for in-person sessions.

Conclusion

Our work plan is designed to maximize community engagement while maintaining flexibility to adapt to unforeseen circumstances. By delivering consistent, high-quality programming, East Palo Alto Boxing Club aims to foster a sense of belonging and wellness among East Palo Alto residents while meeting the scope of work requirements for the Summer Park Activation 2025.

Firm and Personnel Experience

East Palo Alto Boxing Club is a leading provider of community-centered fitness and wellness programs that combine the principles of mixed martial arts (MMA), discipline, and holistic health. Since our establishment, we have successfully designed and executed programs that address the physical, mental, and social well-being of diverse populations. Our approach emphasizes accessibility, inclusivity, and community empowerment, making us uniquely qualified to deliver impactful programming for the Summer Park Activation 2025.

- **Extensive Community Engagement:** East Palo Alto Boxing Club has collaborated with organizations to deliver fitness and wellness programs for underserved communities across the Bay Area.
- **Proven Success in Large-Scale Programs:** We have executed initiatives comparable to the Summer Park Activation, such as summer fitness camps, and after-school programs,
- **Adaptable Programming Expertise:** Our team excels at tailoring programs to meet community needs, whether through in-person events or remote operations.
- **Strong Focus on Youth Development:** Through our mentorship programs, we have empowered youth with essential life skills, including discipline, resilience, and self-confidence.

Casey Jackson, Program Director & Head Instructor

- Led mixed martial arts and fitness classes for youth, adults, and seniors, emphasizing skill-building and self-confidence.
- Skilled in adapting instruction to various skill levels and age groups, ensuring inclusivity and participant success.
- Expert in community outreach, program design, and ensuring alignment with municipal goals.
- Purple Belt in Brazilian Jiu-Jitsu with over 7 years of teaching experience

Eugene Jackson, President

- Led mixed martial arts and fitness classes for youth, adults, and seniors, emphasizing skill-building and self-confidence.
- Designed and implemented self-defense workshops for community events, with a focus on empowering participants from diverse backgrounds.
- Skilled in adapting instruction to various skill levels and age groups, ensuring inclusivity and participant success.
- Extensive experience in conducting needs assessments, facilitating focus groups, and building partnerships with local organizations.
- Expert in community outreach, program design, and ensuring alignment with municipal goals.
- Purple Belt in Brazilian Jiu-Jitsu with over 20 years of teaching experience.

Conclusion

East Palo Alto Boxing Club's qualifications, experience, and a host of dedicated team members make us uniquely suited to deliver a successful Summer Park Activation program for East Palo Alto. Our proven track record with similar initiatives, combined with our commitment to fostering community wellness, positions us as a trusted and capable partner for this engagement.

Casey Jackson

595 Groth Drive
San Jose, CA 95111
(650)-906-9491
casey@liveinpeace.org

EXPERIENCE

Rogue Empire MMA, East Palo Alto — *Certified Personal Trainer*

JANUARY 2018- CURRENT

I became a certified personal trainer in 2018 and began gaining clients to work at the gym I own. I have vast experience in Mixed Martial Arts, boxing, jiu jitsu, nutrition, weightlifting, calisthenics, and more. I train clients one-on-one or in group settings. I tailor each workout to the client's personal needs and goals. Skilled in motivating my clients, offering any advice necessary, and ensuring safe exercise practices. I am dedicated to promoting a healthy lifestyle and enchancing clients' physical performance and overall well-being. I am also an excellent communicator with a client-focused approach.

Live in Peace, East Palo Alto — *Life Coach*

MARCH 2017 - JUNE 2022

I worked with Live in Peace as a life coach to help the high school kids in the program with mentoring, achieving their educational and personal goals, going to their schools to check with teachers, and more. I am skilled in providing support and strategies for building self-confidence, managing stress, tutoring and helping with education, and navigating life's challenges. I am committed to fostering a positive and empowering environment that encourages teens to reach their full potential. I am a strong communicator with empathy and a deep understanding of adolescent development and a client-centered approach.

East Palo Alto Boxing Club, East Palo Alto — *Head Coach*

JANUARY 2018 - CURRENT

I have around 9 years of experience in coaching Boxing, Jiu Jitsu, and Kickboxing. I teach all levels, from beginner to competitive fighters. I am proficient in developing strategic training programs, improving technique, and enhancing overall performance. I have expertise in conditioning, sparring, technique, and preparing athletes for competitions of all sorts. I am committed to fostering discipline, resilience, and a strong work ethic in athletes. I have strong leadership and communication skills, with a proven track record of guiding boxers to achieve their goals and succeed in all ways.

SKILLS

Communication skills
Coaching
Mentoring
Attention to detail
Leadership
Creativity
Critical thinking
Time management
Customer service
Teamwork
Active listening
Decision-making
Empathy
Adaptability
Nutrition
Mixed Martial Arts training
Dietary training
Working with kids
Work ethic
Positive attitude
People skills
Flexibility

LANGUAGES

English

Eugene Jackson
2124 University Avenue, East Palo Alto, CA 94303
Phone: (650) 444-9854 **Email:** 7jacksons@gmail.com

Highlights

A lifelong resident of East Palo Alto. I have taught in venues providing hope for a way out of a violent lifestyle. Through building relationships with the youth on the streets, I offer confidence in the form Mixed Martial Arts, and direct young adults towards academics and job training funneled through the Live in Peace programs. In the late 1990s, I began to take part in bare-knuckle brawls on Indian reservations and other underground venues before moving on to the Ultimate Fighting Championship (UFC), the pay-per-view MMA event producer that has since exploded into a global brand, as well as fighting for Strikeforce.

Nicknamed 'The Wolf' I went on to fight overseas, yet I had never forgotten my roots. With gang violence a grim fixture in East Palo Alto, I've worked for several years to help another generation of at-risk youth navigate the pitfalls that almost claimed my own life. Today, I have assembled a team of partners to help eliminate the disease of violence and drug use citywide. By building strong relationships with the young people, and helping them discover their dreams, I have found that the young people are creating a positive and safe community. I want to help our young people stay alive and free!

Work Experience

Ongoing: Co-owner of East Palo Alto Boxing Club, Home of Rogue Empire

Operating as a non-profit organization located in East Palo Alto and structured to teach multi-discipline martial arts to at risk youth. My role is to assure that every function of the gym works smoothly and that all staff and members follow protocol by complying with all gym rules while following all health and safety regulations, as well as adhering to all COVID-19 guidelines. We are adamant about making sure that our members are disciplined, learning and growing, as well as competing in tournaments as needed. The gym also offers bootcamps that focus on community health and interactions, we also work on sport conditioning for football, rugby, soccer, and basketball, baseball and more.

January 2015 – Present Live in Peace, Community Liaison

Live in Peace's mission is to empower our youth and young adults to reclaim the vision for their future. We accomplish this through a highly relational model that connects young people to their talents, educational pathways, jobs, and a bright future. I am a certified life coach and youth mentor working as a community liaison.

January 1991 - Founder of Gladiators Training Academy

Gladiators Training Academy was founded in 1991. The name was inspired by The Youth Authority and all of the young males that graduated into the prison system. We wanted to occupy their time and get them to see that they could fight their battles and insecurities in the ring which would give them the discipline and confidence to stand alone as they navigate through life. With a strong background in traditional martial arts, Gladiators offered boxing, wrestling, and mixed martial arts training to the general public.

EAST PALO ALTO BOXING CLUB BUDGET FOR THE

CITY OF EAST PALO ALTO SUMMER PARK ACTIVATION 2025

• BOOTCAMP EQUIPMENT	$2,000.00
○ Dumbbells, mats, resistance bands, jump ropes, cones, medicine balls,	
○ Slam-balls, agility ladders, battle ropes, sandbags, kettlebells, and	
○ Mini hurdles.	
• SOFTBALL EQUIPMENT	$ 2,000.00
○ Gloves, bats, batting helmets, softballs	
• Water/Gatorade for participants	$500.00
• COACHES (CONTRACT POSITIONS)	$9,000.00
○ FIVE COACHES AT 8HRS/WEEK EACH	
• INSURANCE: Abuse and Molestation	$4,500.00
TOTAL	**$18,000.00**

Vincent Amelio
Community Services Manager
2415 University Ave
East Palo Alto, CA 94303

Proposal for 2025 Summer Park Activation

Dear Mr. Amelio

This will be our eighth year working with the City of East Palo Alto. Camp Doza is committed to providing a unique summer day camp for the youth of East Palo Alto. In 2017 I set out to build this camp to help keep our youth busy and to learn life skills in a fun way. Being raised in East Palo Alto myself was tough with everything that was going on at the time in the early 90s. Some good things and some not so good. The programs that helped me stay on the right path will forever live in my heart. The Bell street Gym and AYSO soccer at Cesar Chavez took up a lot of my time and provided me with the skills I needed to continue playing organized basketball in High School and College. During college, I started working for Legarza Basketball Camps and was quickly made 'Site Director'. Not until then is when I realized what life changing impact camps have on the youth. After this, I started to realize that kids from my community were not able to participate in such camps. This is how Camp Doza began. However, I did not want it to be only a basketball camp. Even tho basketball and soccer saved my life, my family also showed me the importance of raising farm animals and growing my own food. Even to this day, farm animals are how my family supports itself in Michoacán, Mexico. This made me want to incorporate all of the things I learned growing up into Camp Doza. After getting what I needed to start Camp Doza, another community program introduced me to Les Dewitt who was influential in helping us secure our first space at Rich May Field. From there, we hosted our first camp with over 20 kids and were invited from the City of East Palo Alto to extend our camp program. We did not know what was coming the following year with COVID-19, but we still found a way to host programming for the youth. We organized socially distanced evening Bike Rides for the Camp Doza families and did some virtual training. This did not provide us the same level of joy as seeing all the kids coming together at camp, but it did help us stay engaged. We are extremely excited to bring Camp Doza back to the city in 2025! Whether it is in person or virtual, we have a plan to provide a fun camp for the youth. Thank you for considering our proposal and all that you do to help our East Palo Alto residents. We look forward to hearing your response and working together again for an 8th year

"Teaching life skills through sports and farm culture."

Approach & Understanding

Teaching the Skills

With a strong background in playing and coaching soccer/basketball, raising and training farm animals, I bring an educational and exciting program to the City East Palo Alto. I raise and train my horses here in East Palo Alto so it is very convenient and accessible to our community. I also was coached by some great local legendary coaches and played semi pro soccer. All of these experiences has prepared me to provide this unique camp. It begins with fundamentals of the games and enjoying the time while doing it. If you are teaching new activities to youth, you have to start with games that will grab their interest. Teaching our coaches the methods that I was taught starts in the spring with our Training Sessions. We believe that to teach something, you have to be able to demonstrate it yourself. We do meet twice a month to learn the activities that will take place with the kids in summer if chosen. Using Basketball, we will be focusing on the fundamentals of the game: Shooting, Passing, Dribbling, and Footwork. Each drill and contest will focus on some aspect of those pieces. Each day will start with a Campers decision of which sport to begin with soccer or basketball. Each Coach will be grouped with no more than 8 kids and that will be their group the entire camp. Soccer will be handled the same way. Farm animals and culture will be incorporated each day with an afternoon lesson and special guest. In the past, we have brought chickens, horses, piglets, and goats to camp.

Community Outreach Strategy

If chosen, being our 8th year working with the community will be easier reaching out to residents. Neighbors look for us now and ask us about camp dates, but I will continue to use our social media account on Instagram (Camp_Doza) and continue to network with the parents of the Ravenswood School District. I am the Athletic Director for Cesar Chavez Ravenswood middle school so I am in communication with many EPA families. Also every time I ride a horse around the neighborhood or if I take my kids on a pony cart ride I always carry business cards because people always stop us to say hi and take pictures with us.

Marketing

Our social media accounts are crucial in promoting the camp. Instagram and Facebook are very convenient when it comes to showing Camp Doza content for residents to see. The East Palo Alto Neighbors page on Facebook is great and most of our community goes on there for neighborhood news. Occasionally I'll go through the drive-thru at the McDonalds on University Ave on the pony cart and the residents love when I post about it. Sometimes we get free food from McDonalds by the managers for making their day.

COVID-19/Social Distance Protocol

The covid19 pandemic was an eye opener. Opportunities were reduced for the youth of the community during that time, but hard times like such helped us be creative. We are going to take every step to make sure that we can provide great programs for the youth in the safest way possible. Below are details for limited capacity and for the situation of having to go completely remote in case we have too.

Pre-Camp

Prior to Camp Doza, we will host an in-person parent meeting or a Zoom conference where we will lay out all guidelines for attending camp this summer. There will be specific procedures for checking in participants, food storage, visitors, and pick up. We will not require proof of vaccination, but we will encourage it. Reporting of COVID-19 symptoms will be necessary and strictly enforced. Any reports of positive testing will be reported to the City and a contact tracing protocol will be initiated.

Limited Capacity	Fully Remote
8:1 coaches to player ratio	No on site camp days
No Shared Equipment	Socially distanced bike ride
Groups stay in their bubbles	Each camper receives items in mail
Modified Pick up/Drop off	Virtual Huddles
Additional Staff Needed	Video Tutorials

Cleaning & Sanitization

Camp Doza is committed to making sure that our campers have the most productive space to enjoy the experience. Each coach will have a sanitizer pack which will contain disposable masks, hand sanitizer, and gloves. Our Camp Director will be responsible to make sure we are stocked with the supplies we need to keep our campers and equipment clean. Campers are encourage to bring their own water bottle if not they will be available for purchase. We do not want campers using the same water fountain.

Work Plan & Schedule

We are ready to offer three full weeks of programming in East Palo Alto for 2025. June 16- June 20, June 23-June 27, and June 30 - July 4. Depending on how many campers sign up this year, will determine how many staff members we bring on board. We staff camps at 8:1 ratio so that coaches can get to know their full group.

Camp Doza weekly schedule 2025

MUSCLE MONDAY:

8:00am-9:00am – Staff morning meeting, Set up the camp with equipment/ water etc.

9:00am-9:15am – CAMP STARTS, Meet and greet parents and campers

9:15am-9:45am – Orientation

9:45am-10:00am – Choose teams by age groups, Coaches come up with team Name and Team Cheer, pass shirts out

10:00am-10:15am – Stretching

10:15am-10:45am – Soccer Clinic

10:50am- 11:00am – Water Break

11:00am- 11:30 – Basketball clinic

11:30am-11:40 – Water Break

11:40am-12:00pm – Team discussion in groups, Team Cheers, What did the campers learn about soccer and basketball

12:00pm-12:30pm – LUNCH BREAK

12:30pm-1:00pm – MUSCLE CAR presentation

1:00pm-1:30pm – Soccer Game

1:30pm-1:40pm – Water Break

1:40pm- 2:10pm – Basketball Game

2:10pm-2:30: Agriculture Presentation

2:30pm-3:00pm – Camp Outro

CAREER TUESDAY:

8:00am-9:00am – Staff morning meeting, Set up the camp with equipment/ water etc.

9:00am-9:30am – greet campers, line up with team, Morning Meeting

9:30pm-10:00pm – Split camp into two groups soccer (Footwork Clinic) / basketball (dribbling clinic)

10:00am-10:10am – water break

10:10am-10:40am – Switch

10:40am-11:00am – water break, rest, reflection what have they learned

11:00am-11:45am - Guest Speaker Career Tuesday

11:45am-12:30pm – LUNCH

12:30pm -1:30pm – Turbo the Tortoise presentation

1:30pm-2:00pm – CAMPER KNOCKOUT

2:00pm-2:30pm- Games (Basketball, Soccer)

2:30pm-2:45pm – Water Break and Reflection

2:45pm-3:00pm – Outro

WILD WEDNESDAY

8:00am-9:00am – Staff morning meeting, Set up the camp with equipment/ water etc.

9:00am-9:30am – greet campers, line up with team, Morning Meeting

9:30pm-10:00pm – Split camp into two group soccer (Passing Clinic) / basketball (shooting clinic)

10:00am-10:10am – water break

10:10am-10:40am – Switch

10:40am-11:00am – water break, rest, reflection what have they learned

11:00am-11:30am – COACHES KNOCKOUT

11:30am-12:00pm- CAMPER KNOCKOUT

12:00pm-12:30pm- LUNCH

12:30-1:00pm- Miniature Horse Presentation

1:00pm-2:00pm – Bay Lands Nature walk. (Learn about wild native animals)

2:00pm-2:30pm - Soccer and Basketball Games

2:30pm-2:45pm – Water break

2:45pm-3:00pm – Outro

THANKFUL THURSDAY:

8:00am-9:00am – Staff morning meeting, Set up the camp with equipment/ water etc.

9:00am-9:30am – greet campers, line up with team, Morning Meeting

9:30pm-10:00pm – Split camp into two groups soccer (Scoring Clinic) / basketball (passing clinic)

10:00am-10:10am – water break

10:10am-10:40am – Switch

10:40am-11:00am – water break, rest, reflection what have they learned

11:00am-11:30am – COACHES KNOCKOUT

11:30am-12:00pm- CAMPER KNOCKOUT

12:00pm-12:30pm- LUNCH

12:30-1:00pm- Chicken and Photosynthesis Presentation

1:00pm-2:00pm – Bay Lands Nature walk. (Learn about wild native plants)

2:00pm-2:30pm - Soccer and Basketball Games

2:30pm-2:45pm – Water break

2:45pm-3:00pm – Camp Outro

FREESTYLE FRIDAY:

8:00am-9:00am – Staff morning meeting, Set up the camp with equipment/ water etc.

9:00am-9:30am – greet campers, line up with team, morning meeting campers decide what to do

9:30pm-10:00pm – Campers Choice

10:00am-10:10am – water break

10:10am-10:40am – Campers Choice

10:40am-11:00am – water break, rest, reflection WHAT ARE YOU THANKFULL FOR

11:00am-11:30am – COACHES CHAMPIONSHIP KNOCKOUT

11:30am-12:00pm- CAMPER and COACHES CHAMPIONSHIP KNOCKOUT

12:00pm-12:30pm- LUNCH PIZZA FOR THE CAMP

12:30-1:00pm- Water Balloon Fight

1:00pm-2:00pm –SLIP N SLIDE

2:00pm-2:30pm – WATER BREAK

2:30pm-2:45pm – REFLECTION, THANK the Coaches

2:45pm-3:00pm – Camp Outro

Personnel

For 7 years in a row the same coaches have been returning to help run Camp Doza. Coach Esmeralda, Coach Jorge, and Coach Adrian are excited to return for summer 2025. This shows that camp is still exciting for both campers and coaches.

Esmerelda Perez:

'Almost done with my senior year at UC Merced where I am studying archeology. My experience as student at this university has taught me several things which I have applied to my work experience. The leadership qualities were used during my time as a Coach at Camp Doza. Showing the young girls that they could lead and be great at sports they never played was my highlight. My creativity came out during my experience as a Photographer for the Girls to Women non-profit in our efforts to empower women all over the world. Finally, I learned a great deal about my Patience working at Creative Montessori with preschool age children who require a level of communication that made me evolve my behaviors.'

Jorge Chavez:

‘As a lifelong resident of East Palo Alto, I’m looking forward to coming back to the community and working with the youth. I am currently attending Menlo College where I am working on getting my BA in Bussines. As I am returning to part time employment, Camp Doza is a great way for me to reconnect with my hometown and give back what has been given to me.’

Adrian Deloa:

‘Currently almost done with my general education at Foothill College. I also work part time as a lifeguard. I am CPR and first responder certified. Working with a large group of people prior to the Covid-19 pandemic has helped my people skills. Giving back to the youth is something I enjoy because of my upbringing and time spent at the Boys & Girls Club of Menlo Park. Participating in fun activities there made me think it was the coolest job. There were some experiences that I had in school growing up that brought some challenges, but I excelled at making friends found it cool meeting new people. Overall, I enjoy being around people and getting to meet them and hear their stories which is why I’m looking forward to camp this summer.’

Proposed Budget

With changes in politics, prices have risen in every market from real estate, groceries, farm supplies, fuel, athletic gear, housing, insurances etc. East Palo Alto being mostly a middle and lower class community it is very challenging for residents to be able to make a living. The average cost per camper of a week-long sports summer day camp in the Bay Area costs about $495 and most residents can’t afford that. Besides sports we also provide the farm culture part of the camp which includes showing campers how to maintain our farm animals, shoe a horse, saddle a horse, and the best part how to ride a horse. Average cost to maintain a horse in the bay area per year is about $6,000.00. We use 3 horses in our program. We also buy chicken feed ($2880 per year), goat feed ($2500 per year), pig feed ($1500) and vet bills add up. Everything is expensive! Each year most of the funding provided by the city goes straight towards our staff members, insurance policies, sports supplies, fuel, food, gardening supplies, and to help feed the farm animals for the month during camp.

VI. Format Requirements of RFP Proposal

☐ The submittal shall be prepared in an 8 ½" by 11" format, limited to seven (7) pages but no less than four (4) pages, not including brochures. Attachments, resumes, covers and dividers are not included in the page count. In addition, any information that needs to be returned should not be submitted. **Proof of insurance is required at time of proposal that meets the City's minimum insurance requirements as set forth herein.**

The Grantee is requested to include the following information in the proposal:

☑ 1. Cover Letter: State the organization/individual interest and commitment of personnel to conduct programming beginning June 2025. Identify and describe any distinguishing features or capabilities that make your organization a superior choice to perform the work. The letter must be signed by the individual authorized to negotiate the Contract with the City. (1-2 pages maximum).

☑ 2. Approach and Understanding: Describe your understanding of programming that you are requesting to implement along with a description of the process/approach to be used in community engagement and providing the service. Be sure to outline internal protocol for ensuring clear communication between the City and the Grantee. (1 page minimum)

☑ 3. **Remote Programming Protocol**: To provide the best possible services for residents in the City, please include no less than one (1) page of your Operations plan as it would pertain to activities conducted 100% remote, not limited to Shelter in Place, Virtual operations, and Social Distancing protocols. Any interested organization will need to list activities and their plan for moving to a completely remote programming operation.

☑ 4. Work Plan and Schedule: Explain in detail a proposed programming schedule, including all anticipated tasks and deliverables to address the RFP scope of work. City staff will provide you with updates from California Department of Public Health as it relates to your programming.(1 page minimum). The scope of work includes the following:

☑ **a. Projected participant total for programming**

☑ **b. Projected hours total for programming**

☑ 5. Insurance: Must provide proof of insurance at the time of application that covers the contract term from **March 2025-August 2025**.

☑ 6. Firm and Personnel Experience: State the qualifications and experience of the organization/ individual(s). Emphasize specific qualifications and experience with engagements of similar scope and complexity.

☑ 7. Resumes: List and provide resumes for committed individuals who will be assigned to the summer program.

☑ 8. Proposed Budget: please provide a detailed list of how you plan utilize the funding towards programming. List all potential costs, not limited to staff, equipment, supplies, insurance, etc

Michael Mashack
Bay Area Urban Eagles, Inc.
1148 Mandela Court, East Palo Alto, CA 94303
bayareaurbaneagles@gmail.com
(650) 906-7937
November 20, 2025

Community Services & Recreation Division
City of East Palo Alto—City Hall
2415 University Avenue
East Palo Alto, CA 94303
Attn: Community Services Division
re: Summer Programming for Youth & Families 2025

Dear City of East Palo Alto Community Services & Recreation Division,

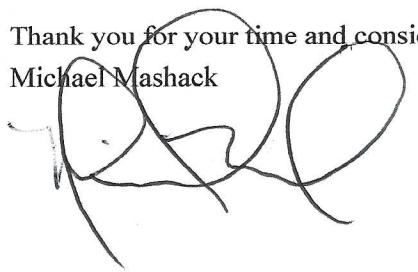
I am writing to express our gratitude and sincere appreciation for the opportunity to submit a Summer Park Activation 2025 proposal to the City of East Palo Alto. As the Founder and President of Bay Area Urban Eagles, Inc., I am excited by our mission to eliminate barriers imposed upon minority youth pursuing careers in aviation. I am proud of our programs' impact on underprivileged communities and our potential collaboration will enhance our effectiveness within East Palo Alto and surrounding communities.

Bay Area Urban Eagles, Inc. is a 501(c)(3) nonprofit educational organization founded in March 2023 to help build a more inclusive aviation industry by providing educational exposure and hands-on training to disadvantaged and at-risk youth. By utilizing engaging and dynamic outreach methods such as interactive workshops, college and school partnerships, and social media campaigns, we can uphold our commitment to fostering diversity and inclusion within the aviation sector.

We seek funding to host a ten-day summer aviation camp for a minimum of fifty young individuals between the ages of 8 to 14 at the following venues: Cooley Landing Education Center, Joel Davis Park, and Martin Luther King Jr. Park in East Palo Alto. As a grantee, funds will be applied to acquire educational resources, program materials, supplies, and supplement technology assets we already own, to develop a comprehensive STEAM aviation program. Our program aims to inspire a passion for STEM education, expose the array of opportunities and career paths afforded by the aviation industry and strengthen communities through accessible education. By achieving key performance indicators such as increased enrollment and family participation, we are confident in our ability to make a meaningful and sustainable impact.

We sincerely thank you for considering our proposal and are available for any additional information or clarification you may require. We look forward to partnering with your organization to create positive change in the lives of underprivileged youth in the Bay Area.

Thank you for your time and consideration.
Michael Mashack



Bay Area Urban Eagles,Inc.

No Limits!

City of East Palo
2025 Parks Activation Proposal

BAY AREA URBAN EAGLES INC.
1148 MANDELA COURT
EAST PALO ALTO, CA 94303

https://bayareaurbaneagles.org/

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- City of East Palo Alto Business License
- Form W9 - Taxpayer Identification Number and Certification
- Letter 1076 - IRS Tax Exempt and Government Entities
- State of California Articles of Incorporation, CA Nonprofit Corporation
- NIA Nonprofits Application
- Insurance Broker email regarding insurance quote status

This proposal will demonstrate the organization's commitment to student engagement by presenting a unique learning opportunity for participants of the Bay Area Urban Eagles Summer Aviation Camp 2024. The program is designed to inspire, educate, and empower young individuals by introducing them to the world of aviation through STEM (Science, Technology, Engineering, and Mathematics) educational activities. The camp will include 10 days of weekly programming for twenty children ages 8 to 14. Each of the ten Saturday sessions includes at least 90 minutes of academic instruction and 150 minutes of concept-reinforcing activities. Camp will be in session every Saturday from mid June 2025 through August 2025.

The camp has been designed to offer aviation education suitable for various learning environments - indoor, outdoor, or remote settings. The camp curriculum will provide engaging age appropriate aviation activities for participants who reside in the city of East Palo Alto. The summer long series of aviation activities require large outdoor spaces and will utilize city-owned/operated park facilities. Venues that are suitable for the camp are Cooley Landing Education Center, Joel Davis Park, and Martin Luther King Jr. Park in East Palo Alto. Through interactive programs, workshops, and hands-on experiences, we aim to instill a spark of curiosity that will lead to a diverse and inclusive community of future aerospace leaders.

Services Rendered

Camp staff and volunteers will facilitate guided experiments and projects that will enable campers to explore concepts such as aerodynamics, navigation, and aircraft design. Camp facilitators are trained prior to the start of camp and are provided pre-prepared lesson plans, lecture notes, slide presentations, quizzes, and educational resources. The curriculum is in an easy to follow format that can be succinctly presented to participants. The program will provide an interactive learning experience by utilizing a variety of teaching techniques including lectures, demonstrations, and interactive workshops to keep campers engaged in the learning process. Thought provoking questions will encourage active participation and discussion. Group activities and problem-solving activities will promote critical thinking and comprehension.

Outdoor hands-on experiments and activities will be the primary mode of education during camp. Outdoor classrooms have the potential to improve mental and physical health and improve academic performance. The camp itinerary of outdoor activities includes a drone navigation and obstacle course, hot air balloon construction and launch, kite flying, parachute design and launch, water rocket design and launch, scavenger hunts, navigating with a map and compass, and much more. The program will also consist of indoor activities at the Cooley Landing Education Center such as flight simulation, videos, audio books, virtual tours, and guest speakers to enhance understanding and bring aviation concepts to the forefront.

Community Outreach and Engagement Plan

The engagement plan will increase awareness of the aviation camp within the city of East Palo Alto. Bay Area Urban Eagles will collaborate with city staff to devise an inclusive and comprehensive strategy that maximizes community involvement. The organization is prepared to facilitate meetings, provide materials, deliver presentations, and generate summary reports of each plan activity. The engagement plan is designed to meet the expectations of stakeholders and attract aviation enthusiasts, students, and educators who have an interest in STEM education, aviation, and outdoor recreational activities.

One of the objectives of the community engagement plan is to encourage early sign-ups for the camp. This will be achieved by engaging with the general aviation and East Palo Alto communities. An open house at the East Palo Alto headquarters will kick-off the summer aviation camp project. The open house will be an opportunity to interact with community members, gather feedback regarding the proposed schedule of activities, and answer questions regarding the

specifics of camp. The open house will be followed by webinars, school visits, and participation at East Palo Alto sponsored public events. Based on the outcome of outreach efforts, camp coordinators will refine the camp structure to meet the needs of the community.

Resource allocation for marketing materials and event participation are included in the budget. Marketing materials will have engaging content, which includes testimonials from past Bay Area Urban Eagles participants, behind-the-scenes look at camp preparation, blog posts, and social media updates. Key milestones such as early bird registration and participation in community events will be posted to social media outlets. Clear communication practices will be used to underscore the benefits of camp participation, which includes hands-on learning, career exploration, and networking with industry professionals.

Internal communication protocol with the city of East Palo Alto

Bay Area Urban Eagles will adhere to the established communication protocol set forth by the city. This will ensure transparency and accountability between partners. Bay Area Urban Eagles will assign communication officers to be the primary points of contact and will be responsible for maintaining communication with the city. Communication officers will exchange contact information with the city official and will specify the preferred methods of communication. The tools available for communication include phone calls, email, in-person meetings, virtual meetings, and instant messaging. The city official and the Bay Area Urban Eagles communication officers will specify the frequency for scheduled updates. Bay Area Urban Eagles is prepared to provide detailed reports at critical milestones to the specifications required by the city. All communications and decisions between the city and Bay Area Urban Eagles will be documented for accountability and future reference. The communication process will be continuously evaluated for efficiency and effectiveness. The communication protocol is adjustable and will conform to the needs of the city.

Staff Training for Remote Operations

Pre-camp training for staff members and volunteers will include a copy of the remote operations plan and a review of the remote operations protocol. Camp staff will be trained on using the selected online learning platform and available virtual teaching aids. They will also be trained on best practices for online learning, maintaining participant engagement, and sustaining motivation. A troubleshooting and technical support module within the training will provide methods to address common technical issues. It is important that staff is trained to resolve technical issues so there are minimal disruptions during camp sessions.

Revising the camp curriculum

There will not be any significant adjustments regarding course content. The camp curriculum is derived from online sources, so tailoring it to a virtual environment will not be a hindrance. Staff members will aggregate the preselected online sources and deliver the material per the camp schedule. The online environment will permit live demonstrations, instruction, and a virtual walk thru of activities. Participants will complete activities with the kits and supplies received by mail. Social interaction between peers will be promoted by using online collaboration tools to complete group projects. The remote learning platform has the ability for campers to form their own rooms. Group projects will be presented to the remaining members of camp. Thereafter, question and answer sessions will be used to prompt discussion and constructive debate.

Camp staff will provide two online orientation sessions for participants if remote operations are enacted. It will provide an opportunity to resolve connectivity and account issues before the scheduled camp sessions begin. The orientations will guide participants in creating accounts, familiarize them with the virtual camp environment, and ensure campers are adequately prepared to navigate the platform. Participation guidelines, rules, and expectations will also be covered during the orientation. If necessary, a revised schedule will be provided to allow a transition period.

Social Distancing protocols

To ensure the safety and health of participants, staff, and East Palo Alto community, Bay Area Urban Eagles will enact several social distancing measures to mitigate camp overcrowding. Signage will be posted throughout the designated camp area to communicate social distancing guidelines. Mandatory health screenings will be made available at camp entry points. Symptom questionnaires and temperature checks will be completed prior to entry. Personal protective equipment such as masks, gloves, and hand sanitizer will be available for staff and participants. Camp staff will make layout adjustments to camp workstations to ensure proper spacing between participants. Markings will be placed on the ground and/or floor to indicate safe distances for campers and will guide the flow of walking traffic.

Recreation program design report

The Bay Area Urban Eagles Summer Aviation Camp 2025 will offer a unique opportunity for young aviation enthusiasts to immerse themselves in the parks, greenspaces, and public facilities available in the city of East Palo Alto. The aviation program is designed to provide campers with a blend of educational experiences, hands-on activities, and recreational opportunities. Participants will learn various aspects of aviation including flight principals, aircraft operations, and aviation safety while fostering an appreciation for outdoor spaces.

The program will consist of a combination of instructor led discussion, practical demonstrations, and interactive activities. Participants will be supervised during demonstrations and simulations for safety. Campers will be provided with thorough instructions, safety procedures, and precautions before each activity. Participants will be asked for feedback through discussion to continually improve the program. Regular assessment of individual progress will be evaluated through quizzes. Participants will exercise "leave no trace" practices and will adequately clean their respective areas prior to dismissal.

The entire program will be supported by volunteer staff members that have backgrounds in aviation or education. Volunteers will have assigned roles and responsibilities and are vitally important to the success of camp. Each camp session will be facilitated by a minimum of one camp coordinator, two activity coaches, and one support staff member.

Camp coordinator - Responsible for overseeing camp activities, staff performance, and the general management of the camp. Establishes clear communication between staff, participants, parents, and stakeholders.

Activity coach - Provides primary instruction, performs demonstrations, and leads camp activities.

Support Staff - Manages the behind-the-scenes activities that ensure camp runs smoothly. Assists activity coaches by preparing activities in advance and ensures timely rotation of activities. General responsibilities include managing the

sign-in process, communicating with parents, and handling general program inquiries. They lend additional supervision to children and ensure first aid supplies are stocked and accessible to campers.

Work Plan and Schedule

Task ID		Activity	Duration (days)	Start	Finish
1		Pre-Camp Preparation (3 Months Before Camp)			
1.1		Project Kick-off Meeting	1	March 2025	March 2025
1.2		Community Outreach Strategy Meeting	1	March 2025	March 2025
1.3		Formal Aviation Camp Project Plans Completed	20	March 2025	April 2025
		Milestone 1: Camp Pre-Planning Phase Complete			
		Deliverables: Project Charter, Stakeholder Register, Budget, Communication Plan, and Risk Management Plan.			
2		Venue Preparation			
2.1		Walk-thru of proposed venues, activity layout design	3	April 2025	April 2025
2.2		Reserve selected venues, acquire permits and insurance	1	April 2025	April 2025
2.3		Procure Materials, Resources, and Supplies for Camp Activities	15	April 2025	May 2025
		Milestone 2: Venues and Resources Booked			
		Deliverables: Venue booking confirmations, equipment and materials procurement list, resource allocation plan, permits, and meeting report summaries.			
3		Community Outreach			
3.1		Camp Registration Platform goes live	5	May 2025	May 2025
3.2		Promotional Materials Purchased	3	May 2025	May 2025
3.3		Launch community engagement plan	1	May 2025	May 2025
3.4		Open House Event	1	May 2025	May 2025
		Milestone 3: Recruitment and Enrollment Targets Met			
		Deliverables: A user-friendly platform for registrants, copy of promotional materials, copy of camp participant information packet, and registrant confirmations.			
4		Staff Preparation			
4.1		Staff Clearances	90	May 2025	May 2025
4.2		Camp leadership team training	3	May 2025	May 2025
4.3		City Council Meeting	1	May 2025	May 2025
		Milestone 4: Staff Preparation Complete			
		Deliverables: Copy of final schedule, communication plan, copy of staff roles and responsibilities, copy of safety procedures and emergency plan.			

5	Program Finalization (One Month Before Camp)				
5.1	Program Curriculum, Schedule, and Staffing Assignments are FInalized		30	March 2025	April 2025
5.2	Camp leadership team meeting		3	May 2025	May 2025
	Milestone 5: Staff Preparation Complete				
	Deliverables: Summary report of camp staff meetings, camp attendance roster, budget and progress reports, camp metrics,				
6	Execution of Aviation Program				
6.1.1	Session 1 - Registration, Check-Ins, Orientation, Introduction to Aviation & Basics of Aerodynamics		1	June 2025	June 2025
6.1.2	Session 2: Flight Controls, Aircraft Components and Functions		1	June 2025	June 2025
6.1.3	Session 3: Flight Simulator Orientation and Practice		1	June 2025	June 2025
6.1.4	Session 4: Navigation and Flight Planning		1	July 2025	July 2025
6.1.5	Session 5: Radio Communication and Air Traffic Control		1	July 2025	July 2025
	Milestone 7: Midway-Through Camp			July 2025	July 2025
6.1.6	Session 6: Weather and Its Impact on Aviation		1	July 2025	July 2025
6.1.7	Session 7: Unmanned Aerial Vehicles (UAVs)		1	July 2025	July 2025
6.1.8	Session 8: Aviation Safety		1	August 2025	August 2025
6.1.9	Session 9: Rockets		1	August 2025	August 2025
6.1.10	Family Night: Space Exploration		1	August 2025	August 2025
6.1.11	Session 10 - Certificate of Completion Ceremony		1	August 2025	August 2025
	Milestone 8: Final Day of Camp				
6.2	Camp Staff Meetings		1	Ongoing-TBD	Ongoing-TBD
6.3	Stakeholder Meetings		1	Ongoing-TBD	Ongoing-TBD
7	Post-Camp (1 month after camp end date)				
7.1	Collect Program Feedback from Participants		20	September 2025	September 2025
7.2	Finalize all transactions and accounts		10	September 2025	September 2025
7.3	Final Reports Completed and submitted to the City of East Palo Alto		15	September 2025	September 2025
7.4	Thank you celebration for volunteers and camp staff		1	September 2025	September 2025
	Milestone 9: Closure of Camp				
	Deliverables: Financial report and analysis of budget variances, performance report, lesson learned, feedback and evaluation summary report.				

Budget and Expenditures

Our $17,895 ($894.75 per student) program budget which addresses activity preparation, supplies, and equipment.

Staff Training: Testing of Supplies & Experiments, Meeting Hand-Outs	**$737**
Session 1: Airfoil Experiment & Paper Airplanes	**$120**
Session 2: Balsa wood, paper aircraft models & visual aids	**$1,780**
Session 3: Safe Landing Project - Throwing Parachute, Eggs, Craft Supplies	**$340**
Session 4: Maps, compasses, and navigation aids	**$1,434**
Session 5: Hand Radios, Lettered Stones	**$318**
Session 6: Hot Air Balloon Launcher, Tissue Paper, Craft Supplies	**$1,015**
Session 7: Drone Delivery Challenge: UAVs with payload devices, obstacle course	**$2,234**
Session 8: Chalk and Role Playing Costumes, Craft Supplies	**$327**
Session 9: Four Rocket Types	**$1,132**
Family Night : Craft supplies, motors & propellers, rover craft, planetarium	**$2,231**
Session 10: Final Challenge, Guest Speaker, Certificates	**$1,185**
Snacks for Participants for 10 days: Vegan, Allergy-Free	**$2,832**
Insurance	**$1265**
Administrative Costs: Pre-Camp Packets, Registration Platform Subscription	**$258**
Contingency Fund:	**$800**
Total:	**$18,008**

Michael Mashack - Founder/President

Michael is a long time resident of the City of East Palo Alto and an accomplished Private Pilot earning his license in 1997. He is an Air Force Veteran, active in city government serving on various commissions and committees, the former Chair of the East Palo Alto YMCA Board, coached local youth football and Little League teams, and has received numerous community service awards.

Over the past 20+ years, Michael has worked in the U.S. and Asia as an IT Program Manager with major consulting firms including Deloitte Consulting and Cognizant Technologies in a variety of industries, most recently Healthcare and Pharma.

Michael holds a Bachelor of Science Degree in Business Administration and is responsible for overall strategy, program development, and partnerships.

Amber Hicks - Vice President

Amber is passionate about investing time and resources into our inner city youth and connecting them with career opportunities locally placed here in the Silicon Valley/Bay Area to combat displacement of our Black communities. Amber has spent 10 years working with Youth as a Coach, Mentor, and Therapist and, for the past 3 years, employed in the field of Aviation. Amber's motivation for cofounding BAUE stems from the lack of outreach to diverse candidates and overall low number of Black people in the field of Aviation.

Amber has B.S in Psychology and is responsible for building sustainable relationships with ally's and contributors, creating course curriculum, and supporting the overall execution of our mission statement.

Dave Forter – Treasurer

Dave is a long-time resident of Menlo Park and a Commercial Pilot with an Instrument Rating for Single Engine Land and Sea planes. He earned his first license in 1968 while still in the U.S. Marine Corps. Dave is currently retired, but has spent most of his professional career in Silicon Valley. His first 20 years were with Hewlett-Packard both in California and France (5 years). After H-P, he ran 3 turnarounds and for the last 15 years of his career ran his own enterprise- LCD Systems. He has worked with/for firms based in Korea, Japan, Taiwan and China.

Dave's volunteer work has been with Big Brother in East Menlo Park, Valley Presbyterian Church in Portola Valley and with our partner church Saint Mark AME Zion Church in East Palo Alto. He is also involved in volunteer work with other social justice initiatives.

Dave has a BSEE from the University of Pennsylvania and an MBA from the Wharton School at the same university.

Kristal Jordan - Secretary

Kristal grew up on the San Francisco Peninsula and is a US Navy Veteran. Kristal has an MBA in Finance and Marketing, a passion for animals, and community service.

CITY OF EAST PALO ALTO
BUSINESS LICENSE

License Period January 01, 2024 to December 31, 2024 **License Number 18307462**

Business Type EXEMPT

Owner Name BAY AREA URBAN EAGLES, INC.

Business Location 1148 MANDELA CT
EAST PALO ALTO, CA 94303-1761

BAY AREA URBAN EAGLES, INC.
1148 MANDELA CT
EAST PALO ALTO, CA 94303-1761

This License evidence that the person(s), firm corporation named herein has paid the applicable tax required by the City of East Palo Alto Code for the period indicated above. No License issues under the provisions of the City of East Palo Alto Ordinance shall be construed as authorizing the conduct or continuance of any illegal or unlawful operation in violation of the and City Ordinance relating thereto.

TO BE POSTED IN A CONSPICUOUS PLACE
AND
NOT TRANSFERABLE OR ASSIGNABLE.

For all inquiries regarding this license, contact HdL Business Support Center at (650) 223-7740

BAY AREA URBAN EAGLES, INC. :

Thank you for your payment on your City of East Palo Alto Business License. **ALL LICENSES MUST BE AVAILABLE FOR INSPECTION UPON REQUEST.** If you have questions concerning your business license, contact the Business Support Center via email at: EastPaloAlto@hdlgov.com or by telephone at: **(650) 223-7740.**

Keep this portion for your certificate separate in case you need a replacement for any lost, stolen, or destroyed certificate.

Starting January 1, 2021, Assembly Bill 1607 requires the prevention of gender-based discrimination of business establishments. A full notice is available in English or other languages by going to: https://www.dca.ca.gov/publications/

NOTE: Licenses expire December 31st yearly and payable till February 1st, unless otherwise provided by Ordinance. For failure to pay a license fee when due, the license administrator shall add a penalty of 10% per month of the unpaid balance due up to 100% of the total tax due.

BUSINESS SUPPORT CENTER
8839 N CEDAR AVE #212
FRESNO, CA 93720-1832

City of East Palo Alto
BUSINESS LICENSE

BAY AREA URBAN EAGLES, INC.
1148 MANDELA CT
EAST PALO ALTO, CA 94303-1761

License Number: 18307462

Date of Issue: 01/01/2024

Department of the Treasury
Internal Revenue Service
Tax Exempt and Government Entities
P.O. Box 2508
Cincinnati, OH 45201

Date:
05/04/2023
Employer ID number:
92-3127220
Person to contact:
Name: Customer Service
ID number: 31954
Telephone: 877-829-5500
Accounting period ending:
December 31
Form 990-PF required:
Yes
Effective date of exemption:
March 20, 2023
Addendum applies:
No
DLN:
26053517003743

BAY AREA URBAN EAGLES INC
C/O MICHAEL MASHACK
1148 MANDELA COURT
EAST PALO ALTO, CA 94303

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a private foundation within the meaning of Section 509(a).

You're required to file Form 990-PF, Return of Private Foundation or Section 4947(a)(1) Trust Treated as Private Foundation, annually, whether or not you have income or activity during the year. If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-PF" in the search bar to view Publication 4221-PF, Compliance Guide for 501(c)(3) Private Foundations, which describes your recordkeeping, reporting, and disclosure requirements.

Sincerely,

Stephen A. Martin
Director, Exempt Organizations
Rulings and Agreements

Form **W-9**
(Rev. March 2024)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Go to *www.irs.gov/FormW9* for instructions and the latest information.

Give form to the requester. Do not send to the IRS.

Before you begin. For guidance related to the purpose of Form W-9, see *Purpose of Form*, below.

Print or type. See *Specific Instructions* on page 3.

1 Name of entity/individual. An entry is required. (For a sole proprietor or disregarded entity, enter the owner's name on line 1, and enter the business/disregarded entity's name on line 2.)

Bay Area Urban Eagles, Inc.

2 Business name/disregarded entity name, if different from above.

3a Check the appropriate box for federal tax classification of the entity/individual whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor ☑ C corporation ☐ S corporation ☐ Partnership ☐ Trust/estate

☐ LLC. Enter the tax classification (C = C corporation, S = S corporation, P = Partnership) . . . . .

Note: Check the "LLC" box above and, in the entry space, enter the appropriate code (C, S, or P) for the tax classification of the LLC, unless it is a disregarded entity. A disregarded entity should instead check the appropriate box for the tax classification of its owner.

☐ Other (see instructions)

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any)

Exemption from Foreign Account Tax Compliance Act (FATCA) reporting code (if any)

(Applies to accounts maintained outside the United States.)

3b If on line 3a you checked "Partnership" or "Trust/estate," or checked "LLC" and entered "P" as its tax classification, and you are providing this form to a partnership, trust, or estate in which you have an ownership interest, check this box if you have any foreign partners, owners, or beneficiaries. See instructions . . . . . ☐

5 Address (number, street, and apt. or suite no.). See instructions.

1148 Mandela Court

Requester's name and address (optional)

6 City, state, and ZIP code

East Palo Alto, CA 94303

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. See also *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

			–			–				

or

Employer identification number

9	2	–	3	1	2	7	2	2	0

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and, generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here **Signature of U.S. person** **Date**

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9*.

What's New

Line 3a has been modified to clarify how a disregarded entity completes this line. An LLC that is a disregarded entity should check the appropriate box for the tax classification of its owner. Otherwise, it should check the "LLC" box and enter its appropriate tax classification.

New line 3b has been added to this form. A flow-through entity is required to complete this line to indicate that it has direct or indirect foreign partners, owners, or beneficiaries when it provides the Form W-9 to another flow-through entity in which it has an ownership interest. This change is intended to provide a flow-through entity with information regarding the status of its indirect foreign partners, owners, or beneficiaries, so that it can satisfy any applicable reporting requirements. For example, a partnership that has any indirect foreign partners may be required to complete Schedules K-2 and K-3. See the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS is giving you this form because they

5591972

STATE OF CALIFORNIA
Office of the Secretary of State
ARTICLES OF INCORPORATION
CA NONPROFIT CORPORATION
PUBLIC BENEFIT

California Secretary of State
1500 11th Street
Sacramento, California 95814
(916) 653-3516

For Office Use Only

-FILED-

File No.: 5591972
Date Filed: 3/20/2023

Corporation Name	
Corporation Name	Bay Area Urban Eagles, Inc.
Initial Street Address of Principal Office of Corporation	
Principal Address	1148 MANDELA COURT EAST PALO ALTO, CA 94303
Initial Mailing Address of Corporation	
Mailing Address	1148 MANDELA COURT EAST PALO ALTO, CA 94303
Attention	
Agent for Service of Process	
Agent Name	Kristal Pittman
Agent Address	172 ABELIA WAY EAST PALO ALTO, CA 94303

Purpose Statement

This corporation is a Nonprofit Public Benefit Corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for: Public and Charitable purposes

Additional Statements

The specific purpose of this corporation is to Develop and employ programs designed to introduce young people to the world of aviation, teach them about aviation technology and safety, and help them develop the skills they need to pursue careers in aviation.

This corporation is organized and operated exclusively for the purposes set forth within the meaning of Internal Revenue Code section 501(c)(3).

No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and this corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

The property of this corporation is irrevocably dedicated to the purposes set forth herein and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person.

Upon the dissolution or winding up of this corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for charitable, educational and/or religious purposes and which has established its tax-exempt status under Internal Revenue Code section 501(c)(3).

Notwithstanding any of the above statements of purpose and powers, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the specific purpose of this corporation.

Additional information and signatures set forth on attached pages, if any, are incorporated herein by reference and made part of these Articles of Incorporation.

Electronic Signature

☒ I declare that I am the person who executed this instrument, which execution is my act and deed.

Legalzoom.com, Inc., By: Cheyenne Moseley, Asst. Secretary *03/20/2023*

B1602-4417 03/20/2023 12:55 PM Received by California Secretary of State

BAY AREA URBAN EAGLES

SUCESS SPOTLIGHTS

DEZMEN RHOADES



Dezmen Rhoades, from the East Bay, has quickly become a rising star in the world of aviation. At just 13 years old, he became the first and youngest student of the Bay Area Urban Eagles, demonstrating exceptional dedication and talent. He has excelled in ground school, actively participates in the Civil Air Patrol, and has even attended the prestigious Aviation Academy in Pensacola, Florida. His recent opportunity to participate in the promotion ceremony of Dr. Yvonne Cagle to Brigadier General, a renowned NASA astronaut, further highlights his achievements and aligns him with influential figures in the field. Dezmen's passion for flight and his commitment to learning make him an inspiration to aspiring aviators everywhere.

ALEX YOUNG



Alex Young, a 13-year-old aviation enthusiast from East Palo Alto, is making significant strides in the world of aviation. As a dedicated member of the Bay Area Urban Eagles, Alex has actively participated in various programs, including Meet the Pros, Palo Alto Airport Day, and the inaugural ground school program. His passion for aviation led him to co-found the Eastside Aero Club at Eastside College Prep, where he inspires fellow students and fosters a love for flight. With a strong work ethic and a clear vision, Alex aspires to attend the U.S. Air Force Academy and pursue a career as a military aviator.

BAY AREA URBAN EAGLES

SUCESS SPOTLIGHTS

FAITH TEO

Faith Teo, was a bright 17-year-old when graduating from Bay Area Urban Eagles' Private Pilot Ground School. Her keen attention to detail, strong analytical skills, and passion for aviation have made her a standout student. Faith's thorough understanding of aircraft systems and safety protocols, coupled with her resilience and determination, has earned her recognition from both peers and instructors. She continues her academic journey at San Jose State University, pursuing a degree in Aeronautical Engineering. Her previous accomplishments at Menlo Atherton High School, including her success in volleyball, further highlight her well-rounded character and commitment to excellence.



JASON AUZENNE

Jason Auzenne, a dedicated 17-year-old budding pilot, excelled in Bay Area Urban Eagles' Private Pilot Ground School. His exceptional dedication and rapid understanding of complex aviation elements, including aerodynamics, weather patterns, and navigation, set him apart as a promising leader in the program. Jason's commitment to his studies was recognized with a full Private Pilot training scholarship, and he is poised to achieve his goal of solo flight by November 2024. Balancing his passion for aviation with his academic pursuits, Jason attends Sacramento State University, where he is both a student and a football player. His journey exemplifies the transformative power of aviation education and the potential for young individuals to achieve great heights.

DECLARATION REGARDING WORKERS' COMPENSATION COVERAGE

(Initial) I understand that California Labor Code §§ 3700 et seq. requires employers to provide workers' compensation insurance coverage for any employees of my business. I hereby warrant that this business is exempt from the California Labor Code provisions regarding workers' compensation insurance because it has no employees.

I shall not employ any person in any manner so as to become subject to the Workers' Compensation laws of the State of California. In case any services or work are sublet, I shall require my subcontractors similarly to provide Workers' Compensation insurance for the subcontractors' employees, all in compliance with State laws, and as required by the Agreement. As set forth more fully in the Agreement, I agree to fully protect the City of East Palo Alto, and their representatives ("Indemnitees") and to hold harmless, indemnify, and defend the Indemnitees for any and all Claims defined in the Agreement, including without limitation any loss arising from the failure of either myself or my subcontractors to take out and maintain such insurance.

If, after making a Certificate of Exemption, I should become subject to the Workers' Compensation provisions of the California Labor Code, I agree to forthwith comply with such provisions and to provide the City with a Certificate of Insurance and Endorsement as required by the Agreement or the Agreement shall be deemed to be terminated.

I certify under the penalty of perjury under the laws of the State of California that the information provided on this Certificate of Exemption is true and accurate to the best of my knowledge.

Signature

12/4/2024
Date

Print Name: Michael Mashack

Title: Executive Director

Company Name and Address: 1148 Mandela Court, East Palo Alto CA 94303

CITY OF EAST PALO ALTO

DECLARATION REGARDING CERTIFICATE OF EXEMPTION FROM WORKERS' COMPENSATION INSURANCE

You are required to complete this form because you have not filed a certificate of workers' compensation insurance with the City of East Palo Alto (the "City"). California law requires all employers to carry workers' compensation insurance, even if they have only one employee. If you are the sole owner and you have no employees, or if your business is an out-of-state corporation with no employees working in California, you may not be required to carry workers' compensation insurance. It is your responsibility to comply with the law. If you do not know whether you are required to carry workers' compensation insurance, find out by contacting the California Department of Industrial Relations ("DRE"). Information is also available on the DRE's website at http://www.dir.ca.gov. If you are subject to the Workers' Compensation Laws of California, you must promptly file a certificate of Workers' Compensation Insurance with the City. Alternatively, if you have a certificate of self-insurance from the DRE, you must file that certificate with the City. When completing this form, remember that the term "employee" includes clerical persons as well as any other persons employed by your company including drivers.

I, **Michael Mashack**, owner of an establishment doing business as **Bay Area Urban Eagles, Inc.** with the full right, power, authority, and capacity to execute this acknowledgement and declaration on its behalf, hereby certify that, in addition to entering into the Release, Waiver, and Indemnity Agreement between myself and the City of East Palo Alto, and their representatives, dated December 4, 2024, ("Agreement"), as a condition of being permitted to participate in the "Event" defined therein, I further acknowledge and hereby declare as follows:

ACKNOWLEDGEMENT


_____ (Initial)

California Labor Code § 3700 requires employers to carry workers' compensation insurance or to obtain a certificate from the Director of Industrial Relations demonstrating that the employer is self-insured. California Labor Code § 3700.5 makes it a criminal offense for an employer to fail to secure compensation as required by the workers' compensation provisions of the Labor Code. Violation of Labor Code § 700 is punishable by a fine of up to $10,000 or imprisonment or both for up to one year.


_____ (Initial)

California Labor Code § 3710.1 provides that where an employer fails to provide compensation required under§ 3700, the Director of the Department of Industrial Relations shall issue a stop order, prohibiting the employer from using employee labor until such time as the employer complies with the provisions of § 3700. Labor Code § 3710.2 makes it a criminal offense to disregard such stop orders.


_____ (Initial)

I acknowledge that if evidence is found that contradicts this declaration, the City will promptly notify all relevant state agencies to ensure full insurance compliance required by Workers' Compensation Laws of California and that my operating permit will be suspended and/or revoked.

EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: January 21, 2025

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Amy Chen, Community & Economic Development Director
Donald Zhao, Interim Chief Building Official

SUBJECT: Informational Update on Code Enforcement Priorities

Recommendation

Receive an informational report from staff concerning Code Enforcement.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Promote Health & Public Safety

Background

On March 16, 2021, the City Manager's Office and Community and Economic Development Department ("CEDD," "Department") presented a staff report and overview of code enforcement activities, policy, and practices. The City Council unanimously agreed to keep the current practice for all priority tier complaints and disallowed the anonymous submittal of Priority Two (Medium) and Priority Three (Low) Tier complaints.

On April 20, 2021, the City Council adopted Resolution 57-2021 updating the priorities for code enforcement implementation including a revised "Priorities for Code Enforcement." The April 2021 staff report is attached for reference.

The purpose of this informational report is to provide another update to the City Council on the Code Enforcement program including highlighting accomplishments, providing staffing updates, and reshare the ways the public can submit questions or complaints to city staff.

Analysis

The City of East Palo Alto has a community- and complaint-based code enforcement program that seeks to achieve voluntarily compliance to resolve violations. Code enforcement cases often involve illegal conversions of garages, patios, storage sheds, and illegal/unpermitted construction of additions, as well as several hundred other cases involving other types of code violations. These cases are primarily generated by complaints made by EPA residents and neighbors.

Code Enforcement Priorities

Code enforcement complaints are investigated based on priority set forth below and as staff resources permit:

1. Priority One (High): Imminent/Immediate threat to health, safety, or environmental resources. Priority One violations are those actions which require immediate attention to address a significant threat or threats to public health and safety or to environmental resources. Examples include faulty housing conditions or significant environmental issues.

2. Priority Two (Medium): Potential threat to health, safety, or environmental resources. Priority Two violations are those actions that have the potential to cause damage to the public health and safety or to the environment. Unlike Priority One violations, Priority Two violations potential for damage does not pose an immediate threat to public health, welfare or safety.

3. Priority Three (Low): Technical code violations. Priority Three violations are those violations that do not pose an imminent or potential threat to the public health or safety or the environment, but which may, if not abated, compromise the welfare of the community and reduce the quality of life for residents and businesses. Violations might include illegally parked vehicles, debris accumulation on properties, sign code violations and various other zoning code violations.

As mentioned in the March and April 2021 City Council staff reports, the City has been challenged to respond to an increase in new code complaints during the pandemic and also from two anonymous residents. As a result, at that time City staff and Council agreed and approved the recommendation to disallow the anonymous submittal of complaints for Priority Two (Medium) and Priority Three (Low) Tier complaints. The attached resolution 57-2021 includes this current policy. Additionally, the number of open complaints submitted by any one complainant is limited to five at a time. Complainants may submit additional complaints as each prior case is resolved. If the complaint total exceeds five, the customer will be notified of the limitation. The complainant will be asked to prioritize the complaints if their requests exceed five at a time. This limit of five does not apply to Priority One (High) Tier complaints. Code Enforcement staff will review complaints and determine their priority order and pull-out Priority One (High) tier complaints forward so they can be addressed quickly because there may be a significant threat or threats to public health and safety or to environmental resources.

How to file a complaint

If a citizen has a complaint, a form should be submitted to the Code Enforcement Division via email (codeenforcement@cityofepa.org). The complaint form can also be mailed or dropped off to the Code Enforcement team located at 1960 Tate Street, East Palo Alto, CA 94303.

For a complaint to be processed by the Building Code Enforcement Division, a complaint form shall include at least two of the following: complainant name, phone number, and/or home address. A code enforcement complaint form will not be processed without any contact information since it is the Division's policy to require contact information (Resolution 57-2021). Additionally, a Code Enforcement Officer may need to request additional information or clarification from the complainant. These instructions and the priority tiers are also outlined on the Code Enforcement webpage: https://www.cityofepa.org/building/page/code-enforcement

Code Enforcement Staffing and Current Cases

Similar to when the April 2021 report was presented, the Code Enforcement team is currently going through transition with two vacant positions: the Chief Building Official (CBO) and a hybrid code enforcement/building inspector position. The City has a contract with West Coast Code Consultants (WC3) to provide staff augmentation to the Building Division that the Code Enforcement team sits within. WC3 staff are filling in for the two vacant positions but also completing high level inspections and oversight of construction for large projects such as the Colibri Commons affordable housing development at 965 Weeks. With WC3's staff augmentation contract term ending on June 30, 2025, in the next few months City staff plan to prepare a new Request for Proposals process to elect a new list of consultant(s) that could provide these Building Division staff augmentation services which may include code enforcement. WC3 will be eligible to apply to the upcoming procurement and if selected again staff would amend and extend their contract.

City staff believe it is important to have this on-call staff augmentation contract to support large complex projects that are beyond current staff capacities and capabilities but also to help fill vacancies that have historically been difficult to fill. The CBO position has been vacant since October 2023 due to the previous staff resigning. Currently there are two other cities hiring for a CBO in San Mateo County (Burlingame, Menlo Park) and two other cities along the peninsula (Union City, Mountain View) are hiring for a Senior/Building Inspector or alike position. With that nearby competition and likelihood that those cities pay much more then EPA, staff are working with a Human Resources consultant to conduct a classification and specifications update on the hybrid position. Also, staff are preparing a potential incentive recruitment package for the CBO position, and staff plan to return to City Council to consider this package in the next two months.

Currently there are only two code enforcement officers in charge of splitting the full case load of complaints. As of January 10, 2025, since the beginning of this fiscal year, there are the following code cases:

Priority Tier	Open	Resolved	Total FY 2024-25 To Date
Priority 1	27	6	33
Priority 2	6	1	7
Priority 3	7	11	18
Total	**40**	**18**	**58**

The sheer volume of cases, combined with staffing limitations, has made investigating and addressing code enforcement cases challenging. To better address code enforcement challenges or transition from using the three-tier priority system for managing code enforcement cases outlined in Resolution 57-2021, the code enforcement team would need to be fully staffed and potentially expanded.

Fiscal Impact

There is no fiscal impact to the City associated with this report.

Public Notice

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

Environmental

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

Government Code § 84308

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

Analysis of Levine Act Compliance: Not applicable.

Attachments

1. April 20, 2021 Staff Report Packet with Signed Resolution 57-2021

EAST PALO ALTO CITY COUNCIL
STAFF REPORT

DATE: April 20, 2021

TO: Honorable Mayor and Members of the City Council

VIA: Jaime M. Fontes, City Manager

BY: Patrick Heisinger, Assistant City Manager
Amy Chen, Community & Economic Development Director
Donald Zhao, Interim Chief Building Official

SUBJECT: Follow up to Code Enforcement - Resolution to include no anonymous complaints

Recommendation

Adopt a Resolution:

1. Rescinding Resolution No. 4610; and
2. Adopting the attached revised "Priorities for Code Enforcement."

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority No. 3: Increase Organizational Effectiveness and Efficiency
Priority No. 6: Create a Healthy and Safe Community

Background

On March 16, 2021, the City Manager's Office and Community and Economic Development Department ("CEDD," "Department") presented a staff report and overview of code enforcement activities, policy, and practices.

The City Council accepted staff's report, and the Council unanimously agreed to keep the current practice for all priority tier complaints. Council also discussed and did not support the idea of establishing a Surveillance Camera Program at this time. Council did directed staff to return for consideration a resolution that would include the following update:

- Disallow the anonymous submittal of Priority Two (Medium) and Priority Three (Low) Tier complaints.

The City Council also had a discussion regarding the following City staff recommendation: Establish a cap on submittal of Priority Two (Medium) and Priority Three (Low) Tier complaints to five (5) on a rolling basis. Vice Mayor Abrica was absent for this Council meeting, and so the Council agreed to bring this item back for consideration later when the full Council was present to participate.

The March 16, 2021 staff report is attached for more background and reference.

Analysis

Recommendation 1: Anonymous Complaints

As described in more detail in the March 16, 2021 staff report, the City has been challenged to respond to an unanticipated influx of new code complaints emanating from two anonymous email addresses. Without an understanding of who is making the complaint, City staff found it difficult to follow up on the complaint when there is not cooperation from the complainant. Thus, City staff recommended, at the Council majority agreed, to disallow the anonymous submittal of complaints for Priority Two (Medium) and Priority Three (Low) Tier complaints. The attached resolution includes this recommended change to the policy.

Recommendation 2: Management of Multiple Complaints

Other jurisdictions like the City of San José limit the number of open complaints submitted by any one complainant to five at a time. Complainants may submit additional complaints as each prior case is closed. Similar to the City of San José's "Fair Service Policy," City staff recommends adoption of a numerical cap on Priority Two (Medium) and Priority Three (Low) Tier complaints. City staff recommends the maximum number of complaints submitted by any one household and open at the same time is five. Complaining parties are welcome and encouraged to submit service requests online through our ticket system (click "Submit a Request" on the City homepage). If the complaint total exceeds five, the customer will be notified of the limitation. If customers does not have access to the online ticket system, they can contact the Code Enforcement team to help them submit a ticket. Customers may submit additional complaints as each prior cases is closed. The customer will be asked to prioritize the complaints if their requests exceed five at a time. This limit of five does not apply to Priority One (High) Tier complaints. Code Enforcement staff will review complaints and determine their priority order and pull out Priority One (High) tier complaints forward so they can be addressed items because there may be a significant threat or threats to public health and safety or to environmental resources.

Further Follow Up on Code Enforcement Staffing

It is worth noting that the Code Enforcement team is going through some transition with the recruitment of the Chief Building Official position at this time. Mayor Romero had mentioned during the March 16, 2021 Council meeting that staff may want to explore potentially shifting a code officer to building inspections due to the recent surge of development applications. The CEDD Director will work with the soon to be hired Chief Building Official to address this potential suggestion and to balance the workload among the current make up of the Building Division.

Fiscal Impact

There is no fiscal impact to the City associated with this report.

Public Notice

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

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.

Attachments

1. Resolution
2. Resolution No. 4610
3. March 16, 2021 Staff Report

RESOLUTION NO. 57 – 2021

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

UPDATING THE PRIORITIES FOR CODE ENFORCEMENT IMPLEMENTATION

WHEREAS, the City of East Palo Alto Building Division ("Building Division") of the Community and Economic Development Department ("CEDD") is responsible for implementing and enforcing laws, codes and regulations that maintain public health and safety; and

WHEREAS, the Building Division, through its code enforcement officers, enforces the East Palo Alto Municipal Code, Zoning Code, and the State Health and Safety Codes including, but not limited to, the California Building Code (Title 24), and Substandard Buildings and Unpermitted Occupancies (Title 25); and

WHEREAS, the City Council's Adopted Priority Areas include: Priority #3 to "Increase Organizational Effectiveness and Efficiency" and Priority #6 to "Create a Healthy and Safe Community;" and

WHEREAS, the City Council allocates funding and staffing to implement a code enforcement program to assure compliance with City and State building, and zoning regulations, provide for a healthy and safe community, and to reduce blight throughout the City; and

WHEREAS, on April 21, 2015, the City Council adopted Resolution No. 4610 establishing "Priorities for Code Enforcement" to guide the allocation of staff and other resources to most efficiently carry out code enforcement activities in the City; and

WHEREAS, at the March 16, 2021 City Council meeting, the City Council considered programmatic updates to the City's existing Code Enforcement program and Resolution No. 4610; and

WHEREAS, after deliberation, the City Council directed City staff to return with a revised "Priorities for Code Enforcement" that imposes a limit on anonymous code enforcement complaints for Priority Two (Medium) and Priority Three (Low) Tier complaints; and

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

1. Rescinds Resolution No. 4610; and

2. Adopts the attached revised "Priorities for Code Enforcement," as set forth in Exhibit A, attached hereto and incorporated herein by this reference, to guide the allocation of staff and other resources to most efficiently carry out code enforcement activities in the City.

PASSED AND ADOPTED this 20th day of April 2021, by the following vote:

AYES: Abrica, Gauthier, López, and Romero

NOES: Wallace-Jones

ABSENT:

ABSTAIN:

Carlos Romero, Mayor

ATTEST:

Walfred Solorzano, City Clerk

APPROVED AS TO FORM:

Rafael E. Alvarado Jr., City Attorney

Exhibit A

PRIORITIES FOR CODE ENFORCEMENT

Priority One: Imminent/Immediate threat to health, safety, or environmental resources.
Priority One violations are those actions which require immediate attention to address a significant threat or threats to public health and safety or to environmental resources. Examples of such violations include but are not limited to:

- Housing conditions where faulty structural, electrical systems, gas fuel systems, and/or lack of sanitary facilities and other violations of the California Health and Safety Code and/or Title 8 of the East Palo Alto Municipal Code, or violations of conditions of approval, such as noise or traffic mitigations, specifically designed to protect the public exist and pose an immediate threat to public health, welfare or safety.
- Significant environmental issues including, but not limited to, dumping of hazardous materials, alteration of Baylands and/or San Francisquito Creek, removal of significant vegetation, and grading in environmentally sensitive areas.

Response Time: Staff will respond within 1 business day after a complaint is received.

Priority Two: Potential threat to health, safety, or environmental resources.
Priority Two violations are those actions that have the potential to cause damage to the public health and safety or to the environment:

- Violations in this category are essentially the same as Priority One, except that the potential for damage does not pose an immediate threat to public health, welfare or safety.
- Generally this means that property owners may implement immediate repairs and/or mitigation measures that reduce the immediate threat.
- Failure to fully address the potential threats will often result in the enforcement action escalating to a Priority One case.

The City shall not accept anonymous complaints for Priority Two matters. Furthermore, the City shall not accept any more than five complaints at a time from one individual complainant for Priority Two matters.

Response Time: Staff will attempt to respond to Priority Two issues initially within 3-5 business days after a complaint is received.

Priority Three: Technical code violations.
Priority Three violations are those violations that do not pose an imminent or potential threat to the public health or safety or the environment, but which may, if not abated, compromise the welfare of the community and reduce the quality of life for residents and businesses:

- Violations in this category include activities which are violations of various municipal and zoning codes, but pose no near-term threat to the public health and safety or the environment.
- Violations might include illegally parked vehicles, debris accumulation on properties, sign code violations and various other zoning code violations.
- If Priority Three violations are noted in conjunction with Priority One or Two cases, compliance efforts will include Priority Three issues as well.

The City shall not accept anonymous complaints for Priority Three matters. Furthermore, the City shall not accept any more than five complaints at a time from one individual complainant for Priority Three matters.

Response Time: Staff will address Priority Three issues as time allows and circumstances demand when complaints are received. Staff may, however, in coordination with other partners and the community, choose to emphasize enforcement on a certain issue (e.g., neighborhood parking, setback violation).

Implementation and Methods of Enforcement

Establishment of these Priorities for Code Enforcement shall not be construed as a waiver or limitation on the City's ability to pursue any and all violations of building, fire, and zoning codes to the full extent allowed by law.

City code enforcement officers may use a variety of methods to gain compliance from property owners, tenants, business owners and others with the East Palo Alto Municipal Code and state law. Potential code enforcement actions include, but are not limited to, working cooperatively with applicants/owner to obtain voluntary compliance, requiring appropriate permits be obtained, withholding, suspending to revoking City issued permits, levying fines and fees, recordation of notices of violation, issuing criminal complaints, taking abatement actions to remove or correct violations, initiating civil lawsuits (e.g., injunctions, placing a property into receivership), and other remedies as permitted by law.

RESOLUTION NO. 4610

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO ESTABLISHING PRIORITIES FOR CODE ENFORCEMENT IMPLEMENTATION

WHEREAS, the City of East Palo Alto Building Division of the Community and Economic Development Department (C&EDD) is responsible for implementing and enforcing the California Building Codes (Title 24 of State law); and

WHEREAS, the City of East Palo Building Division of the C&EDD, in coordination with the Menlo Park Fire District, is responsible for implementing and enforcing the Fire Code (Part 9 of Title 24); and

WHEREAS, the City of East Palo Alto Building Division and Planning and Housing Division of C&EDD are responsible for implementing and enforcing the City's Zoning Code; and

WHEREAS, the City of East Palo Alto Building Division is further responsible for implementing and enforcing other select provisions of State law, including but not limited to the Health and Safety Code (Title 25) regarding Substandard Buildings and Unpermitted Occupancies, and the Public Safety Code (Title 19); and

WHEREAS, the City Council's Adopted Priority Areas include: #3 to "Increase Organizational Effectiveness and Efficiency" and #6 to "Create a Healthy and Safe Community;" and

WHEREAS, the City Council allocates funding and staffing to implement a code enforcement program to assure compliance with City and State building, fire, and zoning regulations, provide for a healthy and safe community, and to reduce blight throughout the City.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of East Palo Alto does hereby adopt the attached Priorities for Code Enforcement as set forth in Exhibit A, attached hereto and incorporated herein by this reference, to guide the allocation of staff and other resources to most efficiently carry out code enforcement activities in the City.

Attachment: Resolution No. 4610 (1678 : Follow up to Code Enforcement)

PASSED AND ADOPTED this 21st day of April 2015, by the following vote:

AYES: **RUTHERFORD, ABRICA, GAUTHIER, MOODY**
NAES:
ABSENT:
ABSTAIN:

SIGNED:

Lisa Gauthier, Mayor

ATTEST:

Terrie Gillen, Interim Deputy City Clerk

APPROVED AS TO FORM:

John A. Nagel, City Attorney

Attachment: Resolution No. 4610 (1678 : Follow up to Code Enforcement)

Exhibit A

PRIORITIES FOR CODE ENFORCEMENT

Priority One: Imminent/Immediate threat to health, safety, or environmental resources.
Priority One violations are those actions which require immediate attention to address a significant threat or threats to public health and safety or to environmental resources. Examples of such violations include but are not limited to:

- Housing conditions where faulty structural, electrical systems, gas fuel systems, and/or lack of sanitary facilities and other violations of the California Health and Safety Code and/or Title 8 of the East Palo Alto Municipal Cod, or violations of conditions of approval, such as noise or traffic mitigations, specifically designed to protect the public exist and pose an immediate threat to public health, welfare or safety.
- Significant environmental issues including, but not limited to, dumping of hazardous materials, alteration of Baylands and/or San Francisquito Creek, removal of significant vegetation, and grading in environmentally sensitive areas.

Response Time: Staff will respond within 1 business day after a complaint is received.

Priority Two: Potential threat to health, safety, or environmental resources.
Priority Two violations are those actions that have the potential to cause damage to the public health and safety or to the environment:

- Violations in this category are essentially the same as Priority One, except that the potential for damage does not pose an immediate threat to public health, welfare or saftey.
- Generally this means that property owners may implement immediate repairs and/or mitigation measures that reduce the immediate threat.
- Failure to fully address the potential threats will often result in the enforcement action escalating to a Priority One case.

Response Time: Staff will attempt to respond to Priority Two issues initially within 3-5 business days after a complaint is received.

Priority Three: Technical code violations.
Priority Three violations are those violations that do not pose an imminent or potential threat to the public health or safety or the environment, but which may, if not abated, compromise the welfare of the community and reduce the quality of life for residents and businesses:

Attachment: Resolution No. 4610 (1678 : Follow up to Code Enforcement)

- Violations in this category include activities which are violations of various municipal and zoning codes, but pose no near-term threat to the public health and safety or the environment.
- Violations might include illegally parked vehicles, debris accumulation on properties, sign code violations and various other zoning code violations.
- If Priority Three violations are noted in conjunction with Priority One or Two cases, compliance efforts will include Priority Three issues as well.

Response Time: Staff will address Priority Three issues as time allows and circumstances demand when complaints are received. Staff may, however, in coordination with other partners and the community, choose to emphasize enforcement on a certain issue (e.g., neighborhood parking, setback violation).

Implementation and Methods of Enforcement

Establishment of these Priorities for Code Enforcement shall not be construed as a waiver or limitation on the City's ability to pursue any and all violations of building, fire, and zoning codes to the full extent allowed by law.

City code enforcement officers may use a variety of methods to gain compliance from property owners, tenants, business owners and others with the East Palo Alto Municipal Code and state law. Potential code enforcement actions include, but are not limited to, working cooperatively with applicants/owner to obtain voluntary compliance, requiring appropriate permits be obtained, withholding, suspending ro revoking City issued permits, levying fines and fees, recordation of notices of violation, issuing criminal complaints, taking abatement actions to remove or correct violations, initiating civil lawsuits (e.g., injunctions, placing a property into receivership), and other remedies as permitted by law.

Attachment: Resolution No. 4610 (1678 : Follow up to Code Enforcement)

EAST PALO ALTO CITY COUNCIL
STAFF REPORT

DATE: March 16, 2021

TO: Honorable Mayor and Members of the City Council

VIA: Jaime M. Fontes, City Manager

BY: Patrick Heisinger, Assistant City Manager

SUBJECT: Review of Code Enforcement Activities, Policy, and Practice

Recommendation

Receive the report and provide direction on the following options:

- Option A: Maintain the City's existing Code Enforcement program and implement modifications as further described in the staff report; or
- Option B: Direct City staff to explore transitioning from the existing complaint-based enforcement program to a more proactive enforcement program.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority No. 3: Increase Organizational Effectiveness and Efficiency
Priority No. 6: Create a Healthy and Safe Community

Introduction

This staff report provides an update on the City's Code Enforcement program and recommendations for potential modifications of the program in four (4) key areas, as follows:

- Code enforcement staffing levels;
- Pro-active Enforcement vs. Current Practice for All Priority Tiers
- Anonymous Complaints
- Management of Multiple Complaints

Background

The City's Community and Economic Development Department ("CEDD," "Department")

Attachment: March 16, 2021 Staff Report (1678 : Follow up to Code Enforcement)

provides a wide array of services to the community and is comprised of the Planning, Housing, Building, and Economic Development divisions.

The Building Division ensures that existing and new/proposed development complies with the California Building Standards Code, Title 24, and other regulations mandated by the State of California and City of East Palo Alto. The Building Division provides customer assistance to residents, property owners, contractors, developers, design professionals, and businesses via the City's Permit Center. Services include plan review, permit issuance and assistance, building inspections, and enforcement of state and local regulatory laws.

Under general oversight of the CEDD Director, the Building Division is managed by the Chief Building Official and is staffed by three (3) Code Enforcement Officers, two (2) Permit Technicians, and one (1) Building Inspector. With regards to code enforcement, the goal of the Building Division is to enforce minimum life safety laws for the built environment, thereby enhancing the quality of life for residents and businesses.

Established Process for Responding to Code Enforcement Complaints

On April 21, 2015, the City Council adopted Resolution 4610 (Attachment 1) that established a tiering system to guide the City's receipt, prioritization, and processing code enforcement complaints. This tiering system, which allows the City to prioritize the allocation of limited dedicated resources, is described in Table 1 below:

TABLE 1

CODE ENFORCEMENT RESPONSE TIERS	
Priority Tier	**Description**
High	Violations that constitute an immediate or identifiable threat to health, safety, or the environment. High priority violations shall be attended to immediately or as quickly as possible. Some examples include: • Active construction without permits • Severely damaged/falling structures • Surfacing sewage • Fire hazards
Medium	Violations that do not constitute an immediate or identifiable threat to health, safety, or the environment, but have the potential to do so if left uncorrected. These violations may require the Code Enforcement Officer to send the property owner a Request for Inspection. Examples include, but are not limited to: • Unpermitted garage conversions • Excessive dry vegetation • Inadequate or inoperable mechanical, electrical, or plumbing • Buildings or structures, including walls and fences, which are broken, deteriorated or substantially defaced
Low	All other violations shall be considered Low Priority. Examples include, but are not limited to: • Accumulation of debris, junk, garbage, or refuse • Storage of personal property in front or exterior side yard areas visible to public view, such as: ○ Inoperable or dismantled motor vehicles;

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	○ Vehicle parts; ○ Building materials not currently being used for construction or improvements on the site; ○ Broken or discarded furniture/appliances; and ○ Motor vehicles shall not be parked or stored on a front or side yard unless a permanent, permitted driveway/parking space has been built.

Consistent with established City policy, Code Enforcement is conducted on a complaint-received basis, rather than a proactive practice of conducting area inspections or "sweeps" for the purposes of identifying potential violators. This established practice is consistent with the City's goals, for the following reasons:

1. Limited City staff time may be dedicated to resolving serious health and safety violations.
2. Residents are encouraged to resolve any potential violations on their properties, rather than being criminalized for potential code violations that do not have an impact on health and safety.
3. Actions that could result in potential displacement of residents are considered very seriously, with an attention to finding non-punitive alternatives to traditional enforcement and helping to mitigate any displacement of affected households.

In 2016, in response to concerns about potential displacement resulting from code enforcement activities, particularly related to unpermitted Accessory Dwelling Units (ADUs) or garage conversions, the City Council took several actions to limit negative impacts, including:

- Updating the Municipal Code to authorize the Chief Building Official to give additional time (30 days, rather than 10) to remedy code violations; and
- Established the Second Unit Task Force so that members of the community, City staff, and other stakeholders could work together to identify solutions to help residents resolve code violations in accordance with City policy. Please see Attachment 2 to review the final report of the Second Unit Task Force that was presented to the City Council in 2019.

In previous City Council discussions, staff have been directed to proceed according to the overarching principles of empathy and support for families, rather than opting to pursue a restrictive interpretation of moderate or low-level Code violations.

Current Code Complaint Process

Code complaints may be submitted to the City through a number of methods, including email, post, or in person at any City facility. Those submitting a complaint are asked to complete a Complaint Form and provide a valid phone number and/or email address. The City currently receives and accepts anonymous complaints, and complainants may submit multiple complaints per Complaint Form.

Typical Level of Code Enforcement Activity

Table 2 below shows the number of complaints received by the Code Enforcement Division, organized by priority tier and reflecting the total number of resolved cases for the past few years, from 2017-2020.

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TABLE 2

CODE ENFORCEMENT DIVISION ACTIVITY 2017-2020					
YEAR	**2017**	**2018**	**2019**	**2020**	**TOTAL**
High	29	10	7	14	60
Medium	78	56	71	70	275
Low	74	111	46	163	394
Totals	**181**	**177**	**124**	**247**	**729**

For the three-year period from 2017-2019, the City received an average of 161 code complaints annually.

This staff report is intended to provide City Council with context to engage in discussion of current challenges experienced by the Code Enforcement Division. Staff seeks City Council feedback and further engagement regarding potential future response protocols and possible amendments to current code complaint and Code Enforcement processes.

Analysis

Recently, the City has been challenged to respond to an unanticipated influx of new code complaints emanating from two anonymous email addresses, each voicing similar concerns. Staff has taken measures to review and respond, according to adopted policy, to each complaint while balancing these complaints with other community feedback and higher priority violations.

Influx of Recent Code Complaints

Table 3 below shows the number of complaints, by Priority Tier received since October 2020:

TABLE 3

CODE COMPLAINTS RECEIVED OCT 1, 2020 TO MAR 4, 2021		
Priority Tiers	**# of Complaints**	**Resolved[1]**
High	6	0
Medium	27	3
Low	105	40
Total	**138**	**43**

As indicated in Table 3 above, over the past five (5) months, the City has received the same number of code complaints that would have been received during an average entire year.

The code enforcement-related topics of the recently submitted complaints include the following:

- Blight remediation
- Trailer, tent, or vehicle on property
- Installation of cameras

[1] Resolved code enforcement cases are cases where alleged violations were determined unfounded, or the alleged violation were abated through verified corrective actions. Of the four-year total number of complaints (729), 636 have been resolved in this time period. In 2021, 37 new cases were opened with 8 resolved to date.

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- Need to conduct pro-active code enforcement
- Suggestion that the City should enforce current fines or increase fines for code violations

As these topics fit within the scope of Code Enforcement, these complaints have been processed in accordance with the City's Priority Tier system. However, the complainants have also included numerous other requests and messages regarding their beliefs about the City of East Palo Alto and how the City should conduct Code Enforcement that are detailed in the section regarding "Staff Concerns" below.

Staff Response to Recent Code Complaints

When first faced with the recent wave of complaints, City staff attempted to develop a strategy for addressing the concerns in a manner that meets with City policy. In an effort to address the immediate backlog of these new complaints, Code Enforcement staff initially began to investigate each complaint by visiting the subject households. However, because most did not rise to the Hight Priority Tier of health and safety violations, staff corrected course to pursue alternative solutions.

Since many of the new complaints would qualify for the Low Priority Tier, staff recommended an educational approach - to better inform the community about City's codes and compliance – as an appropriate first step. Staff made several updates to the City's website and began preparations for a series of community meetings, during which staff could share information and resources to help bring Low Priority Tier code cases into compliance. Staff began to develop comprehensive marketing materials regarding the most common Low Priority Tier incidents and share them specifically in the neighborhoods identified by the complainants.

It is important to understand that the City's adopted approach for responding to Low and Medium Priority Tier cases is in conflict with the complainants' desired outcome. As such, City staff requested to meet with the complainant on numerous occasions to discuss the situation, provide context on the history of Code Enforcement in East Palo Alto, and begin to identify acceptable alternatives to the proactive code enforcement method that the complainant demands. To date, the complainant has declined to meet with City staff and will only engage via email.

Dissatisfied with staff's responses, the anonymous complainant has decided to submit voluminous Public Records Act requests as a vehicle to compel staff to respond to the code enforcement complaints. Specific requests made through the Public Records Act (PRA) process include the following:

- 30 Day Reports for more than 50 properties
- Information about Code Enforcement staffing
- All City emails about cameras
- City Manager's emails, calendar, and texts for multiple consecutive days
- Assistant City Manager's emails and texts for multiple consecutive days
- All City records since 1995 that concern the issue of overcrowding
- All notices of violation issued by the City during a six-month period

To date (March 9, 2021), staff have received 81 requests for information identified as PRA requests by the complainant related to their code complaints.

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Staff Concerns Regarding Recent Code Complaints

Staff has three primary concerns associated with the complaints and communications received from the two recent email complainants: 1) the inability of staff to satisfy the complainants' requests; 2) the impact to the City organization; and 3) the potential impact to the community.

Inability to Satisfy Complainant Code Enforcement Requests

As described above, current adopted City policy and procedure for Code Enforcement identifies whether a complaint is in the High, Medium, or Low Priority Tier, primarily based on the degree to which the related concern is a threat to health and safety of residents. Due to the City's decision to prioritize resources and engage with our community in a less punitive manner, staff actively pursue remediation related to High Priority Tier issues only.

The recent prolific complainant has stated that they believe the City should actively enforce all complaints and should embark on a new practice of pro-actively scanning neighborhoods for potential Code violations. As this opinion contradicts the City's chosen direction, and the complainant has been fairly intractable in this belief, staff is concerned that it is impossible to satisfy the complainant. As such, the complainant may likely continue to voice frustration and escalate their related communications, including email messages, additional Code complaints, and PRA requests.

City Staff and Organizational Impacts

Reviewing and responding to each code complaint and related PRA request requires significant City staff time and resources. Response to the above complaints and voluminous related PRA requests has resulted in the dedication of approximately 202.75 hours and $80,728.75 in staff time to date. Staff estimates that, at the current pace, the total cost for responding to the two email complainants will surpass $100,000 by March 30, 2021.

Due to the fact that several City staff are involved with these responses, staff time has also had to be reassigned away from other key City initiatives, which in turn have been delayed or placed on hold.

Of concern is also the nature of many comments made by the complainants, particularly the repeated assertions that the PRA request process is being utilized to coerce City staff to engage in aggressive Code Enforcement, that the complainant is aware that these requests "use up valuable city resources," and that the complainant will escalate these activities if staff does not comply. On March 3, 2021, one complainant alerted staff, as follows:

> "*By way of an update, we want to share with you that we plan to post instructions on FaceBook letting people know how they can request public records from your office and how they can submit complaints. Our hope is that this will help you identify problem properties and also help you set timelines for enforcement."*

Please see Attachment 3 for the full email text.

Community Impacts

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Code Enforcement is an essential City tool for ensuring that neighborhoods are safe and livable, and that residents feel supported, not overburdened or denigrated, by their government. To that end, it is common for many cities to focus on mitigating serious threats to health and safety, while addressing low-level potential Code violations with programs that outreach to, educate, and uplift resident engagement.

The recent influx of Low Priority Tier complaints and insistence that the City intervene has negatively impacted several households that are the subject of such complaints and the neighborhoods in which they reside. Staff heard recently from a community leader and advocate, who described an elevated level of distress voiced by residents regarding the recent wave of Code Enforcement complaints, which have left them feeling targeted, worried about being criminalized, and afraid of consequences such as eviction.

When staff attempted to explain this situation to the primary complainant, via email exchange, the complainant has responded with a number of concerning statements, via email, belying a series of unsettling characterizations of East Palo Alto community members.

In an email dated March 2, 2021, one complainant:

- Equates EPA residents who feel targeted and harassed by recent code enforcement activities with individuals who are guilty of violent crime and theft.
- Describes the impact of "working class residents" in terms of "…people using their homes as landfills, to illegal additions (resulting in underpayment of property taxes, underfunded schools and occasional house fires), to homes utilizing 7 or 8 parking spots, to commercial vehicles parked everywhere, and more generally to people reducing the quality of life for other residents."

This email is provided in Attachment 4 as an example; staff have received many such messages with similar sentiments from the same complainant.

Considerations for Future Code Enforcement

In response to the current challenges, staff have identified topics for City Council discussion and feedback, including:

- Exploration of needed level of code enforcement staff;
- Confirmation to continue complaint-based enforcement vs. active enforcement;
- Imposition of limits on anonymous complaints; and
- Establishing a numerical cap on the number of complaints per complainant or a limit per property, for lower level complaints.

Code Enforcement in Local and Neighboring Jurisdictions

When faced with the need to manage large numbers of code enforcement complaints, other jurisdictions have developed policies intended to ensure the equitable and appropriate distribution of staff resources in alignment with the jurisdiction's priorities.

For context, staff surveyed all local jurisdictions in San Mateo County about their code enforcement operations and received responses from those listed in Table 4, below.

TABLE 4

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LOCAL JURISDICTIONS CODE ENFORCEMENT					
City	Pop. Size	Square Miles	Budgeted # Code Officers	Proactive Code Enforcement?	Allow Anonymous Complaints?
Brisbane	4,000	3.00	1	No	No
Burlingame	30,889	4.40	1	No	Yes
Colma	1,500	2.00	0.1	No	Yes
East Palo Alto	29,100	2.50	3	No	Yes
Foster City	33,500	19.80	1	Yes	Yes
Millbrae	23,143	3.20	1	Yes	Yes
Pacifica	38,984	13.00	1	No	No
Portola Valley	4,500	9.00	0.2	No	Yes
Redwood City	85,925	19.34	1	No	No
San Bruno	46,000	5.49	2	No	Yes
San Carlos	30,000	5.00	1	Yes	Yes
San Mateo County	63,500	448.00	5	No	Yes

Potential Modifications to Code Enforcement Practices

Based on the issues described in this staff report, and the scan of other local jurisdictions, staff seeks City Council feedback regarding specific potential modifications to the current Code Enforcement program.

Code Enforcement Staffing Levels

Currently, the City's Code Enforcement officers are fully engaged responding to High Priority Tier complaints. If the City were to modify current practice and increase expectations for response to Low Priority Tier complaints, additional staffing for the Code Enforcement Division may need to be considered.

Staff Recommendation: Due to the City's projected $2M budget deficit, staff does not recommend increasing the number of budget Code Enforcement Officers at this time.

Pro-active Enforcement vs. Current Practice for All Priority Tiers

The City's current practice of responding to potential Code Enforcement violations on a per complaint basis and according to a Priority Tier system is codified in Resolution 4610. Staff seeks City Council feedback regarding whether to confirm the current practice or reconsider a practice of pro-active code enforcement.

Staff Recommendation: Maintain the City's current policy and practice.

Anonymous Complaints

An effective system of Code Enforcement relies on accountability of residents, the City, and other parties to the local built environment. With that in mind, many jurisdictions do not accept anonymous complaints, or limit complainant anonymity to only urgent health and safety complaints.

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Staff Recommendation: Disallow the anonymous submittal of Medium and Low Priority Tier complaints.

Management of Multiple Complaints

As described in this staff report, the recent volume of unique and repeated complaint submittals from two anonymous email addresses has created a significant challenge for staff and impacted their ability to accomplish the range of assigned tasks. In order to avoid an overwhelming backlog, the City may limit the number of simultaneous complaints per complainant. As an example, the City of San José limits the number of open complaints submitted by any one complainant to five (5); complainants may submit additional complaints as each prior case is closed.

Staff Recommendation: Establish a cap on submittal of Medium and Low Priority Tier complaints to five (5) on a rolling basis.

If the City Council approves Option A Recommendation, staff will return with a proposed resolution codifying the modifications to the Code Enforcement program.

Fiscal Impact

There is no fiscal impact to the City associated with this report.

Public Notice

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

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.

Attachments

1. Resolution 4610 - Code Enforcement Priorities
2. EPA Second Unit Task Force Recommendations November 2019
3. Email from complainant, dated March 3, 2021
4. Email from complainant, dated March 2, 2021

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